Good afternoon ladies and gentlemen. We are holding today’s hearing for the purpose of examining U.S. policy regarding the failed state of Somalia, the possibility of recognizing breakaway areas such as Somaliland and the continuing problem of Somali piracy, around which the Obama Administration has built a program. Somalia’s instability has encouraged other criminal activity beyond its borders, endangering the stability of the entire Horn of Africa.

Somalia once again heads the annual list of failed states in the current issue of Foreign Policy magazine. This East African country has held that dubious distinction for the past four years. Sudan, Chad, Zimbabwe and the Democratic Republic of the Congo all have experienced horrific conditions during this period, but none of them could overtake Somalia at the top of the list of the world’s failed states.

Since the fall of President Siad Barre in 1991, the United States has been involved in addressing the consequences of Somalia having no functioning government in Mogadishu that effectively rules the entire country. This lack of governance has resulted in Somalia being engaged in a chaotic civil war that has abetted the growth of Islamic fundamentalism and piracy. Humanitarian, political, and security conditions continue to deteriorate across south-central Somalia. In the past two years, more than 22,000 civilians have been killed, an estimated 1.1 million people displaced, and at least 476,000 Somalis have fled to neighboring countries.

Somalia currently is experiencing what is considered the worst drought in the Horn of Africa since the 1950s. As a result of this drought and the continuing conflict, Ms. Nancy Lindborg, Assistant Administrator for USAID’s Bureau for Democracy, Conflict and Humanitarian Assistance, will testify today that 2.85 million Somalis are in need of humanitarian aid. Mr. Reuben Brigety, Deputy Assistant Secretary of State for the Bureau of Population,
Refugees and Migration, will testify that Somalis compromise the largest refugee population in Africa. That represents more than 750,000 people in the greater Horn of Africa Region – 120,000 of whom have arrived in refugee camps in the region since January of this year.

In 2003, young leaders of Al-Ittihad, a radical Islamic group that the Bush Administration added to a list of terrorist organizations, formed the organization now known as Al-Shabaab. The primary objective of this group was to establish a “Greater Somalia” under Sharia.

Since 2007, Al-Shabaab has increasingly controlled territory in Somalia, and by late 2008, the Transitional Federal Government, or TFG, had lost control of most of south-central Somalia to insurgent groups. U.S. officials are concerned that Al-Qaeda and its allies in East Africa continue to pose serious threats. Al-Qaeda poses a direct threat against U.S. interests and allies in East Africa. While Al-Shabaab appears more focused at this point on carrying out attacks against Somali citizens, the TFG, and African Union peacekeeping forces in Somalia, it has, however, threatened to attack neighboring countries, including Ethiopia and Kenya.

For too long, Somalia has been a cancer on the Horn of Africa and elsewhere on the continent. Criminals from Somalia have not only plagued surrounding countries, but have been reportedly involved in drug and human trafficking as far south as South Africa. However, the most serious involvement of Somalia in international criminal activity by far is in piracy.

Pirate attacks in the waters off Somalia and the Horn of Africa, including those on U.S.-flagged vessels, have brought renewed international attention to the long-standing problem of maritime piracy. According to the International Maritime Bureau (IMB), at least 219 attacks occurred in the region in 2010, with 49 successful hijackings. Somali pirates have attacked ships in the Gulf of Aden, along Somalia’s eastern coastline, and outward into the Indian Ocean. Using increasingly sophisticated tactics, these pirates now operate as far east as the Maldives in good weather, and as far south as the Mozambique Channel.

Somalia’s “pirate economy” has grown substantially in the past two years, with ransoms now averaging more than $5 million. The annual cost of piracy to the global economy ranges from $7 billion to $12 billion, by some estimates. Two years ago, Secretary of State Hillary Clinton announced a four-part plan to combat Somali piracy that includes building Somali capacity and will to reign in the pirates, coordination with an International Contact Group and encouragement of collaboration between governments and shipping companies in defending vessels against Somali pirates.

Yet the threat to America posed by Somalis is not confined to their territory or surrounding waters. In recent years, dozens of young Somalis, many of them from the Minneapolis area, have left the United States to return to Somalia to fight with Al-Shabaab. On August 5, 2010, more than a dozen Somali Americans/permanent residents were arrested. Attorney General Eric Holder announced that 14 people were being charged with providing support to Al-Shabaab. Two indictments unsealed in Minnesota stated that Amina Farah Ali and Hawo Mohamed Hassan raised funds for Al-Shabaab, detailing 12 money transfers in 2008 and 2009.

The danger to America posed by Al-Shabaab and its supporters in this country continues to be very serious. In his nomination hearing to become Secretary of Defense last month, CIA
Director Leon Panetta noted that Al-Shabaab’s threat “to the U.S. homeland is on the rise.” Panetta also expressed concern that as Al-Qaeda leadership in Pakistan comes under pressure, that it not be able to find safe haven in Somalia.

Since the fall of the last national government in Somalia in 1991, Somaliland and Puntland – both now autonomous areas of Somalia – have been the only areas with effective governance. Somaliland seeks international recognition, while Puntland currently does not. The question of whether the United States and the international community fully recognizes Somaliland or supports its eventual reintegration into greater Somalia at some future point requires ongoing examination and discussion.

Consequently, today’s hearing offers a valuable opportunity to examine U.S. policy on a variety of issues involving Somalia.