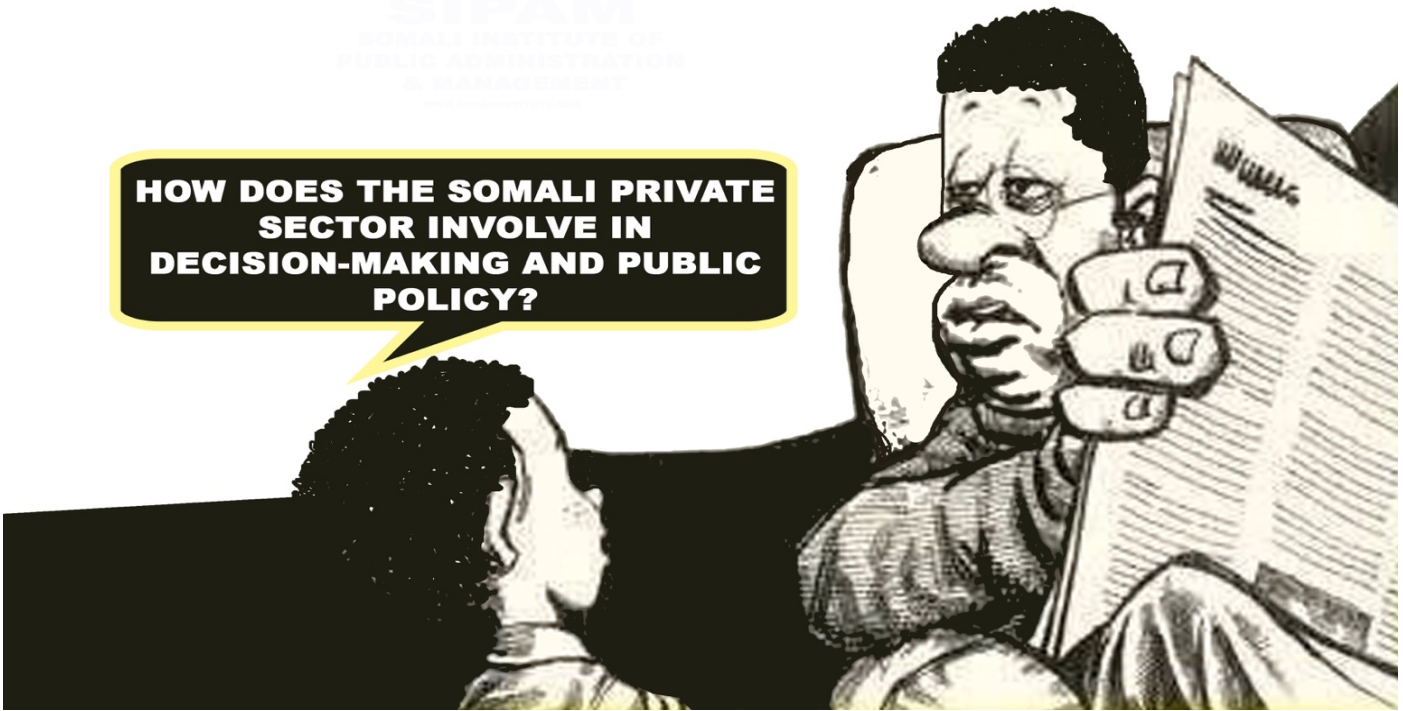


SOMALI PRIVATE SECTOR INVOLVEMENT IN THE DECISION-MAKING PROCESSES OF PUBLIC POLICIES

THAT IS GOOD QUESTION!

HOW DOES THE SOMALI PRIVATE SECTOR INVOLVE IN DECISION-MAKING AND PUBLIC POLICY?



Integrity Week is an annual event that is observed worldwide between 18th and 22nd March. It provides a platform for policymakers, academics, and practitioners globally to advance conversations concerning policy, best practice, and recent developments in anti-corruption and integrity measures. Valuable information that can influence democratic systems is also gathered from groups that lobby and advocate for better governance through policy reforms, although the scenario differs significantly in practice, since powerful groups tend to use personal connections to influence decisions through financing political campaigns. This influence, which is exerted to further the particular interests of such groups, is often at the expense of the public interest.

The civil war in Somalia, which caused the state collapse of 1991, forced the private sector to accept the challenge to fill the vacuum left by the old government. For decades, service provision in the country has remained highly privatized. Economic development, the provision of energy, water, education, medical care, and employment opportunities, which are negotiating tools and incentives for political reconciliation and government progress, are but a few of the primary responsibilities the private sector has had to shoulder. Furthermore, the private sector has extended its role to encompass areas that normally belong to public authorities, such as the judicial, security, and economic functions of the country, including printing currency and

collecting taxes. Public institutions in Somalia are currently re-emerging. However, the confidence of the populace in their ability to rise adequately to the occasion is low, and the process of restoring confidence is expected to be slow, in large part due to the long period in which the country and its population endured an absence of any form of centralized national administration and institutions. Moreover, the fact that the country's decision-making power has been vested in private institutions further strains the ability to raise confidence levels in these institutions. This article briefly looks at Somali private sector involvement in decision-making and public policy particularly in the aviation, education, trade, and telecommunication sectors.

Aviation

The aviation industry in Somalia is completely privatized. The origins of the privatization can be traced back to the state collapse, during which two popular airlines adopted the position of Somalia's Ministry of Religion Affairs, and monopolized the market. In addition to travelling for purposes of business, study, and leisure, Somalis travel to Mecca for Hajj from far and wide. An individual acquires the privileged title of 'Hajji' by making the pilgrimage to Mecca. This annual event is highly valued by the Somalis, and enabling their parents to visit Mecca is one of the most valuable gifts a child can give. As a result, trips to Mecca by Somalis have become popular,

and increased in number between the 1970s and 1980s. Currently, visiting Mecca remains popular among Somalis, who visit the city not only to perform Hajj, but also to reunite with their family and friends following their dispersal as a result of the civil war. The current state of insecurity and political uncertainty in Somalia makes Mecca a preferred meeting point for families. The Ministry of Hajj and Umrah of Saudi Arabia annually allocates slots for the Somali pilgrims it anticipates will perform the Hajj, and Somalia is expected to employ its airlines to transport the pilgrims to Saudi Arabia. This further strengthens the market share of the private airlines, and notably, even after the formation of the Somali government, these airlines retained significant influence over the federal parliament's Ministry of Religion Affairs and the Committee for Judiciary, Religious Sites, and Religious Affairs. On 21 August 2017, Goobjoog News reported that the senate "strongly castigated travel agencies for imposing significantly high fees on Somalis traveling for the Hajj pilgrimage, calling for government intervention to cushion the public against the exorbitant charges."¹

Education

The education sector in Somalia was severely affected by the civil war, and individuals and private entities subsequently sought ways in which to ensure that the Somali populace could access education. In the face of the state's

¹ Goobjoog News (2017) *HAJJ COSTS A RIP OFF, SENATE LAMBASTES TRAVEL AGENCIES, SUMMONS MINISTERS*. Available at: [http://goobjoog.com/english/hajj-costs-a-rip-](http://goobjoog.com/english/hajj-costs-a-rip-off-senate-lambastes-travel-agencies-summons-ministers/)

[off-senate-lambastes-travel-agencies-summons-ministers/](http://goobjoog.com/english/hajj-costs-a-rip-off-senate-lambastes-travel-agencies-summons-ministers/) [Accessed on 13 March 2019].

collapse, this mission was of crucial importance to progress, and was highly encouraged and welcomed. However, the privatization of education has had fundamental implications for the sector, in terms of service delivery, control, and quality, and the local authorities now have a limited role in the management and operation of the education system. Higher education in Somalia is most affected, as a large percentage of tertiary institutions are privately owned, funded, and managed. Some of the private players that have dominated the education sector include local and international non-governmental organizations (NGOs), religious organizations, diasporas, and local communities, and there is usually limited oversight from the national or local authorities. This laissez-faire trajectory has contributed to the lack of a regulatory framework for managing the standards of the ever-increasing number of universities and institutions of higher learning. Although there have been efforts to develop effective standards with measurable outcomes, there is currently no countrywide standardized curriculum, mode of assessment, or data formats for universities in Somalia. Players who engage in the education sector for business reasons are opposed to the idea of regulations for controlling the operation of the higher education sector, and seek to frustrate the process, as evidenced by the dismissal of the former Minister of Education, Abdirahman Dahir Osman, after his public declaration during an interview with Somali Cable on 25th July 2018, in which he stated that his ministry did not recognize the universities in the

country, due to the lack of national standards for measuring their academic output. The dominance of the education sector by non-state providers has contributed to a reduction in the pace of the reconstruction process of the sector, post-war. The challenges currently facing the education sector are directly related to poor governance and protracted emergencies, and include limited access, widespread inequity, and jeopardized quality, due to the lack of an oversight body for the sector. Over the years, the education system in Somalia has produced low quality manpower, an attribute that can be linked to the high number of unqualified and poorly trained tutors, multiple curricula, poor education infrastructure, and weak capacity for service delivery.

Trade

After the state's collapse in 1991, only major private sectors in the economy survived, depicting a rare example of private sector resilience. To date, entrepreneurs in Somalia operate without a clearly stipulated regulatory framework and governmental oversight. The reclamation of public institutions from the decades-long control of the private sector is currently underway, and they are being rebuilt to assume their former functions. However, there is a lack of clarity concerning the role that the public and private sectors will now play, and how they will work jointly within the economic system that is presently led by the private sector. The resulting power struggle has been evident on several occasions.

On September 9th, 2014, Puntland's Minister of Commerce, Mohamed Hassan, speaking to Garowe Radio, said, "The election of the Chair and Vice Chair of Puntland Chamber of Commerce will be held on 10 November 2014. It is time to abide by the rule of law. I declare that from now on, the heads of the Chamber of Commerce are not in charge of day-to-day activities." In response to this declaration, the Chairman of the Chamber of Commerce, Hussein Eid, indignantly replied, "I ask myself where the Minister has come up with this kind of power?"² In August, 2017, Khadra Ahmed Duale, the Federal Minister of Commerce and Trade, dissolved the Somali Chamber of Commerce. However, soon after announcing her decision, she was summoned to the office of the Prime Minister, and asked to reverse her decision. In January 2018, she was sacked.

Telecommunication

As with the aforementioned sectors, the telecommunication sector in Somalia is currently driven by private entities. The collapse of the Post and Telecommunication Ministry created a vacuum that the private sector filled, and private investors have since built a huge telecommunications market by offering affordable services to their clientele. Somalia has a vibrant mobile market, in which approximately 155 million transactions worth \$2.7 billion are recorded, monthly. There have been numerous benefits resulting from the functioning telecommunications sector in

Somali, including improved banking ability for Somalis, and a strengthened remittance industry. Indeed, drastic changes have been witnessed in Somali money transfer habits that have necessitated a shift from the *hawala* money remittance system.

The rebuilding of public institutions created a growing need for the establishment of a regulatory and policy framework, together with the need to establish a regulatory body that is financially and managerially independent from the Somali operators in the telecommunication sector.

This engendered the establishment of the National Communications Authority (NCA), via the Communications Act of 2017, whose sole responsibility was to regulate the communications sector. However, at a meeting held by the Association of Somali Telecommunication Companies (USIS) on December 2018, accusations of handpicking the directors of the NCA, in violation of the law, were levelled against the Minister for Post and Telecommunication. They accused the Minister favouring one particular telecom company when selecting the directors of the NCA.

Conclusion

The collapse of the government following the outbreak of civil war in Somalia engendered the closure of all public institutions in the country, which created a void that was quickly filled by

² Garowe Online (2014). SOMALI: PUNTLAND COMMERCE MINISTRY, CHAMBER AT LOGGERHEADS ON DISSOLUTION. Available at:

<https://www.garoweonline.com/en/news/puntland/somalia-puntland-commerce-ministry-chamber-at-loggerheads-on-dissolution-decision> [Accessed on 13 March 2019].

private for-profit and not-for-profit entities. This resulted in the current clash of interests, especially with the re-emerging public institutions. The growth and stability of the public sector, like that of the private sector, is imperative for a successful state rebuilding process in Somalia, and the peaceful co-existence of the private and public sectors is paramount, especially because adequate service provision for the Somali population cannot be entirely monopolized.

Therefore, there is a need to strike a balance, and to create clear stipulations to guide the functioning of the two sectors. The transition of the private sector from its quasi-governmental functions to an independent, business-only sector will go a long way to reinforcing peace and stability for sustainable development in Somalia.



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