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THE MAKING OF DAHABSHIIL: A BRIEF INTERVIEW.

Ahmed I. Samatar

Haji Mohamed Said Duale (best known as *Dahabshiil*) is the wealthiest Somalilander and one of the two richest among all Somalis in the Horn of Africa at the present time. This interview took place during two Ramadan nights in the summer of 2019. The first episode was conducted at his palatial and extensive compound in eastern Hargeisa, the capital of the Republic of Somaliland; the latter episode was recorded at a suite in the prime Damal Hotel in the same city.

Haji Mohamed Said Duale is, in all appearance and immediate mannerisms, an exceptionally dignified, self-effacing and considerate man. These characteristics are coupled with a quickness of intelligence, restrained but good sense of humor, quiet assertiveness, speaking fluently in high grade Somali and with precision, and an admirable entrepreneurial ambition for his already vast and thriving constellation of companies, as well as for the Somali people, if the latter would only resurrect their collective civic belonging. There is no doubt, then, that his profile among all Somalis is one of prideful recognition as a remarkable model of ingenuity and disciplined energy. My own late grandfather, Samatar Mohamed Farah, commonly known as "*Samatar Dhere*", celebrated as community leader during his own long life, left with the rest of us and for the ages this instructive and relevant insight: "there are only two ways to build the human universe to a distinguished level: the creation of wealth or the production of knowledge." Each endeavor, according to him, required stupendous dedication, exceptional acuity, and conscientious and continuous labor. *Dahabshiil's* awesome and worldly success confirms one part of *Samatar Dhere's* gnomonic assertion.

During the first installment of this interview, we sat at *Dahabshiil's* capacious and well-furnished living room, in the most sprawling compound in the city and built in 2012. He welcomed me with the mixture of low-key modesty, even diffidence, and generosity that has become his trademark. We sat comfortably and each draped in a soft *macawis*, and occasionally indulging in an assortment of tea, water, and delicacies that were laid out for us on the side.

Ahmed I. Samatar: Where do we start, perhaps when and at what place you were born?

Dahabshiil: I came into the world in a rural area in the *Haud* zone of deep *Tugdher* region. This was during the time of the British Protectorate. Because Somalis in this region did not pay much attention to the colonially designated boundaries, my extended family would crisscross the demarcation line, depending on the availability of rainwater and pasture for our livestock. The nearest village was called Habura, now administered by the town of Gashamo. I believe I was born around the late forties, perhaps 1948.

AIS: How about your forefathers and mothers?

Dahabshiil: My grandparents died before I was born, and my father passed away in 1966 in the south of Yemen. He was not working there but was on a visit when death came to him. My mother died in Burao about fifteen years ago.

AIS: What was your father's occupation?

Dahabshiil: He was essentially the leader of a pastoral household in the nomadic way of making a livelihood. However, though I was not witness to that; others have told me that my father carried out some basic chores for the Italian invaders of Ethiopia in the 1930s.

AIS: In your childhood, what do you most remember about your parents? Were you closer to one of them?

Dahabshiil: First of all, I think it is universal that when children are very young, they have a propensity to be closer towards their mother. Given the nature of child birth, the intimacy is greater. The

father is certainly crucial in teaching one about the ways of life, about obligations and rules. But the mother is the source of immediate gentleness and personal care.

AIS: In your first decade of life or so, what are the things that you remember the most?

Dahabshiiil: Because of the fact that we were pastoralists roving in the *Miyii*, all I could recall was the vastness of the territory, the impermanence of settlements, the preciousness of rain and pasture, and the prevalence of austerity in all aspects of the living conditions.

AIS: How about wildlife, such as lions and hyenas?

Dahabshiiil: In that part of the territory, there were no lions, leopards, or elephants. One could see smaller wildlife such as foxes, may be hyenas, gazelles, dik-diks, rabbits, and the like. Some of these were relatively bountiful.

AIS: When was the first time you thought about working for yourself, and, therefore, going it alone?

Dahabshiiil: Though I cannot be precise, I believe the death of my father created an immediate challenge – that is, we became orphans. I had three older siblings, one brother (Ismail Said who is still alive) and two sisters. Ismail began to work in Aden, Yemen, but the remittances he was sending back to us were not enough for what was then a somewhat large family. Of course, the support from Ismail was coupled with yields from our livestock, which, in the end, made it possible for us to sustain ourselves. But it is important to note that I always desired to go to the urban world. I wanted to get some schooling as well as join the alluring culture in towns. It also dawned on me that work and standards of living of those households who had more livestock and those who had less were no different. Their clothing was the same, the food was the same, the housing was quite similar, and the general rhythm of life was monotonously identical. While such a way of life had its own worth, I saw *Miyii* circumstances as stagnant and with no opportunities for progress. Consequently, I began to imagine what a life in towns will be like. In fact, such a dream became sweet and irresistible enough

that I decided to go to Burco. My purpose was to at once go to school and earn a living. While it was difficult to line up both, I was able to register for night school through a program called "Adult Education." As for the day, I began to work in a basic teashop owned by a relative who had returned from Aden a few years back. I kept on these two tracks for a few months. Because I had no expensive social habits (*belwed*), I was able to survive and then make a bit of success of my introduction into urban existence. A few months later, and this was mid-1967, I was called in by another relative who had a shop in the town. He invited me to work for him and run the store, while he attended to his growing trade in livestock -- one of Burco's primary and most lucrative economic activity. He offered me sixty shillings a month, a sum that made me extremely elated.

AIS: Why did you feel so happy?

Dahabshiil: I never, heretofore, had such amount, so I was stunned. I began immediately to pass most of the monthly sum to my family back in the rural settlements. For me, life in town and working in the shop was satisfactory. For instance, I had access to food, including generous portions of *subaug* (ghee) with most of my meals. I began to feel safe from hunger, and even in rare moments when I experienced its pinch, I always found a few dates and some water or milk. At nighttime, I slept under the counter of the shop. From that moment, then, I felt satisfied. The shop was doing brisk business. Among others, many of the members of the families of Somali armed forces stationed in Burao were our customers to an extent that they opened credit lines for their daily needs such as sugar, tea, rice, and oil and then paid their accumulated bills by the end of the month. The key person in these transactions was a respected sergeant. He played the role of *dameen* (guarantor). Business in the shop began to rise. Now, the customers in Burao were of two types: those who were working for the Somali Government and those who were from the rural areas and temporarily visited the town to sell livestock, milk, and other pastoral products in return to buy the items they needed. There were also scatterings of students in various types of lower level educational institutions.

AIS: At that stage, were you just an employee or did you acquire any equity in the shop?

Dahabshiil: No equity at that moment. I was working for the owner. However, as months passed on, I bought a sack of sugar – one produced at the famous Jowhar sugar factory in the South and originally established by Italian colonialists. This sugar was brought to Burao and sold by the Commercial Bank to the more substantial traders in the town. The owner of our shop was not among the big traders. Consequently, that gave me a fleeting opportunity. However, on the fateful morning of October 21, 1969, while I was not aware of it, the military coup took place. One of my passions as a young man was keenly listening to the radio, particularly the National Broadcasting Service from Mogadishu and the Somali section of the BBC from London. I was a devotee of the news and artistic programs such as songs, poetry, and drama. On that morning of October 21, as was my habit, I tried to turn on the radio at 6:00 am. Strangely, it was silent. I examined the set to see if everything was in rightful order. I found no technical problems, yet there was no trace of the regular programming. After an hour of dead silence, suddenly an unfamiliar and heavy voice came through. The first words were these: “This is Radio Mogadishu, the voice of the Somali people.” This was quite different from the past whose mantra was: “This is Radio Mogadishu, the voice of the Somali Republic.” The announcer declared that he had an “urgent” message and kept repeating that again and again. I decided not to pay too much attention, and thus, focused on filling the orders of my early customers. Around mid-morning, I went out to buy more sugar. I entered into one of the wholesale stores and bought a sack of sugar. I think I paid about 125 shillings. In those days, the Somali shilling was relatively valuable, with stable exchange rate to the US dollar of just over six shillings. I hired, a *xamaal* (a porter) to bring it back to the store where I began to sell the content in small retail quantities. A few hours later, and in the midst of the transaction with women customers, there appeared a military vehicle at the front of the shop. Two soldiers dismounted and walked into the shop. They inquired whether I had acquired the sugar, and I replied in the affirmative. They asked where it was, and I pointed to the open sack. They took the sack and then ordered me to come with them. With a degree of bewilderment, I hurriedly closed the shop and was driven to a station.

AIS: How did you feel (laughing)?

Dahabshiiil: Frightened and aghast! This was my first-ever encounter with military troops. Yes, I used to see members of the police regularly walking in the streets of the town. For military personnel, however, we saw them on rare occasions when they either bought items from the shop or we watched at a distance when they were uniformed. The latter filled me with a sense of personal pride and was a source of generalized esteem for the larger community.

AIS: What happened then?

Dahabshiiil: The station clerk took my full name and asked for a few personal details, and they inquired where I bought the sack of sugar and the price I had paid. They took me to the main store where I purchased the sugar, but we found it closed. We returned to the station and was told to come back at around 7:00 am the next morning. When I arrived the following day at the appointed hour and asked for my sack of sugar, I received neither an explanation nor a return of the item. That state of affairs continued for a week. Finally, I was taken to the local court for prosecution. I was asked again where I bought the sack. At that moment, I saw the merchant I bought the sack from. He was also brought to the station that morning. The police asked me to verify that he was the man who sold me the sugar, and I affirmed that point. Next, I was asked to state the price I paid for it, which I did. The police instructed me to come back the next day. When I arrived the next morning, the merchant was sentenced to three months detention for ostensible price inflation.

AIS: How did you feel at the moment? Were you afraid that you might also be punished?

Dahabshiiil: I was certainly perplexed and intimidated by the proceedings. However, I was confident that I did not do anything wrong. In any case, I was told to take my sack with me and leave. While I was relieved and happy, I ran into one immediate and logistical difficulty: I could not find any means to remove the sack from the police station and bring it back to our shop. There were no trucks, no wheelbarrows, no donkey carts, no able men available for hire near the station. I tried to drag it by myself until almost the noon hour. After some difficulty, I was finally able to get a couple of men to help me to take the sack of sugar to the store that I managed.. The store was on the east side of the town, while the police

station was on northwest. Consequently, there was some distance to be covered.

AIS: Was this episode your first encounter with the new military coup?

Dahabshiil: Yes, and I remember it vividly.

AIS: Up to that day, you have been primarily a low-level employee of another merchant. When did you begin to establish your own business?

Dahabshiil: As I was working in the store, an older man who was a close friend of my uncle approached me. His name was Ismail Haji Aden. It was a very quiet evening, when he made a proposition to me to the effect that I fully manage his store. If I accepted, he promised to give me fifty percent of the profit. I immediately accepted embraced the offer, and then we walked together to his store. I knew Ismail, because he was a distant relative. The store was in a strategic location in the midst of the commercial area. Later, I approached my uncle, the shop owner. I told him about the conversation and subsequent offer. I assured him that I will find a young relative to take my place, but I needed his blessing for this new opportunity. He smiled, congratulated me, and then urged me to seize the moment. Next morning, I gathered my few belongings and moved to the new store.

AIS: How did the experience begin?

Dahabshiil: Ismail Haji Aden proved to be a marvelous human being. He immediately showed confidence in me by trusting me to handle a comparatively large sum of money.

AIS: Do you remember how much it was?

Dahabshiil: It was about ten thousand Somali shillings – an amount that I had not seen in lump sum before.

AIS: What did he intend to use it for?

Dahabshiiil: Ismail instructed me to travel to Aden (Yemen) and buy a variety of merchandise that could sell well back in Burao. This will be my second visit to Aden. During the first occasion, I spent about a month there. This time, I flew on a Yemeni commercial plane (Alyemda). When I arrived at Aden airport, I was issued an entrance visa. In those days, there was a close relationship between Southern Yemen and the northern region of the Somali Republic. Aden was a wealthy city where commercial transactions were thick. It was the Dubai of that time. I rented a room in a very modest hotel in the zone of the city where Somalis congregated. Once I settled down, I began to explore the city's commercial center where the wholesale stores were located. The main owners were Indians, Pakistanis, and Arabs. I bought a mixture of items that ranged from shoes to clothes that I deemed fittingly stylish and, therefore, would be in hot demand in Burao. This was my first and most concrete business project, and the year was early 1970. Among the items I bought were Van Heusen shirts that are still available around the world. When I brought the merchandise to Burao, it sold swiftly. After that modicum of success, I bought shirts in bulk in a large shop in *Xamar Wayne*, part of Mogadishu's trading block. Thus, for a while, my business travel coordinates were Aden and Mogadishu.

AIS: So, were you still in partnership with Ismail Haji Aden in Burao?

Dahabshiiil: Yes! Moreover, our shop became a most popular establishment in the town and with numerous customers.

AIS: What were the sources of the success of the shop?

Dahabshiiil: I developed an eye for attractive items that were at once useful and rare in the town. For instance, I brought in men's watches such as the Seiko brand and leather shoes that would shine when rightly polished. I also introduced new and appealing cloth for both women and men among the rural populations. Furthermore, and to make the shop even more enticing, I decorated both the front and the inside of the shop with colorful electric bulbs that would get the attention of walkers by and potential customers. We prospered for almost half a dozen years.

AIS: You must have felt blessed as well as eager to sustain the success, right?

Dahabshiil: Precisely! However, this mood was punctured by the onset of the great drought that Somalis will name it *dabadheer* (long tail). While everyone was engulfed immediately, it was particularly the pastoralists, regardless of the size of their flocks of livestock, who were devastated. The ramifications were soon felt in urban and trading centers such as Burao. Shops and coffee houses began to close one after another. In addition, the Siyaad Barre military regime had already begun to centralize and tighten the national market, with the state taking control of most commercial activities. At the same time, across the Gulf of Aden, another statist regime came to power that clamped down on private enterprise. And then in Ethiopia to the east, the Derg commandeered state power with its own militaristic strictness and nationalization rigidities. Thus, the whole region descended into a completely hostile mentality towards any private businesses and initiatives.

AIS: How did this order affect your own trading activities.

Dahabshiil: All of us were immediately subjected to new edicts that were external to our daily routines. For instance, teams of *guulwadayaal* (Victory Pioneers) were created and then sent out to dragoon everyone to undertake daily “community activities.” This played havoc with the routines of families’ personal rhythm as well as business life. More pointedly, the shop began to suffer as customers dwindled and transactions evaporated. The ultimate effect on me was to go into debt. With a high degree of anxiety, I decided to explore what was happening in the national capital in Mogadishu. When I arrived there, I saw that most activities were taken over by the state. Still, I felt that I could find a niche in the maintenance of small Japanese cars that were successfully infiltrating the personal car business. While the military state controlled the supply of spare parts, I imagined I could insert myself at a lower level of the retail transactions. A few days later, I approached one of the senior administrators to give me a permit for importing modest quantities of spare parts for cars and small buses.

AIS: Does this mean you had some experience with motor vehicles?

Dahabshii: Absolutely none (with a laugh)! I was just taking an adventurous gamble that might lead to something worthwhile. I was eager to take a chance.

AIS: Given the hard hand of the military dictatorship, this was uncommonly daring?

Dahabshii: Yes, but I had to do something. I could not see myself idling and, in the long run, letting my energy and ambition in business atrophy.

AIS: Continue then...what became of that?

Dahabshii: I travelled to Dubai to scout the availability of the specific spare-part items that I had permission to import. I calculated the difference between the cost of the item in Dubai, the cost of transportation to Somalia, and the permitted prices I could sell in Mogadishu. From these calculations, I realized that there will be enough differences to make a decent profit. I began to load these parts in trunks, and then flew them to Mogadishu on Somali Airlines. The venture became successful enough for me to pay off all of my previous debts. When that was successfully concluded, I went back to Burao. My purpose was to regenerate the shop without the burden of debt. I decided to visit the Commercial Bank and apply for a loan. I was successful in obtaining the sum of 300,000 Somali shillings. That was not as prohibitive as it may sound. I knew the bank manager.

AIS: Still, that was a substantial amount for that time – what did you do with it?

Dahabshii: I planned to import rice by way of the “Franco Valuta” practice of those years. However, I didn’t know where to buy rice in overseas markets, nor did I had any idea of how to open a Letter of Credit. I decided to pay a visit to the office of Burao’s Chamber of Commerce. A young employee of the office wrote a note with two words: Bangkok, Thailand. I left the office with that minimal information. Before that, I had travelled to Dubai and brought some goods that, later, I sold in Burao. This activity made it possible for

me to buy a small truck. With the truck, I decided to drive to Mogadishu – a distance of over 1,000 kilometers.

AIS: By any measure, that is a long journey and with an unpaved and torturous road, to boot!

Dahabshiil: Yes, it was a hard slog and I was also worried a bit, because I had all of my cash with me. Notwithstanding these difficulties and apprehensions, I arrived in Mogadishu safely. The next day, I went to the Commercial Bank with a formal note signed by the Minister of Commerce, Colonel Mohamed Ali Shire. I informed the bank official that I wanted to open a Letter of Credit. To my dismay, I was told that before an LC could be authorized, I would need to make established contact and obtain an agreement from a legitimate company overseas. Furthermore, I was advised to go to the only post office in Mogadishu where one could find some information on how to make contact with foreign companies. There I saw a room with lots of people crowded inside it. Apparently, as I realized, that office had the only telex machine for private use. I approached the supervisor with a mixture of humility and charm. He was amenable and gave me the name, address, and telex number of a major company at the time called World Grain, located in Bangkok. In addition, he instructed me to write up my proposed transaction, bring it in the next day, and he would send the telex message for me. I immediately went back to where I was staying and called a young man who wrote in English. Together, we composed a fine letter that asked for an invoice for ten thousand tons of the specific rice brand I was eager to purchase. I took the document to the Commercial Bank. On that day, I was told that my query will be part of a large number of traders who were interested in importing rice. Given my inexperience, I was a bit at a loss. In the end, I was permitted to import only one thousand tons -- enough to be covered by the cash I had. While these transactions were being processed, Mr. Jirdeh Hussein, among the leading merchants at that time, delivered a large amount of rice to the market, and with a reasonable retail price.

AIS: Jirdeh Hussein, originally from Hargeisa, was one of the most successful pioneers of the import-export trade, right?

Dahabshiil: Yes, that is true. He was also a kind person. I paid a visit to him, introduced myself, told him that I was from Burao, and was keen on trading rice. He was polite and welcoming.

AIS: Did he sell you anything?

Dahabshiil: Yes, he offered me thousand sacks of rice. I promptly and delightfully went to the bank, retrieved the amount and paid him. A few days later, I loaded my thousand sacks to Burao. Immediately, many came to buy from me, and, at the end, I made a handsome profit. I successfully finished that transaction in two days, and then returned to Mogadishu to repeat the process of trying to buy rice from Thailand. This time, I received fifty tons. I requested that my shipment be delivered to the port of Berbera, on the Gulf of Aden. I received a response from Bangkok that there was no cargo ship ready to sail to Berbera, but there was one loaded for Mogadishu. I replied that was agreeable. The rice was shipped with my shortened name stamped on the sacks. When the ship anchored and the cargo was to be unloaded, I went to the port to pay the taxes. But on that day, we found out that the dollar/Somali-shilling exchange rate had been altered. Now, the exchange rate was such that the Somali shilling was devalued to double of what it was – that is, from about six to one dollar to twelve to one dollar!

AIS: The cost of the dollar now double.? That was a major change.

Dahabshiil: Exactly! It was the beginning of the national madness to come in mismanaging the economy and disfiguring the national state. The *balayow* (evil) that you scholars call IMF and others appeared as key economic policy gurus. Soon, it became clear that what was earlier a relatively strong Somali state was withering fast and to a great extent. One immediate local evidence was the appearance of an armed dissident organization calling itself, Somali Salvation Democratic Front (SSDF). At any rate, I paid exorbitant taxes and then sent the good rice to Burao. I received a decent profit which made it possible for me to build and open a wholesale store, *bakhaar*, in Burao. This would become my first building, and it still exists. Earlier, I did consult my wife and discussed whether we would prefer to build a house to replace the rented two bedroom or a *bakhaar* to ground the business. I suggested that we prioritize the

latter, because, if successful, it will give birth to a new house of our own. She promptly agreed and then I moved on to set up the store project. I quickly bought the land and then contracted a builder to commence the structure. The site was in the business area of Burao and continues to be our office to this day. Within a year, I made enough profit to build our own home, composed of six bedrooms. It is still there, but a while ago, I transferred the ownership, for free, to a local mosque that now receives a monthly rent of about hundred and fifty dollars.

AIS: That is a fine charitable act! At that time, were you focusing your activities in Burao?

Dahabshiiil: Right! I decided to make deeper business forays into the Emirates, particularly Dubai. The material fuel for this new entrepreneurial activity was the loan I took from the Commercial Bank. In other words, this is the capital foundation of any enterprises that followed. Before this, however, my earlier partners and I had amicably dissolved our business collaboration.

AIS: The country was at that time under the leadership of General Siyaad Barre and the Supreme Revolutionary Council (SRC). In that context, doing private business must have been extraordinarily onerous?

Dahabshiiil: It certainly was! By late 1987, armed resistances were active in many regions of the country and the national institutions were wobbling. At that time, I had a few loans, perhaps as much as 500,000 shillings, that I borrowed from the state banking organs. I had made enough that I was in a position to pay back. But there were no official governmental offices to receive it – the national institutions in Burao had essentially collapsed.

AIS: What did you do?

Dahabshiiil: A decade and a half years later, I paid a visit to a small cohort of religious dignitaries. I solicited their advice, with regard to the loan I owed the Somali state. After some deliberation, they proposed that I distribute the money to the poor of Hargeisa. After all, they asserted, that was part of the national resources, and ought

to be returned to the denizens of area. I endorsed that recommendation, and, subsequently, distributed the sum to many indigent compatriots in the city.

AIS: That is a remarkable act – I have never heard of such an example before! Now, during those still early years of your attempts to establish business, were there any unforgettable individuals, besides the initial moments in Burao, whom you saw as inspirational models for your ambition to make a success out of your efforts?

Dahabshiil: Yes, there were a few. In the early years and in the local context in Burao, the most buoyant was a man by the nickname of *Indha Deero*. His wholesale store was the place where I bought some of my commodities for retail sale.

AIS: His name is now famous in Hargeisa?

Dahabshiil: Yes, he is the progenitor of the family business typified by the attractive mall at the center of Hargeisa. For me, though, Jirdeh Hussein was the epitome of business success, and a source of awe. He had already expanded to and penetrated Mogadishu's market. There, as a mark of his success, he erected the most modern and multistory building at the heart of the capital. I was profoundly struck by that unprecedented entrepreneurial achievement. It dawned on me, then, that Burao, comparatively, was provincial and quite distant from the nerve center of modern Somali economic activities. On the other hand, Mogadishu was tempting and full of possibilities. For instance, in addition to the dense web of state officials, there were numerous embassies and international organizations. These assortments of decision-makers gave me the premonition that I could prosper there. In short, in Burao, *Indha Dheero* was the wealthiest and a source of influence. But Mogadishu gave me a sense of a world much more substantial both in terms of what was already conspicuous as well as hidden potentials.

AIS: In those years, was there a moment when you lost a great deal and that made you regretful?

Dahabshiil: Yes, it was around the great drought of the early 1970s. I travelled to Saudi Arabia to buy some commodities. When I

returned to resell, the market was way down. Moreover, many who borrowed from me went completely bankrupt and were unable to pay back the loans. Earlier than those years, I had very little, and I kept a wakeful eye on every penny. In fact, I made a habit of counting meticulously everything before I went to bed at night!

AIS: Given the seduction of Mogadishu, did you abandon Burao altogether?

Dahabshiil: No, I did not. Moreover, and notwithstanding the beckoning of opportunities in Mogadishu, it became very hard to find a space to locate my transactions. I had no prior building or storefront, and my explorations were made more difficult by my strong preference to have a spot at the center of any town or city that I desired to set up a business. After an exhausting search, I rented a place from *Indha Deero* in the Shingaani zone of Mogadishu. I paid rent for a few months, but things did not work out and I closed it after that. It is crucial to reassert here that, while I was eager to open a business work in Mogadishu, my activities were still based in Burao.

AIS: So, when was the time when you decided to put your primary business anchorage in Mogadishu?

Dahabshiil: At no time did I plan to set up my headquarters in Mogadishu. In fact, I travelled to Dubai and turned it into the center of gravity of my business activities. My established routine was to buy commodities from Dubai, load them in large boats, and then bring them to Berbera or to the small and old coastal villages like Maydh. Burao, at this time, was a strategic town that was located in the midst of the old Republic. Thus, most imports that were brought to its market were sold promptly. One would need to remember here that a new national highway had been recently inaugurated and Burao appeared to become a more significant commercial nodal point, particularly in the trade and export of Somali livestock. In brief, Burao was a geographically privileged town and suitable for business proceedings.

AIS: Did this mean that the bulk of your business was administered from Burao?

Dahabshiiil: Yes! But Dubai became most critical for me.

AIS: How did you get official permission to enter Dubai whenever it became necessary for you?

Dahabshiiil: A nephew of mine created for me to document to stay in the city legally. I think he wrote in the application that I will be his cook at his house! He himself worked for a senior and well-known European expatriate.

AIS: (Laughing), that must have been strange?

Dahabshiiil: It was unusual (laugh), but for me the essential point was to receive a legal permit to stay in Dubai and buy goods to sell them back in Burao's market and across the rest of the neighboring regions.

AIS: The critical factor for you was the acquisition of the permit to stay in Dubai?

Dahabshiiil: Yes! I did not care what was the title of my occupation, as long as I could trade legally and more freely.

AIS: Do you remember his name?

Dahabshiiil: To be sure, his name was Ali Deriye Egal, and I will always remember him fondly. In due course, my transactions became profitable to such a new extent that my capital reached half a million dollars. I was gaining greater confidence in my abilities to build larger business investments.

AIS: Could you say a bit more about what Dubai was like at that time?

Dahabshiiil: Let me distinguish between Abu Dhabi and Dubai. The first, the capital of the Emirates, was a city of government and administration. Many Somalis worked there in a variety of jobs. Moreover, and overall, Somalis were liked a lot and welcomed. I had no personal experience in Abu Dhabi, but the word circulating at the time was that the Emir was fond of Somalis. Consequently,

jobs were opened for them in a context of rising economic growth and prosperity in the UAE. This is in the late 1970s, after that historic drought in the Somali Republic. Travel there was quite easy, particularly if one had a relative already residing there legally. On the other hand, Dubai was a city of private business transactions. Somali were hardly known there, and most of the businesses were dominated by merchants from the Indian sub-continent.

AIS: But Dubai was different than it has become lately?

Dahabshiiil: Quite different, to be sure! Dubai is now a world class metropolis. At that time, however, the cost of living was relatively cheap. For instance, a cup of tea costed less than half a dirham. Many of the city's streets were dusty and semi-paved. Somalis in Dubai were relatively small business people, who came and stayed for a few days to buy their goods and then departed until the next round of purchasing. Of course, we borrowed the money from the Somali workers and then paid the loans back to their relatives in the Somali Republic. These were vital arrangements since we could not bring with us hard currency from home. By the way, the correspondence was done through recorded messages on tapes.

AIS: Now that you established a profitable circuit between Burao and Dubai, what happened to your interest in larger cities such as Hargeisa and Mogadishu?

Dahabshiiil: At that time, I was not keen on either one. Given the fact that I was bringing goods from Dubai, Hargeisa with its larger population was a worthy market, but that is all. Moreover, the southern regions' business people would come to Burao to buy goods from us and then load them on trucks to resell back in their respective communities.

AIS: How would you describe the bulk of your business at this time?

Dahabshiiil: I left behind the retail approach. Thus, at that stage, my transactions became quintessentially wholesale.

AIS: Your reputation as a successful businessman was first grounded in the remittance of money. When did that start?

Dahabshiil: The initial scheme started with the temporary arrangement of borrowing money from Somali workers in the Emirates, buying goods with it, and then paying the borrowed sum to relatives back in the Republic once the goods were sold. This was an indirect type of remittance, for there were no formal offices set up to handle the operations. This process was increasingly accompanied by monies being sent from diasporic folks in more distant locations such as the USA and parts of Western Europe. The latter became a source of hard currency – that is, US dollars.

AIS: How did this system work?

Dahabshiil: Individuals in the diaspora sometimes used banks to cash their check in local currency; at other times, they made the exchange in the black market. The black market became omnipresent after the heavy devaluation of the Somali shilling. As I said earlier, this was a foreboding marker in the coming meltdown of the national economy and the state.

AIS: At the current time, the most recognized element of your reputation as a highly successful businessman is the worldwide facilitation of remittances. Could you comment on this side of the business?

Dahabshiil: I am coming to that issue. But, first, a comment on a nickname that was given to me during the period I was managing the shop in Burao – a favored site among the growing urbanized youth. The nickname was *dheegshiil* (blood fryer). This was given to me by a man who was a regular customer of mine, and, in addition, we would occasionally chat and tease each other. His name was Yassin Haji Suleman. He had a distinctive gift for conceiving nicknames that stuck. One day, he walked into the shop and wanted to buy an item (perhaps a shirt). I told him about the price, which he thought was too high. I replied that I had no margin for discount. After a few minutes of haggling, Yassin threatened that he will coin a nickname that could stick, if I did not offer a lower price for the item. I shrugged off and declared that he must pay the exact amount or take a leave. He thought for a moment, and then announced that,

from there on, I ought to be known as *dheegshiil*. The word spread like a bushfire and, soon, beyond Burao and the Somali Republic.

AIS: *Dheegshiil* became your trademark? (laughing)

Dahabshiil: Affirmative! Since the nickname stuck quickly, I resigned to it (laughing)! Years later, as my business connections grew, I decided to change the nickname from *dheegshiil* to *dahabshiil* (*Gold Fryer*). This also stuck and became the general brand name for all my business enterprises.

AIS: Before we go back to remittances facilitation, could you tell me how many employees you had at that time?

Dahabshiil: There was not a single formal employee yet: the only helping hand I had was my wife, Fadumo Kahin, and my oldest son, Abdirashid. A bit later, I brought in Abdirahman, now a most critical person in our companies. Abdirahman is the son of my aunt, and, therefore, we are first cousins. When I inducted him into our fold, he was very young and his mother (my father's sister) had just passed away. In fact, Abdirahman's father brought him to me and requested that I look after him from there on. That was a time when my *bakhaar* was beginning to thrive. I asked Abdirahman how far he had gone in his schooling. He replied that he had completed up to intermediate level. I guided him to start learning about book-keeping and becoming responsible for the transaction records. After school, my son, Abdirashid, will join Abdirahman and help, while my wife will substitute for me during my absences. That was the sum of the whole staff.

AIS: Now, let's return to the establishment of the remittances network. Could you comment on that?

Dahabshiil: This part of the business formally began when the Somali National Movement (SNM) entered the North in May 1987. I received a coded message, from a relative who was a senior officer in the ranks of the SNM, that warned me about an upcoming bloody conflagration. The cryptic note advised me to bring the family out of Burao, which was soon to be a serious battleground. Initially, I did not heed the alert. From my perspective, I felt that the SNM

forces could never defeat the mighty national army and the state that so impressively overwhelmed the Ethiopians, in 1977/8, until the Soviets and their allies came to their rescue. Moreover, I was told earlier by others that the national army had a number of strong bases within the greater confines of Burao, as well as troops stationed at strategic posts along the border with Ethiopia. Thus, I did not believe that the town will be attacked and captured by SNM. In fact, I was a tad angry with the messenger. A few days afterwards, however, on May 27, 1987, I heard what sounded like thunderous barrage of gunshots. Initially, I thought these were related to the usual police pursuit of those who were engaged in smuggling *qat*. That was a bit familiar. But this time, it was different. Rather than ending quickly, the exchanges of gunfire became intense and got closer to the business center of Burao. A little later, the shooting spread into our residential neighborhood. As the hours went by, the battle turned into an urban, gruesome, and face-to-face shoot outs between SNM forces and members of the national armed forces. Soon, there were dead bodies littered everywhere, and armed tanks rolled in. However, the tanks were destroyed by SNM bazookas which were mounted on ingeniously improvised civilian vehicles. To our surprise, the SNM forces caused heavy loss to the army units and captured the military base and police stations, the energy compound, and sites of the intelligence and security units. In brief, SNM took over most of Burao. The word reached Mogadishu that Burao was captured by SNM. For us, the business community, this was at once frightening and perplexing situation. In my case, I got caught between protecting the family and the *Bakhaar*, as gunfire was still raging all around us. Since there was no more any civic or governmental leadership, I decided to put my attention into protecting my neighborhood so that everyone would be safe. Some of my neighbors were from the *Dhulbahante* and *Warsangali* kin. I thought that they will be in imminent danger, since the SNM forces were hunting down for those working for, or were associated with, the state and the regime of Siyaad Bare. One of the individuals whom I had business relations, and who was from the *Dhulbahante* kin, was caught in the net of the SNM forces. He and I had an earlier date to fly to Erigavo to conduct some transaction. When he was arrested, he gave the SNM troops my name. They brought him to my house, and I quickly confirmed his assertion to the effect that he was an innocent businessman. Furthermore, I reprimanded the troops for

their action and asked them to leave the man with me. They complied. After the troops left, I brought many people from my neighborhood to my home. I feared that they will probably get killed because they belonged to the wrong kin group. After five nights in the now highly cramped house, the situation became unbearable for everyone.

AIS: What did you decide then?

Dahabshiiil: The battle for Burao did not end as more state reinforcements arrived. Consequently, Burao was now the site of a total war. Even military airplanes joined the attack and bombarded where ever the pilots suspected that SNM forces might be. Here, one must note this corrective fact: the town where the most savage encounters took place and the greatest destruction was visited upon was not Hargeisa, but it was Burao. Since I have never witnessed a war before, I was shocked by what I was seeing and hearing. In the midst of this bloody confrontation, I wondered to myself what utter derangement could drive people to such mutual cruelty and annihilation. During those days, all of my three *bakhaars* were full of goods. But now I could see the real possibility of incalculable losses. After a few days, I decided to collect a couple of wheelbarrows which I used to sell and loaded them with items we needed the most. I called the family and others together and told them that it was getting too dangerous to stay, and, therefore, was prudent for us to leave Burao right away. In the beginning, we thought that we would lay low outside of the town and then return as soon as hostilities ended. To my astonishment, however, the battle between the SNM forces and the state continued with increased ferocity. With the whole group, including my elderly mother, we decided to walk out of the town. We quickly found out that the shooting was heavy along the sole highway that dissected the area. As a result, we made a point to avoid the road. But walking in the rough bush proved to be most punishing, particularly for the elderly, the smallest of the children, and a few women who were either pregnant or had given birth recently. Some had their shoes pinching them, and others were getting dehydrated and thirsty. We arrived at the agricultural settlement of Ber, which was somewhat vacated. This village had one well, but when we approached it to fetch the water, the level was too deep for immediate scooping. Thus, we decided to tie together,

in the shape of a rope, the women's *gurbasars* (shoulder cloth) with a container at the end to reach for the water level. We repeated that process many times. Soon, after quenching our thirst, a few members felt sick. I thought that might have been as a result of either the quality of the water or drinking with empty stomachs. Afterwards, we temporarily camped near the well and our women began to cook some rice we brought with us. Once we ate and got a bit of rest, I called a meeting of the group. Among them were a cohort of youth from the *Harti* kin. I informed that group that I was planning to go deep into the pastoral people in the area to procure some camels. Given the spread of clanistic hostilities into the rural settlements, with injuries and deaths becoming frequent, I told them that it will be too unsafe for them to travel with us further. They concurred and took a different route to seek protection elsewhere. By then, the SNM forces were fighting nearly two months inside Burao. After that, more reinforcement came for the national army and SNM forces retreated. But Burao was laid to waste and our *bakhaars* were completely looted.

AIS: During the years when SNM was based in Dire Dawa on the Ethiopia side of the border, a leadership group visited with my maternal uncle, Mohamed Abdillahi Kahin, commonly known as *Hogsaday*. At that time, he was the richest Somali in Ethiopia and his main office was in Dire Dawa. They pleaded with him to make a financial contribution to the struggle against the regime of Siyaad Bare. This appeal carried with it an emphasis on his tribal identity as a member of the *Issaq* kin group. Where you approached and with the same plea?

Dahabshiil: Yes! But remember that at this time, I was not as prominent as *Hogsaday* was. Those who came to me were not serious people. Later, when Burao lay in total ruin, it was not appropriate to ask me or others for money. We lost most of our assets. In early years of the SNM, though, I declined some requests to contribute. The reason was that it never dawned on me that some group calling themselves *Jabhad* would successfully challenge the national state with its large army, vast weapons, and fighter planes. After all, I said to myself, this was the national armed forces that a decade ago defeated Ethiopia until the Soviets, Cubans, and Yemenis intervened. At that time, then, I never believed that a relatively small bands of young

Issaq men will successfully challenge the state. In addition, my economic circumstance was quite brittle. Thus, I made no contributions during this period.

AIS: *Hogsaday* told me years ago that he replied to the plea by saying to the SNM, “if you are asking for financial contribution to help with the plight of the displaced Somalis, I will do my best. However, if you are soliciting money for war, I could not be part of such a scheme.” Please, continue...

Dahabshiil: During the closing days of the war in Burao, I returned to the town to look at what became of my *Bakhaars*. I meet with Colonel Mohamed Kahin (current Minister of Interior in Somaliland) who was now among the military officers of the victorious SNM contingent. I told him that I had loaded one truck with items that I deemed necessary for the family group I left behind in a rural outpost. He laughed at me and inquired if I was afraid that the regime’s troops and authority might return. This exchange took place at a building that belonged to the Technical School, where there were assembled a number of SNM offices, besides Kahin. Colonel Kahin rejected my request. Our encounter was taking place while the sounds of heavy gunfire could be heard to an extent that the noise kept disrupting our conversation. While this was happening, I was informed that a cannon had hit my house. Two people were killed immediately. Quietly and deep inside me, I thanked Allah for making me leave the house in time! Finally, I went back to the house and decided to bring the loaded truck without permission, but in a situation where gunfire was coming from many directions, I drove the truck to where I left the family and others. When we arrived, there was a quick stampede by all to get hold of whatever was edible. That is all I salvaged from the five full *Bahkaars* I owned in Burao.

AIS: So, this was the end of a major chapter of your business life, right?

Dahabshiil: Yes, I lost almost everything! We will now join the hundreds of thousands of destitute Somalis from the North. For me, the only capital left was the tiny sum of 30,000 dirhams that a few individuals owed me in Dubai.

AIS: This meant that you had to start all over again?

Dahabshiiil: Right! I had nothing. Consequently, I made a decision to go West into Ethiopia towards the town of Jigjiga. Remember, prior to this moment, I have never had an encounter with officials of the Ethiopian state. I was, therefore, in misery and high angst, but still itching to redouble my effort to rebuild my life and that of our family.

AIS: Does this mean that you had given up on life in Burao and the old country?

Dahabshiiil: For the time being, yes! The destruction and mayhem I witnessed was overwhelming. Given the unevenness of the collapse of the national institutions, for us in Burao, the violent decomposition started in May 1988. I was there and witnessed the full beginning and the crescendo of the dark times enveloping the whole country.

AIS: I assumed that at this time you are getting ready to go Ethiopia to restart rebuilding your life?

Dahabshiiil: Yes! One day, I crossed the border, and after a ride on another truck, I made it to the town of Gashamo – the place that my current passport identifies as the site of my birth. I inquired about the name and address of a small businessman that I used to trade with. I arrived at his building, he recognized me, and offered me a seat, tea, and water to wash the dust off. I bought some food with the little cash I brought with me. The main documents I had at this time were the Somali Republic passport and the work certificate from the Emirates. My ultimate objective was to return to Dubai, but, for now, to examine business opportunities in Jigjiga and Dire Dawa. The businessman in Gashamo secured for me a permit to travel and stay in Ethiopia. His truck took me to the small town of Harshin. After a couple of nights in a town I did not know anyone, I discovered that Harshin was as a center of refugees from Hargeisa and its surrounding towns and villages. Here, the UNHCR brought food aid to distribute to refugees. Some of that food was resold by some households, and large lorries were loaded to deliver the food in other places inside Somalia and along the border. At

night, I slept inside covered trucks to shelter from the constant rains; while during the daytime, I walked the muddy-cum-dusty byways. This was such a comedown for someone who, barely a year ago, was among the most prominent traders in the major urban town of Burao.

AIS: So, what little details of everyday life do you remember from the brief time in Harshin?

Dahabshiiil: A most undeveloped place by any measure. There were very few public toilets or showers. Therefore, one was condemned to use empty spaces in the midst of total darkness. The further problem was one of over-crowdedness. One day, while I was watching large lorries being loaded, I asked about who the owner was. I was told that all belonged to a businessman by the name of *Hogsaday*. I asked for some details about him. I found out that he was a *sacad muse* man, highly successful in business, whose headquarter was in Dire Dawa. I implored one individual to help me hitch a ride to Jigjiga. I paid a small fare and took a seat by the driver. We arrived in Jigjiga, and the driver dropped me near the center. I inquired about lodging and found a very dingy motel. This place, like all others, had no showers or toilets inside the building. The only facility available was another adjacent building with a scruffy bar where alcohol was sold to non-Muslims.

AIS: (laughing) Did you go and use that facility's toilet?

Dahabshiiil: (laughing) I observed that customers of the bar went there frequently and then urinated while standing up! All in all, this was a strange town compared to the Burao I had known. I was compelled by circumstances then, to improvise as best as I could. Next day, I talked to the manager/keeper of my cheap motel about bathroom facilities. While I was in my room, I found out that there was a small plastic container (like a kettle) placed underneath of my bed. She replied that she put the container there in the event that I needed to urinate in the middle of the night, rather than going out into the dangerous darkness outside. She added that, if I used the container, the staff of the motel will pick it up in the morning and empty it. This was a new *yanb* (disbelief) for me that underscored a dismal feature of the extreme undevelopment of social and public

dimensions of the town of Jigjiga at the time. Furthermore, Jigjiga was in the midst of its cold season, so it was most difficult to get any sound sleep, particularly with the urine container underneath the bed (laughing). In addition, it was not safe to go outside into the dark night. In a nutshell, these were difficult nights. One early morning, over breakfast, I met other individuals from Buraao, who were in the same circumstances. I wanted to understand the context that I had found myself in and explore what might lay ahead. A few minutes later, a notable businessman originally from Buraos, Abdi Sheed, appeared before us. He had just returned from the Emirates. He came by way of Addis Ababa, with an entry visa granted by the Ethiopian authorities. He was keen on hearing about conditions in Buraao, where his family and extended relatives lived. We gave him a thorough report. Furthermore, I and others around the table were eager to hear about his travels. On that day, he invited us for lunch and then gave us small pocket money.

AIS: A fine gesture in a tough moment?

Dahabshiiil: Affirmative! His briefing was compact. I knew that the much sought-after entry visa to Ethiopia was arranged earlier for him by Ahmed Mohamed Mohmoud, *Siranyo*, then the top leader of the SNM. That afternoon, I bought a small bundle of *Qat* to chew. This was the only social activity available. The group went to my motel to ostensibly sit together. But, unexpectedly, Abdi Sheed and others went into a separate room. I quickly understood that they wanted to get access to whatever information that Abdi Sheed had without my presence. I sat alone in a different room and began to think through my own strategy.

AIS: How long have you been in Jigjiga?

Dahabshiiil: Less than a week. My greatest preoccupation was how to depart from Jigjiga and move on to Dire Dawa, the much larger city. With that in mind, I paid a visit to the regional security office, where permission to travel was approved. I showed them my Somali passport and the residence permit issued by Emirates' authorities. I was told to sit down and wait. After about a dozen Somalis with similar travel circumstances were gathered, we were issued one common paper to allow us to travel to Dire Dawa. My

purpose in Dire Dawa was to use it as a quick staging post to leave Ethiopia, but, first, to explore what business opportunities might be there. Before we departed Jigjiga, I asked for a photocopy of the permit paper, so that I could have my own copy. After some haggling, I did get the copy. This was early August 1988. When we arrived in Dire Dawa, I called folks in Dubai. I informed them where I was. Many began to call me back, for they were relieved I was safe. While I was in Dire Dawa, an interesting story happened. I made contact with some SNM members who were staying in a house owned by a fellow named Jama Dakhare. He was from the *Iidagle* kin group as I was told right away. Most of the folks in the house were from Hargeisa and its surrounding area. Remember, I am not from Hargeisa but from Burao. I did not recognize anyone of them. Finally, I ran into an older man, whose name was Warabeade. He was from Burao. I said hello and we immediately recognized each other. The house was rather tiny – two rooms (one occupied by Warabeade), a small living area, and a veranda. At that time of the year, Dire Dawa got heavy rains with lots of accompanying thunder. This was almost every afternoon. Many men and women from northern Somalia used to congregate in this house, particularly for the purpose of collecting or sending messages through the single telephone set at a small hut in a courtyard used by the SNM representatives. Given the high demand to use the phone (both by those family members marooned in Dire Dawa and farther afield outside of Ethiopia), we created a procedure for using the phone. Essentially, we compiled a list of us. Each person was to write down their full name and their kin identity. When the telephone rang, the individual who picked up the receiver was told to take down the number of anyone in our group who had a relative (name and number given) overseas and then place a call to that individual informing about the relative in Dire Dawa in order to make contact. Once that message was related to the caller, the local person would give the information one had on the caller's relatives in Dire Dawa. Most of us woke up every day hoping and waiting for a call from some relative overseas. These were the circumstances we found ourselves. Most of us could not afford to go into the city. In fact, even the few Ethiopian Birr to pay the call were beyond the reach of most of us. After two days full of frustration, I requested Warabeade to take me to a hotel. We found one that had a telephone in each room. At this time, I had about one hundred dollars. The room was not expensive. When I checked in, I

made a request to the hotel operator to dial a number of someone I knew in Dubai. The connection was successful, and in the process, I got liberated from the collective arrangement for the telephone in the house. Soon, I received monies that were owed to me by individuals in the Emirates. As calls from the Emirates grow by the day, people there requested that I become the collector of monies sent from the Emirates to relatives in the area. I accepted the assignment on the condition that I got a small commission for the service. In the midst of that, I paid a visit to *Hogsaday's* main office in Dire Dawa. I told them who I was and about my background as a businessman. The individuals at the front desk were a mixture of Somalis and other Ethiopian identities. All of them spoke fluent Amharic, but they recognized me as a Somali from Burao which eased the situation. Still, Burao was too far east, and, therefore, knowledge about that part of the country by the people of the western Somali-inhabited zones was skimpy (laughter). After all, *Hogsaday* origins were from the Gabiley area.

AIS: Did you meet *Hogsaday* himself?

Dahabshiiil: Unfortunately, no! He was away in Addis Ababa. But I was met by his son-in-law, a senior member of the management.

AIS: Was his name Mohomed Aw Omer?

Dahabshiiil: Yes! He received me with a smile and a warm welcome. Shortly after words, I requested from him if I could use his office's fax machine to send and receive messages. Initially, he approved of that. However, when the traffic of my correspondence grew, it congested his line. Consequently, he stopped the arrangement. A bit disappointed, I returned to my hotel and made an agreement to use their fax machine. The upshot of this particular point is this: it was the beginning of what will, in due course, become the now worldwide *Dahabshiiil* remittance business.

AIS: Absolutely fascinating! So, this is the moment that this defining business to this day emerged?

Dahabshiiil: Exactly, the genesis can be traced back to that moment in Dire Dawa. The idea and the arrangement that followed were

triggered by the onset of civil war, generalized dispersal around the world, and the consequent imperatives of reknitting familial solidarity. In other words, it was an opportunity born out of a catastrophe.

AIS: Shall I assume that, at that time, you had no sense of what such a minimal transaction will lead to?

Dahabshii: Absolutely! I have never engaged in money exchange before. Soon, the number of customers grew by the day. It became too much to handle. As a result, after a few hundred names of customers, I froze the list. Quickly, I tried to find out a solution for the clogging. I inquired about the various business folks in Dire Dawa. I found out the best were the *Harari* people. They were a successful and a small minority in the city, akin to the *Hamariyeen* in Mogadishu. They normally spoke in colloquial Arabic. Because I had picked up some broken Arabic during my sojourns in the Emirates, I was able to communicate with them. Furthermore, I was convinced that they would understand, if not sympathize with, my condition as a displaced person. The latter was made more plausible, given the regimented and harsh military rule in Ethiopia.

AIS: Did you ask for advice, and what did they say to you?

Dahabshii: They told me that Djibouti was the best place to make such transactions. Moreover, there was an Indian money changer who specialized in such dealings. Consequently, I decided to transfer a small amount of cash I left in Dubai to be moved to Djibouti. I put it under the name of someone I knew there, but who has since died a few years ago. His name was Ali Burraleh. The Indian money merchant made contact with another Indian trader in Dire Dawa. The latter had a clothes shop upfront, while the backroom was set-up for money exchange. I paid a visit to him and, after I identified myself, he confirmed that he had some money wired to me from Djibouti. He handed the sum, in Ethiopian Birr, to me. I went back to my hotel. After I counted my money, I put it in a bag, locked the room and inserted the key in my pocket. From there, I went into the city to explore possibilities. I realized that there were opportunities. One of the places I visited was a dense market called “Taiwan” – so named because of the cheap manufactured goods imported from

that island country. I took note of the trade that was being conducted.

AIS: Did you immediately jump into this?

Dahabshiil: Not yet, but there is more on the money-exchange front that you ought to know. When the initial money was sent from the Emirates to Djibouti, it was changed first into dollars, from there to Djibouti franc, and then to Ethiopian Birr. Every currency exchange will include a small commission or profit. I went back to Jigjiga and then to the village of *Qaloan* close to the border. While on this journey, I brought with me a reasonable load of “refugee rice.” Once I arrived in the village, I sent word to those who were on my list. Almost everyone came to see me. I gave everyone on the list the money that was sent to them by their relatives in the diaspora. With the remittance monies, some bought the rice I brought with me. What was most significant, however, was the fact each of those who received the monies that was sent to them responded with strong note of appreciation for my promptness, honesty, and transparency. Later, I returned to Dire Dawa and from there took a plane to Dubai. Soon, more money, to be delivered to relatives in the Somali eastern Horn of Africa, was deposited with me. On my part, I was able to give the communities in the Emirates a thorough report on the general conditions and the devastating cost of war in the North. Moreover, I relayed the precarious and primitive circumstances of those who were living in refugee settlements or still wandering to find succor. All of that gave me a splendid profile as a competent and trustworthy individual, two characteristics essential for success in any legitimate business relations.

AIS: The beginning of this part of your business is utterly fascinating.

Dahabshiil: To be sure, it is a sort of an accident that turned into a vast project. In fact, the multiple discussions of this activity and its complex evolution through the years requires its own separate interview and conversation.

AIS: That will be quite intriguing and illuminating. Perhaps we will plan another occasion to focus on this. For now, however, could you

share the portion of your companies' activities that is essentially constituted by money transfers?

Dahabshiil: My general estimate, at the current moment, it is about sixty percent of *Dahabshiil* enterprises. Moreover, much of the rest such as incipient banking is still connected to the money transfer component. To get back to the establishment of money transfer project, it is worth remembering how cumbersome it was in the early years to establish and conduct the business. Among other difficulties was the ways messages were transmitted between families. Because there were no telecommunication networks available in villages and small towns, needy relatives would sometimes walk many miles to the nearest telephone to send or receive a message. Today, in dramatic contrast, camel herders in the *Miyii* are demanding a 3G or 4G mobile telephone to communicate with their far-flung relatives, as well as get informed about what is happening in their relevant world. Such is the magnitude of the technological transformations and the consequences for everyday life!

AIS: If it is your rough estimate that money transfer constitutes about sixty percent of your companies, how many people work in that component? In other words, what is the number of employees?

Dahabshiil: Roughly around one thousand individuals.

AIS: Tell me a bit more about the relationship between your *Dahabshiil* enterprises and individuals who have their own small stores with a window that processes individual remittances being sent. Are these franchises that are independent? Are they associated tightly with your company? What is the relationship?

Dahabshiil: In the beginning, these were individuals we recruited to collect the money. We proposed to them that they will get a commission out of our profit of each transaction. The assignment was basic: to collect the money being sent from the diaspora to our account in Dubai. Anyone who accepted our proposition was to immediately establish a locally legal storefront. The agreement was for the individual to find a lawyer to draw the appropriate framework, use the *Dahabshiil* brand name and become ready to work. We added that *Dahabshiil* would pay for the main cost of the preparation for

opening the unit. This was how that started and continues to be the situation to this day.

AIS: Given the omnipresence of *Dahabshiil* money transfer offices, are there zones of the world where that is not the case?

Dahabshiil: Since our money transfers followed the patterns of Somali diasporic trails, there were hardly any clusters in the decomposing world of the USSR and Eastern Europe. In contrast, most of Western Europe and North America became rather quickly conducive socio-economic environments to Somali refugees and asylum seekers. Of course, much later, we will establish some business relationships with companies in countries such as India and Russia. In this context, we are not dealing with a Somali diaspora. Rather, we began to offer our facilitation in money transferring to, for example, Russians, Indians, or Philipppinos, working in other parts of the world who wanted to send money home. We offer all an efficient and expeditious service that gives them confidence.

AIS: This is smart and impressive! Since this has become lucrative business, I assume you have competitors. Who are they?

Dahabshiil: In the early days, every Somali who was able to garner a small sum of dollars tried to jump into the fray. As you know, competition has different levels. We always accepted the nature of the enterprise. Of course, there are major foreign establishments such as Western Union. These are buttressed by the world's most powerful and dominant states. On the contrary, in our case, we have no strong state behind us. Consequently, we compete with the great sharks alone. Sometimes, Professor Samatar, this is a sobering and vulnerable context for us. There is no state to speak for us, to defend our legal right, and to protect our wellbeing effectively. It is the heavy cost that has come with the demise of the Somali national state.

AIS: So soberingly true! How about your Somali competition in money transfers?

Dahabshiil: There are Amal company, Ahmed Jimaale's Hormuud Company, Golis Company, and many smaller others. Salaama Bank is a product of the remittance business.

AIS: What about the newer and more internet-based ones such as WorldRemit headquartered in London?

Dahabshiil: This company is relatively new, perhaps in the past eight years. WorldRemit is not as prevalent in the overall Somali context. However, the company is a worthy addition to the competition. On this point, we have recently established an office in London that is moving more into the non-Somali world of money transfers.

AIS: Now, let us explore a bit more about what constitutes *Dahabshiil* Group of companies. How do you see developments in the future?

Dahabshiil: I have high confidence that the *Dahabshiil* Group will endure into the future. To start with, in addition to the continued blessings of Allah, there are my children. Some have long graduated from universities; others are in the midst of their necessary education.

AIS: I personally know your son, Abdirashid. He has impressed me as an astute, capable, and cosmopolitan person. Are there others of the same generation?

Dahabshiil: Yes, there is Said whose is about a year and a half younger. He lives in London. He is a tall young man.

AIS: Taller than Abdirashid (laughing), whose is already a bit towering?

Dahabshiil: Affirmative! He is working on the development of our system of money transfer beyond the Somali world. There are also younger ones who are still in universities and colleges. Furthermore, I have a cohort of daughters who have either graduated or are in the midst of that endeavor. In fact, some of the older daughters are working in some section of our business so that they can gain necessary experience to thrive later in their lives. For instance, one of my daughters, whom you met here in Damal Hotel, requested that she become the general manager of the hotel. I have endorsed that idea and blessed her to go ahead.

AIS: I had a few brief encounters with her. She strikes me as a wakeful, industrious, and polite young woman.

Dahabshiiil: I agree! She has already built another Damal Hotel in Berbera, and she is planning to convert a building I have in Garowe Town to become an addition to the cluster of Damal Hotels.

AIS: These are measures of promising successes. I know you are proud of these actions. I have stayed at both Damal Hotels in Hargeisa and Berbera. They are fabulous buildings that have added a lot to the quality of hospitality services in Somaliland. Of course, setting and keeping up high standards are the ultimate test of such ventures, right?

Dahabshiiil: Yes, Professor Samatar, I agree with you completely about high standards of operation. Moreover, thank you for your patronship of Damal Hotels.

AIS: The *Dahabshiiil* Group also aims for new projects that are associated with Hyundai Motors?

Dahabshiiil: That is true. We are in the midst of establishing a car dealership that will go into operation very soon.

AIS: All these and more underscore the fact that a number of your children are now intimately involved in this sprawling business, correct?

Dahabshiiil: Yes! My intention is to continue both the expansion and specialization of various components of the Group so that family members will at once strengthen the core of the group and pursue their individual projects.

AIS: Tell me a bit more about Somalis and business initiatives in Somaliland, Somalia, and the Horn?

Dahabshiiil: On the whole, the reputation of Somalis as a talented people in the trading area is well-founded. When they collaborate, they usually succeed. I know most of the entrepreneurs in Hargeisa and other towns, for many have a business relationship with us.

So far, so good. But the real and tragic problem is the death of the national state and the consequent fragmentation. A key indicator of this weakness is the absence of a functioning central bank and an accepted national currency used across the geography of the territories. To put it differently, a viable and prospering economy must have efficient national institutions that can handle effectively critical macro-economic policy. This is axiomatic everywhere. Now, in Somaliland the Central Bank performs some tasks, particularly the monitoring of electronic transactions as well as undertaking some auditing of private companies. This is a positive step and in the right direction. We appreciate the service!

AIS: Does this mean that you, as a highly successful businessman, welcomes the role of the state in economic development?

Dahabshiil: Absolutely! The state is the collective guardian. All of us need an effective state that can set the law, protect the citizens, adjudicate between disputes, promote education and health, invest in infrastructure, efficiently collect taxes, and stimulate economic growth and support the private sector. A competent and legitimate state that is recognized by the rest of the world confirms the positive claims made by domestic enterprises, like us, to the business firms from the rest of the world.

AIS: Can you comment on the proper role of private business, such as *Dahabshiil Group*, in the making of a national economy?

Dahabshiil: There are a number of pivotal expectations. These include the creation of jobs, the generation of tax revenues, lending capital to individuals to create other businesses or build homes. *Dahabshiil Group* is involved in all of these and more.

AIS: Beyond Somaliland and Somalia, are there other countries where *Dahabshiil Group* operates?

Dahabshiil: There are a number of other locations. For example, Nairobi is a major hub for us. We own buildings and have offices there. We are also present in Kampala (Uganda). Another important place for us is Dubai, where we are one of the top money transfer companies. Djibouti is also a crucial base for us.

AIS: Earlier, you stated that money transferring is about sixty percent of your total businesses. What are some of the other units of the *Dahabshiil* Group?

Dahabshiil: The other parts include: *Dahabshiil* Bank, Somtel (the telephone / internet) Company, real estate, and hotels (now two, but about to expand).

AIS: Are there new ventures you are about to undertake?

Dahabshiil: Yes! As a matter of fact, and as I mentioned before, I have just entered into a formal contract with the South Korean car company, Hyundai. We are building a dealership to distribute their vehicles. This will open soon in the east of Hargeisa.

AIS: Who will be your competition? Toyota?

Dahabshiil: Yes! Toyota is one of the two biggest motor companies in the world. Moreover, it is unquestionably dominant in the whole region. As a result, the competition will be stiff, but I am confident we will win our share of the market.

AIS: Given the fact that your *Dahabshiil* Group is increasingly becoming paramount among Somali-owned businesses, what is the next level of your ambition?

Dahabshiil: In world standards, as you will know, Professor Samatar, we are still very modest in every measure. But our entrepreneurial creativity and ambition is unabated. Thus, we hope towards becoming a conspicuously formidable conglomerate in East Africa.

AIS: Have you thought about South Africa – the continent's second largest and most sophisticated economy?

Dahabshiil: Not yet! I have been somewhat discouraged by the frequent news of violence, and particularly the killings of Somalis there. Perhaps, when the country calms down, I could entertain the idea of investing there. As is now well established, Somali entrepreneurship has outsmarted many other ethnic groups in East Africa.

AIS: Does *Dahabshiil* Group engage in philanthropy? This is a common practice in many parts of the world, and more so when success in business becomes substantial?

Dahabshiil: At this stage, *Dahabshiil* Group always makes contributions when local or national calamities happen. But I have a plan beyond that. I want to establish an institution responsible solely for philanthropic work. In fact, a seed towards that ambition is already in operation: we have set up a small unit, with a principal of 200,000 dollars, that focuses on micro-finance. The targets are those with very little but are willing to build their lives. This has been successful so far.

AIS: What is your biggest worry about the future?

Dahabshiil: Another *burbur* (political catastrophe), Allah forbid! Outside of that, *Dahabshiil* business is quite diverse. Consequently, if one segment falters, the other tributaries will pick up and continue to cover for that loss. Diversity brings not only new streams of income but also provides security.

AIS: Quite correct! Diversity is usually a source of strength in almost all human endeavors. What advice would you offer to young Somali women and men who have an interest in business?

Dahabshiil: First, I would tell that it is commendable to cultivate an ambition. Second, I would urge them to be Allah-fearing by being honest and trustworthy. Third, I would alert them to gear up for long hours of hard work. To this day, my telephone is always open, busy and ready for action. Fourth, I would want them to be disciplined and organized. Fifth, I would underscore the importance of magnanimity towards others who have less.

AIS: Last question: since you have been exceptionally successful in most entrepreneurial endeavors, have you thought of bringing your blessed talents to the arena of politics and civic leadership?

Dahabshiil: No! Not a single day has that notion entered my mind. I do not intend that to happen in the future. Furthermore, I do not want any of my children to even entertain such an idea.

AIS: Why so categorical? If people of your intelligence and energy are unwilling, if not repulsed by politics and leadership, what do we do about dire civic concerns and the challenge of building of a viable state? Is this not especially the case, given the horror you experienced in Burao and your strong assertion of the necessity of a legitimate and competent state?

Dahabshiil: This is a most salient and difficult question. I suggest that the Somali people as a whole, and those in Somaliland, should first ask themselves this central question: what is wrong? From my perspective, then, the crux of the problem is this: educated Somalis are paralyzingly watching each other, with the sense that someone else, other than themselves, will pick up the gauntlet. That will never be. To be sure, here in Somaliland, we have secured, thanks to Allah, peace and made significant progress in many areas. These achievements are well-worth of preserving. Yet, after thirty years, I have no idea where we are heading. Amongst the greatest challenges in front of us are: the enormous impediments in accessing the rest of the world; the absence of serious standards in medical care and education, the paucity of national infrastructure, and the forbidding cost of energy. Of course, some of these deficits, and even more acute ones, are also to be found in Somalia. My advice to the Somaliland people is this: protect and uphold what has been accomplished, and, at the same time, concentrate on making a future that is at once corrective and more inventive.

AIS: Haji Mohamed Said, *Dahabshiil*, much obliged for the extensive time you have given me, and the willingness to share a compressed version of your extraordinary biography.

Dahabshiil: Thank you, Professor Samatar! Given your own level of education and experience, I urge you and others of your caliber to do your utmost to contribute to the revival of the dignity and progress of the Somali people.

*The proceedings were conducted in Somali and translated by Ahmed I. Samatar

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