

# **Conflict in Somalia: Drivers and Dynamics**

**January 2005**

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## Foreword

To help guide policy and program development in Somalia when the World Bank began reengaging after more than a decade, the Bank's Country Director decided to conduct a conflict analysis of the country. The purpose of the exercise was to increase the Bank's and partners' understanding of conflict sources and dynamics, and contribute to conflict sensitivity in programs and interventions. The study was conducted in cooperation with Somali and international partners.

The study is presented in four reports: one overall report written by the World Bank's task team, and one report for each main region, researched and written by the Center for Research and Dialogue in Mogadishu (South-central); Puntland Development Research Center in Garowe (Puntland); the Academy for Peace and Development (desk study); and the Center for Creative Solutions (fieldwork) in Hargeysa (Somaliland).

The study presented in this report was conducted as a World Bank Economic and Sector Work (ESW), analytical work conducted to contribute to policy and program development, and as such has undergone internal consultations and peer-reviews. Within the Bank, the report has benefited from support and advice from Makhtar Diop (Country Director for Somalia, Kenya and Eritrea), Karen Brooks (Sector Manager, AFTS2), Ian Bannon (Manager, CPR), and Peer Reviewers: Estanislao Gacitua-Mario (Senior Social Scientist, SDV), Alexandre Marc (Sector Manager, ECSSD) and Robert Ebel (Lead Economist, WBI). In addition, the work was supported by several colleagues in the Somalia Country Team, the Africa Region Environmentally and Socially Sustainable Development Department (AFTS2), the Social Development Department (SDV), the World Bank Institute (WBI), Low Income Countries Under Stress (LICUS) unit, and the Conflict Prevention and Reconstruction (CPR) unit. The study has benefited immensely from inputs and advice by Professor Kenneth Menkhau. Administrative assistance was provided by Fardousa Wadad-did and Shamis Salah. Invaluable support has been provided by Dirk Boberg, Assistant Resident Representative, UNDP Somalia. The World Bank's task team included Priya Gajraj, Shonali Sardesai, and Per Wam (task team leader).

In addition to resources from the World Bank (Africa Region, Social Development Department and the Learning Board), the study was made possible with funds provided by UNDP, the Department for International Development (DFID) and the Swedish government. An advisory group, comprising WSP-International (War-torn Societies Project), the World Bank, UNDP, DFID, the European Union (EU), U.N. Office for the Coordination of Humanitarian Affairs (OCHA), U.S. Agency for International Development (USAID), Life and Peace Institute, and the Swedish Embassy in Nairobi, has advised the conflict analysis exercise to ensure consistency with other efforts. The advisory group met periodically to discuss the ongoing CAF exercise and provided feedback on the reports.

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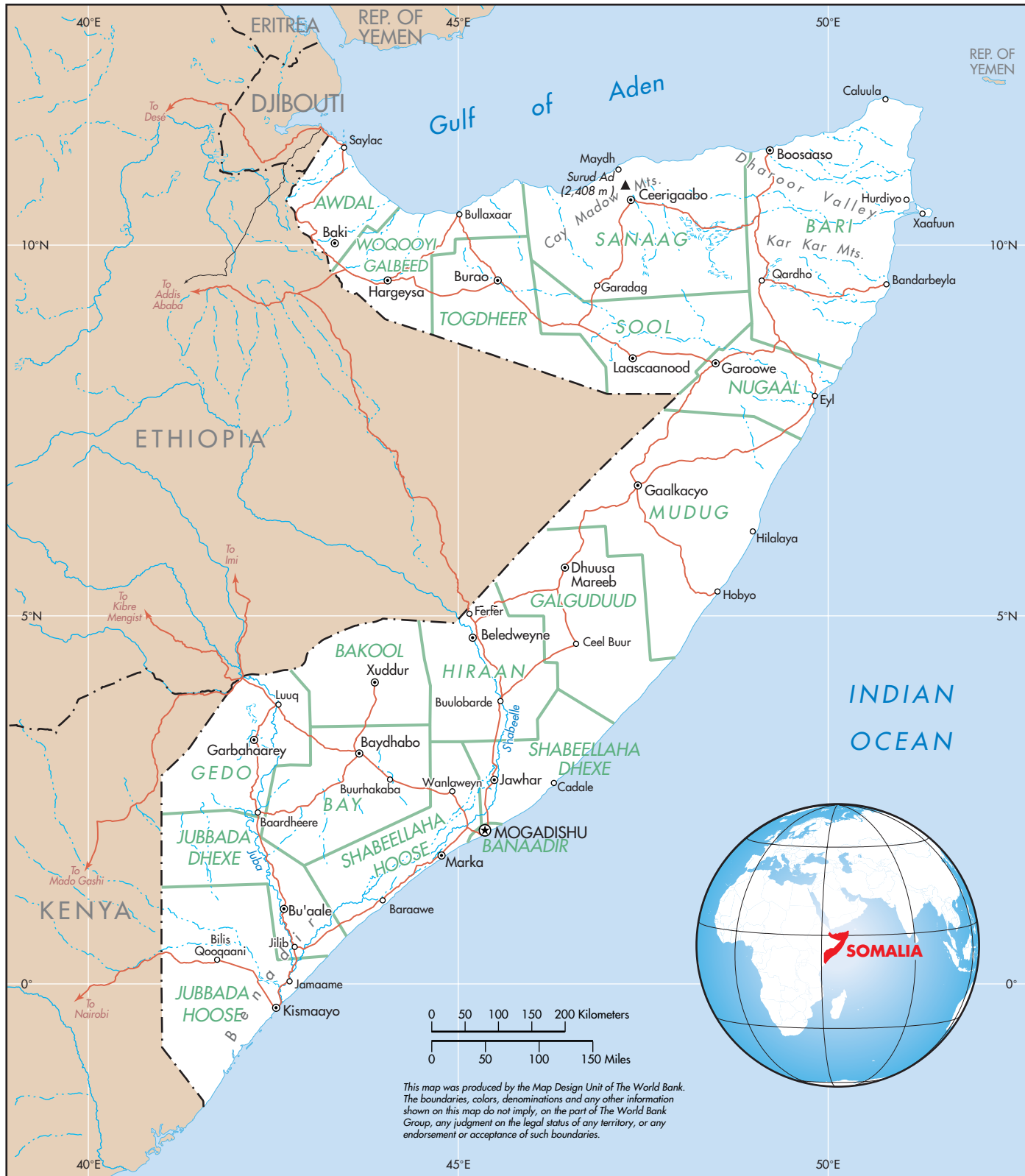
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## Acronyms

|                   |  |
|-------------------|--|
| AfU               | African Union  |
| CAF               | Conflict Analysis Framework                              |
| CCS               | Center for Creative Solutions, Hargeysa                  |
| CDD               | Community-Driven Development                             |
| CRD               | Center for Research and Dialogue, Muqdisho               |
| CRN               | Country Re-engagement Note                               |
| DFID              | Department for International Development                 |
| EU                | European Union   |
| IDPs              | Internally Displaced Persons                             |
| IGAD              | Inter-Governmental Authority on Development              |
| LAS               | League of Arab States                                    |
| LICUS             | Low Income Countries Under Stress                        |
| PDRC              | Puntland Development Research Center, Garowe             |
| SACB              | Somalia Aid Coordination Body                            |
| SNM               | Somali National Movement                                 |
| SSDF              | Somali Salvation Democratic Front                        |
| TFG               | Transitional Federal Government                          |
| TNG               | Transitional National Government                         |
| UN OCHA           | U.N. Office for the Coordination of Humanitarian Affairs |
| UNDP              | United Nations Development Programme                     |
| UNICEF            | United Nations Children's Fund                           |
| UNOSOM            | United Nations Operation in Somalia                      |
| USAID             | United States Agency for International Development       |
| WSP-International | War-torn Societies Project-International                 |

# SOMALIA

- SELECTED CITIES AND TOWNS
- ⊙ REGION CAPITALS
- ⊕ NATIONAL CAPITAL
- RIVERS
- MAIN ROADS
- RAILROADS
- REGION BOUNDARIES
- - - INTERNATIONAL BOUNDARIES



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## Introduction

### Objectives of the Analysis

After more than a decade without an active program in Somalia, the World Bank reengaged in 2003 in partnership with the United Nations Development Program (UNDP) and with the collaboration of other development partners engaged in the Somalia Aid Coordination Body (SACB) mechanism. A joint World Bank/UNDP Country Reengagement Note (CRN) under the Low Income Countries under Stress (LICUS) initiative devised a strategy for Somalia that would contribute to the provision of basic public goods, accelerate socioeconomic recovery, and create an enabling environment for long-term institutional and policy change. The initiative identified four strategic entry points for intervention: (a) support for macroeconomic data analysis and dialogue; (b) creation of an enabling environment for the livestock and meat industry; (c) coordinated action plan to address HIV/AIDS issues; and (d) capacity building for skills development and Centers of Training.

While reengagement activities over time would provide the Bank with vital knowledge about the country situation, given the mosaic of complex conflict relations apparent in Somalia, the country team decided to increase the knowledge base about the factors and dynamics at play through a systematic study of conflict in the country.<sup>1</sup>

The objective of the conflict analysis exercise is to increase the Bank's and its partners' understanding of conflict sources and dynamics in the three main regions of Somalia to help guide further policy/program development in the country.<sup>2</sup> It is expected that the increased understanding of conflict will inform the design of programs and interventions assisted by the Bank and its partners, thus enabling effective implementation as well as potential conflict prevention impacts.

### Analysis and Politics

The Somalia conflict analysis was conducted to guide reconstruction and development assistance to the country. It attempts to provide a picture of conflict-related factors and structures that are specifically relevant for effective and sensitive reconstruction and development assistance. Given this focus, the report does not provide advice on issues such as political arrangements or configurations, including the ongoing peace process. The study, therefore, represents but one part of the picture. It should be complemented by other studies

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<sup>1</sup> This study operates on the following definition of conflict: Conflict arises when two or more societal groups pursue incompatible objectives. It is a dynamic process that leads to both positive and negative changes. The manifestations of conflict vary according to the means employed: A conflict is predominantly violent when the use of violence outweighs the use of political or other means. Violent conflicts differ in intensity and scope and range from violence that affects small parts of the population to full war (more than 1,000 combat deaths in a year).

<sup>2</sup> Separate background studies for this report have been conducted in northwest, northeast, and south-central Somalia. The study focused on these three regions because they each have followed a distinct political trajectory since the collapse of the Republic of Somalia in 1991. The report uses the terms "regions" or "main regions," and the terms Somaliland (northwest), Puntland (northeast) and South-central Somalia because of common usage and for readability. The use of these terms is not an indication of any position on part of the World Bank. Please see discussion under Analysis and Politics on p. 6.

that examine issues that were ignored, purposefully or by omission, or not covered deeply enough at this point.

The study analyzes the key conflict factors at play in the three main regions of the country, but does not assess their manifestations in detail at the levels of sub-regions and localities. Such assessments were not possible for reasons of limited resources and access, and insecurity. Organizations working in a particular region or sub-region are encouraged to use the findings from the Somalia conflict analysis as a basis to conduct further assessments when possible.

The Somali Republic (1960–1991) constituted the former Italian colonies of South-central Somalia and Puntland and the former British Protectorate of Somaliland. After the collapse of the state in 1991, Somaliland unilaterally declared independence; however, it has not received recognition from the United Nations (U.N.). The World Bank follows the United Nations in adhering to the principle of territorial integrity of Somalia as sanctioned by member countries, and it therefore considers Somalia a single entity. First, the names Somaliland and Puntland (for northwest and northeast Somalia) are used in the report because of common usage, not as an indication of any position on part of the World Bank regarding this issue. Second, although Somaliland does not use the term regional administrations as it considers itself to have an independent government, this report uses this term for both Puntland and Somaliland for ease of reading.

## **Organization of the Study**

The Somalia conflict analysis integrates desk studies with fieldwork conducted in two main phases: (a) a broad preliminary study using existing information, guided by the Conflict Analysis Framework (CAF)<sup>3</sup>; and (b) fieldwork to provide a deeper understanding of the key factors, identified from the preliminary study, affecting conflict escalation or de-escalation.<sup>4</sup> Both phases were carried out in each of the three main regions of Somalia— South-central Somalia, Puntland, and Somaliland — in cooperation with local partners.

The analysis is presented in four volumes: one report written by the World Bank’s task team, and one report for each main region written by the local partners. In the World Bank’s report, the team has attempted to bring together select key findings from the regional studies to provide guidance to the Bank and partner organizations on how best to respond to social and economic needs in a way that weakens the risks of conflict escalation and strengthens the opportunities for de-escalation and peace-building. The regional studies were conducted and prepared by local partners, who included, the Center for Research and Dialogue in Mogadishu (South-central); Puntland Development Research Center in Garowe (Puntland); the Academy for Peace and Development (desk study); and the Center for Creative Solutions (fieldwork) in Hargeysa (Somaliland).<sup>5</sup>

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<sup>3</sup> The Conflict Analysis Framework (CAF) tool has been developed by the Conflict Prevention and Reconstruction unit in the World Bank to help teams systematically consider factors affecting conflict when contributing to strategies, policies, and programs.

<sup>4</sup> For a detailed discussion on the methodology, refer to Appendix 1.

<sup>5</sup> Center for Research and Dialogue (CRD), Puntland Development Research Center (PDRC), and the Academy for Peace and Development (APD) are affiliates of WSP-International (War-torn Societies Project).

## Section 1: Brief Demographic Overview

Despite the existence of minority groups, Somali society is relatively homogenous linguistically (Somali) and religiously (Islam). Lineage underpins Somali society, with divisions defined along clan and subclan lines. Traditionally, the main clan families of Darod, Dir, Issaq, Hawiye and Rahanweyn, along with minority clans, constituted Somali society. In the peace processes (both in Arta and Mbagathi), however, the four major clan-families of Darood, Hawiye, Digil-Rahanweyn, and Dir (within which the Issaq is included as the largest clan), along with minorities (Bantu, Barawans, and Bajuni), are considered to represent Somalia. Within each of these clans, there are many subclans and sub-subclans.<sup>6</sup>

There has been no census in Somalia since 1975, when the population was estimated at 3.3 million.<sup>7</sup> UNDP 2003 estimates the population of Somalia to be approximately 6.8 million<sup>8</sup> (of whom around 350,000 are considered internally displaced). This figure is much lower than that obtained from the sum of the figures reported in recent regional documents. The population of Somaliland is estimated at 3 million,<sup>9</sup> Puntland at 1.5 million,<sup>10</sup> and South-central Somalia at 5 million.<sup>11</sup> The population consists largely of pastoral or nomadic groups and agricultural communities, with a significant number engaged in trade, businesses, and fisheries (coastal areas). The rate of urbanization is increasing rapidly, with groups migrating to the more developed areas in search of employment.

Demographically, the civil war has altered the clan settlement patterns. Strong clans have occupied valuable urban and agricultural real estate by force.<sup>12</sup> The patterns of clan settlements have changed mainly in the urban and arable areas such as Lower Shabelle, Juba Valley, and Mogadishu. These areas have undergone substantial changes due to heavy infusions of non-resident clans supported by their militias.<sup>13</sup> In South Central Somalia, for example, valuable agricultural land, urban real estate and seaports, have been taken over by armed clans for economic gains. These stronger marauding clans have grabbed rich plantations and real estate owned by agricultural clans and indigenous groups, often leading to their displacement, or worse still, their enslavement. The displaced are forced to move out of traditional lands into new areas, thus changing demographic constitutions. In addition,

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<sup>6</sup> There is no agreement on the subclan structure, with Somalis themselves disputing clan affiliations, further complicated by fluid subclan identity affiliations. Appendix 2 attempts to present competing views on the subclan structure, but it is by no means exhaustive.

<sup>7</sup> The reliability of the 1975 census has been questioned. It was alleged that the size of some clans was overstated, while others, particularly the nomadic population, were undercounted.

<sup>8</sup> *Socio-Economic Survey 2002 Somalia, Report No. 1, Somalia Watching Brief*, United Nations Development Program/World Bank, 2003.

<sup>9</sup> *Somaliland in Figures*, Ministry of National Planning and Coordination, 2004.

<sup>10</sup> *Draft Report on Socio-Economic Assessment in Puntland*, United Nations Development Program/World Bank, Produced by PDRC, April 2004.

<sup>11</sup> Independent Somalia experts note that the populations of Somaliland and Puntland are much lower than accounted for by regional data-collection studies. They estimate the population of Somaliland to be closer to 1.5 million and Puntland to be less than 1 million.

<sup>12</sup> Urban land is sought as it brings wealth due to real estate development, business opportunities, etc., while rich agricultural land is desired due to its potential for cash crop cultivation.

<sup>13</sup> ICG Africa Report No. 59: "Negotiating a Blueprint for Peace in Somalia," March 6, 2003.



labor migrants, hurt by worsened pastoral livelihoods mainly due to the livestock ban, have fled their homes to seek economic opportunities in new areas. While the displaced and impoverished were initially resented by resident populations in the areas in which they sought refuge, over a period of time, they have settled into their new homes and contributed to the improvement of the economy. Many clan groups, particularly those that originally came from Puntland, voluntarily migrated to their traditional clan territories to escape conflict. From Puntland, a significant number of clan members transited through Yemen to settle in Australia, America and Scandinavia, but an equally large number became increasingly involved in local businesses and trade in Puntland.<sup>14</sup>

Thus, competition for control of power and resources has significantly changed clan boundaries in many parts of the country with new clans consolidating their position on occupied lands. It is likely that one of the difficult issues a new government will have to address is the impact of the changed structure of clan distribution on state and societal relations, which could potentially fuel several forms of conflict.

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<sup>14</sup> Roland Marchal, *The Private Sector: Its Role in Governance*, UNDP, Nairobi, August 2000.

## Section 2: Overview of Conflict in Somalia

Somalia's history of conflict reveals an intriguing paradox—namely, many of the factors that drive armed conflict have also played a role in managing, ending, or preventing war. For instance, clannism and clan cleavages are a source of conflict—used to divide Somalis, fuel endemic clashes over resources and power, used to mobilize militia, and make broad-based reconciliation very difficult to achieve. Most of Somalia's armed clashes since 1991 have been fought in the name of clan, often as a result of political leaders manipulating clannism for their own purposes. Yet traditional clan elders are a primary source of conflict mediation, clan-based customary law serves as the basis for negotiated settlements, and clan-based blood-payment groups serve as a deterrent to armed violence. Likewise, the central state is conventionally viewed as a potential source of rule of law and peaceful allocation of resources, but, at times in Somalia's past, it was a source of violence and predation. Economic interests, too, have had an ambiguous relationship with conflict in Somalia. In some places, war economies have emerged that perpetuate violence and lawlessness, while in other instances business interests have been a driving force for peace, stability, and rule of law. Understanding under what circumstances these and other variables serve as escalators or de-escalators of violence—or both—is the subtle challenge conflict analysis faces in the Somali context. A brief review of conflict trends in Somalia underscores the point.<sup>15</sup>

### Armed Conflicts and the Seeds of Future Crises, Pre-1991 Period

Significant armed conflict was absent during Somalia's first 17 years of independence (1960–77). The first 10 years of independence were marked by vibrant but corrupt and eventually dysfunctional multiparty democracy. When the military came to power in a coup in 1969, it was initially greeted with broad popular support because of public disenchantment with the clannishness and gridlock that had plagued politics under civilian rule. In the context of the cold war, the regime, led by Siyad Barre, recast the coup as a socialist revolution and with funds from international partners built up one of the largest standing armies in sub-Saharan Africa.

Between 1977 and 1991, the country endured three major armed conflicts. The first was the Ogaden War with Ethiopia in 1977–78, in which Somali forces intervened in support of Somali rebel fighters in a bid to liberate the Somali-inhabited region of the Ogaden. Somalia lost the war and suffered around 25,000 casualties.<sup>16</sup> Those losses sowed the seeds of future internal conflict, prompting the rise of several Somali liberation movements intent on overthrowing the military regime of Siyad Barre, whom they held accountable for the debacle. The first of these movements was the Somali Salvation Democratic Front (SSDF), established in 1978 by Abdullahi Yusuf. This mainly Majerten clan movement engaged the regime in periodic skirmishes in the northeast of the country and was met with harsh repression.

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<sup>15</sup> The study is not designed to provide a detailed history of the Somalia conflict. The main historical events are outlined as a brief background to the conflict analysis findings and recommendations in Somalia.

<sup>16</sup> Ahmed Samatar, *Socialist Somalia: Rhetoric and Reality*, London: Zed Press, 1998, p.137.

The second major armed conflict was the war between the Somali military and the Somali National Movement (SNM) for control over northwest Somalia. The SNM was formed in 1981 by some members of the Isaaq clan following the Ogaden War. Isaaq grievances deepened over the course of the 1980s, when the Barre regime placed the northwest under military control and used the military administration to crack down on the Isaaq and dispossess them of their businesses. The civil war mounted by the SNM began in May 1988 and produced catastrophe. Government forces committed atrocities against civilians (an estimated 50,000 to 60,000 Somalis died, mostly members of the Isaaq clan, which was the core support for the SNM); aerial bombardments leveled the city of Hargeysa; and 400,000 Somalis were forced to flee across the Ethiopian border as refugees, while another 400,000 were internally displaced.<sup>17</sup> These atrocities fueled Isaaq demands for secession in what became the self-declared state of Somaliland in 1991.<sup>18</sup>

The third armed conflict before 1991 pitted embattled government forces against a growing number of clan-based liberation movements in 1989 and 1990. The strongest of these movements included the United Somali Congress, USC (Hawiye clan), the Somali Patriotic Movement (Ogadeni clan), and the Somali Salvation Democratic Movement (Majerten clan). This multifront war presaged the predatory looting and banditry that characterized the warfare in 1991–92.

In addition to these wars, many other legacies of the Barre period fuel conflict in contemporary Somalia. First, the state was oppressive and exploitative, and was used by some political leaders to dominate others, monopolize state resources, and appropriate valuable land and other assets. As a result, reconciliation and power-sharing discussions in Somalia are complicated by high levels of distrust and a “zero-sum game” mentality toward political power and the state.<sup>19</sup> Second, the leadership skillfully manipulated and politicized clan identity over two decades of divide-and-rule politics, leaving a legacy of deep clan divisions and grievances.<sup>20</sup> Third, this period coincided with the height of Cold War competition in the Horn of Africa. That allowed the Barre regime to attract large quantities of military and economic aid. When the war ended, the level of expenditure, especially to maintain the bloated bureaucracy, was not sustainable and precipitated the fall of the regime. As the Cold War waned in the late 1980s, Somalia’s strategic importance to the West diminished, enabling donors to place human rights conditions on aid to Somalia. Western donors froze aid to Somalia in response to the war with the SNM in the north. Stripped of its principal source of revenue, the Somali state shrank and eventually collapsed. An initiative by a group of eminent Somalis known as the “Manifesto Group” to broker reconciliation and establish a provisional post-Barre government was met with arrests by the Barre regime in April 1990.

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<sup>17</sup> *Somalia: A Government at War with its Own People*, New York: Africa Watch, 1990.

<sup>18</sup> Somaliland’s claim of sovereign independence has not received external recognition from the United Nations or any state.

<sup>19</sup> Somali calculations of the costs and benefits of reviving an effective central government are discussed in Ken Menkhaus, *Somalia: State Collapse and the Threat of Terrorism*, chpt. 2. Adelphi Paper 364. Oxford: Oxford University Press, 2004a.

<sup>20</sup> For close documentation of the costs of this divide-and-rule tactic, refer to the volumes on the regional studies.

## **State Collapse and Complex Political Emergency, 1991–9**

The ouster of the Barre regime was followed not by a replacement government but by a prolonged period of violent anarchy and warfare. Armed conflict raged across southern Somalia through 1991 and 1992, pitting clan-based militias against one another for control of valuable towns, seaports, and neighborhoods. The wars, which began as struggle for control of the government, quickly degenerated into predatory looting, banditry, and occupation of valuable real estate by conquering clan militias. Young gunmen fought principally to secure war booty, and were under only the loosest control of militia commanders. Powerful merchants and warlords were implicated in this war economy too. The principal victims of this violence were weak agricultural communities and coastal minority groups caught in the middle of the fighting. Looted of all their belongings, they faced a massive famine in late 1991 and early 1992, prompting large international relief operations. The food aid quickly became part of the war economy, a commodity over which militias fought and that warlords diverted to fund the wars. An estimated 250,000 Somalis died in this war and famine. The war of 1991–92 also produced a powerful array of interests in perpetuating lawlessness and violence and blocking reconciliation. Warlords' power base depended on a chronic state of insecurity, so that their clan constituencies needed them for protection. Illiterate gunmen saw war, plunder, and extortion as their only livelihood. Some businessmen were enriched by war-related criminal activities such as weapons sales, diversion of food aid, drug production, and exportation of scrap metal. And whole clans found themselves in possession of valuable urban and riverine real estate won by conquest, which they stood to lose in a peace settlement.

By contrast, in the northwest and northeast of Somalia, the collapse of the central government did not precipitate the kind of warfare and plunder that devastated the south. In Somaliland, interclan clashes did occur, including two serious wars in 1994 and 1996. But for a variety of reasons—more robust authority of traditional clan elders, greater political cohesion among the clans, more support from businessmen to support peace and subsidize demobilization, and more effective political leadership, to name a few—the fighting never devolved into anarchy and generalized violence. Instead, the self-declared state of Somaliland gradually began to build a modest capacity to govern, and a national assembly of traditional clan elders helped to manage the peace and keep young gunmen under control. In the northeast, chronic interclan tensions were contained by traditional elders as well. In both regions, a modest economic recovery fueled by import-export activities through their seaports helped to divert energies toward commerce and away from warfare.

## **United Nations Operation in Somalia (UNOSOM), 1993–94**

U.N. intervention in Somalia was initially prompted by a desire on the part of the international community to protect food relief and end the famine ravaging southern Somalia. It was initially a U.S.-led, U.N.-sanctioned multilateral intervention involving nearly 30,000 troops. In May 1993, the operation was formally handed over to the United Nations. The U.N. mandate was much more expansive – to assist Somalis in promoting national reconciliation, rebuilding the central government, and reviving the economy.

The intervention initially succeeded in freezing armed conflicts in the country. U.S. commanders decided not to embark on a campaign of disarmament, for fear of arousing

armed resistance leading to U.S. casualties. The cessation of hostilities provided an opportunity for the main 15 Somali factions to meet and negotiate the framework for a transitional national government and the terms of a national reconciliation, the Addis Ababa Declaration of March 1993. But the ambitious UNOSOM mandate of rebuilding a Somali government via locally-selected district councils directly threatened the interests of a number of militia leaders and their clans, who controlled valuable riverine and urban real estate through conquest, and who viewed UNOSOM's program as a move to disenfranchise them. A confrontation was inevitable. In June 1993, only one month after the United Nations assumed control of the operation, the militia of General Aideed (representing the Haber Gedir/Hawiye clan) attacked U.N. forces, killing 24 peacekeepers and precipitating a four-month battle between the United Nations and Aideed's militia. The subsequent failure of U.S. and U.N. forces to capture Aideed, the paralysis that the fighting imposed on U.N. nation-building efforts, and the disastrous losses sustained in the October 3 "Black Hawk Down" incident sealed the fate of the U.N. operation, which departed in March 1995, leaving Somalia still in a state of violence and anarchy.

The post-UNOSOM period is marked by several key developments. First, it began a failed pattern of externally funded national reconciliation conferences. More than a dozen such conferences have been convened, of which only one—the 2000 Arta Peace Conference—came close to bearing fruit. The conferences have tended to provoke conflict inside the country, divert energies of the political elite from governing areas they claim to control to jockeying for positions in a proposed state, and elevate the status of factional and militia leaders, whom some argue are part of the problem, not the solution. Second, UNOSOM's civil and political work helped to empower a small but growing civil society in Somalia, which has since been an important force for peace-building in the country.<sup>21</sup> Third, UNOSOM's enormous presence transformed the Somali economy in ways that helped to undermine the war economy and reshape interests in greater levels of security and rule of law. Merchants who in 1991–92 had profited from diverted food aid and looting now made small fortunes in quasi-legitimate business ventures, from procurement and construction to remittances and import-export commerce. Their shifting interests helped to contain armed conflict and lawlessness in the post intervention period.

### **Post-intervention: Conflict Trends**

Armed conflict continues to plague much of Somalia, but since 1995 the nature, duration, and intensity of warfare have changed significantly. With few exceptions, armed conflicts today are more local in nature, pitting subclans against one another in an increasingly fragmented political environment. This devolution of clan warfare means that armed clashes tend to be much shorter and less lethal, in part because of limited support from lineage members for such internal squabbles, in part because clan elders are in a better position to intervene, and in part because some clans have successfully consolidated their occupation and control over territory and for the moment meet little resistance. Money and ammunition are more scarce as well, limiting the duration of conflict. Atrocities against civilians still occur but are less common than in the past, as combatants and their clans are more likely to be held accountable for such crimes via blood compensation payments. Pillaging and looting

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<sup>21</sup> For a brief overview on the positive contributions of civil society, refer to discussion on clan identities in Section 3 on common findings. For details on role of civil society in Somalia, refer to regional reports.

are less common as well, mainly because most assets are in the hands of businessmen with paid security forces protecting them. Warlords are much less of a factor since 1999, when Mogadishu-based businessmen, emboldened by their growing wealth and dissatisfied with the lawlessness caused by militias, bought militiamen away from militia leaders and handed them over to local Sharia courts to serve as police. Armed clashes in Somalia now are increasingly difficult to distinguish from armed criminality—many of the worst clashes in recent years began as acts of robbery or murder that produced a counterattack, leading to a cycle of violence between two clans.

While armed conflict has changed significantly since the mid-1990s, Somalia remains without a functional central government. But even its systems of governance have evolved in interesting ways in the past decade. Local polities, generally comprised of Sharia courts or municipalities, have sprung up in towns and neighborhoods across much of southern Somalia, providing sporadic and variable levels of law and order. Even modest levels of law and order tend to reduce armed conflicts by minimizing retaliation and revenge killings as a source of justice. The most ambitious attempt to revive formal government in southern Somalia was the Transitional National Government (TNG) (2000–03) formed at the conclusion of the 2000 Arta Peace Conference. Despite initial promise, the TNG faced considerable opposition from both internal factions and neighboring countries. The Arta process was not a comprehensive peace – key actors, including Puntland, Somaliland, and a number of militia leaders in the Mogadishu area were not brought into the talks, ensuring a large collection of rejectionists at the outset. Making matters worse, the TNG leadership devoted most its attention to securing foreign aid and external recognition, rather than engaging in the arduous process of rebuilding a central government. Funds it did secure – mainly from Gulf states – were lost to corruption, further reducing public and international confidence in the TNG. As a result, the TNG was never able to extend its authority beyond parts of the capital Mogadishu and eventually became largely irrelevant.

To the north, the self-declared state of Somaliland has succeeded in maintaining what appears to be a durable internal peace, despite a crisis over contested national elections in 2003. It has introduced, via a constitutional referendum, a multiparty democratic system of governance. Parliamentary elections are tentatively scheduled for March 2005 in Somaliland and, if held in relatively free and fair conditions, will consolidate a shift to multiparty democracy. Badly flawed or manipulated parliamentary elections, however, could push Somaliland closer to levels of political instability it has not witnessed in nearly a decade. Somaliland also faces a potentially dangerous standoff with Puntland over control over disputed areas of Sool and Sanaag regions. For its part, Puntland suffered its first serious instance of armed clashes in 2001–02 over control of the Puntland state, but has since maintained a tenuous peace between the regional administration and opposition groups.

Although armed conflict in Somalia is less lethal and pervasive than in the past, one worrisome trend has been the increased involvement of external actors in support of local Somali clients. Regional states have intermittently engaged in proxy wars in Somalia and have the potential to both create or worsen tensions and violence inside Somalia in pursuit of their own goals. These states have also shown the capacity to support peace-building efforts.

## **Somali Peace Process**

The latest attempt to broker a peace and revive a central government in Somalia began in October 2002 and was undertaken by the Inter-Governmental Authority on Development (IGAD),<sup>22</sup> with the Kenyan government hosting the effort and external partners such as the EU providing support. The framers of this round of talks came up with several innovations, including an initial phase, which pledged parties to a cessation of hostilities, and a second phase devoted to reconciliation, which required the participants to address key conflict issues. The second phase was to provide a blueprint for whatever government emerged from the talks. Over the ensuing two years, the peace process encountered numerous obstacles and lengthy delays. Long-standing disputes over the size and composition of representation in the talks, and disagreement over who controlled the selection of members of parliament, created crises that prompted walkouts and boycotts by some key political leaders.

The third phase of the talks centered on power-sharing negotiations. It encountered predictable problems initially—disputes over allocation of seats by subclans, control of the nomination process, and selection of individual members of parliament—leading to delays in the inauguration of a 275-member parliament for the Transitional Federal Government (TFG). By mid-September a full parliament was selected, followed by the election of Abdullahi Yusuf as President of TFG on October 10. President Yusuf has selected Professor Ali Muhammed Gedi to serve as Prime Minister. The cabinet composed by the Prime Minister in December 2004 was subsequently rejected by the Parliament but a new cabinet based on different clan quotas was approved in January 2005.

The establishment of transitional institutions represents a significant step towards reconciliation and stability. However, the consolidation of stability and a functional central government in Somalia will take time. In the coming three to five years, the general security environment throughout Somalia is likely to remain fragile and prone to armed conflict and criminality whether or not a government of national unity is maintained.

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<sup>22</sup> The Inter-Governmental Agency for Development (IGAD) is a regional organization comprising the seven states in the Horn of Africa—Sudan, Eritrea, Ethiopia, Djibouti, Somalia, Kenya, and Uganda.

### Section 3: Common Findings

Drawing from the regional reports,<sup>23</sup> the following section discusses the different dimensions assumed by the Somali conflict in the three main regions and the ways divisions on key issues manifest themselves as conflict. These issues include clan identities, governance, economic performance, natural and productive resources, militarization, conflicts among regions in Somalia, and international influences. This section highlights common patterns as well as common drivers of conflict escalation and de-escalation and discusses key differences among the regions.

#### Clan Identities

*Nearly all armed conflicts in contemporary Somalia break out along clan lines.*

*Clan identities are malleable and can be shaped by leaders to pursue control of resources and power.*

*Clan identities are not the basis for conflict; rather, their deliberate manipulation creates and exacerbates divisions.*

*Clan groups can serve as destructive or constructive forces as well as traditional conflict moderators.*

In lineage-based Somalia where clans define relationships, clan identity is not static and fixed but is shaped and manipulated according to changing situations.<sup>24</sup> This does not suggest that clans are inherently conflictual but that rather clan identities can be manipulated purposefully to acquire control over resources and power. Warlords and divisive leaders emphasize differences among clans and formulate demands that play on those differences. Warlords are instrumental in invoking loyalty to raise or lower the level of identity from clan to subclan and sub-subclan and back again depending on what is most convenient.<sup>25</sup> Different clan identities are used as a tool to mobilize clan members when in conflict, and cleavages are drawn upon to wage war. In this way, clan and subclan differences can be a force for division and fragmentation, particularly when manipulated for political purposes.

Simultaneously, clan leaders are a source of deterrence and traditional conflict management for clans, providing protection and support during periods of crises. In fact, traditionally, the clan system was a moderating force used to bring about reconciliation and cooperation. It appears that it is mainly in the postindependence period, particularly under Siyad Barre's regime, that manipulations of clan identities for economic and political ends became prominent.

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<sup>23</sup> Refer to regional studies in separate volumes: Conflict Analysis Regional Report – South-central Somalia, Center for Research and Dialogue (CRD) 2004; Conflict Analysis Regional Report – Puntland, Puntland Development Research Center (PDRC) 2004; and Conflict Analysis Regional Report – Somaliland, Center for Creative Solutions (CCS) 2004.

<sup>24</sup> For pioneering work on the Somali clan system, see I. M. Lewis, *A Pastoral Democracy*, Oxford University Press, 1961.

<sup>25</sup> This is not particular to either Somalia or clan. Instrumentalists argue that divisive leaders deliberately encourage groups to focus on the “us versus them” syndrome to stress distinctiveness of identity (based on some distinguishing feature), garner support, and create a strong sense of unity in a group vis-à-vis another group.



Clan leaders can serve as forces of division and conflict management by shaping identities that divide or unite. Most of the time clan leadership tends to express what is perceived as the dominant interests of the clan, especially related to economic gains and political power. This is likely to determine the extent to which clan groups would seek to wage war, as in the period immediately after the collapse of the state, or pursue dividends of stability and peace, as increasingly evident in recent years. The latter has indirectly contributed to many warlords converting to politicians and businessmen, and seeking non-violent means to achieve clan goals.

In Somalia, clan identity both impacts and is impacted by conflict. In the postindependence period until the outbreak of the civil war, conflict resulted from divisions among major clans battling over power and resources. In recent years, conflict increasingly has devolved to subclan and even sub-subclan levels. The collapse of the central state led to fragmentation and an economy of plunder that brought leaders into conflict with other leaders, sometimes from the same clan, vying for control of the same local area and resources. It was this struggle for territorial control, political power, and economic control of a region that prompted lowering the level of clan identities so as to mobilize support from the subclans. Thus, with the collapse of the central state, the clans tended to clash less across regions (northwest versus south-central versus northeast) and more within regions.

Examples from the three regions illustrate this point. In all three regions, homogeneity of the clans has given way to the emergence of subclan identity as dominant, with clans lowering their level of identity to the level of subclans in the competition for economic power and political ascendancy. In South-central Somalia, protracted conflict over control of the Gedo region has been waged within the various subclans of the Marehan clan. In Puntland, within the Majerten, which is numerically and politically the most dominant of the Harti clans, rivalries between subclans and sub-subclans struggling for political dominance in the regional administration and economic control of Bosasso port often manifest themselves in violent conflict. Finally, in Somaliland, Issaq unity to overthrow Barre's regime gave way to intra-Issaq conflicts. Prominent among them is the conflict between the Habar-Yonis and Habar-Je'lo subclans of Issaq. When the Habar-Yonis dominated administration attempted to disarm the clan militia, the Habar-Je'lo interpreted it as an attempt to weaken them. This set in motion a series of events that led to full-fledged conflict between the two subclans.

Divisions on the basis of clans may lead to cleavages and deep-seated resentment among clans, but clans are also a cohesive force providing a sense of identity, physical security, social insurance, and application of customary law (xeer) to resolve disputes, especially important in the context of state collapse. Members of a clan or subclan tend to provide unqualified support to their leaders as they see their upward mobility closely associated with the success of their clan or subclan. In return, in times of need, strong clans and subclans provide protection against external attacks and support for loss of kin. It is members of strong clans and subclans who gain, because weak clans and subclans cannot provide the same level of benefits to their members. This has made it propitious for weak clans and subclans to forge interest-based alliances with other weak clans and subclans so as to challenge stronger clans, thus potentially contributing to conflict.

The conflicts among Somali clans and subclans seem to be for political ends – quest for power, position in a potential new government – and material ends especially the control of

resources. At a social level, there have always been networks of rich and deep relationships across clans. Interclan marriages, cross-clan associations in the form of civil society organizations (CSOs), cross-clan businesses, and social interactions among clans are common. In fact, cross-clan CSOs and business partnerships are on the rise, and they are playing an important role in increasing the potential for peace and weakening the destructive aspects of clans. They operate across clan and geographic boundaries and are instilling vibrancy and hope in Somali society. CSOs are increasingly presenting a united Somali voice in providing social services, especially for health and education, and promoting causes such as peace, human rights, and gender equality. Business groups, impelled by profit considerations, see cooperation across clans as imperative because they need to operate across districts and regions of Somalia.

State collapse and the ensuing years of warfare eroded, but did not destroy, the traditional, clan-based structures that had been used to manage problems and maintain law and order. There appears to have been a turnaround in recent years, with traditional (clan-based) and religious (Sharia) structures providing protection and social insurance, and increasingly being relied on to resolve disputes and create stability. In South-central Somalia, for instance, given the failure of the TNG to perform such normal government functions as provision of security and justice, Sharia courts, which transcend clan divisions, have been revived. These courts, funded by businessmen and controlled by clan elders, are providing increased law and order, although there are charges that the courts are not accountable and women do not receive equal justice. Somaliland, which has an elected regional administration, has explicitly adopted a clan-based governing system. In this new system, the upper house is reserved for clan elders who “maintain peace and mediate disputes among clans and various branches of government,”<sup>26</sup> and the lower house is composed of clan members who serve as the legislative body. Clan leaders have played an important role in encouraging clan cooperation; however, it is important to track how clan groups will adjust and constructively contribute to Somaliland as it shifts from institutionalized clan representation to a multiparty system. Finally, the regional administrations of Somaliland and Puntland have been unable to find a solution to the disputed areas of Sool and Eastern Sanaag, which both regions claim. Although clan leaders have not been able to broker a settlement, they have used traditional mechanisms of resolution to reconcile differences and encourage calm, particularly during turbulent periods.

Currently, conflicts seem to appear at lower levels of clan identity than in the past. These clan and subclan conflicts increasingly are being countered by efforts of CSOs, businesses, and clan leaders to channel clan identities to peaceful ends and encourage cross-clan cooperation. These two opposing forces are at play in all three regions. Certain types of clan conflicts, however, are more prevalent in specific regions. In South-central Somalia, it is common to find pastoralists and urban dwellers seizing the valuable plantations and real estate occupied by agricultural clans and other weaker clans. In the aftermath of the civil war, for example, the armed occupation of Rahanweyn lands by raiding pastoral subclans of the Hawiye and Darood, acting independently or as a militia of a subclan, have led to violent conflicts.<sup>27</sup> In Puntland, the correspondence of clan and subclan fault lines with regional divisions has the potential to fuel conflict if development benefits are distributed along

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<sup>26</sup> *Conflict Analysis Regional Report—Somaliland*, The Center for Creative Solutions (CCS), 2004.

<sup>27</sup> *Conflict Analysis Regional Report—South Central Somalia*, Center for Research and Dialogue (CRD), 2004.

geographic lines. For example, within the regions of Bari, Nugal and North Mudug, the subclans in the remote districts feel that they are disadvantaged compared with the subclans in districts closer to the tarmac road and the commercial corridor, who are the beneficiaries of assistance and economic activity.<sup>28</sup> This has led to fewer opportunities for subclans in the periphery and could be a catalyst of violent conflicts. The potential for violent conflict thus far has been tempered by traditional clan leaders, who are consulted with and play an important role in dispute resolution.

### *Summary: Clan-Based Drivers of Conflict Escalation and De-escalation*

Clan is integral in Somali society and influences all aspects of Somali life. The Somali experience demonstrates that clan is a double-edged sword—it closely links Somalis and tears them apart. Thus, clans need to be constructively encouraged to serve as facilitators of cooperation and mutual assistance.

- *Manipulation of clan identities:* Clan and subclan identities are used to underscore differences and sharpen cleavages for specific objectives. Such differentiation in identities may be based on real or constructed differences and may change depending on the goals being sought.
- *Politicization of identities:* In the name of clan protection, identities are politicized to mobilize clan members and wage war, thus seriously damaging inter- and intra- clan structures.
- *Clans as forbearers of peace:* Clans are a potential source for reconciliation because of their ability to shape relations between warring groups. Instead of focusing on differences, the common bonds of language, religion, traditions, and interclan marriage, can be pointed out to unite Somalis.
- *Customary laws:* Clan elders use traditional laws to settle disputes in non-confrontational ways. In fact, in the absence of state authority or when official channels of mediation do not work, clan elders use customary laws to bring about negotiated settlements and prevent conflict escalation.
- *Cross-clan partnerships:* In recent years, CSOs, businesses, and local initiatives have formed on cross-clan lines to work toward development and peace, helping to build trust and overcome suspicions among clans.

## **Governance**

*Struggle for control of the state, which brings political and economic power, has been a continuing source of conflict.*

*Absence of good governance, and experience with a repressive state, have made Somalis suspicious of government.*

Many Somalis see the state as “an instrument of accumulation and domination, enriching and empowering those who control it and exploiting and harassing the rest of the population.”<sup>29</sup>

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<sup>28</sup> *Conflict Analysis Regional Report—Puntland*, Puntland Development Research Center, 2004. Specifically, the subclans in the remote districts are cut off from benefits of infrastructure, and costs of transportation of goods and livestock are double in comparison with towns near the tarmac road.

<sup>29</sup> Ken Menkhaus, *Protracted State Collapse: A Rediagnosis*, *Review of African Political Economy*, 2003a.

This view grows from their experience with Barre's government, which made them inherently distrustful of a strong central state. The military regime of Siyad Barre was primarily dominated by a small elite of the Marehaan subclan of the Darood, who used their subclan identity to control the state and exploit valuable resources.<sup>30</sup> Barre's authoritarian government also systematically manipulated clan identities and politicized clan cleavages by favoring clans that would enable it to maintain authority. These policies have had far-reaching effects and have produced sharp fissures and deep suspicion among the clans and subclans that define Somalia today. Barre's government also followed a meticulous policy of oppression of the Issaq in the northwest section of the country, which sowed the seeds of Issaq secessionism and led to the unilateral declaration of independence by Somaliland after the state collapsed.<sup>31</sup>

The regime collapsed in 1991, yet the legacy of deep clan divisions, poor governance, and myopic political leadership continues to haunt the country and prevent the formation of a government of national unity.<sup>32</sup> Instead, subaltern entities have gained prominence, with some faring better than others.

The three regions of the former Republic of Somalia have followed different trajectories since 1991. Somaliland has made impressive efforts in consolidating peace and creating a stable regional administration. This feat is all the more creditable because Hargeysa, the capital city, was totally destroyed in the early stages of the civil war. Puntland also has been able to establish a stable regional administration that has maintained peace in the region. Unfortunately, the south-central region has met with a much worse fate. The TNG, established at the 2000 Arta Peace Conference, proved impotent and had limited authority beyond some parts of Mogadishu.<sup>33</sup> In the absence of an accountable central state, the region has witnessed periods of anarchy and ferocious armed conflict. It appears that, in recent years, faction leaders' attempts to claim control of the region and forge alliances were made mainly to increase their bargaining power in the reconciliation process rather than to advance common interests. This political vacuum has forced residents to depend on the Sharia courts, local authorities, and CSOs to provide some degree of governance.

### *Impact of Potential Structures of Government Arising from Peace Process*

The peace process is discussed elsewhere in the report,<sup>34</sup> but in this context, it is important to evaluate the impact of potential new structures of government that may develop from the peace process. The first option is the establishment of a federal state with a minimum central government. This form of government, outlined in the Transitional Charter, appears to enjoy widespread support though its implementation may be complicated.<sup>35</sup> A federal arrangement would lead to decentralization of power, but its success depends on, among other things, the influences of external states with a stake in Somalia, the leadership provided by the president and prime minister, the composition of the cabinet, and the effect of internal forces

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<sup>30</sup> Gassim Mariam Asif, *Somalia: Clan versus Nation*, United Arab Emirates 2003.

<sup>31</sup> *Conflict Analysis Regional Report—Somaliland*, 2004.

<sup>32</sup> Ken Menkhaus, *Somalia: A Situation Analysis and Trend Assessment*, United Nations High Commissioner for Refugees (UNHCR) Protection Information Section, Department of International Protection, 2003b.

<sup>33</sup> TNG mandate officially expired in July 2003.

<sup>34</sup> Refer to Section 2 of this report, Overview of Conflict in Somalia, Somali Peace Process.

<sup>35</sup> ICG Africa Report No. 88: "Somalia: Continuation of War by Other Means?", December 21, 2004.

supporting and opposing the government. The second option is the founding of a strong central state. While there appears to be some support for this option,<sup>36</sup> it is likely to arouse strong sentiments of distrust and fear among Somalis that the central state will regress to its old ways. The third option is the creation of a confederate state, under which Somalia could be composed of entities loosely tied together in the confederation of the Republic of Somalia.

Somaliland is currently not a participant or even an observer at the peace talks. It appears that Somaliland will make a decision on its future depending on the governing structure determined in the peace process.

The fourth possible outcome is failure of the peace process, leading the three regions to adopt different government structures. Localized clan politics may lead to the “clanustization” of the south-central region with local structures ranging from fiefdoms to local government authorities; Puntland may focus on building its administration; and Somaliland will renew its efforts to receive international recognition.

Given the sharply different paths followed by the three regions of the Republic of Somalia after the collapse of the state, it is helpful to examine each region independently to better understand current trends and potential future obstacles and opportunities.

#### *Governing South-central Somalia*

With the collapse of the central state, South-central Somalia disintegrated into clan-based fiefdoms whose leaders have been fighting for control of the state since 1991. The Conflict Analysis Regional Report on South-central Somalia observes that these armed warlords enter into shifting alliances with other clan-based warlords when expedient, only to be on opposing sides soon after. Their militia fight for them and clan kin support them because they perceive state capture by their clan to translate into potential success and benefits. The militarization of politics has also meant that leaders depend on the use of the gun to achieve their goals, with little regard for basic rules of governance, raising questions of their ability to rule without coercion and armed force.

There have been numerous efforts to establish local and regional administrations in the south-central region, but few have survived very long or been representative.<sup>37</sup> The only administration that was considered to have legitimacy is the TNG established at the 2000 Arta Peace Conference, Djibouti, with the backing of the Arab states. The TNG, however, had limited power outside of parts of Mogadishu and was plagued by internal wrangling and corruption. For example, domestic and international confidence in the TNG soured when it was alleged in 2001 that top leadership had diverted most of the foreign aid provided to the TNG for their personal use.<sup>38</sup> Furthermore, instead of cooperating with the TNG, in recent years, leaders attempted to carve an area within the region over which they could exert absolute control, because this increased their standing and influence at the peace talks. The

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<sup>36</sup> *Conflict Analysis Regional Report—Puntland*, 2004. The report states that there is high-level support for a strong central government.

<sup>37</sup> *Conflict Analysis Regional Report—South central Somalia*, 2004. Failed attempts include regional administration for Banadir, regional administration by the Raxanweyn Resistance Army, Juba Valley Alliance, Middle Shabelle Regional authority.

<sup>38</sup> Ken Menkhaus, 2003a.

TNG splintered along the lines of supporters and opponents of the peace talks, and hobbled toward oblivion. In a politicized environment where leaders are concerned about personal rewards, local communities increasingly are depending on local Sharia courts to provide justice and create some semblance of law and order. The Sharia courts demonstrate a strong sense of social responsibility and adherence to democratic principles,<sup>39</sup> although they cannot resist the political and armed pressure of the warlords and often crumble when confronted.

### *Governing Puntland*

Traditional and religious leaders were weakened during Siyad Barre's regime, with their powers being limited to the rural areas. In the face of state collapse, traditional and religious institutions filled the void by performing conventional government functions and maintaining peace and the rule of law.<sup>40</sup> In 1998, at the Grand Community Conference, the main clans in the region established a power-sharing arrangement, which formed the basis of a regional administration of Puntland. The key Darod clans were satisfied with this governing structure, which was accorded a three-year term. Minority groups, however, claimed that they were discriminated against and excluded from the regional administration. At the end of the three years, the administration unilaterally extended its tenure, causing much resentment in Puntland because it had failed to achieve its programs, propped up self-serving politicians and mismanaged governance. More important, this decision led to violent clashes with the opposition led by Jama Ali Jama, politically and financially supported by the TNG, which refused to abide by the decision.<sup>41</sup> The crisis was sorted out when the government's forces, strengthened with light arms and ammunition, prevailed and the two groups brokered an uneasy peace. With the exception of this violent confrontation between the forces of Abdullahi Yusuf, then President of Puntland, and Jama Ali Jama's militia in 2001–02, and an earlier religious uprising by Al-Itihad in 1992, Puntland, in general, has experienced stability. For stability to continue and peace to be consolidated, the Conflict Analysis Regional Report on Puntland emphasizes that it is imperative for the administration to accelerate the economy; support inclusiveness, accountability, and transparency; provide basic services; and prevent corruption.

### *Governing Somaliland*

At the Burao Conference in May 1991, Somaliland established the self-declared Republic of Somaliland, with the chairman and vice chairman of the SNM to serve as president and vice president of the new country. Somaliland's decision to develop homegrown government institutions gathered speed after the historic Boorama Conference in 1993. A new system of governance called the Beel System was formed, which integrated traditional and Western political institutions. The House of Elders (Guurti) includes 82 clan members, and the House of Representatives (Wakillo) includes another 82 members distributed by clans. The Beel

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<sup>39</sup> *ICG Report*, May 4, 2004.

<sup>40</sup> *Conflict Analysis Regional Report – Puntland*, 2004.

<sup>41</sup> The TNG (not split at the time) saw Abdullahi Yusuf as its main contender for political supremacy of Somalia. Thus, it backed Yusuf's rival Jama Ali Jama. The hope was that Jama Ali Jama would defeat Yusuf, making him an insignificant player in Somali politics.

System has been installed as a temporary measure until multiparty democratic elections are held.<sup>42</sup>

According to the Conflict Analysis Regional Report on Somaliland, as it stands, the Beel System tends to be inefficient, with clan members who are uninformed and ineffective. The report also points out that the judiciary is biased and unfair and the presidency is showing tendencies towards authoritarianism. Such weak institutions can easily disintegrate in an emerging state where peace is relatively precarious, and Somaliland's official status is undetermined. The presidential elections of May 2003 were plagued with accusations of vote-tampering and electoral hijacking. While the opposition ultimately accepted the results in the interests of peace, continuing poor governance could break the tenuous peace of Somaliland.<sup>43</sup> Such a breakdown in governance and potential violent confrontations between the regional administration and opposition groups could increase the influence and power of religious fundamentalists.<sup>44</sup>

*Summary: Governance-Based Drivers of Conflict Escalation and De-escalation*

The legacy of the Barre regime is still alive, and clan groups continue to view the state as an institution that will enable them to acquire political and economic control and provide benefits to their clan kin. After the initial lawlessness that followed state collapse, the state divided along regional lines—south-central Somalia, northeast (Puntland), and northwest (Somaliland). The three regions have followed different routes and achieved varying levels of success in governance.

*South-central Somalia*

- *Potential fiefdoms with uneven commitment to broker peace:* In response to limited state authority, faction leaders have created their own narrow geographic areas of control. The boundaries over which they exert authority are constantly shifting and their authority challenged. Several armed faction leaders appear content with this situation, and there seems to be no real commitment to accepting a state structure that does not give them a prominent role. The success of a new government will in large measure depend on its ability to mediate conflicting interests between factions, and convince groups that the benefits from long-term stability outweigh the gains from short-term clan dominance.
- *Non-state actors provide governance:* After a period of anarchy, traditional structures that cut across clans resurfaced to provide some semblance of law and order. Communities depend on Sharia courts and customary laws to address disputes and provide justice. Thus, they are a force of conflict de-escalation.

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<sup>42</sup> Although the referendum to transit from the Beel System to multiparty democracy received 97 percent approval, parliamentary elections have been postponed until 2005 on the justification that important laws need to be agreed upon.

<sup>43</sup> *ICG Report*, March 6 2003.

<sup>44</sup> *Conflict Analysis Regional Report—Somaliland*, 2004. Thus far, religious fundamentalists have focused mainly on controlling the financial and education sector. Some incidents targeting Western aid workers can be traced to the fundamentalists, attempting to undermine Somaliland's peaceful progress.

### *Puntland*

- *Uneasy stability:* Puntland has a regional administration that ensures relative peace and provides for law and order. This stability can be cracked easily if the administration is seen as exclusionary, corrupt, or unable to improve the sagging economy, which has been hurt in particular by the livestock ban.

### *Somaliland*

- *Budding democracy:* Somaliland's fragile democratic institutions need to be consolidated through fair elections and inclusive practices. These institutions can collapse if the rising expectations that democracy brings are not met.
- *Equitable governance:* Presidential elections were alleged to be fraudulent and general elections have been postponed. This could add to disenchantment with the present administration, which, like previous administrations, is seen as authoritarian and ineffective.
- *International assistance:* Somaliland receives limited assistance from international donors. With increased focus on South-central Somalia, it would be important that donors balance support there with continuing assistance to other parts of the country. This fact coupled with the livestock ban (see below in section on economic performance) could further weaken the economy, potentially resulting in escalating conflict.

## **Economic Performance**

*The livestock ban has hurt the pastoral-dominated economy.*

*Remittances are a vital lifeline for the national economy.*

*Private sector activity is helping to sustain economies in the largest urban centers.*

*Qat (khat) consumption is a serious drain on household economies.*

*Control of commercial arteries may lead to conflicts.*

*Profit-driven Diaspora builds cross-clan business partnerships.*

Before the civil war in 1991, Somalia was one of the poorest countries in the world with a high level of dependence on foreign aid.<sup>45</sup> Its gross national product (GNP) per capita was US\$170 and its life expectancy only 47 years. The situation has improved marginally, at best. Somalia continues to be one of the poorest countries in the world on development indicators (see Table 1). There are some encouraging signs on the horizon, and it is likely that indicators may be better in Somaliland than the other two regions.

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<sup>45</sup> Ken Menkhaus, U.S. Foreign Assistance to Somalia: Phoenix from the Ashes? *Middle East Policy*, vol. 5, no. 1, January 1997. Menkhaus makes the point that, because of Somalia's strategic importance, it received foreign assistance alternately from the Soviet Union and the United States. This enabled Siyad Barre to build a bloated bureaucracy and military, which could not be sustained after the end of the Cold War and precipitated the collapse of the Somali state in 1990–91.



**Table 1 Development Indicators, 2001–02<sup>46</sup>**

| <i>Indicator</i>                                     |
|--|
| GNP per capita: US\$226                              |
| Extreme poverty <sup>47</sup> : 43.2%                |
| Life expectancy: 47 years                            |
| Infant mortality: 132 per 1,000 live births          |
| Under-five mortality rate: 224 per 1,000 live births |
| Unemployment: 47.4%                                  |

*Sources:* UNDP and World Bank. 2003. UNDP Human Development Report, Somalia. 2001.

The immediate aftermath of state collapse saw a rise in the economy of plunder and the emergence of warlords jockeying for control of power and resources especially in South-central Somalia. A key outcome of the looting militias was violent conflict and entrenchment of vested economic interests that benefited from the lawlessness. Since 1995, economic developments have seen a positive transformation. Remittances and private sector activities (although unregulated in most cases<sup>48</sup>) in the form of telecommunications, *hawala* or money transfer companies, and international transit trade have provided a boost to the economies of the three regions. These positive developments need to be seen in tandem with the disastrous impact on the traditional modes of production such as the livestock ban, given that livestock is the mainstay of the pastoral economy. The livestock ban, coupled with environmental degradation and drought, has increased the fragility of the economy, created large-scale poverty, and likely will have long-term detrimental consequences.

Economic performance interplay with conflict escalation or de-escalation in two main ways: the manner in which different economic drivers influence the relationships between groups, especially in terms of cooperation or competition; and the extent to which different economic activities finance violent behavior.

### *The Livestock Ban*

One of the largest income-generating exports in Somalia is livestock, which before 1991 accounted for around 80 percent of the country's income earnings.<sup>49</sup> A majority of pastoralists are engaged in livestock production. In response to the Rift Valley Fever (1998), Saudi Arabia imposed a ban on Somali livestock. Initially, livestock continued to be exported to other Gulf states and even to Saudi Arabia via Yemen. In 2000, eight Gulf states that had been the main importers of Somali livestock imposed a ban on Somali livestock, citing poor quality control. They also enforced strict restrictions to prevent circumvention of exports. The livestock ban has significantly damaged the economy and worsened pastoral livelihoods,<sup>50</sup> pushing many pastoralists into destitution.

<sup>46</sup> *Socio-Economic Survey 2002 Somalia, Report No. 1, Somalia Watching Brief*, United Nations Development Program/World Bank, 2003, (GNP per capita, Extreme Poverty, and Unemployment). *UNDP Human Development Report*, Somalia, 2001, (Life Expectancy, Infant Mortality, Under-five Mortality Rate).

<sup>47</sup> Share of the population with per capita income less than \$1 Purchasing Power Parity (PPP) per day.

<sup>48</sup> Regulations occur in limited ways by weak state institutions in Somaliland and Puntland, along with customary and Sharia law, which is the only regulatory force in South-central Somalia.

<sup>49</sup> Peter D. Little, *Somalia: Economy Without State*, Bloomington: Indiana University Press, 2003.

<sup>50</sup> *Towards a Livestock Strategy*, Food and Agriculture Organization of the United Nations (FAO), WB, and EU. April 2004. This is evident from the losses that Somalia has experienced because of the ban. Before the

Because of the ban, Somali businessmen have shifted to the processing and export of chilled raw meat to the Gulf states, a trade that is still at a relatively low level.<sup>51</sup> Pastoralists consequently retain high animal stocks, which need grazing land to survive, leading to disputes over grazing land. The loss of incomes from the pastoral economy also makes pastoralists explore other opportunities, which results in competition over alternative livelihood sources. Unfortunately, agriculture has also been hit by droughts, increasing unemployment and misery in the rural areas. Rural-urban migration has accelerated, but there are limited opportunities in the urban areas, resulting in widespread poverty.

### *Remittances*

According to the 2002 Somalia Socio-Economic Survey, the Somali diaspora is estimated to remit about US\$360 million annually into the three regions of Somalia, and the estimated total transfer of remittances handled by Somali remittance companies is about US\$700–800 million each year.<sup>52</sup> According to the conflict analysis regional reports, a significant portion of the remittances is used to support relatives, mostly in urban areas, and a smaller amount serves as investment for private sector activity. While remittances have played an important role in improving the purchasing power of Somali residents and thereby sustained commercial and service activities, they are likely to have an intertwined negative impact. There are concerns that remittances create a dependent population that could be badly hurt because the second-generation Somali diaspora may not have the same incentive to remit funds to support relatives. Currently at least, remittances help reduce the hardships experienced because of conflict.

Remittances may be used to sponsor conflict and promote warlords, particularly when the clan is under attack and threat. The diaspora, however, appears increasingly less willing to finance conflict and consent to its funds being used for nefarious activities. Businesses, particularly those that depend on diaspora funds, are unlikely to support warlords and militias financially because armed conflicts eat into their profits. In fact, many powerful businessmen have enticed militia to stop fighting and instead serve as armed guards for their protection. Thus, it appears that remittances in Somalia are mainly being used for constructive purposes rather than to subsidize conflict. Diaspora elite and their local partners may not want to support conflict, but many seem content with the privileges accorded to them by the civil war, such as through misappropriation of properties.<sup>53</sup>

### *Private Sector Activity*

There has been a boom in private sector activity in the past few years.<sup>54</sup> First, remittances from the diaspora and investments by businessmen (some of whom are former warlords)

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ban, Somalia exported 3 to 3.5 million animals each year, along with animal products, hides, and skins. With the ban, this number dropped significantly. The financial cost of the ban is estimated annually at US\$120 million.

<sup>51</sup> *Somalia: Path to Recovery—Building a Sustainable Peace*, CRD, Mogadishu, July 2004.

<sup>52</sup> *Socio-Economic Survey 2002 Somalia, Report No. 1, Somalia Watching Brief*, United Nations Development Program/World Bank, 2003.

<sup>53</sup> *Socio-economic Assessment Report*, CRD, 2004.

<sup>54</sup> For an interesting discussion on the role of the private sector in Somalia, see Roland Marchal, August 2000.

have led to a flourishing of economic activities, particularly an explosion of the telecommunications sector. Given that the destroyed physical infrastructure will take a long time to rebuild, private Somali companies have leapfrogged landline telecommunications by directly investing in mobile technology. As a result, Somalia has inexpensive, high-quality mobile phone services, supposedly the cheapest in Africa.<sup>55</sup>

Second, the *hawala* companies have facilitated quick money transfers and business transactions between Somalia and the rest of the world, which has enabled easy remittances of funds and allowed businessmen to operate efficiently. After the September 11 attacks in the United States, however, Somalia's *hawala* companies came under close scrutiny, as they were alleged to have supported and served as conduits for terrorist funds. Many have been shut down, harming legitimate business interests and impoverishing Somali families.<sup>56</sup>

Third, the role the private sector has played in the flow of arms, contributing to the increasing availability of weapons, is a cause for alarm. Somali merchants have also taken advantage of the lax border controls in Kenya to transport consumer goods such as fuel, light electronics, and sugar.<sup>57</sup> On the positive side, Somali entrepreneurs have engaged in production of light goods such as pasta, soap, electricity, and bottled water to meet local demand.<sup>58</sup> In South-central Somalia, for example, despite the instability, investments in the airline industry, light industries, telecommunications, and education are steadily rising. These business ventures are likely to contribute to peace as they will create employment in conflict-stricken areas, reduce incentives for conflict, and encourage cross-clan collaboration.

Finally, urban areas like Hargeysa, Bosasso, Galkayo and Mogadishu, to mention a few, are witnessing a resurgence in real estate development, construction, and small manufacturing companies, which are funded mainly by the diaspora and remittances. Injection of diaspora funds have had trickle-down effects with expansion in large private sector activities such as telecommunications, airlines, money transfer companies, and small-scale initiatives. These activities are leading to the de-escalation of violent conflict because successful businesses necessitate partnerships across clans and geographic boundaries. As these cross-clan business partnerships increase, the incentives for cooperation and peaceful relations across clans are likely to rise correspondingly.

#### *Qat (Khat)*<sup>59</sup>

Qat consumption increased after the outbreak of the civil war, when combatants chewed it to battle fatigue and fear, while noncombatants chewed it to stay calm in face of violent conflict and uncertainty. Over a period of time, qat became an addictive habit. Qat consumption has myriad side-effects. Addiction to qat leads people to become mentally incapacitated, listless, and disinterested in work or family. From an economic perspective, it reduces productivity and income levels; diverts hard currency to neighboring countries, because qat is not cultivated in Somalia; and, in many cases, leads to abandonment of livestock husbandry.

<sup>55</sup> *Choices: Human Development Magazine*, UNDP, 2003.

<sup>56</sup> *Report of the Panel of Experts on Somalia* pursuant to U.N. Security Council Resolution No. 1425, 2002.

<sup>57</sup> UNDP Human Development Report, Somalia. 2001.

<sup>58</sup> Ken Menkhaus. 2003b.

<sup>59</sup> Qat (sometimes referred to as Khat) is a plant that induces euphoria and stimulation when chewed. It is grown in eastern parts of Ethiopia and Kenya.

Warlords have an incentive to keep the population addicted to qat because it represents a huge source of revenue for them. While it may not be possible to estimate the income generated by trading in qat, it is a lucrative business. For example, it is estimated that flights carrying qat shipments to Daynile airstrip (near Mogadishu) generate US\$170,000 each month, which is divided among the owner of the airstrip and warlords.<sup>60</sup>

#### *Control of Commercial Arteries (Ports)*

The ports at Bosasso (Puntland) and Berbera (Somaliland) are sources of income to merchants and regional administrations, as goods from Somalia and neighboring countries (Ethiopia) are transported via these ports. They earn huge revenues from levying duties, but poor facilities at Bosasso and high taxes at Berbera (particularly compared with Bosasso) may cripple trade potential.

Struggles to control the seaports of Mogadishu El-maan and Kismayo and the revenue-generating resources transiting through them have led to recurring conflicts between warlords (in the guise of businessmen or supported by business groups) since 1995.<sup>61</sup> As recently as May 2004, armed clashes in Mogadishu between two warlords, one of whom was supported by business groups, arose over control of resources transported via these seaports.

#### *Summary: Economy-Based Drivers of Conflict Escalation and De-escalation*

The economy shows a mixed record. It is performing impressively well in certain sectors but poorly in others, particularly in the traditionally chief income-earning livestock sector. The key links with escalation and de-escalation of conflict include the following:

- *Livestock ban devastates the economy:* Given that livestock export is the backbone of the economy, the continuation of the ban has serious economic repercussions and creates extreme suffering. It increases pressure, and hence disputes, over grazing land because of high animal stocks and competition over alternative livelihood sources.
- *Qat weakens productivity and enriches warlords:* Addiction to qat severely affects income and productivity levels of Somalis. This addiction is beneficial to warlords who monopolize the qat trade and earn vast revenues. In turn, they have substantial funds to purchase weapons and vested interests in increasing the longevity of conflict.
- *Remittances are a source of support and investment:* A majority of the remittances are destined for relatives to assist them through bad times. Remittances also provide a boost to private sector activities such as construction, money transfer companies, and airlines, thus generating employment and allowing cross-clan businesses to take root.
- *Restrictions on hawala companies hurt the economy:* By facilitating money transfers, *hawala* companies sustain families and strengthen businesses. Strict restrictions on *hawala* companies in the aftermath of the September 11 attacks, because of suspected terrorist connections, have damaged family purchasing power levels and business operations. More important, in this context, *hawala* companies were a source of employment to militia

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<sup>60</sup> *Report of the Panel of Experts on Somalia, 2002.*

<sup>61</sup> With the closure of the Mogadishu seaport after the departure of the U.N. forces in 1995, traders moved to the natural seaport of El-mann, 45 km northeast of Mogadishu. It is estimated that the Mogadishu El-mann seaport earns annual revenues around US\$17 million.

members who left armed factions to seek more peaceful opportunities. The freezing of *hawala* companies like Al-Barakaat, for instance, has rendered many unemployed and could push them into rejoining militias.

- *Control of commercial arteries is a source of conflict:* Control of seaports, airstrips (qat flights), and key roadways ensures high rent earnings. Hence, warlords, supported by business groups and often clan and subclan kin, clash to acquire dominance.
- *Diaspora finances conflict but mainly are a conciliatory force:* The diaspora may fund warlords who further its business interests. Rather than getting mired in propping up warlords, however, the diaspora is increasingly keen to get involved in legitimate activities. The diaspora willingly support cross-clan businesses ventures if they are likely to yield high profits.
- *Private sector activity, particularly telecommunications, flourishes:* Remittances, lax border controls, entrepreneurial initiative, local demand, and shipment points (ports) all contribute to the boom in the private sector. In the forefront are the expanding telecommunications industry, which provides cheap mobile services, and the real estate industry, which is experiencing resurgence in construction activities, particularly in the more stable areas. As more of the dynamic private sector activities move across clans and benefit from stability, they are becoming a potential factor for conflict de-escalation.

### **Natural and Productive Resources**

*Competition among clan groups over access to and control of resources leads to conflict. Negotiations over return of property and land are an integral part of achieving peace but could potentially escalate conflict.*

Competition over natural resources is a key driver of conflict in Somalia. The main natural resources in the country are livestock, cash crops, charcoal, marine resources, frankincense, and potential oil and mineral reserves. Clans and subclans clash to control natural resources out of sheer economic necessity and for profit, to acquire power, or for a combination of these motives. In the relatively resource-rich (South-central) and resource-scarce (Somaliland and Puntland) regions, there are serious and recurring clashes among and within pastoral, semipastoral, and agricultural clan groups for access to and control of land for crop cultivation, animal grazing, and use of water points. Traditional elders attempt to resolve such disputes using customary laws and traditional practices of arbitration and mediation.<sup>62</sup> The scope of customary law, however, is limited in scope and designed for a simple nomadic life.<sup>63</sup> Consequently, customary law cannot be relied upon to settle the growing number of conflicts that are becoming increasingly complex and virulent. In the new Somalia state, issues of resource sharing and management will remain key, and their non-resolution are likely conflict flashpoints.

Livestock continues to be a crucial productive asset, leading to conflicts over access to the most fertile pasturelands and water points. This often brings the pastoral clan groups into conflict with agricultural clan groups because pastoralists are continuously migrating in

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<sup>62</sup> *Pastoral Justice, A Participatory Action Research Project on Harmonization of Somali Legal Traditions, Customary Law, Sharia and Secular Law*, Puntland Development Research Centre, Garowe, Puntland, Somalia 2002.

<sup>63</sup> *Ibid.*

search of good grazing land. Livestock is also a lucrative export commodity, and there are conflicts over control of the main export marketing routes. Overgrazing of the land and overstocking of livestock because of the export ban have caused the quality of the land to deteriorate and reduced its productive capacity, adding to the stress on pastoralists and agriculturalists.

In recent years, limited rainfall and lack of availability of water have resulted in an increase in clashes within pastoral groups over access to limited fertile pasturelands. For example, in Puntland, in violation of customary pastoral law, some pastoral clans are making enclosures into grazing areas, which are violently resisted by other pastoral clans, resulting in conflict.<sup>64</sup>

Increasing demand and limited supply of natural resources makes their conservation and proper use even more critical. Unfortunately, agropastoralists involved in livestock and crop cultivation seem to be overexploiting the land, leading to its degradation.<sup>65</sup> The use of inappropriate farming practices has diminished available fertile land and heightened competition and land disputes among clans. Additionally, excessive harvesting of acacia trees for charcoal production, which is an important export commodity, is rapidly leading to reduced biodiversity, soil erosion, and desertification.<sup>66</sup> To worsen the situation, drought conditions have negatively impacted agricultural production, leading to harvests totaling less than 40 percent of prewar levels.<sup>67</sup> Natural resource scarcity increases competition and the potential for conflicts among clan groups as clan and subclan leaders are likely to mobilize their kin and form convenient clan-based alliances to win control of productive land and water points. Migration because of drought, and internally displaced persons (IDPs) and refugees escaping conflict and poverty, also add to the intensity of the conflict, as migrants and IDPs are likely to clash with indigenes in their search for land and water.

Competition for control of rich cash crops has led to intense disputes among clans and subclans. The climatic conditions are favorable for the cultivation of valuable cash crops such as bananas and citrus fruits, particularly in the south-central region. Leaders, who are often businessmen cum landlords, mobilize their clans to acquire supremacy over these economically attractive targets. For instance, in the Juba and Shabelle River valleys in South-central Somalia, several clans have aggressively displaced indigenous populations to pursue new landlord-tenant relationships and to benefit from the cultivation of a range of profitable crops especially bananas and citrus fruits. In some cases, these marauding clans have forced into labor the indigenous populations along the Shabelle River.

While rights to land and water points are issues of fierce contention, there are vast marine resources that have still not been explored. They potentially could be lucrative, but currently fishing is not a well-organized activity. Moreover, foreign trawlers, taking advantage of the lack of Somali regulation of the country's territorial waters, allegedly are violating water rights and overexploiting marine resources. It is speculated that there are oil and natural gas

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<sup>64</sup> *Conflict Analysis Regional Report—Puntland*, 2004.

<sup>65</sup> *Conflict Analysis Regional Report—Somaliland*, 2004.

<sup>66</sup> See Peter D. Little, 2003. Camel herders, who need acacia trees for their herds, have clashed with charcoal makers destroying these trees for charcoal production.

<sup>67</sup> *UNDP Human Development Report*, Somalia, 2001.

reserves in pockets across the country, which potentially could bring in substantial revenues. Striking oil, however, also could be a source of conflict.<sup>68</sup>

An issue requiring urgent examination is forcible occupation of land and property after state collapse. The clan map of Somalia has been redrawn since militarily strong clans took possession of valuable urban and agricultural real estate.<sup>69</sup> The problem of forcible land occupation is predominantly prevalent in South-central Somalia (particularly in Mogadishu, Lower Shabelle, and Juba Valley). With postwar rehabilitation likely increasing property values, these areas could become conflict hotspots.<sup>70</sup>

Another key concern in the south-central region are the dams being built by Ethiopia along the Shabelle River to increase cotton cultivation.<sup>71</sup> Such dams are likely to diminish the water available downstream in South-central Somalia. If water supply decreases or even ceases because of overuse by Ethiopia, it is likely to create upward population movements and conflict among the communities. The absence of a central government in Somalia along with the absence of a river authority that can mediate interregional water-sharing likely will further complicate a situation that could lead to conflict.

The issue of water assumes a different dimension of conflict in Somaliland, in the form of an ongoing water crisis threatening the stability of the region. Drought in the rural areas has impoverished communities and led to large-scale rural-urban migration. Unfortunately, the water supply situation is not much better in the urban areas, where large portions of income are spent on water. To worsen the situation, migration has increased pressures on the urban areas, a burden they are not able to handle. If the water problem is not addressed adequately, it could lead to several different types of conflict—interclan, subclan, rural-urban, and antigovernment.

The worsening drought situation has had similar negative repercussions in Puntland. Furthermore, frankincense, which earns hard currency for Puntland and increases household incomes, has unfortunately seen drops in demand in the past few years affecting earnings.

*Summary: Resource-Based Drivers of Conflict Escalation and De-escalation*

Resource conflicts are rife in Somalia and have devastating consequences. The lack of any recognized authority to address these conflicts increases their significance.

- *Competition over land and water points:* Struggles to control scarce fertile land and water points often result in brutally violent clashes between clans. Clan groups lower or raise their level of identity in competition over resources to mobilize their clan-kin to acquire economic benefits necessary for survival or for increased power.

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<sup>68</sup> James Fearon and David Laitin, Ethnicity, Insurgency, and Civil War, *American Political Science Review*, vol. 97, no. 1, p. 11, February 2003. It is found that oil-exporting states have had more than twice the annual odds of civil war onset, other things held equal.

<sup>69</sup> ICG Report, March 6, 2003.

<sup>70</sup> Ken Menkhaus. 2003b. In the postwar period, international agencies will require land and property to set up offices. This could be an important source of rent, and may lead to conflict as groups will try to claim ownership of valuable real estate, particularly if it belonged to them before the war.

<sup>71</sup> *Conflict Analysis Regional Report—South Central Somalia*, 2004

- *Intrapastoralists and pastoralists versus agriculturalists*: One of the most chronic forms of conflicts occurs when pastoral communities clash with each other and with agricultural communities over grazing land and water points. Moreover, pastoralists challenge illegal enclosures that prevent them access to fertile grazing land, thus producing violent conflicts.
- *Environmental degradation and desertification*: Overexploitation of land and excessive harvesting of trees for commodities such as charcoal lead to deterioration in the environment and rapid desertification. This, in turn, reduces the available fertile land, a key requirement for a primarily pastoral-based economy. Such resource scarcity is a harbinger of worsening conflict.
- *Water crises*: Periods of drought in Somaliland and Puntland lead to water crises, which in turn cause large-scale migration, unemployment, and impoverishment. They also lead to indigene-migrant clashes. Another brewing conflict is the potential impact of the dams being built by Ethiopia, which could reduce South-central Somalia's water supply.
- *Lack of regulating mechanisms*: While clan groups may defer to traditional authorities to resolve conflicts, they increasingly use force to settle disputes over resource-sharing and management because there are no structures that regulate the use of common resources. Structures for the management of natural resources also need to be free of clan dominance, thus lessening incentives to resolve conflicts violently.
- *Forcible occupation and reacquisition of valuable property*: Rightful owners whose property was grabbed are likely to try to repossess it in a postwar period. Their attempt to reacquire their property will be resisted by the new occupants, likely producing a conflict flashpoint.
- *Abundant marine resources with no regulation on their use*: The coastal areas of Somalia have rich marine resources. In the absence of any authority to regulate user rights, local and foreign trawlers are employing internationally prohibited methods and equipment to overexploit these resources, resulting in the destruction of the fish habitat.
- *Potential oil and natural gas reserves*: It is suspected that reserves of oil and natural gas exist in parts of Somalia. Finding such reserves could bring in revenues, although it could also lead to conflict over control of the reserves.

## **Militarization**

*Continued proliferation of small arms makes minor conflicts more lethal.  
Lack of accountability creates a culture of impunity.*

State organs under Siyad Barre were highly militarized and repeatedly resorted to military power to enforce law and order and maintain legitimacy. The culture of militarization that began under Barre's regime became rampant during the civil war, when guns and military force no longer remained the domain of the ruling elite. Rather, the complete breakdown of authority and the collapse of the Somali army led to the proliferation of militias and weapons. Militia leaders had loose control over their followers, and clan elders lost influence over their members. With weapons at their disposal and traditional power structures rendered irrelevant, militia members and young men used guns to loot, murder, and inflict horrific crimes on their fellow citizens. The lack of accountability coupled with easy access to weapons engendered a culture of impunity, in which pillaging, destruction of property, and rape became common place particularly in South-central Somalia.



Small weapons flowed in from states in the region. Regional actors and political leaders in violation of the Security Council Resolution for an arms embargo regularly supplied weapons and equipment, trained militia, and supported faction leaders.<sup>72</sup> Child soldiering became routine, with militias recruiting young boys to fight. UNICEF report points out that income earnings, rather than belief in any social or political ideology, motivated these young boys to join the militias as child soldiers.<sup>73</sup> With no local authorities to impose regulations, powerful clan militias forcefully occupied valuable properties, making original residents homeless and, in some cases, even transforming them into forced labor. Human rights were regularly violated, but victims had little recourse to justice. Conflict also caused immense displacement, with young and impoverished IDPs often being lured into militias, which promised quick rewards. The outcome was a militarized society in which violence was the norm and guns an accepted form of conflict resolution.

Warlords, armed traffickers, and militiamen continue to play important roles; however, political elites and businessmen, particularly in Somaliland, have recognized that their investments can be successful only if there is rule of law and relative stability in their area. The regional administrations in Puntland and Somaliland and some local clan leaders in the south-central region are giving increasing importance to preventing the flow of weapons from neighboring countries, demobilizing militia members by providing opportunities and incentives for their disarmament and reintegration into society,<sup>74</sup> and punishing law violators by subjecting them to customary, Sharia, and secular law courts. This is not an easy task given that an entire generation has not had access to proper education and is accustomed to seeing brute force used to address disputes. Even today, human rights continue to be violated, with members of powerful clans escaping punishment and enjoying protection for their crimes.<sup>75</sup> Civilians are often caught in the cross fire of opposing parties and suffer from the indiscriminate fighting. Groups determined to undermine the fragile peace and stability attack international aid workers, affecting normal assistance.<sup>76</sup> In some instances, even the regional administrations have employed force to deal with political opponents.

The dismembering of the state and the ensuing militarization of society had the most dangerous manifestations in South-central Somalia, where lack of a functioning government enabled marauding armed militias to fight over resources and power, displace indigenes from

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<sup>72</sup> *Report of the Panel of Experts on Somalia*, 2002. The report notes that neighboring countries readily supplied weapons to Somalia, motivated by profit or strategic interests rather than any legitimate security concerns.

<sup>73</sup> *Perception to Reality: A Study on Child Protection in Somalia*, United Nations Children's Fund (UNICEF), 2004. The study found that the average age of boys involved in hostilities is 16 years. Most of them began participating in military activities at 12.4 years and have been in "military service" for about 2.5 years.

<sup>74</sup> In South-central Somalia, CSOs are collaborating with traditional leaders to entice young militia to withdraw from armed factions, and businessmen are employing former armed militia to serve as private security guards.

<sup>75</sup> *Preparatory Phase for Expanded Demobilization Activities in Somalia*, Interim Narrative Report, European Commission (EC)/German Agency for Technical Cooperation (GTZ International Services). November 1, 2003. The proliferation of weapons as a cause of insecurity is clear when respondents were asked the following: Do you think improving the control of firearms in your country/region would increase the security? Ninety-four percent of the population of Somalia answered in the affirmative. Population insecurity and fear of violence was also clear when respondents were asked the following: Why do you think people keep firearms? The top three responses were personal protection (74 percent), protection of property (60 percent), and protection of community (34 percent).

<sup>76</sup> *Conflict Analysis Regional Report – Somaliland*, 2004.

their valuable property, and eliminate actors who challenged them. In recent years, the intensity and scale of violent conflict may have lessened, but the proliferation of weapons continues to be a serious problem. The lack of any legitimate authority in South-central Somalia has strengthened the culture of impunity, with armed political faction leaders and war economy groups taking advantage of the situation. The armed political faction leaders regularly form convenient alliances, raise armed militias, and foment conflicts to establish a power base and advance their political agenda. Although these leaders have repeatedly abused human rights, they have not been subject to the consequences of their actions. The war economy groups made huge profits in less than lawful ways after state collapse. Some of these groups may have become involved in legitimate businesses, but they continue to make huge gains by profiting from localized conflicts and lawlessness.

Conversely, in Puntland, it appears that a general aversion to weapons is growing and large groups are voluntarily demobilizing. Some political leaders have recognized that fostering a militarized society and letting human rights abuses go unpunished will backfire, leading to dwindling support. A significant number, however, are not giving up their weapons, and the Conflict Analysis Regional Report on Puntland claims that there are two primary reasons. First, given that conflict in Somalia has not been resolved thus far, Puntland maintains security forces to ward off potential threats. Second, the regional administration may attack human rights violations and put a premium on demilitarization, but it too has been responsible for excesses against opponents. An example is the 2002 killing of a prominent opposition leader, who was gunned down after his car was stopped by security forces.<sup>77</sup> The administration's reliance on violence has made citizens feel that demilitarization is one-sided, with the regional administration only paying lip service to a weapons-free society while imposing severe restrictions on civil and political rights. The use of such coercive measures has compelled citizens to form clan- and subclan-based political groups and to possess weapons for self-defense.

Compared with its neighboring regions, Somaliland has made some progress in demilitarizing society through systematic demobilization. Somaliland suffered most under Siyad Barre's regime and was viciously targeted from 1988 until state collapse. After it proclaimed its independence, the easy availability of weapons led to unchecked abuses in the fledgling state for some time. Yet, in their determination to break away from the past and develop an accountable and democratic society, citizens seemed willing to forgive past abuses by the state or clans in the interest of reconciliation. Demobilization has been quite effective in Somaliland, although disarmament lags behind, with Somaliland citizens, both ex-combatants and civilians, less willing to give up their small arms. A small-arms market is still active in Somaliland, and most of the citizens own weapons to protect themselves and their property, and to defend themselves in the event of conflict within Somaliland or a return to war with neighbors. Nonetheless, the authors of the Conflict Analysis Regional Report suggest that the Somaliland population does not want to resolve problems through force. There seems to be a true commitment to increasing peace and stability in the region, which is fostered by local nongovernmental organizations (NGOs), CSOs, and particularly by elders, who use traditional mediating mechanisms to settle conflicts.

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<sup>77</sup> Ken Menkhaus, 2003b.

### *Summary: Militarization-Based Drivers of Conflict Escalation and De-escalation*

All parts of Somalia are still affected by the continuing easy access to arms and lack of accountability for human rights violations. There are some encouraging signs, particularly the increased emphasis on demobilization.

- *Proliferation of small weapons and violation of arms embargo:* Small arms are easily accessible in Somalia and are purchased on the open market. These arms flow in from neighboring states and make minor conflicts readily escalate into lethal violence.
- *Demobilization:* Traditional elders, women's groups, and CSOs try to persuade militiamen to withdraw from armed groups and resume productive activities. Demobilization has been quite effective in Somaliland.
- *Lack of disarmament:* People still feel unsafe and retain arms for personal protection and to ward off attack on property and clan. Although people continue to be armed, there is an increasing aversion toward weapons because they are seen to have inflicted grave suffering on a generation of Somalis.
- *Human rights violations:* There are innumerable cases of human rights violations, with victims unable to pursue justice. The Sharia courts and secular courts hear cases, but they are often accused of favoring dominant clans and subclans or being willing to rule in favor of whoever pays most.
- *Culture of impunity:* Because there is no structure of accountability, a culture of impunity persists, and Somalis rely on weapons to settle disputes. Unfortunately, regional administrations do not set a good example and often rely on force to address problems.

### **Conflicts among Regions in Somalia**

*Contested areas could be the lightning rods, destroying future stability of Somalia.*

Clans continue to vie for dominance over a region because they see political control of a region as converting into gains for their clan. Regional competition often overlaps with clan competition, producing internal regional conflicts. In South-central Somalia, there are armed conflicts among clan-based militias competing for economic control and political hegemony. This is particularly evident in the Lower Juba region which is the stage for serious hostilities between opposing clan groups attempting to acquire dominance. Given the fluid demarcation between the regions, there are also simmering tensions tempered by a fragile peace in the Mudug region lying on the borders of South-central Somalia and Puntland. Perhaps no conflict threatens the future of Somalia as much as the contest between Puntland and Somaliland over Sool and Eastern Sanaag, claimed by both administrations as integral to their territory.

#### *Lower Juba region and its capital city of Kismaayo: Competition for Control*

Since the end of the civil war, Lower Juba has been a conflict zone. The control of the capital of the region, the port city of Kismaayo, has repeatedly changed hands among the key opposing actors. The major protagonists in the conflict are the historically migratory clans of

the Majerten-led Harti/Darod<sup>78</sup> versus the Marehan/Darod in alliance with the Habargidir/Hawiye clans, all of whom seek to dominate the affairs of the region. Ogaden/Darod clan groups are also strategically placed to exert leverage in this region since they have a large rural population in Lower Juba. A combination of these clan groups as well as major indigenous unarmed clan groups makes this region a hotbed of conflict.

One of the main reasons for conflict over control of Lower Juba, particularly Kismaayo is the economic strength of this region. This is evidenced by the transit routes to the ports of Mogadishu and Kismaayo; easy access to rich and fertile agricultural lands; close proximity of the fishing industry, agriculture, and livestock, as well as the high population density.

Currently, the region of Lower Juba, including Kismaayo, is under the control of the Juba Valley Alliance (JVA), an unstructured and convenient coalition between the Marehan/Darod clan and the Habargidir/Hawiye. They acquired control by defeating the Harti/Darod groups supported by the regional administration of Puntland.<sup>79</sup> The competition for control in the Lower Juba, specifically for domination over Kismaayo, could contribute to increasing the potential for conflict between clan groups beyond the region.

*Mudug region: Potential Conflict Flashpoint between South-central Somalia and Puntland*

During and after the civil war, interclan fighting (Darod versus Hawiye) for control of Galkayo and by extension, the Mudug region ended in a stalemate and did not produce any shift in preconflict borders. After intense negotiations, the Mudug Peace Agreement was signed in 1993.<sup>80</sup> Although this accord brought an end to conflict among the warring clans, it has not been able to achieve long-term political reconciliation, formal economic integration, and interclan cooperation. Still, the accord is remarkable in that these clans have clashed in other parts of Somalia, but the hostilities have not spilled over into the Mudug region.<sup>81</sup> While a fragile peace continues to hold, several factors threaten long-term reconciliation, including the continuing competition for clan ascendancy, unresolved land and property

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<sup>78</sup> The Majerten/Harti/Darod clans in Puntland claim close historical ties to Majerten-led Harti/Darod in the Lower Juba, who originally migrated from Puntland. Economic reasons motivate Harti/Darod clan groups in Puntland to lend support to their clan groups in Lower Juba while the Majerten-led Harti/Darod seek support from their clan kin in Puntland to acquire control of Lower Juba.

<sup>79</sup> The Marehan/Darod and Habargidir/Hawiye have their own motives in entering into an alliance. The Marehan/Darod is the only Darod sub-clan living in the midst of the militarily powerful Hawiye/Habargidir-dominated Galgudud region in central Somalia. Over the past 14 years, Marehan have established an economic power base in the South, and maintenance of economic control, necessitates an alliance with the Hawiye. Furthermore, it is determined to avoid the Majerten/Harti/Darod clan acquire political control, lest it seeks revenge for the alleged atrocities committed by the Marehan/Darod-dominated regime over its 21 year rule. The Habargidir/Hawiye's aspirations to political clout are dependent on their maintaining control over the fertile agricultural lands of the South. The alliance with the Marehan/Darod allows the Habargidir/Hawiye clan to suppress the political ambitions of other Hawiye sub-clans, especially the Abgal, another dominant Hawiye contender.

<sup>80</sup> The factors that prompted the signing of the accord include the realization by the main actors in the conflict, General Aideed (United Somali Congress) and Colonel Yusuf (Somali Salvation Democratic Front) that neither clan could win outright; popular desire for peace in the region; and calculations of the business community that war needed to stop to ensure a secure corridor for the flow of trade through the region.

<sup>81</sup> One reason that hostilities have not spilled over is the joint security structure created by the Mudug accord, which confers traditional leaders with the authority to handle actions that could potentially degenerate into violence.

rights, and competition for scarce pastoral resources. The most important issue that likely will determine developments in the region is the impact of political structures that emerge from the peace talks. The Mudug region certainly will be a battleground as clans try to define boundaries, power-sharing arrangements, and regional integration. If not handled sensitively, the deep level of mistrust among the clan communities could easily be transformed into violence.

### *Sool and Eastern Sanaag: Potential Source of Long-Term Destabilization and Intermittent Conflict*

Sool and Eastern Sanaag are claimed by Puntland and Somaliland. Puntland uses shared identity to advance its claims. The Puntland regional administration claims Sool and Eastern Sanaag as part of Puntland on the grounds that people of Sool and Eastern Sanaag are akin to the Harti clan of Puntland, which consists of the Majerten, Dhulbahante and Warsengeli clans.<sup>82</sup> Whether the issue of Sool and Eastern Sanaag was politicized in the quest for territorial control, as alleged by Somaliland, or in support of clan kin, the movement has gathered momentum and created a determination among the Hartis of Puntland to make Sool and Eastern Sanaag a key region of Puntland.

Somaliland lays claims to Sool and Eastern Sanaag on the grounds of history and tradition, because these regions were historically a part of British Somaliland and shared the colonial experience. The view is that redrawing borders on the basis of clan could set in motion a cascading effect in which clans would forcibly occupy regions with similar clans while evicting clans traditionally not a part of that region. The Conflict Analysis Regional Report on Somaliland admits that there were avoidable political incidents that created grievances among a group of Dhulbahante. These grievances could have been addressed, the report claims, if they had not been exploited by Puntland's leaders.

The loyalties of residents within Sool and Eastern Sanaag are torn, with some espousing allegiance to Somaliland, others to Puntland, and a third group to a strong central state in Mogadishu. The conflict over these regions continues to ebb and flow. The situation reached a head in late 2003, when it was alleged that Puntland militia made an apparent attempt to assassinate the Somaliland president, who was visiting Sool. Since then, the armed forces of the two regions have been poised for violent confrontation. The crisis has been averted mainly by traditional leaders determined not to let the conflict turn violent. The fallout of this long-standing disagreement is the lack of assistance flowing into these contested regions, because international agencies are unable to operate there, leading to high-scale impoverishment and deprivation for the people of Sool and Eastern Sanaag.

### *Summary: Regional Conflict Drivers of Conflict Escalation and De-escalation*

Clashes for control of disputed areas potentially could breed violent conflict and unleash a chain of retaliatory events that could pose yet another threat in Somalia.

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<sup>82</sup> It is important to note that Sool is not inhabited by the Harti clan and subclans only. Sool also has a substantial Issaq population.

- *Conflict for supremacy of the Lower Juba could widen the scope of the conflict:* The Juba Valley Alliance (composed of the Marehan/Darod and the Hawiye/Habargidir) currently controls Lower Juba, but it is likely to be challenged by the Majerten/Harti/Darod who have the support of the Puntland regional administration, potentially resulting in conflict. If the conflict is not resolved, it could spread to border areas in the north.
- *Tensions in the Mudug region could potentially give rise to violent conflict:* The Mudug region is held together tenuously by a peace accord overseen by a group of traditional elders. The accord has not led to any meaningful or sustainable resolution of problems and reconciliation among clan groups. Future political developments could result in an outbreak of interclan conflict.
- *Contested areas are potential conflict hotspots:* Sool and Eastern Sanaag are claimed by both Puntland and Somaliland, and it seems that neither regional administration is willing to back down. The people of Sool and Eastern Sanaag, who have suffered greatly from this struggle, do not have a uniform position and are divided in their loyalties.
- *Traditional leaders are potential conflict mitigators:* Clan elders have used customary laws to pacify their constituents to ensure that the conflict does not explode into violence.

### **International Influences**

*African and Arab neighbors in the region are vying to exert and extend their influence in Somalia.*

Developments in Somalia need to be understood within the broader context of the region, wherein Somalia is often the battleground for divisions between its African and Arab neighbors. Regional actors support clan groups in Somalia that may extend their influence. In fact, incompatible regional interests have been critical in delaying national reconciliation and a political resolution to Somalia's problems. Interference by external states is further complicated by cross-boundary clan relations. The borders of Somalia were imposed externally without much consideration for clan configurations, thus dividing kindred clans across boundaries. This situation has led to armed conflict and diplomacy among states being shaped as much by interactions between governments as by cross-border relationships among clans.

Somalia is a member of the African Union and the League of Arab States (LAS). As part of Africa, it is automatically a member of the African Union, while its long-standing historic ties based on common cultural and religious affinity give it membership in the LAS. It is argued that this dual membership makes it captive to the divergent interests of both African and Arab states, which have their own interests in the political arrangement of Somalia.

In South-central Somalia, peace efforts consistently are thwarted by rival regional ambitions. Even the current peace process is plagued by regional rivalries. The Arab states and Djibouti backed the TNG and are reported to favor a strong central authority in Mogadishu, while Ethiopia is said to have supported the Somali Reconciliation and Reconstruction Council to

further the establishment of regional entities in Somalia.<sup>83</sup> Unfortunately, the political fate of Somalia is caught in the middle of this tug-of-war.

Ties between South-central Somalia and the Gulf states have strengthened since the end of the Barre regime. Nearly US\$800 million of Somalia's trade exchange has shifted from Europe to the United Arab Emirates (UAE), and large numbers of Somalis have escaped the civil war to seek refuge and employment in the Arab states. In the absence of social services in South-central Somalia, Arab states have also provided social assistance through Islamic charities. There are accusations that the charities are fronts to promote a brand of Wahaabism<sup>84</sup> but it appears that these allegations are exaggerated and that extreme forms of Islamic ideologies have limited appeal to Somalis.<sup>85</sup> It is alleged that Djibouti, with a large Somali population and membership in the LAS, has also cooperated with the Arab states to consolidate support for the TNG. Ethiopia is considered to have a strong interest in developments in Somalia and has consistently supported clan groups that are willing to protect its interests.

Unlike South-central Somalia, Puntland does not have close ties with the Arab states. Instead, it appears to enjoy a close relationship with Ethiopia, which vies with the Arab states for influence on the outcome of the peace talks.<sup>86</sup> Interestingly, although relations between Somaliland and Puntland are strained, Somaliland also has a good relationship with Ethiopia, which has steadily improved since the collapse of the Somali state. Ethiopia's positive stance toward Somaliland ensures that both a potentially expansionist pan-Somali nationalism and the spread of Islamic fundamentalism are kept at bay. It appears that the Somaliland regional administration has made a concerted effort to prevent Islamic fundamentalists from increasing their power and, by following the principle of separation of state and religion, has excluded religious fundamentalists from the regional administration.<sup>87</sup>

Landlocked Ethiopia has increased trade with Somaliland. After the 2000 war with Eritrea and its inability to rely on Assab port, Ethiopia increasingly channels exports and imports through the port in Berbera. It also cooperates with Somaliland on shared issues of concern, such as security. Ethiopian Airlines flies regularly to Somaliland, and Ethiopia has opened a liaison office in Hargeysa. Somaliland's relations with its other neighbor, Djibouti, have been uneven, particularly given Djibouti's perceived support of the TNG and its stance in defense of reconstituting a unified Somali state. Djibouti is also likely to view Somaliland as a potential rival because its Berbera port could be an alternative seaport for the region.

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<sup>83</sup> *Report of the Panel of Experts on Somalia*, 2002. The Somali Reconciliation and Reconstruction Council is a loose coalition of Somali political and clan groups. The agendas of the leaders are divergent, and the only uniting factor is that they enjoy Ethiopian patronage.

<sup>84</sup> Wahaabism, a movement in Islam from the mid-eighteenth century, is known for its conservative regulations which have impacts on all aspects of life. It calls for the renewal of the Muslim spirit with cleansing of the moral and removal of all innovations to Islam. For details, see Encyclopaedia of the Orient at: <http://www.lexicorient.com>

<sup>85</sup> *Conflict Analysis Regional Report – South central Somalia*, 2004.

<sup>86</sup> ICG Report, May 4, 2004. The report claims that Ethiopia, who has served as benefactor to Puntland, was a key sponsor of Abdullahi Yusuf at the peace talks.

<sup>87</sup> *Conflict Analysis Regional Report—Somaliland*, 2004.

African states and organizations have played pivotal roles in the peace process. The peace talks were led by IGAD and successfully executed by Kenya. The African Union is expected to play a key role in providing support to peacekeeping in Somalia, and several regional states, both African and Arab, appear committed to shoulder the reconstruction of Somalia.

Outside the region, Western donors, particularly the European Community, have supported the Somali leaders to negotiate a peace. They have also provided much economic support and assistance to the peace process. The international community now has to readjust its own support mechanisms/coordination modalities to support the new Transitional Federal Government and manage the transition phase. In the context of the war against terror, the United States has showed renewed willingness to engage.<sup>88</sup>

*Summary: External Actors as Drivers of Conflict Escalation and De-escalation*

- *Positive and negative external influences:* External states continue to influence the evolution of the Somali state. They take sides in Somali conflicts by allying with clans who are sympathetic to their aspirations and strategic interests. The opposing interests of these states negatively impact Somalia. On the positive side, IGAD, African Union and several African states are playing a crucial role in the peace process. The EU, Arab states, and other countries and organizations are also providing development assistance to Somalia.

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<sup>88</sup> US policy on Somalia has been shaped by its failed 1993 intervention when it lost 18 soldiers in a single incident and consequently withdrew.



## Section 4: Conflict-Sensitive Assistance in Somalia

Conflict-sensitive assistance would mean that reconstruction and development policies, programs, and projects consider their potential impact on the conflict environment to ensure that interventions do not contribute to conflict escalation but instead, if possible, contribute to conflict de-escalation. Rarely are the links between aid interventions and conflict simple or static, and rarely do they translate into direct cause-effect relationships. Indirect linkages are an important part of the picture, and the linkages are often mediated by complex social structures. Hence, the way aid interventions impact de-escalation of conflict would be through structures and processes that strengthen the society's ability to manage conflict in nonviolent ways. Although aid may have positive impact on peace and conflict, it is a rather blunt peace-building tool best suited to complement, not replace, more direct domestic and international peacemaking, peacekeeping, and peace-building efforts.

The consideration of conflict sensitivity may lead aid practitioners to make some unusual choices: It may, for example, make abundant sense to go for certain program designs or interventions for reasons of cost-effectiveness, economics, or other technical reasons. Some of these solutions, however, might not pass if viewed through a conflict lens because of potential negative impacts on the conflict situation. For example, an education project may succeed in increasing the number of students passing the statewide examinations; however, if the bulk of those students are members of one particular social group, then the project may exacerbate intergroup tensions by underscoring the perception that one group is being privileged at the expense of another. The converse also holds true: An education project may fail to produce students able to pass statewide exams but may succeed in reducing tensions among particular social groups by creating and institutionalizing an environment that increases constructive contact among groups and decreases misunderstanding by dispelling stereotypes and misconceptions.

The following is based on the findings of the conflict analysis and is intended to provide guidance to planners and practitioners of reconstruction and development assistance in Somalia. It covers selected issues found to be particularly important by the analysis; it should not be read or understood as a strategy for aid in Somalia but hopefully will contribute to such strategies. The section deliberately provides pointers to teams, rather than recipes, because local situations are unique and dynamic and therefore need to be assessed in real time and preferably on the ground. The best use of the conflict analysis is one in which teams themselves carefully consider the potential impact of specific planned interventions on the conflict environment and weigh alternative designs on basis of the findings and pointers given here and in the three regional reports. A recent framework for joint needs assessments also promotes the systematic consideration of conflict factors.<sup>89</sup>

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<sup>89</sup> Uwe Kievelitz, Thomas Schaef, Manuela Leonhardt, Herwig Hahn and Sonja Vorwerk, *Practical Guide to Multilateral Needs Assessments in Post-Conflict Situations: A Joint UNDG, UNDP, and World Bank Guide*, prepared by GTZ with the support of BMZ, CPR Working Paper 14, August 2004.

## **Aid and Social Divisions**

*Avoid fueling clan-group competition.* The clan system has been used as the basis for control of resources, which has led to division and conflict among lineage groups at different levels. The civil war that followed the state collapse in 1990–91 was fueled by the plunder of material resources, and relief aid during the 1991–92 crisis constituted an important part of the loot, justified by warlords as support for their lineage. Looting has since diminished, but competition over resources remains. Any infusion of financial or material resources into the economy, however small (for example, salaried employment with an aid agency), would represent a potential object for competition and division among lineage-based groups. Any benefits, or perceived benefits, for specific groups versus other groups of such infusion need to be considered.

Furthermore, it normally is considered a part of one's social obligation to help kin get employed or be selected as contractor. Therefore, when choosing development partners, hiring staff, selecting contractors, sourcing materials, and so on, the questions to be asked include the following: Who are potential winners and who are potential losers? How fair and accountable are selection processes (of staff, contractors, suppliers)? How are they perceived by the public? How will our rules of the game (procurement guidelines and so on) work in this environment? And: How can they be effectively communicated? (See Box 1 at the end of this section for details.)

*Encourage and support cross-clan or clan-neutral activities and partners.* There needs to be a premium on development activities that can contribute to breaking down clan division and clannism. This should be a major criterion for determining priority areas for aid; it should be clearly communicated across the society and applied in design, assessments, and monitoring of programs. Such activities and programs include those that strengthen cross-clan or clan-neutral institutions, processes, and systems, or have cross-clan/group collaboration as a key feature, for example, in community-driven programs. The Regional Report on South-central Somalia notes the growing movement of people to form associations along professional lines and interest groups rather than along clan affiliation. This tendency should be encouraged and supported.

Activities and support that specifically target the weaker and economically disadvantaged groups are important, even if these efforts are associated with specific clans. Such support is best accomplished and communicated in a way that does not appear to directly challenge the economic and political positions of the more powerful clans. Although cross-clan cooperation may help reduce potential conflict, it may not in itself have much positive effect on poverty and power relations: Activities are still likely to be controlled by the more powerful groups, although perhaps in a different configuration, such as client-patron relationships across clans.

*Help bridge groups.* Clans are bound by a common set of norms, values, and social relations specifically supporting the interests and objectives of the clan. Evidence suggests that this bonding of social capital over the past decade has become weaker on the clan level but stronger on subclan and sub-subclan levels. While conflict has contributed to such narrow bonding of groups, it has been at the cost of another dimension of social capital: the values

and social relations that *bridge* clan groups and their objectives. Somalia has been a showcase of how groups pursue narrowly defined objectives and view them as totally incompatible with the objectives of other groups—often described as a zero-sum game. Development agencies can contribute to breaking down such notions of incompatibility by focusing on and supporting higher level goals that may help bridge subclans, clans, and regions. The UNDP-assisted SEILA Reconciliation Program in Cambodia exemplifies a program that tries to bridge communities that have been on different sides of conflict fault lines through decentralized governance. It included participatory management committees at village, commune, and district levels, and a decentralized planning, financing, and implementation system.<sup>90</sup>

*Understand the role of religion.* A common religious faith unites the Somali population across clan and other fault lines. The population is almost entirely Muslim, and the anarchy, plunder, and violence that followed the collapse of the state in 1991 were viewed by most Somalis to counter traditional Islamic values. Many worry that those values have eroded, and see revival of the traditional ethical and value system embedded in Islam as essential for the peace process. Furthermore, Sharia courts contribute to maintaining justice and stability, and local Islamic organizations play an important role in providing critical humanitarian and social services. Religious groups often transcend clan and regional lines, and thus are helping to strengthen crosscutting social capital.<sup>91</sup> It is also important, however, to be aware of another and more recent trend, namely the existence of a few radical Islamic groups that tend to have divisive effects on society by promoting beliefs and values not shared by the majority. It is important to distinguish between Islam, its institutions, and the way it is practiced by the majority of the population, and extreme and divisive tendencies pursued by a tiny minority in the name of Islam. It appears that such tendencies are being rejected by the general population as well as local leaders in all parts of the country.

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<sup>90</sup> See <http://www.undp.org/carere/home>.

<sup>91</sup> Nat Colletta and Michelle Cullen, *Violent Conflict and Transformation of Social Capital*, The World Bank, Washington, DC, 2000, p.63.

### **Box 1. Operational Issues to Consider in Program Design and Implementation**

Programmatic interventions in conflict-affected Somalia could have an impact on the peace and conflict environment. The key is to manage these impacts so that they do not create or escalate conflict. It may be helpful for teams to consider a series of questions in project design and implementation:

- a. Where is the project **located**? Examine the chief conflicts prevalent in the area of the project. This will provide the sociopolitical context and highlight the potential tensions that may arise. The team should also be cognizant that the conflicts could influence the outcome of the project.
- b. Who are the main **beneficiaries/target** groups of the project? The teams should take special care to understand the clan basis of the groups.
- c. What are the **relationships among** the main **target groups**? Here it may be useful to examine current relations as well as a brief history of the relations.
- d. Who are the main **stakeholder groups** in the area? What is their **relation with the target groups** of the project? In what ways, if any, would the project create or increase differential access to opportunities within and between target and stakeholder groups?
- e. What are **perceived as wins and losses** arising from the project? Is it perceived as a zero-sum outcome by certain groups; will it create competition within target groups and between target groups and others?
- f. How will the project **affect traditional power structures**? How will it affect traditional authority and decisionmaking; how does it threaten the vested interests of certain groups, who are not the beneficiaries of the project?
- g. Does the project contribute to **collaboration among groups**? How will it serve to be a **bridge between groups**? How will it lead to cooperation and reduction of tensions?
- h. How can **local conflict management** institutions and processes serve as **constructive** influences?
- i. If the project creates **unnecessary tensions**, what kind of **contingency plans** have been designed? What kind of explicit mechanisms have been put in place to address the conflict dimensions that may arise during project implementation?
- j. How is the **client staff** represented in the project? Is it representative of the groups affected by the project, or does it go beyond directly affected groups?
- k. **Who** makes **decisions** on issues such as staffing, allocation of funds, and project resources? How may these decisions affect relations among groups?
- l. **Who** makes **decisions on contracts**, including choice of contractors, resources such as building materials, cement, gravel, and so on?

## **Sensitive Economic Development**

*Do not create an aid-dependent Somalia.* Rebuilding Somalia would require the mobilization of considerable resources and their application on key activities in sensitive ways. Special efforts need to be made to mobilize and direct domestic resources towards this purpose. Aid dependency is poor development assistance in any society, but it also creates vulnerability to conflict escalation. Somalia's history shows that aid dependency means weakness: opportunistic governance, perilous public service institutions, and shaky and largely unsustainable economic infrastructure and support activities. The Siyad Barre regime collapsed when the flow of aid suddenly was reduced in 1990,<sup>92</sup> with the state subsequently disintegrating and warlords battling over the political and economic loot, leading the country into a period of crisis and civil war. The share of the country's development, social services and operating budgets externally funded represents one aspect, the other aspect relates to the composition and content of the aid provided. From this perspective, development activities that contribute to sustainable institutions and processes would not only be good aid but also score high as conflict-sensitive assistance.

*Small is better.* While large-scale projects and high-value investments might be necessary, their implementation should be considered carefully as they are likely to attract lineage-based competition and division. As a rule, small-scale projects with well-defined goals, developed across clan groups, are more likely to have a positive effect on the conflict environment. Furthermore, given the quite limited international assistance provided in Somalia over the past decade and the destruction and erosion of service delivery systems, there are many good reasons to focus on aid that helps develop institutions and build capacity: institutions that are able to deliver services needed across society; systems for management of resources that are (and are considered to be) fair to groups with differing objectives; and technical and managerial capacity with a strong sense of professional ethics. Given the strong role currently played by local CSOs in Somalia in providing services and conducting research, many of them would make good partners in further strengthening indigenous capacity.

*Build on community strengths.* The following strengths are quite evident in Somalia: The society has a strong tradition of reciprocal wealth-sharing within the lineage, and Somali communities have been forced to employ a range of strategies to cope in a situation of extremely limited support from outside the lineage (that is, from government or domestic and international organizations). Reconstruction and development assistance should build on these strengths by mobilizing communities' creativity and willingness to share results gained, while at the same time encourage cooperation with other lineage groups. Worldwide, a growing number of community-driven development (CDD) projects are taking place in conflict-affected countries that seek to mobilize such inherent assets for the dual outcomes of improved livelihoods and social cohesion. Rather than using them as models, domestic and international organizations active in Somalia should study such experiences and adapt them to the distinct local social environments where they may be implemented.

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<sup>92</sup> *UNDP Human Development Report, Somalia 2001.* By the mid-1980s, Somalia's total development budget was externally funded, and 50 percent of its recurrent budget depended on international aid.

A more recent approach arising out of CDD is community-driven reconstruction (CDR) for a postconflict environment.<sup>93</sup> It may be useful to apply some principles of CDR to the Somali context. The CDR thinking that communities drive the local reconstruction process resonates in Somalia, where communities are already playing a key role in development. In postconflict Somalia, where rebuilding will start from close to zero, communities need to strengthen the skills to identify needs, prioritize interventions, manage resources and contracts, monitor implementation, and evaluate results. Somalia already has strong community foundations that will be able to take a lead on CDR projects. To ensure that CDR projects progress smoothly, however, communities are likely to need support to build capacity in areas such as creating transparent processes and accountability in resource use, democratic selection of local community councils, and building partnerships between government and local population.

*Mobilize Somalia's human resources.* The population in all parts of the country has shown great resiliency and ingenuity in a challenging environment for many years, and represents the country's main developmental resource. Apart from their experiences and skills within the traditional modes of production, Somalis have shown extraordinary drive and talent in developing and benefiting from economic activities such as telecommunication, commerce, and financial services, and in adapting to evolving opportunities. Furthermore, Somali women contribute greatly to the economy, shoulder huge responsibilities for the livelihood of their families,<sup>94</sup> and are playing an increasingly active role in peace-building initiatives in several parts of the country.<sup>95</sup> In Puntland, for example, women's groups have attempted to address the effects of conflict by developing quick-impact initiatives to draw youth away from militias to more productive alternatives and serving as peacemakers despite threats from warlords.<sup>96</sup> In addition to the population currently living in Somalia, the country's huge diaspora<sup>97</sup> counts a large number of scholars, professionals, and businesspeople who, with peace, may be willing to return and contribute to reconstruction and development.

It is important, however, to be aware of other characteristics within the Somali population caused by the shocks and changes it has faced over the past 15 years, which may have an impact on its capacity to rebuild society. For example, Somalia's population is a young one,<sup>98</sup> which means that a majority of Somalis have come of age at a time where disputes among people are largely equated with violence, traditional values and norms have eroded, and there are extremely limited opportunities for formal education. Large parts of the population have been uprooted because of the conflicts; have suffered chaotic and traumatic

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<sup>93</sup> For details, see Sarah Cliffe, Scott Guggenheim, and Markus Kostner, *Community-Driven Reconstruction as an Instrument in War-to-Peace Transitions*, *CPR Working Paper No. 7*, The World Bank, August 2003.

<sup>94</sup> *Socio-Economic Survey 2002 Somalia, Report No. 1, Somalia Watching Brief*, United Nations Development Program/World Bank, 2003. The share of female-headed households is estimated as 14.3 percent in urban and 11.7 percent in rural and nomadic areas.

<sup>95</sup> *Somalia: Path to Recovery—Building a Sustainable Peace*, CRD, Mogadishu, July 2004.

<sup>96</sup> See also Peter D. Little, 2003. Peter D. Little illustrates the same point with evidence from Kismayo town. Women's groups have been vocal supporters of peace talks and have staged a number of visible demonstrations that include exposing their breasts in public to embarrass men and provoke political action.

<sup>97</sup> *UNDP Human Development Report*, Somalia, 2001. Recent estimates have put the number of Somalis living outside the country at more than a million.

<sup>98</sup> *Socio-Economic Survey 2002 Somalia, Report No. 1, Somalia Watching Brief*, United Nations Development Program/World Bank, 2003.

years of displacement,<sup>99</sup> exile, migration, and urbanization; and are evolving into a new underclass.<sup>100</sup> The many years of violence and human rights abuses suggests that thousands will suffer psychosocial effects that may affect their ability to participate constructively in transforming society. While many in the diaspora have maintained close contact with their home country, they too have been subject to new values and ways of life. Experiences from other postconflict situations show that the population overseas often does not return to participate in reconstruction and recovery in ways and numbers that were hoped for.

*Support economic activities that unite rather than divide.* The most dynamic parts of the business sector benefit from overcoming clan and other societal cleavages, and therefore increasingly contribute to that end. This, however, is not a foolproof bet, as pursuance of short-term profits that pit businesspeople against each other may override long-term interests of stability and cohesion. In May 2004, militia from a single clan but loyal to competing businesspeople fought with heavy weapons in north Mogadishu, leading to many deaths and much displacement. The further development of the sector, from being based on control of physical resources to increased focus on technology and less tangible resources, would reduce both the opportunities and benefits for applying violence to pursue economic ends. One suggestion that could help break down divisions is the establishment of a chain of business activities, whereby clans and subclans are mutually dependent on one another for a successful venture by taking responsibility for distinct production/trade components.<sup>101</sup>

*Strengthen the economic backbone of society.* Political conflicts exist in all societies, but in global terms, they tend to escalate into civil war more often in countries that underperform economically. Somalia is poor by any standard, and substantive growth changes would take a long time even with peace and stability. In addition, the country would still continue to be vulnerable to economic shocks. Any viable strategy for economic recovery, therefore, needs to begin by strengthening the economic backbone of the country. The livestock industry represents the country's most important productive sector, accounting prewar for some 80 percent of export earnings,<sup>102</sup> and provides the basis for the livelihoods of millions of Somalis, many of whom have no alternative source of income, such as remittances. Furthermore, pastoralism—the mode of production in which the livestock industry is embedded—is central to the country's identity, culture, and social formation, all of which are essential for increased stability.

Improvements in the livestock sector, with the lifting of the Saudi Arabian livestock ban as a pivotal step, are critical to ensure more secure livelihoods in both rural and urban areas and help employment opportunities. Even modest improvements in the sector would contribute to reduced chances for escalation of conflict fueled by unemployment, economic migration, competing demands on scarce resources, or pursuance of illegal economic activity that may precipitate violent behavior. It is also important to consider, however, how assistance that specifically benefits pastoralism can be balanced by assistance that specifically benefits sedentary agriculture. Apart from the importance to the large population groups that depend

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<sup>99</sup> U.N. Consolidated Appeals Process, Somalia 2004. Several hundred thousand Somalis have been displaced since 1991. The number of IDPs currently is estimated at 350,000.

<sup>100</sup> *Somalia: Path to Recovery—Building a Sustainable Peace*, CRD, Mogadishu, July 2004.

<sup>101</sup> This has been tried in conflict areas such as Palestine. See <http://www.peaceworks.com/>.

<sup>102</sup> Peter D. Little, 2003.

on agriculture and complementary benefits to the economy, this balance would help dispel notions of favoritism that easily can be politicized and fuel conflict. Global findings indicate that diversification of the economy, especially if it helps reduce reliance on export of primary commodities, would help reduce the risk of conflict escalation.<sup>103</sup>

*Support economic opportunities based on abundant resources.* Targeting development assistance toward indigenous resource mobilization and strengthening abundantly endowed but underexploited economic avenues is critical for economic development. For example, thanks to its long coastline, Somalia is endowed with rich marine resources which may represent new productive opportunities with linkages to complementary sectors. Careful consideration is needed of how such resources can be exploited in a way that provides equitable benefits across the local population while avoiding overexploitation of the resources. The opportunities for Somalis to take advantage of existing resources and improve the earning potential for today's and future generations would greatly benefit from a system that equitably regulates user rights, defines a management plan for sustainable use of the resources, and provides ways for the local communities and user groups to participate in resource management decisions.<sup>104</sup> While it is likely that careful exploitation of relatively abundant resources would have lesser propensity for conflict, it should be accomplished in ways that are not seen to favor some user groups over others.

*Develop systems for fair natural resource management.* Further exploitation of natural resources potentially would contribute to improving people's livelihoods, especially in the north where natural resources are scarce (Puntland, Somaliland). Unlike southern and central Somalia, conflicts in the northern regions are often fueled by resource scarcity, such as grazing land and water, recently depleted by environmental stress and drought. Whether natural resources are abundant or scarce, effective, fair, and transparent management of the resources and resource revenues would help reduce the chances of their being objects of conflict. Global evidence suggests that poorly governed resource abundance linked with the existence of armed non-state actors is a curse with regard to conflict. However, many of the ways suggested to help manage such situations may not be easily implemented in Somalia until there is functional and internationally recognized government in place.<sup>105</sup> Given the current situation in Somalia, assistance designed to achieve execution of agreed objectives and systems for the management of natural resources should focus on strengthening the role that can be played by communities, local administrations, and customary law (*xeer*).<sup>106</sup>

*Fight unemployment, especially among young men.* Most studies on conflict observe that large numbers of unemployed young men in a society increase the chances of conflict escalating into violence, and this one is no exception. Young, unemployed men represent a critical conflict factor because they are easily recruited into rebel or militia groups for reasons such as economic survival and group loyalty. Warlords started recruiting among the unemployed and impoverished youth who roamed Somalia's larger cities in the 1980s, and

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<sup>103</sup> Paul Collier, *Breaking the Conflict Trap*, The World Bank and Oxford University Press, 2003.

<sup>104</sup> Daniel Buckles, ed., *Cultivating Peace: Conflict and Collaboration in Natural Resource Management*. International Development Research Center (IDRC) and World Bank Institute, 1999.

<sup>105</sup> For a discussion on this and related subjects, see Ian Bannon and Paul Collier, eds, *Natural Resources and Violent Conflict*, The World Bank, 2003.

<sup>106</sup> On *xeer*, see *Somali Customary Law and Traditional Economy*, Puntland Development Research Centre, 2003.



they were later supplemented by pastoral youth who moved to towns to help their clans.<sup>107</sup> Estimates from a socioeconomic survey conducted in 2002 indicate significant unemployment, especially in urban areas—urban unemployment rates amount to 61.5 percent, and rural and nomadic unemployment amount to 40.7 percent.<sup>108</sup> There is strong evidence that lack of employment opportunities helps sustain the many militias, particularly in the urban areas of southern Somalia.

Improvements in key economic sectors would help reduce unemployment. The construction boom in northern cities, for example, has employed many displaced people and returning refugees and attracted migrant labor from the south. However, some of the current economic drivers—remittances and telecommunications—do not create large number of jobs. On the hopeful side, successful peace negotiations and increased stability would open up the possibility for investments in reconstruction, much of which would be in labor-intensive building and construction activities. Specific employment measures such as public works may not be the best option, especially for distinct groups of ex-militiamen, as they are short term and temporary and tend to create expectations that may not be easily met.

*Beware of group (or horizontal) inequalities.* The real or perceived exclusion by clans, subclans, or other distinct groups from investments or access to essential services such as education are likely to fuel resentment and may become a rallying point for political mobilization and potential violence.<sup>109</sup> There is global evidence that horizontal inequality, such as among clans, ethnic groups, regions, and so on, correlates with conflict and is important as a potential driver of conflict escalation. Potential effects in reducing (or inadvertently increasing) horizontal inequality should be assessed in program designs and would be especially important in a future poverty reduction strategy in Somalia. The population groups that should be considered in this context include ethnic minorities (for example, the Bantu), people in remote regions, people in economically underperforming areas (for example, the rural south-central), and economic migrants (rural to urban) living on the margins of the economy. In Puntland there is close correspondence between clan and subclan fault lines and regional divisions, which may instigate conflict if development benefits are distributed along geographic lines. Irrespective of the final outcome of the peace process on the relationship and formal status of the three main regions, it would be important that aid agencies give equal importance to reconstruction and development of each region.

*Develop a conflict-sensitive poverty reduction strategy.* The many years of violent conflict have exacerbated already high poverty levels across the country. The 2002 UNDP and World Bank socioeconomic study estimated the proportion of the population that is living in extreme poverty (on less than US\$1 per day) to be above 43 percent.<sup>110</sup> The survey also

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<sup>107</sup> Peter D. Little, 2003.

<sup>108</sup> *Socio-Economic Survey 2002 Somalia, Report No. 1, Somalia Watching Brief*, United Nations Development Program/World Bank, 2003. As pointed out in the South-central Somalia Regional Report, before the collapse of the Somali state, the national government was the major source of employment.

<sup>109</sup> See Frances Stewart, *Horizontal Inequalities: A Neglected Dimension of Development*, WIDER Annual Lectures 5, 2002. For example, Frances Stewart argues that the existence of severe inequalities between culturally defined groups in their access to political/economic/social resources is an important factor that differentiates the violent from the peaceful.

<sup>110</sup> *Socio-Economic Survey 2002 Somalia, Report No 1, Somalia Watching Brief*, United Nations Development Program/World Bank, 2003.

found considerable inequality of household income: While 30 percent of the population gets less than 8 percent of total income, the top decile is estimated to get more than 35 percent. Not surprisingly, the survey also found that regions that have relatively peaceful conditions experience higher income levels than regions undergoing violent conflicts.

While the effects of conflict on poverty levels normally are relatively easy to establish, it is harder to show how characteristics of the poverty situation may impact potential violent conflict in a country. There is global evidence that poverty, especially low income and economic decline, makes countries more vulnerable to violent conflict.<sup>111</sup> However, the concrete ways that the different aspects of poverty interact and articulate with other factors to create a situation of risk for conflict escalation differ from country to country. A future poverty reduction strategy developed by a future Somali government needs to take the different conflict factors and drivers into account, assess how they link with poverty and poverty reduction, and consider the potential impact that alternative poverty reduction policy measures may have on the conflict environment. Integration of conflict sensitivity is best executed during all stages of a poverty reduction process, including the poverty diagnostics, consultation processes, development of policy measures, and implementation and monitoring.<sup>112</sup>

### **Nonpartisan Governance**

*Be prepared for political struggle around state-building.* The process of state-building consistently seems to exacerbate instability and armed conflict in Somalia.<sup>113</sup> This is especially significant in the south-central region. The revival of a state structure tends to be viewed as a zero-sum game, creating winners and losers over potentially high stakes. Control over a central government by specific clan groups would offer them opportunities to accrue economic resources at the expense of other groups, as well as to use the law and security forces to dominate politically. The political maneuvering and violent clashes in southern Somalia that preceded the 2002 peace talks in Kenya provide a reminder of the potentially high stakes linked to such a process. Whatever formula is used to establish the cabinet and other transitional institutions, one should expect a difficult and possibly extended bargaining process among the different office holders to clarify and demarcate roles, responsibilities and potential resources.

While the country needs state institutions, and a successful peace process puts the building of such institutions higher on the agenda for northeastern and South-central Somalia, it is important to distinguish between state institutions that, if controlled, can provide opportunities for specific groups to access increased economic and political power, and those that offer fewer or no such opportunities. While political institutions and public service institutions can be seen to represent opposing ends of such a specter, careful thought needs to be given to mechanisms that can provide nonpartisan oversight of institutions responsible for key functions such as customs, taxation, and other revenue collection, and those in the judiciary, law enforcement, and internal and external security.

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<sup>111</sup> Paul Collier, 2003.

<sup>112</sup> The World Bank, in cooperation with Department for International Development (DFID) and other agencies, is developing guidelines and support for poverty reduction strategies in conflict-affected countries.

<sup>113</sup> Ken Menkhaus, 2003a.

Given the country's modest revenue base, any future central government needs to be minimalist and focus on the most essential functions, while leaving other tasks to local authorities and the private sector.<sup>114</sup> While national reconciliation demands that a new central government has a broad and inclusive base, it should be encouraged to resist the temptation of inflating the cabinet with ministerial posts for every constituency, which it will clearly not be able to afford and which does not help effective governance. Instead of cabinet posts, it should be encouraged to consider other mechanisms for providing key political constituencies with influences on important decisions.

*Build clan-neutral governance functions.* All parts of Somalia need institutions that can provide functions such as maintenance of basic law and order, revenue collection, management of natural resources, and provision of essential public goods and services. As pointed out earlier in this report, even modest levels of law and order tend to reduce armed conflicts by minimizing retaliation and revenge killings. Fledgling and nascent public institutions in Somaliland and Puntland need to be strengthened, and in South-central carefully built when politically possible.

Even if government functions do not contribute directly to preventing conflict escalation, they would benefit the population and provide a framework within which stability and social cohesion may develop *if* they were based on sound principles for governance in which strong and appropriate accountability measures feature. The Bank and other development agencies can and should contribute to this end by helping to build institutional capacity and provide technical advice.

The critical issue, especially in South-central Somalia, is that any such structure or institution supported by external aid needs to be clan-neutral with a civil service cadre recruited on the basis of merit, not on clan or political affiliation. If government is hijacked by groups for political or economic objectives, Somalia may revert to a situation of anarchy and violence resembling the post state collapse in 1991. As recently as June 2004, nearly 60 people were killed in clashes between rival clans in the southwestern town of Bulo Hawa over control of the local administration.

*Learn from and build on the institutions that work.* Both Somaliland and Puntland have developed some level of state governance (strongest in Somaliland), and South-central Somalia has social and economic services provided by CSOs, religious organizations, and commercial entities. Religious and traditional structures, especially Sharia courts and councils of elders, play important roles throughout the country, and most successfully at local levels. The Bank and its partners should take note of why some organizations work and others fail, and build on the ones that work rather than creating completely new structures. There is evidence from the studies that low-key institutions (low-status and low-profit) are effective when perceived not to represent any special groups' narrow interests.

*Support institutional structures that are representative.* While there is not a one-to-one link between democracy and absence of violence, there is a positive correlation. Specific groups, such as clans, are less likely to control democratic institutions and use them as tools to pursue

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<sup>114</sup> *Somalia: Countering Terrorism in a Failed State*, ICG Africa Report No. 45, May 23, 2002.

their interests against those of other groups. The more government institutions reflect common objectives of the population, the less likely they are to be instruments in conflict. To consolidate peace in the event of a successful peace process, assistance that support and strengthen representative institutional structures should be prioritized. Forms of structures that encourage power-sharing and minority representation should be adapted to the Somali context. Furthermore, it may be wise to support the development of electoral systems that require political parties to forge cross-clan electoral alliances to receive support from multiclan constituencies.

*Disarm the society.* Well-organized and effective disarmament, demobilization, and reintegration into mainstream productive life of combatants and militiamen need to be a top priority. Any activity that can help control the small-arms market in Somalia is critical, including effectively enforcing the arms embargo established by Security Council Resolution 733 in 1992. Given the number of arms and the tradition in many parts of the country to carry personal weapons, citizens will have to be convinced that surrendering arms will not endanger their security. Currently, there is a real fear that giving up arms will be detrimental to their safety and interests. Ways to control money sources used for arms purchases need to be considered carefully, including sources such as *qat* trade and illicit activities.

*Demobilize and reintegrate combatants and militiamen.* The German Agency for Technical Cooperation (GTZ), which has carried out studies on the level of militarization in all regions, estimates that there are 70,000 to 80,000 active militia personnel across Somalia in at least 53 different groups, with the highest concentration in Mogadishu.<sup>115</sup> While some of the militiamen are recruited on the basis of lineage loyalties, most seek militia affiliation to earn an income. The majority are of rural origin, with a poor educational background and no formal professional skills. Somaliland has come quite far in demobilizing its militia groups by absorbing them into its national army.<sup>116</sup> Puntland plans to reduce its security forces through demobilization. Spontaneous demobilization has taken place across Somalia.

Given the fragmented nature of the militia groups in South-central Somalia, the practice of sequential demobilization and reintegration employed in most disarmament, demobilization and reintegration (DDR) programs may not be the best option. There is evidence from the GTZ studies that the majority of militiamen view this as employment of last resort and would give up armed activities if more gainful employment alternatives existed. They are reported to request access to education and training as means to change occupations. These findings are encouraging, and agencies may want to focus more than usual on early implementation of programs that provide opportunities for market-related technical and vocational training and jobs. CSOs would be good partners in such endeavors. Menkhaus has made the point that the demobilization taken place so far in Somalia has been quite successful because the efforts have been locally owned and locally driven.<sup>117</sup>

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<sup>115</sup> H. Hinkel, Discussion Paper for Ceasefire, Security Sector Rebuilding, Disarmament, Demobilisation and Reintegration Planning for Somalia,” GTZ, Nairobi, 2004.

<sup>116</sup> Mark Bradbury, “Overcoming State Failure: Somaliland and Puntland,” *A Report for DFID*, December 2003. At the cost of an estimated 50 to 70 percent of public expenditure since the late 1990s.

<sup>117</sup> Ken Menkhaus, “Vicious Circles and the Security-Development Nexus in Somalia,” *Journal of Conflict, Security, and Development*, Summer, 2004b.

*Look beyond boundaries.* Economic resources such as water, roads, and electricity that are shared with neighboring countries can generate beneficial effects but also can sour relationships if agreements are asymmetrical. For example, dams that are built upstream on the Shabelle and Juba Rivers may negatively affect the relationship with Ethiopia if international water-sharing laws are violated. These projects may have negative repercussions in Somalia if people who suffer because of loss of access to water are forced to move. Application of proper assessments and safeguards, therefore, are necessary as part of development assistance to minimize negative external effects and prevent tensions between countries and among population groups in the country that suffer damage.

*Monitor conflict drivers.* Conflict is dynamic, and the factors that drive escalation and de-escalation of conflict will change in all parts of Somalia over the coming months and years. Although development agencies and Somali partners are good at monitoring changing situations and share information, it would be useful if monitoring occurred in a more systematic manner. A set of sensitive and measurable indicators of change should be monitored periodically to provide a basis for comparisons and determination of trends, and agencies should agree on responsibilities for information collection and analysis. The monitoring should be relatively simple and inexpensive.

Conflict monitoring would have two aspects: monitoring indicators of change and monitoring impact of reconstruction and development interventions on the conflict situation. The first aspect would be the simpler one and should start first. The second aspect would require a detailed selection of indicators related to the specific activities and locations covered by each intervention, and should be built into the design of each project or program.<sup>118</sup> The monitoring of indicators of change could build on the findings presented in Section 4 of this report, and could include factors such as politicization of clan identities; disputes settled by customary law; existence of cross-clan associations; implementation of governance functions; inclusiveness of political institutions; public and private revenue collection; links between private sector groups; control of key economic resources; (re-)acquisition of valuable property; control of key natural resources; competition over land and water; cost and availability of small arms; militia activities; demobilization; human rights violations; (sub-)regional hotspots; and external influences. Conflict monitoring would yield the best results if conducted at regional or subregional levels.

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<sup>118</sup> This type of monitoring is known as Peace and Conflict Impact Assessment (PCIA). See Africa Peace Forum (APFO), Center for Conflict Resolution (CECORE), Consortium of Humanitarian Agencies (CHA), Forum for Early Warning and Early Response (FEWER), International Alert, Saferworld, *Conflict-Sensitive Approaches to Development, Humanitarian Assistance and Peacebuilding. A Resource Pack*, January 2004.

## **Appendices**

### **Appendix 1 Methodology**

The literature contains many examples of development policy and interventions that have unintentionally contributed to fueling tension or exacerbating conflicts because the local environments were not well understood or taken into account. Conflict analysis should enable Bank teams, client countries, and partners to better understand the societal factors that drive conflict in a country, as well as how the country's resilience toward conflict best can be strengthened through development assistance.

The Somalia conflict analysis was guided by the Conflict Analysis Framework (CAF), which includes 30 generic variables in six thematic categories: social and ethnic relations; governance and political institutions; human rights and security; economic structure and performance; environment and natural resources; and external forces. The variables have been selected from a large volume of research findings and empirical lessons on conflict interfaces. Each variable represents a complex societal factor that has been found to correlate closely with the escalation or de-escalation of conflict either as a source,<sup>119</sup> alone or in combination with other factors, or as a consequence (which may develop as a new source of escalation/de-escalation). Each variable undergoes a qualitative analysis on several dimensions: history/changes; dynamics/trends; public perceptions; politicization; organization; its link with conflict and intensity of conflict; and its link to poverty.

At a workshop in September 2003, the local partners received training in the use of CAF and worked with the Bank team to adapt the generic variables and dimensions to the Somali context. Guided by CAF and using existing information, the local teams conducted a preliminary analysis of each of the three regions. Although the local teams all had substantial knowledge about conflicts in Somalia, a broad analytical framework was used for the first phase to ensure that options for selection of focus issues for the fieldwork were as open as reasonably possible, thereby helping to minimize bias. The net was thus deliberately cast wide at this stage to ensure a critical assessment of a broad range of factors and avoid simply reproducing past findings. The preliminary analyses were further developed through consideration of comments provided by the advisory group and reviewers.

At a workshop in February 2004, the Somali research teams and the Bank's task team reviewed the preliminary analyses to select focus issues for further investigation through fieldwork. The regional teams had assessed each factor on the apparent strength of its link with the escalation or de-escalation of conflict and made an initial ranking of region-specific factors based on the preliminary analysis. The initial lists of focus issues were further discussed within and among the teams to ensure agreement on their significance for conflict escalation or de-escalation in each region.

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<sup>119</sup> The word "source" is used to indicate that the factor may be a cause, but that causality was not necessarily verified through the analysis.

The purpose of the fieldwork was to gain a deeper understanding of the selected focus issues, including views and perceptions of a cross-section of the society; to reassess conclusions of the preliminary analyses; and to fill knowledge gaps. At the workshop, the teams discussed field research techniques and developed fieldwork strategies that included a mix of qualitative techniques, among them key informant interviews, focus group discussions, and participatory appraisal techniques.

In the fieldwork, the teams were asked particularly to investigate key changes and trends on each focus issue and identify the most important stakeholders on the issue, along with their perceived interests and influences. During the fieldwork, the team sought to unwrap each selected factor further to examine what drives or contributes to the escalation or de-escalation of conflict in each region. The teams were also asked to identify potential ways to address escalation and strengthen the possibilities for de-escalation on each of the issues.

The three regional reports combine the findings from the desk study and the fieldwork, and reflect local experiences and voices.<sup>120</sup> These three reports are written by partner organizations in the regions themselves, partly based on interviews and discussions with members of society, and they naturally reflect opinions and biases that exist among the population. Readers therefore will find that the regional reports, to different extents, express views that sometimes are mutually incompatible. These differences are a critical part of reality. The findings, interpretations, and conclusions presented in the regional reports are those of the authors, and should not be attributed in any way to the World Bank.

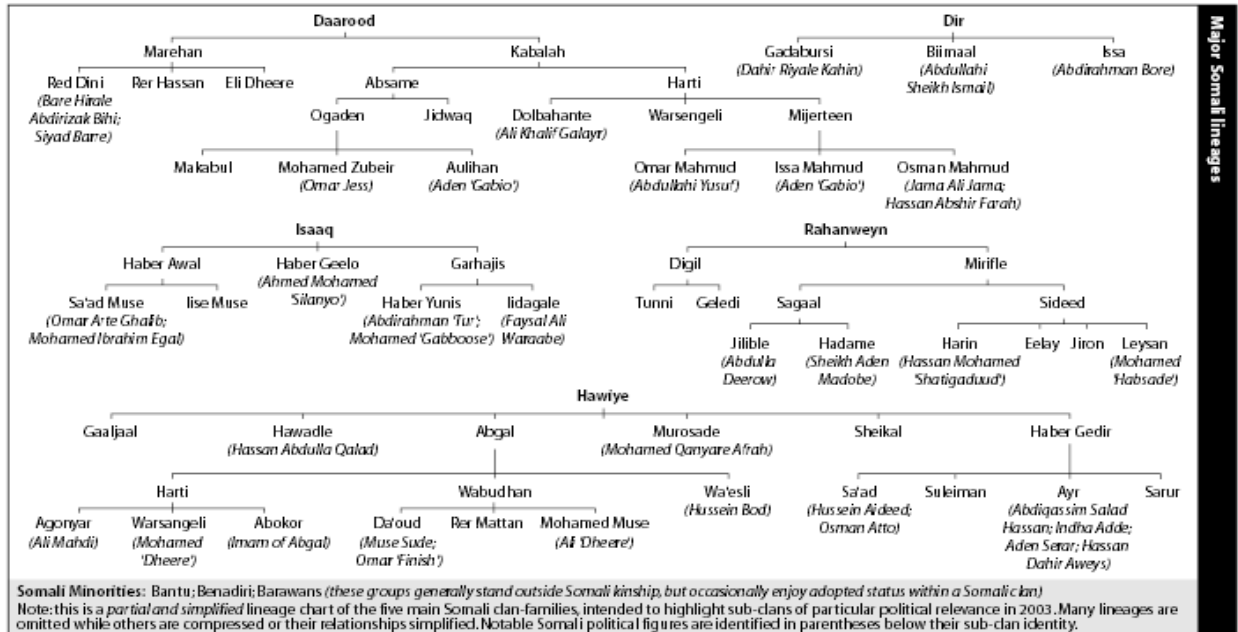
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<sup>120</sup> The regional reports written by local partners are published in three separate volumes: Conflict Analysis Regional Report – South-central Somalia, Center for Research and Dialogue (CRD) 2004; Conflict Analysis Regional Report – Puntland, Puntland Development Research Center (PDRC) 2004; and Conflict Analysis Regional Report – Somaliland, Center for Creative Solutions (CCS) 2004.

## Appendix 2 Lineage Charts

There is no clear agreement on the clan and subclan structures. The following lineage charts attempt to present a systematic, although partial, representation of Somalia subclan structure. They are by no means exhaustive.

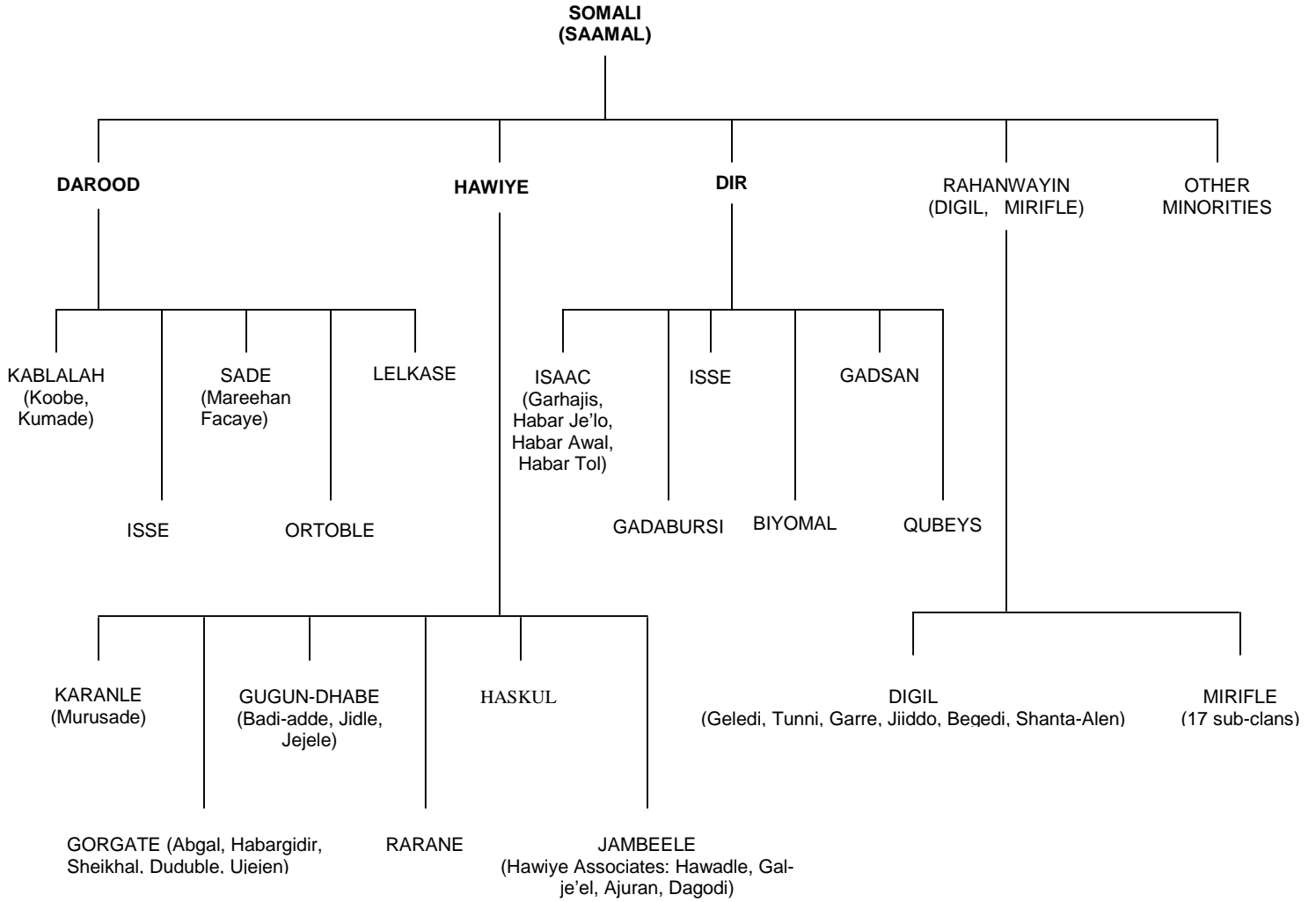
**Figure A-1.** Outline of clan and sub-clan structure<sup>121</sup>



<sup>121</sup> Ken Menkhaus, 2004a.

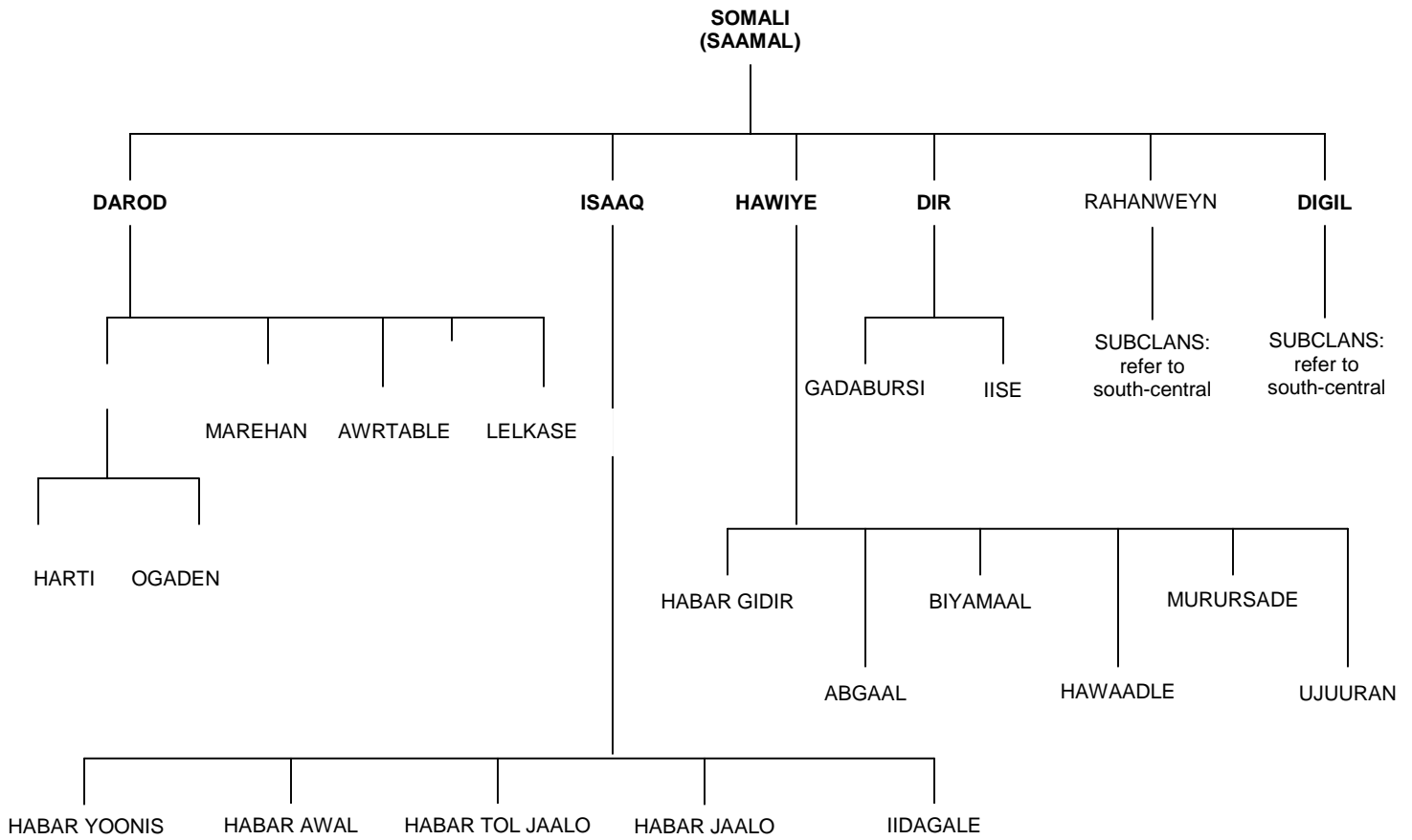


**Figure A-2.** South-central perspective on subclan structure<sup>122</sup>



<sup>122</sup> Based on inputs from CRD, partner from south-central Somalia on the conflict analysis exercise.

**Figure A-3.** Puntland perspective on subclan structure:<sup>123</sup>



<sup>123</sup> Based on inputs from PDRC, partner from Puntland on conflict analysis exercise. PDRC felt that the Rahanweyn and Digil should be two separate clan categories and suggested deferring to the south-central partner for subclan enumeration under these categories. Interestingly, CRD preferred combining the Rahanweyn and Digil under one clan family, Rahanweyn.

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