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**Money and mobility:
transnational livelihood
strategies of the Somali diaspora**

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Global Commission on International Migration

In his report on the 'Strengthening of the United Nations: an agenda for further change', UN Secretary-General Kofi Annan identified migration as a priority issue for the international community.

Wishing to provide the framework for the formulation of a coherent, comprehensive and global response to migration issues, and acting on the encouragement of the UN Secretary-General, Sweden and Switzerland, together with the governments of Brazil, Morocco, and the Philippines, decided to establish a Global Commission on International Migration (GCIM). Many additional countries subsequently supported this initiative and an open-ended Core Group of Governments established itself to support and follow the work of the Commission.

The Global Commission on International Migration was launched by the United Nations Secretary-General and a number of governments on December 9, 2003 in Geneva. It is comprised of 19 Commissioners.

The mandate of the Commission is to place the issue of international migration on the global policy agenda, to analyze gaps in current approaches to migration, to examine the inter-linkages between migration and other global issues, and to present appropriate recommendations to the Secretary-General and other stakeholders.

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Introduction

In recent years, interest in the transnational activities of migrants, and in particular the role of remittances, has rapidly increased. Government and UN bodies as well as NGOs are investing much in attempts to understand this aspect of international migration and develop policies that maximize the benefits of remittances. Expectations are so high that they are being dubbed the 'new development finance' (Wimaladharmasiri et al. 2004). While quite some research is now available on the potential of migrant workers' remittances to their countries of origin, far less information is available on the scale, nature and impact of refugees' remittances.

One possible reason for this is that in typologies and theories of international migration, refugees have normally been seen to constitute the political element and labour migrants the economic element of international migration (Koser 1997: 591). Literature on refugees and exiles has rarely extended its focus to consider the wide range of non-political transnational activities, including remittance sending, that are so central to most studies amongst other migrant communities (Al-Ali et al. 2001: 615). Yet, it is incorrect to assume that, because refugees do not in the first place migrate for economic reasons, they will refrain from engaging in economic activities that assist their relatives or benefit their home country.

In my view, including refugees' activities in the current attempts to understand the development dimensions of remittances is vital. This is partly so because remittances sent by refugees may serve many of the same purposes as migrant worker remittances (Nyberg Sorensen 2004). But it is also important because of the significant *differences* between the two groups and the situation in their home country. We can learn a lot about the incredible potential, as well as the great risk, of remittance transfers by looking at their value for refugees, their relatives and their country of origin.

A first element of difference concerns the relation between refugees and the state. It is at times assumed that refugees generally remit less than economic immigrants because they oppose the regime from which they fled (Diaz-Briquets and Perez-Lopez 1997). This may be true during certain periods in the case of Cuba, where the government for years has tried to prevent its diaspora from establishing contacts with their relatives and friends¹. But other governments, like Eritrea, have actively sought the assistance of its 'citizens in diaspora'; not only to contribute to peace and post-conflict reconstruction, but can also to support the war effort (See e.g. Koser 2001).

Another distinctive element is the fact that refugees often find their relatives scattered in many places and thus do not only send remittances to the home country. Furthermore, in many cases this home country is in shambles both economically and politically, which increases the importance of remittances tremendously. Various studies have pointed out that a significant characteristic of migrant remittances is their stability during times of crisis and acute hardship (Wimaladharmasiri et al. 2004). Refugees, who often assist family members in war-torn societies or in cities or refugee camps in poor countries in the region, indeed feel a great sense of responsibility to transfer money especially because of the level of deprivation in the region.

¹ For an extensive description of the various policies implemented by the Cuban government, see Barberia (2002) and Eckstein (2003).

This paper will illustrate the similarities and uniqueness of refugee remittances through a description of Somali remittance receivers in Kenyan refugee camps, and remittance senders in Minneapolis, Minnesota. The case of the Somali diaspora is unique in many ways. First of all, Somalis are traditionally nomadic and have a long history of migration combined with assistance networks over large distances. Secondly, due to the civil war these patterns have greatly intensified, and this has caused concerned responses from governments who attempt to control these nomadic tendencies and accompanying assistance networks.

Thirdly, the remittance transfer system used by Somalis, the *xawilaad*, is a Somali-controlled and largely informal system and thus very difficult to trace in formal figures. It is commonly assumed that remittance flows to Sub-Saharan Africa are smallest, only making up 5 percent of the total number (See e.g. Sander 2003; Nyberg Sorensen 2004). I get the impression that this is partly caused by a focus on migrant workers' remittances, neglecting the importance of refugee remittances, and partly by the informal nature of remittances in Africa.

After September 11th, attempts have been made to formalize the informal transfer sector, including *xawilaad* offices². This may cause formal figures to increase, but it is likely to be a slow process. A fourth very interesting feature of the Somali case is that there has not been a government in Somalia for over a decade; it is the only country in the world functioning without a government. Whereas the political implications of this fact are tremendous, it seems that the Somali informal economy has nevertheless been flourishing. Overseas remittances and the many investments made in for example infrastructure and communication by *xawilaad* companies have greatly contributed to this development.

The main aim of this paper is to provide a good introduction to characteristics of remittance sending in the Somali community from the perspective of both receivers as well as senders. Ethnographic material will be presented in order to contribute to the discussion on how the impacts of remittances on broader aspects of development can be enhanced. A first section introduces the history of remittance sending and the role of the *xawilaad* within the Somali community. Then, I will illustrate the importance of remittance sending for survival amongst Somalis in Dadaab.

A following section describes the ways in which Somalis in Minneapolis, Minnesota, deal with the many responsibilities they face towards family members elsewhere and how this affects their lives. In the final section, relevant points will be summarized and the value of remittances for development will be discussed on a more general level. Earlier recommendations made by Nyberg Sorensen (2004: 23-7), combined with the information presented in this paper, provide a useful basis for this discussion.

The Somali diaspora and the development of the *xawilaad*

Migration has for centuries played a vital role in Somali lives and livelihoods, through Islam, in nomadic pastoralism, in ancient-old trade patterns and more recent migration of workers, professionals and students. Since the start of the civil war in 1991, Somalis can be found in all continents, and they form a considerable migrant group in a number of countries. But the exact nature and magnitude of their dispersal is not well known. One of the problems encountered in identifying exact numbers, is that Somalis who reside outside their home

² For illustrations of the effects of the war on terrorism on remittances see Nyberg Sorensen (2004).

country fall under several statistical categories. There are those who migrated before the war, for education, job opportunities and a number of other reasons; who hold various types of residence permits or are now nationals of their new country. Then, there are those who fled after the war; some of whom are still registered as asylum seekers, others holding temporary permits, others with full refugee status and yet others nationals. On top, there is a grey mass of non-registered and illegal migrants.

As a consequence, estimates of exact numbers vary widely. For example, Somalis in the UK are estimated at 70,000 by Montclos (2000), as opposed to 100,000 by Ahmed (2000); whereas their official number (excluding pre-conflict Somalis) is 20,000 (Gundel 2003: 5). The deviation multiplies when the total figure of Somalis abroad is estimated, but the number of people who have fled to neighbouring countries and beyond has roughly been estimated to be 1.5 million (Gardner and El Bushra 2004: 2).

As to the location of the Somali diaspora, existing networks of Somali migrants were important in shaping who was able to go, as well as how and where the later and much larger numbers of refugees went (Gundel 2003: 7). Migration by workers in the oil industries of the Gulf States and Saudi Arabia had largely come to a halt by the time of the war, and many of the workers had been expelled after 1991 (Montclos 2000). Existing links however did enable Somalis to flee to Saudi Arabia, Dubai, Yemen and neighbouring countries. Furthermore, before the war a limited number of Somalis had migrated to the former colonizers of Italy and the UK, as well as to the USA.

These early migrants were essential in providing the information and resources for others to be able to move to Western Europe and North America. Besides, resettlement programmes in the USA, Canada and Australia enabled Somalis to move to the West. Since the start of the war, the number of Somali living abroad has risen almost ten-fold, yet hardly ten percent of them are living in developed countries (Gundel 2003: 12). The majority of Somali refugees can be found in neighbouring countries, and besides there is a very large group of people who have never been in a position to flee their country but who have been forced to leave their homes: the internally displaced people (IDPs). As everywhere in the world, the amount of resources that people have determines the distance that they can travel in order to be safe (See also Schrijvers 2000).

The xawilaad

Whereas in the seventies and eighties, the majority of Somali migrants stayed in the Gulf States and Saudi Arabia as manual workers, after the war the balance shifted to Western Europe, the USA, Canada and Australia. With these shifts, the source of remittances also changed. During the 'oil boom', Somali traders began to collect hard currency from the migrant workers, using this to purchase commodities for sale in Somalia. The equivalent in Somali currency, or goods, was then handed over to the migrants' families and kinsmen. Annually, the remittances that were transferred through this so-called 'franco valuta' system tended to amount to two or three times the Somali Republic's export earnings (Lewis 1994).

The system enabled traders to engage in business between the Gulf States and Somalia, while allowing migrant workers to send remittances to their relatives back home. In that pre-war period, migrant workers in the Gulf States and Saudi Arabia were primarily responsible for sending remittances, covering about sixty to seventy-five percent of the total estimated

transfers (Gundel 2003: 9; Ahmed 2000). According to surveys by the ILO in 1985, the 165,000 to 200,000 Somali living in the Middle East at that time earned 700 million dollars a year, of which approximately thirty percent, 280 to 370 million dollars, was estimated to be sent back to their native country (Jamal 1992).

Outside these areas, a Somali diaspora of any significance in terms of remittances only existed in Italy and the UK. During and after the war however, the source as well as the method of remittance sending changed: Refugees dispersed into a world-wide Somali diaspora, and the transnational *xawilaad* companies that were set up from the eighties, established themselves to deal with the growing streams of remittances.

For many decades, the Somali have invested in systems that enabled migrants to keep in touch with those they left behind. This trend greatly intensified when from early 1991 the largest mass flight took place and one to two million Somalis are estimated to have fled their country. It is commonly acknowledged that the most successful migrant businesses arise in the very interstices created by transnationalism; for example in shipping and cargo companies, import and export firms, labour contractors and money transfer houses (Glick Schiller et al. 1995: 55). This is also true for the establishment of the *xawilaad* companies by Somalis.

Xawil is a Somali word derived from Arabic, meaning transfer; usually of money or responsibilities. The *xawilaad* is an informal system of value transfer that operates in almost every part of the world (Horst and Van Hear 2002). It is run by Somalis and mainly used by Somalis; both for remittance sending and business transactions. Most of the Somali money transfer business used to be handled by three companies: Al Barakat, Dahabshil and Amal³. Since the system overwhelmingly relies on tele-communication, these companies have greatly invested in telephones, mobile radio systems, computer networks and even satellite telecommunication facilities (See e.g. Montclos and Kagwanja 2000: 216; Gundel 2003: 9). Whereas transnational links between Somalis have enabled the success of the *xawilaad*, at the same time, these businesses facilitate the deepening of transnational relations.

The importance of the xawilaad for Somalis in the Horn

Remittances for decades have played a crucial part in the Somali economy, but the sheer size of the current diaspora combined with recent technological developments in the field of telecommunication and the collapse of the Somali formal economy, have added weight to their importance. Recently, there have been a few studies on the *xawilaad* system and the remittance flows it processes. In light of the fact that there is a war going on in Somalia and as asylum seekers and refugees, Somalis have an incomparably precarious status, the amounts that they send are astonishingly large and frequent, and the transfers by *xawilaad* are made fast and with great efficiency (Montclos 2000).

Estimates of the size of remittance sending amongst the Somali differ significantly from study to study; with a variation as large as 140 million in one study, to 800 million dollars in another (Marchal 2000). While hard data is difficult to obtain, there is no doubt about the significance of remittances for Somalis. According to the UNDP, migrant remittances exceed

³ Al Barakat was closed down in November 2001, being on the list of organisations suspected to have links with Al Qa'ida (See Horst and Van Hear 2002).

the value of exports as well as international humanitarian aid in Somalia, and probably reach more people (UNDP 2001)⁴. On the level of individual households, UNDP estimates that most remittances fall in the range of 50 to 200 dollars per month. These monetary flows do increase in times of economic stress, during droughts or in response to inter-clan warfare. Data from a UNDP household survey indicate that on average, remittances make up 22 percent of per capita household income in Somalia (UNDP 2001).

The limited studies available create the impression that there is a shift in destination and application of remittances. Whereas in the 1980s, two-thirds of the funds from the Somali communities abroad were used for trade and the other third to assist families, these proportions probably are now inverted. Montclos (2000) explains this by the fact that the market in Somalia has gone down since the elite has fled the country, but I believe there is an alternative explanation.

Larger and more diverse groups of Somali have gone overseas after the war, who leave behind their relatives in a country shattered by conflict or in African refugee situations with similarly limited livelihood opportunities. Their primary motive for migration is less likely to be a specific job or educational opportunity, with which trade investments can be realized. Far more often, their main aim is to get a legal status that guarantees them a secure place to stay, which may then also contribute to a better livelihood. In this situation, responsibility for the immediate survival of family members left behind is far more acute than investments in trade.

At the same time, a trend that mitigates the consequences of the first was observed. Whereas remittances sent to relatives before the war were used to finance consumption and assumingly 'unproductive' investments like private housing or marriage, a recent development is that private investments in small businesses or real estate are more common. In Somaliland for example, a study found that remittances have contributed significantly to the growth of a vibrant private sector (Ahmed 2000). As such, remittances do contribute to reconstruction and development of Somali-inhabited areas.

The importance of xawilaad remittances for refugees in Dadaab

The Dadaab refugee camps are situated in Kenya's Northeastern Province, a vast stretch of semi-arid land that has been the object of dispute between Kenya and Somalia since independence. Approximately 120,000 refugees are estimated to be living in the Dadaab area, with the large majority coming from Somalia. They live in an insecure area with limited livelihood opportunities, while receiving insufficient hand-outs from the international community.

Their search for an independent livelihood is complicated by two factors. Firstly, the Somali refugees are forced into the informal sector, because their economic activities are considered illegal, given the fact that they are not granted work permits. Secondly, their location in the Dadaab camps complicates the attempts of the Somali refugees to secure a livelihood. It is common for refugee populations to be concentrated in camps that are located in ecologically marginal areas. Some refugees can engage in small business through loans from NGOs or

⁴ Montclos (2000) calculates a figure of one million beneficiaries, which is one fifth the population who stayed in Somalia; not including transfers made by petty traders and minor agencies.

money-go-round (*ayuuto*) systems. Others sell their labour or collect natural resources, but these activities bring very little profit and involve great risks. *Shifta* operate in the area and may rape women during firewood collection, making it one of the riskiest income-generating activities. Rather than these marginal activities, traditional social security mechanisms including migration, strong assistance networks and dispersed investments, are vital for survival in the camps (Horst 2003).

Assistance amongst refugees in the camps and regional remittance flows through the *taar* (radio transmitters) between the camps and Somali homelands, other African countries, or Nairobi are important for livelihoods in Dadaab. The majority of the Somali refugees do have relatives in these areas, and often can count on them in times of need. Yet, opportunities for making a living are not much better in Nairobi or Kismaayo than they are in Dadaab.

As a consequence, although just a small minority of all Somali refugees live in Western countries, the remittances that these refugees send through the *xawilaad* are far more important for the livelihoods of refugees in Dadaab. This seems to be in line with research findings in other areas: whereas households are generally more likely to receive domestic or regional than international remittances, the value of international remittances dwarfs other types of remittances (Sander 2003: 7).

On average, at least ten to fifteen percent of the population in the camps benefit directly from the *xawilaad*. One group of people receives remittances only occasionally, mostly when they ask for it in response to a contingency. They receive an amount of roughly two hundred to five hundred dollars once, twice or maximally five times a year. The frequency depends on the number of relatives who stay overseas, their willingness and ability to send money and the kind of situation that money is needed for.

Yunis Ahmed for example, had worked for the agencies as teacher and translator on a number of short-term assignments⁵. He lived in the camp with his aged mother, close to the house where his brother and wife lived. The brother was having mental problems that were aggravated to the point where he became a danger to his wife, threatening to kill her. Yunis tried to do whatever was in his power, even giving up his teaching position to keep an eye on the family. He also went to the local hospital for assistance but was told that they could do nothing for his brother.

When matters got out of hand he contacted a cousin in Nairobi who passed the message to their relatives in different places around the world, collecting one hundred dollars from one family, three thousand shillings from another, and so on. Eventually, he was able to send a total amount of six hundred dollars, which Yunis used to take his brother for treatment to Nairobi. Whereas the international community was not in a position to assist Yunis' brother, the Somali diaspora could.

Besides the group of people who receive occasional sums, whether asked for or not, there is a group that receives regular (mostly monthly) remittances of about fifty to two hundred dollars. In Dadaab, these are considerable amounts to spend and remittances hardly stay within the nuclear family. They are spread and benefit a much wider group of people, thus enabling the subsistence of many refugees who could not have survived otherwise in the

⁵ All names of those who participated in the research are pseudonyms, so as to respect the privacy of informants.

region, considering current levels of humanitarian aid provision. Beyond helping Somalis to survive, the remittances transferred give people a choice. The money can be invested in business, it might be used to assist others or for educational purposes. The recipient can decide to use it to move: away from insecure areas, towards economic opportunities, towards a better life or family members.

These resources give refugees in difficult conditions the capacity to assist themselves, and others. They also lead to development initiatives, for example by improving training opportunities in the region. A refugee in Hagadera used the money received from a cousin in Canada to buy computers and provided computer training in the market. Unfortunately, very recently the whole market burned down, which indicates how fragile such investments may be if the larger political-economic structures remain unchanged. As such, one of the most important benefits of the *xawilaad* system remains that it provides social security. In times of contingency, at least a section of the camp population has relatives in the West to call upon.

The operations of *taar* and *xawilaad* not only bring benefits to the camps but also disadvantages. Remittances may create dependency and those receiving remittances may even stop working for their daily bread, expecting to be assisted or waiting to migrate themselves (Russell 1986). Whereas this may occur in specific cases, research in Dadaab has denied the existence of a 'dependency syndrome', both in relation to international aid as well as remittance sending (Horst 2003: 251-3).

A further disadvantage mentioned is that if the refugees hope or expect to receive remittances from their relatives overseas, they may spend scarce resources trying to contact them. Having hopes for a better future is very important in an opportunity-scarce place like Dadaab, but if these hopes are false and lead to risky investments, they may at the same time be quite damaging. Even those refugees without relatives overseas may be affected, because of the improved livelihoods they can observe from others.

As Yasiin Hussein pointed out: 'Most people do not benefit from the *xawilaad* because only a small number of the refugees have relatives overseas and receive remittances. In fact, the *xawilaad* is bad because it increases inequality amongst the refugees in the camps. It frustrates those who do not get assistance from outside'. This is an effect of remittance sending that has been observed in other situations as well. Russell (1986) for example mentions an increase in social and economic tensions and rifts between households receiving and those not receiving remittances.

However, these effects were mitigated in Dadaab by the fact that many people beyond the receiver alone benefit from remittance sending. Indirect beneficiaries include, for example, relatives and neighbours of those receiving remittances, who are usually assisted in money or kind, *xawilaad* owners and workers, business people and those employed as maids or labourers by the refugees who receive money. Besides, due to remittances entering the camp economy, the general standard of living in the camps has greatly improved over the last ten years.

Evidence from Minneapolis

It is clear from the above that transnational links with relatives in resettlement countries are vital for the ability of Somalis to cope with their refugee lives in the camps. Yet, a number of

remarks made by Somalis in the diaspora gave me the impression that the transnationality of their lives and livelihoods was not always easy for them. At times, there seemed to be a clash between their individual hopes and dreams and the communal obligations they faced and it was not always easy to deal with that clash. As such, Al-Ali's concept of 'forced transnationalism' (Al-Ali 2001: 115) is a very interesting aspect of studying transnational networks from the perspectives of Somalis in the West. This also relates to the potential of transnational communities as 'durable solutions' to protracted refugee situations, as Van Hear (2002) suggests.

In order to evaluate whether transnational networks can provide such durable solutions by contributing to development- and peace processes in the Horn, it is important to study the level of endurance of these networks. I conducted research amongst Somalis in and around Minneapolis, Minnesota to answer these and related questions. This section will first provide background information on the Somali community in Minnesota, after which practices of and visions about remittance sending will be discussed.

The Somali community in Minnesota

Minnesota is amongst the top destinations for Somalis, and in recent years, Minneapolis is said to host the largest number of Somalis in the US. The problem however is that there are no precise figures available. The 2000 Census data for the state of Minnesota indicated that 11,164 Somalis live in Minnesota; 0,2 percent of the total state population (United States Census 2000). By far the highest concentration can be found in the 'Twin Cities' Minneapolis and Saint Paul, but small towns like Rochester, Marshall and Owatonna also attracted considerable numbers in recent years.

It is likely that official census figures greatly underestimate actual numbers, as many extended Somali families live in one house with larger numbers than allowed, so they underreport their numbers. Public school enrolment and welfare statistics suggest a range of 15,000 to 30,000 Somalis in Minnesota; a number that is still growing. Thus, it is indeed likely that the Somali community in Minneapolis is larger than the one in Columbus, Ohio and Seattle, San Diego; other towns with major concentrations of Somalis. It is the second largest immigrant community in the city, after the Hmong, who have been in Minnesota since the 70s and 80s. Somalis on the other hand, arrived mainly in the mid to late 90s (Layman and Basnyat 2003).

In 1994 and 1995, larger groups of Somalis (amongst whom mainly Benadiri) were officially resettled to Minneapolis. The total number of officially resettled Somalis is estimated at approximately 6,000. But the large majority of Somalis currently residing in Minneapolis, at least sixty percent, came from other states (Mattessich 2000). Secondary movement within the US largely took place in recent years, from 1998 – 1999 onwards.

When asked for the reason for the steady increase of the Somali population in Minneapolis, a number of factors are usually mentioned. Minnesota has a healthy economy with low unemployment rates, so job opportunities are quite good. The Twin Cities were in fact founded by business entrepreneurs from New England as a moneymaking venture, attracting waves of immigrants from early ages (Adams and Van Drasek 1993: 56). Somalis work there in various low-skilled jobs that require little knowledge of English and often give the possibility of working many over-hours. Such jobs include work in assembly plants, meat

factories, especially many turkey plants in the region, as security guards, parking attendants, cleaners and taxi drivers. Furthermore, higher educated Somalis with excellent English skills work inter alia as teachers, social workers, lawyers, managers, professors or doctors.

A second reason mentioned for the mass migration to Minneapolis is its more open, welcoming climate towards migrants and better social welfare system in general, although some changes may be occurring in this respect. Minnesota is a state with a large Scandinavian originated population, and this translates itself in better social security arrangements and services provided for example in education and health care. Its history of dealing with large groups of migrants also assists in the creation of a welcoming attitude.

A further very important reason for the migration flows is the fact that the word about the virtues of Minnesota spread and a Somali community established itself there. A parallel economy was created that enables Somalis nowadays to do everything 'the Somali way': there are Somali shops, malls, NGOs, travel agents, hairdressers, restaurants, Quranic schools, mosques etc. For businessmen and –women, providing goods and services to the now well-established Somali community in the area may be a good alternative or addition to having a regular job. And as the community grows, more Somalis move to Minnesota to be near their families.

Many choose to live in the Twin Cities, because of the urban setting and Somali economy available. Others stay in small towns with large concentrations of Somalis, because life is cheaper there and the environment is more safe and less threatening e.g. in terms of upbringing of the children. American factories in these towns with large percentages of Somalis even provide facilities like Somali translators and bi-lingual notices, thus enabling non-English speakers to work there without difficulties.

So in short, Somalis live in Minnesota because of the opportunities and services provided there, the fact that it is a welcoming and relatively safe place to live in and because of the large Somali community there. Yet, how comfortable are they really? In order to answer this question, it is vital to understand the heterogeneity of the population. There are students, young men and women in their twenties who often came to the US alone though assisted by (distant) relatives and friends. Many have at least one but more often two or even three jobs besides their studies and / or operate a business to earn money to send back home.

While working very hard, most of them are settling well in town and live a rather comfortable life. There are single mothers with three to six children, who may not speak English and nowadays have to work twenty hours and go to school twenty hours in order to be eligible for well-fare that hardly provides them with sufficient financial means to sustain their family. Most of the lower income group in Minneapolis live in the Riverside-Cedar area, in large, run-down flats with cheap rents that are mainly occupied by Somalis.

Others, like professionals or successful businessmen and –women, are clearly doing very well and live in the suburbs in nicely decorated mansions, driving comfortable family cars. Then, I also met men and women working in poultry factories in small Minnesota towns, single or with families that were left behind in the region or came with them. Most of these men and women spoke highly insufficient English for other types of jobs and often also did not have the required education. They worked many over-hours, doing very filthy jobs, and lived extremely sober lives in empty flats.

Remittance sending

Age, gender, education, English proficiency, length of stay, type of employment, social network and number of dependants were all vital factors in determining whether someone was successful. In general, only a small percentage of Somali professionals and top businessmen formed a highly successful elite; then, a reasonably large middle class was formed by social workers, teachers, university students etc.; the group of (non-English speaking) Somalis with low-skilled jobs leading sober lives was similar in size; and finally, a small percentage of the Somali community, mainly consisting of single mothers and some elderly without relatives, were really struggling to make ends meet. Yet, financially stable or not, almost all Somalis in Minneapolis at least sent some money to their relatives left behind⁶.

Dahabo Abdulahi, a single mother of four, works at the food shelf for needy people for 20 hours a week and goes to adult High School for 20 hours, receiving social welfare. She told me: 'We have to send. We know that life in Somalia and Kenya and those regions is very difficult. So if my mother calls and tells me that she does not have food on the table that night, I will have to send something. I know their difficulties. But it is not easy for me, having four daughters to take care of. At times, I send 50 dollars, at times 100, at times nothing; it depends on the expenses I had that month'.

Others are able to send much more, with amounts ranging from 200 up to even 1,000 dollars a month; larger amounts being sent to a number of families. Sending large amounts of money home does not necessarily indicate the wealth of the sender. In particular many of those who send very high amounts seem to be working young men and women whose main aim it is to provide an income for their family members left behind.

One case that provides good insight into this is a small village close to Minneapolis, where a large group of Somalis had migrated to work in a turkey factory. A tour through the factory gave an impression of the monotone and filthy jobs people had. Afterwards, we visited a number of men who worked there at their home; an empty apartment ('our table and chairs are in the laundry') decorated with a huge flag of Somalia. I asked them about remittances, and they all informed me they sent 400 dollars home monthly, volunteering to tell me that women usually sent double that amount, because they worked over-hours and did not spend money like men did. Hassan Aden said in this respect: 'I thought about working over-hours, but whether I have 1,000 or 400 in my pocket, I will send it anyway. So I might as well send the 400 and not over-work myself'.

I wanted to know whether people 'back home' knew where the money came from. Hassan told me that he had visited relatives in Kenya recently, telling them he sold mobiles and cars for a living. The contrast between the image being created and the actual life these people lived to me was very shocking. I imagined that on the one hand they created dreams to deal with reality and add to their status as successful migrants, but on the other hand these dreams made the reality of life in 'turkey town' much more unbearable. This example illustrates some of the complexities of remittance sending for Somalis in the diaspora. Their life - and livelihood choices are to a certain extent determined by the responsibilities they have towards relatives elsewhere. At times, one may get the impression that this transnationalism is indeed 'forced', with people having no option but to send to those left behind in far worse

⁶ Though remittance sending patterns may be higher from the USA, which is the top source country in the world (Kapur 2003: 7), research amongst Somalis in Denmark similarly indicates how the majority of Somalis there engage in the remittance economy (Fink-Nielsen et al. 2001).

circumstances. Yet, at the same time fulfilling family obligations is not only a matter of having no option, but it is also related to the status acquired when assisting others. I will provide some more examples to illustrate these points.

Somalis in Minneapolis make decisions about their lives that are not only determined by local factors, but also by transnational ones. Khadija Osman for example explains how the 150 dollars she sends to her brother in Kakuma refugee camp and the 150 she sends to relatives in Somalia are part of her monthly bill and she always pays them before even paying the rent: 'If I cannot pay the rent, I will still manage. But if those people do not get the money I send them, life will be too tough for them'. Besides affecting patterns of expenditure, family obligations affect migration decisions. I met quite a number of Somalis who had moved from the Netherlands, and one of the reasons they mentioned for their migration was the difficulty of sending remittances from the Netherlands⁷.

Abdulkadir Warsame told me that he had lived in the Netherlands from 1992 to 1998, and only in the last years was he able to send a small amount of money to his relatives in Bosaso occasionally. Others rather indicate how family responsibilities restricted their movements: even if they wanted to, they could not go back to some of the African cities they lived before. Rashid Kasim told me: 'I cannot go back to Cairo, because my family is there and I have to take care of them. No matter how difficult life may be here, at least I can provide for my family. In Cairo, I could not send them anything, now I send money to my sister in Cairo and my parents and siblings in Somalia every month'.

Not only do transnational responsibilities determine the migration choices that Somalis in Minneapolis (can) make, but they also influence their lives in other ways. A friend to Abdulhakim Axmed sends 500 dollars to the Kenyan refugee camps and 200 to relatives in Somalia every month. He told him that as long as he has that responsibility, he cannot marry. Personally, Abdulhakim does not completely agree with that decision: 'Some people give their life to their family; they always work and send everything to their relatives back home. But you do not need to give all your life, you should also think of your own options'. Nevertheless, many would agree that marriage does complicate dealing with family responsibilities.

Dhofa Abdi told me that a very important condition for marriage would be that her husband would agree for her to continue working so that she can keep sending money to her relatives: 'A number of my relatives are simply dependent on me, so even if I get married I will remain responsible for those back home. Many of my friends stopped working after getting married and they just sit at home. The problem is that the husband has to provide an income for them and maybe children, as well as for his family. He has to work many extra hours in order to pay for everything. If her family calls and needs assistance, she will want them to receive money as well and this might lead to conflicts. Also, she will ask him what he sends to her family in comparison to what he sends to his family⁸. Her family will put their stresses on her life, and the husband will never be able to provide for all these people. People get divorced over these issues, and that is why I would really want to continue working'.

⁷ Somalis also move from the Netherlands and Denmark to the UK in very large numbers, because of the large Somali community in the UK and because of their inability to send remittances from the Netherlands and Denmark (see also Bang Nielsen 2004; Reek and Hussein 2003).

⁸ That this is a very common scene is proved by similar dialogues in the Somali theatre play 'Qaabyo'.

While family obligations thus can cause great pressures in the personal lives of Somalis in Minneapolis, many feel that this is not sufficiently understood or appreciated by their relatives⁹. Whereas almost all Somalis send monthly or at least occasional remittances, many complain about the way in which relatives often simply expect or even demand to be assisted.

Yusuf Abdinoor arrived in Minneapolis only one year ago. He is very disappointed with his inability to find an appropriate job, preferably as a teacher. Still, he sends 500 dollars every month to his wife and children in Egypt. Their expenses are high because the children are going to a private school there. Then, he has thirteen siblings, with one sister in Saudi-Arabia, one in Djibouti and a brother in Yemen. All others live in Somalia, and depend on the remittances sent by his brother, who is a doctor in Yemen, and himself. Every other month, he sends the families of his three bigger brothers as well as his stepmother with five younger brothers 150 to 200 dollars, bringing the total amount to about 1,000 dollars a month.

Yet, as Yusuf says, 'I cannot assist all of them all the time, and they do not understand. They will comment "he is gone, he is in America now", which means that I no longer care for them. They do not understand my position'. Moxamed Hussein similarly sighs: 'I wish I was alone. I have worked all my life to assist others, and they are never satisfied. Everybody thinks that life is good here, and that I am rich. A friend of mine just called and asked for 200 dollars. I said that I did not have that money right now but will try my best to send it. But they find it hard to believe I do not just have that money'.

A further frustration in some instances is caused by the fact that remittances do not appear to be used wisely and may cause dependency¹⁰. Remittances are mainly sent to families and used for daily survival. At times, the money can be used to start up a small business or send people to school, but others use it to buy *qat* or stop working altogether because of remittances sent.

Dhofa Abdi told me how she recently went to Mudug to visit her relatives, and stopped sending 800 dollars a month after that. Now, she only sends 200 dollars to her father, who is taking care of her epileptic brother, and 200 dollars to a cousin of her father who is a sheikh: 'I told him he can use 50 dollars for himself, but should make sure that the 150 remaining is spent on the children of my brother. I used to send that money to the ex-wife of my brother, but realized the lady is a spender. Some of the children did not even have a bed to sleep in, so I bought them beds while I was there and no longer send the money through their mother. Also, I no longer send money to some of my brothers. The two who are staying with their families in the country side, near my father, are okay, but the three who stay in Galgacayo chew *qat* and leave their wives behind. I used to be very sensitive when they call and work on my conscience, saying their condition is so bad. But at least since I went, feelings of guilt have really reduced: I have seen their life, and it is better than mine in many ways. They do not work hard like me, having many responsibilities. The problem is that they have become dependent on the money I sent. What if I am no longer around, or am no longer able? I asked them what they did with all the money I had sent them throughout the years. Where did it go? They could not answer me'.

⁹ This does not seem to be a problem specific to the Somali diaspora, as research amongst Sudanese refugees indicates (Riak Akuei 2004).

Communal projects

Whereas the focus in this paper has been on sending responsibilities to family members, remittance-sending patterns also include community development– and emergency aid projects as well as investments in housing and facilities for eventual return. Somalis in Scandinavia and the UK have set up cooperative organizations to enable repatriation to Somaliland through both private and public investments, that might also benefit development in the region (See Kleist 2003).

During my stay in Minneapolis, various communal projects were set up; both in response to crisis situations in Somali areas as well as in attempts to contribute to improved livelihoods in the region. These projects were largely organized by region and thus often by clan, though it was stressed that all Somalis were able to and did participate in fund raising efforts; whether from the area or not. The most urgent projects were directed at Sool and Sanaag regions, where serious droughts occurred by the time I was in Minneapolis, end of 2003.

Abdulhakim Axmed informed me about the way that the aid was organized: “We have various programs, like sending letters to Somalis who originated from Sanaag region and expecting them to contribute twenty dollars until June 2005 or pay the total amount of 440 dollars at once. We expect to collect about 6,000 dollars, which will be send to Abu Dhabi, where others involved in the project will buy food, water and other basic needs for nomads in that region. They will send us the receipts, and the goods will be send to Galgacayo, where the receiving families have to sign letters to prove that they received the money’.

Communal development efforts were carried out in the field of improved water supplies, education and health care. In the offices of one of the Somali NGOs working in Minneapolis, a poster advertised a fund raising for a primary school, inviting everybody to come and contribute. Suleiman Hashi, who was heading one of the Somali NGOs providing social services for his community in Minneapolis, explained how a good friend of his had set up a High School in Mogadishu. He used to be a lecturer at the University of Mogadishu at the time Suleiman was also working there, and as the director of the school, received very positive reports so far.

As it is difficult to run such a school financially at the moment, Suleiman and a number of his friends have agreed to contribute to some of the items he needs, in order to enable him to get additional funding elsewhere. Besides their financial contributions, they are also offering him their advice, as most of them are highly qualified professionals. In these kinds of efforts, it is not uncommon for Somalis to share responsibilities and costs with NGOs or institutions. Another fundraising was carried out for medical supplies in Gedo region, for example, which was organized by the Somali community in conjunction with the Islamic Center of Minneapolis.

However, when I asked Suleiman his views about a more systematic cooperation between the community and NGOs, he told me that they had tried this on a regional level, but he was a bit sceptical about it: “There are Somalis who set up their own NGO and then tried to get other NGOs to contribute. Some were successful in setting up schools or water projects etcetera. Still, I believe that at times it is better for individuals or the community to set up these projects, as they should not always expect things. They should not always think that they will be assisted. Besides, there seems to be more respect for private property than public property.

Nowadays, all schools, clinics etcetera are private property. If governments or NGOs get involved, there is a far higher chance that these buildings will be looted". Such factors are very important to take into account for the NGOs and governments who at present are showing such great interest in the development potential of remittances. Much of this interest is not necessarily only directed towards the situation as it is at present, and the ways migrants are handling remittance sending. Rather, these actors are trying to find ways to get involved in existing practices, gaining control by formalizing transfer mechanisms and having a greater say in the use of remittances; all in order to increase their contribution to development. In the concluding section, I want to discuss these issues in greater detail.

Conclusion

The data presented shows a number of things. In the first place, remittances are vital for survival in Dadaab. The spending patterns of the refugees in the camps seem very comparable to recorded spending patterns elsewhere, with the majority of remittance monies being used on household expenditure and the remainder saved or used on micro enterprise (Wimaladharma et al. 2004: 3). It is obvious that, under the circumstances of life in Dadaab, a large part of the money received is simply needed for survival. When remittances are used to invest in potentially viable businesses, much larger amounts are sent and the arrangement has mostly been agreed upon by sender and receiver in an attempt to establish self-sufficiency.

Secondly, Somalis in Minneapolis are very aware of the vital role they play in the survival of relatives living in the region, and are sending the little or much they can send. But the continuity of transnational networks may be threatened by the fact that the obligation to send money to relatives in Kenya or Somalia is often a real burden to their own livelihoods. In many cases, this burden is managed with an idea of temporality: eventually, sending remittances may no longer be necessary or at least the amount can be lessened considerably. In order to achieve that, Somalis in Minneapolis for example try to assist those who are dependent on them to migrate from the region. Alternatively, they try to encourage investments that enable people's self-sufficiency; either individually or in communal initiatives.

Especially communal development initiatives seem to be the focus of institutional interest. The question however is how necessary the analytical distinction between remittances used for supporting relatives and those used for development initiatives is. As I have indicated in the Dadaab case, the remittances that entered the camp economy greatly contributed to the general welfare in the camps. Although, due to the poor conditions in the area, they were largely spent on consumption, increased purchasing power in the camps gave businessmen greater room for investing in the region. Besides, the remittance transfer business stimulates other areas, such as transportation of people and goods, trade of for example local products with a high demand in the diaspora, and telecommunication; which in turn may stimulate remittance transfers.

The common assumption is that personal remittances are less beneficial to development because of their assumed disadvantages: they are said to create dependency and lead to luxurious, wasteful spending. It is clear that there is hardly room for luxury spending when people live such marginal lives as they do in Dadaab. At the same time, stories of unwise spending and low incentives to work do circulate in Somali society. But in my view, such

attitudes cannot last. Whereas some claim that remittances are the only unrequited source of finance in developing countries (Kapur 2003), I do not think this is completely true. Whereas *financial* reciprocity may not be expected, senders do make *social* claims on the receivers. If those receiving money do not use their hard-earned money wisely, there is always the sanction of remittances coming to a halt, as the paper illustrates. When people in Somalia have a reputation of being irresponsible, it is likely that their relatives overseas may not send the money directly to them.

So in conclusion then, how can the impacts of remittances on broader aspects of development be enhanced? Nyberg Sorensen (2004) has provided an interesting list of recommendations to do just that. In the first place, she presents the view that remittance mobilization requires the presence of a healthy financial system, strong and well-functioning local governments, and an enabling economic environment and adequate basic infrastructure. I would argue that the case of Somalia in fact disproves this: it does not have any of this in a formal sense, yet its remittance economy is vibrant.

On the other hand, Nyberg Sorensen does provide some suggestions that are highly relevant to the Somali, and refugees in general. She argues that diasporas are agents of development, which should be recognized by governments and development agencies trying to mobilize remittances for development. Reaching out to the diaspora could involve increasing political support, dual citizenship rights, inviting diaspora groups to participate in forums for dialogue on development and cooperating with diaspora communities in joint income-generating schemes for their local communities (Nyberg Sorensen 2004: 25). Migrants in general, and refugees in particular, need a much stronger voice in policy developments that affect their home countries.

Furthermore, Nyberg Sorensen argues for a re-conceptualisation of development and migration policies; by linking the two. It is ironic that NGOs are developing interest in migration and remittances while official development assistance continues to ignore the movement of people. In her words, 'both local and donor governments could benefit from viewing migrants as a development resource and taking account of the development impact of population mobility in concrete policies and schemes (Nyberg Sorensen 2004: 26).

Governments still focus largely on 'migration management', thus ignoring the reality of large population movements instead of putting effort in understanding their consequences. Furthermore, remittances constitute crucial resources for development, even though these flows are unique in building on social ties and networks of obligation and affection (Nyberg Sorensen 2004: 27). Both host and home countries can do much more in order to tap diaspora resources, but as this paper shows, pressures on diaspora communities are already very great. In order for remittances to play a lasting role in development, assistance and support in which migrants and refugees have a strong voice, is needed.

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