

## Piracy – Community Response to Illegal Fishing

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Last year the world was entertained with the first Hollywood film about Somali piracy, *Captain Phillips*, which depicted the attack of the American *Maersk Alabama* in April 2009. The movie, with A-list actor Tom Hanks in the starring role, quickly became a blockbuster and was nominated for several Oscars. It also brought new Somali talent to the world's attention, including previously unknown actor Barkhad Abdi. The movie *Captain Phillips* had a rare opportunity to shed light on a country in conflict for over 20 years and relegated in the eyes of the world as a place of conflict, famine, Al Shabaab rule, and piracy. It also had an opportunity to help movie viewers understand what pushes young Somali men to become pirates. But when Hollywood turns real life events into movies, there are often inaccuracies and exaggerations. In this case, the movie failed to humanize the pirates by exposing the real lives of these young men, and the reasons behind the choices they make. Unfortunately, such portrayals only serve to reinforce the idea that the solution to piracy off the coast of Somalia lies in increased policing of the country's waters.

### A False Sense of Confidence

Since the height of Somali piracy in 2011, worldwide piracy at sea dropped by 40%. In 2013, it reached its lowest levels in six years, with 264 attacks recorded around the world.<sup>1</sup> That same year, hijackings off the coast of Somalia plummeted to zero for the first time in many years: in 2012, that figure stood at 7, while in 2009 it was as high as 51.<sup>2</sup> The various factors said to have contributed to this tremendous decrease in Somali piracy include “the key role of international navies, the hardening of vessels, the use of private armed security teams, and the stabilizing influence of Somalia's central government.”<sup>3</sup>

To a certain extent, increased patrolling and armed guards on merchant ships deserve credit, and the reduction in the number of hijackings should definitely be seen as a success. Yet it is important to recognize that a sustainable approach to countering piracy must be multi-pronged, and at its heart must try to address the root causes of the violence, criminality, and



extremism present in Somalia. Unless we provide young Somalis with educational and employment opportunities, there will always be those who are willing to risk it all, especially considering the huge gains to be made. A recent report by the World Bank, the UN and Interpol estimates that between 2005 and 2012, between \$339 and \$413 million was paid in ransoms off the coast of Somalia, with an average haul of \$2.7million.<sup>4</sup> Ordinary pirates, or "foot soldiers," typically received \$30,000-\$75,000 each per ship, with added bonuses of up to \$10,000. Although this only amounts to 1% - 2.5% of an average ransom payment, it is a huge amount more than these young men would otherwise earn.

Security measures for their part come at a high cost. It is estimated that NATO's Somali counter piracy operation, Operation Ocean Shield, is costing \$75 million per annum, while the cost of global counter piracy operations is estimated at \$1.09 billion.<sup>5</sup> In 2013, concerns were raised about the United States' ability to maintain its anti-piracy deployments in the face of looming budget cuts, highlighting the challenges of sustaining a large foreign naval presence off the coast of Somalia.<sup>6</sup> For some, the current reduction in hijackings is seen as a temporary hiatus, with fears that pirates are only biding their time before they strike again. Without addressing the underlying causes of piracy along with the weak security capacity of Somalia's government(s), the expensive NATO operations are creating a false sense of confidence and piracy may return as soon as such operations cease<sup>7</sup>.

### **Piracy at Sea – Poverty on Land**

One of the points *Captain Phillips* failed to capture is the heart wrenching poverty that continues to plague the Somali population. The country has been immersed in an acute political and security crisis since 1991. Violence and insecurity persist, killing and displacing many. It is estimated that over 258,000 people, mostly women and children, died during the last famine<sup>8</sup>, while an estimated 1,133,000 people were internally displaced.<sup>9</sup> Many more migrated to the Dadaab refugee camp in Kenya where they continue to receive refugee support that costs millions of dollars per year. To this day, the UN estimates that there are 1.1 million internally displaced people (IDPs) in Somalia, and 1 million externally displaced Somali refugees in the region. The majority of Somali IDPs and refugees left the most agriculturally productive regions of Somalia – the country's breadbasket – and the loss of their contribution to the agriculture sector is enormous.

At the same time, Somalia has some of the world's worst humanitarian indicators. For example, 82% of the population is considered poor, while about 43% live in extreme poverty, or on less than US\$1 per day. This figure rises to 53% in rural areas, where extreme poverty is more prevalent.<sup>10</sup> Health indicators for the population have shown a decline since 1991, an inevitable consequence of the collapse of public services and destruction of infrastructure.

More than 20 years of civil war has also had a devastating effect on the country's infrastructure, making it extremely difficult for any economic development to take place, hindering trade and restricting private investments. The fisheries sector is only one example where lack of investment has hindered the ability of fishermen to take advantage of the country's long coastline and move beyond small-scale fishing enterprises.

Against this backdrop, criminal and terrorist groups have risen to fill the void. It is commonly understood that poverty, unemployment, and disenfranchisement are key drivers of criminality, including piracy. In Somalia, the situation is made even worse by the unemployment rate for youth aged 14 to 29, which stands at 67%.<sup>11</sup> The lack of opportunities in a country where 70% of the population is under the age of 30, and the overall severe lack of economic development that has existed in Somalia in the past 20 years of civil war, have heavily contributed to the rise of piracy.

### **Piracy – Community Responses to Illegal Fishing**

In addition to lack of infrastructure, the local fishing industry has been affected by the unprecedented rise of illegal fishing, further reducing income-earning opportunities for Somalia's youth. While foreign fleets have exploited Somali waters since the collapse of the former government in 1991, the scale of this phenomenon has risen dramatically in the past 10 years. With no navy patrolling the country's 3,330 km coastline – the longest in Africa – foreign fishing vessels took advantage of the situation and encroached into Somalia's waters to target tuna and lobster for international markets. The trawls, drift nets, and dynamite they used devastated the fish stocks and the environment fish and lobster need to survive and reproduce.<sup>12</sup> To discourage local Somalis from disturbing or cutting their nets, foreign fishing vessels engaged in harassment tactics towards locals, dumping boiling water on them, cutting their nets, using water cannons or even shooting at them. According to estimates, about 200

foreign vessels conducted illegal, unreported and unregulated fishing each season between 1991 and 1999, and this number is believed to have been as high as 800 in 2005 alone.<sup>13</sup> The UN estimates that Somalia loses over \$300 million dollars a year from Illegal fishing.<sup>14</sup>

The presence of these large nets and vessels reduced the ability of local fishermen to fish in deeper waters. They also lacked the boats and technology to compete with the larger fishing vessels. After years of enduring such treatment and its negative impact on their livelihood, local fishermen, generally young men, picked up guns to defend themselves against these larger and better equipped foreign fishing vessels. The fact their pirate fleets had names such as the 'National Volunteer Coastguard of Somalia' or 'Somali Marines' is an indication of their early motives.<sup>15</sup> Following one of the early captures of a foreign vessel by Somali fishermen, the owners paid \$1 million to the pirates to secure the release of its crew.<sup>16</sup> The payment of this ransom provided extraordinary amounts of money previously unseen by these communities, and there is little doubt that this was the impetus behind the rise of piracy in Somalia.

Early on, the extreme poverty facing local communities made it difficult for them to stand up against the pirates, especially as local economies benefited from the inflow of piracy money. At the same time, the fact that many of the piracy cartels' foot soldiers were from local communities or clans made it very difficult for elders and leaders to discourage them. Most importantly, the pirates were extremely well armed and flush with money, making them virtually untouchable. Even the local police and military were afraid to interfere or were bribed into silence.

Over time, however, this large inflow of money into local communities has had negative social consequences. The rise in piracy has indeed been accompanied by a significant rise in the use of the drug qat, along with an increase in prostitution and other criminal activities. It was at this point that religious and clan elders, along with women's groups, began speaking publicly against piracy and undertaking community level campaigning. Today there is little support for pirates among local communities. But considering the prevailing levels of poverty in Somalia, and the lack of livelihood opportunities, the lure of piracy is never far away.



## Addressing the Root Causes of Piracy

There is no denying that over time what started off as local, ad-hoc efforts by frustrated fishermen grew into an organized business run by warlords. As profits increased, it grew into active piracy operations that became more professionalized, reaching an all-time high in the fall of 2010. But without a large pool of frustrated and disillusioned young men, it is unlikely that piracy would have blossomed to such an extent.

If we want to eliminate this large recruitment pool, we need to tackle poverty and unemployment in Somalia through significant investment in economic growth programs fuelled by the private sector, which has the potential to be the country's largest employer. Such growth cannot occur without investment in Somalia's road, maritime, and airport infrastructure. Infrastructure's role as a foundation for economic development is something the example of China clearly demonstrates. While drawing parallels between Somalia and China may seem farfetched, China's poverty indicators in 1975 were not dramatically different than those of Somalia – and many other African countries – today. China achieved massive growth in 20 years, transforming all facets of Chinese society, through investment-led economic growth. Various studies have proven that infrastructure development contributed more to China's growth than both public and private investments combined.<sup>17</sup> As Pravakar Sahoo et al. explain, "There is unidirectional causality from infrastructure development to output growth, justifying China's high spending on infrastructure development since the early nineties. The experience from China suggests that it is necessary to design an economic policy that improves the physical infrastructure as well as the human capital formation for sustainable economic growth in developing countries."<sup>18</sup>

With the decline of piracy, there is renewed fear among the local fishery community. This time, their fear is focused on the NATO patrols who sometimes mistake them for pirates as well as the illegal fishing fleets who feel emboldened and protected by the foreign navies patrolling Somali waters. The unintended negative consequence of Operation Ocean Shield, then, is that "safer waters" are benefiting the continued criminal behavior of illegal fishing vessels. This persistent insecurity and unfair competition has led many people to abandon fishing all together, further exacerbating poverty amongst coastal communities.

In addition to infrastructure to spur private sector growth, the speedy, organized and highly funded response to piracy should be equally applied to other problems that Somalis face, including illegal fishing. The international community risks losing the confidence of Somali communities if they only address issues that have an overwhelming impact on the international trade and businesses of mostly western countries (i.e. piracy), while ignoring the impact that illegal fishing has on Somalia's already disenfranchised populations.

## Conclusion

The international donor communities to Somalia, many of whom are NATO members, have been funding projects focused on skills development, employment, income generation, and the diversification of livelihood opportunities for the unemployed and disenfranchised youth of Somalia. While these projects are important in building capacity and human capital, the non-profit sector can never replace the private sector in driving economic growth and employment generation. Solely focusing investment on these small scale and short-term projects will never provide a sustainable solution in the scale required. Neither is the continued investment in foreign naval patrols sustainable at a cost of \$75 million per year. Again, unless the root causes of piracy are addressed, such investments will have to be repeated every year at an increasing cost in order to keep hijackings in check.

The international community must recognize the value of using resources in the most effective way to spur private sector development and investment, namely through significant development of Somalia's infrastructure. The private sector in Somalia continues to shoulder the burden of risk by investing in the country, as evidenced by investments in the telecommunications, construction, and remittances industries, but they cannot do this alone. The international donor community needs to start being willing to take risks in Somalia, and recognize that the investments we are making now will in the end reduce the costs of securing Somalia's waters while at the same time reduce the cost to Somalia of losing the potential of its young people. Ultimately, such investments will also reduce the cost on humanitarian and development assistance to the country.

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For more information, visit the conference website at [www.counterpiracy.ae](http://www.counterpiracy.ae).

## Endnotes

<sup>1</sup> International Maritime Bureau (IMB) , International Chamber of Commerce (ICC) Commercial crime services, 15<sup>th</sup> January 2014, <http://www.icc-ccs.org/icc/imb>

<sup>2</sup> Maritime OPINTEL Report, HORN OF AFRICA and GULF OF GUINEA: Piracy Analysis and Warning Weekly (PAWW) Report

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<sup>3</sup> International Maritime Bureau (IMB), Bureau (IMB) , International Chamber of Commerce (ICC) Commercial crime services, 15<sup>th</sup> January 2014 <http://www.icc-ccs.org/icc/imb>

<sup>4</sup> A World Bank study, 2013, "Pirate Trails: Tracking the Illicit Financial Flows from Pirate Activities off the Horn of Africa," [http://siteresources.worldbank.org/EXTFINANCIALSECTOR/Resources/Pirate\\_Trails\\_World\\_Bank\\_UNODC\\_Interpol\\_report.pdf](http://siteresources.worldbank.org/EXTFINANCIALSECTOR/Resources/Pirate_Trails_World_Bank_UNODC_Interpol_report.pdf)

<sup>5</sup> Jonathan Bellish, Oceans Beyond Piracy 2012, "The Economic Cost of Piracy," [http://oceansbeyondpiracy.org/sites/default/files/attachments/View%20Full%20Report\\_1.pdf](http://oceansbeyondpiracy.org/sites/default/files/attachments/View%20Full%20Report_1.pdf)

<sup>6</sup> David Alexander, Chicago tribune, 10 October 2013, "Real Captain Phillips warns cuts could hit Pentagon shipping program," [http://articles.chicagotribune.com/2013-10-10/news/sns-rt-us-usa-fiscal-maritime-20131010\\_1\\_richard-phillips-somali-pirates-maersk-alabama](http://articles.chicagotribune.com/2013-10-10/news/sns-rt-us-usa-fiscal-maritime-20131010_1_richard-phillips-somali-pirates-maersk-alabama)

<sup>7</sup> Noah Rayman, TIME Magazine, 6 January 2014, "Did 2013 mark the end of Somali piracy?," <http://world.time.com/2014/01/06/did-2013-mark-the-end-of-somali-piracy/>

<sup>8</sup> FSNAU FEWSNET Press release, May 01, 2013,FAO, <http://www.fsnau.org/in-focus/technical-release-study-suggests-258000-somalis-died-due-severe-food-insecurity-and-famine->

<sup>9</sup> UNHCR Global Report of 2013 Page 2, <http://www.unhcr.org/539809f08.html>

<sup>10</sup> UNDP in Somalia; <http://www.so.undp.org/content/somalia/en/home/countryinfo/>

<sup>11</sup> Somalia Human Development Report 2012 "Empowering Youth for Peace and Development," [http://hdr.undp.org/sites/default/files/reports/242/somalia\\_report\\_2012.pdf](http://hdr.undp.org/sites/default/files/reports/242/somalia_report_2012.pdf)

<sup>12</sup> G.H. Musse & H.T. Mahamud 1999, "Current Status of Marine Fisheries in Somalia," in Assessment & Monitoring of Marine Systems, 255–265, Kuala Terengganu: University Putra Malaysia Terengganu, [http://www.environmentalresources.com/projects/programs/RedSeaCD/DATA/PDF/Current\\_status\\_marine\\_fisheries\\_Somalia.pdf](http://www.environmentalresources.com/projects/programs/RedSeaCD/DATA/PDF/Current_status_marine_fisheries_Somalia.pdf)

<sup>13</sup> Mohamed Abshir Waldo, 8 January 2009, "The two piracies in Somalia: Why the world ignores the other?" [http://wardheernews.com/Articles\\_09/Jan/Waldo/08\\_The\\_two\\_piracies\\_in\\_Somalia.html](http://wardheernews.com/Articles_09/Jan/Waldo/08_The_two_piracies_in_Somalia.html);

<sup>14</sup> TIME Magazine, 18 April 2009 "How Somalia's Fishermen Became Pirates," <http://content.time.com/time/world/article/0,8599,1892376,00.html>

<sup>15</sup> Ibid.

<sup>16</sup> Aaron S. Arky, (2010) *Trading Nets for Guns: The Impact of Illegal Fishing on Piracy in Somalia*, Thesis, Naval Postgraduate School, Monterey, California, USA. [http://www.researchgate.net/publication/235023640\\_Trading\\_Nets\\_for\\_Guns\\_The\\_Impact\\_of\\_Illegal\\_Fishing\\_on\\_Piracy\\_in\\_Somalia](http://www.researchgate.net/publication/235023640_Trading_Nets_for_Guns_The_Impact_of_Illegal_Fishing_on_Piracy_in_Somalia)

<sup>17</sup> Pravakar Sahoo et al, October 2010, "Infrastructure Development and Economic Growth in China," IDE Discussion Paper no. 261, <http://www.ide.go.jp/English/Publish/Download/Dp/pdf/261.pdf>

<sup>18</sup> Ibid