

make every effort to find ways of helping the Somali people - all over Somalia - to address these short-term and long-term problems. We must help them break the quarantine that Somalia finds itself in.”

The main purpose of the **Saturday session** was to discuss Somalia's current social and economic problems. The ways that could be improved include strengthening the private and public institutions and encouraging international investors to invest in Somalia. Four complementary papers with unique messages and recommendations were presented.

In this session, Ms. Idil Salah welcomed all the participants and the four panellists. The first panellist was Mr. Mohamed Dalmar, a former employee of the Central Bank of Somalia. Mr. Dalmar discussed the monetary experience of Somalia in the past three decades and the reasons that Somalia has had a very sad monetary experience marked by financial chaos, currency collapse, runaway inflation and economic ruin. Mr. Dalmar asked, “What lessons can we learn from the past experience?” In response, he provided the following recommendations:

- Donors should never give cash to the government. If they do so, they should know that they are contributing to political instability in the country.
- Aid should be transparent, directed to specific developmental projects and initiatives, and implemented with community participation and supervision.
- The process of money creation must be protected from political pressure so as to reduce the scope for corruption and abuse of power. For this reason, it is recommended that the Central Bank of Somalia be abolished and that a currency board system be introduced. A currency board is a monetary authority that issues notes and coins in exchange for a reserve currency, such as the US dollar.

Mr. Dalmar pointed out clearly that “the free market economy is now flourishing in every corner of Somalia, and the spirit of entrepreneurship, characteristic of the Somalis, is ever strong. There is no reason to fear that we will ever go back to a public sector dominated economy.”

The next speaker was Mr. Abdishakur Abdulle, a Research Scientist who addressed “Prioritization and investment for Health and Education: a Path to Human Development for Somalia”. His presentation was aimed to review the present situation of Somalia, particularly health and education, the building blocks of human development. Mr. Abdulle stated that “in the absence of a government structure, there are apparently no national prevention plans or other health services, such as diagnostics and treatment. Thus, communicable diseases are the leading causes of morbidity and mortality. At present, the main causes of illness and death remain malaria, diarrhea, tuberculosis, hepatitis, and acute respiratory infection. The risk of cholera, measles, and meningitis outbreaks is also quite high. Although some scientists reported zero prevalence rates of HIV/AIDS, others indicated that there was a very low prevalence of 1-2% before the civil war. However, nothing is known about the HIV/AIDS situation in Somalia. A particular threat is from the drastic increase in migration, a major rout for the spread of HIV/AIDS, between Somalia and its neighbouring countries namely Djibouti, Ethiopia, and Kenya.”