PIRACY INFRASTRUCTURE IN SOMALIA

THE SOURCES AND DEVELOPMENT OF PIRACY IN SOMALIA

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ABSTRACT

Piracy, which has been raging off the coast of Somalia since 1990, has in recent years become a burning issue for the international community because it has caused a disturbing increase in attacks on commercial and passenger boats, thereby constituting a real threat to international maritime trade and security routes. In 2010 alone, the total cost of ransom payments, military protection and cargo insurance incurred because of piracy was estimated to be between $12 and $17 billion. This number does not include the collective loss of income from commerce – an estimated $1.25 billion per annum – experienced by Egypt, Kenya, Yemen and Nigeria, Somalia's neighbors .An in-depth analysis of piracy reveals that it is no longer possible to blame it on Somalia's being a "failed state". The factors underlying piracy are far more complex.

This paper is based on data and evidence collected in cooperation with UN agencies and the Israel Navy. It is meant to begin to scratch the surface of secrecy surrounding this troublesome phenomenon, and provide a deeper understanding of how it may be addressed.

Contents

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INTRODUCTION

At the end of the 1980s, a group of fisherman gathered in Somalia[i] to fight off the foreign fishing boats that were robbing them of their food and livelihood. The force and violence that the Somali fishermen used to overpower the foreign boats won them the epithet: "pirates".[ii] Pirates were not the first or the most important anti-establishment law-breakers in human history. However, they became known for their influence on the political and military history of Africa, in general, and Somalia, in particular. This derived from their success in developing a unique model of "institutionalized, organized terrorism" based on an extensive network of actors reliant on broad internal and external economic and political infrastructure, with a clear ideology, and long perpetrated openly against a law-abiding nation.

In the years before piracy and tribal war,[iii] Somalia was divided into colonies under British and Italian control. The country was relatively orderly, and this order was maintained until Somalia attained independence in 1960. The problems and opportunities that emerged after the 1977 civil war (which persists to this day), and the rape of Somalia's resources by foreign companies, necessitated a search for a new source of revenue which, over time, ripened into the idea of established, organized terrorism.

This paper will examine the ideological, political and organizational factors that were decisive in creating the impetus for piracy in Somalia, given changing political and social conditions, and over time. It illumines piracy from a new angle: the gradual formulation of an ostensibly non-institutionalized phenomenon (piracy), through "institutionalization" – that is, through an extensive system of local and international contacts, which generated a strong organizational and economic infrastructure that has succeeded in blurring the

political manifest. This foundation, in which piracy appears as a two-faced organization, now participates in, now opposes the political order. This has led to a new political reality in Somalia's complex sovereign territory, which has laid the foundation for a model of a terrorist organization that functions under state auspices. In this way, the phenomenon has gone from something abstract to something definable, destructive and threatening, which can no longer be kept off the international agenda.

Piracy in Somalia, which became organized in the late 1980s, has served and continues to serve as an anchor for Somalia's economy. The stubborn struggle that the free world is trying to wage against piracy must therefore be examined in light of the immense investment in the infrastructure that supports it. The period covered by this paper extends from the inception of piracy's organization in Somalia to the present.

The story of the establishment of an infrastructure to support institutionalized piracy is interwoven with the history of Somalia. As such, it is a microcosm of the story of the African continent. The centrality of Somalia to piracy will therefore also be discussed in detail.

The analysis proposed herein will attempt to decipher the "black box" of piracy, and ask three key, interrelated questions: (1) How does Somalia's political composition foster piracy? (2) What is the logic behind the development of piracy in Somalia? (3) Why are the pirates receiving extensive assistance from the Somali Diaspora, given the lack of opposition of Somali citizens?

To facilitate an understanding of the composite characteristics and infrastructure of institutionalized piracy, this paper has been divided into four sections according to the topics discussed, and not chronologically, so as to present the development of piracy in Somalia in its entirety, rather than presenting a synchronic perspective of events.

Nevertheless, because such a dissection of events is artificial, the organic relationship among the processes covered herein leads to a focus on different aspects or interpretations of the same facts. The paper begins with a discussion of the period preceding piracy, and the fraught political-social-economic atmosphere in Somalia that facilitated the unification of the pirates. After presenting the historical background that cultivated organized piracy and brought it to fruition, the paper addresses the questions cited above.

This paper is meant to add to an understanding of piracy's well-established infrastructure, and the distinct economic interests that keep certain groups invested in piracy's continued cultivation. In this way, it is meant to draw attention to piracy's deleterious implications for the world's economy and security.

LITERATURE REVIEW

For years, researchers have described piracy and the economic factors and interests that support it. In *The Pirates of Somalia: Inside Their Hidden World*,[iv] Jay Bahadur analyzes the people behind piracy, their lives on and off their pirate ships, what they spend money on, where they live, what cars they drive, and what they gain by choosing to engage in piracy. Bahadur examines these through the prism of the people involved: pirates, members of the Somali government, former hostages, soldiers, prison guards. "It had taken five days to arrange this meeting with the pirate Abdullahi Abshir, known as 'Boya'. Pirates are hard to track down, constantly moving around and changing phone numbers, and generally not reachable before twelve or one in the afternoon. 'Boya' claims that he has hijacked more than twenty-five ships, and his hijackings, a legitimate form of taxation levied in absentia on behalf of [a] defunct government that he represented in spirit, if not in law."[v] Bahadur's claims are reinforced in *Pirate State: Inside Somalia's Terrorism at Sea* by Peter Eichstaedt.[vi] According to Eichstaedt, the

Somali government's turning a blind eye is what has enabled piracy to develop; its approach to the phenomenon (or lack thereof) is courting a more horrible tragedy. Eichstaedt also notes, from firsthand experience, that the pirates are desperate, dangerous men who will do almost anything for money. As proof, he cites their day-long sojourns in tiny boats laden with weapons, but practically without food and water. "Somali piracy of merchant shipping vessels has become an organized, profitable and institutionalized activity. With no effective government to control it, each passing year begets even more piracy. A host of individuals, organization and businesses reap benefits from the ransoms paid by the owners of pirated vessels."[vii]

In Somalia: The New Barbary? Piracy and Islam in the Horn of Africa, Martin Murphy[viii] stresses the pirates' high level of motivation and determination. He ascribes it to their being united in a regular organization with a clear hierarchy, which develops tactical methods of action. He adds to this an explanation of the activities of the violent Islamists within Somalia, citing the support that these extremists receive from at least some members of the Somali government.

Somalia's economy also plays an important role in the development of piracy, of which it is an integral part. As such, it is integrated into piracy, on which it has, inevitably, become dependent; moreover, piracy has come to be a main artery of life. In "The Benefits of Buccaneering: Political Economy of Maritime Piracy in Somalia and Kenya,"[ix] Lisa Otto, a researcher at the University of South Africa, notes that piracy is a crime committed on land no less than at sea, because it creates a financial system that supports both the local population and government institutions. "Indeed, it is evident that there is a political economy attached to maritime piracy in Somalia and Kenya in particular, which elucidates that piracy is a crime that is based not only at sea, but also on land."[x]

Given the above, this paper will draw on recently-collected testimonies to probe the

infrastructure that enables organized piracy to exist. It will also present various interactions between pirates and local organizations, and pirates and international organizations.

HISTORICAL BACKGROUND

"Not all men seek rest and peace, some are born with the spirit of the storm in their blood, restless harbingers of violence and bloodshed, knowing no other path" – Robert E. Howard, *The Hour of the Dragon*

Piracy is an ancient, global phenomenon. It originated the day that man first dared to leave land and set sail – and especially once he began to sail far afield, for trade and commerce. The first evidence of piracy is from the 14th century BCE, when menacing seafarers instilled fear in those trawling the shores of the Mediterranean and Aegean Seas.[xi] Years later, after the fall of the Roman Empire, and from the eighth century CE to the early Middle Ages, Scandinavian seafarers – Vikings – plundered the shores of northern and western Europe, North Africa, Italy and the British Isles, pillaging and looting as they went.[xii]

With the discovery of the Americas by Christopher Columbus and the awakening of the Spanish Empire, the Atlantic's channels of commerce filled with ships making their way between the ports of the New and Old Words. Once Europe discovered that Spain's power was rising thanks to the copious gold and raw materials ferried by its ships to fill its treasury's coffers, competition began for control of the seas – to the point where some of Spain's rivals encouraged pirates to "work" for them. Pirates who pirated with the blessing of certain countries came to be known as "privateers"; they carried a letter of marquee, an official document that protected them from their sponsor country's navy. During this period privateering thrived, especially in England.[xiii]

The decline of the Spanish Empire, the exploitation of the colonies, and the rise to power of France, Holland and – particularly – England, packed the sea channels with commercial ships sailing between Europe and the Americas, their holds chock full of valuable goods, including slaves. Over time, communities of hardy and hardened seafarers – slaves, rebels, greedy adventurers and privateers – appeared in the Caribbean Sea and the Gulf of Mexico. The Caribbean Sea, in particular, became a crucible for these lawbreakers, who terrorized European merchant ships. As England's might increased and its hold on North America strengthened, it became its priority to make the waterways safe. England could no longer afford to support privateers who sailed the open waters, making a nuisance for commerce; this was the impetus for the first English attempts to contain maritime piracy and privateering. Laws against piracy were passed in London, and England demanded of many of those who had been working for it, to cease privateering.[xiv]

Piracy's decline began when England and other European countries began to realize that it was more harmful to them than beneficial.[xv] The Treaty of Utrecht, which ended wars in Europe, freed them to focus on piracy.[xvi] During the 19th and 20th centuries piracy dwindled, not least thanks to the increasing girth of merchant ships, successful maritime patrols, and the conquest of many of the islands that had been centers of pirate activity.

But while piracy was gradually disappearing from Europe, it boldly raised its head in another part of the world – the African continent – and returned to the islands that were once on the routes of Western merchant ships. During the 1980s, tribal war broke out in Somalia – one of Africa's few nation-states – with the encouragement of war barons and with the aim of hurling the Somali economy into an abyss.[xvii] In the melee of this civil war, Ziad Barre, the radical ruler of Somalia, was overthrown on January 26 1991. As of this writing, Somalia continues to be plagued by a violent free-for-all, in which warring

factions led by local militias engage in endless strikes and counter-strikes. This has led to the collapse of the central government; the demise of the national currency; and the political, economic and social disintegration of Somalia.[xviii]

This leadership vacuum was soon filled by an Islamic militia calling itself the Islamic Courts Union (ICU).[xix]   The ICU offered the Somali people an alternative to tribal war, speaking an ideological language that appealed to Somali nationalist sentiments and religious identity.[xx] The ICU began to strictly enforce severe religious injunctions regarding modesty; this sounded a warning bell in Washington and Addis Ababa. Over time, the ICU became popular with the local population, and received support from Iran, Syria, Libya, Egypt, Hezbollah and Al-Qaeda.[xxi] In June 2006, the ICU succeeded in capturing Mogadishu, imposing order on the city and routing piracy for the first time in many years. The reason was simple: The ICU objected to any criminal activity on religious grounds. In addition, the Islamic leadership opposed piracy lest they themselves be deliberately or inadvertently implicated in it, and liable to punitive measures by the international community.[xxii] After establishing control of the city, the ICU's leaders began preparing to conquer northern Somalia. This threatened Ethiopia, which feared the strengthening of a radical militia, and so supported the Somali government – which was controlled by the militia. The struggle between the two, with US assistance to Ethiopia and Eritrean assistance to the ICU, resulted in the defeat of the ICU. Control of Somalia passed back into the hands of the federal government, in the form of a transitional federal government (TFG).[xxiii] Since then, Somalia has been in a constant state of civil war, and has splintered into a large number of autonomous political entities, such as[xxiv] Somaliland and Puntland, which have declared themselves autonomous nations.[xxv] The TFG continues to fight Al-Shabab Al-Mujahideen, the radical Islamic movement that controls much of southern Somalia.

Long years of war in Somalia have left a wake of disintegration. The lack of centralized

power has accelerated the development of piracy. Moreover, uprooted Somali refugees (more than 300,000 of them registered in Kenya alone)[xxvi] – a consequence of the civil war – have provided ample opportunity to recruit potential "soldiers" to the piracy enterprise.

THE DEVELOPMENT OF PIRACY IN SOMALIA

Piracy first appeared along the Somali coast as the state crumbled, independent of criminal piracy or commerce in plundered goods. These pirates were tied up in the political conflict against the Somali dictatorship; at the height of the civil war, between 1988 and 1991, pirates hijacked ships for political reasons. This came to be known as "political piracy".[xxvii] Its goal was to weaken the regime by blocking overseas supply to areas under government control. The first political pirates of Somalia were members of an opposition group known as the Somali National Movement (SNM), which was supported by Ethiopia.[xxviii]

The second type of piracy that began to trouble Somalia's shores appeared after the country collapsed in 1991. It involved two sub-groups of pirates, who constitute "resource pirates"; they include companies from Asia, Europe and Africa, which are motivated to exploit Somalia's protected resources – such as its rich fishing – and European companies motivated to seek out unguarded territories in which to dump garbage and hazardous waste. According to a 2011 UN report, the cost of dumping hazardous waste in Africa is $2.5 per ton, compared to $250 per ton for dumping the same hazardous waste in Europe.[xxix]

When Somalia collapsed, so, too, did its official coast guard. Fishermen-pirates from Asia and Europe took advantage of this opportunity to plunder Somalia's maritime resources, with some 700 foreign vessels illegally culling almost $150 million worth of

fish.[xxx] Since no state authority was available to repel the resource pirates, communities of Somali fisherman banded together to try and protect their maritime resources. At that time, they were not interested in attacking the merchant marine, but rather only in distancing the interlopers from the coast and the fish. The Somali fishermen came to be known as "defensive pirates", as their motivation was simply to repel the invaders.[xxxi]   Abdolahi Afdhab, a Somali pirate who was interviewed by a French journalist, noted, "we would rather hijack ships than live on land – that way we can feed ourselves".[xxxii] Pushing back large merchant vessels is no easy task; it requires a tactic and methods that Somali pirates had not previously employed. The pirates were now trained for this task by outside organizations.[xxxiii] However, while the defensive pirates were busy boarding merchant ships to convince them to leave Somalia's waters, they discovered these ships' economic potential, and made the transition from a defensive, to an offensive, model. At first they plundered the ships' money; later, they began hijacking vessels and their crew in exchange for ransom from the shipping companies. Thus, for all intents and purposes, they became terrorist organizations.

INTERNAL TERRORISM INFRASTRUCTURE

After Ethiopia withdrew from Somalia in January 2009, what remained of Somalia was four principal entities.[xxxiv] The southern portion of the country was under the control of Al-Shabab Al-Mujahideen ["jihad-fighting youth"] – one of the larger opposition groups. Extreme and violent, this Islamic group is composed of families and sub-clans from beyond the regional boundaries of Somaliland and Puntland; it opposes not only the federal government, but also a unified solution for Somalia. As early as February 2006, the US declared it a terrorist organization[xxxv] – a declaration that the group itself greeted with pride. The US State Department presented evidence that members Al-Shabab Al-Mujahideen (hereafter, Al-Shabab) had trained and fought shoulder-to-shoulder with Al-Qaeda activists in Afghanistan.[xxxvi]   In late 2010, representatives of Al-Shabab admitted

taking part in Al-Qaeda's "worldwide terrorism struggle", or global jihad. According to Al-Shabab, "The resistance in the Horn of Africa must be part of global jihad, which is being led by Al-Qaeda".[xxxvii] Al-Shabab's activities are funded by Islamic charitable organizations and wealthy benefactors from the Gulf and other Arab states. However, a large and not insignificant portion of its income – 10%-50% of it in the areas under pirate control – comes from the ransoms exacted by pirates.[xxxviii] Al-Shabab has even taken the place of the ICU, which was toppled by Ethiopia. At present, Al-Shabab holds full control of the eastern part of Somalia.

The relationship between the Somali pirates and Al-Shabab has known ups and downs over the years. Despite several "incidents", and mutual renunciation, it very soon became clear that a link between the pirates and Al-Shabab was all but inevitable. The Islamists and the pirates are often from the same clans, necessitating their coexistence. Recently, Western security experts have noted the growing bond between extremist Islamists and pirates in Somalia.[xxxix] As of this writing, Al-Shabab is in full partnership with the pirates. This is illustrated by Al-Shabab's supplying the pirates with weapons and ammunition and, no less important, protecting them from "hostile" elements that want a share of their ransom monies, on one hand, or that want to thwart their activities, on the other. Thus, Al-Shabab ensures that the pirates have the conditions they need to continue menacing the seas and going about their piracy undisturbed.[xl] In this context it is important to note that many members of Al-Shabab are highly educated, studied abroad, and underwent training in Al-Qaeda camps. They transmit the knowledge and sophisticated tactics they have acquired to the pirates, thereby posing a challenge to the security and maritime defense companies employed by shipping companies around the world.[xli]

An International Maritime Organization (IMO)[xlii] report on the distribution of piracy ransom monies reveals that 20% of these monies are paid to Al-Shabab in exchange for

securing the pirates' freedom of action and movement in various ports. In addition, a notable percentage of the plundered funds is sent to an Al-Shabab representative, who is in charge of mediation with whomever is being asked to pay the ransom money. In the estimation of the CIA, the pirates' annual income is over $60 million. This means that Al-Qaeda enjoys an additional $12 million annually, some of which is spent on jihad in Iraq and Afghanistan.[xliii] Moreover, the pirates have also helped Al-Shabab smuggle weapons and foreign volunteers into Somalia, and have provided its members with "naval training". This is borne out by the increased cruelty of the pirates ever since they joined forces with Al-Shabab: for example, the pirates amputated the hand of the captain of a Taiwanese merchant ship hijacked in 2010 – an Al-Shabab "tactic" for convincing the security company to cough up the ransom.[xliv] John Burnett, a sailor who had formerly worked for the UN in Somalia and who was later attacked by pirates, wrote the book Dangerous Waters: Modern Piracy and Terror. Burnett exposes additional details about the channeling of ransom funds, and warns that the big money – tens of millions of dollars a year – changes hands multiple times en route, including passing through terrorist organizations that siphon off some of it to fund their activities.[xlv] Counter-terrorism consultant Akiva Lorenz, who is also the manager of the Maritime Terrorism Research Center, adds that Islamic charitable organizations also do their part to support terrorists: "the pirates contribute money to Muslim charitable foundations that are active in northern Somalia, but in effect these are fundraisers for various terrorist organizations".[xlvi] Indeed, in recent years, self-styled charitable foundations have been exposed as fundraisers for Hamas and Hezbollah.[xlvii]

INTERNAL PIRACY INFRASTRUCTURE

The fall of the president of Somalia in 1991 divided the country into two governments,[xlviii] Somaliland in the northwestern part of the country, and Puntland. Somaliland, which has declared independence, sees itself as separate from Somalia; it

holds its own elections, has its own government authorities, and runs itself as a country although it has yet to be recognized as one by the UN. Puntland has declared temporary independence, in an effort to separate its territory from that controlled by Al-Shabab, in the southern portion of Somalia. The pirates ply the Somali coast primarily in its southern reaches, which are in the purview of Al-Shabab, but also in the eastern territories that constitute Puntland.[xlix] This hints at the nature of Puntland's government, and the tenor of its interaction with the pirates.

Many researchers recognize piracy as a continental crime that is carried out on the high seas.[l] In other words, pirates need access to shelter and safe zones on land, to which they can flee from their pursuers, and where they will feel politically and legally protected. The pirates exploit the weakest links in the shattered chain of Somalia's political authorities. They establish ties by paying bribes, through rational risk assessment aimed at minimizing the harm to themselves from these political authorities. In addition, the pirates receive support from tribal elders in exchange for a chunk of the ransom change; and the tribal elders influence Somalia's politicians, by virtue of tradition. The result, at present, is that the pirates do not act in the service of all of Somalia, but rather only where they can find shelter, behind uncontested borders, and enjoy political protection. In 2009, Transparency International ranked Somalia last on a list of the countries with the most corrupt public sector, worldwide.[li] In 2010, the international comptroller's body of the UN issued a dire report calling Somali security forces "corrupt" and "ineffectual", and stating that most of Puntland's functionaries, at all levels, are party to crime, and that about half of the food that is meant to assist the civilian population in Somalia's areas of conflict does not reach its destination. The report also accuses members of the Somali government of collaborating with the pirates.[lii] The UN's monitoring of arms smuggling from the Horn of Africa indicates that bands of pirates have ties with corrupt officials in Puntland's government, who receive a great deal of money in exchange for letting the pirates use Puntland's ports as a frontline base and a harbor for hijacked ships.[liii] The

Somali government, for its part, has denied these claims.

The current president of Puntland, Abdirahman Mohamud Farole, is considered the most corrupt president in the history of the country. An outstanding example of this is his hiring his son Muhammad to fully control all of the media; he has appointed other relatives to control the security forces and all other government resources, to promote his personal interests. To add insult to injury, President Farole recently unilaterally extended his term of office for another year.[liv] On December 26, 2010, former Puntland Vice President Muhammad Ali Yussef issued a press release in which he stated that President Farole had made illegal decisions without consulting his cabinet – decisions that caused anarchy and civil war; he politely asked the international community to intervene.[lv] A member of the policy office of the UN in Somalia, whose name cannot be revealed, declared, "A member of the United Nations Political Office for Somalia based in Nairobi told SomalilandPress, who requested not to be named because he was not authorized to make this statement, 'it is an open secret in Nairobi among United Nations agencies and donor nations in general that President Farole and his son Mohamed are extremely corrupt and have significant influence in the piracy trade in Puntland'. He continued to say that 'Abdirahman Mohamud Farole has recently intervened in a conflict between two pirate groups and helped them to make a deal to prevent conflict between them. He added that Muhammad, the president's son, had recently forestalled a conflict between two pirate groups by brokering a business deal between them'".[lvi] The leadership of President Farole and his corrupt government, and his son's support for pirate activities, are the main reasons piracy is thriving in Puntland and stability has abandoned the region. This state of affairs is risky for Puntland, but also for Somalia, neighboring countries, and the international community, whose ships cannot sail freely in waters that are teeming with Puntland-sponsored pirates.

In August 2010, journalists with the Somali press agency conducted an interview with a Somali pirate "captain" who called himself "Boya". He expressed doubt as to the ability of the Puntland regional government in eastern Somalia to oppose the pirates, given that senior members of the government are helping to fund piracy and enjoy a cut of its profits. "They encourage us, it is their money and their weapons, 30% of it belong to them."[lvii] The Foreign Minister of Puntland, Ali Abdi Evra, denied that the government had ties to the pirates, saying that there had been (only) six instances of piracy earlier in the year. Boya rejected this claim: "They arrest simple people and tell the world that they have captured pirates, but they're liars".[lviii]

Without a doubt, there is a mutually beneficial synergy between the pirates' organization and the government of Puntland. The pirates pass a significant amount of money to the government – significant enough, that the government will find it difficult to relinquish it; and the pirates will find it difficult to relinquish the peaceful conditions under which the Puntland government enables them to operate.

INTERNATIONAL INFRASTRUCTURE

Gathering data for this section was a delicate process, and not at all simple. Of course, various companies, organizations, and states that maintain close ties with Somalia's pirates shirk their responsibility for piracy, and claim that such ties are circumstantial only. Given this objective difficulty, I made the maximum effort to cross-reference information from different sources and anchor my findings in relevant UN reports, academic periodicals, and open sources.

The information presented thus far has described the essential infrastructure for the development of piracy in Somalia. In addition, several other elements have been decisive in enabling the pirates to succeed in their ultimate goal: obtaining liquid funds. Realizing

this goal is a protracted and complex process to which various states are party, from planning to overtake a vessel to laundering the money.

The seas around Somalia are too vast to spot a ship with the naked eye (except at the Bab Al-Mandeb Straits). This means that one can sail for days without seeing another vessel, because of the limits of the "horizon range". This begs the question: How do the pirates know where to find ships, and which ships to attack? At the same time, we know that overtaking a seagoing vessel is a military tactic developed by experts in the world's navies, over a period of years. It is no small matter, and requires careful preparation that includes precise planning, appropriate weapons, and a successful method. How, then, does a group of "fishermen" without any education excel in overtaking and hijacking ships, when large navies fail time and again?

Somalia's pirates have a history of involvement from without. The first Somali pirates, as noted, fought illegal fishing; but the military skills needed to overtake a large merchant vessel did not come out of nowhere.

Combat Training and Weaponry

In 2009, the academic online journal Student Pulse published a report that found that in 1990, a private British company named Hart Security had given Somali fishermen military training to increase their "defensive capability".[lix] The bulk of this training was devoted to managing weapons, boats, and fighting on the high seas; the tactics they learned then, are the ones used by Somali pirates to this day (exclusive of the newer techniques learned in recent years).[lx] Hart Security does not condemn the pirates; it makes a great deal of money protecting merchant ships against the very pirates it unwittingly trained – an ethical dilemma that does not seem to perturb its CEO, Richard Bethell.[lxi]

The piracy industry also uses advanced technology. Former mercenaries who join the pirate "tribe" exploit their military-technology skills to teach the pirates how to use advanced means such as satellite telephones and global tracking systems.[lxii] In 1992, the UN Security Council imposed an embargo on the sale of arms to Somalia. All countries were required to fully honor the embargo until the Council decided otherwise. Nevertheless, military equipment, weapons and ammunition continue to be used by Somali pirates and imported to Somalia, in bold defiance of the embargo. Items 11 and 12 of UN Resolution 1772 (2007)[lxiii] further state that weapons, military equipment, and technical guidance may only be provided for authorized purposes, such as security for government-sector institutions. In such cases, they are exempt from the weapons embargo, on condition that the UN is notified ahead of time and that they comply with authorization. Moreover, each and every case is to be discussed by the UN Sanctions Committee, which is authorized to reject a request for authorization. According to a report of the Swedish Ministry of Defense,[lxiv] despite these prohibitions, pirates from Puntland city have long engaged in commercial weapons trade with Yemen; most weapons shipments make their way to this city. The pirates' main source of weapons is China, the largest weapons trader in the world.[lxv] Russia and countries of the former USSR, such as Ukraine, also engage in arms trade for economic profit, without regard for where the weapons are sent.[lxvi]

The use of advanced technology is evident in the pirates' methods. To efficiently collect intelligence data, the pirates use a network of spies in Mombasa, Kenya's largest city and main port. All of the data on the ships that sail these waters – valuable information that is crucial to the success of the pirates' venture – passes through Mombasa. These data include the type of a vessel's cargo (and thereby the economic value of the vessel); the exact location of the vessel; and the charted course of the vessel (which enables the pirates to calculate when and where to overtake it). The pirates also have access to data

on the size and maximal speed of the vessel. In exchange for providing this information, the clerks in port receive a portion of the ransom profits.

Another system that aids the pirates in hijacking a ship is the AIS transmitter, which automatically identifies the ships that are required to carry it. The AIS transmits basic data about a ship's speed, course, port of destination, and cargo to a receiver, which the pirates possess. It should be noted that AIS works best at short distances – its optimal range is 20-100 miles – and is subject to weather conditions. On the advice of NATO, most of the ships sailing the waters near Somalia turn off their AIS, because the pirates have the receiver that can pick up their data. Nevertheless, the pirates succeed in hijacking ships whose AIS is turned off – thanks to intelligence information, some of which comes from the Kenyan authorities.[lxvii]

Moreover, studies indicate a relationship between Somalia's pirates and an anonymous entity headquartered in London, which gives them intelligence information about maritime traffic. Some believe that this "entity" comprises people with ties to private security companies of the type that thrived during the war on terror, whose business already has, or may yet, diminish dramatically in the coming years. These companies have a vested economic interest in making maritime traffic unsafe, so that they can offer their services.[lxviii]

Outside Logistical Assistance

Yemen, which overlooks Somalia from the other side of the Gulf of Aden, is a fertile source of logistical assistance to the pirates. Somalia's pirates maintain a "working relationship" with Yemeni armed men, who come to their aid whenever a problem arises, e.g. with the pirates' own ship.[lxix]

Satellite telephones and GPS are relatively easy to come by in the anarchic fray of

Mogadishu. Foreign importers are happy to earn a respectable premium to import expensive devices to the blockaded country. At the same time, the most interesting weapon in the pirate arsenal is radar, which is used to locate targets at sea. Pirates who sail on a "mother ship" with radar capabilities that can be loaded onto smaller, faster armed boats receive a jolt of power that improves their percentage of success.[lxx]

Transfer and Laundering of Ransom Monies

Michael Weinstein, an expert on Somalia from Purdue University in Indiana, notes that the worldwide Somali Diaspora has made the pirate industry into a business in which one can "buy shares" and receive a percentage of the profits (from ransom). A respectable percentage of this business takes place in Canada, which is home to 200,000 Somalis.[lxxi]

Experts claim that Somalia's pirates have made the business of catching ships a very lucrative one. Somali pirates have established a sophisticated network of agents who manage negotiations and launder ransom monies.[lxxii] "'We have negotiators, translators and agents in many areas ... let me say across the world' said Suleyman, a pirate in the harbor town of Eyl, where scores of hijacked ships are docked".[lxxiii] Today, a number of governments monitor the pirates' investment patterns through the Hawala network, which the recipients of the ransom money use to launder it through legitimate businesses, in an effort to stem the tide of piracy. Hawala – Arabic for "significant transfer" – is an honor-based traditional system for transferring money. Using brokers located in the Middle East, North Africa, the Horn of Africa and South Asia, the money is moved through a network of middlemen – Hawaladars – who make the transfer without actually moving the money. All deals are based solely on honor.[lxxiv] Hawala is illegal in the US, Pakistan and India, and is not recognized by the World Trade Organization (WTO), because no tax records are kept and there is no oversight of the money's movement. (This obligates all member states of the WTO.)[lxxv] It is speculated that Somalia's pirates use Hawala to

transfer international funds. Joseph Eden, a pirate from Eyl, says that foreigners from Dubai, Nairobi, Djibouti and elsewhere help the pirates acquire sophisticated equipment, such as money-counters, in exchange for a reduction in the ransom they are asked to pay.[lxxvi]

SUMMARY AND RECOMMENDED SOLUTIONS

Piracy is a crime of opportunity. It is economically motivated, and carried out either by small gangs that steal property or by an established organized crime ring that plunders entire cargoes of ships, often killing the crew to prevent them from interfering. Somali pirates operate differently. This is reflected in their attitude toward a ship's crew – it is the entity that is valuable. According to a 2003 estimate, the direct profit from pirate activities is some $300 million per annum,[lxxvii] enough to ensure continued growth and full local backing.

In addition, Somalia is a tribal society. What this means is that the elders are the ones in control. They are the ones receiving a portion of the ransom monies, since they are the ones who can impose their will, by traditional means, on politicians – serving as negotiators, or offering sponsorship. The ports of the Gulf of Aden benefit from piracy, and have become a significant part of Somalia's informal economy. What was once a disorganized bunch of Somalis engaged in illegal fishing and waste dumping, has in recent decades metamorphosed into an institutionalized, worldwide economic venture.

At the same time, in order to understand piracy in depth, it is necessary to must understand the historical factors that led to it and keep it going. And to understand this, it is necessary to understand that piracy is but one of many deleterious implications of Somalia's historical circumstances Abdirahman Mohamud Farole, the president of autonomous Somalia, summed this up best in an interview he granted to the BBC: "From

the international point of view, piracy may be considered the number one issue, but from our point of view, it is a tiny part of the whole Somali problem – a phenomenon prompted by the collapse of the Somali state".[lxxviii] As this paper has tried to show, piracy's infrastructure is based on internal government and public support; the support of the terrorist organization Al-Shabab Al-Mujahideen; and the support of outside state and non-state actors such as security companies, arms traders, couriers, and exporters of military technology. Each of these entities provides assistance that is crucial to the tenacity of piracy. Yet the piracy infrastructure is like a house of cards. Clearly, the pirates are dependent on each of the entities that enable them to flourish. But if even one of these entities wavers, the entire house of cards will collapse.

In an attempt to resolve the problem of piracy, it is necessary to begin with a few concrete steps:

Internationally recognize Somaliland as a state separate from Somalia. Somaliland must be helped to fight piracy, as it has tried to do thus far, so that it does not spread northward.

Internationally intervene to replace the corrupt government of Puntland, and send in a large number of national forces to stabilize the new regime.

China and the former states of the USSR must cease trading weapons and military technology with Somalia. Since pirates have hijacked several of their ships in recent years, the import of this should be clear to them.

Unify international forces, and create significant resistance to Al-Shabab Al-Mujahideen in southern Somalia.

Increase the quantities of food sent to Somalia, create new jobs infrastructure, develop trade in crops and fish, and expand international trade to overcome poverty and find new

and different solutions for the Somali population, which do not involve piracy. Increase NATO's sea and air patrols to curtail smuggling from Yemen.

The success of any one of these efforts will generate an immediate change, which will make it very difficult for organized piracy to continue to thrive in Somalia.

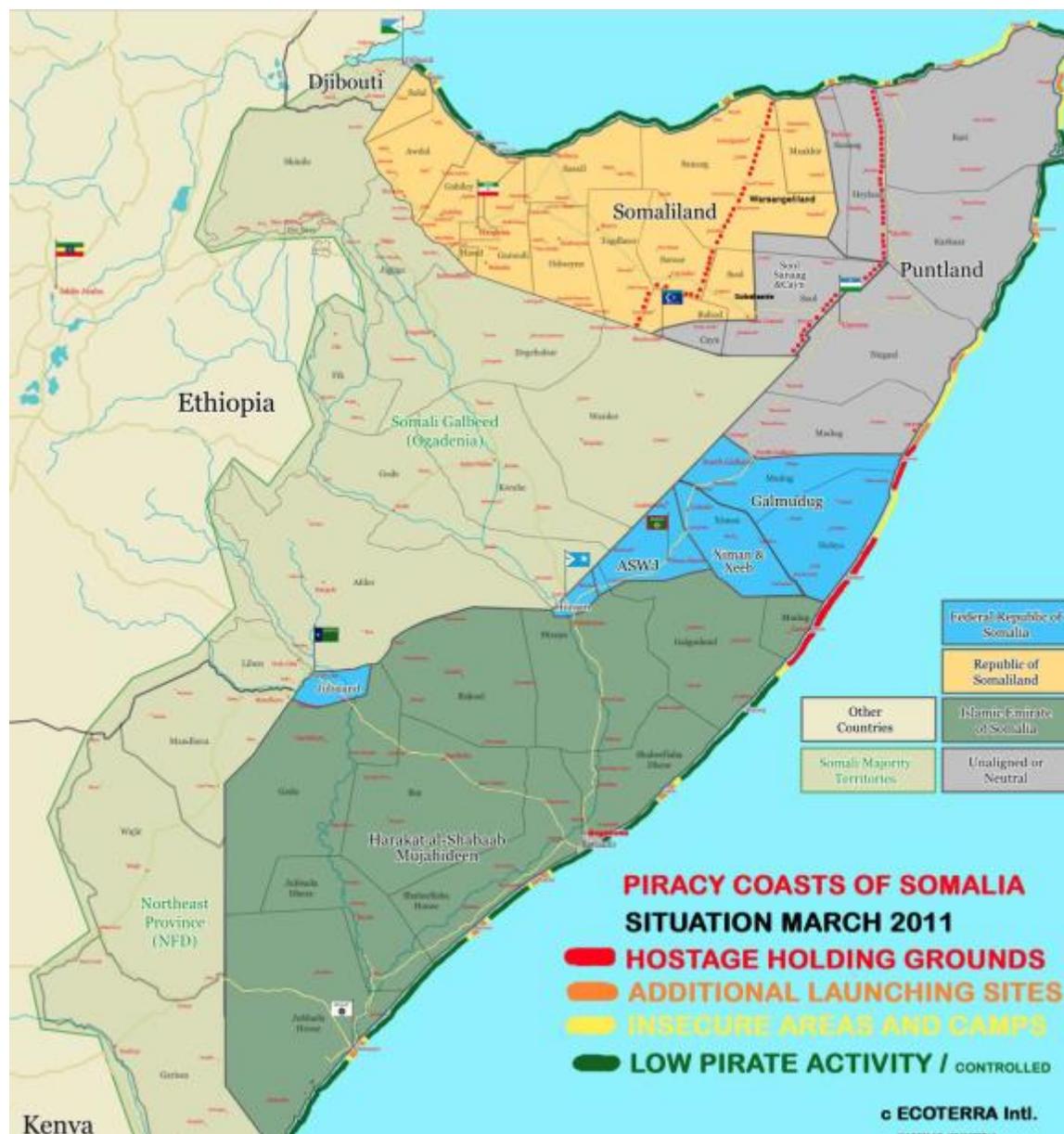Illustration I: The Distribution of Political Power in Somalia

Illustration II: Areas of Piracy in Somalia

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[i] Somalia is an East African nation founded in 1960 as a union of regions which until then had been colonies of Great Britain or Italy. Since 1960, Somalia has suffered from regime instability. Its central government has been unable to impose its authority or maintain order. Actual control lies with the governments of two unrecognized entities, Somaliland and Puntland, and with various rival factions and organizations that lead forces of resistance and opposition. Most of Somalia's residents are Muslims. Somalia is a member of the League of Arab Nations, even though most of its residents are not ethnic Arabs and do not speak Arabic. For more information, see Lewis, I.M., Modern History of the Somali, Ohio University Press, Ohio, 2003.

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http://pirateshold.buccaneersoft.com/pirate_timeline.html. For further reading, see Konstam, Angus, The History of Pirates, The Lyons Press, Canada, 1999.

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[xiii] The famed Sir Francis Drake is a prime example of a privateer, a "gentleman pirate" who in 1572 was equipped with two ships, 73 sailors, and a permit from England's Queen Elizabeth I to engage in privateering. Drake set upon convoys of Spanish ships sailing the Atlantic Ocean, bringing his Queen handsome sums of money. In 1577, Queen Elizabeth I appointed Drake to head a delegation to circumnavigate the world. For more information, see Cummins, John, Francis Drake, St. Martin's Press, New York, 1997.

[xiv] Among the most famous pirates at that time was Edward "Blackbeard" Teach, the legendarily cruel pirate from the Bahamas Islands, who was killed in a battle with a ship sailing under the British Crown in 1718. Captain Morgan, "the prince of pirates", from Jamaica, headed a pirate fleet of 1,500 men when he conquered Panama. Captain William Kidd was hired by William III, King of England, to capture other pirates – until he himself became one. For more information, see Klein, Shelly, The Most Evil Pirates in History, Barnes and Noble, New York, 2006.

[xv] These countries passed laws against piracy. For example, British law permitted sentencing a pirate to execution without a trial by jury, no matter where the pirate was found. Previously, pirates had had to come to London to stand trial – a stipulation that proved to be inconvenient and unsafe. See http://www.e-mago.co.il/e-magazine/hpiratim-adas.html (Hebrew).

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[xli] For more information, see Student Pulse, an online academic journal:

http://www.stidentpulse.com.

[xlii] The International Maritime Organization (IMO) was established in Geneva in 1948. The IMO is a special agency of the United Nations, whose principal aim is to develop and maintain a comprehensive regulatory framework for seaborne cargo, maritime insurance, risks to the maritime environment, maritime legal issues, cooperative endeavors and maritime security. UN member states are also members of the IMO. For more information, see

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[lxxv] The World Trade Organization generates universal agreements governing international trade, to which its member-states are signatory. Its main goal is to ensure free, equal, secure and foreseeable trade to the greatest extent possible, among all countries in the world. For more information see http://www.wto.org/.

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