

SOMALIA: U.S. POLICY OPTIONS

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BEFORE THE
SUBCOMMITTEE ON AFRICAN AFFAIRS
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COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE
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SOMALIA: U.S. POLICY OPTIONS

WEDNESDAY, FEBRUARY 6, 2002

U.S. SENATE,
SUBCOMMITTEE ON AFRICAN AFFAIRS,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:35 p.m. in room SD-419, Dirksen Senate Office Building, Hon. Russell D. Feingold (chairman of the subcommittee), presiding.

Present: Senators Feingold, Bill Nelson, and Frist.

Senator FEINGOLD. I will call the hearing to order. I want to thank all the witnesses for being here today and, of course, extend my thanks to Senator Frist, the former chairman and current ranking member of this subcommittee. In both roles he has been just an excellent partner and has shown genuine leadership on African issues, and I am very grateful we could continue to work together.

Today's hearing is the first in what I hope will be a series of hearings conducted over the course of the year, prompted by the current campaign against terrorism. In the wake of the attacks on September 11, the President was right to make plain that the United States will not distinguish between the terrorists behind the attacks and those who harbor them, but state sponsors are only part of the problem. The absence of a functioning state is another.

All the characteristics of some of Africa's weakest states, manifestations of lawlessness such as piracy, illicit air transport networks, and traffic in arms and gemstones and people, can make the region attractive to terrorists and international criminals.

Second, the subcommittee seeks to identify long-term policy options for changing the context in these states, such that they are no longer as appealing to criminal opportunists. Somalia is the first case the subcommittee will take up this year. This hearing asks the question, what are the prospects and options for a coherent, long-term Somalia policy that aims to strengthen state capacity and curtail opportunities for terrorists and other international criminals within Somalia's borders, and throughout the year I would also like to raise a followup, how do we strengthen the state responsibly when all too often state capacity is used not to track the behavior of criminals but rather the behavior of political opponents.

In other words, how can we strengthen the law enforcement capacity of weak states, and then also avoid the mistakes of the cold war, when in the name of resisting and containing communism this country sometimes assisted some truly appalling regimes in Africa, governments that pursued policies antithetical to our national val-

ues, leading to disastrous results that ultimately did not serve our national interest.

Let me also be very clear about what the hearing is not. This hearing is not intended to be a discussion of any immediate, specific U.S. policy plans relating to concerns about a terrorist presence in Somalia. Not only is such a discussion clearly inappropriate in this open hearing, but in addition, such a discussion would not be able to answer fundamental questions about how to craft a sound policy, how to ensure that 10 years from now we are not as concerned about the very same types of threats in Somalia perhaps coming from different sources or different individuals that are of great concern today.

This hearing, on the other hand, is focused on the big picture and the long term.

[The prepared statement of Senator Feingold follows:]

PREPARED STATEMENT OF SENATOR RUSSELL D. FEINGOLD

I want to thank all of the witnesses for being here today, and to extend my thanks to Senator Frist, the former Chairman and current ranking member of this subcommittee. In both roles, he has been an excellent partner and has shown genuine leadership on African issues, and I am grateful that we continue to work together.

Today's hearing is the first in what I hope will be a series of hearings conducted over the course of the year prompted by the current campaign against terrorism. In the wake of the attacks of September 11, the President was right to make plain that the United States will not distinguish between the terrorists behind the attacks and those who harbor them. But state sponsors are only part of the problem. The absence of a functioning state is another.

All of the hearings in the series will share two primary aims. First, the subcommittee hopes to examine the characteristics of some of Africa's weakest states—manifestations of lawlessness such as piracy, illicit air transport networks, and trafficking in arms, drugs, gemstones, and people—that can make the region attractive to terrorists and other international criminals. Second, the subcommittee seeks to identify long-term policy options for changing the context in these states such that they are no longer as appealing to criminal opportunists. Somalia is the first case the subcommittee will take up this year. This hearing asks the question—what are the prospects and options for a coherent, long-term Somalia policy that aims to strengthen state capacity and curtail opportunities for terrorists and other international criminals within Somalia's borders?

And throughout the year, I want to raise a follow-up—how do we strengthen the state responsibly, when all too often state capacity is used not to track the behavior of criminals, but rather the behavior of political opponents? In other words, how can we strengthen the law enforcement capacity of weak states and avoid the mistakes of the Cold War, when, in the name of resisting and containing Communism, this country assisted some truly appalling regimes in Africa—governments that pursued policies antithetical to our national values, leading to disastrous results that ultimately did not serve our national interest.

Let me be very clear about what this hearing is not. This hearing is not intended to be a discussion of any immediate, specific U.S. policy plans relating to concerns about a terrorist presence in Somalia. Not only is such a discussion clearly inappropriate in this open hearing, but in addition, such a discussion would not be able to answer fundamental questions about how to craft sound policy; how to ensure that ten years from now, we are not as concerned about the very same types of threats in Somalia, perhaps coming from different sources or different individuals, that are of great concern today. This hearing is focused on the big picture and the long term.

Senator FEINGOLD. With that, Senator Frist, do you have any opening remarks?

Senator FRIST. Thank you, Mr. Chairman. I will be very, very brief, but I would like to thank you for holding this important hearing, and thank you for your strong, bipartisan leadership on this important subcommittee of our Foreign Relations Committee. It is

truly a pleasure to be able to work on a daily basis with my good friend Senator Feingold.

I would also like to welcome our witnesses on both panels today to the Foreign Relations Committee, to an important hearing, "Somalia: U.S. Policy Options." I know we will hear very thoughtful policy analyses and options from each of our witnesses, again looking, as the chairman just said, predominantly at the big picture.

I am interested in the particular role of Somalia in U.S.-Africa relations. I had the opportunity over the last several weeks to travel to the Sudan, to Kenya, to Tanzania, and to Uganda, and as I traveled to these countries, knowing this hearing would come forward, I had very specific questions to both the leaders and the citizens of those various countries.

Somalia has not had a national government since January 1991. In many ways, it remains a fractured society governed by armed clans that seem to be ever-shifting. Of course, we cannot forget that 18 American Rangers lost their lives in what began as a mission to save Somalis from starvation. I think we are all concerned that Somalia's chaos has the potential to destabilize other parts of Africa and continues to cause suffering among the Somali people themselves, so I am very interested in hearing each of your views on how the United States can address this big picture situation in Somalia, and in particular your thoughts on how Somalia could potentially serve as a haven or a base of operations for terrorists.

I also look forward to hearing your thoughts on how we, as legislators, can assist the administration in identifying and engaging with and supporting any legitimate authorities in Somalia, both political and economic. I am also interested in how we might be able to assist the administration in developing our capabilities to gather information intelligence in Somalia to further our ability in our global war against terrorism. Finally, I am interested in hearing your views on how the chaos in Somalia affects other countries, the countries I have traveled to, to Kenya, to Ethiopia, to other nations of the Horn of Africa and how we can cooperate with those nations to bring a measure of peace to Somalia.

The point of this hearing, as the chairman said, to get a better understanding of how we can address the chaos in Somalia and some understanding of Somalia's problems, as well as the United States' own interest there, and so I thank all of our witnesses. It is a pleasure to be able to participate in this hearing today.

Senator FEINGOLD. Thank you very much, Senator Frist. We can now proceed with our first panel. We are fortunate to have Assistant Secretary of State for African Affairs, Walter Kansteiner back before this committee. Mr. Secretary, I appreciated your time. We have already worked together quite a few times since you started in this position, and I appreciate your time and your willingness to be here, and I look forward to your testimony. Please proceed.

STATEMENT OF HON. WALTER H. KANSTEINER, ASSISTANT SECRETARY OF STATE FOR AFRICAN AFFAIRS, DEPARTMENT OF STATE, WASHINGTON, DC

Mr. KANSTEINER. Thank you, Mr. Chairman. Chairman Feingold, Senator Frist, I appreciate your invitation to come to testify on weak states. It is a topic that we would normally want to focus on

in the African Bureau, but post September 11 it is absolutely imperative that we do so. Some of these weak states in fact are hospitable to terrorist organizations, and so I think it is both timely and very appropriate that we all look at these issues and discuss them.

Leo Tolstoy wrote in his great book, "Anna Karenina," that "all happy families resemble one another; every unhappy family is unhappy in its own way." Successful states, of course, follow the same rule, as do unsuccessful states. The successful ones resemble each other because they have all found ways to function as polities. They all have cohesive national interests. They have things that bind them together. Unsuccessful states, however, fail as polities for a wide variety of reasons. Some so-called failed states have been torn asunder by civil war, others by external aggression. Some have foundered on unresolved conflicts based on clan or ethnicity and, of course, in Africa we particularly see that. All have potential for destabilizing their neighbors, as Senator Frist just alluded to.

I think we would all agree that it is far easier to prevent failure than to cope with its consequences. Hence the Bush administration has set out five priorities in its policy toward Africa. You all have heard these, but I will quickly go over them briefly. Democracy-building and a respect for the rule of law are imperative. A second area is increasing trade and investment, giving the economies of Africa a chance. A third area is attacking HIV/AIDS; a fourth is protecting the environment; and fifth is stopping the wars by conflict resolution.

Unfortunately, some African States have suffered so much that these five priorities really do not fit, and we are here today to look at one such country, Somalia. Quite frankly, Somalia has not been on the U.S. Government's radar screen since really about 1994 or 1995. In the meantime, there has been civil war, clan conflict, and poverty of unbelievable levels. All have turned Somalia into a failed state.

There are three principal factions today, none of which are recognized by the U.S. Government, that hold sway in separate parts of the country. In addition, numerous warlords continue to vie for dominance at the local level. Hundreds of thousands of Somalis live as refugees in neighboring countries, and many others are internally displaced. The economy is underdeveloped, and severe drought affects the pastoral and agricultural base.

Unfortunately, one of the key exports—that is, livestock—is banned from both Saudi Arabia and Yemen, the two biggest export markets for Somalia's on-the-hoof goats, sheep, and cattle.

There is little infrastructure left in Somalia, and even less in the way of civil services such as schools. Where there should be a nation-state, there is a vacuum often filled by warlords.

Another actor that is entering this vacuum is al-Ittihad al-Islami, or, as we all call it, AIAI, a Somali organization which is dedicated to creating a radical Islamic State. It has been very clever in its ways of winning over or trying to win over the civil population, principally by providing educational and other services normally associated with government. AIAI clearly has connections to other terrorist organizations, and it is very disturbing to see AIAI gain a foothold in Somalia. In September, President Bush's Executive

order blocked the property of and prohibited transactions with terrorist groups, and AIAI was on that list.

The United States has three basic goals right now toward Somalia, and which one could define that as short, mid, and long-term. The short-term goal of course is to remove the terrorist threat that might or might not exist in Somalia. Terrorist cells, we think, do have an ability to operate there, and it is extremely worrisome.

A mid-range goal, but one we are starting to work on now, is looking at how Somalia threatens the region and the neighborhood, and actions that might or might not be taken in Somalia would have impact on the region, so we have to keep that in mind as well.

The third area, of course, is really what the chairman was looking for, I think, in this hearing today, and that is long-term challenges and long-term governance issues. Where is Somalia going to be in 4, 5, 6, 10 years from now?

So I would like to spend a little bit of time outlining both bilaterally and multilaterally that last goal, the longer-term goal of how do we take this non-state this failed or collapsed country, and make it a member of the international community?

At the bilateral level, we are providing some assistance to the Somali people to mitigate the impact of and prevent future disasters through infrastructure development. USAID's Office of Foreign Disaster Assistance, the OFDA, is working to rehabilitate Somalia's war-ravaged potable water system, rebuild its health care facilities, and improve cargo ports and airports.

In addition, we are working with Somalis through CARE to create civil society organizations and encourage the further development of those already in existence. I think the second panel's participants will probably outline some of those projects in better detail than can I. USAID's budget for Somalia in fiscal year 2001 was about \$18 million, to which we could add another \$4 million for refugees' resettlement in Somaliland.

While these efforts are very important, there are multilateral initiatives in a way that I think also bode well for the future of the country. The Government of Djibouti, a neighbor under the auspices of IGAD, has shepherded the so-called Arta process. In July of 2000, conference leaders announced the formation of a 3-year TNG, Transitional National Government, with a 245-seat parliament. This TNG was intended to govern all of Somalia but, in the tradition of a truly failed state, that sovereignty is confined primarily to Mogadishu itself.

Opposition from local warlords continues to hamper the TNG's ability to control areas outside of Mogadishu and small parts of the Somali coast land. The TNG is working together with some Somali factions attempting to feel their way through what this country might eventually look like, but so far they have crafted no real working arrangements with either those in Puntland or Somaliland.

Finally, the TNG has not yet purged itself of ties to AIAI. This is obviously extremely problematic for us, and is a central component to our counterterrorism concerns.

Also, late last year, in another regional bid to help Somalia find its feet, President Moi began a new initiative to bring various Somali factions together. Some of the main warlords were invited, So-

malia's neighbors came together, and under the name of national reconciliation, tried to pursue some kind of agreement.

This initiative is now officially part of the IGAD process, and all the countries in the region are supportive, including Ethiopia and others. The U.S. Government has begun a process of our own, too, marshalling ideas and resources to confront Somalia's long-term governance channels.

I might back up for just a second and say that we fully support both the Djibouti effort and the Kenyan effort through IGAD. In fact, there is going to be a meeting shortly under the auspices of the Kenya chair that will hopefully pick a date and try to convene an all-parties Congress to bring the Somali factions together, and we in fact are quite supportive of that effort, but internally we have created a subgroup of the Policy Coordinating Committee, the PCC structure.

In fact, it met for the first time this week, and it is to discuss topics such as working with Gulf States to lift the ban on livestock, developing alternatives to schools financed by AIAI, creating new financial institutions to replace those such as Al-Barakaat, which was the bank closed down, and generally improve and support the Somali civil society.

Mr. Chairman, Somalia did not become a failed state in a day, and solving the governance problems that make Somalia a potential home for terrorists will not happen overnight. We have made a start. I am cautiously optimistic that the United States, Somalia's neighbors and the international community can make a significant contribution to help Somalia toward a better future for itself and for the neighborhood.

Thank you very much.

[The prepared statement of Mr. Kansteiner follows:]

PREPARED STATEMENT OF HON. WALTER H. KANSTEINER, ASSISTANT SECRETARY OF STATE FOR AFRICAN AFFAIRS

"WEAK STATES AND TERRORISM IN AFRICA: U.S. POLICY OPTIONS IN SOMALIA"

Chairman Feingold, Members of the Committee, thank you for inviting me to testify today on an issue that the tragic events of September 11, 2001 thrust into bold relief: the characteristics of weak states that make them attractive to terrorists and international criminals.

Leo Tolstoy did not have successful and unsuccessful states in mind when he wrote, in *Anna Karenina*, that "all happy families resemble one another; every unhappy family is unhappy in its own way." Nevertheless, his words apply to our discussion today. For all their differences, successful states resemble each other because they all have found ways to function as polities; they have cohesive national identities and social compacts that bind them together. Unsuccessful states, however, fail as polities for a wide variety of reasons. Some so-called "failed states" have been torn asunder by civil war, others by external aggression. Some have foundered on unresolved conflicts based on clan or ethnicity; drought and grinding poverty have claimed still more. All have potential for destabilizing their neighbors.

Africa is far from being immune to the illness of nation-state failure. Recognizing that fact, and being aware that it is far easier to prevent failure than to cope with its consequences, the State Department has adopted five goals that guide policy efforts to confront the conditions leading to nation-state failure in Africa.

- Increase democracy, good governance, and respect for the rule of law.
- Combat the spread of HIV/AIDS and other infectious diseases that threaten to cost Africa a generation of its most productive citizens.
- Expand United States trade and investment with Africa to spur economic development and improve the well being of Africans.

- Conserve Africa's environment because people and the institutions they create to govern themselves cannot prosper when the air is not fit to breathe, water is unavailable, and forests and farmlands have turned to dust.
- End Africa's wars. Doing so is an absolute necessity, and you really can't pursue the other four policy goals without it.

Regrettably, some African states have suffered so much for so long that they cannot be helped by a prevention strategy of the type I've outlined above. Like Tolstoy's unhappy families, these countries' unique problems must be addressed individually.

Today, Mr. Chairman, you and your Subcommittee are focusing on one such country, Somalia, a place to which, quite frankly, the United States has not paid a great deal of policy-level attention since 1994. Civil war, external intervention, clan conflict and poverty have combined to turn Somalia into a "failed state." Somalia has no central government. Three principal factions (none of which is recognized by the United States as Somalia's legitimate government) hold sway in separate parts of the country. In addition, numerous warlords continue to vie for dominance at the local level. Hundreds of thousands of Somalis live as refugees in neighboring countries, and many others are internally displaced. The economy is underdeveloped, with drought seriously affecting the country's pastoral and agricultural base. Somalia's primary sources of income are foreign assistance and remittance income from overseas. One of its principal exports—livestock—is banned from what should be Somalia's major regional market. There is little infrastructure, and even less in the way of civil services such as schools. Where there should be a nation's state, there is a vacuum filled by warlords. What better place for the seeds of international terrorism and lawlessness to take root?

Al-Ittihad al-Islami, a Somali organization dedicated to creating a radical Islamist state in Somalia, has filled the vacuum in some parts of Somalia by opening its own schools and providing other services normally associated with government. We consider that development profoundly disturbing because al-Ittihad has conducted terrorist operations in neighboring Ethiopia and was named in the President's September 23, 2001 executive order blocking property of and prohibiting transactions with terrorist groups.

The United States has three policy goals related to Somalia:

- removing the terrorist threat extant in Somalia and ensuring against Somalia's use as a terrorist base;
- preventing developments in Somalia from threatening regional peace and stability; and
- overcoming the long-term governance challenges that terrorists exploit to make Somalia a base.

In accordance with your request that my testimony focus on long-term issues, I would like to spend a moment outlining several steps that already are in motion, both bilaterally and multilaterally, to address the last goal, overcoming the governance challenges Somalia faces. Then I will describe an effort that the USG has just begun to identify and develop additional ways to overcome those challenges and thereby prevent Somalia becoming a base for international terrorism.

At the bilateral level, we are providing some assistance to the Somali people to mitigate the impact of and prevent future disasters through infrastructure development. USAID's Office of Foreign Disaster Assistance (OFDA) is working to rehabilitate Somalia's war-ravaged potable water system, rebuild its primary health care facilities, and improve cargo ports and airports. In addition, we are working with Somalis through CARE to create civil society organizations, and encourage the further development of those already in existence. In this way, we hope to strengthen the governance and management capacity of Somali groups and communities, thereby creating a grass-roots demand for good government.

These initiatives are modest; USAID's entire budget for Somalia (including a substantial sum for food-aid) was \$17.9 million in FY 2001, to which we could add \$4 million allocated for refugee resettlement to Somaliland. These are, however, vital; if al-Ittihad is the only source of services people need for their survival, it—and not a legitimate, terrorist-free government—will gain their allegiance. But while these small, vital United States' funded programs provide a foundation upon which to build, they do not tackle directly the core problem facing Somalia: developing a polity that can command the respect and voluntary allegiance of all the Somali people.

Tackling that problem, of course, is something that the Somali people themselves must want to do if it is to be accomplished successfully. If the United States and the international community want good governance for Somalia more than the Somalis do themselves, the effort is doomed to fail. We saw this situation in 1993 to 1994, when peace agreements among the principal warlords that the United States

had brokered along with Ethiopia and Kenya soon fell apart. Only then did we close our mission and decide to wait until the Somalis were ready for another effort. Assuming that the Somali people themselves want peace and reconciliation, however, there are multilateral initiatives underway that can help. They also come at a good time, since the Somali people in general have so far refused to support the political program of al-Ittihad, despite the services and funding it provides.

The government of Djibouti, for example, has shepherded, under the auspices of the Intergovernmental Authority for Development (IGAD), the so-called Arta process. This process began in May 2000, when Djibouti convened a Somalia reconciliation conference attended by over 2000 delegates. On July 16, 2000, conference leaders announced the formation of a three-year Transitional National Government (TNG) with a 245-seat Transitional National Assembly intended to govern all of Somalia. Thus far, however, the TNG has not succeeded in overcoming opposition from local warlords to expanding its scope of control significantly beyond several parts of Mogadishu and a small portion of the Somali coastline. Nor has the TNG crafted working arrangements with other principal Somali factions, including Puntland State and the self-styled "Republic of Somaliland." Finally, the TNG has not yet purged itself of ties to al-Ittihad that are problematic from a counterterrorism perspective. Nevertheless, the United States stands ready to work with Djibouti in the Arta process should all the principal Somali factions choose to use that vehicle to accomplish national reconciliation.

Late last year, Kenyan President Moi began a new initiative to bring the Somali factions, some of the main warlords, and Somalia's neighbors together to pursue Somali national reconciliation. That effort was brought under IGAD auspices at the January, 2002 IGAD summit in Khartoum. There, Ethiopia agreed to participate in the Kenya-led initiative. This is a particularly hopeful development because one of the main warlord groups resisting the reconciliation process, the Somali Reconciliation and Restoration Council (SRRC), has close ties to Ethiopia. The United States attended the IGAD summit as an observer. We have pledged our cooperation to the governments of Kenya and Ethiopia in this new effort to help bring peace to Somalia.

Our own government has begun the process of marshalling ideas and resources to confront Somalia's long-term governance challenges. A sub-group of the Policy Coordinating Committee for Africa created specifically to examine this question met for the first time yesterday (February 5). It discussed topics such as working with Gulf states to lift the ban on importing livestock from Somalia, developing alternatives to schools financed by al-Ittihad, creating new financial institutions to replace those, such as Al-Barakaat, that are tainted with connections to terrorism, and increasing support for Somali civil society.

I also wish to take this opportunity to support a position often made by Secretary Powell in his discussions with Congress. Precisely because the factors that cause states to become weak or fail vary from state to state, it is crucial to know which factors are in play in order to address them. Knowing such nuances from afar is difficult, and that means we have to have the right people in the right places—which means having the resources to put those people in place and sustain them. We appreciate the steps being made to meet this need, and I look forward to working with you to ensure that as our activities in relation to Somalia and other weak states develop, we are able to meet the demands imposed.

Mr. Chairman, Somalia did not become a "failed state" in a day. Similarly, solving the governance problems that make Somalia an attractive potential home for terrorists will not happen overnight. We have made a start. I am cautiously optimistic that the United States, Somalia's neighbors and the international community can make a significant contribution to helping the Somali people regain functional government, and that the conditions that make Somalia attractive to terrorists can be overcome. Thank you, Mr. Chairman.

Senator FEINGOLD. Thank you, Mr. Secretary. Now we will start 7-minute rounds of questions for you.

Mr. Secretary, how can the United States avoid a situation in which our policy simply responds to various factions within Somalia who in effect smear their opponents with charges of links to al-Qaeda or other international terrorist groups?

These charges can obviously be employed in entirely self-interested ways that have nothing to do with combating global terrorism, and so I am curious to know what steps can the United

States take to avoid being used in this fashion and thereby be drawn into Somalia's internal divisions, rather than helping to achieve what you have obviously indicated we are trying to achieve, which is bring stability to the country.

Mr. KANSTEINER. This is a daily problem, and it is on two levels we have to deal with it. One, it does not help the Kenyan initiative or the Djibouti initiative to bring these factions together when they are slandering each other all the time. It also has another very practical problem in the sense that they are constantly trying to pass us intelligence or information they claim is intelligence, so it makes the jobs of my colleagues in some of the intelligence agencies very hard; they must figure out what is disinformation—just slandering their opponent—and what is real, because sometimes the information does have some authenticity to it. So it makes it very tough for the intelligence community to sort it out.

Senator FEINGOLD. Obviously, it is a dilemma, and I look forward to hearing how you are going to try to resolve it. I know, as you suggest, it is a day-to-day problem, and you have already sort of suggested that this is not necessarily an impossible situation, but are Ethiopian and Kenyan interests in Somalia necessarily contradictory? What are the real prospects for a coordinated policy? You have indicated that there is some participation of all of the interested countries in some of the talks, but how realistic is that?

Mr. KANSTEINER. I am more optimistic today than I was in early December. I was in the region mid-December, actually. At that time it looked as if Kenya and Ethiopia, the largest states in the neighborhood that have real, direct frontline interests, although clearly Djibouti and Sudan and others do, too, were seeing the situation a little bit differently.

I think they have overcome some of that misunderstanding and misperception, and I think there is some genuine coordination there now. I think President Meles of Ethiopia has clearly signaled to President Moi that he is willing and eager to assist him in sharing this process. I think there is some pretty good coordination now.

Senator FEINGOLD. I understand in part in that Somalia al-Ittihad is providing social services to communities through Islamic schools, health care centers, and as we all know, this is a strategy that terrorist groups have applied quite successfully in the Middle East.

How can the United States and the international community work to ensure that al-Ittihad does not become perceived as the sole entity that is interested in the welfare of Somalis in the areas where it operates? It would seem that what is called for is some kind of a dual-track strategy of international assistance and pressure on alternative local authorities to take responsibility for the welfare of their people. What is your view?

Mr. KANSTEINER. You just nailed it. In fact, it is dual-track, and the folks in the second panel I think can discuss some of the civil society-building they are doing. We are clearly and eagerly wanting to fund that, but we cannot let AIAI be the sole providers of health care, schools, and other basic services that government, and particularly local government, often provide.

So the NGO community and international organizations do have to get in there and help. At the same time, at some point a governing institution or a government is going to have to step up and start doing this themselves, so I think it is a dual track. We get the private NGO's in there now so AIAI does not have the full run of the field, and at the same time we start building those governing institutions to take this thing on themselves.

Senator FEINGOLD. Very good. Back to Ethiopia. Obviously, Ethiopia has legitimate security interests to pursue vis-a-vis Somalia and al-Ittihad, but the Ethiopian Government also has a history of repressing dissent, and I am concerned about a scenario in which the United States will acquiesce to internal repression in Ethiopia in the name of a global campaign against terrorism.

Do you think the State Department has enough information to be able to distinguish between legitimate and opportunistic claims of the Ethiopian Government regarding security threats, and is there any way for the United States to reach out to some of the dissident elements in Ethiopian society with no actual terrorist agenda to clarify that it is not our intention to deny them their political rights?

Mr. KANSTEINER. As you alluded to, Mr. Chairman, the long-standing rivalry that has existed between Ethiopia and Somalia is something we are very cognizant of. At the same time, Ethiopia is an active and willing partner in the war on terrorism. We do have to recognize the historical interests that exist there and at the same time measure those against our own immediate and mid-term interests.

The internal Ethiopian situation is one where we can constantly do some work, and prod and pull and push. As uncomfortable as it is sometimes, I think we need to do it.

Senator FEINGOLD. That reminds me of the answer of the Secretary of State yesterday to my question in a broader context about the use of the human rights report, that it is not always going to be comfortable, but it has to continue, even in the post September 11 context.

Do you know of any new financial mechanisms that have taken over the important role that Al-Barakaat once played in transferring foreign remittances back into Somalia? You alluded to this. Do any of these new financial mechanisms, to the extent they are springing up out of necessity, provide a similar platform for terrorist financing in the region?

Mr. KANSTEINER. We are worried about that. There are other financial institutions that provide the same services as Al-Barakaat, especially in repatriating moneys, but also new ones that are coming up. The question is, are they just fronts for the old Al-Barakaat? If so, we have to be pretty vigilant on that. There are plenty of financial institutions that now can get money from the United States and Europe back into Mogadishu, so that repatriation is not a great problem. The real problem is are these new ones problematic in the terms of, control and use by terrorist organizations, and we are watching it.

Senator FEINGOLD. Thank you. Senator Frist.

Senator FRIST. Thank you, Mr. Chairman.

Secretary Kansteiner, Somalia is often described as a collapsed or a failed state. Expand a little bit on your thoughts on how we can identify and engage with legitimate authorities in Somalia.

Mr. KANSTEINER. We engage with the three primary governing institutions, as we call them, because we do not officially recognize any of them, the TNG, the government in Puntland, and the government in Somaliland. We do have interaction with them, we talk to them, we pose questions to them, and we expect answers from them, and answers are forthcoming. So there is a diplomatic dialog, if you will, as unofficial as it is, so we are engaged with them.

We are also getting better capabilities to reach out to others. We do not have a presence in Mogadishu. We do not have a permanent U.S. Embassy in Mogadishu. We do have folks that base primarily in our Nairobi embassy in Kenya that go into Somalia, and they are, as we call them, Somali-watchers. They are often going up to Somalia where they meet and test and listen and gather information and intelligence, so we are learning.

Senator FRIST. On the Transitional National Government, as I listen to people and just some of the observers who are observing and participating at a certain level, you hear of this domination, or potential domination by Islamic fundamentalist groups, members of AIAI security forces being integrated in certain ways into the new government security forces. I know the TNG repeatedly denies any links to these terrorist organizations, and have repeatedly said that they will cooperate with the United States. Could you comment from your perspective on the level of cooperation to date?

Mr. KANSTEINER. Sure. In this open hearing I would say that there is some cooperation. At the same time, there is analysis and research that would suggest that AIAI and the TNG do have some kind of relationship. There is interaction there. We are trying to get a handle on the level and extent of that relationship. But there has been some responsiveness from the TNG on some counterterrorist questions.

Senator FRIST. In your testimony, you mentioned warring factions. Are we far enough along to have criteria, or fairly clear criteria as to what we can use to identify authorities as legitimate or not?

Mr. KANSTEINER. In a failed state context what you do not necessarily want to fall into the trap of equating legitimacy with how many AK-47's a faction controls. You do not want to see legitimacy bestowed on simply those that have military power, but at the same time, security is one of the aspects of being an authentic governing authority. I mean, if you cannot provide security to your own government or your own people, then are you really legitimate?

So in this failed state environment it is, I think, a particularly tricky one. I think you do have to look at some kind of broad measure of what kind of support does this supposed government, or supposed warlord group actually get from the local populations, and it is pretty tough to measure.

Senator FRIST. Thank you, Mr. Chairman.

Senator FEINGOLD. Mr. Secretary, what efforts might be included in efforts to bolster the Somalia economy, and how can this be

structured? The formal structures are nonexistent, or extremely weak.

Mr. KANSTEINER. I think the formal financial structures are going to remain weak for sometime, and so I think what we are going to have to do is look to project development. That is, you are going to have to look to the international NGO community to get in there and assist in building some kind of sustainable development. The agricultural base is there. There is a tradition of livestock export. There are parts of Somalia that have superb fruit production. It used to be a huge banana exporter. There is agricultural potential in Somalia.

Now, they have had a series of droughts that do not help, but it is still, or it could still be, a viable, agriculturally based, economy.

Senator FEINGOLD. Have any of our allies or any other members of the donor community signaled any desire to engage more seriously in a comprehensive political or development strategy for Somalia?

Mr. KANSTEINER. Probably the Italians have been the most aggressive. The Italians in a low-key manner, have asked about building a Friends of Somalia group, or something like that. We are quite frankly all ears. We are ready to listen to anything.

Senator FEINGOLD. Are we in a position to sort of respond to them and indicate we are going to help them put that together?

Mr. KANSTEINER. Yes. In fact, we have, and how it is done informally, or if it is done through the G-8, or if it is done through a subset of the United Nations, we have to wait and see how they want to structure it. But if the goals are what we think they are, that is, they really want to see this long-term development, mid and long-term development of the country, then certainly philosophically we are all for it.

Senator FEINGOLD. I think you have already answered this in part in answer to one of Senator Frist's questions, but given the relative stability in Somaliland and the indicators suggesting that the authorities there are interested in improving the conditions of the people, does it not make sense for the United States to build some relationship with their authorities, and you were talking about this generally, but could you say a bit more about the status of our relationship to date?

Mr. KANSTEINER. It is probably dangerous to make judgments on effectiveness of governing institutions in a place like Somalia. But Somaliland seems to have a pretty good grasp of some of what we would call traditional local government services. They probably come closer to providing those services than any of the others, and their economy is probably the healthiest, so there is not only a temptation, but I think a necessity, to at least recognize the successes they have had and try to build on those successes.

Now, the tough part is how we build on the successes and whether that means formal recognition of them as a sovereign state. Then we come back into the problem of the OAU, or the tenets of boundaries and borders, and so we have to be very careful there.

Senator FEINGOLD. The most recent International Chamber of Commerce piracy report notes that piracy is on the increase in Africa, and press reports indicate piracy is a problem off the coast of

Somalia. What can you tell the subcommittee about the nature of Somalia's piracy problem?

Mr. KANSTEINER. There has been quite frankly a long tradition of piracy off the coast of Somalia, and it is probably not that much worse today than it generally has been. What you do see is added incentive, if you will, for pirates to operate, because they know there is no coastal patrol. There has not been a whole lot of coastal patrol in the past anyway, but now there is absolutely none, with the exception of some of the international maritime interdiction that is, in fact, going on in terms of the war on terrorism; I think one of the very healthy byproducts of that is maybe we will see a reduction in the piracy off the coast.

Senator FEINGOLD. Some of the written testimony received for this hearing mentions Somalia as a transshipment point. What do we know about this issue? What kinds of items are being transshipped through Somalia, by what actors, and for what purpose?

Mr. KANSTEINER. There are a couple of areas where we have seen Somalia as a transshipment point. One is financial. It is a transshipment point for money, and in fact Al-Barakaat was very much proof of that. We also see Somalia as a transshipment point for weapons, and it has been, quite frankly, for a long, long time. I do not think it is a huge increase, but there is some increase, and so I would say those two would be the most problematic.

Of course, the other area that it is a transshipment point is people in the sense of terrorist cells do have the capability to move in and out, and we have seen it.

Senator FEINGOLD. By what actors, in terms of these?

Mr. KANSTEINER. You see it, we have seen it from—al-Qaeda certainly used it as a money transshipment point, but then also some of the small arms dealers that operate all through Africa. If they need to stow or stash weapons, certainly no flight plans are necessary if they are flying the arms in and out. There is no air traffic control. So if they need that kind of shelter, you are seeing it in some of the small arms dealers.

Senator FEINGOLD. Thank you. The last human rights report from the State Department noted some cases of trafficking in persons out of Somalia. For example, law enforcement authorities in Djibouti have arrested traffickers who were attempting to smuggle Somali women to destinations such as Lebanon and Syria to work in brothels. There are also some reports indicating trafficking in children for forced labor may be a serious problem.

Now, I understand the information here is understandably scarce, but could you discuss, based upon your own anecdotal observations, the extent to which trafficking in persons poses a significant problem in the region, and are the traffickers likely to be connected to larger terrorist or criminal organizations operating in Somalia?

Mr. KANSTEINER. Mr. Chairman, I will have to check on that, I am sorry. If I can take that, that would be great. I have not seen a whole lot of reports on that.

Senator FEINGOLD. That is fine, Mr. Secretary. Senator Frist.

[The following information was subsequently supplied.]

Mr. KANSTEINER. As we have stated in the Human Rights Report, there have been indications of trafficking of persons from and through Somalia. We have reports that

women are taken to Saudi Arabia, the UAE, and Italy with the promise of jobs and then are forced into prostitution. We have received no specific reports on trafficking in children for forced labor although we have heard of fraudulent adoptions. Given the poverty and the absence of government in Somalia, we would expect Somalia to offer considerable scope for criminal elements to profit in the trafficking of persons. However, our information on this as all other subjects relating to Somalia is attenuated because of the absence of a USG presence.

Senator FRIST. I have no more questions. Thank you, Mr. Chairman.

Senator FEINGOLD. Thank you so much.

Mr. KANSTEINER. Thank you very much.

Senator FEINGOLD. We have an excellent second panel of witnesses with us today, and I would ask those three to come up, please. Thanks to each of you for coming.

Dr. Ken Menkhaus is an associate professor of Political Science at Davidson College. His work focuses on the Horn of Africa. From 1993 to 1994 he served as Special Political Advisor to the United Nations operation in Somalia, and from 1994 to 1995 he was a visiting civilian professor at the Peacekeeping Institute of the United States Army War College.

In 1998, Dr. Menkhaus served as a Senior Technical Advisor to the United Nations Development Office for Somalia and in Nairobi. He has conducted extensive fieldwork in Somalia, and is the author of over two dozen articles and monographs on Somalia and the Horn.

Ambassador David Shinn is no stranger to this subcommittee, having come before us before when he was confirmed to be U.S. Ambassador to Ethiopia, where he served from 1996 to 1999. Before that time, he served as a Director for East African Affairs at the State Department, and as the Department's Coordinator for Somalia from 1992 to 1993. He was the U.S. Ambassador to Burkina-Faso in the late 1980's, and also served in Cameroon, Sudan, Mauritania, Tanzania, and Kenya during his Foreign Service career. He is currently an adjunct professor at the George Washington University.

Robert Macpherson is currently director of CARE USA's Protection and Security Unit, a role in which he is responsible not only for the safety of CARE international staff, but also for developing policies and procedures associated with at-risk populations such as refugees and internally displaced persons. Previously, he worked with CARE's emergency group organizing and implementing emergency response activities in humanitarian crisis situations.

Mr. Macpherson is a retired U.S. Marine Corps colonel with 25 years of experience, including Vietnam, Desert Storm, and Somalia. As part of the United Nations Operation Restore Hope in Somalia, beginning in late 1992 Mr. Macpherson served as Deputy Director for Civil-Military Operations, prioritizing and coordinating multinational relief efforts.

I welcome all of you and look forward to your testimony. We will hear from all of you and then proceed to questions, and so let us begin with Dr. Menkhaus.

**STATEMENT OF DR. KEN MENKHAUS, ASSOCIATE PROFESSOR
OF POLITICAL SCIENCE, DAVIDSON COLLEGE, DAVIDSON, NC**

Dr. MENKHAUS. Distinguished Senators, ladies and gentlemen, good afternoon, and thank you for allowing me to testify, and I think I speak on behalf of many in thanking you for putting the spotlight on Somalia. With your indulgence, I would like to focus on the final section of my written testimony dealing with long-term policy recommendations, but I would be very happy to answer any questions about my own analysis of the nature of the Somali crisis if they should come up.

If our long-term objective is to render Somalia an inhospitable place for regional and global security threats, then the goals that should frame our long-term policies on Somalia should be clear. They are promotion of national reconciliation, building capacity of local and national authorities to promote rule of law, policing and good governance, promoting economic opportunity and recovery and reducing the country's chronic vulnerability to recurring economic crises, shaping the political and economic environment in Somalia in ways which create incentives for communities to cooperate with us and discourage them from association with radical movements, and finally, winning the hearts and minds of a new generation of Somalis who have known only war and state collapse and who are looking for answers to these crises. Everything we do in Somalia should be aimed at advancing one or more of these goals.

A number of principles and priorities can help to undergird successful long-term strategies in Somalia. One is sustained engagement. The United States can no longer afford a policy of benign neglect in Somalia. It simply must reengage in the country. This includes more visible and active diplomatic efforts to communicate with local political actors as well as revitalization of nonemergency aid programs. The quality of this reengagement will be more important than the quantity.

Reengagement must also be sustained. Somali communities need to be convinced that the United States is interested in helping them resolve long-term problems, not just address our short-term security concerns. Patience and sustained approaches are crucial in the promotion of national reconciliation as well. Rushed approaches, as we have seen in the past, to reconciliation in Somalia have usually made things worse.

Second, improved intelligence. The United States shifted much of its intelligence assets away from poor, weak states like Somalia in the 1990's. Now we are scrambling for information and analysis in these zones of the world, where new attention to close field-based knowledge and extensive contacts with nationals is essential if the United States is to make well-informed policies on Somalia. Terrorist networks may be dissuaded from operating in Somalia if they know we have many friendly eyes and ears in the country.

Third, a shaping strategy. Somali society is remarkably pragmatic. Somalis as a group are not prone to embrace foreign ideologies and radical Islamic agendas are considered there to be foreign unless they yield tangible benefits. The moment those benefits disappear, support for the ideology tends to evaporate as well.

This pragmatic cost-benefit analysis approach to the external world can and should be made to work to our advantage in mini-

mizing the impact of radical Islam in Somalia. Through creative use of the carrots as well as the sticks which we have at our disposal, we can shape Somalis' cost-benefit calculations in ways that make it worth their while to cooperate with us in preventing terrorist activities in their country.

Fourth, expanding economic opportunity. Despite the weakness of the local economy, Somalia has exhibited remarkable innovation and adaptability in commercial and service sectors. Much more of this entrepreneurship would flourish if a few key constraints were removed or better managed. The United States is in a position to assist in this regard, and would earn much goodwill in the country if it did.

Projects aimed at making the American market more accessible for key experts and assisting Somali livestock and seafood exports, improving infrastructure and management at key ports, or at encouraging American partnerships with Somali entrepreneurs are among the many, many possibilities. A robust domestic market is itself a tool which could be used to catalyze productive opportunities in Somali and integrate the country closer into the Western economy.

Fifth is flexibility in our partnerships. Reengagement in a country with no recognized government begs the question of reengagement with whom? This nettlesome question creates significant problems in the Somali context. After 10 years of state collapse in Somalia, the only tenable policy is one based on the yardstick of effective administration. The United States cannot presume that a functional central state will be revived in the near future. Therefore, we must be adept at dealing with subnational polities.

In that regard, the United States must insist that it work with any and all authorities which are actually administering a region or an area. Political groupings which make no attempt to provide basic administration for the people they claim to represent should not be recognized. This suggests in my view a preference for a building block or regional approach to reconstituting a central authority in Somalia, a policy which was in place from 1997 to 1999, but which was overtaken by the Djibouti initiative to create a central government via national conference in the year 2000. Top-down efforts to impose a central state on Somalia appear unlikely to succeed.

Sixth, engagement with the business community. The business community in Somalia has emerged as one of the most powerful political forces in the country. It has a mixed track record, but as a group the business community needs to be engaged with the aim of creating informal partners in the war on terrorism. They will be especially sensitive to the cost of noncooperation with us and to the benefits of working with the United States, and are in a better position than most other groups in Somalia to monitor and discourage radicalism.

Seventh, encouragement of coexistence between Ethiopia, Arab States, and Somalia. As long as Somalia is the site of a proxy war between Ethiopia and the Arab world, national reconciliation will be difficult to impossible. Somalia and its neighbors have many powerful shared interests in expanding regional commerce, reducing armed conflict, and lawlessness in working toward a functional

political authority in Somalia. The United States is in a unique position to press its friends in the region to cooperate to this end.

Eight, sustainability. The United States and its international partners must take care not to throw money at self-declared regional or national authorities in ways which reinforce old, bad political habits in Somalia. For too long, the Somali political elite has viewed the state not as an administrative body responsible for providing basic services for its people, but as a catchment point for external assistance to enrich those who are clever and lucky enough to control it. Massive levels of foreign aid, combined with little accountability during the cold war, led to a bloatable and unsustainable Somali State, a castle built on sand. Whatever political entity emerges in Somalia must be sustainable mainly on the basis of its own tax revenues, or we run the risk of yet another collapsed state.

Nine, assistance to the educational sector. We must also be engaged in an effort to win the hearts and minds of the Somali people. The educational sector is key in this regard. Investing in the rebuilding of Somalia's education sector is not only a vital investment in its human resources and hence in economic recovery, it is also an important socialization tool, shaping the values and world view of a new generation of Somalis who have only known war and state collapse.

Currently, the education sector is dominated by externally funded Islamic schools. Most of these are high quality institutions playing a legitimate role, not fronts for al-Ittihad, but if they are the only type of education available, the next generation of Somali leaders will have been socialized into a world view which could make Somalia a more hospitable environment for radical Islam.

Finally, creativity. In cases of protracted state collapse like Somalia, we need to be prepared to think outside the box. Specifically, we may need to anticipate and assist both unfamiliar processes toward national reconciliation in Somalia and an unconventional type of national authority emerging in Somalia. Given the resource constraints faced in Somalia, the kind of central government which may ultimately arise in the country could be a minimalist structure providing only core services while subcontracting other responsibilities out either to the private sector or to local governments.

Thank you.

[The prepared statement of Dr. Menkhaus follows:]

PREPARED STATEMENT OF DR. KEN MENKHAUS, ASSOCIATE PROFESSOR OF POLITICAL SCIENCE, DAVIDSON COLLEGE

"WEAK STATES AND TERRORISM IN AFRICA—U.S. POLICY OPTIONS IN SOMALIA"

Somalia has now been without a functioning and recognized central government for over eleven years. It is the most extreme example of the troubling phenomenon of failed states which are especially prevalent in contemporary sub-Saharan Africa and which are now commanding our attention as possible sites of terrorist activities. The realization that failed states like Somalia constitute a security threat is not new. By the mid 1990s, government officials, the media, and academic analysts devoted considerable attention to the security implications of the rash of failed states such as Angola, Rwanda, Bosnia, and Afghanistan. At that time, four distinct security issues were linked to collapsed states. One concern emphasized traditional security threats—the dangers of terrorists and transnational criminal elements exploiting collapsed states as safe havens where they could operate beyond the rule of law. A second cluster of concerns focused on non-traditional security issues emanating

from failed states—the threats to global security posed by massive refugee flows, the spread of dangerous new diseases, environmental degradation and other by-products of protracted chaos. A third worry was regional security—the dangers of spillover of anarchy, arms flows, and armed conflict into neighboring countries, triggering a domino effect of complex emergencies and instability. A fourth and final security preoccupation was political and humanitarian. The humanitarian crises provoked by failed states produced strong public pressure on administrations to intervene, which in turn led to periodic commitments of U.S. forces to peace operations in the 1990s. Protecting U.S. forces from harm in these “operations other than war” became a major security concern in itself.

All four of these sets of security concerns were, and remain, entirely legitimate. Yet at the same time that a widespread consensus emerged that failed states pose a threat to American security interests, the U.S. government—with little dissent from the public—appeared increasingly disengaged from these crisis zones. How is it possible that such a disjoint could exist between analysis alerting us to danger and policy response which continued to place these troubled parts of the world on the back burner? The answer is in large part that our diagnoses of the problem did not produce viable policy prescriptions. These failed states, and the crises they produce, constitute enormous, frustrating, and complex challenges which are not amenable to quick fixes and routinized, incremental responses. In short, we have avoided confronting directly the challenge of failed states in part because we don't know what to do about them. It has been easier to keep our involvement limited to treating the symptoms rather than causes of these crises, restricting our role to that of a dependable and generous provider of emergency relief. September 11 has changed this dynamic. We still face fundamental challenges, uncertainty, and risk in zones of state collapse, but failed states have been placed squarely on the front-burner of national security policy.

DISTINGUISHING BETWEEN DIFFERENT TYPES OF TERRORIST OPERATING ENVIRONMENTS

Our emerging anti-terrorism strategy is based on the objective of depriving terrorist networks a viable base of operations—in the vernacular of anti-terrorist analysts, “draining the swamp.” An important first step in refining and operationalizing this strategy is to distinguish between the different types of “swamplands” in which terrorist networks may operate. I would propose five types of potential terrorist operating environments. First are collapsed states such as Somalia, where central governments have lost control over most or all of the country, leaving large areas of real estate beyond the writ of state authority. These governments, if they are functioning at all, cannot be expected to police their countries effectively to prevent or apprehend terrorists. Second are weak states, or what the journalist Thomas Friedman recently termed “messy states.” These states feature large and functioning central governments, but due to a combination of corruption, low pay, ethnic tensions, and economic strains have serious deficiencies in their capacity to deliver law and order and other essential government services. Large and sprawling urban slums are often beyond the control of these governments, and police forces easily bribed. A third category consists of “compromised states.” These are cases where relatively strong and effective governments are constrained from taking forceful action against Islamic terrorists or radicals for political reasons. The movements in question enjoy a certain amount of local support, so that a frontal attack on them makes governments vulnerable; the result is an uneasy co-existence and efforts by the government to channel the radical movement's energies away from it and onto other targets (often, the U.S.). Pakistan, Saudi Arabia, and Egypt are among the states which arguably fall into this category. Fourth are rogue states, governments which actively sponsor or shelter terrorist networks. Finally, there are liberal democracies, including our own; terrorists exploit the civil liberties and non-intrusive government presence to operate in this setting as well.

Each of these contexts suggests a distinct set of tactics and approaches if they are to be rendered inhospitable environments for terrorist cells. Importantly, we must presume that terrorist networks have considered the particular advantages and disadvantages of each of these political settings and have devised a division of labor to exploit the opportunities each setting affords them. It is in the context of this division of labor that we should consider the particular advantages which collapsed states such as Somalia offer terrorists.

SECURITY THREATS POSED BY STATE COLLAPSE IN SOMALIA

Typically, collapsed states like Somalia pose a special set of security problems related to terrorism. Some of the attractive features of collapsed states to terrorist networks include:

- Chronic lawlessness, which creates safe havens for transnational terrorists to operate beyond the reach of law enforcement;
- Danger and inaccessibility, making it more difficult for Western journalists, relief workers, or government officials to learn about their activities;
- Easily co-opted or recruited gunmen;
- Weak local authority structures, which can be used as a Trojan horse by radicals to provide cover for their de facto control of an area or become a potential “Taliban” type national government providing the terrorists direct support;
- Opportunities for profiteering from a range of economic activities, including drug production, drug and gun smuggling, money laundering and counterfeit activities, commerce in high-value goods such as diamonds, timber, or even people; and
- Extreme levels of poverty, making it relatively easy to secure local clients and purchase temporary cooperation locally even from militias or communities which do not share a terrorist agenda. Profound underdevelopment also provides a backdrop of social frustration and desperation which terrorists can use to their advantage, especially if they are able to link that underdevelopment to the West or to governments with close ties to the West.

All of these factors are present to some degree in Somalia, and hence require careful scrutiny. But Somalia has by many measures not yet proved to be as worrisome a security threat as some other states. Unlike Afghanistan, Somalia has not produced a Taliban-type radical administration openly sponsoring terrorist groups. Unlike Yemen, Somalia is not heavily infiltrated by al-Qaeda. Unlike Colombia, Myanmar, and Afghanistan, Somalia has not become a significant producer or conduit of drugs. And unlike Congo, Angola, and Sierra Leone, Somalia has no valuable natural resources which foreign terrorist and criminal elements can export for profit. And despite crushing levels of underdevelopment and perceived abandonment by the West, Somali communities as a whole are not particularly anti-Western and have not proven particularly receptive to radicalism; Islamic extremists have not been able to exploit Somali desperation with their prolonged economic and political crises to create a broad-based movement. Somalia is instructive on this score; by all measures it ought to be a more active site of Islamic radicalism than it is.

One possible explanation is that we have tended to overestimate the attractiveness of collapsed states to terrorist networks. What may at first glance appear to provide opportunities to terrorist organizations could actually constitute problems for them. Many of the same factors which plague and jeopardize humanitarian aid operations also conspire to produce sub-optimal environments for terrorist operations. Foreign terrorists would find it very difficult to operate inside Somalia in secret; Somalis are quick to learn about and discuss the activities of foreigners, as they often constitute an important economic opportunity. Terrorist networks would find themselves vulnerable to extortion, threats, and kidnappings. They would find themselves unable to avoid being caught up in local clan feuds over their local partners and allocation of whatever resources they may have, increasing the odds of being reported on to Western authorities. Importantly, in a collapsed state such as Somalia any organization or movement is immediately visible; there is nowhere to hide in a collapsed state. Terrorists networks in Somalia and other collapsed states face the real disadvantage of being in an exposed environment. Finally, the very absence of a recognized government in Somalia makes it much less politically complicated for the U.S. to intervene with military force to bomb a terrorist camp or snatch individual suspects by Special Forces. Given the experience of the Taliban and al-Qaeda in Afghanistan, it seems reasonable to conclude that they will now work very hard to avoid presenting themselves as a fixed military target. Instead, they will seek to change the playing field from a military conflict to a protracted, transnational law enforcement exercise. Islamic radical cells will in this sense find weak and/or compromised states more attractive bases of operation; there they can use a weak state as a form of protection which is not available in a zone of state collapse. That does not mean that Somalia and collapsed states like it are unattractive to radical Islamists. Instead, it suggests that Somalia may come to play a “niche role” for terrorists, one which exploits aspects of lawlessness while minimizing the vulnerabilities terrorist networks are exposed to in Somalia. Specifically, we can expect to see Islamic radicals using Somalis as a transshipment zone, for short-term movement of money, materiel, and men. Short-term operations in Somalia can be done in secret and through any number of local interlocutors; for a price, terrorists can and have worked with Somali factions or clans which do not share their political agenda but which are happy to profit from them. This is a scenario explored in more detail below. The key here is that we need to begin to anticipate that terrorist networks are learning how to use different types of operating en-

vironments for different purposes, and that collapsed states like Somalia will be less useful to them as a permanent base of operations, more attractive for short-term missions. To date, the terrorist threat posed by Somalia has been articulated in very general and often confusing terms. There are in fact a wide range of potential security threats in Somalia related to Islamist radicalism. These need to be disaggregated and considered as distinct, though not mutually exclusive, possibilities. Each possibility may require a different policy response.

SOMALIA AS OPERATIONAL BASE FOR NON-SOMALI AL-QAEDA TERRORIST

This concern has dominated Western media coverage of Somalia; speculation about this threat has made Somalia a leading target in an expanded war on terrorism. It is also one of the less plausible scenarios. There is at this time no credible evidence that al-Qaeda is using Somalia as an operational base—i.e., as a site for training camps or bases. Indeed, there is little evidence of non-Somali al-Qaeda members having a presence in Somalia today. This was actually a more realistic worry prior to 1997, when al-Ittihad held the town of Luuq and was active in the coastal settlement of Ras Kiamboni; then, there is some evidence to suggest non-Somali al-Qaeda members visited the areas. But since al-Ittihad lost Luuq in 1996 and more recently abandoned Ras Kiamboni, it operates no discrete bases or camps. As stated above, non-Somalis running camps in Somalia would find it extremely difficult to keep such an operation secret in Somalia, both because Somalis would report them and because they would be easily detected by aerial and satellite surveillance now being undertaken in the country. They would also present themselves as an easy, fixed target for an aerial attack, which presumably they will no longer be foolish enough to do.

SOMALIA AS SAFE HAVEN FOR NON-SOMALI AL-QAEDA TERRORISTS

Because Somalia remains a collapsed state with little to no local law enforcement capacity, and because of its long, unpatrolled coast line, external countries are understandably concerned that it may serve as a safe haven for fleeing al-Qaeda members. Those al-Qaeda members would not be attempting to build an operational base in Somalia; they would only use Somalia to hide undetected, either in crowded urban centers or remote rural areas, until they deem it safe to depart. This concern has led to patrols and interdictions by U.S. and European naval vessels off the Somali coast. This scenario is possible but not inevitable, because non-Somali Islamic radicals would be very vulnerable to being turned in by Somalis, and presumably know this. Still, given the very poor alternatives facing fleeing al-Qaeda members, it is conceivable they may try to hide in Somalia, relying on local counterparts to shelter them.

SOMALIA AS TRANSSHIPMENT OR TRANSIT SITE OF AL-QAEDA OPERATIONS

Somalia is not an especially hospitable site for a fixed base of operations for al-Qaeda, but it is an excellent location for short-term transshipment and transit operations by all sorts of transnational criminal and terrorist groups. Its natural beach ports and long coast allow easy and undetected smuggling of people and materiel which can then be moved overland on track roads into Kenya or Ethiopia; its innumerable dirt landing strips also allow access by small aircraft. Local partners in such short-term operations are easily contracted, for the right price, and need not share any ideological affiliation with the group in question. Al-Qaeda could very well view Somalia as playing this niche role in the future, allowing the movement to move goods and people into various parts of East Africa undetected.

SOMALIA AS FINANCIAL FACILITATOR FOR AL-QAEDA

Somalia's fast-growing telecom and money transfer companies are a critical part of the country's growing dependence on remittances from its large labor force working abroad. Remittance companies rely on a global network of agents to enable diaspora members to transfer money to relatives informally and businessmen to place orders in Dubai and elsewhere. Given the absence of banks in the country, such informal mechanisms to transfer cash is the only option Somalis have. Since individuals usually do not have an account with these companies, however, hawilaad companies are easily misused by criminal elements seeking to move cash without leaving a paper trail. The U.S. government's move to freeze the assets of the largest Somali remittance and telecom company, al-Barakaat, was partially justified on grounds that al-Qaeda was using it to move its funds. Somalia as revenue generator for al-Qaeda. Some have charged that several of Somalia's top business companies, in sectors such as remittances, import-export, and telecommunication, are fronts for

al-Qaeda's business empire. This was another charge leveled at Al-Barakaat. Businesses may either have secured loans from al-Qaeda (in which case the profit-sharing arrangements which result generate revenue for al-Qaeda) or are owned directly by al-Qaeda and fronted by Somali business partners. There is little available evidence to assess this concern. Though the remittance sector in particular is profitable, Somalia is an extremely weak economy and presumably would not constitute an especially good place for returns on investments. To the extent that this threat exists, it surely constitutes a minor aspect of the al-Qaeda business portfolio.

SOMALIA AS HOST FOR SOMALI ORGANIZATIONS ASSOCIATED WITH AL-QAEDA

This is an important distinction to make, as it suggests the possibility of a radical Islamic threat inside Somalia without any foreign presence necessarily involved. On this score, the Somali Islamist group al-Ittihad is the subject of considerable discussion as a possible security threat. The extent to which al-Ittihad is significantly associated with al-Qaeda is uncertain. Two points are clear: al-Ittihad is not simply a local subsidiary of al-Qaeda; and al-Ittihad has had links of some sort with al-Qaeda. What is difficult to determine is the significance of those associations. If links to al-Qaeda have been superficial or expedient, an analysis based on guilt by association runs the risk of misreading al-Ittihad. If those links prove to be significant and enduring, then al-Ittihad is clearly a major security threat as an organization.

SOMALI LOCAL POLITICS AS "TROJAN HORSES" FOR AL-ITTIHAD

A corollary to the above scenario (one which presumes al-Ittihad is linked to al-Qaeda) is the possibility of al-Ittihad infiltrating and indirectly controlling local politics—the "Turabi strategy." It is clear in fact that al-Ittihad has been attempting this, though not with the level of success some alarmist analyses have presumed. By integrating into local administrations and gaining control of key posts such as the judiciary, al-Ittihad hopes to build political power and control within an ostensibly non-Islamist polity. That way, they avoid making themselves visible target. This is Ethiopia's chief worry, and the basis of its accusation against the TNG.

SOMALIA AS HOME TO INDIVIDUAL SOMALIS AFFILIATED WITH AL-QAEDA

Here a distinction is made between charging al-Ittihad as an organization with terrorist links and identifying individuals (probably al-Ittihad members) who have dangerous links to al-Qaeda or other terrorist networks. This is one of the most likely scenarios, and one which presents the most difficult policy challenges to the outside world. If these individual Somalis are "big fish" in the al-Qaeda organization, they will need to be apprehended. Because local authorities are so weak, it is unlikely the U.S. can or should rely on them.

SOMALIA AS HOST FOR AL-QAEDA-AFFILIATED "SLEEPERS"

To date, no Somali has been implicated as a perpetrator of terrorist attacks against the West, and Somalis do not appear to have been a prominent or numerous group in al-Qaeda forces in Afghanistan. Still, it is possible that a small number of Somalis have been trained abroad and placed back in Somalia as sleepers. This would be exceedingly difficult to monitor. Because there are no external targets of any consequence inside Somalia (no embassies exist there at present, for instance), any sleeper placed inside Somalia would presumably have to travel abroad to carry out a terrorist mission.

AL-ITTIHAD AS A THREAT TO ETHIOPIA

Evidence of al-Ittihad's links with al-Qaeda and with a global agenda of terrorism are weak, but not so its agenda towards Ethiopia. It is publicly committed to working toward an Islamic state in Somali-inhabited areas of Ethiopia, and it has been implicated in two hotel bombings in Ethiopia and an assassination attempt against an Ethiopian minister in the mid-1990s. Those acts earned it designation as a terrorist organization and are justification in Ethiopia's view for pursuing and eliminating al-Ittihad from Somalia, even if the organization has no links to al-Qaeda. The significance of al-Ittihad's terrorist acts inside Ethiopia are a matter of debate. For many, they stand as compelling evidence of the threat the organization poses to Ethiopia, and justifies the belated U.S. decision to label al-Ittihad a terrorist organization. Others argue that the terrorist acts in Ethiopia were not carried out by the organization as a whole, but rather by one Ethiopian-based wing; that the attacks were more a reflection of Somali irredentism than Islamic radical; and that other branches of al-Ittihad strongly disagreed with those attacks. Some al-Ittihad

spokesmen in Somalia insist that they are a non-violent movement with a focus strictly on Somali politics. Assessing these two positions is not easy, as it requires reaching conclusions about the intentions and nature of an organization about which little is known. On the one hand, it is entirely plausible that al-Ittihad is in fact divided over tactics and other matters, and that treating the organization as monolithic is an error. On the other hand, it would be naive to accept at face value the claims of a nonviolent agenda from an organization implicated in terrorist acts. Ethiopia's internal security situation is always tenuous, and any movement—foreign or domestic—which seeks to politicize Islamic identity in a country where half of the population is Muslim will be viewed by the Ethiopian government as extremely dangerous. At this point, the Ethiopian government has made a determination that al-Ittihad poses a threat to its security and it is very unlikely to deviate from that view. For Ethiopia, co-existence with al-Ittihad in any manner is off the table. That implies a long-term conflict in the region with the potential to destabilize both sides of the border. To the extent that Western (and especially American) interests lie in promoting Ethiopian security, the possibility of some sort of modus vivendi between the West and al-Ittihad is also highly unlikely.

SOMALI DIASPORA AS THREAT TO GLOBAL SECURITY

Somalia is now a diaspora nation, unbound by fixed geographic borders. The country's principal export is its own people, its role in the global economy reduced to that of a labor reserve for the Gulf states and the West. Estimates of the number of Somalis living abroad range from one to two million—perhaps 20% of the total population. The diaspora's role has been mainly positive, as a vital source of remittances keeping Somalia's failed economy afloat. But in some instances individual diaspora members have been attracted to radical movements. Somali communities abroad can be mobilized (and in some cases coerced) into contributing funds to militias and factions, including al-Ittihad. Some Somalis abroad are drawn to Islamic movements both in the West (often as an attempt to maintain their identity and culture) and in Arab and Islamic states where such movements are active. Few Somali diaspora members have been directly implicated in radical Islamic groups, but this remains a possible security threat to host countries.

SOMALI LAWLESSNESS AS THREAT TO REGIONAL STABILITY

Despite the intense media attention given to the threat posed by Islamic radicalism in Somalia, the greatest security threat emanating from the country continues to be spillover of banditry, gunrunning, refugees, and lawlessness into neighboring Ethiopia and Kenya. Ethiopia has never fully controlled the Ogaden region, and that has not been made easier by a decade of state collapse on the Somali side of the border. Kenya's security predicament is palpably worse. The Kenyan government has lost control of most of the Somali-inhabited territory north of the Tana River; Somali bandits roam across parts of Kenya and even into northern Tanzania on cattle raids and carjackings; Somali-populated refugee camps in Dadaab and Kakuma are sources of chronic tensions with host communities, occasionally leading to armed incidents; and the Somali-inhabited neighborhood of Eastleigh in Nairobi is virtually beyond the control of the Kenyan police, and is a haven for illicit activities and gun-smuggling. In border areas, some argue that security is actually worse on the Kenyan side than on the Somali side. Should the general security situation in Kenya deteriorate as elections approach in December 2002, these spillover problems from Somalia have the potential to exacerbate communal violence.

LONG-TERM POLICY CONSIDERATIONS FOR SOMALIA

The underlying causes of the regional and global security threats emanating from Somalia are profound economic and political crises—the utter collapse of the state, and the dangerously unsustainable and unproductive economy. These two crises tend to act as a vicious circle, reinforcing each other, so solutions will need to address both simultaneously. A number of principles and priorities can help to inform successful, long-term policy in Somalia:

- Sustained engagement. The U.S. can no longer afford a policy of benign neglect in Somalia; it must re-engage in the country. This includes more visible and active diplomatic efforts to communicate with local political actors, as well as revitalization of non-emergency aid programs. The quality of this reengagement will be more important than the quantity. Re-engagement must also be sustained; Somali communities need to be convinced that the U.S. is interested in helping them resolve long-term problems, not just address our short-term security concerns. Improved intelligence. The U.S. shifted much of its intelligence assets

away from poor, weak states like Somalia in the 1990s. Now we are scrambling for information and analysis in these zones of the world. Renewed attention to close, field-based country knowledge and extensive contacts with nationals is essential if the U.S. is to make well-informed policies on Somalia.

- “Shaping” strategy. Despite, or perhaps because of, the harsh economic realities in the country, Somali society remarkably pragmatic. Somalis as a group are not prone to embrace foreign ideologies (and radical Islamic agendas are viewed as foreign) unless they yield tangible benefits; the moment those benefits disappear, support for the ideology evaporates as well. This pragmatic, cost-benefit analysis approach to the external world can and should be made to work to our advantage in minimizing the impact of radical Islam in Somalia. Through creative use of the carrots as well as the sticks which we have at our disposal, we can shape Somalis’ cost-benefit calculations in ways that make it worth their while to cooperate with us in preventing terrorist activities in their country.
- Expanded economic opportunity. Despite the weakness of the local economy, Somalia has exhibited remarkable innovation and adaptability in commercial and services sectors. Much more of this entrepreneurship would flourish if a few key constraints were removed or better managed. The U.S. is in a position to assist in this regard, and would earn much goodwill in the country if it did. Projects aimed at making the American market more accessible for key exports, at assisting Somali livestock exports (either through provision of livestock certification at the ports, or facilities for chilled meat factories near airports), improving infrastructure and management at key ports, or at encouraging American partnerships with Somali entrepreneurs, are among the many possibilities. Our robust domestic market is itself a tool which could be used to catalyze productive opportunities in Somalia and integrate the country closer into the Western economy.
- Flexibility in partnerships. Re-engagement in a country with no recognized government begs the question of re-engagement with whom? This nettlesome question creates significant problems and disagreements in the Somali context. After ten years of state collapse in Somalia, the only tenable policy is one based on the yardstick measured in effective administration. The U.S. must insist that it will work with any and all authorities which are actually administering a region or area. Political groupings which make no attempt to provide basic administration for the people they claim to represent should not be recognized. This approach is essentially in reinforcing the message to Somali political elites that their goal can no longer be to claim control over the state (or a region) in order to secure foreign aid. Sovereignty in a collapsed state must be empirically earned, not secured through empty juridical claims. This suggests a preference for a “building block” or regional approach to reconstituting a central authority in Somalia, a policy which was in place in 1997-99 but which was overtaken by the Djibouti initiative to create a central government via national conference in 2000. That government, the Transitional National Government, claims sovereign authority over the entire country but controls only half of the capital Mogadishu. U.S. policy has to date appropriately viewed the TNG as the result of an incomplete process. In time, the TNG may have to be convinced to reconstitute itself as a regional, not national, authority, and engage with other regional polities in devising a federal system of government. If not, top-down efforts to impose a central state on Somalia appear very unlikely to succeed.
- Engagement with business community. The business community in Somalia has emerged as the most powerful political force in the country. It has a mixed track record; many of its members gained their fortunes in the war-economy of the early 1990s, and some continue to take decisions harmful to Somali national interests; but as a group the business community needs to be specifically engaged with the aim of creating informal partners in the war on terrorism. They will be especially sensitive to the costs of non-cooperation and the benefits of working with the U.S., and are in a better position than most other groups in Somalia to monitor and discourage radicalism.
- Encouragement of co-existence between Ethiopia, Arab states, and Somalia. As long as Somalia is the site of a proxy war between Ethiopia and the Arab world, national reconciliation will be impossible. Somalia and its neighbors have many powerful shared interests in expanding regional commerce, reducing armed conflict and lawlessness, and working towards a functional political authority in Somalia. The U.S. is in a unique position to press its friends in the region to cooperate to this end. This should include encouragement to allies in the Arab world to subject their assistance programs to the same levels of monitoring and

evaluation as Western NGOs, to insure they are not being misused for political purposes.

- Avoidance of past mistakes. The U.S. and its international partners must take care not to throw money at self-declared regional or national authorities on the grounds in ways which reinforce old, bad political habits in Somalia—habits of competing to control the state solely to profiteer from diverted foreign assistance. For too long, the Somali political elite has viewed the state not as an administrative body responsible for providing basic services for its people, but as a catchment point for external assistance. Massive levels of foreign aid combined with little accountability during the Cold War led to a bloated and unsustainable Somali state—a castle built on sand. Whatever political entity eventually emerges in Somalia must be sustainable mainly on the basis of its own tax revenues, or we run the risk of another collapsed state. Likewise, the U.S. must avoid policies which inadvertently reinforce the power or credibility of warlords. Creativity. In cases of protracted state collapse like Somalia we need to be prepared to think outside the box. Specifically, we may need to anticipate and assist both unfamiliar processes toward national reconciliation in Somalia and an unconventional type of national authority emerging in Somalia. Given the resource constraints faced in Somalia, the kind of central government which may ultimately arise in Somalia could be a minimalist structure providing only core services while subcontracting other responsibilities out to the private sector or to local governments.

Senator FEINGOLD. Thank you. Ambassador Shinn.

STATEMENT OF HON. DAVID H. SHINN, FORMER U.S. AMBASSADOR TO ETHIOPIA AND SPECIAL COORDINATOR FOR SOMALIA; ADJUNCT PROFESSOR, GEORGE WASHINGTON UNIVERSITY, WASHINGTON, DC

Ambassador SHINN. Mr. Chairman, thank you very much for including me in this panel today, and I would like to commend the subcommittee for focusing on the long-term aspects of dealing with Somalia. There is an awful lot of attention, particularly in the media, on dealing with the immediate terrorist issues. That does not really deal with the problem, at least certainly not the problem we face for a long time to come.

When you asked the question to Assistant Secretary Kansteiner about piracy, I could not help but recall that my first assignment in the Department of State in Washington was as the Somali desk officer from 1969 to 1971. I do not say that to date myself, but during that time I spent an awful lot of that 2 years dealing with issues of piracy. In this case it was state-supported piracy. It was the Government of Somalia seizing American geophysical research ships, holding them hostage until we could somehow negotiate their release, and that oftentimes took many, many weeks. So piracy of one kind or another has a very long history in that part of the world.

Senator Frist mentioned the issue of Somalia in the regional context and how it plays into the conflicts that exist in the region. I think that point deserves to be reemphasized. All of the countries of the Horn are interlinked with the others in terms of conflict. The record is quite frankly atrocious, and Somalia is no exception. I think it is worth just putting on the record that the primary cause in the case of Somalia is the fact that you have Somali populations that live in neighboring Ethiopia, the northeastern frontier district of Kenya, and in a part of Djibouti. It has been the stated policy of the Government of Somalia since independence in 1960 to incorporate these populations into an independent Somalia, all united.

Having written my master's thesis on the pan-Somali movement at a time when it was very much in vogue and everyone in academia thought that this might even be a good idea, we have seen in effect the opposite happen in recent years, at least since the late 1980's. There has been a fracturing of Somalia with the clans going their separate ways. For one, I think we are going to see a return some day, perhaps not in my lifetime, where the pan-Somali effort is going to haunt us again, if it has not already begun to head in that direction.

For the time being, however, the issue is one of fracturing and fragmentation, and not one of uniting. But the point is that there is a very long history here of a serious issue that will almost certainly come back to haunt everyone in the region, and those who have an interest in the region.

I submitted in writing a much more detailed statement on ideas for dealing with Somalia. I am not going to read that statement. I simply want to summarize some of the key points from it. The request was to focus on long-term policies, and I tried for the most part to do that. I began by making several assumptions. One of the assumptions, and this has been stated by others, is that we really do not have good information, good intelligence, on the situation in Somalia today, for the simple reason that we basically abandoned Somalia in 1994.

All of our troops left in March of that year, and the Somali liaison office shut down several months thereafter. The U.N. stayed on for almost another year, and we had tangential interest in what the U.N. was doing, but we pretty much washed our hands of Somalia. There were relatively few visits of Americans going back into the southern two-thirds of Somalia. We have not had a very active collection effort on what is happening there. I think until the last several months, until after September 11, we did not even really know who all the players were.

Now, there has been a crash effort to learn all of that. I think a great deal has been learned, but the fact is that we had an intelligence vacuum in that area for about 7 or 8 years, and it takes time to build back up. That is one of the reasons that argues against doing anything on a rash basis in Somalia until we do have a better understanding of what is going on.

I do not have any doubt about the terrorist links of Al-Ittihad. I have felt it was a terrorist organization for many years, and I am on the record as having stated that. Nor do I question, although I am in no position to prove that it has links to al-Qaeda, the fact that it did conduct terrorist activities in Ethiopia in the mid-1990's. Indeed, Al-Ittihad even took credit for some of those terrorist acts, blowing up of hotels, attempted assassination of an Ethiopian minister. There is no question but what Al-Ittihad has some blood on its hands and should be held accountable.

The degree to which its agenda is aimed against us is more questionable. There are some allegations of linkages to the bombings of the embassies in Nairobi and Dar-es-Salaam and some suggestion that they were involved in a few of the attacks on the international community when we were there in force in 1993. But with those exceptions, by and large it has been a Somali agenda, one that has focused on creating an Islamic state in Somalia, and incorporating

the Somali inhabited part of Ethiopia, or at least freeing it from Ethiopian sovereignty.

Before one can really talk seriously about any kind of a long-term American policy in Somalia, there really has to be some modicum of central authority, some indication that rule of law is either underway or has at least begun. It is in my view impossible to talk about any really serious policy in that country without the prospect for something that is akin to a nation-state.

It does not have to look like it used to look, and it does not have to look even like its neighbors, but it cannot continue to rule by independent fiefdom with a Transitional National Government that has absolutely minimal control in the country. Until steps are taken to achieve that goal, it is going to be very difficult for us to have a serious long-term policy.

Equally important, in my view, and I am still working on the assumptions of my policy remarks, a unilateral U.S. policy is doomed to fail. We simply do not have either the will or the resources to carry out any kind of significant unilateral policy there. I was very pleased to hear from Assistant Secretary Kansteiner that that is not the way we seem to be going.

We seem to be willing to talk with others who do have perhaps a more serious interest in Somalia, or at least would be willing to partner with us. I think that is absolutely critical. The whole issue of scarce American resources and probably an inability to deliver in the long run on our own argues against any kind of unilateral policy.

The process that I would propose in trying to develop a long-term policy is to start a series of consultations with our European allies, particularly Italy and the United Kingdom, with key countries in the region, the three neighbors, obviously, plus Egypt, and then finally with the United Nations. I would also consult with the European Union. I think this is a process that should begin much sooner rather than later. In fact, I see no reason why the process should not begin almost immediately.

As part of that process, we also need to be thinking in terms of how we interact with Somalis themselves? This is not an easy process. We have had some luck in using our embassy in Djibouti and making periodic visits to Somaliland, the northern one-third of the country, and visiting Hargeisa, the capital of Somaliland. That has provided us a much better information base than what we have in the southern two-thirds of Somalia.

I would argue, quite frankly, that even though we should under no circumstance extend diplomatic relations to Somaliland at this point, it is time to be thinking in terms of a small office there. I do not care what you call it. There has got to be some way to place a couple of State Department and a couple of USAID people in Hargeisa.

I know that is controversial. I know it probably will not fly at this point in time, but it is high time to think about that. Security is not a serious issue in most of Somaliland, and that should not be the argument for preventing an American low-level involvement there.

The second step of the contact process with Somalias would be simply to increase the Somali-watcher presence working out of

Nairobi. It might even be useful to have someone in the embassy in Addis Ababa to perform a similar role, because you get so many visitors from Somalia who pass through Addis Ababa.

Let me turn to the long-term policy suggestions. They are not set forth as any sort of concrete plan. They are simply points to begin the dialog, to begin the discussion. The first would be targeted assistance to southern Somalia and Somaliland, where I think it can be done rather easily. I realize we have some assistance going in there now, but I think it can increase.

In the case of the southern two-thirds of Somalia, I think you have to work primarily through international NGO's and indigenous NGO's. I believe it can be done, and I believe you can step up the kinds of things we are doing there, everything from very small rehabilitation projects on roads, for example, to helping out with some small clinics, perhaps some primary education, all of this working through NGO's because of the security problems there. I think a targeted assistance program is the place to begin.

Another thing to take a very serious look at is a stepped-up public diplomacy program. We ignored Somalia until September 11. It is time to sit a group down, brainstorm, figure out ways that you can start sending a message to the Somalis. For the moment the Somali service of BBC seems to be the service that is most listened to. I do not know how much credibility the Voice of America has there. I do not believe it has a Somali service at the moment. It may be necessary to build that up. It may be necessary to use the BBC. It may be necessary to do something more innovative like work with World Space and provide donor-provided radio receivers to Somalis you can then have your own programming going directly to them as individuals. Clearly there is a group that could sit down and brainstorm this issue and come up with a public diplomacy program that makes sense.

Point No. 3 is intelligence cooperation. I gather this is already underway. I will not get into it in any detail. This is a very difficult thing to do, but because of the immediate terrorist threat, I think it needs to be done with the Government of Somaliland, with the Government in Puntland, with the Transitional National Government, and with some of the individual fiefdom leaders with whom we have reasonably good contacts. I say this knowing full well that about 50 percent, at a minimum, of their information is disinformation. You have got to be able to separate good information from bad.

Looking further into the future, although not that far into the future, we need to be thinking about building up and reestablishing police forces in those parts of Somalia where it is possible to do that. The U.N. actually was having some success with that in 1993. It all came apart because the U.N. became preoccupied with the hunt for Aideed. But if you do not have a police force you are not going to have any kind of viable security. There are areas where you cannot do it, but there are some areas where you can do it.

The last policy recommendation I would suggest is that we work with the Somali diaspora in the United States and in Canada. The biggest Somali community in North America is in Toronto. The biggest in the United States is in Minneapolis and second largest in Columbus, Ohio. There are people in those communities who are

anxious to help. They are almost as divided as the Somalis are in the country itself, but there ought to be some innovative ways to work with that group and somehow bring them into the process.

As I say, these policy suggestions are not intended to serve as any kind of a blueprint. They are simply intended to begin the discussion. I realize that once you have consultations, you hear from other countries, many of these ideas will be changed or refined, or thrown out, or new ones will be added. But the bottom line is that Somalia has been a security vacuum since 1991, and bad things enter vacuums.

[The prepared statement of Ambassador Shinn follows:]

PREPARED STATEMENT OF HON. DAVID H. SHINN, FORMER U.S. AMBASSADOR TO ETHIOPIA AND SPECIAL COORDINATOR FOR SOMALIA

I thank the subcommittee for inviting me to participate in this hearing. The guidelines for this testimony requested my views on the prospects and options for a coherent, long-term Somalia policy that aims to strengthen state capacity and curtail terrorists' opportunities within Somalia's borders, I have endeavored to focus on this rather narrow but challenging objective. I need to make several assumptions, however, so that my policy suggestions are clear.

ASSUMPTIONS

Geographical Scope

I include both the southern two-thirds of Somalia known prior to independence as Italian Somalia and the northern third known earlier as British Somaliland as constituting the territory under discussion today. The Transitional National Government in the southern two-thirds of Somalia exercises control over part of Mogadishu and a tiny part of the rest of the country. Political factions, usually supported by militias, maintain control in most of the country and operate as independent fiefdoms. The northern third of the country has declared its independence, established a government and exercises control over most of its territory. No other country, however, has officially recognized the Mohamed Ibrahim Egal government in Hargeisa.

American Comprehension of Somalia

The United States has been absent from Somalia since 1994. As a result, its understanding of the situation on the ground, even after a recent crash effort to get up to speed, remains flawed. As a result of regular visits in recent years to Somaliland by personnel from the U.S. embassy in Djibouti, our knowledge of the situation there is better.

Existence of Terrorist Organization

Somalia already harbors a terrorist organization known as al-Ittihad al-Islamia (Unity of Islam), which the U.S. placed on the terrorist list last fall. Al-Ittihad desires to create an Islamic State in Somalia and either incorporate the Somali-inhabited territory in neighboring Ethiopia or free it from Ethiopian control. Al-Ittihad took credit for a number of terrorist acts in Ethiopia in the mid-1990s. The focus of al-Ittihad is on Somali issues and it may have reduced its involvement in terrorism in recent years. It increases its Somali following by engaging in social programs and supporting Islamic schools. It may have played a small role in attacks on U.S. and United Nations forces in Mogadishu in 1993 by cooperating with Somali groups hostile to the international presence. There are also murky allegations that al-Ittihad played some kind of support role in the 1998 al-Qaeda attack on the American embassies in Nairobi, Kenya, and Dar es Salaam, Tanzania.

Need for Central Authority

Until a semblance of rule of law and some modicum of central authority are reestablished throughout the country, it will be virtually impossible to implement successfully long-term policies aimed at eliminating or even reducing the terrorist threat from Somalia to the international community.

Unilateral Effort Doomed to Fail

A unilateral, long-term U.S. policy initiative in Somalia is almost guaranteed to fail or achieve little. The only long-term strategy that has any hope for success will be coordinated carefully with key countries in the region and European allies. This,

necessarily, will complicate agreement and may even dilute initial American ideas for dealing with Somalia.

Scarce U.S. Resources

It will be very difficult to mobilize significant U.S. resources in support of a new policy towards Somalia. There are too many competing priorities, both domestic and international. Some in Congress and elsewhere will argue that we spent billions in Somalia once before, question whether it was worth the cost and be reluctant to re-engage if the cost is high. This is one of the reasons why it is important to have domestic agreement on the policy and support for it by key European allies and countries in the region.

FIRST STEPS

Consultations

Before I move to long term policy suggestions, I would first propose a comprehensive consultative process to discuss U.S. proposals privately with select parties. A working-level, inter-agency team headed by a Deputy Assistant Secretary from the Department of State could accomplish this. In addition to the State Department, members should include Defense, USAID, CIA and possibly Treasury and Justice. The consultations should begin in Rome followed by London and the European Union headquarters in Brussels. If other European capitals show any interest, they could be added to the itinerary. A final stop before continuing the dialogue with key countries in the region should be a visit with the Office of Political Affairs at the United Nations in New York.

Assuming there is general agreement with U.S. policy ideas, it would be important at this stage to decide how to factor the Europeans and the United Nations into the process. It could continue as an U.S.-led effort, a joint undertaking or even under the leadership of another country or organization. In any event, the next step should be comprehensive consultations with Ethiopia, Djibouti, Kenya and Egypt. As neighbors, the first three countries have a vested interest in any new policy towards Somalia and are in a position to help or hinder implementation of that policy. Egypt has long maintained a presence in Mogadishu and injected itself into previous Somali peace initiatives, Egypt also offers a window to the Islamic world. Somalia, like Egypt, is a member of the Arab League and the Organization of the Islamic Conference. Somalia's population is 99 percent Muslim.

Normally, one would have consultations at an early stage with representatives of the country under discussion. The absence of a meaningful central government and the existence of numerous Somali fiefdoms argue against this until there is at least broad agreement outside Somalia on a policy. It is, of course, possible there will be no general agreement among the key parties outside Somalia and the U.S. must decide if it has the will and the resources to proceed on its own or in partnership with one or more parties that do agree with the policy.

Presence in Northern Somalia

Somaliland is a special situation. We have had no American representation there since we closed down a branch office some two decades ago. Although this is not the time to extend diplomatic recognition to Somaliland, it is time to locate a larger international assistance presence and to establish a small American office in Hargeisa, the capital. The focus should be on the provision of international assistance and sharing of information on terrorism. The American presence might consist of two State Department officers and one or two USAID staff. In addition to monitoring a small American assistance program, this office would serve as the eyes and the ears of the U.S. on a variety of issues, including terrorism. Unlike Mogadishu, the security situation in Hargeisa seems to allow the assignment of American personnel there.

Monitoring the Rest of Somalia

Due to the tenuous security situation, Mogadishu and the southern two-thirds of Somalia are a more difficult challenge. In the short-term, it might be necessary to increase the number of Somali watchers at our embassy in neighboring Nairobi, Kenya, and perhaps add someone to the staff at the embassy in Addis Ababa, Ethiopia. Eventually, security conditions permitting, the goal should be to reestablish a presence in Mogadishu. These steps will permit the U.S. to implement its policy more effectively and consider suggestions for refining it as conditions change on the ground.

Targeted Assistance

We should have no illusions about the role foreign aid has played in Somalia in the past. Although some projects such as the construction of ports in Berbera, Bosasso, Mogadishu and Kismayo were successful, the list of failed aid projects in Somalia is disturbingly long. The problematic security situation in the Southern two-thirds of Somalia severely limits the ability of the international community to carry out projects. Nevertheless, it is possible to work with local and international NGOs in those parts of Somalia where security is reasonably good. In fact, the successful provision of assistance to such areas might serve as an example and encourage more troubled regions to improve security so that they can also benefit from international largesse. In addition, it should be possible to carry out assistance activities in most of Somaliland.

Assistance will necessarily be limited at first and confined to projects that seem realistic in view of the security situation. Small-scale road and infrastructure repair activities that can use Somali labor and be supervised by NGOs might be a good starting point. The provision of small grants to local communities for reestablishing primary schools that hire local teachers and basic health clinics that can draw on former health personnel is another possibility. One could consider more innovative programs such as funding the transport of donated books collected by organizations such as the International Book Bank. The books could be distributed to communities willing to establish small reading rooms.

The objective is to build on successes and eliminate failures. The latter will occur in an environment like Somalia. From the standpoint of the donor community, the goal of the assistance program is to begin the process of creating conditions that will discourage Somalis from following organizations like al-Ittihad and learn there are programs that will permit them to return to a more normal situation. Eventually, it may be possible for parts of southern Somalia to reestablish law and order and offer residents incentives for accepting local authority. Over time, it may even be possible to knit these areas together in some kind of federal or centralized governmental structure so that Somalia can rejoin the community of nations.

After more than ten years as a failed state, it will be difficult and take time for Somalia to reestablish control throughout the country. There will be setbacks. But the policy of avoiding contact with Somalia is worse and only increases the prospect of terrorist surprises from that country. Reengagement through assistance programs will eventually result in contacts on a variety of issues, including terrorism. Foreign assistance successes in Somalia will also encourage other donor countries to offer resources and perhaps trained personnel. The fact is that it is not in the interest of the U.S. and the international community to allow Somalia to continue as a failed state. The international community can not prevent bad things coming out of Somalia until it reengages and helps reestablish the rule of law.

Public Diplomacy Program

Now that the war on terrorism is the American foreign policy priority, the U.S. needs to focus on actions it can take and themes it can emphasize in the Horn of Africa generally and Somalia in particular. The most obvious candidate for this task over the short term is the Voice of America. In fact, however, the Somali language service of the BBC has a greater reach and credibility in Somalia. This is another argument for ensuring U.S. policy has the backing of key allies. If the VOA is not in a position to carry out a major effort in the Somali language to deal with the terrorist threat, then the U.S. should investigate other options. Perhaps the widespread provision to Somalis of radio receivers financed by donor countries and specialized programming carried by the World Space satellite facility is an option. Surely a group of innovative people could come up with a range of public diplomacy ideas in a single brain storming session.

Intelligence Cooperation

Except for September 11 and the urgent need to quash al-Qaeda, I would not propose early intelligence cooperation with Somalis. Unfortunately, the current situation does not allow for delays. The most cost-effective weapon the international community has against terrorism is good intelligence. The absence of the U.S. from Somalia since 1994 has resulted in a human intelligence void. This should be rectified now and on a long-term basis. The U.S. needs to begin intelligence cooperation with the Egal government in Hargeisa, the weak Transitional National Government (TNG) in Mogadishu and with the leaders of those Somali fiefdoms who are willing to work with the U.S. This should be a two way street so long as U.S. information going to Somalis concerns real terrorist threats and does not enmesh the U.S. in

local Somali disputes. While the U.S. should expect to receive a fair share of information from Somalis that has as its purpose the weakening of an enemy Somali faction, with experience U.S. personnel can separate useful information from that which has another agenda.

Cooperation with Somali Security Forces

Eventually, the international community must assist Somalia with the reestablishment of security forces under some kind of centralized authority. The United Nations actually made some progress in reconstituting a Somali police force in 1993. The preoccupation with the "hunt for Aided" ended any hope that this undertaking could be successful. Nor is it now an appropriate time to try to rebuild a police force. If there is success, however, on the assistance front and if security improves, it would be appropriate to begin efforts to reequip a police force, at least in those areas where the rule of law has started to return. Although support for a national defense force is much further down the road, it is not too early to begin thinking about ways the international community could assist.

The Somali Diaspora

Many talented Somalis now live outside Somalia. Toronto has the largest community in North America. Minneapolis, Minnesota, and Columbus, Ohio, have the first and second largest communities respectively in the U.S. Some of these Somalis are anxious to contribute to the betterment of their country of origin. While it is true that Somalis in the diaspora are about as divided as those remaining in Somalia, this is still an untapped resource except for the remittances that go back to relatives. Perhaps an American foundation or NGO could be encouraged to assemble representatives from these communities in North America to determine if there are ways they could contribute more directly to stability in Somalia and solicit ideas for reducing or eliminating the terrorist threat coming from Somalia.

CONCLUSION

These long-term policy suggestions constitute a starting point rather than a definitive program. The purpose of the consultations recommended at the beginning of these remarks is to add, subtract and refine policy ideas. Properly fleshed out, however, these suggestions would allow an interagency team to begin the dialogue. The final program might look much different. The urgency is in launching the dialogue and gaining support from allies and countries in the region.

Senator FEINGOLD. Thank you, Mr. Ambassador, for your testimony.

Mr. Macpherson.

**STATEMENT OF ROBERT MACPHERSON, DIRECTOR,
PROTECTION AND SECURITY UNIT, CARE USA, ATLANTA, GA**

Mr. MACPHERSON. Thank you, Mr. Chairman, Senator. Thank you for allowing me to testify on behalf of CARE USA. CARE has worked in Somalia for more than two decades providing emergency relief and rehabilitation services to hundreds of thousands of people in 14 of the country's 18 regions.

I traveled to Mogadishu for the first time in 1992, where as stated warlords were cutting off food supplies and tens of thousands of people were starving. I was there as a U.S. Marine with Operation Restore Hope. We were there to make sure life-sustaining assistance made it to the people who needed it.

In 1994, I began my work with CARE to assist with emergency response and humanitarian demining efforts in post-war countries, including Somalia. I returned to Somalia several times, most recently in the year 2001. From what I have seen, things have changed, and in some ways Somalia remains one of the world's poorest countries. One out of 10 children dies before their fifth birthday, and 86 percent of the children do not attend school.

However, like an increasing number of impoverished nations, it appears Somalia may have hit bottom and is slowly working its

way up. This is because its people, exhausted by war, are taking responsibility for their own lives. For instance, parents, tired of waiting for the government to educate their children, have opened schools, often at great personal expense and sacrifice.

Private businesses such as telephone and transport companies are defying the warlords in order to deliver goods and services. Irrigation canals and roads are being rebuilt to support Somali agriculture and reduce reliance on outside aid. Food production has increased and, most importantly, there are significant local, regional and national attempts at reconciliation and governance.

The signs of hope are many. After years of strife, Somalia has now reached a critical crossroad. Thanks to the efforts of millions of Somalis at home and abroad, their shattered land has an opportunity to move forward. From CARE's perspective, the U.S. Government can assist in two ways, promote stability and support community groups already working for peace and prosperity.

Stability is the foundation for all positive political, social, and economic change in the country. In parts of Somalia, political and administrative structures are functioning and helping communities to make progress. For instance, as stated, much of northern Somalia is peaceful and well-ordered. In Hargeisa in northwest Somalia I am safe to walk the streets during day or night. In contrast to many countries, vehicles actually obey stop lights and the traffic police. Money changers display hard currency on the street without fear of robbery, and such security throughout large parts of the country is a testament to the collective will of the Somalis to reject their violent past.

However, southern Somalia is still plagued by fighting between rival warlords in pursuit of personal gain. It must be noted that ordinary Somalis survived despite and not because of the warlords. What can be done to enhance stability and control violence? The international community should support the development of appropriate governing structures. We should focus our assistance on strengthening those government institutions that promote human development. Departments of health, education, and social welfare require particular attention.

For a country that has now missed well over a decade of formal schooling, education is a priority. Largely through private donations from Somalis living abroad, schools have been built, textbooks printed, and teachers trained. Today in Somalia there are more primary schools operating than existed in the late 1980's, yet Somalia is still plagued by 17 percent adult literacy rate, and 14 percent primary school enrollment. This is a weak foundation upon which to build a peaceful, democratic, and stable society. These individual efforts need our collective help.

The international community should also invest in programs that provide alternatives to violence. Today in Somalia there are thousands of young men who know how to field-strip and fire an AK-47 but cannot read or write, yet if you talk to any of these young militiamen in Mogadishu, one common refrain comes through. "If I could do something else, I would." Vocational training and employment opportunities for these men are priority areas. Somalia needs carpenters, masons, electricians to rebuild its shattered infrastructure. It needs tanners, shoemakers and slaughterhouse

technicians to capitalize on the country's primary economic asset, and that is livestock production.

This is not an impossible task. Across Somalia a new generation of community groups dedicated to poverty reduction and social change have emerged to challenge the power of the warlords. Through an ambitious U.S. Government grant, CARE assisted in identifying and training these groups. This program, which has been running since the mid-1990's, has received strong support from our government and is an example of effective foreign assistance.

More than 50 CARE-trained Somali nongovernmental organizations currently provide a range of emergency and development services across the entire country. The CARE-trained Somali NGO Bani Adam provides loans to farmers with a 95-percent repayment rate. The Somali agency, Agro Action, has assisted more than 1,000 local farmers to improve their yield through training, agricultural extension, and construction of irrigation systems.

Somali partners in CARE's USAID-supported food-for-work programs have organized communities to rehabilitate approximately 1,400 miles of road in the past year alone. The investment in civil society organizations such as these is one of the best ways to promote development in Somalia.

Somalia is a country in transition. Unifying coherent support to establish governing stability is urgently needed. Equally important is increased investment in both public sector and civil society in key development areas such as education, job creation, and health. Far-reaching change in Somalia is possible, but it will not be easy. An effective development strategy should complement and support the enormous collective will for peace and prosperity that exists within Somalia. Helping Somalis achieve and sustain such progress should be the central goal of American policy.

Thank you for giving me this opportunity today.

[The prepared statement of Mr. Macpherson follows:]

PREPARED STATEMENT OF ROBERT MACPHERSON, DIRECTOR, PROTECTION AND SECURITY UNIT, CARE USA

Distinguished Senators, ladies and gentlemen, good afternoon. Thank you for allowing me to testify today regarding United States policy toward Somalia.

My name is Robert Macpherson. I am here today to offer testimony on behalf of CARE USA. CARE is one of the largest non-sectarian humanitarian organizations in the world, operational in 65 developing countries worldwide. CARE works in partnership with communities on a range of grass-roots economic, environmental, agricultural and health initiatives. CARE also responds to humanitarian crises around the globe, providing food and other life-sustaining assistance to people whose lives are threatened by man-made and natural disasters. In Somalia, where we have worked for more than two decades, CARE is currently the largest humanitarian organization operational on the ground, providing both emergency relief and rehabilitation services to hundreds of thousands of poor people in 14 out of 18 regions of the country.

I joined CARE after seeing its work relieving famine in Somalia during the dark, chaotic days of 1992-1993. At that time, I was an Officer in the United States Marine Corps during Operation RESTORE HOPE. I was witness to the societal disintegration that tore Somalia apart. I saw the factionalism, the looting, and the rise of warlords. I witnessed the resulting humanitarian crisis, in which many tens of thousands of Somalis died, and the ultimately successful effort of humanitarian organizations to bring the crisis under control. You may ask why someone who lived through that painful experience would appear here today as an advocate for the people of Somalia.

The answer is that Somalia has begun to change. Based on my return trips to Somalia since 1993, I can say that the Somali people have made progress toward making their country a more peaceful, less impoverished place. After years of civil strife, Somalia has now reached a critical crossroad. Thanks in large part to the efforts of millions of individual Somalis, at home and abroad, this shattered land today has an opportunity to move towards a more secure, stable and prosperous future. We should do all that we can to support such progress.

Somalis are exhausted by war. With little assistance from the outside world, they are struggling to combat the forces of lawlessness and division. Over the last five years, there have been significant local, regional and national attempts at re-establishing governance structures. Markets are bustling, new houses and businesses are rising in Mogadishu and in major towns across the country. In some towns it is rare to see a gun on the street. Things are, however, far from rosy; there are still security problems and most Somalis are abysmally poor. But today relief agencies can drive with peace of mind through many of the same towns and on many of the same roads where once they were threatened by ambush.

What can we do to support the positive efforts towards peace and democracy made by thousands of individual Somalis? How can we help this devastated country renounce the poverty and lawlessness of its past? These questions are particularly relevant following the September 11th terrorist attacks. As Secretary of State Colin Powell noted recently at the World Economic Forum, "terrorism . . . flourishes in areas of poverty, despair and hopelessness, where people see no future."

CARE believes that two principles should be at the core of any development strategy the international community pursues in Somalia: Stability and Somali Ownership.

PROMOTING GREATER STABILITY

Stability is the foundation of all positive political, social and economic change in the country. It is a prerequisite for the formation of effective government structures, and effective government is key to the control of negative societal influences, including terrorism. For example, regional authorities in Somalia today have only limited ability to police and control borders. Until Somalia has increased administrative capacity countrywide, it will be difficult for it to participate effectively in the "war on terror."

In parts of the country—where some sort of functioning political and administrative structures have been established—progress has been made. Much of northern Somalia is peaceful and well ordered. In Hargeisa, in northwest Somalia, it is safe to walk the streets at any time of day or night. In contrast to many countries, vehicles obey stoplights and traffic police. Moneychangers display hard currency on the street without fear of robbery. Such security in large parts of the country is a powerful testament to the collective will of Somalis to reject the violent past.

However, southern Somalia is still plagued by sporadic fighting between rival warlords in the pursuit of personal enrichment. It should be noted that ordinary Somalis survive despite, not because of, these warlords. The people are fed up with the fighting and the factionalism. Until civil strife is curtailed, human development will be impeded.

What can be done to enhance stability and control violence? As the international community has painfully learned from Afghanistan, we can not afford to ignore failed states like Somalia. Somalia's problems must be addressed at all levels, from the highest political echelons involving the international community to the grassroots. In focusing increased attention on Somalia's problems, the international community must take great pains to not undermine the positive political, social and economic changes ordinary Somalis have wrought for themselves.

Somalia is experimenting with different forms of local and regional government in a process that draws on the country's strong tradition of participatory and consultative democracy at the community level. It is time consuming and often flawed, but it is a process that has the genuine support of the Somali people. Popular support is essential to the eventual formation of a system of government that can best guarantee peace and security over the long-term. Somalia has been without a national government for more than a decade; it is in the best interest of both the Somali people and the international community that this void not be allowed to persist much longer.

While Somalia's leaders will need to take responsibility for finding appropriate political solutions for their country, there are things the international community can do right now to promote stability:

- The international community should vigorously support Somali efforts towards peace and reconciliation. The policies and actions of the U.S. Government,

neighboring countries, and other actors should be consistent, coordinated and have the well being of Somalia at heart. The U.S. Government should carefully examine the role and potential of the Transitional National Government (TNG), the result of one important regional initiative, to determine whether and how to support it. As a non-political organization, CARE does not endorse any one political process or regional administration. However, the international community should support the development of appropriate decentralized governance structures that allow for a reasonable amount of regional autonomy, which has become an increasingly important reality in Somalia in the last decade.

- We should focus our support on strengthening those government institutions that promote human development. Departments of health, education and social welfare require particular attention. Somalia still has some of the lowest levels of educational attainment in the world: 17.1% adult literacy rate and 13.6% primary school enrollment rate. This is a weak foundation upon which to build a peaceful, democratic and stable society. The international community should also invest in programs that provide alternatives to violence. Today in Somalia there are hundreds of thousands of young men who know how to strip and fire an AK-47 but cannot read or write. Yet, if you talk to any young militiaman in Somalia you will hear a familiar refrain: "If I could do something else, I would." Vocational training and employment opportunities for these men are priority areas, and not just an investment in stability. Somalia needs carpenters, masons and electricians to rebuild its shattered infrastructure. It needs tanners, shoemakers and slaughterhouse technicians to capitalize on the country's primary economic activity: livestock production.

PROMOTING SUSTAINABLE DEVELOPMENT THROUGH SOMALI OWNERSHIP

Somalia needs people and organizations that can counterbalance the forces of lawlessness and division. There are local heroes, like Edna Adan Ismail, who almost single-handedly raised a maternity hospital for the women of Hargeisa in northwest Somalia. There are the executives of Telcom Somalia who have built one of the cheapest and most efficient telecommunications services in the world in the midst of civil strife. There are individuals such as Dr. Mohammoud Zahid Mohamoud and Dr. Abdullahi Fara Asseyr who gave up lucrative jobs abroad to start a medical clinic in downtown Mogadishu. There are trucking companies, who guarantee delivery of humanitarian food and materials across clan lines and often at great personal risk.

Education, for a country that has now missed well over a decade of formal schooling, is of paramount importance to producing the human resources that can participate meaningfully in the peaceful development of the country. Individual Somalis have made extraordinary efforts to revive formal education. Largely through private donations from Somalis living abroad, schools have been built, textbooks printed and teachers trained. Today in Somalia there are more primary schools operating than existed in the late 1980s. Institutions of higher learning, such as Amoud University, have opened thanks to private donations of money and teaching talent from the international community of Somalis. Some of the most popular curriculums feature English and computer science, reflecting a general yearning across Somali society to rejoin the modern world. Such individual efforts need our collective help.

- These examples are indicative of an important trend in Somalia over the past decade: the growth of civil society. They also testify to the realities of development in Somalia. Simply put, aid strategies work best when they promote a feeling of ownership and investment among local communities. A corollary to Somali ownership is to recognize what does network. Specifically, aid should not be implemented through large, externally-imposed schemes. CARE believes that the key to development success in Somalia is to work "bottom up", not "top down."

Across Somalia, a new generation of community groups dedicated to poverty reduction and social change is emerging to challenge the power of the warlords. Through an ambitious U.S. Government grant, CARE has become a leader in identifying, training and graduating these groups. This program, which has been running since the mid-1990s, has received strong support from the U.S. Ambassador and is a model for how the U.S. Government can deliver foreign assistance in countries where it does not have a USAID mission. More than 50 CARE-trained Somali non-governmental organizations (NGOs) currently provide a range of emergency and development services across the country, with greater efficiency than many international agencies.

Why are they so successful? Key to the effectiveness of local organizations is "Somali Ownership." This principle recognizes that if Somalis are going to protect and

invest in their society, they must have influence over the people and processes that order it. This is why a local organization with roots in its community enjoys a degree of protection and acceptance that international agencies and other "outsiders" cannot match. This protection allows Somali organizations to access insecure areas or work with populations that might otherwise be off-limits to an international agency. In times of peace, their enhanced knowledge of the political and cultural context coupled with their administrative and organizational skills make them effective and respected advocates for, and servants of, their community.

The CARE-trained Somali NGO Bani Adam, for example, operates a revolving loan fund to farmers that has a 95% repayment rate. The Somali agency Agro Action has assisted more than 1,000 local farmers to improve their yield through training, agricultural extension and the construction of irrigation culverts and sluice gates. Somali partners in CARE's USAID-supported food for work programs have organized communities to rehabilitate more than 2,000 kilometers of roads in the past year alone. Many Somali NGOs are women-led or run, giving a voice to some of the most dispossessed and disadvantaged. Most international agencies working in Somalia have expressed interest in or have already started replicating CARE's work with local partner organizations. The investment in civil society organizations such as these is one of the best ways to promote development in Somalia. CARE recommends that such investments be expanded.

CONCLUSION

Somalia is a country in transition. How we act now can positively influence that transition to the benefit of millions of poor people in Somalia, while also promoting greater international stability. Unified and coherent support for political processes to establish effective governance in Somalia is urgently needed. Equally important is increased investment in both public sector and civil society capacity in key development areas such as education, job creation, and health. An effective development strategy should complement and support the enormous collective will for peace and prosperity that exists among most Somalis. This will, and the resources that can be brought in support of it, has the potential to transform Somalia from a land of tragedy to a place of hope, opportunity and lasting peace. Far-reaching change in Somalia is possible, but it will not be easy. Helping Somalis achieve and sustain such progress should be the central goal of U.S. policy.

Thank you for giving CARE the opportunity to speak to provide this input on future U.S. policy toward Somalia.

Senator FEINGOLD. Thank you, Mr. Macpherson. I want to thank all of you for your excellent testimony. You each have very interesting comments and backgrounds, and a tremendous commitment to this subject, and I appreciate it. I am about to begin 7-minute rounds of questions, but first let me say how pleased I am to see Senator Nelson, who is not a member of the subcommittee but of course a member of the full committee, and I appreciate his participation.

Let me ask all of you, how is the U.N. perceived in Somalia, and how might existing perceptions affect any role the United Nations might play in the future in bringing stability to the country?

Dr. MENKHAUS. I work frequently for the U.N. as a consultant there, and I can tell you that the U.N. has a mixed reputation. Its experience in Somalia with UNISOM tarnished its reputation in some quarters. In other places, it is more a sense of Somali frustration with the U.N.'s capacity to address Somali needs.

The U.N. does not have much funding now. It is as baffled as everyone else is about how to address these very complex problems it faces, and in some cases unfortunately it is used as a scapegoat for diplomatic problems such as recognition or nonrecognition about Somaliland, about which it can do nothing. No matter which position it takes it is hammered on both sides.

It has also put itself in a position in which it is seen as having perhaps gotten a little too close to the TNG. It became quite an ad-

vocate of the TNG. That is actually—the U.N. is a bit more divided on that now than it was 6 months ago, but that does compromise its ability to serve as a neutral arbiter in some quarters, or as a mediator. It still has a very, very important role to play, and a crucial role to play, but I am not sure it can play the role of mediation right now.

Ambassador SHINN. I cannot add to the political side of the equation, but I would add that some of the U.N. agencies still do have fairly good reputations in the country. The World Food Program for the most part, although the record has been mixed, UNICEF, possibly the World Health Organization. I do not know whether they have done anything there recently, but I think one does have to make a distinction between the humanitarian side of the U.N. effort and the political side of the U.N. effort.

Senator FEINGOLD. How can the United States work to increase the power of civil society? In particular, how can we be sure that the United States policy really makes an effort of consulting with stakeholders who are not armed, and getting them a seat at the table when decisions are being made about bilateral relations?

Ambassador SHINN. Let me take a first stab at that. In the first instance there are some things we should not do, and that is become too linked to any one or more of the factions in the country. I think that is where we get off the track. It is very easy to get caught up in a group that professes to believe in all the things you believe in, but unfortunately these groups believe in different things on different weeks. What they say one week may not be the same the next week, so it is a very tricky line to walk.

In terms of getting around the country and talking with groups, beyond the political groups there are some there that one can deal with, although it is not easy and there are security problems in just moving around. You have laid out frankly a very, very difficult issue.

I would suggest that that might be one of the issues that could be explored with the Somali diaspora find out what ideas they have, realizing full well that they are divided, but they may have some thoughts on that.

Dr. MENKHAUS. If I could comment, that points to another dilemma we have in assisting Somalia in the long term toward development and recovery, both economically and politically, and that is that we simultaneously talk to the Somali people about our desire to assist and empower civil society, and we also emphasize good governance and building capacity at the governmental level.

One of the strategies that many donors and U.N. agencies and others have adopted in responding to the perplexing problem of who do you work through, who is a legitimate interlocutor at the local level when there is no state is, we have punted to the local NGO's, and we said, we are just not going to deal with the local authorities, and that has had some real successes, as we have heard just today.

The down side is, there are some places in Somalia where local nongovernmental organizations have far more money and far more influence than the local authorities, than the nascent governments at the local level. We need to have a strategy that is designed not to inadvertently disembowel or undermine local governments if, in

fact, we are trying to build them up, and so some strategy in terms of balancing the assistance that we give to local governments and local NGO's needs to be met.

Senator FEINGOLD. Let me ask you the same question I asked Secretary Kansteiner. How can we avoid the situation where our policy responds to various factions within Somalia who sometimes smear their opponents with charges of links to al-Qaeda and other international terrorist groups? The problem obviously is these can be employed in self-interested ways, and as I asked the Secretary, what steps can the United States actually take to avoid being used in this fashion?

Ambassador SHINN. In the first instance, again, it is a question of building up our knowledge and expertise on the country which, as I think both Assistant Secretary Kansteiner and I pointed out, has been really degraded in recent years. Until such time as you have built up that expertise, particularly on the ground, or in the case of the southern two-thirds of Somalia, operating through your Somali-watchers in the region, you are going to be at the mercy of trying to divine who has it right and who has it wrong, and what is acceptable and what is unacceptable. That is a very serious dilemma to be in. Even if you are there, you are not always going to get it right, as we found out during UNITAF and UNOSOM.

We should also avoid a series of internationally arranged conferences on Somalia such as took place at various places around the Horn of Africa and East Africa. On these occasions, we brought in all of the political factional leaders, and occasionally even a few others who did not represent the faction leaders. By and large those were not successful, and they are not the Somali way of doing things.

The Somalis are more than happy to accept invitations to those conferences, because it means spending several weeks in a nice hotel in something other than downtown beautiful Mogadishu. But it was not successful, and I do not think we ought to be proponents of that way of doing business in the future.

Dr. MENKHAUS. If I could add, I think that it would be a mistake for us to rely on any of the faction leaders for intelligence or information. That would be the short answer. There are hundreds and hundreds of wonderful, articulate, thoughtful Somalis out there who follow political events in their country closely and who, if you get to know them and you establish a relationship with them, can provide invaluable insights and very reliable ones, but that takes time for us to buildup that kind of network.

Mr. MACPHERSON. I would just like to add, I jotted a note here that the greatest lesson that Somalia teaches an outsider is patience, but I have to say from when I left there in 1993 I absolutely thought there was not a chance, and I meant what we wrote here. Each time I have gone back, you have seen this incremental development, and it takes time to get to know the people, and it really is grassroots. The problem is, in that case it is a bottom-up process rather than a top-down to get in there, find out who the leaders really are, and that is an enormous problem.

And look, we have had great successes, and we have had some real challenges out there, but it is working because we have got in at the bottom, met the people, and worked with them.

Senator FEINGOLD. Well, your encouraging remarks are certainly good to hear, and with that I will turn to Senator Nelson for a round of questions or comments.

Senator NELSON. Thank you, Mr. Chairman. It seems like that once we accomplish our goals in Afghanistan, that as we look around to other areas that are ripe for terrorist takeover, that Somalia is clearly one of those areas, with all of the factionalism and with some of the things that are being taught there. I would like to hear your thoughts on that.

Dr. MENKHAUS. I would say that one thing that would be very useful for your subcommittee is to, as you look at weak states and where an expanded war on terrorism could turn to, distinguish between different types of states, or if our goal is to drain the swamp, maybe the metaphor is to look at different swamplands.

Somalia is a special case in that it is a completely collapsed state, and I think our process of deduction leads us to worry a great deal about that. If there is no government at all, and there are some Islamic radical movements there, we could anticipate seeing problems there.

One of the things that struck me, though, is the extent to which radical Islamic movements and terrorists have not really taken root in Somalia. In fact, you would expect it to be much worse than it actually is. The more I look at Somalia, the more I think that some of the problems that plague our humanitarian agencies and the U.N. political efforts and so on are also problems for radical terrorist groups.

When you try to operate as an organized movement in a collapsed state, you are very visible. I would actually anticipate radical Islamic movements using Somalia in a division of labor in kind of a niche role, and transshipment, short-term operations, where you could move men, materials, money in and out of the country are very easy to do. Anyone can be bought on a short-term deal, but for the long run you make yourself very vulnerable, very exposed, and precisely because there is a collapsed state it is actually much less complicated politically for the United States to go after you directly.

I would worry more about weak states, states that they exist, they have got governmental functions, but they have lost control of large, teaming slums. They are places where a network of radicals could disappear and not be noticed. They will be noticed in Somalia, therefore I am not quite as worried about that becoming a permanent base for, say, an al-Qaeda, but as a transshipment site I worry a great deal.

Ambassador SHINN. As I indicated in my remarks, Senator, I think al-Ittihad, which is the terrorist organization one normally identifies in the case of Somalia is, in fact, a terrorist organization, albeit perhaps with a rather limited agenda and not necessarily particularly focused against the United States.

The key, however, is that Somalia is not by any means the same as Afghanistan. It is an area that deserves very careful attention, but it simply does not have the kind of terrorist infrastructure that Afghanistan clearly had and that we all know about now.

The way to deal with what you have in a place like Somalia is to take those long-term steps which are being talked about in this

hearing you need to try to help recreate—and I will avoid the word, nation-building, but I must say, when you get right down to it, that is really what you are talking about—and to take those steps that permit some kind of a rule of law and a modicum of central authority, albeit in a Federalist system.

It does not make that much difference how it plays out over time, but until you have that in Somalia, groups like al-Ittihad are going to be a problem, perhaps not a huge problem, but nevertheless a problem. I think that is what has to be done to grapple with it.

Senator FEINGOLD. Just on that point of nation-building, I think it is so important to remember that some of us have concerns about our military being involved in nation-building, but the phrase itself is one that should not be tarnished by that concern. There are many other ways in which we can address this for our own national security interest.

I would like to get back to something that I asked the Secretary, and given the fact that you are experts in this area, I would like your comments too, again. It is about the Ethiopian and Kenyan interests in Somalia. Are they necessarily contradictory? We heard somewhat encouraging words from the Secretary about some contact, or perhaps coordination between them, but what are your views on how realistic that is?

Ambassador SHINN. I think the bottom line is, they are not contradictory. There are nuances of differences in the way they approach Somalia and, indeed, one of the things that I would like to see come out of the Kenyan Government is more attention to the movement of al-Ittihad and any like-minded individuals or groups that pass through the Somali-inhabited area of Kenya. I think by and large Kenya has taken a much more laissez-faire approach to this. They have been willing to look the other way on occasion, when they know people are moving through. Perhaps people have been bought off at borders.

The Ethiopians, on the other hand, take a very different approach. They will cross the border and bash the folks on the other side, and they have done that on a number of occasions. Tactically there are differences in their approach, but both countries know, and both countries have historical precedents to prove that they have been at the brunt of attacks coming out of Somalia with the goal of irredentism. In that sense the two countries have a common concern. It is just that tactically the two have looked at it differently.

Senator FEINGOLD. Doctor, did you want to comment on that?

Dr. MENKHAUS. I agree.

Senator FEINGOLD. Let me ask this, then. To what degree does Somaliland, where I understand—again, we talked about this—the authorities most consolidated actually have control or even knowledge of who or what crosses its borders or arrives on its coast. Could somebody comment on that?

Mr. MACPHERSON. I cannot speak for the coast, but I can certainly speak for some of the borders there, and one reason is a lot of the demining or mine action work that we have done in that region. They are aware, and they have structures, police and local authorities who actually monitor what is coming and going, and I am acutely aware of that, because of just the number of people we

had to have moving back and forth, the permission, the people who observed what we were doing, and keeping an eye on how this thing went.

That was one of the most impressive things I found about Somaliland, was that there was this sense of presence. There was a government in charge, and they let you know it.

Senator FEINGOLD. Is there any assistance they need in doing this? Is there anything that would improve their capacity, and are there any pitfalls in providing that kind of assistance?

Mr. MACPHERSON. Well, I am going to put a hat on. As a marine in Mogadishu, the one thing that I applauded from the minute it started in Operation Restore Hope, and that was to rebuild the police force and to assist in everything from the ground up, and there was nothing, absolutely nothing. You had guys standing out there with a stick in their hand who were making heroic efforts to bring some type of authority back to the streets in Somaliland. I think that would be something we could assist with, we the U.S. Government, that would make an impact.

Senator FEINGOLD. Fair enough.

Let me get back to something you have all touched on, but it has to do with the incentives and disincentives that might convince factions in Somalia not only to avoid any association with terrorism, but also to work toward development and stability. What carrots and sticks have meanings for the existing power-seekers in Somalia?

Dr. MENKHAUS. Well, if we could start with our economic toolbox, we have lots of tools in that, both carrots and sticks, as we have shown with Al-Barakaat. We can close down a large business if it is perceived to have been infiltrated or owned by radical terrorist group, but we also have an enormous number of carrots.

We certainly could sit down with the top business people in the country, a few dozen really king-makers in the country, and work out arrangements in which they come to understand that we have legitimate security needs. They are going to need to be much more transparent and accountable in terms of money flows through their organization, and in return we can do things to provide credit, perhaps because that is one of the reasons some may have turned to al-Qaeda, is simply for credit for loans to facilitate transactions between the diaspora and the country.

The fact is that that is the No. 1 source of hard currency for Somalia now, far and away the single most important source of currency. If we can facilitate that in any way, they are certainly happy to do that. They have been thrilled with the partnerships they have had with American business people in Telecom and other sectors.

They have got a problem, as we have heard from Assistant Secretary Kansteiner, with the livestock export ban. They are asking us and others to help with chilled meat factories near airstrips that could then get the meat out to markets abroad. I mean, there are so many ways that we can sweeten the pot just in terms of economics.

Ambassador SHINN. I do not want to overemphasize the role the American private sector can play in a place as conflicted as Somalia is, but I think Ken is right, in part because the Somalis are

some of the most tremendous businessmen and women in the world. They are truly astoundingly good at doing business.

I visited Somalia in 1996, and I was astounded to find at that time that they had probably the most sophisticated cell phone operation of any place in Africa, and for the lowest rates on the continent, and using by and large American equipment. Al-Barakaat, the money changing organization that has been shut down, also had a telecommunications operation in which it ran AT&T long distance service.

These folks know how to make this stuff work, and you do have to work with the business community. You have to bring them into the equation. I do not know whether that is a carrot or a stick, but it is something one can work with, and you cannot say that about every country in the world.

Senator FEINGOLD. Thank you. Senator Nelson.

Senator NELSON. Help me understand something of the political instability now that was born out of the previous regime of Siad Barre.

Dr. MENKHAUS. The political instability in Somalia has, in my view, gone through cycles. It is a radically localized set of politics, and has been since the collapse of the state, but we have seen periods of relative calm and political consolidation, typically at the regional level, and then we have seen things fall apart.

I think we are currently in a phase, I would say, of some political deterioration. Part of that is born of the many levels of tensions that were created when the Transitional National Government was established. Up to that point, we were seeing security levels in Mogadishu and parts of southern Somalia that were better than we have seen since the departure of UNISOM.

Now, there are tensions that I am in some cases quite concerned about, the possibility of much larger-scale warfare than we have seen in a number of years. That has been one of the interesting trends in conflict itself in Somalia. It continues to be a place, especially southern Somalia, of sporadic armed conflict, but it is much more localized now. Instead of having major factions fighting one another you have got subclans fighting one another. Those fights tend to be much shorter, in part because the clan elders can step in and stop it. They tend to be shorter because the Somali diaspora in local communities are not willing to fund that kind of fight.

Senator NELSON. And what about the previous regime caused this to split apart as it is now?

Dr. MENKHAUS. To go back to the root causes of some of this, you could write a book on that, obviously, but there are plenty. Somalia's conflicts are born in part of a history of severe repression by the Siad Barre regime and reaction to that, to ethnic tensions that the regime exploited in a divide-and-rule campaign, and Somalis are still paying the price for that. The high level of military assistance, first that came from the Soviet Union, then from the West, that provided such heavy levels of armaments, a very explosive level.

And then in the end I think one of the underlying causes was just the size and the nature of the Somali State under Siad Barre itself. This was, as I alluded to earlier, a castle built on sand. One hundred percent of Somalia's development budget was supplied

from outside, 50 percent of its recurring budget was supplied through foreign aid. The moment that that foreign aid was cut, when Somalia became less strategically important, the state shrivelled.

Barre used the state for patronage purposes. He had a bloated civil service. He had a huge army. That was all designed to buy people off. Once he lost that, he lost the capacity—the center could not hold, and that is one of the worries I have about a quick fix for a collapsed state like Somalia. If the answer to the problem in some views is we need to rebuild the state, and if it takes throwing money at it, so be it, then I am afraid we are just setting ourselves up for another failure on that score.

Senator NELSON. Earlier, you said that you did not think that the religious climate there was conducive to the radical Islamic element, and yet we keep reading a flurry of press speculation that that is where we are going next. How would you reconcile the two?

Dr. MENKHAUS. In every country in the world there are going to be religious extremists, no matter what the circumstances, and Somalia is no exception, and they do have cells, al-Ittihad cells. There is some evidence that some members of al-Ittihad have had links with al-Qaeda as well. What I am arguing is that at a social level, at a broader level there is not nearly as much support in Somalia for the movement than one might anticipate, given the circumstances that Somalis are in.

I attribute that in large part to a fundamental pragmatism in Somali culture. To the extent that they do gravitate to these kinds of ideologies, as they did 30 years ago with socialism—suddenly everyone was a socialist. Why? Because there were tangible benefits coming from the outside world.

I think that some of the attractiveness of al-Ittihad and the al-Qaeda radical Islamic movements is because they are perceived to be the only external interest in Somalia that is providing schools and providing loans to businessmen. That seems to be providing tangible results, and that is why I argue we have got the carrots as well as the sticks to change that calculation.

Ambassador SHINN. If I could just add on that point, although I do not purport to be an expert on Islam, the kind of Islam that al-Ittihad is representing is of the Wahabi sect from Saudi Arabia and from the gulf. The traditional sect or creed of Islam in the Horn of Africa is Sufiism. Right from the get-go there is a disconnect between what al-Ittihad is pushing and what the local people have traditionally accepted. For the reasons that Ken has laid out there is a certain acceptance of what al-Ittihad brings to the table, because it includes things that the people want.

Now, how committed most of these people are to what al-Ittihad is selling on the terrorist side, who knows, but I think that this is basically not fertile ground for any widespread terrorist-type movement brought in by a group like al-Ittihad or any similar group.

Senator FEINGOLD. Thank you, Senator Nelson, for your questions and your participation. We will be starting votes in just a couple of minutes, so I just want to ask one more question.

Ambassador Shinn's written testimony states the list of failed aid projects in Somalia is disturbingly long. What lessons can be drawn

from failed projects, what went wrong, and how can those mistakes be avoided in the future?

Ambassador SHINN. A good question, and having said that, I led off that part of my testimony with strong support for targeted aid, that is, smaller projects working through international and local NGO's dealing with things like road rehabilitation, assisting local communities with primary schools, et cetera. Those kinds of things can work, and even some of the larger projects can and have worked in the past.

The ports of Berbera, Bosasso, Kismayo and Mogadishu were all international development projects, and even though some of those ports have gone into disrepair due to conflict, or due to silting over, they were very successful ports in their day. A couple of them are still very successful.

On the other hand, a lot of big-dollar projects that the international community went into were not well-designed for Somalia. They did not produce what they were supposed to produce, and ended up, I suspect, in an awful lot of corruption in the government at the time, the Siad Barre government. One has to be very alert to the corruption element, and one has to look very carefully at the size of projects.

They have to be carefully programmed for that country. You cannot throw huge amounts of money at the development effort. You have to begin, in my view, quite small, but I think you can do that successfully and build over time, and bring the local Somali community in your efforts so that you minimize the corruption element. They are not all going to be successes. There are going to be some failures, but I think it is possible to do small projects, and do them well, working with NGO's.

Dr. MENKHAUS. I spent a year in UNISOM, and we spent an awful lot of time trying to buildup certain types of aid projects there, and one of the things that strikes me when I go back to Somalia today is, despite all of the energies and money and training that we put into district councils as part of a bottom-up political process there, you cannot find a district council today. They have virtually all vanished, despite our best efforts.

Meanwhile, we did nothing for the private sector. It did not even occur to us to work to buildup a private sector, and now you go over there and you see that there are these very innovative entrepreneur sectors of the economy that are very, very dynamic, and the lesson that that holds for me is that we have got to be sure we are swimming with the tide in Somalia, and not against the tide when it comes to foreign aid, that foreign assistance needs to facilitate trends and innovations that are already happening in Somalia anyway, and not trying to impose something that has been thought up in the World Bank or U.N. office.

Mr. MACPHERSON. I cannot help but echo that, and that is the greatest lesson that we have learned there, and I really liked what the Ambassador said, in essence, targeted and modest right from the beginning and, as obvious as it sounds, to incorporate the Somalis in the process. It is not a World Bank level. It is what really works on the ground, how many miles or kilometers of road need to be cleared to get the food to market or the kids to school.

And the last thing is, is the glass half full or half empty? From 1993 on, it is amazing to me that a nation-state that completely collapsed could hold back some of the influences that have been pressured on it from the outside. It says an awful lot about the culture and the character of the Somali people. With the terrorist aspect, it is amazing that it is not prevalent throughout that entire nation, and that is probably all I should say on it.

Senator FEINGOLD. Well, I want to thank all of you. As a concluding remark, let me say that this is through your great efforts exactly what we had hoped this first hearing on this subject would produce.

Looking back, obviously one of the lessons of September 11 is that there is no way that this Nation any more can simply ignore festering situations, even in places in the world that we know very little about, because of the potential consequences not just for the people there, or in that region, but for the consequences for ourselves and our children. That is the lesson going back.

Going forward, the President has correctly called on us to not lose our focus, that this is going to be a long struggle that may involve military and other activity involving some traditional countries that we are concerned about, but I think he has to call for, and we all have to call for a similar forward-focus over the long term in situations like this, and that is going to be a challenge.

I think your last comments were perhaps the most helpful. Clearly, we cannot return to simply ignoring a place like Somalia or a place like Sierra Leone. On the other hand, if we try to just jump in or do everything or go against the grain, not only will it not work, but the American people will be very concerned that we are going to use enormous resources that many of them will be perceiving as wasted, so we have to do it in a measured way, but I am grateful to all of you for getting us off on the right track, and with that, with perfect timing—

Senator NELSON. Mr. Chairman, may I say one other thing? I cannot resist saying this, but the discussion of this subject of Somalia takes me back to January 1986, looking at Somalia from the window of our spacecraft, and I am telling you this simply to tell you it is one of the most beautiful parts of the world from space, because of the color contrast of the reddish brown of the land as brilliantly contrasted against the brilliant blue of the water of the ocean, and it is particularly vivid in my mind's eye on that, as compared to other parts of the globe, that look much more of a dull brown when you look at a land mass, but that was so rich in its tones of color, bright brown, bright orange, set off against the deep blue.

Senator FEINGOLD. Well, if anyone has had a better claim to having a unique perspective, I think that is a perfect way to conclude the hearing.

[Whereupon, at 4:20 p.m., the subcommittee adjourned.]

