

Investing in Somalia: A Fool's Game or a Smart Move?

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Diaspora remittances to Somalia (including Somaliland) aimed at helping relatives survive from one day to the next are relatively well-researched. Less researched is the significant and ongoing involvement of Somali diaspora entrepreneurs in creating and supporting business interests in their country of origin. This paper, based on recent research carried out with private investors in Somaliland, Puntland and South-Central Somalia, as well as in several diaspora countries, examines the motivations, methods, and results of such investments. It considers the challenges that diaspora entrepreneurs face in operating in the context of conflict and rapidly shifting political arrangements. It makes several concrete recommendations for engaging with the Somali private sector both inside and outside the country of origin.