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Consolidation and Decentralization of Government Institutions

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Introduction

In 1991 the people of the north-west regions of Somalia declared the formation of the independent Republic of Somaliland, whose territory comprises that of the former British Somaliland Protectorate. After a decade of civil war the people of Somaliland set about rebuilding the political, social and economic institutions of government. The process of political rebuilding has been difficult and not without violence. The formation of Somaliland provided an opportunity to break with the corrupt and unrepresentative type of governments that Somalis had endured in the past, and to craft a system that is more participatory and responsive to the needs and aspirations of people. After a decade of independence, the extent to which this has been achieved in Somaliland is hotly debated.

During more than one year of Participatory Action Research (PAR) by WSP and the Academy for Peace and Development (APD), Somalilanders from all walks of life identified governance as a key issue requiring greater in-depth study. The WSP National Project Group Meeting therefore chose 'governance'[1] as an issue for further in-depth research. A Working Group was formed to take this forward, comprising people from different sections of the population in Hargeysa, Somaliland's political and commercial centre. After lengthy discussions the Working Group, under the title, 'The Consolidation of Basic Government Institutions at the Central and Local Levels', divided the research into three themes:

- Political representation
- Decentralization of administration
- Taxation and equity

The main phase of research began in June 2000. It engaged ordinary people in debates on these themes through three participatory workshops in different regions and districts of Somaliland.

Baki town, in Baki district in Awdal region, was chosen as the venue for the workshop on decentralization of government, due to its rural location, the fact that the government had no presence and because the place had seen no development for the last 40 years. The workshop, held in June 2000, examined the legal framework for decentralization, assessed the existing arrangements and the challenges and opportunities of decentralization.

The Somaliland Transitional National Charter adopted in 1993 and the 1997 provisional constitution mandated the government to decentralize the system of government. A suitable environment and opportunity for decentralization prevails. There is peace and public

[1] ~~UNDP definition:~~ Governance ~~can be seen as~~is the exercise of economic, political and administrative authority to manage a country's affairs at all levels, it comprises the mechanisms, processes ~~i~~institutions through which citizens and groups articulate their interests, exercise their legal right, meet their obligations and mediate their differences.

tolerance of government. A fear of a return to centralized rule also sustains pressure for the devolution of powers.

However, progress has been slow. The workshop participants identified the main factor hindering decentralization to be a lack of commitment from the government, but peoples' inexperience, lack of awareness, nomadic culture, clan loyalties, mistrust, illiteracy and lack of organization are also obstacles. Some participants argued that the central government appoints local government officials who are accountable only to the central government. Thus while the apparatus of government is decentralized, powers are not.

The second workshop on political representation was held in Hargeysa, the capital of Somaliland and the seat of central government. Colonization introduced a Western state model of governance that was adopted by Somaliland at independence in 1960. Although some traditional practices continued, like customary law, and elders were incorporated into the system of governance, alternatives to the western model of government were not considered. Reviewing the last forty years, workshop participants argued that there was a mismatch between the western state model of governance and that of a predominantly kinship-based nomadic pastoral society.

A review of the modern history of Somaliland reveals that four decades of independence and nation building by both civilian and military regimes left the Somali people feeling politically and economically marginalised. For most of the independence era, the populace was not consulted in the country's political, economic and social affairs and a representative government was never established, even in the nine years of civilian multi-party rule.

After reclaiming their sovereignty in 1991, the people of Somaliland adopted a *beel* (clan-based)[2] system of governance that has proven critical to the process of reconciliation, healing and recovery of Somaliland. In 2001, a new constitution was approved in a public referendum, paving the way for a transition to a multi-party system of government. Workshop participants reviewed the merits and demerits of the *beel* system of government and the potential opportunities and pitfalls of moving to a multi-party system.

The third workshop on taxation and equity was held in Ceerigaabo in January 2001, the regional capital of Sanaag region, where the administration was only established in the late 1990s, and the system of revenue collection was new. Discussions centred on assessing the system of revenue collection and its administration.

Somaliland's financial institutions have been re-established and are operational at the central and local level. The government system of tax collection is improving and there is a steady growth in the revenue collected by central, local and para-statal government agencies. The prevailing peace and stability and the presence of functional public institutions provide opportunities for greater tax collection. However, the 2000 and 2001 budgets were severely affected by the Gulf States' ban on imports of Somali livestock in 2000. Tax laws and

[2] A *beel* is a temporary settlement of nomadic pastoralists. It has come to refer to 'clan family', and is used to refer to a clan based system of government, while *shir beeleed* refers to a clan conference.

financial regulations need to be updated. Many types of taxes are not collected, the system of taxation is still not unified, not all customs departments of Somaliland are functional and municipal tax is based almost exclusively on the *zeyladaha* (local livestock market). More revenue could have been collected if Somaliland overcomes various obstacles hindering proper revenue collection and management. These include a legacy of mistrust of government, tax evasion, a lack of proper accounting and auditing. Taxpayers question the returns to the public in terms of basic social services. The collection, management and expenditure of tax revenue without the presence of local legislature are also questioned.

2

Governance in the Modern History of Somaliland

The present system of governance in Somaliland has been shaped by a history that includes almost 100 years of European colonisation, nine years of ineffective and chaotic multi-party democracy after independence, twenty-one years of military dictatorship and a decade of armed struggle against that rule. Since 1991, the government in Somaliland has been a hybrid of Western-style constitutional democracy and the traditional Somali *beel* system.

Pre-Colonial Somali Society

When the British colonized Somaliland in *1884* they found the territory inhabited by a stateless society of nomadic people herding livestock in the semi-arid territory of the Horn of Africa. This nomadic society was organized on the basis of kinship and divided into 'clan families' (Lewis, 1961). Each clan family segmented into clans, sub-clans and *diya*-paying groups (see box 1 – diagram of Somaliland clans' structure).[3] There was no central authority and each family and clan independently managed its social relations with other groups, as well as its subsistence needs.

Among these clans a council of the elders of a clan (*shir*), was an important means for managing internal and external affairs. Explaining the political organisation of the Somalis, (Lewis, 1961) described the *shir* as a highly democratic assembly attended by all adult men as need arises in which any attendee had the right to discuss and speak his mind. In addition, *xeer* (customary law), to which all kinsmen are party, and the Islamic s*hariica* (Islamic law) were used in maintaining social relations and political stability, as well as managing pasture and water resources.

The Colonial Administration and Indirect Rule

British colonial administration brought fundamental changes to this uncentralised and stateless system of governance. The establishment of single centralised colonial authority in the British Somaliland Protectorate disrupted indigenous political structures. Colonial District Commissioners (DCs) were appointed to rule over local clansmen, under the general supervision of the Governor of the Protectorate.

[3] Diya is blood compensation traditionally practiced, also a religious obligation given and/or paid by a group that commonly share co-operation by lineage or alliance. The diya is given and/or taken by another diya paying group which is usually the smallest unit of a clan or a sub-clan.

The British practice of 'indirect rule' involved incorporating clan elders into the administration as salaried chiefs (pl: *Caaqilo*).[4] They were further incorporated into the system as judges (*Qaadiyo*) through local courts (Lewis, 1980). It has been the practice of all successive governments since independence to incorporate clan leaders, and therefore clans, into the administration through the appointment of *caaqilo (*s. *caaqil)*, *salaadiin (*s. *suldaan)*, *Garaado (*s. *Garaad*) and *Ugaasyo (*s. *Ugaas).*

Under the system of indirect rule the *Caaqil* acted and served as an intermediary, assisting in implementation of administration's policies. This created a situation in which the traditional practice of decision-making by consensus was replaced with a more formal system of hierarchical authority. For example, if need arose the *Caaqil* could confiscate or seize livestock with the help of the District Commissioner's *Illaalos* (rural police force). As a result the trust between the traditional leader and his clan was damaged.

On the other hand, the British government had little interest in the socio-economic development of the colony. The objective of the British colonialists was to secure the supply of Somali mutton for the British military garrison in Aden and to keep away other colonial powers. During the 80 years of British rule the Protectorate received little investment in development and infrastructure. In 1937, for example, the budget of the protectorate was only £213,139 (Lewis 1980). A local teacher at the time criticised the colonial government's attitude as "The deaf government whose sole intention was to have no ideas and spend no money." (from Geshekter, 1988, cited in Ahmed Samater, 1988).

Some developments were vigorously resisted by the local population, such as the establishment of schools and revenue collection. There was a suspicion that education would be used for spreading Christianity. This accounted for the limited number of schools at that time. In 1956 there were 450 applicants for the 60 places in the two existing elementary schools in the protectorate capital (Abdi Samater, 1989). The District Commissioner of Burco was killed in 1922 when he introduced taxation.

Resistance to Colonial Rule

For twenty years, between 1900 and 1920, the religious and nationalist leader Sayid Maxamad Cabdulle Xasan, led a struggle against the British, Italian and Ethiopians, to free his countrymen from colonial occupation.

The Sayid was from a religious family and as a young boy he travelled greatly as far as the Sudan, Mecca, the Hijaz and Sham (Palestine and Syria) to learn the Quran and Islamic teachings. Upon returning to the protectorate in 1895, the Sayid sought to promulgate the Salixiya order, a puritanical Islamic sect that was locally perceived to be "politically more vibrant and aggressive than the Qadiriya order." (Samatar, 1988). The Sayid preached

[4] The position and title of *caaqil* was introduced by the ~~colonialists~~ Egyptians and expanded under the British administration. The *caaqil* was normally chosen from the senior elder (*oday*), at the sub-sub-clan level, below that of the Suldaan, or Garaad. Mostly the *caaqilo* came from the *landheere* (long) lineage, although a few came from the *langaab*.

ascetism, and denounced smoking, *qaad* chewing (practices tolerated by the Qaadiriya) and called on his countrymen to be strict in their observance of Islamic teachings. He was also a gifted poet and his peace-making efforts between clans won him fame and popularity (Lewis, 1980).

In the same year the Sayid returned to the protectorate he confronted the French Catholic mission in Berbera and warned people of the dangers of Christian colonization destroying the Muslim faith. Despite the opposition of the colonial administration and the influential Qadiriya leadership, he succeeded in rallying the support of pastoralists, mainly from the clan of his mother, the Dhulbahante, establishing his stronghold in areas of the countryside where the British administration did not reach. For many years he managed to keep the British confined to the coastal towns while he controlled much of Togdheer, Sanaag, Sool and parts of Saaxil - nearly two-thirds of Somaliland - where the remnants of his forts and wells can still be seen. His fighting force - the Dervishes - were fed from the livestock confiscated or collected from pastoralists. In 1920 the Sayid was finally defeated as a British blockade off the coast cut off his supply of arms. He was then attacked by from the sea, by air and on land at his fortress in Taleex. One ironic consequence of the Sayid's war against colonial rule, however, was to draw the colonial rulers further into the interior.

The Nationalist Struggle for Independence 1940 -1960

In the early part of the twentieth century, all efforts of the British administration of the Protectorate aimed the defeat of the Sayid and his Dervishes. It was a period of limited administration and no social development in the protectorate. Following the defeat of the Sayid, peace returned to the protectorate, and with it the British policy of benign neglect: there was little or no development to speak of in the inter-war years. In 1939, when the Second World War broke, Italy briefly occupied the protectorate in an attempt to incorporate it within the Italian East African Empire, but British forces expelled the Italians in 1941 and restored the Protectorate to British military rule. In order to strengthen its claim to the territory, the British began to provide various public services such as law enforcement, education, health, water and roads. However, a Somali nationalist political awakening f accompanied these developments.

In the 1940s new nationalist political movements began. Political associations and religious based social clubs were organized, which later developed into political parties that led the struggle for independence. In Somaliland the most notable parties were the Somali National League (SNL) formed in 1957, the National United Front (NUF) established in 1958 and the United Somali Party (USP) formed in the last year preceding independence. The Somali Youth League (SYL) also had some influence but was more prominent in the south.

Given the general lack of political education under the British, the new political parties were typically initiated by Somalilanders living abroad[5] and they depended for their support base

[5] The Somaliland Protectorate community in Aden started the Somali Islamic Association (SIA) in 1920s, first Somali society, lead by Haji Farah Omar . Although not a political organization, this association took an active interest in developments of the Somaliland protectorate and frequently petitioned the British government on

upon local merchants, traders, civil servants and religious leaders. They faced formidable obstacles in reaching the rural populace and their appeal remained chiefly confined to the Protectorate's major towns. Their political platforms were remarkably similar, sharing a commitment to nationalism, pan-Somalism and the rejection of clanism.

In 1948 political activism gathered momentum when the British signed an agreement to cede the Hawd reserve area, the main grazing area for trans-border clans, to Ethiopia. The agreement, which was implemented in 1954, intensified the anti-colonial and pan-Somali sentiments, and ultimately contributed to the unification of the British Somaliland Protectorate and the Italian Trust territory in 1960.

Although the political parties were, theoretically, driven by a nationalist cause, the clan system remained the overriding principle of social organization and the main support base of each party. Nevertheless, some parliamentary candidates in the 1960 pre-independence polls were elected in areas of the Protectorate where they had no clan support base, suggesting that nationalism did have a role to play. For example, the politicians Mohamed Bihi "Shuuriye" from the Gabooye clan and Cumar Maxamad Cabdiraxmaan ("Cumar Dheere") from an Ethiopian branch of the Ogaden clan, were elected respectively in 1960 and 1964 from Hargeysa, an Isaaq-dominated city.

The clan base of the political parties became more apparent as the euphoria of the independence faded. However, the formation of political alliances like the Somali Youth League (SYL)[6] made it impossible for narrowly based clan parties to achieve any effective position in national politics. There were no political parties representing the interests of a single clan, but at the same time the transfer of clan loyalties to political parties had become pervasive.

The thirty-three-member legislature of the Somaliland protectorate was elected in February 1960. The Isaaq-dominated Somali National League (SNL) won 21 seats; the United Somali Party (USP), composed mainly of members of non-Isaaq clans, won 12 seats and the National United Front (NUF) 1 seat. This short-lived assembly debated many issues, but its main focus was the unification of the Somali territories in the Horn. Immediate union with the south without pre-conditions was agreed by consensus, and on 1 July 1960 the State of Somaliland united with the Italian Trust Territory to form the Somali Republic

Independence and Union, 1960-1969

After official unification of the two Somali regions a new provisional constitution was adopted with a parliamentary system of government. This government was comprised of a non-executive President elected by the 123 members of parliament and an executive Prime Minister nominated by the President. The Prime Minister appointed his cabinet from the

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Somali affairs. This Association was followed by the Somali National Society (SNS), mainly composed of civil servants, which emerged immediately after the Second World War.

[6] SYL was formed in 1943 in Mogadishu and was the ruling party from 1960-9. ~~It took on a national form after the union and became the party of government.~~

leading parliamentary party, subject to approval by the President and the Parliament. A third organ of the government was the judiciary, with five Supreme Court judges appointed by the President. The Ministry of Interior appointed Regional Governors and District Commissioners in the eight administrative regions and thirty districts of the country. District Councils, however, were democratically elected along party lines. Each council then elected a Chairman who functioned as the mayor of the district capital.

The major challenges confronting the new government were to consolidate unification, through administrative integration and the harmonization of the socio-economic development of the two different regions with their "dual colonial heritage" (Lewis, 1980). This included different British and the Italian systems of education, administration, security services, pay rates and legal systems.

In many respects the south was more advanced in government politics, having exercised self-rule under the Italian Trusteeship for ten years prior to unification. However, there was no agreed power sharing arrangement or pre-planned methodology to facilitate the amalgamation of the two territories. Ahmed Samater (1988) noted that matters were complicated "by the dominance of the politicians from the south in the new government." This was apparent in the imbalance in the distribution of cabinet and other government posts, including in the security forces. The South had gained the top political offices of the President and the Prime Minister. British Somaliland received just 33 seats in the legislative council, while 90 were awarded to the former Italian Somalia. This meant that when the territories and legislatures were joined in 1960, less than one third of parliamentary seats were held by northern politicians.

Northern disenchantment with the union began shortly after independence, when the people of the northwest saw their former capital Hargeysa reduced to a minor regional headquarters while the new capital, Mogadishu, became the seat of the government and center of national affairs. Northerners, who had perceived Somaliland and Somalia as two equal states before independence, became a minority in the new Somali state. The former Protectorate's secondary influence in national affairs damaged northern pride and began to breed feelings of resentment. Commenting on the difficulty that the northern parliamentarians faced, one contemporary observer noted:

> They were aggrieved that they could not influence any decision making process because of unbalanced minority representation in the national assembly. (Qalib, 1995)

The latent political discontent in the north found expression in June 20 1961, when the majority of the people of the north voted against a new unitary constitution. This was soon followed by a failed coup attempt led by group of disgruntled northern British-trained officers in December the same year.

After the first euphoric years of independence, the multi-party political system began to falter and lost momentum. Political parties ceased to be based on an ideology of nation building and there was a mushrooming of clan-based political parties. People were generally

inexperienced in the modern system of governance and the society's deeply rooted nomad way of life, poverty and high illiteracy were, and still are, limiting factors in the emergence of a political consciousness. The clan remained the overriding principle of social organization, hindering the formation of a civil society and broad-based political parties. Only a handful of political parties contested the first elections after independence. By the 1964 election the number had risen to over twenty, and in 1969 over sixty political parties contested the elections. One workshop participant described the situation as one where, "political parties had no political mandate and roughly every clan or large sub-clan had formed its own political party." Local councils and mayors were elected by the same system and so also reflected the clan-based divisions.

Throughout the 1960s, government became increasingly centralized. The administration and policy decisions were concentrated in the capital city, leading northerners to label the government '*Cawaro'* ('one eyed') and to remark that: '*Nalka Xamar baa la nooga soo daara*' ("[In the rest of the country] even the electric light has to be switched on from Mogadishu"). Citizens requiring trade licenses, legal services, passports, higher education and civil service recruitment were obliged to travel to Muqdisho – a trip of considerable expense and inconvenience for those who did not live in the south. Northerners whose political connections in Mogadishu were weak had problems getting access to government services – a situation described by one bitter political commentator in the following terms: *Ninkaan daba gaabi daadihinayn amase dibitaati daaya lahayn dameerka abgaalba wuu dilli.* ('He who is neither led by a mini-skirted lass, nor protected by a parliamentary boss, will eventually be killed by the donkey of the *Abgaal'* [a clan from the Mogadishu area]).

Northern resentment was sharpened by the well-founded belief that felt that only a small proportion of the millions of dollars of international aid that poured into Somalia, was invested in the north. The construction of Berbera port, Tog-wajaale wheat farm, Laasqoray fish factory and the extension of Hargeysa airport, were among the few development projects executed in the north, in contrast to the south where many projects were implemented. Total development expenditure in the north was less that ten percent of that in the south.

Political dissatisfaction was not confined to the north, however. Disillusionment at the misappropriation of state powers, rampant corruption, favouritism and nepotism by the civilian administrations was felt throughout the Republic. In 1969, chaotic elections that resulted in several deaths were followed by the assassination of president, Dr. Cabdirashid Cali Sharmaarke in the remote town of Laascaanood, paving the way for a coup d'etat on 21st October 1969.

The Military Regime

In October 1969 democratic civilian rule was replaced by the Supreme Revolutionary Council (SRC), comprising twenty-four officers from the uniformed forces led by General Maxamad Siyaad Barre. Under military rule, power became further concentrated in the office of the President, favouring Mogadishu and its environs. National development

planning and political opportunities were concentrated in the capital and certain areas of the south, while the rest of the country was marginalized politically and economically.

Following the military coup, the SRC suspended the constitution, dissolved the elected parliament, disbanded the independent judiciary and banned all political parties and all social organisations. The SRC assumed sole authority for formulating policy objectives for the country, assisted by a handpicked council of 14 civilian Secretaries, who executed the routine affairs of the administration in the different ministries. In terms of clan representation the SRC was unbalanced. Only eight out of 25 members were from the northern clans and the Digle and Mirifle, who inhabit the large agro-pastoral regions of Bay and Bakool, were not represented. Military officers directly accountable to the SRC replaced the regional and district administrations, followed by the formation of local revolutionary councils selected and chaired by governors and the district commissioners, appointed from the circles of the revolutionary party.

The Charter of the revolution proclaimed equality, justice and the universal right to work. After a year in power, the SRC adopted Scientific Socialism as the country's ideological orientation. This reflected the SRC's heavy ideological and financial dependence on the Soviet Union.

The Somali people, disillusioned with the corrupt parliamentary rule of the previous nine years, welcomed the 'bloodless revolution' and placed their hopes in the change of government. In the initial years, therefore, the military leaders of the revolution had little difficulty eliciting community participation in their development programs. Revolutionary programs and slogans, disseminated through the '*Hanuuninta*' (political orientation centres) or by radio sought to engineer a new socialist nation free from the bondage of 'clanism'. Intensive public campaigns were conducted against corruption, nepotism and clanism. An effigy of the clan was buried and burnt and the collective practice of *diya*-paying was abolished and replaced by death sentences and life imprisonment. A Public Relations Office was established to prepare the youth and intellectuals to become cadre of the revolution.

In the early 1970s several ambitious development programmes were launched: state farms were formed in agricultural areas, a new Somali script was introduced in 1972, followed by a successful national literacy campaign, and a major resettlement operation was launched to assist nomads affected by the 1974/5 *Daba-dheer* ('long tailed') drought. Social services and basic infrastructure were expanded, a national university was established, family law was amended giving women more inheritance rights, and an embryonic industrial sector was started.

Despite these accomplishments, the grandiose socialist policies of the regime in the end only served to impoverish rural producers, who formed the majority of the population and the backbone of country's economy, and intensify economic and social misery. The government Agricultural Development Corporation (ADC) controlled grain market prices and distribution, allowing the farmer to retain only a portion for domestic consumption. The purchase of grain at prices controlled by the government discouraged food production and the country moved from a situation of food surplus to one of food deficit.

Government agencies also had a monopoly on other sectors such as the marketing and export of skins and the importation and distribution of food items. Over time, nationalized enterprises such as SNAI (Societa' Nazionale Agricola Industriale - The Italian Jawhar Sugar Factory), SEIS (Societa Eletrica Italo-Somaalo - The Italo-Somali Electric Society), tobacco importers, fuel-oil distributing companies, banks and insurance companies, began to work far below capacity. Nationalization and other economic policies left the country with large deficits and dependent on foreign borrowing and aid. By the 1980s, exports were in serious decline and the economy was characterized by massive corruption and raging hyperinflation.

Faced with such troubles, the regime became more repressive. Rather than relying on orientation centres, greater powers were given to internal security forces to pursue its policies. These included the National Security Service (NSS) formed in 1970 from the former intelligence services, the Guulwadayaal ('Victory Pioneers') formed in 1973, which provided a community-level system of surveillance. Following Somalia's defeat in the Somali-Ethiopian Ogaden war in 1978 and in response to internal strife within the army, the state terror agencies increased in number. The *Haangash* (military intelligence), *Koofiyaad Cas* ('Red Berets' – Presidential Guard), and the investigative organ of the government party (*Baadhista xisbiga*) were formed to further strengthen the regime's power base. Repression and the violation of human rights and became the order of the day. A former Police Commander explained the powers of these security organizations:

> "With the exception of the social organizations, they all had powers of arrest, search and seizure of property, torture and detention with out trial. The social organizations fulfilled the role of intelligence". (Qalib, 1995)

In a thinly veiled attempt to disguise the dictatorial nature of the military regime, and ostensibly to implement his own brand of socialism, Maxamaad Siyaad Barre founded the Somali Revolutionary Socialist Party (SRSP) in 1976. This involved forming a rubber stamp "Peoples' Assembly" to legitimise his increasingly dictatorial regime. The purpose was not in fact to enlarge popular participation in public affairs, but strengthen the apparatus of control. Ensuring loyalty to the regime took precedence over development or good governance.

Party and administrative structures were established that linked the grassroots to the office of the President. Every 50 houses in the cities, towns and villages were linked together as a political unit (*Tabeela*). The next higher level was the *Xaafada* ('Quarter') with an orientation centre for mobilizing the community and spreading propaganda on the successes of the revolution. The regional and district administrations represented the party and were assisted by nominal local councils whose members were also well connected to the SRSP. Opportunities for corruption proliferated at all levels within both the party and the administration.

Despite the government's declared intent to free the country from 'clanism', patronage, favoritism and nepotism were revived and became common practice in government circles. Certain clans were favored and rewarded for backing the regime. Key positions in the administration and the security forces were given to individuals related to the President, many of whom had little or no qualifications for their posts.

Under Barre, the Somali state's combination of centralization and authoritarianism steadily undermined social and economic development, and incrementally disenfranchised a growing proportion of the population. As one report described, "Somalia's government under the authoritarian rule of Siyaad Barre systematically shut out community input into the development agenda" (HDR, 1998).

Insurgency and civil war

Somalia's defeat in the 1977/78 war with Ethiopia over the Ogaden is considered by many analysts as a watershed in Somali history, signalling the end of pan-Somali nationalism and the beginning of the disintegration of the Somali Democratic Republic. From 1978 onwards, the proliferation of clan-based rebel groups kept Somalia in a constant state of political and military turmoil.

- One major consequence of the Ogaden war was a mass influx of mainly ethnic Somali refugees from Ethiopia. The country hosted roughly 1.5 million refugees, representing some 40% of the population of Somalia (Bradbury, 1997). Of the 41 refugee camps throughout Somalia, 12 were located in the Hargeysa-Boraame region (Said S Samatar, 1991). Fear that Isaaq land and rights would be usurped by Ogadeen and the Oromo refugees was one of the causes of the SNM's challenge to the regime. The refugees caused widespread land degradation, while food aid for the refugees discouraged local farm production. In return for hosting the refugees the regime received a great deal of foreign aid. Much of this was later used to wage war against the armed insurgents and many refugees were recruited by the military to fight, particularly against the SNM in the north.

In April 1978, one month after the ceasefire with Ethiopia, a group of *Majeerteen* military officers launched an abortive coup, triggering brutal government reprisals in their home regions. These disaffected military officers went on to establish the Somali Salvation Democratic Front (SSDF) in 1979, which launched attacks against the regime from bases in Ethiopia. The SSDF was followed in 1981 by the formation of the mainly Isaaq Somali National Movement (SNM) in the northwest, and in 1989 by the United Somali Congress (USC, Hawiye) and the Somali Patriotic Movement (SPM, Ogadeen).

In response to the SNM uprising, the regime launched both a military and economic war against the Isaaq. The system of *Franco valuta,* introduced in the 1970s in the north to facilitate trade and commerce, was terminated. In 1983 local *qaad* farms were burned out and uprooted and northern merchants were refused import-export licenses. As the military situation deteriorated, martial rule and a night-time curfew were imposed in Hargeysa. Civilians suspected of being SNM supporters were subject to arbitrary arrest and detention; torture and summary execution became commonplace. In 1984 the government army massacred civilians in Burco and Hargeysa. In 1988, when the SNM attacked and captured Hargeysa and Burco, the Somali military responded with aerial bombardments of Hargeysa, virtually destroying the towns. People fled to neighbouring countries for refuge. In Ethiopia

alone, approximately 360,000 refugees resided in the camps of Awaare, Kaamabokor, Rabbasso, Daroor, Aishaca and Hartasheekha (Said S Samatar, 1991)[7].

A gradual intensification of conflict between the disparate rebel forces and the government eventually forced the Barre regime from power on 26th January 1991. As the USC took control of Mogadishu, the SNM took control in the north-west.

The SNM

The Somali National Movement (SNM), based in Ethiopia, was founded in London in 1981 by a group of former politicians and civil servants. The movement aimed primarily to topple the Siyaad Barre regime and aimed to replace him and his government with a more democratic and decentralized system.

The SNM lacked unifying ideology and was organized essentially as a coalition of sub-clans, each supporting its fighting militia with supplies of food and other resources. This was coupled by contradictions between urban elite from urban centres and the bulk of the fighting forces from nomadic communities whose support the movement desperately needed.

Despite the difficulties and controversy that attended that SNM's war effort, its decentralised leadership, its democratic transfers of power and its institutionalisation of traditional leadership[8] are counted among the SNM's more valued legacies to post war Somaliland. The SNM's essentially democratic nature also contributed to the success of the Burco peace conference of 1991 and the relatively smooth hand-over of the SNM leadership to a civil administration in May 1993.

The SNM Interim Government

Following their defeat of the Barre forces in January 1991, the first task of the SNM leadership was to seek peace and reconciliation between the northern clans. Between 15 and 27 February 1991, the SNM convened the first of several peace conferences, the '*Shirka Walaalaynta Beelaha Waqooyi'* (meaning 'The Brotherhood Conference of the Northern Clans'), which sought to restore trust and confidence between the Isaaq and non-Isaaq clans who had fought on opposing sides during the war. The conference achieved what one observer has described as the SNM's conciliatory policy of peaceful coexistence between all the clans (Drysdale, 1993).

The Berbera meeting prepared the ground for a larger conference of prominent clan elders and leaders from the north, convened in the city of Burco between 27 April and 18 May 1991. The conference, known as the 'Grand Conference of Northern Clans' (*Shirweynaha*

[7] The vast majority of refugees belonged to the Isaaq clan; Aisha camp, populated mainly by the Ciisa clan, was the only exception.

[8] The SNM used ad-hoc committees of elders as early as 1984 to mobilize men and resources. In 1989 the *Guurti* as an institution was formally integrated in the SNM command structure.

Beelaha Waqooyi), took place in parallel with the meeting of the SNM Central Committee. The purpose of this conference was to continue the process of confidence building among the northern clans and to discuss the destiny of the region. After extensive consultations lasting nearly two months, the clan elders and SNM leaders approved the following resolutions:

- The withdrawal of the former British Somaliland Protectorate from the 1960 union with former Italian Somaliland, and restoration of its sovereignty
- The declaration of the Republic of Somaliland
- The continuation of peace-building in Somaliland

On May 18, 1991, the SNM Central Committee formally announced the independence of the Republic of Somaliland and the formation of a transitional SNM administration to govern the territory for a two-year period.[9] The incumbent SNM chairman, Cabdiraxmaan Axmad Cali *'Tuur',* an experienced civil servant and diplomat, became President.

The decision to withdraw from the union was taken with some reluctance by the SNM leadership (Drysdale 1993) – a reluctance due to their concerns about the state of the devastated country, a fear that international recognition would be difficult to achieve, and the preference of many of the SNM's senior figures for a federal system of government for Somalia. However, particularly within the Issaq community, the call for independence was deeply popular, and was given urgency by the USC's unilateral announcement of an interim government for Somalia on 27th January 1991 in Mogadishu.

Cabdiraxmaan *Tuur* formed his first cabinet at the end of May 1991. This consisted of eighteen Ministers, six of whom were non-Isaaq.[10] The new administration faced the daunting task of rebuilding a war-torn country from scratch, with no financial and material resource base to draw on and limited international assistance.

The demobilization and reintegration of militia proved to be a particularly complex and problematic issue. After the defeat of Barre's forces in 1991, many members of the SNM and clan militias voluntarily demobilized and returned to civilian life. But this spontaneous demobilization was offset by the mushrooming of irregular militias whose members included both war veterans and new recruits seeking to earn a living from banditry and extortion. Many of them occupied checkpoints along the main trade routes between towns, disrupting the flow of people and commercial goods. Some units controlled public facilities, such as ports and airports within their clan territories, collecting revenues and perpetuating insecurity. In 1993 the government of Somaliland estimated the armed clan militiamen to be demobilized and reintegrated at 50,000 (Niyathi, 1995).

Within a year the new administration faced a serious security problem. Unable to control the clan-based militias, the *Tuur* administration failed to restore law and order or to extend the

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[9] The constitution of the SNM, adopted at the 6th Congress of the SNM in Baligubadle in 1990, gave a future SNM government a two-year interim period to govern.

[10] Non-Isaaq clans were also given seats on the SNM Constituent Assembly, although this did not meet in the two years.

administration's authority beyond Hargeysa. The crisis was compounded by a power struggle with the political elite, who manipulated clan loyalties. In the absence of a common foe, cohesion between the Isaaq clans broke down, and competition over public resources became a new source of contention (Farah, 1997). Wartime rivalries between the civilian and military wings of the SNM resurfaced. One group of SNM military commanders in particular, popularly known as the *Calan Cas* (Red Flag) faction, felt underrepresented in Tuur's administration and began to coalesce as an opposition force. The collapse of SNM solidarity in the aftermath of the movement's victory made it impossible to convene a meeting of the SNM Central Committee during the two-year tenure of the interim administration"

> The central committee was legally bound to meet every six months, though after the take over in 1991 the SNM found difficult to achieve this. In 1992, for example it failed to get a quorum at the May meeting because of difficulties of logistics and partly because of the problems connected with some SNM supporting clans at war in Berbera and reluctance of many members (Gilkes, 1993).

In January 1992 fighting broke out in Burco between two Isaaq clan militias, controlling the east and west halves of the town respectively. The fighting was triggered by the administration's attempt to organize a national military force and to disarm clan militias. Since Tuur's administration was locally perceived to be partisan, one part of the Burco community welcomed the force while the other[11] opposed it. The fighting, which lasted one week, displaced virtually the entire population of the town and resulted in hundreds of casualties from both sides. Elders from different regions, including prominent Isaaq elders cooperating with the government, mediated between the parties to restore peace and stability. Women in Hargeysa and Burco made public demonstrations for peace.

The government's campaign to disarm militias and constitute a national force, however, continued. In March 1992, shortly after the battle in Burco, a government-supported militia force moved to Berbera, triggering a new standoff between pro-government and opposition forces. As in Burco, the population of Berbera was divided in its reaction to the government initiative. Efforts to negotiate a peaceful settlement to the crisis failed, and fighting broke out in March, causing a mass exodus from the town. The fighting continued sporadically for over six months, until opposition forces managed to expel the pro-government militia from Berbera in October 1992. A special peace committee, known as the *Kulanka* ('meeting') comprising of thirty individuals equally selected from members of the cabinet and the opposition was organized to mediate the conflict. The *Kulanka* concluded that Berbera port should be placed under government control, but local leaders argued in response that all public facilities in the country should therefore be similarly treated.

[11] The conflict primarily opposed militias of the Habar Yoonis clan on the government side and the Habar Jeclo with the opposition.

The Gadabuursi clan elders, concerned about the potential spread of the war throughout Somaliland and utilizing their neutral status as non-Isaaqs, offered to mediate. Their *Guurti*[12] brokered an agreement by proposing a formula agreeable to all the parties. This stipulated that all public facilities in Somaliland, including airports, seaports, roads and fuel storage depots should be managed as state property. And after having met the Berbera elders and studied the situation they suggested they forwarded the *Kulanka* with a decision that that, the transfer of public facilities including Berbera port, is circumstantially not possible unless all clans handover public facilities under their control to the government. A proposal agreed by the *Kulanka* and the warring factions.

The initial Gadabuursi initiative formed the basis for the constitution of a broader Somaliland *Guurti*. Having resolved the Berbera conflict, they proposed a further conference in the town of Sheekh to complete the peace process. That conference, which took place in October 1992, was attended by the *Guurti* from all the clans of Somaliland, who jointly brokered an agreement between Berbera's warring clans. Although, the *Kulanka* had declared an immediate cease-fire, the Sheekh conference consolidated peace, underpinned by the following resolutions:

- Fixed assets taken during the war must be returned to owners on both sides.
- Militias should be withdrawn from the battlefield.
- All roads must be cleared from armed militias and be opened for traffic, especially the road between Burco and Berbera.
- Prisoners of war must be exchanged

In addition, a further peace and reconciliation conference was proposed to consolidate the peace and discuss the future of the nation. Boorame was chosen as the location for the conference, because of its enduring stability and because the Gadabuursi clan had played a neutral and central role in reconciling the conflict over Berbera.

The Boorame Peace and Reconciliation Conference, January-May 1993

The 1993 Boorame conference has been described as the watershed of peace making and political development in Somaliland (Farah 1993). The Conference successfully concluded the inter-clan fighting and oversaw the transfer of power from the SNM to a new civilian administration. It also set the direction for governance in Somaliland and established a model for future peace processes in the Somali territories. After five months of serious deliberations the main outcomes of the conference were the following:

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12 According to Ahmed Farah and I.M Lewis (1993) the highest council of elders is known as *Guurti*. It comprises clan leaders, both non-titled elders and titled elders (*Salaadiin*, *Ugaasyo*, *Garaado*, *Caaqilo* etc.) that represent the lineage of clans, sub-clans and *diya* paying groups. The system of *Guurti* was revived during the SNM struggle in the 1980s as a way of mobilizing the clans, and of mediating between them and the SNM's military and political wings. In the 1990s in Somaliland, the G*uurti* represents clans in regional and national inter-clan peace conferences.

- A National Charter for Somaliland was adopted, which served as a working constitution for Somaliland from 1993-1997.
- A Peace Charter for the Somaliland clans was adopted, which laid down provisions for peace agreements to be mediated by the *Guurti* and set out methods and procedures for conflict resolution.
- A president and a vice president were elected.
- A parliament was formed comprising the 150 voting delegates of the conference.

The success of the Boorame conference can be attributed to a number of elements: the meticulous preparations of the organizing committee (see table 5), the fact that it was largely financed by Somaliland communities,[13] and it operated according to a flexible time-frame. The conference included 150 voting delegates of elders from almost all the clans of Somaliland,[14] although an estimated 2,000 people actually attended and were hosted by the Boorame community. The conference lasted for five months, allowing for interventions by religious leaders and other facilitators to break any deadlocks, and for separate clan and sub-clan meetings to take place as needed.

Table 1. Major Reconciliation Conferences in Somaliland, 1991-97

	Clans	**Meeting place**	**Duration**	**Name of Meeting**
1	National	Berbera	15-27 Feb1991	The Brother-hood Conference of Northern Clans
2	National	Burco	27 April - 18 May 1991	The Grand Conference of Northern clans
3	Dhulbahante & Habar Jeclo	Yagoori	Feb 1991	
4	Warsangali & Habar Yoonis	Yube	18 June	Yube I
5	Habar-yoonis & Warsangali	Yube	6-9 October 1991	Yube II
6	Habar-yoonis, Habar Jeclo & Dhulbahante	Oog	30 October 1991	
7	Warsangali & Habar Jeclo	Ceel-Qoxle	10 May 1991	
8	Gadabuursi & Isaaq	Boorame	17-19 Feb 1991	Guul Alla
9	Baha Samaroon & Jibriil Abokar	Boorame	17-19 Oct 1992	
10	Reer Nur & Jibriil Abokor	Boorame		
11	Habar-Awal & Gadabuursi	Haargeysa		
10	Dhulbahante & Habarjeclo	Kulal/Awrboogays	1-22 June 1992	
11	Habar-jeclo, Warsangali &Gahayle	Shinbiraale	16-22 Aug 1992	
12	Dhulbahante & Habar Jeclo	Xudun	1 Sept 1992	
13	Habar-yoonis & Warsangali	Jiidali	5-9 Nov 1992	
14	Habar-jeclo, Dhulbahante, Warsangali & Gahayle	Garadag	23 Nov - 1 Dec 1993	
15	Sanaag region	Ceerigaabo	1993	
16	Gadabuursi eastern clans & Sacadmuuse			

[13] Some support was received from Life and Peace Institute, the Mennonite Central Committee, the French Government, CAA-Australia, Somaliland communities in Norway and Abidjan. SCF provided transport for some delegates from Laascaanod and Sanaag in the east.

[14] Minorities, such as the Gabooye, Madigan, Gahayle were not involved. Women did not formally participate.

17	Gadabuursi & Issa	Geerisa		
18	Gadabuursi & Issa	Agabar		
19	Habar Yoonis/Ciisa Musa	Sheikh	28 Oct – 8 Nov 1992	Tawfiiq
20	Dhulbahante/ Habar Yoonis	Dararweyne	2 Jan - 5 Feb 1993	Khaatumo
21	Warsangali/ Habar Yoonis	Jiideli	6-9 Oct 1992	
22	Habar Yoonis/Ciisa Musa	Hargeysa	4 Oct 1992	
23	Warsangali/Habar-jalo		11-18 Aug 1992	
24	National	Boorame	24 Jan – May 1993	Allaa Mahadleh
25	National	Ceerigaabo		
26	Ciidagale	Xarshin	1995	
27	Ciidagale	Kaam-Abokor	1995	
28	Habar-yoonis & Habarjeclo	Gaashaamo	1996	
29	Habar-yoonis & Habar-jeclo	Baallidhaaye	1996	
30	Habar-yoonis & Habar-jeclo	Duruqsi	1996	
31	Habar-yoonis & Habarjeclo	Beer	1996	
32	Reer Nuur & Jibriil Abokor	Gabilay	1996	

The Cigaal Administration, May 1993 to February 1997

On the basis of the interim Charter agreed to at Boorame, a two-year transitional government was formed. On May 5 1993, Maxamad Xaaji Ibraahim Cigaal, a prominent Isaaq politician, and Prime Minister of the last civilian Somali government in 1969, was elected as the President. Cabdiraxmaan Aw Cali Faarax, an SNM colonel from the Gadabuursi clan, was elected as his Vice President.

Importantly, the National Charter defined a hybrid system of government. This comprised a bicameral legislature including an elected House of Representatives and a Council of Elders, or *Guurti*, a Presidential Executive, and an independent judiciary.[15]

The new government differed from the previous SNM administration in two main ways:

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- It possessed a broader base in terms of political participation and representation. Although the smaller and minority clans were not represented in the conference, non-Isaaq clans were given better representation compared the previous administration.
- The role of traditional clan leaders was institutionalised in one of the central political institutions of the state, as a check on the executive and the elected representatives.

The newly formed government took immediate steps to implement the mandate of the National Charter. The government began by forming a "national army" and disarming clan militias in the western regions (Hargeysa and Awdal). Much progress was achieved, and by by 1995 the national army numbered 5,000 (NDC, 1994). The nucleus of an administration was formed and public sector institutions were revived. An environment favourable for

[15] There was considerable discussion and debate at the Conference over whether to have an Executive President or Prime Minister.

repatriation was created and, with the help of UNHCR, a process of voluntary repatriation from Ethiopia commenced in 1994.

The administration of President Cigaal was more inclusive than that of his predecessor in terms of clan participation, both in the Executive and in the Parliament. However, not all grievances had been settled at Boorame and some groups were not yet satisfied by the formula for political representation. Politicians of the Habar Yoonis, the clan of the former President Tuur, almost immediately expressed their dissatisfaction with the election of Cigaal as well as the number of seats accorded the clan in the parliament and the allocation of only one ministry in the cabinet to the clan. Furthermore, the inclusion in Cigaal's cabinet of members of the *Calan Cas*, who had opposed Tuur, was seen by some Habar Yoonis political leaders as a provocation. Although, the proportional representation of Isaaq clans in the administration was based on a formula agreed at the 1990 SNM congress in Balligubadle, the Habar Yoonis, having lost the Presidency, now contested their allocation. A Somali proverb described their mood: '*Libaax laba raqood lagama wada kiciyo'* ('Do not attempt to make a lion surrender two carcasses.')

In July 1993, the Habar Yoonis held a conference in Burco, known as *'Libaan I'*, to discuss their political position. The conference concluded by declaring the withdrawal of Habar Yoonis cooperation from the government. The following year, members of the Habar Yoonis opposition organized *'Libaan II'* – at conference at which it was agreed that the Cigaal government was illegitimate. A group of Garxajis political leaders led by Cabdiraxmaan Tuur subsequently declared themselves in favour of a federation between Somaliland and Somalia, and joined the Muqdisho-based "government" of General Maxamed Faarax Caydiid. Not all Garxajis agreed with the decisions of *Liibaan II*, which many described as being a political gathering rather than a clan conference, and rejected the alliance with Caydiid. These developments set the stage for a serious military confrontation between the government and an increasingly entrenched opposition.

Also in 1994 the government introduced a new Somaliland currency with the assistance of some of the country's big businessmen. The new currency generated mixed reactions. The government asserted that the issue of new currency was consistent with their mandate to enhance Somaliland's status as an independent state, while the opposition feared that it would empower the President and his clan. Many Somalilanders considered the new currency as one of the contributing factors in the war that erupted in Somaliland in November 1994. Many others, however, argue that the new Somaliland currency was a turning point for the creation of the Somaliland State, uplifted the rebuilding government institutions, and protected the Somaliland economy from the rampant inflation that subsequently affected the Somali shilling.

The peace accords reached at Boorame in 1993 and the new National Charter had given the government control of major public infrastructure. This included Hargeysa airport, which fell within territory controlled by Ciidagale militia associated with the opposition leadership. Extensive talks and consultations between the government and the airport militia failed to persuade the militia to peacefully hand over the airport to government control. Although Ciidagale senior elders worked closely with the government to defuse the crisis, they were

unable to persuade either the militia or their political backers to desist from a confrontation. In November 1994, government forces moved to wrest control of Hargeysa airport from the militia, and fighting erupted. The clashes displaced many people from Hargeysa and divided the city into two halves. The conflict rapidly escalated into a war between the government and its associated clan militias on one side, commonly known as *Marya-alool*,[16] and the opposition militia on the other. In 1995 the fighting spread to Burco: again thousands of people were displaced and the city was extensively mined and destroyed. Despite subsequent characterization of the conflict as a war between the government clan coalition and a Garxajis opposition, it essentially involved only the political leadership and military forces on both sides, and failed to engage their clan "constituencies."

The government's term ended in the middle of the conflict. In order to avoid a political vacuum, it was extended by the Parliament for another one and half years, from September 1995. Neither the government nor the opposition was able to win a decisive victory and in the end this induced the government to seek a peaceful solution. Without a formal cease-fire agreement between the warring parties, Somaliland's second civil war was brought to an end by a series of inter-clan conferences,[17] which culminated in the second national *Shir-beeleed* held in Hargeysa between December 1996 and February 1997.[18]

The Hargeysa Peace and Reconciliation Conference, October 1996-February 1997

The Hargeysa *Shir-beeleed* signalled the formal conclusion of the 1994-6 war. Like Boorame the conference employed the *beel* system of representation to work out a new power-sharing formula – one that addressed the grievances of the opposition, particularly the Habar Yoonis. This conference also benefited the minorities. The Habar Yoonis clan gained five more seats in Parliament. Cigaal also gave them four cabinet posts and several assistant ministerial posts. The Madigaan, Akisho, Abba-yoonis, Gurggure, Jibraa'iil, Gahayle, Gabooye and the Carab minority clans who were not represented at Boorame, were given representation in the parliament through the addition of nine new seats.

The differences between the 1993 Boorame conference and the 1997 Hargeysa conference are noteworthy. Unlike Boorame, the Hargeysa meeting was organized and funded by the government. Whereas 150 delegates took part in the Boorame conference, Hargeysa was attended by a total of three hundred and fifteen delegates. These comprised the one hundred fifty parliamentary members who had been named at Boorame, plus one hundred and sixty five new delegates representing all the clans of the Somaliland[19]. Instead of bringing about a

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[16] *Maryo-Alool* refers to a rug of different coloured cloth and sticks that is hung in the Somali '*Aqal*' (home), to separate off the kitchen. The term was coined by the Garxajis fighters to refer to the mix of- clans and sub-clans siding with the government.

[17] These took place at Kam Abokor, Xarshin, Gashaamo and Baalidhaye in Ethiopia, and Durugsi, and at Beer in Somaliland. The Somaliland Peace Committee, members mainly from the Diaspora were actively involved in the mediation of these inter-clan conferences. Somaliland Guurti participated the organization of the Xarshin meeting and members of the Guurti attended officially.

[18] . The causes of the war and the process of reconciliation have been extensively documented by Bryden and Farah (1996).

[19] For the first time women participated this conference, but as observers.

change of leadership, the Hargeysa conference reinstated the incumbent President and Parliament. In February 1997, the conference re-elected Cigaal as President and named Daahir Rayaale Kaahin as the new Vice President[20] for a term of five years. It also appointed the 164 members of House of Representatives and House of *Guurti* for a further five years and six years respectively.

Finally, the conference replaced the National Charter with a provisional constitution, which had been a bone of contention between the Executive and the House of Representatives during the previous term (see the section on the Constitution below). This provisional document stipulated the validation of the constitution by referendum, the introduction of a multiparty political system, and the holding of elections within the term of office of the new administration.

Critics of the Hargeysa conference have described it as an undemocratic exercise dominated by one circle within the political elite. They have alleged that the process was manipulated by the incumbent government and its supporters, thereby damaging the viability of the *shir beeleed* as a consensus-based process for democratic political change. The controversy surrounding the conference highlighted the need to explore alternatives.

Despite these shortcomings, the successful completion of the Hargeysa conference enabled Somaliland's political, economic and social reconstruction to continue. In the years following the conference, significant progress was made in a number of important ways. Peace and stability were consolidated and government administration was extended to much of Togdheer and Sanaag regions in eastern Somaliland, areas that previous administrations had failed to reach. The prevalence of peace and stability attracted both international assistance and private investment to Somaliland and cooperation between the government and foreign aid agencies improved, albeit modestly. More than 60 or so international agencies operate in Somaliland. Generally in Somalia, Donors adopted 'peace dividend' approach, conditioning aid on security and good governance, a policy aimed to invest in the more politically stable areas of the former Somalia. "The restoration of security in Somaliland is reflected in the larger proportions of international aid channelled to the region since 1997 and the reorientation of aid programs from rehabilitation to development" (HDR, 2001).

A more efficient administration oversaw an increase in annual revenues from $20 million to $37 million over the period in 1999 to 2001. The government managed to pay off its internal debts and balance its budget, even as it strengthened government ministries and para-statal agencies.

The re-imposition of a ban on Somali livestock by Saudi Arabia slashed Somaliland's export earnings and government revenues. Household incomes also suffered, particularly in pastoral areas. The lion's share of government revenue continued to be absorbed by security needs. According to government figures, in 1999 almost 83% of the national budget was dedicated to the security forces and general administration. Only 10% remained for social spending,

[20] Like the previous Vice President he is from the Gadabuursi clan.

while 7% was allocated for 'economic' purposes (WSP/SCPD, 2000). The proportion of security spending increased again in 2001, against a significantly smaller absolute budget.

Somaliland continued to face political challenges to its authority from the Puntland administration, which laid claim to parts of eastern Sanaag and Sool regions, and the newly established administration in Muqdisho, which enjoyed a limited degree of international recognition as a Transitional National Government claiming jurisdiction over both Somalia and Somaliland. Against this backdrop, Somaliland entered the most difficult and delicate stage of its political transition.

The Constitution and the Legalization of Political Parties

On May 31st 2001, Somaliland's provisional constitution was approved through a general referendum, superseding the National Charter agreed to at Boorame in 1993, and signalling the transition from the *beel* system to a multiparty system of government.

The preparation of the constitution had been long delayed by a disagreement over the respective responsibilities of the legislature and the executive. The roles of the different branches of government were not clearly defined in the National Charter. Drafting the constitution was particular bone of contention. Legislators took it for granted that they had been given the responsibility for formulating the new constitution, while the executive was given powers of execution. In January 1994, the House of Representatives nominated 10 members from the House and appointed a secretary to draft the Somaliland Constitution. A consultative body of 25 members representing all regions of the country and various groups of society advised this committee. This body consisted of five categories: traditional elders, politicians, judges/lawyers, cultural experts and religious leaders.

The executive branch did not share the Parliament's interpretation of their respective roles in the constitutional process. Later that year the President contracted a Sudanese lawyer to assist the House with the drafting of the Constitution; the lawyer went on to draft a different version of the constitution, triggering a direct confrontation with the legislature. Predictably, the main difference between the drafts lay in the balance of powers between the legislature and the executive: the parliament's draft gave more powers to the former, and the President's draft favoured the latter.

By 1996, the dispute had created such a serious split within the House of Representatives that the legislature almost collapsed. Some observers contend that the House Speaker's mishandling of the issue and failure to respect House procedure exacerbated tensions within the Parliament and led to his removal. One commentator has offered a different version of events: "Government loyalists unconstitutionally chose a new speaker of the House of Representatives; the opposition lost the game and the House Speaker associated with the opposition lost his post". Whatever the case, the constitutional process was deadlocked.

In 1997 the Hargeysa conference attempted to break the stalemate by combining the two drafts and producing a new provisional constitution. However, Cigaal was not satisfied with the hybrid draft, complaining that "the constitution has been twisted" (*Distoorkii laaxin baa*

galay') and the process remained at an impasse. In 2000, a joint committee from the executive and the legislature was constituted to review new amendments proposed by the executive. The Parliament approved the amendments only when it had received additional powers over finance and approval of public appointments.

A national referendum on the constitution was initially scheduled to take place in March 2001, when provisional constitution was due to expire. Anticipating delays in the preparation of the referendum, however, led the legislature extended the viability of the provisional constitution for a further six months, beginning 17th March 2001. The referendum took place two months later on 31st May 2001. Official figures indicated that 1.18 million people voted and that the constitution was approved by 96.65% of the vote. Election monitors from the United States and South Africa described the poll as having "been conducted in a manner that was consistent with recognized international practices for referendum elections". They noted, however, that turnout was low in eastern Sanaag or Sool regions, where there was some opposition to the referendum exercise.[21]

Approval of the constitution paved the way for local government elections, leading to general parliamentary and presidential elections. Initially, these were scheduled to take place before the expiry of the government's term on 23 February 2002. However, by August 2001, several important pieces of legislation necessary for the establishment of a multiparty system and for the conduct of fair elections had still not been prepared. These included laws pertaining to the formation of an Electoral Commission, confirmation of regional and district administrative units, demarcation of electoral constituencies, voter registration and citizenship laws.

On 6th August 2000, the parliament passed Law No. 14 (*Xeerka Nidaamka Axsaabta*), which legalized the formation of "political organizations[22]. A total of 7 organizations registered themselves under the new law before the pre-election deadline of 23 February 2002 (see the section below on political parties).

An Electoral Law was subsequently approved on 14 November 2001, establishing the legal basis for appointment of an Electoral Commission, which took place on 18 December. The following day, just one day before the scheduled date of municipal elections (20 December 2001), the Commission convened for the first time and announced the postponement of the electoral process. These difficult circumstances persuaded the *Guurti* to extend the incumbent President's mandate by a further 12 months (until February 2003) in order to allow elections to take place. At the same time, the *Guurti* recommended prolongation of the registration period for political organizations in order that as yet unregistered parties be permitted to contest the elections.

On 5 May 2002, President Cigaal died while on a private visit to South Africa. In accordance with the Constitution, Vice President, Daahir Rayaale Kahiin was immediately named as his

[21] Cite observers' report.

[22] According to this law, political organizations must register to contest local government elections (municipalities), after which they may qualify to become political parties.

successor for the remainder of the Presidential term. Cigaal's demise unexpectedly created national mood of unity and reconciliation and persuaded many of his former political rivals to rejoin the political process. Two political organizations took advantage of the newly-extended deadline for registration: ASAD, which had refused to register itself with the government, alleging that free and fair elections were not possible under Cigaal's leadership; and KULMIYE, which was formed after Cigaal's death. In other respects, planning for the electoral process remained unchanged.

Laws concerning citizenship, regional and district administrations and councils and demarcation of district electoral constituencies were approved between March and June 2002. As of July 2002, laws on voter registration and the demarcation of electoral constituencies (for Parliamentary elections) remained incomplete. Other major hurdles to be overcome included mobilizing the financial resources, organizational capacity and technical expertise to manage successful voter registration and electoral exercises. Political and regional differences, clan perceptions of power sharing, and a low level of voter education, also threatened to complicate the conduct of elections.

In July 2002, with less than seven months remaining the government's term of office, specific challenges to the integrity of the electoral process included the following.

- The members of the Electoral Commission and other electoral officials lack experience and training in the management of elections. Likewise, the public and the members of political parties are largely unaware of the laws and procedures governing the electoral process. In addition, Somaliland lacks the resources and expertise required for training of electoral officials or large scale voter education programmes.
- Electoral census and voter registration pose particularly thorny challenges, especially in the absence of a clear legal definition of citizenship and a chronic lack of resources;
- The National Alliance Democratic Party (UDUB) includes the current President as well as numerous Ministers, members of Parliament, and government officials and has developed a proprietary attitude towards political leadership, without having been given an electoral mandate.[23] This has created the public perception that UDUB already perceives itself as a ruling party and seeks to use the advantages of "incumbency" to remain in power. This suggests unfortunate parallels with de facto one-party states elsewhere in the region;
- Together, the Constitution and Electoral Law appear to contain a number of inherent contradictions pertaining to the conduct of free and fair elections: the three-party limit arguably contradicts the Constitution's guaranteed freedom of political association; the electoral law's stipulation that political parties must obtain 20% of the vote in all regions of the country is intended to prevent parties from forming on the basis of clan. But the threshold appears so unrealistically high as to be virtually

[23] Members of the Guurti also joined UDUB, and although the Chairman of the Guurti initially declared that membership in political parties in inconsistent with the Guurti's rol.e. This was not however, in line with the constitution and hence those members of the guurti jioned UDUB did not retreat.

impossible (except in a de facto one party state), and may in any case contain a number of loophole that render the measure meaningless.

- Disputes over electoral constituencies (regions and districts) persist in many areas, and have been an ongoing point of contention between the executive and legislative branches.

In sum Somaliland's political transition faces numerous political, legal, social, technical and financial challenges. Even if these can be overcome in the short-term, a long-term effort will be required to transform one successful election into a stable democratic political system.

3

Political Representation in the Post-War Period: "The *Beel* System"

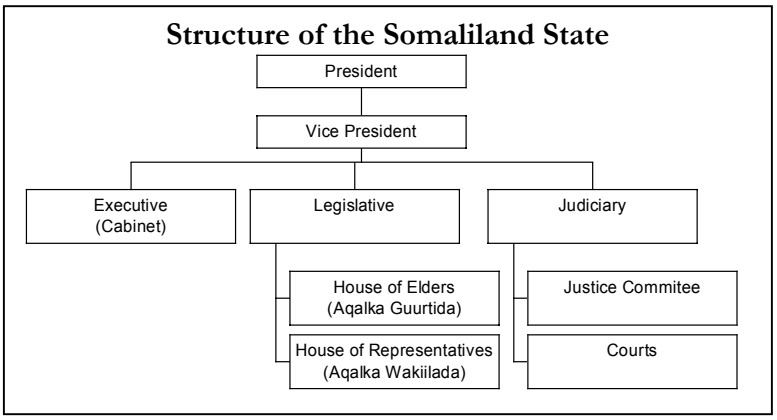
Since the adoption of the National Charter in 1993 Somaliland has practiced a hybrid system of governance that combines a Somali *beel* (clan-based) system of political representation with modern western-style institutions of government. The main characteristic of the *beel* is to ensure that all clans are represented, with the primary purpose of maintaining peace and security. The workshop on Political Representation held at Hargeysa in November 2000 examined this system of governance. This section reviews the various arguments for and against the different models of government, examining the extent to which they adequately meet people's rights and needs for political representation.

During the workshop, the history of governance in Somalia and Somaliland was discussed in depth. Two schools of thought emerged from the debate. One school advocated the continuation of the hybrid system of governance until Somaliland matures and becomes more experienced in modern forms of government. The second school argued for a transition away from the *beel* system to a modern form of government. The experimentation in a hybrid system of governance, it argued, had served its purpose in the immediate post-war era, but was inadequate for dealing with the future challenges of nation building and development. Undue emphasis on clan participation, it was argued, hampers the efforts of the administration.

The current government has decided to pursue the ideas of the second school and has begun the transition to multiparty system of political representation characterized by regular competitive elections. A new constitution which lays the foundations of the new system was finalized and approved in a nation-wide referendum on 31st of May 2001. The Parliament passed legislation allowing the formation of political parties in August 2001, and elections are scheduled to take place by February 2003.

State Organization in Somaliland

The SNM constitution institutionalised the role of clan leaders within the movement and ensured them a role in any future government. The interim National Charter of Boorame represented a further development of this



model, defining a hybrid form of government in which a clan-based system of representation was integrated with western-style political institutions within three branches of government - the legislature, the executive and the judiciary. [See box 2 – diagram of state structure]. The state is led by an executive President elected for a five year term, who nominates a cabinet that is subject to the approval of the Parliament. The judiciary is constitutionally independent of the executive. The legislature consists of a bicameral Parliament including an Upper House of Elders (*Golaha Guurtida*) and a House of Representatives (*Golaha Wakiilada*).

Under the *beel* system, clan representation was explicit in the composition of the parliament (both the Upper and Lower Houses) and in the Executive, but not in the judiciary. This section will examine the features of this system and the adjustments implied by a shift to multiparty democracy.

The Executive

In theory, the representation of Somaliland's various clans in both Houses of Parliament should have reduced the pressure for a representative Executive, permitting the nomination of a lean, professional (or technocratic) cabinet. This expectation was captured in President Cigaal's first public speech in May 1993, when he said:

> "We need to set up a very small cabinet, but efficient. I promise to form a cabinet which is not more than twelve ministers".

Since then, the cabinet has grown to more than twice that optimistic figure. Between 1993 and 2001 the number of ministers increased from 15 to 26. When Ministers, Vice Ministers and Ministers of State are all taken into account, the total number of ministerial-level appointments in the government totals 42.

The driving force behind this inflationary pattern of appointments is that the President is under pressure to consider the clan balance of his cabinet, and that cabinet posts were therefore created to satisfy clan demands. Satisfying these demands for representation, and thus maintaining peace and stability during a delicate political transition has been given precedence – out of necessity, some would argue - over the competence and efficiency of the executive. This argument was later used by the President himself as a justification for the number and character of his cabinet appointments:

> There is not a single minister I have appointed who was not recommended to me by a clan or sub-clan head. I am not selective about the cabinet, what matters is the solution […] They may not be the best but they are the solution. [*Waa xale xul maaha*].

Some workshop participants supported this view, arguing that clan is not the only criteria for cabinet selection: qualifications, professionalism and experience are considered to the extent that circumstances allow. As one political observer argued, "The president usually considers the *beel* arrangement, but many people of high calibre are nevertheless included in his cabinet".

Critics, argue that such appointments are unnecessary, suggesting that the President exploits cabinet appointments for narrow political ends rather than to serve the public good. Naming ministers from a given clan can be a device to win support for the government's policies within that constituency, or to appease, divide and undermine opponents from that same clan. They provide opportunities for the distribution of government largesse through jobs, contracts and projects. Valid though these criticisms may be, they seem to suggest that clan-based patronage is necessarily more pernicious than distributive patronage systems based on regional or party affiliations in other countries – a proposition that merits further investigation.

The sharp divergence of opinion on this issue tends to obscure the fact that proponents and critics of clan-based representation in the Executive may both be justified. There is no doubt that the multiplication of political appointments within the Executive offers ample opportunity for the manipulation of clan loyalties and the distribution of political patronage. On the other hand, public opinion in Somaliland remains highly attuned to the issue of clan representation within the cabinet, and the Chief Executive ignores such perceptions at his own peril.

One of the more undesirable effects of the proliferation of Ministries has been the significant proportion of public expenditure directed towards an overstaffed and underqualified government bureaucracy. General administration absorbs roughly 7% of the annual budget, in addition to the 83% required for the security forces. This leaves less than 10% for social spending and development.

The multiplication of ministries is only part of the problem. Even at lower levels with the administration, sensitivities about clan representation contribute to overstaffing, underemployment and inefficiency. Appointments of Directors General, heads of autonomous state enterprises, and the commanders of the security forces are made with no lesser reference to clan representation than cabinet ministers. Selection of even junior personnel often depends on the weight and leverage of the candidate's clan. At this level, however, workshop participants were almost unanimous in their assessment that the *Beel* system of politics is an obstacle to the recruitment of competent personnel in government departments and the development of an effective administration.

Interestingly, workshop participants generally assigned the blame for the corruption of the appointments system with lineage chiefs and clan elders, rather than with government officials. As one participant put it: "Imagine a *Suldaan* or a chief always taking his people to a boss for employment, regardless of their ability and professional status. This impedes nation building." Another participant, himself a political leader noted: "It is common that a public employee who has been expelled for maladministration gets reinstated because of the pressure from his clan". The Minister of Interior concurred, describing in his intervention a community that had rejected a qualified nominee for the post of Mayor because he was from a minority clan in that particular district. His conclusion: "Clanism only suffocates competence."

A final criticism was that the *beel* system had implicitly justified discrimination against women within the Executive. Women's subordinate public status within the clan meant that they were less likely to be nominated for posts at any level. Only one woman has served at cabinet level since 1991 and there have been no female Directors General or Directors. The vast majority of women in government administration hold clerical or secretarial responsibilities, although many women in the private sector and non-governmental organizations occupy more senior positions.

One positive development cited by workshop participants has been the activation of the Civil Service Commission since early 2000. The Commission is responsible for the screening and grading of government personnel through competitive examinations. Between 2000 and 2002, 6,000 government employees sat for those exams, nearly nearly 80% of whom passed were graded as shown in table 2 below.

Table 2: Personnel evaluation exams and Salary scales

Total No. Sat for Exams	**No. Succeeded**	**No. released**		**Total**
6000	4632	1368		6000
Divisions				
A. 891	B. 2037	C. 806	D. 898	4632
Salary scales/steps				
A	B	C	D	-
A1-A9	B6-B10	C7-C11	D11-D15	-

Source: Civil Service Commission, April 2002

The House of *Guurti*

From May 1993- February 1997 the *Guurti* was the highest organ of the state, defined in the transitional National Charter as an independent council consisting of 75 elders nominated by their respective clans. The constitution formulated in 1997 made the council of elders to 82 members by nomination from the different clans for a six-year term. The *Guurti* could also include honorary members such as former presidents and vice presidents. The responsibilities of the *Guurti* were framed by the experience of civil strife under the first SNM-led administration, and thus its duties and responsibiliies defined in the transitional Charter as follows:

- Protect the values of Somaliland customary law and the Islamic faith
- Protect national security by maintaining peace and managing conflicts
- Adivce government on issues of security, defence, economy and social
- Intervene and mediate in any Somaliland's political conflict and conforentation

- Incase government branches stipulated in the Nationaal Charter failed to assume their duties and responsibilities, the *Guurti* shall convene a national clan Somaliland elders' conference to address the issue
- The *Guurti* shall consult the House of representative before they pass any Laws pertaining to security, culture and Islamic religion

With the introduction of the Somaliland Constitution (Article 61) , these duties were superseded by new powers and the responsibilities, defined as follows:

1. The initiation of legislation relating to religion, traditions *(culture)* and security.
2. With the exception of financial legislation, the review of legislation approved by the House of Representatives, it may refer back, with written reasons of its views, any such legislation to the House of Representatives only once within 30 (thirty) days beginning from the date when the relevant legislation was forwarded to the office of the Speaker of the House of Elders.
3. Advice on the shortcomings of the administration of the Government and the presentation of such advice to the House of Representatives.
4. Assistance to the Government in matters relating to religion, security, defence, traditions (*culture*), economy and society, whilst consulting the traditional heads of the communities.
5. The summoning of the members of the Government and putting questions to them about the fulfilment of their duties.
6. The House of Elders shall also have the power to put to the House of Representatives proposals for projects so that the House of Representatives can debate and reach resolutions thereof.

Workshop participants acknowledged the *Guurti*'s central role in peace building in the early years of Somaliland's development. The chief secretary of the *Guurti* asserted that they had "filled the government vacuum in the early 1990s" when the interim SNM government failed to provide law and order. The role of the *Guurti* was then institutionalized at Boorame conference as clan representatives in the parliament and the National Charter gave them a constitutional role as legislators.

However, the *Guurti's* role in latter years became a topic of some controversy, particularly with respect to the 1994-6 war and its aftermath. Critics contended that the *Guurti* had abandoned its neutrality and sided with the government, postponing a peaceful settlement. By way of reply, members of the *Guurti* argued that they had indeed worked actively for peace throughout the conflict, citing the Xarshin peace initiative of June 1995, which brought together leaders of the Hargeysa community. The positive outcome of this conference encouraged the return of many displaced people to Hargeysa. While it is certainly true that members of the *Guurti* participated in the peace process as individuals, the *Guurti* as an institution did not provide the expected leadership: the Xarshin conference and subsequent peace meetings in Burco were organized by local elders and ordinary citizens, not

by the *Guurti*. These local initiatives laid the foundation for peace, which the government would later build on at the Hargeysa *shir-beeleed*. of 1996-7.

The chief secretary of the Guurti however, argues, while the council of the guurti had done a lot on the peace, it can not become neutral on the 1994/96 conflict, which threatened the existence of Somaliland itselsf and he further underlined that nuetrality is wihin the contaxt of Somaliland. If the conflict is between forces fighting for independence of Somaliland and thost who opposing it, naturally the *Guurti* can not remain nuetral on such issues (see pp 24).

While criticized for their role during the 1994-1996 war, members of the *Guurti* were credited by workshop participants with having successfully reconciled numerous smaller clan conflicts resulting from land disputes, thefts and killings in all regions of Somaliland. Specific examples include the long-running dispute at Tog-wajaale aand *Qadowga* farmland, and also at Burco, where members of the *Guurti* spent periods of two months and six months in 1997 and 1998 respectively solving a series of problems. According to the secretary of the *Guurti* including some 60 cases of deaths, 200 injuries and land disputes. The resolution of these disputes in 1997 gave impetus to the formation of the first municipal government in Burco town since the war.

A more general criticism of the *Guurti* by participants in the research process concerned its conservatism and limited initiative in legislative makinging. In the seven years since it was established the *Guurti* has initiated only one piece of legislation (its own internal regulations) and another law against the so-called *Dhaqanxumo* (mainly againsst use of alchol).

Numerous workshop participants argued that the *Guurti* demonstrates insufficient independence from the executive. Possible measures were proposed to enhance the *Guurti's* independence. These included legislative training, harmonization of modern parliamentary procedures and traditional *Xeer,* and improved remuneration. Some participants further proposed that the *Guurti*'s independence would be strengthened were membership of the *Guurti* to be a position for life, but the Constitution currently specifies that the *Guurti's* term of office shall be six years.

The most controversial issue concerned the process for nominating members of the *Guurti*. Participants in the study offered three recommendations on this point:

1. The continuation of the system of nomination, on condition that Somaliland clans be equitably represented in the House. This form of representation, they argued, is broad-based and inclusive, even of minorities. Exponents of this view proposed, however, that the mandate and power of the House of the *Guurti* should be more clearly defined, avoiding overlaps between the functions of the *Guurti* and the House of Representatives.
2. Members of the *Guurti* should be elected, since this would make them accountable to their constituents rather than to the Executive.
3. The *Guurti* should be dissolved and its legislative functions transferred to the parliament. Proponents of this opinion held that the *Guurti* is no longer

needed in Somaliland, since peace and stability have been attained and the institutions of government established.

The House of Representatives

The Nnationaal Charter enacted a House of Representative comprising 75 members, appointed through clan nomination. The functions and responsibilities of this Lower House are to:

- They have the powers of legislature in the transitional period
- Approve and pass international agreements entered by the council of ministers
- Approve and pass the national budget
- Shall enact vote of confidence of the executive including its programs

Article 53 of the Constitution constituted a House of Representative comprising 85 members, appointed through clan nomination for a period of a five-years, ending May 2002. The specific powers and responsibilities of the House of Representatives are as follows:

1. All appointments of Ministers, Deputy Ministers or Heads of the organs of the state shall be subject to confirmation by the House of Representatives in accordance with the Constitution.
2. The House of Representatives shall also have power to debate, comment on, refer back with reasons or approve the programme of the Government.
3. The House of Representatives shall ratify international agreements (*treaties*) such as political, economic and security agreements or those agreements which impose new financial burdens which have not been covered in the Budget, or which will involve the promulgation or amendment of legislation.
4. The House of Representatives shall submit to the Council of Government (*the Cabinet)* advice and recommendations about the direction of the general political situation.
5. The Council of Government (*the Cabinet)* shall seek the approval of both Houses (the House of Representatives and the House of Elders) for the imposition of a state of emergency in either the whole of the country or parts of it.
6. The House of Representatives shall have the power to summon the Government or its organs or agencies in order to question them about the fulfilment of their responsibilities.
7. The Committees of the House of Representatives shall have the power to question Ministers, Heads of the state organs or agencies or other senior national officers, whose duties are relevant to them, about the fulfillment of their duties

From May 1997 to March 2002, the House of Representatives convened 16 sessions and passed only 22 pieces of legislation. [24] Members of the House initiated none of these pieces of legislation; the Executive had prepared them all. Some important legislation relating to electoral procedures and the formation of regional and district administrations has been seriously delayed. Routine activities of the house included approval of budgets, issuing resolutions, official inquiries, and approval of government higher officials and meeting delegations. The House's main achievement during this time was the completion and approval of the constitution, thus paving the way for the transition from the *Beel*-based system of governance to a multi-party system.

The House's shortcomings are the product of a number of factors. These include the lack of experience and qualifications of its members, and the vulnerability of members to external pressures. Members of the House of Representative are required to have completed at least a secondary school education. Most claim to satisfy this criterion (see table below), but due to the collapse of academic institutions during the war there is a possibility that some academic qualifications may not be genuine.

Table 2: Qualifications of Members of the House of Representatives, 1997-2001

	Secondary education	Equivalent	Graduates	Post graduates
Number	26	34	13	9

- Source: Chief Secretary of the House, April 2000

Only a few members who have any previous parliamentary experience, and few of those have experience of democratic governance.[25] The majority of members of the House have gained considerable experience during the transitional period, as over 50% of them have been in the House since 1993, but whether this has or not appreciably improved the House's performance is open to question.

It is difficult to measure the degree to which external pressures – from the Executive, clan constituencies etc. – may have undermined the conduct of Members of the House. There is the perception, however, some members of the House of representatives are so easily swayed that they have earned the nickname *Dhaameel,*[26] implying that they are little more than puppets of more powerful interests. Nevertheless, at times they carry out duties to the standards. This could be vouched for by the impeachment they forwarded to late president *Cigaal* on 11 August 2001 whereby *Cigaal* narrowly won by a single vote.

Table 3: Distribution of the seats in the House of Representatives by sub-clan

Clans & Sub clans	**Year**	**No. of Seats**	**Year**	**No. of Seats**	**No. Re-Elected**	**No. of New Members**	Total

[24] Source: The chief secretary of the Golaha Wakiilada in March 2002.
[25] The last democratic elections were held in 1969.
[26] This is the name of the seed of the acacia tree that is fed to goats.

Habar Tol-jeclo	1993	11	1997	11	9	2	11
Gadabuursi		11		11	8	3	11
Dhulbahante		10		10	1	9	10
Habar Yonis		4		7	0	7	7
Arab		7		7	1	6	7
Issa		5		5	5	0	5
Cidagale		5		5	3	2	5
Warsangali		5		5	5	0	5
Cimraan		3		3	2	1	3
Ayuub		3		3	2	1	3
Tol-jecle		3		3	2	1	3
Habar awal		8		8	5	3	8
Minorities		0		4	0	4	4
Total		**75**		**82**	**43**	**39**	**82**

Source: Chief Secretary of the House of Representatives, 2000.

Table 4: Distribution of the seats in the House of Representatives by Region

Region	**Year**	**No. of Seats**	**Year**	**No. of Seats**	**No. Re-elected**	**No. New Members**	Total
Awdal	1993	16	1997	16	13	3	16
North-west		23		23	14	9	23
Saaxil		5		7	1	6	7
Togdheer		17		20	8	12	20
Sool		6		6	1	5	6
Sanaag		8		10	4	6	10
Total		**75**		**82**	**41**	**41**	**82**

- Source: Chief Secretary of the House of Representatives, 2000

In view of these constraints, workshop participants thought it important to build the institutional capacity of the Parliament. The Deputy Speaker of the House of Representatives acknowledged the House's responsibility in holding up important pieces of legislation, notably the electoral laws, which have been with Parliament for over a year, and the legislation on the formation of regional and district administrations, which has been held up over concerns about constituency boundaries and populations. In his words "for this we [the House of Representatives] have to be blamed".

The Shir-Gudoon

The system of representation is a key element in the development of political institutions. Somaliland's relatively successful utilization of the *beel* system and its planned transition to a multiparty electoral system thus merits close examination.

Since 1993, nomination to the Somaliland Parliament (the *Guurti* and the *Wakiilo*) has been based on clan consensus. The Parliamentary representatives were nominated at two *Shir-beeleedyo* in 1993 and 1997. At these conferences, the *Shir-gudoon* ('chairing committee') was assigned responsibility for administering the nomination of representatives. The selection of the members of the *shirgudoon* was thus the first step in establishing the integrity of the selection process.

The selection of the *Shir-gudoon* members has traditionally been an integral part of the preparatory arrangements for a *Shir-beeleed*. The *Shir-gudoon* for 1993 Boorame conference was selected by elders at the Sheekh peace conference, several months previously. In 1997, however, the *Shir-gudoon* at the Hargeysa conference was a combination of members of the existing parliament (*Wakiilada and Guurti*) chair-committees and important individuals that were confirmed by the congress (conference).

Table 5: Chairing Committee of the Boorame and Hargeysa Conferences

Chairing Committee of the Boorame Conference		**Chairing Committee of the Hargeysa Conference**	
Title	**Clan**	**Title**	**Clan**
Chairman	Isaaq/H/Awal	Chairman	Isaaq/H/Awal
Member	Isaaq/Ayuub	Vice Chairman	Isaaq/Ayuub
Member	Issaq/H/Awal	Member	Issaq/H/Awal
Member	Gadabursi/H/Cafan	Member	Isaaq/Garxajis
Member	Harti/Warsangali	Member	Isaaq/Tol-jecle
Member	Isaaq/H/Jeclo	Member	Isaaq/Cimraan
Member	Isaaq/Garxajis	Member	Gadabursi/M/hiil
Member	Harti/Dhulbahante	Member	Harti/Dhulbahante
		Member	Harti/Warsangali
		Member	Isaaq/Garxajis
		Member	Isaaq/Arab
		Member	Isse
		Member	Isaaq/H/Jeclo

The Boorame and Hargeysa *shir beeleed* differed in many respects. Many Somalilanders consider that the Boorame *Shir-beeleed* was more ideal, because there was neither a strong central government to influence the outcome nor government funding. As one participant commented: "In Boorame nomination was better and smooth due to the lack of government involvement".

In contrast the Hargeysa conference was organized and funded by the government and as such was seen as a one-sided political exercise that undermined fair competition. Some participants questioned the neutrality of the *Shir-gudoon* and criticized it for being partisan towards the government. Government involvement in the 1997 conference meant that some

members of the Parliament were not nominated by the will of the clans. For-example, the *Shir-gudoon* of 1993 and 1997 both received conflicting lists of nominees submitted by different *Caaqilo*, *Suldaano* and *Garaaddo* of the same clan. Participants asserted that the Hargeysa *Shir Gudoon* chose those members who were pro government. The neutrality and credibility of the *Shir-Gudoon* was, therefore, questioned by participants. One remarked, "They underwent an oath but failed to fulfil it". Such concerns affected the credibility of the conference and its outcome.

In one particularly controversial case, the *Shir-Gudoon* at the 1997 conference rejected a list of parliamentary candidates submitted by prominent *Garaado* of Sool region and accepted instead lists from other similar important *Graado* or less prominent traditional leaders (*Caaqilo*). Those *Garaado* whose lists were rejected felt humiliated and withdrew their support from Somaliland. The *Shir-Gudoon*, on the other hand, attributed the problem to the proliferation of traditional authorities compounded by natural inherent joulousity. One workshop participant complained that "an illiterate individual from my clan was chosen instead of me with better experience and qualification". This is because of uncalculating prominancy, *Laandheeronimo*, interset etc.

The neutrality of the *Shir Gudoon* was also questioned for its role in the nomination of the president in 1997. At the conference, the organizing committee sided with the incumbent president. As there were 13 members of the *Shir Gudoon* and they all participated in the vote, this represented a significant proportion of the voting delegates. Workshop participants argued that they should not have participated in the voting, but should have remained independent. "Those who administered and organized the *shir-beeleed* were also taking part in the voting", said a participant. Participants in th study agreed that this kind of government intervention damaged the credibility of the *Shir-Gudoon* and can lead to tension and in-fighting within the clan.

Representation in the Beel System: The Nomination Process

In 1993 the 150 delegates attending the Boorame conference were automatically, and equally, divided into the two houses of the parliament, thus determining the system of representation for the next two years. This formula, and the lack of criteria for nomination of representatives, reflected the urgency of the need for a government at short notice. A few clans later changed representatives whom they were unhappy with. At the time there was little interest in joining the Parliament. Many people did not expect the government to last long and few people thought that there would be any benefits associated with being a Member of Parliament. As a result, there was no competition for seats and the competence of members of the House were not an issue.

At the 1997 conference in Hargeysa, lessons had been learnt from the preceding conference, and criterion for nomination to Parliament were elaborated:[27]

[27] Abdillahi Ibrahim Habane, Chief Secretary of the *Guurti,* and secretary of the 1997 *Shir-beeleed*. Personal communication.

1. The House of Representatives

- A member of the House of Representatives must be a Somalilander.
- Anyone with a secondary education is eligible to become a member. (see table on qualifications of the current representatives)

2. The House of Elders (*Guurti*)

- Good command of the customary law.
- Good knowledge of Islam.

Theoretically, these criteria should have been respected when clans nominated their representatives to the two Houses in 1997. The system, however, has proven susceptible to manipulation, with influential figures in both the clan and the government attempting to bend the nomination process to their own purposes. Knowledge and professional experience are often disregarded in favour of clan or sub-clan affiliation, a practice that discourages fair competition, fails to reward individual merit, without necessary solving problems of equity between clans, regions, urban and rural populations and gender.

One contributing factor is that the system of nomination from within clans lacks transparency. Clans do not necessarily consult all their members on the nomination of their members of parliament. Instead, urban-based clan leaders and self-styled ad hoc committees tend to dominate the nomination process. Powerful associates of clan leaders - *Af-miinshaaro* (self-appointed 'political brokers' or 'spin doctors') - often influence the selection procedure. Parliamentary representatives may therefore owe their position not to clan consensus but rather to a small, "elite" group, thus becoming dependent on such 'King-makers'.

The concept of *laandheeranimo* can also play an important role in the nomination process. For, example, the issue of *laandheere* (the largest or longest lineage) and *laangaab* (the smaller or shortest lineage) is considered crucial in terms of power sharing. Individuals from the *laandheer* lineage tend to enjoy an advantage in the nomination process over people from *laangaab,* regardless of who is more qualified.

In general, workshop participants agreed that the *beel*-based system of nomination often excludes suitable candidates and offers excessive scope for manipulation by special interests. This they blamed to a large extent on the politicisation of traditional leadership, which began under the British colonial administration and continued under subsequent Somali governments. This process of politicisation involved co-option and the creation of titled leaders, such as *Caaqilo* and *Suldaano,* and their incorporation into the administration as tools of the government.

Workshop participants argued that the creation of new traditional leaders has been practised since the British Colonial Administration and accelerated during the Barre

period and under the current Somaliland administration (see table 6, below). The trend has been most visible since 1997, when the government was seeking support for an extension of its term. Some participants alleged that inducements such as appointments of new salaried *Caaqilo* and *Suldaano* were offered by the government to its supporters, and new districts created in order to win the support of local groups. One participant commented that: "These steps were taken to influence the outcome [of the 1996-7 Hargeysa Conference] and to appease particular clans". Participants described other irregularities, such as the expulsion of a few conference delegates and their replacement by other members of the same clan who were thought to be loyal to the government. The Executive's perceived influence in the nomination process was described by some participants as having contributed to diminished public trust in the parliament and a depreciation in the quality of representation. Nonetheless, in Somaliland, the fact that both government and opposition contribute to the proliferation of traditional leadership is indisputable.

Workshop participants recommended that, in future, the competence and qualifications of the prospective members of Parliament should be given due consideration during their nomination, regardless of which system of representation (*beel*-system or multi-party electoral system) is in place.

Table 6: Salaried traditional leaders in Somaliland

S.No	Period	Number Of chiefs formed	Salaried	Non-salaried	Total	% Increase
1	1880s-1960 British colonial Administration	145	145	-	145	
2	1960-1969 Civilian Period	60	205	-	205	41
3	1969-1990 Military regime	130	335	-	335	38.8
4	1991- Since restoration of independence	87	422	180*	602	44

Source: Ministry of Interior 3 April 2002

* Although they are presently unsalaried, these *Caaqilo* are officially registered.

Power Sharing and Equity

The unequal distribution of national resources, a key grievance against the previous regime has not been resolved by the *beel* system. Public concerns have emerged in Somaliland over apparent disparities in the distribution of national resources between clans, regions, urban and rural areas and gender, which contribute to uneven human development. Paucity of demographic data compounds the problem, undermining confidence in the current formula

for representation. Instead, the *beel* system is widely perceived as serving the interests of a narrow, urban-based male political "elite" whose priorities are broadly unrepresentative of those of the nation.

The current distribution of seats in the legislature was arbitrarily decided by traditional leaders at successive Somaliland peace conferences, in order to achieve a consensus among the different clans. Consequently every *beel* is actually represented in the current Parliament (see table 3) – an important concession to peacebuilding. But few *beel,* if any, are satisfied with their allocation. "Powerful clans want more seats and less powerful or powerless clans are deprived and unable to obtain their political rights" one participant from the Gabooye clan had noted.

The most critical power sharing issue since 1991 has been within the Isaaq. The prevailing power sharing formula was agreed at the Balligubadle SNM congress in 1990; it was retained during the nomination of Isaaq representatives to the Boorame conference, and also to the two chambers of parliament established at Boorame. However, disputes over the validity of this power-sharing arrangement lay at heart of the civil war in the mid-1990s, and were only practically resolved at the 1997 Hargeysa conference, where the Habar Yoonis clans were given some additional seats. Whereas the smaller Isaaq sub-clans feel that each of the sub-clans of Sheekh Isxaaq is derived from his eight sons and therefore should receive an equal share of parliamentary seats, the numerically larger Isaaq sub-clans tend to feel that they are under-represented within this system, while smaller clans are over-represented.

This particular problem is in part related to the problematic concepts of *laandheere* and *laangaab*. *Laandheere* clans claim the right to greater representation than *laangaab*, but these labels are highly subjective. The terminology of *laandheere* and *laangaab* is of no use in determining the size of clans proportional to one another, and gives rise to endless disputes.

Problems of representation are not limited to the Isaaq clans. Disputes also exist between the Isaaq and the non-Isaaq, and between the non-Isaaq themselves. Representation issues come into play when, for example, the Gadabuursi assess their share of representation vis-à-vis the Dhulbahante, or the Warsangali vis-a-vis the Ciise. Such calculations also take place between sub-clans e.g. within the Dhulbahante or within the Gadabuursi.

Under the current *beel* system, the non-Isaaqs generally feel they are not adequately represented. In the 1960 first Somaliland legislative council, seats were assigned to different clans were as follows: 64% Isaaq and 34% non-Isaaq. In party terms this translated into 20 seats for the SNL, 12 seats for the USP, and 1 seat for the NUF. According to Touval (1963) clan and party allocations were generally consistent. Under the 1993 Boorame Charter, representation followed similar lines. Nearly all clans objected to this. Minor adjustments were eventually were made, but has failed to resolve much of underlying dissatisfaction..

The Gaabooye clan in particular feels that they are poorly served by the *beel* system. One paricipant observed that all clans had increased their share of parliamentary seats by five since the 1960s, but that the *Gabooye* share had not increased. He also noted that there is no minister, director, mayor or governor from the *Gabooye* and that the number of civil servants

from the *Gabooye* is correspondingly few. On the other hand, the *beel* system guarantees the Gabooye, and other minority groups, at least a minimum representation in parliament – something a multiparty electoral system might eliminate.

Even within clans, the *beel* system can give rise to inequities in representation, since it makes no allowance for a clan's actual territorial distribution, the distinctions between urban and rural population, or for gender.

Because the *beel* system lacks a geographic dimension, parliamentary representatives of a given clan may be drawn disproportionately from a single administrative region rather than reflecting the clan's territorial distribution.

Likewise, rural people - the pastoralists and agro-pastoralists or *Reer Miyi* – are unrepresented in parliament despite the fact that they constitute the largest proportion of the population. A few members of the current parliament had been nominated from a rural area smaller than a district headquarters. Urban people, the *Reer Magaal*, therefore, dominate the political scene. They include politicians, educated people, traders and urban religious scholars who fight over access to power and resources concentrated at the urban centers. On the otherhand, Some participants in the research process argued that this is of little relevance since there is no longer much difference between the *Reer Miyi* and urban people. Sedentarisation of pastoralists is increasing and, as one politician differentiated urban from rural on the basis of habit, the "introduction of urban habits like *Qaad*, cigarettes and exotic foods and material into the rural areas is becoming commonplace". Other participants took issue with this assertion: as one participant reminded the workshop "Urban people in the cities and major towns talk politics, but basic needs like water are the main concern for people on the periphery".

The most seriously underrepresented group in the political domain is women, who probably constitute the majority of the population and represent an increasingly important economic force, but are totally excluded from participation in the central institutions of government.[28] As such they are arguably denied their political rights. No clan appears to be ready to nominate a woman as its representative in government, especially the legislature. As one participant noted, "The clan system does not provide women a political status". One complicating issue raised by workshop participants is that it is unclear, in this patrilineal society with a system of government based on clan power sharing, whether a woman would represent the clan of her husband or that of her father. It was generally agreed that women would have a better opportunity and access to political decision making in a multi-party system with free and fair elections.

Despite the near-universal dissatisfaction with the *beel* system, workshop participants could not agree on a formula for representation that might replace it. Some suggested that the only solution was free and fair elections based on one person, one vote system. Some suggested, as an interim measure, basing the number of parliamentary seats on those that existed in the 1960s, which assigned by district, rather than by clan and sub-clan.

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[28] For a short period there was one woman minister in Ciigal's first cabinet.

The Beel and Multi-party Systems Compared

After almost a decade of government based on the *beel* system, the adoption of a constitution and move towards a multi-party model of governance is provoking vigorous public debate. Participants in the workshop process were divided in their opinions about future prospects for the political system in Somaliland.

Some of the participants argue that the *Beel* system is indispensable because it is rooted in Somali culture, traditions and history. Supporters of the *beel* system have highlighted the many obstacles to the move to a party-based system: clan is a pervasive force in the political, economic and social life in Somaliland. There is little awareness of constitutional democracy, functional literacy is very low, and civil society institutions are undeveloped. In addition, proponents of the *beel* system argue that it provides peace and stability and allows bottom up participation in governance at a grass roots level. Through the *beel* system, law and order were restored to Somaliland and government institutions revived to a stage where a new constitution could be developed. "It is an entirely new experience, locally cultivated," according to one participant.

Supporters of the *beel* system do not perceive the reestablishment of a discredited western-style political system as a viable solution. They perceive the election of public officials as a radical and unwelcome change from the nomination process of the *beel* system, and many were skeptical about whether elections would actually happen. "We may not see elections in our lifetime, for today we are not even ready for elections in terms of preparation and resources", commented one participant. He added that Somalis are "crisis-oriented, last minute doers", who are not good at strategic long-term planning. Advocates of this point of view typically favor the retention of the *beel* system, albeit with some modification. As one member of the *Guurti* suggested, "Let us scratch off the thorns of the *Beel* system," in order that it copes more effectively with the demands of a modern state.

In contrast, many participants rejected the continuation of the *beel* system of governance through another *shir-beeleed*. This position, which constituted the main platform of the political association, *Asad*, failed to win support among other political organizations and has been consistently opposed by the Somaliland government. The Guurti according to the constitution granted a one-year extension of president Cigaal's term in January 2002 precisely to prevent a power vacuum and the convening of another *Shir-beeleed*. The one-year extension was intended to allow the incumbent President to prepare the ground for Somaliland's first elections and complete the transition to a multi-party democracy.

Critics of the *beel* system argue that a transition to multi-party democracy is inevitable because the *beel* system itself has stagnated. Under the *beel* system, they contend, power and decision-making are concentrated among higher government officials. The effectiveness and the professionalism of the government institutions are undermined. Narrow clan allegiances trump the evolution of a national identity and national interests. In the long term, they contend, the *beel* system encourages anarchy and authoritarianism. One participant declared

that, "this system must soon be abandoned otherwise accomplishments achieved thus far will be destroyed by the system itself."

Such thinking is endorsed by the Somaliland government, which has already set in motion the introduction of a multi-party system of government in line with the new constitution. But workshop participants generally agreed the change should be gradual. As one participant put it, a "hasty change towards blind application of the western model would be a step backwards." Most agreed that it will be important to retain, as far as possible, the positive features introduced under the *beel* system that will be relevant to the new political set-up: these include the merit-based screening of government personnel through examinations and the absence of clan agenda from the House of Representatives. According to the Deputy Speaker of the House: "There is no member in the House of representatives that I have known during my term of office who has talked for his clan in the parliamentary discussions".

One point on which advocates of both systems agreed are Somaliland's need for political and administrative decentralization. Whether government is to be based on party or clan allegiance, whether representatives are nominated or elected, decentralization is an imperative. How this might be achieved, in practical and political terms, is the subject of the remainder of this paper.

4

Decentralization

The decentralization workshop, held in Baki in June 2000, examined the legal framework for the decentralization of government, the existing arrangements and the challenges and opportunities of decentralization.

Consensus on the need for decentralization in Somaliland is unchallenged. The experience of Somalia's highly centralized and authoritarian regime under Siyaad Barre has persuaded Somalis everywhere of the advantages of more diffuse political authority and control. Nowhere was the detriment of centralized rule felt more strongly than northwest Somalia, where isolation and neglect by the distant capital gradually gave way to unresponsive military administration and, ultimately, brutal and massive abuse of human rights. Somalilanders shed much blood during the SNM war with Siyaad Barre for greater self-determination, autonomy and, in the end, independence.[29] One commentator has written:

> "The future political constitution of Somaliland – and in particular decentralization – has been central to the war" (Bradbury, 1997).

Keenly aware of this tragic legacy, the authors of the 1993 National Charter and the 1997 Constitution mandated the Somaliland leadership to decentralize the system of government. A suitable environment and opportunity for decentralization prevails. There is peace and public tolerance of government. A fear of a return to centralized rule also sustains pressure for the devolution of powers. Many Somalilanders, particularly those beyond Hargeysa, deem decentralization to be an inescapable condition for their participation in Somaliland's political arrangements.

Perplexingly, there has been remarkably little progress. Indeed, many perceive in Somaliland's current arrangements, a reproduction of Siyaad Barre's rigid, pyramidical hierarchy. The central government appoints local government officials and, in the absence of elected council, the regional and the district local authority are accountable only to the central government. A narrow layer of public officials therefore governs according to the dictates of the central government and there is widespread corruption.

The decentralization workshop tackled these apparent contradictions. Workshop participants identified the main obstacles to decentralization to be people's inexperience of decentralized government, the divisive clan factor and a lack of civic organization. The central government was also blamed for a lack of commitment and limited effort in decentralization. The workshop also presented recommendations on how to move the process forward.

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[29] According to its constitution the SNM fought for a change of government in a united Somalia. The declaration of independence came as a result of public pressure during the 1991 Burco conference.

Definition

The term "Decentralization" means different things to different people. One academic explanation of decentralization describes it in the following the terms:

> "Control rights should be assigned to people who have the requisite information and incentives, and who at same time will bear responsibility for the (political and economic) consequences of their decisions".[30]

For participants in the research process, decentralization held various meanings:

- Peoples' participation, representation and desire to establish an accountable, transparent and democratic system of government.
- People choosing those who decide for the people.
- Putting powers and responsibility in the hands of the people, to determine the decisions affecting their lives in matters of socio-economic, development, security, justice, equity and the prioritisation of needs.
- A local administration that is accountable.
- The ability of people to appoint or remove public officials

Legal framework

Many Somalilanders believe that decentralization is essential in order to prevent the revival of kind of authoritarian rule experienced in the past. The importance accorded to decentralization and good governance in post-war Somaliland is reflected in the 1993 Transitional National Charter and the new Constitution. The formation of community, regional and district government structures was inscribed in the National Charter because of the suffering people felt under two decades of centralized dictatorial government rule. One-time Somali watcher John Drysdale has written:

> "The intention of the authors of the charter was clearly inspired by their wish to maximize the process of political devolution given that the majority of Somalilanders had suffered grievously over the past two decades from manifold abuses of power arising out of a highly centralized state system of government in Mogadishu". (Drysdale, 1995)

The development of autonomous structures at regional and district levels was intended to be an antidote to centralization. Article 21 of the National Charter promoted the principle of decentralization through the creation of regional and district councils, although the

[30] Pranab Bardhan (1997)

structures were not clearly defined. However, in November 1993, a few months after the Boorame conference, the Ministry of Interior issued a decree establishing the regional and district administration structures. This ministerial order, based on Articles 21 and 17 (3) (F) of the National Charter, defined clearly the structures of the regional and district councils and their duties and responsibilities. Articles 14 and 19 of this Ministerial decree give a statement of intent to this effect:

> "If a region/district could not agree in nominating a governor/mayor and deputy governor/mayor in 45 days time after a notice to do so, the central government will take the decision to nominate officers for the region/district, at request to parliament for approval by the ministry".

Responsibility was passed to the parliament to facilitate the process of decentralization, but debate in parliament became polarized on the form and nature of decentralization. In May 1995 the Parliament amended Article 21 of the Charter. Although the principles of the article were reaffirmed, the executive was given the mandate to nominate local officials until such time that local people were able to do so.

The much-delayed constitution of Somaliland was completed and passed by parliament in August 2000. In this document, Articles 109, 110, 111 and 112 define the regional and district administrations as part of the government and give them the power to establish their own legislative councils and necessary bylaws. Article 111.1 empowers the elected chairman of the district to propose the village committee, after consultations with prominent local figures, and the district legislative council then has the prerogative to approve or reject the proposed arrangements.

Articles 111.5 and 111.6 stipulate that a regional governor will be appointed by, and come under the jurisdiction of, the Ministry of Interior. It also states that the governor represents the central government in the region and its districts, without attributing any powers to the post of governor. Although, constitutionally, the elected local council has the power of local decision-making, the fact that the governor is appointed by central government raises apparent ambiguities about the respective roles of local and central government. Overall, the distribution of power and responsibilities between different levels of government remains unclear, creating considerable confusion about the practice of decentralization. As Drysdale has noted:

> For many Somalilanders it is unclear what the devolution of administrative authority to the local people would require. (Drysdale, 1995).

The criteria for what constitutes a district and region, the eligibility for membership of the legislatures and the voting system are not defined in the constitution. Prior to 1991 there were five regions and twenty districts in Somaliland. One new region and over twenty new districts have been created by executive decree since then. . There are no reliable maps that define administrative boundaries or indicate the natural resources of regions and districts. The Law on Regional and District Administrations should have clarified some of these issues. However, when the executive submitted a draft of this law to Parliament in 2000, it was rejected and sent back to the government in early 2001 to be re-written. Lack of

technical expertise, a census and voter registration contributed to the delay. The issue is also very sensitive in terms of the perceived balance of power between clans. On 17 June 2002 the bill was finally signed into law, but its application may yet prove problematic.

Why decentralization? Public attitudes towards change

Somaliland's impetus towards decentralization is more than a matter of legal imperatives. Historical experience and local political culture have combined to generate widespread public interest in decentralized governance arrangements. This public interest, however, is encumbered by differing levels of awareness and perceptions of what decentralization might mean in practice and how to realize it in the context of Somaliland.

Many participants in the research process believe that a degree of "decentralization" has already been achieved through the beel system, which distributed power among different clans, such that one clan cannot subjugate another. This diffusion of authority makes it extremely difficult for the government officials, or even traditional leaders, to exercise power through coercion. At the same time, many social and legal transactions take place beyond the remit of government authority, including matters of blood compensation and marriage, which are administered by traditional authorities in the rural and pastoral areas. Nevertheless, most Somalilanders would appear to agree that the process of decentralization is incomplete.

A common theme among Somalilanders is that Somaliland should not reproduce the kind of centralized political arrangements that contributed to the disintegration of the Somali state. Recalling the status of the former capital, Muqdisho, there is general agreement that Hargeysa should not become the exclusive centereof power, remote from the rural areas and peripheral communities. In spite of this widespread concern, Hargeysa has rapidly emerged as the de facto hub of Somaliland's political and economic dynamics - a situation that is already creating some resentment in other regions, notably in the east.

Another widely acknowledged feature of Somaliland's decentralization has been the degree of initiative many communities have shown in pursuing their own reconstruction and development. Given the government's lack of capacity in this regard, many workshop participants agreed that the government should play a supporting, rather than leading role, in social and economic development. Some went so far as to suggest that excessive government involvement in these sectors would hinder, not help, the process of recovery.

There is widespread recognition, however, that despite its advantages, political decentralization must have its limits. One consideration is the extent to which Somaliland's resource-scarce localities can afford to support their own administrative structures. Another, more pervasive concern, is the degree to which decentralization may favour some clans over others, rewarding the *laandheere* (majority) while marginalizing the "*laangaab* (the minority)". One workshop participant warned:

> "Decentralization will not succeed until the political rights of *laangaab* are respected by the majority."

Despite these concerns, participants in the research process were unanimous that the decentralization process must go forward.

Existing arrangements

During the period of 'transitional' government between 1991 and 2002, the revival of local administrations, has moved at a slow pace. There are two main reasons for this. First, priority was given to establishing the central institutions first. Second, the local leaders have tended to await instructions from the centre, a legacy of the previous regime. As a result, in contradiction of Somaliland's declared commitment to decentralization, all local administrations established to date have been appointed from the centre. Between 1993 and 2001 no district or regional administrations were nominated by local people.

Local government structures were re-established from scratch after the war. Most such authorities were self-appointed since there was little scope for local people to install a representative local authority, due to the lack of security. One participant recounted how, following independence, several local municipalities were taken over by "self-styled bandits known as *day day* who claimed to be freedom fighters".

After the 1993 Boorame conference, most "*dayday"* administrations were replaced by nominated local authorities. The progress from those tentative first steps to "discussing corrective measures and development issues today is a big leap" explained one senior administrator in the decentralization workshop.

As of July 2001 there were six regions and 34 districts in Somaliland. Of these, 18 districts and one region have been established by presidential decree, lacking the approval of parliament. Although their existence is effectively unconstitutional, they continue to operate as part of the government administration. The fate of these districts was still the subject of parliamentary debate as of February 2002. With the law on regional and district demarcation passed on 17 June, 2002 the new districts and regions were approved as districts but with no electoral constituents.

Other factors affecting the development of local administrations include the proximity of a district to the capital, the prevailing peace and security and the degree of local mobilization. Consequently, areas in western Somaliland closer to Hargeysa generally re-established local administrations in the early 1990s, while those in the east only came into being in the late 1990s. In many districts, administration is still very weak or non-functional.

Political representation at the district level is characterized by competition between clan leaders for new district and regional administrative seats in order to enhance their status and to gain access to resources distributed from the centre. Clan leaders throughout Somaliland routinely take advantage of the opportunities provided by high-level government visits to their areas or the visits by clan delegations to the capital in order to lobby for new districts. Participants in the research process noted that the creation of new districts is often "politically motivated" by clans. One commentator went on to say:

> For pride and power, each clan needs to be seen as a reflected in the political framework and the main purpose is to get a share of the pie.

Others believe that pressure for the creation of new districts comes from the centre rather than from the regions. They argue that the government uses the promise of new districts to win the support of certain clans. This may occur as a matter of government policy, or through the efforts of individual government officials who seek to secure the support of their clan. Seven new district seats were offered to various clan constituencies during the Hargeysa peace and reconciliation conference. One analyst commented:

> "It is a government deal. Because of the election campaigns, the *Beelo* are required to support the government by offering votes during elections."

Some districts may never be fully operational or will have undefined boundaries, as the mayor of Maydh district explained[31]:

> Though we are declared as a district, we are only allowed to operate in a five-mile radius as a district.

Several other problems arise from the process of creating districts that needs to be resolved:

- They lack clear administrative boundaries and there is a concentration in certain areas. For example, Balligubadle, Salaxley and Faraweyne are located in a small strip along the Ethiopian border that is less than one hundred kilometres long.
- They are often the cause of disputes between clans, villages and authorities over taxation and control of natural resources.
- Most districts only survive because of the support of central government revenue.
- Revenue collection, trade and production are affected because of the multiple checkpoints

Roles and responsibilities

Governors and mayors represent the government in the regions and districts (see section on decentralization below). In contravention of the Constitutional article that sanctions decentralization these administrators and their support staff are appointed by the central government. The local elders, *Caaqilo* and chief *Caaqilo* who represent clan interests may assist the local authority, especially in peace and security matters.

At the regional level, government structure comprises the:

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[31] Personal communication 1999.

- Regional Governor
- Deputy Regional Governor
- Regional Executive Secretary
- Staff

There is also a regional security committee, which was initially chaired by the governor and includes heads of the regional police force, prison soldiers, the army and the mayor. To give it more of a legal orientation a regional judge now chairs the committee. The Security Committee exercises powers to detain local people under Public Order Law No. 21 of 1963, although this violates the current Constitution. The House of Representatives won a debate with the executive on 1 August 1999 on the removal of the law that established the Security Committees rendering them legally void (*xukun qarqoosh)*, nevertheless many of them remain in place.

At district level, government structure comprises the:

- Mayor (also the District Commissioner)
- Deputy Mayor
- Executive Secretary
- Staff

At district level, the top three local government officials typically act as an executive committee, although the structure varies from one district to the other. There are no elected local councils, but there are ad hoc committees of elders in some districts and regions who are involved in the peace and security matters.

In the absence of an elected council, the district authority has responsibility for raising revenue and exercises authority over its expenditure. This arrangement raises important questions about, whom the district authority actually serves, to whom it is actually accountable, and the transparency of its operations. As one local administrator from Baki noted, "Many people believe that we administrators arrive initially with empty bags, and leave with a load of money at the end of our assignments."

Despite these shortcomings, local structures have broadly succeeded in revitalizing the revenue collection system, providing limited employment within the administration and assisting in maintaining local peace and security. Some also provide small-scale social services, like garbage collection and the basic maintenance of feeder roads.

Local administrations are also responsible for revenue collection, an issue, which is discussed in greater depth below. However, workshop participants were concerned by the extent of corruption in the revenue management system, and felt strongly that measures should be taken to reduce corrupt practices at all levels. In particular, they argued, the public must be made to understand that it is their right to expect accountability from appointed officers, as laid down in Article 3 of the constitution.

The weakness of the administration in the post-war period has helped to nurture a spirit of self-reliance within local communities. Reconstruction efforts at the local level have generally taken the form of people-driven initiatives with little or no government support. Homes, schools, health centres, hospitals, businesses and agricultural production have all been rebuilt or revived through individual and community efforts. Emerging civil society organisations, professionals returning to their communities, local NGOs and womens' organizations have also played important roles, providing private education and health services. In this way responsibility for providing these services has de facto been decentralized and decision-making on such matters is largely outside government hands.

De facto centralization of administration

Under the existing, centralized administrative arrangements, local authorities were assessed by workshop participants as having performed poorly. Regional and district authorities function with little independence from central government. Central authority is perceived as the key player controlling events and making decisions, without local participation or real interest in the concerns of local people. This top-down approach has meant that, at the local level, government policy is often formulated or interpreted by a small clique. The same small group carries out assessments and evaluations of the local issues. Grass root groups and community-based organizations are by passed and there is no collective decision-making. For example, the relationship with important local actors like elders is considered to be of secondary importance. According to one elder:

> They [the central government] miss us only when they need our support, but do not help us in the resolution of local disputes and conflicts. When resources are an issue it is their concern. If there is a local dispute, the problem is ours.

On the other hand, some participants in the research process felt that elders only show an interest in the affairs of government when it serves their interests. A local administrator remarked:

> Local elders appear only during workshops and seminars conducted by international agencies to benefit from the daily allowance.

Appointment of local officials and personnel is an especially problematic issue, since government ministries, particularly the Ministry of Interior, control personnel and financial matters at the district level. The appointment of local officials by the central government means that they are subservient to the government and implement its instructions, rather than responding to local needs and priorities. "The problem goes beyond the appointment of Mayors. [The central government] also has a say in firing and hiring of local staff", said a member of the House of Representatives. Regular dismissal and replacement of local authorities by the Ministry of Interior disrupts the continuity of local administrations, creating a sense of perpetual crisis. Centralized control over staff appointments often adds surplus employees to the already over-staffed local administration and overburdens local government expenditure.

The centralized system places local authorities under contradictory pressures and sometimes conflicting loyalties, where they are squeezed by the centre and the local community. In order to secure their positions mayors and other local officers often give priority to satisfying their superiors at the expense of their local constituency. A local government official who is a political appointee may defend his position by distributing as patronage resources earmarked for social services and local development to what one participant described as "dubious and parasitic characters."

Such practices contribute to a public disaffection and cynicism with respect to public officials, as illustrated by the kinds of nicknames commonly applied to people of authority:

- *Suldaan Bililiqo:* one who stole the title of a traditional leader
- *Hunguri:* one who swallows (i.e. is greedy)
- *Koofiyad Bacle:* one who wears the trappings of an elder, without having earned respects
- *Kaarto qodaal:* hypocrite
- *Qallin minshaar*. one who cuts with a pen

Another common criticism levelled at local authorities that reflects the continuing lack of decentralization is their frequent and long absences from their duty stations as they seek resources and support from the central government. Likewise, regional and district authorities often confine themselves to their administrative headquarters, rarely venturing to the rural villages and pastoral areas over which they have authority. In extreme cases, centrally nominated district officials may simply fail to materialize, particularly in remote rural areas where life is austere. As one elder commented: "For long periods only the names of the nominated local authority were with us, but they never appeared." Such absences would presumably be less common were officials locally appointed and accountable to local constituencies.

Implementing Decentralization

The centralized nature of Somaliland's existing political arrangements may not be as inexplicable as it appears. A number of historical factors have contributed to the current state of affairs. The *shir-beeleed* of 1993 and 1996-7 were not oriented to local governance, and were more geared towards establishing central government institutions. With that task, largely accomplished, future processes will need to emphasize decentralization of authority and resources.

A major obstacle to decentralization is the role of clan in national and local politics. Striking a balance between clans in a given locality is as important to local administration as it is at the central level. In Hargeysa, for example, the Mayor and Vice Mayor have always been drawn from one of the four major clans considered resident in the city. Members of other clans have traditionally been excluded from these posts, raising questions about Hargeysa's "national" character as a capital city.

Another significant impediment has been the apparent reluctance of the central government to move forward with decentralization, despite its constitutional duty to do so. Participants in the research process were divided in their opinions as to why this might be the case. Some argued that both the executive and legislative branches have expended insufficient effort to implement decentralization. Others felt that leaders in the central government will decentralize only if they can do so in a cosmetic way that does not challenge their hold on power.

In support of this view, workshop participants complained that the culture of government practiced under Siyaad Barre is still very much in place. Government bodies at all levels, as well as the public, are accustomed to a centralized system of power. People know the District Commissioner, Governor and Minister as people who are unaccountable but control local affairs. The administration is inefficient, and officials lack either creativity or the experience to adopt new approaches, and prefer to operate as before. Few of them are familiar with mechanism of participation, transparency and accountability that constitute the main pillars of decentralization. Even today, most Somalilanders are uninformed about what decisions the *Guurti* or the President make on their behalf and how these decisions affect their daily lives.

Other participants blamed the government's inertia on public passivity. Since most Somalilanders have a poor grasp of the issues, they have left the initiative on decentralization to the central government. The few concerned citizens in civil society organizations and the media who could have helped to raise awareness about decentralization and lobby for the implementation of the constitution, have failed to take up the issue. The question was therefore raised whether or not the issue of decentralization is premature. In the words of one Member of Parliament: "How should a community seek decentralization if the community does not even understand the contemporary meaning of the word?" Other participants noted that Somaliland society is mostly nomadic, illiteracy is high and the capacity to manage government administration at the local level is largely lacking.

The confusion that pervades discussion on decentralization under the *beel* system becomes even more acute in the context of the transition to a multiparty electoral system. Some participants argued that the formation of political parties is the only way to break the clan calculus of power in local administrations, while others felt that parties would disrupt a system with which people were familiar: "The clan-based system of government can be thrown out only when political parties become part of our culture", said a workshop participant. Other participants added that completion of the disarmament process would be an important precondition for decentralization, with one noting that "Without it, political developments like elections might destabilize the country".

Political Parties

The transition to a multiparty electoral system will have a profound effect on all aspects of political life in Somaliland. It is futile to consider next steps in the process of decentralization without taking into consideration likely characteristics of the future political system.

The first political organization formed was UDUB, which held its inaugural congress on the 1st of July 2001. This was followed by the formation of numerous other political groupings, which had been in November that year coalesced into six registered political organizations intending to compete in the electoral process, namely: UCID, SAHAN, UMAD, ILAYS, HORMUUD, BIRSOL. Although all parties are hypothetically on equal footing, UDUB has emerged as the "party of government" with the President as its constitutional Chairman and many government officials among its membership. ASAD and KULMIYE were registered only after the death of president Cigaal in May 2002. (see the section on the Constitution and Legalization of Political Parties).

Although Law No. 14 on Political Parties system allows an unlimited number of political organizations to contest in municipal elections, the constitution restricts the number of parties able to contest national elections to only three. In theory, each of these must obtain at least twenty per cent of the vote in all the regions of the country in order to qualify as political parties. However, law also stipulate that if one or more (possibly all three) parties contesting the national elections fail to reach the twenty percent threshold in all regions, then the three organizations with the most votes would qualify as political parties.

These rules are potentially problematic. First, although the Somaliland constitution guarantees freedom of political association and participation, the limitation to three parties denies political expression to individuals who support none of the three, or who seek to be elected as independent candidate. Second, the law is silent on whether new political parties might eventually replace those who emerge during the first municipal elections in 2002. Third, it is conceivable that some district level seats be won by political organizations that neither meet the criteria to become political parties, nor unite with others to form political parties. The legal status of such organizations and their candidates would therefore be open to question.

Another major concern involved many regions and districts created by government decree in recent years. This created a long debate to win parliamentary approval. Although requested by constituents or beneficiaries many of them were labelled meeting political agenda. They were seen as a form of "gerrymandering" - rigging of elections through the manipulation of constituency boundaries. Finally, a law on demarcation of administrative and electoral districts was passed in June 2002. This law did not approve or disqualify newly-formed districts as administrative units, but it denied them status as electoral districts, engendering some dissatisfaction among the constituents of those districts. It is also unclear how the vote will be conducted in Sool region where the Somaliland administration is still largely ineffective.

A related issue is the conduct of a population census and voter registration. This is, in a first instance, complicated by the question of citizenship due to the nomadic movement across international borders and the fact that many sub-clans who claim to be Somalilanders reside across the Ethiopian border. Article 4 of the constitution, which defines citizenship in terms of a person's 'roots' (*isiir*) prior to 1960, does not help to clarify the issue. One workshop participant thus asked "Shall we count the clan named *Hagar* or the people of Sool region?"

illustrating a real dilemma over whether voters should be enumerated on the basis of territory or clan.

There exists a clear need for public awareness campaigns to assist the electorate to understand the constitution, electoral principles, and the code of conduct of the political parties and their programs. One participant even argued that "voter education is necessary to be incorporated in the curriculum of the public schools". The public and private media can also help with civic education. But the obstacles are considerable. Literacy is low. There is no communications medium in Somaliland with national coverage, and lack of clarity on the kinds of legal issues described above makes voter education problematic.

Finally, participants in the research process expressed concerns about whether elections would actually enhance the quality of political representation, recalling the experience of multiparty elections in the 1960s. In 1969 only one of the 123 elected parliamentarians remained with his political party "*Dabka*" in opposition**,** prompting one participant to assert "democracy like that practiced by the SYL [the ruling party in the 1960s] will not take us very far". Surprisingly, representatives made no apologies for their change of allegiances and continued to seek re-election from their constituencies, underscoring the primacy of clan allegiance over party platforms. For this reason the political party law obliges representatives who change their parties to resign their party membership in order to induce party discipline and accountability to constituents.

5

Revenue Collection and Distribution

The collection of the government revenue, its administration and management are vital for the existence of any government, since the basic functions of the state can not be assured in the absence of a secure financial base.

A workshop on taxation and equity was held in Ceerigaabo in January 2001. Discussions focussed on assessing how revenue was collected and administered by the government. The revenue collection system in Somaliland had to start from scratch after the war. The institutions have been established and are operational at a local and central level. However, taxation laws and financial regulations need to be updated and require translation into the Somali language. There are many types of taxes that are not collected by the Ministry of Finance. Central government taxation was not unified until 1995 and other ministries like aviation, commerce, telecommunication etc are delegated to collect taxes under a financial regulation of the procedures before 1969[32]. All customs departments of Somaliland are not functional and municipal tax is based mainly on the *zeyladaha* (domestic livestock markets) and other local markets

The revenue collection system is improving and the prevailing peace and stability and the presence of functional basic public institutions provide opportunities for a steady growth in the revenue collected by central, local and para-statal government agencies. From 2000 to 2002, the budget was severely affected by the export ban on Somali livestock by the Gulf States. Despite this, revenue collection could have been maximized if Somaliland overcomes the obstacles hindering proper revenue collection and management. These include a legacy of mistrust of government, general tax evasion and a lack of proper accounting and auditing. Taxpayers question the returns to the public in terms of basic social services as a result of paying taxes. The collection, management and expenditure of tax revenue without the oversight of local legislatures are also questioned.

The history of taxation

Before the advent of modern administration, taxation was alien to the Somali pastoral culture. It was first introduced to Somaliland by the British administration in the early 20th century, following the defeat of the dervish leader Sayid Maxamad Cadalla Xassan in 1920. The campaign against the Sayid drew the colonial administration into the previously neglected interior, where they were also able impose taxation. The people of the Somaliland protectorate considered taxation as an unjust imposition by the colonizing Christian power and thus *Xaraan* (unclean and profane). The introduction of taxation led to uprisings against the British in the urban centres. The British District Commissioner for Burco was killed after he introduced taxation in the town immediately after the Sayid was defeated in early 1920s (Lewis, 1980). These anti-taxation sentiments were expressed in Somali poetry, like the

[32] The laws used before 1969 were applicable during the period of the provisional constitution, in which case the establishment and mandate of the Ministry of Finance are based on such laws.

following verse *Casiisow Waa Mahadaa* from the famous poet, Timo Cadde, composed on 25 June 1960:

> *Caradaad nagu beertay, cashuur baan bixineyney, oo cadkii wuuna dhamaadee, iimaankoon cawarnayan iyo cidaamka na fayow.*
>
> (Oh Allah), on the soil in which you planted us we were compelled to pay tax; all that remains is our unimpaired belief and our fleshless bones.

However, the amount of revenue collected by the colonial administration was small. At the time the majority of the people in the Protectorate were pastoralists, and colonialists faced a constraint in taxing pastoralists who are moving with their herds. Business and trade activities were also limited. During most of the British presence in the Protectorate, the colonial administration's budget was small and required subsidies from the British government. According to one senior administration officer, revenues from taxation were sufficient to pay for government services during the 1950s. However, since the British administration only provided security forces (Somaliland Scouts) and development projects, this was not a particularly impressive achievement.

During the British colonial period, administration was to a large extent accountable and transparent, unlike the subsequent Somali governments. The lack of public accountability and transparency surfaced after independence and unification, particularly after the integration of the north and south was completed. The above senior officer said "Only two civil servants arrested for charges of fraud during the period of the colonial administration". Misappropriation characterized financial administration after independence, when abuse of taxation and public funds intensified. A song by Abdi Af-weyne, popular in the early 1960s, warned corrupt officials to consider the consequences of their actions:

> *Nin agoon ku xaday qallin khayr kama macaasho.*
>
> The man who steals from an orphan will never know success.

Revenue collection and management was also impeded by public attitudes towards public resources. One participant commented: "Our people see tax collection as a form of *baad* (extortion), not as a legitimate obligation." But successive Somali governments did little or nothing to earn a sceptical public's trust. The misappropriation of public money became an increasingly pervasive and institutionalised practice.

Unable to generate significant domestic revenue and negligent with the scarce resources at their disposal, Somali governments turned increasingly to foreign aid to cover their growing administrative costs. As foreign aid covered most forms of government spending, including development projects, taxation was of secondary importance. In the context of the Cold War, aid was abundantly available. The bureaucracy and security forces grew entirely out of proportion to domestic capacity and needs. Development projects and social services were funded predominantly with foreign assistance. Somalia became known as the graveyard of the international aid. Ultimately, the maladministration of government resources was an important factor behind Somalia's disintegration. When the Siyaad Barre regime collapsed, it

left behind an unpaid debt of nearly two billion dollars – more than three times its annual gross domestic product.

Rebuilding the taxation system 1991-2000

In contrast with the exaggerated aid-dependency of the former Somali state, the Somaliland taxation system was perceived by some workshop participants to be built on a sounder base and more meaningful because of the lack of foreign assistance. The Somaliland government is not recognized and has no direct access to multilateral or bilateral funds. Of the little foreign aid Somaliland receives, most is channelled through UN agencies and NGOs, and nothing goes directly to the government treasury. The financing of reconstruction and economic growth of Somaliland, therefore, basically depends upon the proceeds of international trade to the Gulf and the trans-shipment trade to Ethiopia and other regions of former Somalia. The major source of revenue for the Somaliland government is derived from taxes on imported merchandize, goods and the export of livestock, hides and frankincense. Other sources of revenue are the private service sector, civil aviation, and municipal taxation. Security is a primary concern of the government and up to 70% of the Somaliland budget is allocated for this purpose. The small amount that remains is used for all the other sectors.

In 1991 the taxation system, like all aspects of government in Somaliland, had to be started from scratch. The administrative infrastructure had collapsed, offices had been destroyed and there were no official documents and reference materials. The Ministry of Finance was established that year. Staff of the former Ministry of Finance who worked with the Somaliland administration in 1991 and 1992 had to reconstruct financial forms, procedures and regulations from memory. A government finance officer who witnessed the confusion in early 1991 recollected that "not even a single monthly closed account was found for use as a reference." Official government documents that had been looted from offices found their way into retail shops, restaurants and teashops to be used as napkins or for wrapping sugar or tea leaves. Printed forms for government use were soon made available by the new Ministry of Finance, but lack of printing regulations and lack of enforcement, therefore, made illegal printing of financial documents continued to be a common practice, including the government agencies to 1993.

The customs department was first formed in Hargeysa with a handful of experienced officers in 1991. Abaarso customs checkpoint to the west of Hargeysa was the first to begin the taxation of the *qaad* imported from Ethiopia. The central bank got operational in 1992, to serve as a government treasury although it only became effective after 1993. In some places like Burco, there was no government treasury from the outset, so private stores were used for storing money collected from duties on *qaad*. Berbera port hosted the second customs office to be opened. These rudimentary tax collection efforts were disrupted by the 1992 Somaliland civil war, and the whole process had to restart from scratch after the conflict in 1993.

The systematic collection of tax began again in 1994. Until 1994, however, when the ministries received their first budgets, government personnel worked on a voluntary basis

receiving token salaries as funds became available (Bradbury, 1997). Financial regulations and procedures, introduced by the colonial administrations and subsequent Somali governments, were revived. That year the government borrowed a sum of US $6 million from the business community to purchase rations for the security forces.[33] At the same time clan militias and war veterans were demobilized and check points manned by bandits in the western regions of Awdal, Waqooyi Galbeed and Berbera, that levied taxes on trade trucks, were removed. Custom officers were appointed and offices established in Hargeysa, Berbera, Kalabaydh, Zeylac and Boorame. Customs posts began to open in the east only in the late 1990s.

Central government and financial administration

The Ministry of Finance has five departments:

- Accountant General's Office
- Controller of Customs
- Internal Revenue Services
- Budget Control
- Administration

The Controller of Customs and Internal Revenue Departments are responsible for implementing the taxation laws of the central government. The Accountant General's Office of the ministry of finance is responsible for ensuring that public financial resources and government assets are properly administered and managed. All financial operations of the government are processed through this office, including all revenues and disbursements. Whereas the Auditor General, which is an autonomous agency, is responsible for the auditing of government ministries, local authorities and quasi-government agencies. This office should produce an annual audit program for government agencies.

The Accountant General's office, customs and Inland Revenue departments have been expanding together with Somaliland's administration, and by the year 2000 had established a presence in almost all the regions and many districts. The Ministry of Finance budget department and the Auditor General's office, however, are only operational in the capital.

Article 55 of the Somaliland constitution gives the House of Representatives the power to debate, alter and approve the annual budget submitted by the Minister of Finance, as well as to approve any extra-budgetary expenditure. The House should also review the yearly financial report submitted by the Auditor General, but this is an exercise that exists more in theory than practice. The House of Representatives, although unhappy with the budgetary process and aware of its shortcomings, tend to approve the budget without seriously challenging the executive on aspects they disagree with. This is a contentious issue with major political implications.

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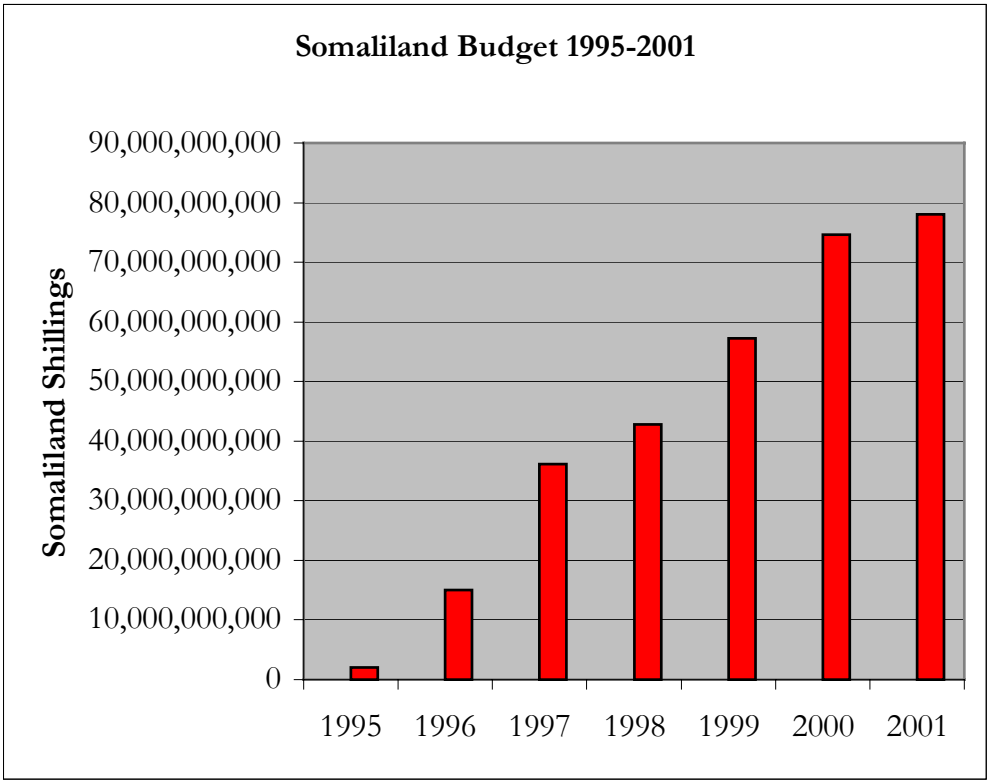
[33] Interview with the former Accountant General, 1999.

From 1995, Somaliland's annual budget has grown from 1.9 billion to 78 billion Somaliland Shillings (see chart). Central government revenues grew from $20 million in 1999 to $25 million in 2000 and to $37 million in 2001. The 1998 livestock ban caused a reduction in revenues to So.Sh. 23 billion in 1999. Following the lifting in May 1999, a supplementary budget of So.Sh.15.6 billion increased the budget from So.Sh.41.5 to So.Sh.57.2 billion, reflecting the resumption of government export revenues, but with the re-imposition of the ban in 2000, revenues again plummeted. On paper, the 2001 budget showed an increase over 2000, despite the ban, because the government invested more effort in revenue collection and diversified its tax base: income tax was introduced, tax rates were slightly increased and new sources of income were identified, such as government warehouses, fuel depots and properties. In dollar terms, however, the devaluation of the shilling and the government's us of an inflated "official" exchange rate meant that the 2001 budget declined nearly 50% over the previous year.

Chart 1: The budget 1995-2001



Source: Ministry of finance

Establishing and maintaining peace and security in Somaliland, the government has had to allocate a large percentage of its budget to the security forces. In 1999 the amount allocated to the security sector (which includes the national army, police and custodial corps) was Sl.Sh. 33.8 billion or roughly 60% of the total budget (Ministry of Finance, 2000). This compares with the Sl.Sh. 1,168,383,550 (just over 2%) allocated to the primary production sectors of Agriculture, Livestock and Fisheries. The allocation to the Ministries of Health

and Education totalled slightly over 1 billion shillings or 2.2% of the total budget. Some 97% of the budgetary allocations to the various ministries are for recurrent costs, such as staff salaries, travel allowance, rents, utilities, communications and material needs like stationary, fuel and repairs. There is little allocated for development activities or capital investments (See also Annex 1: 1999 & 2000 budgets).

Table 7: Summary Budget 1999 (Somaliland Shillings)

Sub-heading		Details	
1998	1999	Revenue	
1.00	1.00	Taxes	39.832.593.000
2.00	2.00	Services & Property	1.744.977.000
3.00	3.00	Aid & Contributions	----------
		Total	41.577.570.000
		Expenditure	
1.00	1.00	Administration	40.259.257.000
2.00	2.00	Fixed assets	----------
3.00	3.00	Loans	600.000.000
4.00	4.00	Aid & Contributions	----------
5.00	5.00	Emergency & political fund	718.313.000
		Total	41.577.570.000

- Source: Ministry of finance budget 1999

The government administers an ordinary revenue and expenditure budget. There are some ten laws covering taxation relating to customs, sales, fines and fees, and production (Ministry of Finance, 2000). In addition, there are special levies introduced by presidential decree. For example, when the war in Burco ended in 1996, a disaster fund *(Aafada)* was created for the rehabilitation of Burco by adding 2% on the revenue. This has subsequently been changed to a development tax collected by the Ministry of Finance.[34] Later it was transformed into an 'administration tax' and was added to the budget in 2001. The Ministry of Transport imposes a levy on fuel imported into Berbera that is supposed to be used for repairing the roads.

Table 8: Sources of Revenue, 1999 (Somaliland Shillings)

Taxes	**Revenue**
Revenue from capital consumption	
Import duties	23.461.813.000
Export duty	81.769.000
Sales tax	4.261.392.000
Registration tax	1.324.843.000
Stamp tax	1.219.415.000
Circulation tax	94.645.000
Registration tax for ships & boats	----------

[34] Interview with the Minister of Finance, 2000.

Custom storage charges	----------
Harbor tax	3.232.767.000
Livestock export levy	5.882.446.000
Miscellaneous tax	----------
Cashuurta Horumarinta (Levy tax)	----------
Total	39.559.090.000

Source: Ministry of finance budget 1999

From the budget submitted to the parliament in 1999 (see Table 7 above), it is apparent that the main source of government revenue is taxation. In other words, some 95% of the resources that finance the activities of the government are locally mobilized, mostly through taxation. Until 2000, this revenue mainly funded recurrent operational costs. In the financial year 1999/2000, however, the government finished reimbursing the money borrowed in 1993 from businessmen and in 2000 it funded a few small development projects in the eastern regions of the country. These were suspended when the 2000-2 livestock ban unexpectedly slashed government revenues.

Revenue collection is high in Gabiley because the Kalabaydh customs post, under the jurisdiction of Gabiley district, taxes most of the *Qaad* imported to Somaliland and also receives customs duties on much cargo from Dubai en route to Harta-sheekh, across the Ethiopian border. Other towns like Burco, for example, which is the principal livestock market, only duties on fruits from Somalia and small consignments from the airport.

Table 9: Areas of Revenue Collection for the 1999 Budget

Areas of revenue collection	**Revenue**
Hargeysa	2.984.730.000
Berbera	26.004.562.000
Boorame	420.155.000
Gabiley	9.675.726.000
Seylac	2.215.490.000
Burco	276.907.000
Laas-caanood	----------
Ceelaayo	----------
Laasqoray	----------
Maydh	----------
Xiis	----------
Ceerigaabo	----------
Total	41.577.570.000

Source: Ministry of finance budget 1999

Since the return of the livestock ban, the bulk of government revenue continues to be collected from customs duties. During the course of the 1990's the customs department has extended its jurisdiction from the western regions, where administration is better established, to the eastern regions where revenue collection was still not fully established in 2001. One officer from the ministry of finance noted:

> The more you go towards east, the more the Ministry of Finance is either none existent or is run poorly and its offices are not in good shape physically and administratively.

According to an officer from the Ministry of Finance in the Ceerigaabo workshop, the Customs department is "the only fully operational department [of the Ministry] and thus 90% of government revenue collected is from the customs". In Ceerigaabo, for example, where taxation only started in 1998/99, the administration introduced a lenient rate of tax to encourage the business community to pay taxes. The Sanaag regional customs officer explained:

> To attract our clients we started taxing goods 30% less in the tariffs in the first year and increased this to 50% the second. This was to encourage our clients to learn and understand the importance of taxation and to accept it.

Apart from customs duties, other types of taxation are limited. Given that the revenues from livestock exports can no longer be taken for granted, the government is embarking on new efforts to increase revenue collection from alternative sources.

Local government and financial administration

After 1991 local government authorities collected significant revenues for many years by taxing goods entering their jurisdictions from other districts of Somaliland, despite the fact that most of these goods had already been taxed on entering the country. As this form of "double taxation" provided them with adequate resources, local authorities generally failed to develop their own local tax bases. What was supposed to be a transitional activity became permanent.

Furthermore there was no parity in taxes between regions, with local authorities setting taxes according to their needs. One observer commented that the local authorities had effectively strangled the local people through heavy taxation. A sack of rice, for example, destined for Boorame from Berbera was taxed by checkpoints in each district along the way, rendering the price unaffordable at its destination. Goods became so over-taxed that trade and commerce stagnated (Wasaaradda Maaliyadda, 2000). Although the local authorities were collecting unprecedented revenues, there were little or no returns to the taxpayers in the form of basic social services like garbage collection, water provision, road maintenance, public health and sanitation. One participant commented:

> The local governments collected much greater revenues than was normal in the past, but returns to the public in terms of services were zero. The activities of the municipalities were much better in the past 'failed state'.

In such a freewheeling, unregulated tax regime, corruption became widespread. When the situation finally threatened to become untenable, the government initiated a study on the matter, which found the following (Wasaaradda Maaliyadda, 2000):

- There was a loose relationship between the central government and local government and weak central control.
- Tax laws and presidential decrees were not being followed at the local level
- The executive committee of the municipality composed of (the Mayor, his deputy and executive secretary), set tariffs.
- There were too many check-points installed by the different local governments
- Transit goods were taxed.
- The printing and distribution of the financial books and tickets was not uniform.
- Municipalities had problems with personnel, as the mayor could recruit or release as many staff as he wished.
- There was an overlap between central government and the local government revenue.

The problems created by municipal revenue control posts or check-points included:

- Multiple taxation leading to higher prices of goods and loss of central government revenues.
- Loss of time during inspection, loading and unloading.
- The re-routing of commerce from Somaliland's main ports of entry to neighbouring ports.
- Trafficking in contraband of goods as trade trucks evade checkpoints.
- Corruption and informal taxation.

Law No. 12 on the Unified Tariffs for the Local Government, was passed by the Parliament on the 27th March 2000 and became effective on 15th April 2000. The law prevents local governments using checkpoints as they had been, such as for taxing transit goods, and solved the problem of multiple taxation. Almost all checkpoints were removed except those used for security. At the same time the law gave districts with custom posts access to 10% of the customs duties collected by central government. The law also states that the Ministry of Finance should provide a supplementary grant of 12.5% from import duties and sales tax to all municipalities, including those that have access to customs posts. Berbera, where the greatest volume of imports passes, is the only district excluded from this arrangement, receiving only 10% of import duties and sales tax.

A subsequent law on regional and district administrations was passed by the house of representative on 17 June 2002. This new law would potentially allow the central government to delegate to local government councils the authority to establish maximum limits of the rates, taxes and fees to be levied and collected locally.

Despite Law no 12 and the system of taxation unified during the research process there were complains from traders. One frankincense trader mentioned that he pays three different taxes based on three different laws pertaining to the sale of frankincense involving four different government agencies - the municipality, and the ministries of Finance, Rural Development and Commerce.

Other than the Ministry of Finance, Ministries like Post and Telecommunications, Justice, Aviation, Rural Development and Commerce are all involved in revenue collection. One government officer in the workshop criticized the engagement of so many different government agencies in revenue collection:

> Official business is conducted to suit everyone's convenience, with every ministry printing its own taxation receipt forms.

However, officers from the Ministry of Finance confirm that those ministries are delegated to collect revenues on behalf of the Ministry of Finance. In 2001 the Accountant General's office controls and manage revenues collected by the above ministries, except the Ministry of Rural Development that is required to prepare its own forms and necessary documentation.

The introduction of the law greatly affected the income of the local authorities, especially those without access to ports, as their income and cash flow immediately declined. Only those districts with production, trade and commerce could continue to cover the minimal basic social services. All others depend on supplementary finance from the central government, which normally only covers staff salaries and recurrent expenditure, but cannot support even limited social services.

Law No. 12 exempts public buildings, mosques, historic buildings, Embassies, Consulates and buildings built by the UN and international agencies from taxation.

Many Somaliland municipalities tax only the *zeyladaha* (local markets), the retail shops and teashops. Properties including the farms, *ballies* and *berkeds* and buildings are not taxed due to the limited capacity of the local government and the many unresolved property disputes. From May 2000, however, local governments were required by the central government to expand their taxation base to the following areas:

- Sales tax in local markets.
- Land, houses and other buildings.
- Abattoirs, hides and skins.
- Tax on water consumption charges.
- Farms, water reservoirs and advertising billboards in public places.
- Registration fees for public and business transactions,
- Inspection fees for various activities, including conservancy, tax on the circulation tax**,** trade licensing fees.

Local authorities prepare budgets that are submitted to the Ministry of Interior, which functions as the sole controller and has the power to monitor budgetary expenditure. The budgets of the municipalities typically cover only staff salaries, running costs and basic office expenditures. Most municipalities lack the resources to even undertake garbage disposal. As one commentator in the revenue workshop said:

> The first thing noticed in the major towns of Somaliland is garbage piled everywhere, which signifies bad administration and mismanagement.

The following budget from Berbera District illustrates, even this relatively wealthy municipality operates on a shoestring budget, with 83% of the budget absorbed by personnel and security costs, recurrent expenditure, and outstanding debt payments.

Table 10: Berbera District Budget, 2001

Revenue	Somaliland Shillings	%
Local revenue	1.398.137.000	25.9
Revenue collected by central Government for Berbera local Government 10%	3.996.000.000	74.08
Subsidy 12.5%	-----	-----
Total	5.394.137.000	100
Expenditure		
Personnel	1.338.760.000	24.82
Operations/service	987.410.000	18.30
Maintenance/repairs/assets	1.014.593.000	18.81
Aid/contributions	382.630.000	07.09
Security/environment	570.000.000	10.57
Outstanding loans	200.000.000	03.71
Total	4.493.393.000	83.30
Reserve	900.744.000	16.70%
Expenditure	5.394.137.000	100%

Source: Ministry of Interior

The capacity of the institutions administering taxation

Local government authorities, as noted in the previous section, are political appointees, hand picked by the central government. At the same time, these authorities are responsible both for raising revenue and authorizing its expenditure: setting of priorities, preparation of the district budget, execution of public projects and reporting on expenditure are all the responsibilities of what is essentially a closed circle of political appointees. This has undermined transparency about how resources are allocated and used, and diminished accountability of public officials to the taxpayer. To underscore this point until 1996 no municipal authority has submitted annual financial statements and even presently the majority of local governments do not submit financial statements.

Local authorities act on guidelines from the central government, and taxation rates and policies are formulated in the absence of an elected council. This contravenes the fundamental democratic tenet of "No taxation without representation" and poses a serious obstacle to decentralization: political decentralization has little meaning if fiscal management

has not been correspondingly decentralized. Under the present system, local leaders and taxpayers have absolutely no influence in the fiscal cycle.

A major obstacle to fiscal decentralization is the problem of human resources. Most local government employees are not qualified for the positions they hold and those who are trainable have not received adequate training. The lack of trained personnel at the central level is even more acute in the regions and district and therefore would require the recruitment of qualified personnel.

Specific human resource constraints apply to the Ministry of Finance. Few senior officials in the Ministry have formal (i.e. college level) training in their respective fields, and the opportunities for in-service training are rare, leading to a poor level of professional competence. A relevant case in point was raised by a consultant to the Ministry of Finance who observed:

> Most of the staff of Audit Department failed to score any points when asked to prepare an audit plan on their proficiency examination, which was conducted by the Civil Service Commission early last year.

In 2000 the government began to address the problems of overstaffing by using Civil Service Commission examinations to screen staff. One officer mentioned that in the Ministry of Finance, staff numbers have been reduced to 413 from over 600

Many staff are also not conversant with the rules and regulations with which they are supposed to comply, while rendering public services. This is especially true at the local level. In addition to this, participants complained that in remote regions like Sanaag, the tax laws and decrees issued from the government might not reach them on a timely basis.

Participants in the research process placed special emphasis on the importance of the Auditor General's office, which is obliged to appraise all offices managing government funds. However, the Auditor General's Office appears not to have produced an audit report in the past 10 years, raising questions about how the office functions and the degree of commitment of the administration to tackling corruption. Participants argued that the office needs upgrading and to be adequately resourced to enable its auditors to monitor effectively the government's utilization of public funds. The oversight function of the Auditor General's office will become increasingly important as responsibility for the collection and management of public funds is increasingly decentralized, multiplying the opportunities for negligence and abuse.

Another office singled out by workshop participants for mandatory improvement was the Central Tender Board. Local government authorities appear to have been largely exempt from government procedures intended to bring transparency to contracting. Not one local government purchase in the past 10 years has been reviewed by the Central Board. Although workshop participants did not advocate a return to centralized government control of tendering procedures, the application of standard regulations, procedures and oversight was deemed essential for a decentralized administration to function efficiently.

To a certain extent, workshop participants agreed that human resource constraints could be compensated for by improved office facilities and infrastructure. Although the Ministry of Finance has made significant progress in computerizing its functions, many activities are still performed manually, absorbing unnecessary time and effort. Communications between the customs department headquarters and branch offices need to be improved, particularly in the remote areas and at the entry-points to Ethiopia and other regions of southern Somalia where the smuggling of goods is reported to be flourishing.

Issues in revenue collection

Proper mechanisms for tax collection, its administration and management are vital for Somaliland's recovery from a long, devastating civil conflict. Although it has not been easy to establish a taxation system, there has been a steady growth in the revenue collected by central, local and para-statal government agencies. The biggest constraint to increased taxation and budgetary growth has been the ban on livestock imports by Gulf States in 1998 and 2000.[35] However, several other factors also hinder efficient revenue collection and management. These were identified by workshop participants as follows:

- ***Corruption***: the misuse of public funds signifies a lack of accountability and transparency in the government system of financial administration. With the absence of appropriate financial monitoring and control, the embezzlement of public money has become an 'institutionalised' habit. In 2001 the government appointed a committee to investigate corruption. This, however, was dismissed when the committee itself was accused of misconduct in a case involving the manager of Berbera port and the mayor of Hargeysa. Underpayment of customs officers and other public officials is also believed to contribute to corruption.
- ***Lack of public trust:*** Winning or regaining public trust is another major challenge. Lack of public participation in decisions on how public revenue is spent mean that few citizens are aware of how their taxes contribute to the common good. Most Somalilanders take it for granted that their government uses tax revenues in ways from which they will not benefit.
- ***Public relations***: Some revenue collectors lack attitudes of building good relations with clients and act in an aggressive manner that alienates the public. Such behaviour typically reflects a combination of factors: the authoritarian legacy of the past regime, lack of training and orientation, and underpayment of revenue collectors.
- ***Inefficiency***: Lack of modern equipment, procedures and management hamper the development of an efficient and effective revenue collection system.
- ***Clan***: Clan influence in the appointment of public officials means that merit is a subsidiary consideration. This has led to overstaffing, incompetence and unnecessary expenditure. It may also contribute to corruption. Some workshop participants argued that the *beel* system of government has made the civil service

[35] The 2000 ban was still in effect as of July 2002.

> at all levels excessively vulnerable to clan influence. While this presents a general constraint to the effectiveness and efficiency of administration, it can be particularly destructive where officials have direct access to public revenues.

Tax evasion has been a problem since the colonial period and, some would argue, is rooted in the culture of the people. Taxation is perhaps no longer as violently opposed as it once was, but Somalilanders are generally suspicious about how it is used. Generic anti-government sentiments still prevail among the public, because "people never had the experience of good governance", explained one participant. Many taxpayers question the returns to the public when they do not see basic social services. Over 60% of government revenue goes to security, which is not necessarily a visible or cost-effective public service.

Lack of transparency also contributes to public scepticism. All revenues of ministries and para-statal agencies must, by law, be controlled under the central government treasury. However, for at least one major source of revenue - Berbera port - it is unclear who controls revenue and expenditure. The government's critics allege that these are under the direct control of the President and beyond normal government oversight: "The Port Authority even sets and changes tariffs without consulting the government councils" said one finance officer. Recruiting for the port also seems to be unregulated: the payroll increases on a virtually daily basis and in 2002 was estimated to include over 500 employees – several times the quota necessary for a port of Berbera's size.

In 2001 the government began to collect limited income tax targeting key members of the business community, setting a precedent for payment of income tax across the board. As indicated by senior officer in the Ministry of Finance "We intend to map out and register all sources, whether they be private assets or trade, and formulate an increased national budget that incorporates additional income tax". The success of such initiative, however, would also require winning the trust and confidence of taxpayers – a notoriously difficult challenge.

In the view of some experts the current income tax system, which is based on legislation used by previous Somali governments, may no longer be effective. For example, rather than taxing the aggregate income of an entrepreneur, a method used in many countries, the Revenue Department instead classifies taxable into four categories (profit, rents from property, payroll and occasional income), each of which are exempt from a certain percentage. "This is an extremely complex system in which potentially taxable income is lost," explained a local expert and advisor to the Ministry of Finance. Instead, he argued that the total net income of an entrepreneur should only be taxed after his aggregate financial statements are published. Other officers defend the current system: "Aggregate income is not popular," stated one customs officer, suggesting that it would also result in lost potential revenues.

Despite these problems, the growth of Inland Revenue department has been significant. Prior 2001 its operations were smaller and since then, serious campaigns were launched, which brought substantial revenue in comparison to the previous years (see table 12).

Table 11: Growth of Inland Revenue

Year	Estimated budget from Inland revenue (So.Sh.)	Actual Amount Collected (So.Sh.)
2000	5,402,794,000	3,800,000,000
2001	8,000,000,000	8,600,000,000
2002	8,357,647,970	-

Somaliland's revenue is also below its potential because many of the tertiary coastal ports, such as Xiis, Laas-qorey and Ceelaayo lack revenue collection facilities. As table 9 illustrates, in 1999 no revenue was collected at these ports. The Customs Department has yet to expand its operations to these ports. These ports receive little or no traffic and their infrastructure is badly in need of upgrading. Many inland customs posts are also non-functional. Out of eight customs posts in the Sanaag region, only Ceerigaabo was operational in 2001.[36] Sanaag, the largest region of Somaliland with potentially rich economic resources is cut off from the rest of the country because of poor road access. Much of the region's commerce and trade is therefore linked to Boosaaso port in Puntland. The government's input is needed to improve port infrastructure, roads and communications.

Another practice that has led to loss of revenue is according to some informants that duties and taxes collected from imported goods are not based on the physical description of goods and the prevailing market value in the country, instead of using *ad valorem* and the declaration of the importer. They argue that such control mechanisms can more easily detect fraud and corruption if a system based on physical description is adopted. However, such practices are no longer in effect as it was discovered many containers were not actually contained what is in the declared manifest. And some senior officials in the Ministry of Finance have confirmed this: "The customs offices use no system other than the physical description."

However, a more efficient customs and internal revenue service will not necessarily bring the kinds of benefits many workshop participants anticipate. Other participants pointed out that many Somaliland traders also use Boosaaso for importing *Bagaash* (non-food consumer goods). This is due to the lighter duties levied in Boosaaso and the inefficiency and poor administration of the Port Authority in Berbera, which makes the importation of goods there more costly. One businessman remarked that:

> Goods imported via Boosaaso that come back to Hargeysa via Harta Sheekh across the Ethiopian border are cheaper than those entering through Berbera port.

Black marketeers seeking to avoid Berbera's higher costs have also created many entry-points with Ethiopia and other regions of the former Somalia, where smuggling of goods is reported to be flourishing. A growing chorus of complaints and government concern about this problem led to the appointment in mid-2002 of a Presidential Committee with powers to review port operations and customs. In July of the same year, the Committee recommended the streamlining of the port bureaucracy from twelve offices to four, as well as significant reductions in port charges, customs duties and tariffs. These recommendations

[36] Personal communication. Sanaag Regional Customs Officer.

were approved and came into effect on 14 July 2002. Since this is not the first time that such steps have been announced by the government, it remains to be seen whether these measures will be fully implemented and whether they will be sufficient to attract business back to Berbera.

Workshop participants agreed that decentralization would be central to the improvement of revenue collection and administration, enhancing the collection, control and management of revenue. But the central government should play a lead role in preparing the legislative and administrative framework within which fiscal decentralization can function effectively. So far is has appeared either unable or unwilling to do so.

Equity

The issue of equity is perhaps the most complex and controversial issue in revenue management, and one that is inextricably interlinked with the process of decentralization. In the context of revenue management, the concept of equity poses two main challenges: first, the collection and redistribution of resources in a way that optimizes the development of the country as a whole. A second, more political challenge, is to do so in a way that satisfies differing perceptions about the way resources are collected, managed and redistributed. Participants in the research process approached the issue of equity from a number of comparative perspectives: between regions of the countries, between urban and rural areas and between the centre and the periphery.

The most sensitive problem relates to the collection and redistribution of wealth between different regions. In general terms, the western regions (Awdal, Waqooyi Galbeed and Saaxil) are believed to receive the lion's share of government expenditure, while the eastern regions (Togdheer, Sanaag and Sool) are typically described as neglected. This imbalance is a source of deep-seated resentment among the people of the eastern regions, who attribute it to deliberate political strategy on the part of the government. In the western regions, however, the imbalance is explained in terms of revenue collection. As table 10 illustrates, it is the western regions that contribute most to the central government's budget (the most lucrative revenue collection points are in Berbera, Zeylac and Kalabaydh). Western Somalilanders typically argue that expenditure in their regions is proportional to their contribution, and that they are in effect subsidizing the east.

There has been some attempt by central government to rectify this situation. The government, for example, finances the core budget of local authorities for staff salaries and recurrent expenditures. In the case of Sanaag, very little revenue collected there goes to the central treasury, although the central government contributes to security and some public services in the region. The government has also initiated some small-scale development projects in Sanaag and Togdheer regions, although it has never done so in the west.

A less sensitive, long-term issue is disparity between urban and rural areas. Urban drift, which picked up steadily during the latter half of the twentieth century, accelerated dramatically after the civil war. The combination of dispossession and displacement caused by the conflict, and the comparative impoverishment of the rural areas, has contributed

significantly to the influx of rural people to the urban centres, particularly Hargeysa. The protracted livestock ban, which has affected rural areas most heavily, is likely to exacerbate this trend. As long as rural areas remain disadvantaged in terms of economic opportunities and social services, the influx to towns and cities is likely to continue, placing a burden on municipalities that they can at present ill-afford to bear. The emergence of an impoverished urban underclass during the early part of this century would present Somaliland with unprecedented social and political challenges.

The responsibility for addressing equity issues is divided between different branches of government. Under the present system, the executive and the Parliament are responsible for revenue distribution via the national budget. Since the budget preparation and approval processes are highly centralized, they do not objectively address the needs of the regions, districts or villages. The Ministry of Planning and Coordination prepares periodic development plans, but much basic information about the economy in the regions and districts, the natural resources and population is lacking. These plans are directed mainly at external actors (i.e. aid agencies) and appear to have little bearing on the government's own patterns of expenditure. There is no long-term strategy in place to correct such problems.

The prospect of decentralization provides a new dimension to the equity issue. On the one hand, it may encourage less developed regions to work harder at generating their own resources and provide a greater measure of accountability in the way these resources are used. On the other hand, some regions and district may simply lack resources or the human capital to make use of them, lagging further and further behind the wealthier regions and increasingly regional disparity. Some form of transfer payments from wealthier regions to poorer may be needed to offset the potentially divisive effects of decentralization.

6

Conclusions and Recommendations

Representation

- The law and procedures for election of the *Guurti* should reform the institution in order to make it more independent of the executive.

- Constitutional criteria for membership in the Houses of Parliament should be strictly enforced

- Strong legislation should be introduced governing corruption, influence peddling, and conflict of interest among members of the Parliament and Government. A mechanism for enforcement of such rules should also be established.

- The *Guurti* or Parliament, in consultation with the traditional leaders, should develop clear procedures for the recognition of newly created elders in order to reduce the proliferation of titled elders or should be frozen for a period.

- The critical representation issues in the transition to democratic governance i.e. voter registration, definition of citizenship, demarcation of electoral constituencies, electoral laws should be thoroughly studied and the potential for conflict resolved or an independent review should be undertaken to ensure that they do not aggravate inter-clan tensions.

- The powers of the Civil Service Commission should be strengthened in order to mitigate the issue of "representation" in the administration and moved towards a civil service based on merit

Decentralization

  - Formation of elected councils as legislative bodies at the local level is essential to making decentralization a concrete reality rather than a theoretical exercise.

  - The powers of central government to nominate district authorities should be further limited or entirely revoked

- Remaining security committees should be dismantled within a fixed time frame and punitive measures enforced if the deadline is not met.

- A freeze should be imposed on creation of districts and regions. Confirmation and demarcation of existing boundaries should be handed to a special independent commission, linked to the conduct of a census.

- Districts should be expected to met benchmarks in terms of revenue collection; districts that fail to meet these criteria should be considered eligible for merger with other districts in order to create more viable units and reduce the burden on central government

- Centralized control over staffing appointments should be eliminated, although common standards should be enforced and the oversight role of the Civil Service Commission strengthened. Certain high level officials like Director Generals must be civil servant appointees and not political appointees.

- Civic education programs are required in order raise public awareness about the functioning of constitutional rule. In particular, this should emphasize the constitutional role and responsibilities of district councils, the formulation and ratification of local by-laws and regulations. A citizen should know his/her duties and obligations. Awareness campaigns on the concept of decentralization, particularly for the rural and pastoral people, should be high in the government's agenda. The traditional leadership can be called on to help. Similarly, the radio, newspaper, the public squares *(Khayriyas')* and mosques can be used to publicize the issues.

- Education on constitutional principles, rights and responsibilities, including electoral procedures, should be integrated into the school curriculum

    - The creation of a locally financed professional community based police force or community policing and a strong judiciary was also deemed necessary to enhance the rule of law.

- Hargeysa' status as capital city and the nature of its administration should be subject to a parliamentary review in order to distinguish it from other districts and clearly defined.

    - The government should explore partnerships with emerging civil society groups, including non-governmental organizations, professional associations and private academic and health institutions. These can provide additional experience and the resources needed in decentralizing local government structures, as well as assisting in the promotion, advocacy and provision of technical services such as the training and the capacity building of decentralized local government institutions.

- The government should seek the support of religious leaders in explaining and promoting the principles of decentralization. Islam also teaches principles of basic governance based on justice and collective decision-making through the *shura.* In the Holy Quran, consultative decision-making on social, political and economic affairs is considered a requirement.

Revenues

- Public awareness (orientation) on tax or revenue should be carried out in order to enhance tax legitimacy and build public trust and confidence.
-
- A special review should be commissioned on alternative sources of internal revenue and its findings presented to parliament with a view to broadening the government's revenue base
-
- Ministry of Finance should develop courses of instruction concerning procedures for taxation, revenue collection and expenditure for personnel at all levels. Such courses should also be given to other concerned ministries particularly the ministry of interior.

- Existing Presidential decrees on taxation/revenue should be subject to parliamentary review and either passed into law or revoked

- There must be no revenue, which is not under the mandate of the ministry of finance. All revenues should be brought within ordinary budgetary channels.

- Customs offices should be established at secondary ports and border crossings

- Tendering procedures should be publicly registered and should be fair according to the law and a mechanism for oversight should be in place in order to ensure a greater degree of transparency in awarding government contracts; penalties should be imposed for circumvention of these rules.

- The central office of the Auditor General and other supervisory bodies should be strengthened and their capacity to reach out the regional, and perhaps district, level is necessary.

- The government should make greater efforts to explain to the public the need for taxation and to explain how taxes are used. Every citizen in Somaliland should know and understand his or her basic rights and duties as a citizen, including the taxation.

- Duties, tariffs, fees, services and charges on imported and transit goods should be reviewed and revised periodically in order to ensure that Somaliland remains competitive with its neighbours (i.e. Somalia and Djibouti).
- The government should propose incentives to encourage greater trade via Somaliland and a higher degree of local and foreign investment. Infrastructure that should facilitate must be in place i.e. investment law, roads etc.

- Law no 12 should be reviewed and amended to reduce the penalties on the poorest segments of the population.

- The Ministry of Finance and Civil Service Commission should explore partnerships with existing universities and technical training institutes to provide in-service training and upgrade courses for their personnel. International agencies might be requested to assist in the financing of such courses.

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ANNEX 1: THE 1999 AND 2000 SOMALILAND BUDGETS COMPARED

Ministry/Agency	Planned budget for 1999	Budget, 2000	Difference
Presidency	8.432.547.000	2.578.182.000	-5.854.365.000
Vice president	505.242.000	1.431.000.000	925.758.000
House of *Guurti*	1.721.617.840	1.664.439.600	-57.178.240
House of Representatives	1.727.329.000	1.708.971.000	-18.358. 000
High Court	116.960.950	268.761.960	151.801.000
Attorney General	116.702.860	242.341.920	125.639.060
Civil service Commission	212.873.930	360.563.200	147.689.270
Auditor General	157.045.000	377.758.000	220.713.000
State Ministry for the Presidency	1.273.993.740	6.724.934.500	5.450.940.760
Tender Board	40.809.640	42.453.900	1.644.260
Ministry of Foreign Affairs	416.583.360	1.073.246.000	656.662.640
Ministry of Justice	125.632.720	192.593.400	66.960.680
Custodial Corps	3.014.526.000	3.861.169.300	846.643.300
Ministry of Interior	1.188.273.120	1.848.992.860	660.719.740
The Police Force	8.472.701.150	11.050.854.000	2.578.152.850
Ministry of information	296.516.480	649.257.000	352.740.520
Ministry of Defence	223.428.480	309.517.380	86.088.900
National Army	22.396.344.000	25.991.704.000	3.622.360.000
Ministry of Planning	104.543.400	147.051.964	42.508.564
Ministry of Finance	3.144.376.000	2.938.359.026	206.016.974
Ministry of Commerce	223.750.680	260.426.800	36.676.120
Ministry of Water & Mineral Resources	176.676.680	310.025.200	133.348.520
Ministry of Fisheries	105.064.760	273.422.500	168.357.740
Ministry of Agriculture	205.874.000	344.978.300	139.104.300
Ministry of Livestock	85.744.880	541.230.800	412.485.920
Ministry of Post & Telecommunications	144.434.200	328.846.140	184.411.940
Ministry of Education	597.304.640	2.432.681.000	1.835.376.360

Ministry of Health	667.947.160	2.202.394.000	1.534.446.840
Ministry of Religious Affairs	117.093.480	254.884.000	137.790.520
Ministry of Tourism	145.922.560	288.763.900	142.841.340
Ministry of Public Works	170.655.520	304.011.000	133.355.480
Ministry of Aviation	355.718.160	1.609.905.000	1.254.186.840
Ministry of Rural Development	121.088.200	263.726.170	115.637.970
Ministry of Reconstruction	114.250.320	233.334.000	119.083.680
National Demobilization Commission	66.421.000	150.573.660	84.152.660
De-mining Agency	90.213.080	115.141.000	24.927.920
Ministry of Government Councils Relations	34.833.000	55.449.320	20.616.320
Ministry of Industry		186.793.000	186.793.000
Ministry of Sports		172.199.000	172.199.000
Lower Courts	128.032.000	928.955.200	800.923.200
Total	**57.255.071.000**	**74.692.891.000**	**17.437.820.000**

Source: Ministry of Finance, 2000

ANNEX 2: WORKSHOP PARTICIPANTS

Baki Workshop Participants

Participants from Boorame

1.	Sahra muxumad xasan	AAIN
2.	Khadra Cali Libaax	AAIN
3.	Aamina cabdillahi	Artist
4.	Ruun Xadi	Artist
5.	Sh. Xasan Deheeye	Teacher, Al-aqsa
6.	Sh. Axmad Sh. Jibril	Head master,Umaya-binu-Kacab
7.	Cabdirahmaan Sh. Cumar	Ex-EO (Municipalility)
8.	Cabdirazaq Cali	Awdal regional administration
9.	Maxamad Jibril Yoonis	Ex-EO (Baki municipality)
10.	Qabuul Nuux Cali	Amoud University-librarian
11.	Prof. Axmad Xaashi Abiib	Amoud University-vice president
12.	Abokar Sh. Cabdi	Amoud University-lecturer
13.	Yaasiin Qalinle	Businessman
14.	Aamina Maxamad	Kulmiye
15.	Ikraan Xaji Dauud	Kulmiye

Participants from Baki

1.	Cusmaan Sh. Cumar	Baaki mayor
2.	Cumar xasan alaale	Police commander
3.	Farxaan Saciid Khaliif	Dir. Of fin. Baki municipality
4.	Axmad Aw Cabdi	Elder from Dilla
5.	Aw Jaamac Hami	Elder from Xamarta
6.	Abiib Qayaad	Elder from Baki
7.	Aw Suleemaan Raage	Agro-pastoralist from Ruqi
8.	Aw Ibraahim Cabdi	Elder from Ruqi
9.	Cisman Aw Cumar	Pastoralist from Baki
10.	Sh. Xuseen Cabdillaahi	Qaadi/Judge Baki court
11.	Yuusuf Aadan	Elder from Baaki
12.	Daheeye Samaale	Agro-pastoralist from Baki
13.	Daahir xaamud	Farmer from Baki
14.	Daahir Jaamac Axmad	Businessman from Baaki
15.	Nuux caalin	Agro-pastralist from Baki
16.	Cabdi xuseen Diiriye	Elder from Baki
17.	Mahdi cabdillaahi	Farmer from Baki

Participants from Hargeysa Working Group (WG)

1.	Cabdillaahi Sh.	Golaha *Guurti* (House of *Guurti*)
2.	Caali xaaji Cabdi Ducaale	Golaha *Guurti* (House of *Guurti*)

3. Xuseen Xaji Cabdi Camir Golaha wakiilada (House of representative)

- Maxamad Cabdillaahi Samaale Golaha Wakiilad (House of representative)

3. Axmad cabdillaahi Nadiif Director of coord. Min. of Planning
4. Leyla Cumar
5. Cali Mooge Poet
6. Muuse Maxamaad Jaamac Elder
7. Rooda Axmad yaasiin

Other Participants

1. Carolyn Logan USAID
2. Cabdiraxmaan X. Cusman CARE-Hargeysa

Participants of the political representation workshop in Hargeysa

1.	Maxamad Xaashi Cilmi	SNM leaders
2.	Cali Cumar Ugaas	SMAC/SCPP
3.	Jamac Ismaaciil Warsame	Deputy/Governor/Hargeysa
4.	Khadra Cumar Xasan	NAGAAD Umbrella
5.	Baashe Ibraahim Yuusuf	Maandeeq News Paper
6.	Suldaan Rashiid	Suldaan/Sanaag/Region
7.	Jacfar Maxamad Gaadaweyne	Ministry of Education/CDC
8.	Waris Xuseen Cige	BAKWA/NGO/Hargeysa
9.	Jibriil Cali Salaad	The Parliament/House of Representatives
10.	Saleebaan Warsame Guuleed	Staff/Ministry of Interior
11.	Aamina Yuusuf	CCS/NGO/Hargeysa
12.	Rooble Maykal	Lawyer/ Hargeysa
13.	Mukhtaar Yuusuf	Hargeysa TV
14.	Axmad Saciid Cige	BBC agent
15.	Cabdiqaadir Askar	CARE/Hargeysa
16.	Axmad Saleebaan	Hargeysa TV
17.	Axmad Sh. Xuseen	Radio Hargeysa
18.	Muuse Jamac Maxamad	Elder-Hargeysa
19.	Maxamad Baaruud Cali	SORRA/NGO/Hargeysa
20.	Axmad Ducaale	Jamhuuriya News Paper
21.	Axmad Cali Kaahin	legal advisor/Parliament/House of Representatives
22.	Maxamad Xaashi (Gaariye)	Intellectual & Poet/Hargeysa
23.	Kinsi Xuseen Qowdhen	WARDA/NGO/Hargeysa
24.	Xasan Ibraahim Jaamac	Ministry of Finance
25.	Saado Xaashi cawad	Executive Director- NAGAAD
26.	Maxamad Cabdillaahi Samaale	Parliament/House of Representatives
27.	Cali Mooge Geedi	Member of the Working Group
28.	Maxamad Aadan Axmad	Ministry of Interior
29.	Saciid Axmad Maxamuud	Member of the Working Group
30.	Xasan Maxamad Jaamac	R.P

31. Maxamad Ismaaciil Ciise	Ministry of Justice
32. Scaiid Cali Giir	Intellectual/Hargeysa
33. Axmad Cabdillaahi Nadiif	Ministry of Planning
34. Xaashi Muuse	Tender Board & Elder
35. Caali xaaji Cabdi Ducaale	Parliament/House of *Guurti*
36. Cabdillaahi sh xasan	Parliament/House of *Guurti*
37. Cabdinur Maxamuud	Parliament/House of *Guurti*
38. Maxamad Xasan Cali (Waji)	Radio Hargeysa
39. Cabdillahi Ibrahim Habane	Chief Secretary House of *Guurti*
40. Maxamad Jibriil Yoonis	Ministry of Interior
41. Maxamad Rooble Xoosh	Life & Peace
42. Yuusuf Cabdillahi Cawaale	Parliament/House of *Guurti*
43. Saciid Cabdillahi Yasir	Parliament/House of *Guurti*
44. Maxamad Diiriye Faarax	Parliaament/House of Rep.
45. Axmad Muuse Geedi	Member of the Working Group
46. Cabdi Xuseen warsame	NOW/NGO
47. Cabdirashid Sh. Cabdillaahi	Parliament/House of Elders
48. Muuse Xaaji Muxumad Guuleed	Hargeysa TV
49. Xuseeen xaaji Cabdi camir	Parliament/House of Rep.
50. Maxamad Cabdillaahi Raage	Expert/intellectual
51. Saciid Sulub maxamad	Businessman
52. Maxamad Ciise Meygag	COSONGO (Umbrella)/Hargeysa
53. Yuusuf Maxamad Cal	SNM leaders
54. Cabdi Abokor Yuusuf	K-Rep (Credit Assistant)
55. Xasan Axmad Warsaame	Local Government/Hargeysa
56. Rooda Axmaad Yaasiin	Member of the Working Group
57. Keyse Yuusuf	Intellectual/Poet
58. Cabdiraxmaan Aw cali Faarax	Former vice-president

Participants of Ceerigaabo workshop on Taxation and Equity

• Saciid M. Elar	Elder
1. Cabdiraxmaan Ismaaciil Cilmi	*Qaad* seller
2. Bashiir H. Aadan	Badhan Mayor
3. Ibraahim Warsame Gadhfariid	Elder
4. Huseen D. Cali	Deputy Mayor-Ceel Afweyn
5. Cali Xasan Barre	Ministry of Fisheries
6. Cabdiraxmaan A. Xayir	Local government-Garadag
7. Axmad Xuseen Maxamuud	SOOYAAL-Ceerigaabo
8. Abokor J. Yuusuf	Ministry of Finance
9. Cali Maxamad Ducaale	HAVAYOKA-NGO
10. Cabdiraxmaan A. Ducaale	Local Government-Garadag
11. Cabdillaahi F. Hamse	Local NGO
12. Saciid Ducaale Xirsi	Telecommunication
13. Maxamad M. Maxamad	Ministry of Rural Devlopment
14. Axmad Jaamac Shire	Police

15. Cali Farax Jaamac	Youth
16. Khaliif A. Cabdalla	Ceerigaabo Bank
17. Maxamad A. Cabdalla	Police
18. Cabdiraxmaan H. Saalax	Civil Aviation
19. Maxamad Y. Maxamad	Minisitry of Agriculture
20. Saciid Jaamac Diiriye	Ministry of Finance
21. Xuseen A. Cabdulle	Planning (Regional office)
22. Faaysal E. Cawad	Ceerigaabo Local Government
23. Bashiir M. Jaamaac	Governor's Office
24. Saciid Y. Sh. Saciid	Mayor of Maydh
25. Jaamac Y. Shire	Ceerigaabo Local Government
26. Cabdi D. Cali	Ceel-Afweyn Local Gov't
27. Cabaas H. Yuusuf	Customs
28. Axmad Maxamad aadan	Trader
29. Muuse Xasan Gurey	Elder
30. Saciid Jaamaac warsame	Youth
31. Axmad Muuse Jaamac	Pastoralist
32. Saciid J. Cabdi	Local NGO
33. Cali H. Xasan Axmad	Chamber of Commerce
34. Aamina Y. Geydi	Ceerigaabo Local Government
35. Cabdikariim H. Guuleed	Elder
36. Maxamad F. Maxamuud	Youth Organization
37. Maxamad Ismaaciil Cali	Elder
38. Cabdiraxmaan Sh. Aadan	Occupation Groups (Minorities)
39. Cali Xaaji Aadan	ARLI-NGO
40. Saalax M. Xirsi	Elder
41. Axmad Shire	Pastoralist
42. Cabdillaahi D. Dahir	Elder (Minorities)
43. Yuusuf M. Maxamad	Elder
44. Boos Mirre	Ministry of Finance
45. Saalax M. Jaamac	Elder
46. Axmad Maxamad Xaashi	Elder
47. Xasan ducaale Caraale	Tourism
48. Aamina Cali cabdi	Retail Business
49. Aamina Cali Maxamad	Businessman
50. Awralla Bulxan Guulaid	Artisan (Minorities)
51. Xaawo Cali ducaale	Vegetable seller
52. Malyuun Axmad Shire	Local NGO
53. Faadumo Gadeys	Shopkeeper
54. Saynab G. Cali	Housewife
• Faadumo S. Diiriye	Qaad seller
55. Xaawa A. Ismaaciil	Meat seller
56. Dahao Yuusuf Cartan	Small business
57. Maryam Xidig dalmar	*Qaad* seller
58. Faatuma F. Cumar	Small business
59. Saynab Cabdi Boos	Housewife

60.Saido Sh. Cabdiraxmaan	District Hospital
61.Seynab Cawad Faarax	Civil Society
62.Caasha Saalax Maxamad	Civil Society
63. Maxamad Muuse Ciise	Livestock trader
64.Axmad Yaasiin Ducaale	Police
65.Cabdirashiid Maxamad Faarax	Police
66.Saciid Cabduule	Sanaa.Regional Custom Officer
67.Saciid Yuusu Saalax	Police
68.Maxamuud Axmad Cali	Elder/Intellectual
69.Maxamad Yuusuf Cartan	Businessman
70.Maxamuud Sareif	Journalist (Jamhuuriya)
71.Cabdirashiid Xaaji Mursal	Journalist (Jamhuuriya)
72.Cali Maxamad Cabdalla	Ceer. District custom officer
73.Cali Buraale Maxamad	Port