Influence of Pirates' Activities on Maritime Transport in the Gulf of Aden Region

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ABSTRACT: Modern piracy is one of the items appearing on the seas, which has a great impact on maritime transport in many regions of the world. Changes that happened at the end of XX and beginning of XXI century became significant in the renaissance of piracy. The problem is present in many parts of the world but it become a real threat in year 2008 around a small country of Somalia and in the area called the Horn of Africa especially in the region of Gulf of Aden. Because international waters are very important for maritime transport so pirates' attacks have great influence over this transport and on international community.

1 PIRACY – DEFINITION AND MAIN AREAS OF PIRATES’ ACTIVITIES

Piracy is an activity known and grown for thousands of years. At present in many parts of the world it is treated as a type of legacy or rather part of tradition and so also gladly continued by the population who is experiencing poverty and hunger. Modern day pirates are particularly active in the regions in the waters of the intensive transport by sea. Piracy for many years was treated as an individual problem in each country the coast which existed, and it was not considered as a serious threat to a maritime transport. Such an approach of communities and international institutions to this issue caused the negation of this problem and treating the difficulty as not the most important one. Looking at the world in terms of maritime transport and its more than 95% of the share in the general transport, and also 80% share in the overall transport of crude oil, petroleum and its derivatives, this issue should be put on the first place. The lack of the activities caused that the problem has not disappeared but it has arisen at the end of XX and the beginning of XXI century and has become an immense difficulty for the maritime transportation in many parts of the world.

While talking about piracy it should be clear what is understood by this phrase. The easiest and most understandable definition of piracy is given by International Maritime Bureau (IMB) and according to IMB piracy is defined as: an act of boarding or attempting to board any ship with the intent to commit theft or any other crime and with the intent or capability to use force in the furtherance of that act.

As mentioned before, the problem is not equally the same in all places where piracy flourishes in the XXI century. Generally speaking we can distinguish five most dangerous regions in the world, as figure 1 shows below, which are really infected with pirates’ activities and it influences maritime transportation in a great matter. These are the following:

- Western and eastern coasts of Africa and the Red Sea;
- The Horn of Arica and the Gulf of Aden;
- The coast of south-east Asia and northern coasts of the Indian Ocean;
- The coast of south America;
- The coast of the Gulf of Mexico.


The article focuses only on one but very significant region, the Gulf of Aden and the Somali Basin, although the problem is very extensive and present in other regions as well. The Gulf of Aden and the Somali Basin is strictly connected with Somalia, a country situated in the Horn of Africa, and problems related to this country. To understand all aspects of piracy there it is necessary to learn briefly about Somalia as an African country.

2 SOMALIA AND ITS WATERS – A PIRATE-INFESTED COUNTRY

Somalia has made international headlines for almost two decades, first as a place of civil war characterized by clan warfare and humanitarian catastrophe, then as a failed state, and finally as source of modern piracy. Somalia has been without an effective central government since 1991. In that year President Barre was overthrown by opposing clans. But they failed to agree on a replacement and plunged the country into lawlessness and clan warfare. Years of fighting between rival warlords and an inability to deal with famine and disease have led to the deaths of up to one million people. After the collapse of the Siad Barre regime in 1991, the north-west part of Somalia unilaterally declared itself the independent Republic of Somaliland. The territory, whose independence is not recognised by international bodies, has enjoyed relative stability. A two-year peace process, led by the Government of Kenya under the auspices of the Intergovernmental Authority on Development (IGAD), concluded in October 2004 with the election of Abdullahi YUSUF Ahmed as President of the Transitional Federal Government (TFG) of Somalia and the formation of an interim government, known as the Somalia Transitional Federal Institutions (TFIs). President YUSUF resigned late in 2008 while United Nations-sponsored talks between the TFG and the opposition Alliance for the Liberation of Somalia (ARS) were underway in Djibouti. In January 2009, following the creation of a TFG-ARS unity government, Ethiopian military forces, which had entered Somalia in December 2006 to support the TFG in the face of advances by the opposition Islamic Courts Union (ICU), withdrew from the country. The TFIs are based on the Transitional Federal Charter (TFC), which outlines a five-year mandate leading to the establishment of a new Somali constitution and a transition to a representative government following national elections. However, in January 2009 the TFA amended the TFC to extend TFG’s mandate until 2011. While its institutions remain weak, the TFG continues to reach out to Somali stakeholders and to work with international donors to help build the governance capacity of the TFIs and to work toward national elections in 2011.

Somaliland is not the only part of the country which declared independence and does not want to be ruled by federal government. For the situation has not changed in the country and the people were starving to death, they turned into piracy considering it as a ‘modern way of living’ in such difficult times.

During August 2008, the frequency of Somali piracy exploded and the drastic increase in occurrence meant that waters adjacent to Somalia became the most pirate-infested waters in the world. However, Somalia as a country is not pirate infested, the pirates usually operate out of only several regions, using only certain ports to anchor their hijacked ships. In order for piracy to occur there must be available targets - sea traffic in the area where potential pirates might operate. This is probably the most obvious reason why the Gulf of Aden and the Somali Basin is a very profitable region to practice piracy.

The Gulf of Aden, and waters around Somalia are important areas for navigation. The Gulf of Aden is located between the north coast of Somalia and the Arabian Peninsula and connects the Indian Ocean through the Strait of Bab el-Mandeb with the Red Sea. This is the trail which traverses approximately 21 thousand vessels annually, transporting goods and production of crude oil from the Persian Gulf to Europe and North America. In Arabic, Bab el-Mandeb means "gate of tears", referring to the ex-

\[\text{Source: International Maritime Organization (2009) MSC.4/Circ.115}\]

\[\text{Alula Fartak trench.}\]


11 Its area - 259,000 km², average depth 1359 m, maximum depth 5390 m (Alula Fartak trench).
exceptionally difficult navigation in the Strait. Its length is about 50 km and the width at the narrowest point about 26 km. There is Perim island situated in the middle, which divides it into two parts Bab Iskandar (Strait of Alexander) and Dact al-Majun. The waters on the whole width are territorial waters of the coastal States (Yemen, Djibouti) and the shipping takes place on the basis of the law for the transition of the transit. In 2007 3.3 million barrels of crude oil were transported this way per day out of a world total of about 43 million barrels per day, mainly to Europe, the United States and Asia. The waterway is part of the important Suez Canal shipping route between the Mediterranean Sea and the Arabian Sea in the Indian Ocean. The gulf is known by the nickname ‘Pirate Alley’ due to the large amount of pirate activity in the area. The Strait of Bab el-Mandeb separates the Gulf of Aden and the Red Sea, and both coasts are occupied by soldiers. In particular, the African coast, which was a witness in the past to the border disputes and resulted in numerous posts to keep the area as safe as possible. Therefore, the Strait itself is not visited by pirates so often.

The figures show definitely that the route is very important for maritime transportation of oil but not only, and so the safety of this region should be the priority for international community. The described route is the shortest sea way to Europe and North America, allowing to save an average of 6,000 nautical miles and a journey around the Cape of Good Hope, which significantly reduces the time of transport and fuel consumption. It should be also added that, due to both the width and depth, which restricts the movement of the units in the Suez Canal, some of the vessels must travel around Africa to get on the Mediterranean and to Americas. It is mainly about super tankers called VLCC (very large crude carriers).

3 POSSIBLE FACTORS RESPONSIBLE FOR PIRACY IN SOMALIA

According to some scientists, observing the piracy in the area, there are several factors to be taken under consideration while analysing the problem: culture, exclusion and relative deprivation, poverty, organizational sponsorship, failure of legal and maritime counter-strategies, and weak/weakening state/institutional structures, which tends to view piracy as a product of rational cost-benefit analyses conducted by the potential pirates. Basically, it is claimed that people engage in piracy because they benefit more from it than from other, alternative activities, either because there are no alternatives (lack of work opportunities), or because the benefits that can be achieved by piracy are really great. Piracy exists there rather as the result of a balance between expected gains from piracy, and expected losses from working as pirates. This could be due to several reasons. Punishment for piracy could be weak, because the state or institutions are so weak that piracy cannot be punished, which is true in case of Somalia. The government might not want to fight piracy because of good illegal profits from the trade or because confusion in legal matters acts as a hindrance to punishment.

Another two factors: culture, exclusion and relative deprivation focuses on different matters. Culture could lead to some kind of social legitimacy of piracy. In the case of Somalia, the piracy traditions are weak, and thus lack the power to explain the relatively modern phenomena of piracy. The relation between those two ideas, culture and tradition of piracy is rather poor in case of Somalia so this reason cannot be a real explanation in this case. Another reason for piracy in this country, related to exclusion and relative deprivation is so called the ‘Coast Guard’ version claimed by the pirates themselves focuses on piracy as a product of the need to prevent illegal fishing. Pirates are kind of coast guards patrolling and protecting Somali waters from illegal fishing. The next idea is connected with another version of the ‘empty sea’. The argument is linked to the poverty of the country and the cost/benefit balance. It claims that the pirates simply have no alternatives due to overfishing the sea is said to have become empty.

There is also the third version suggesting that piracy started out as a defensive measure taken due to illegal foreign fishing, which over time has turned into professional piracy. Although as given above the reasons can differ there still is one the most important factor in motivating pirates to engage in this activity and it is the profit. This is the motive that appears in almost every interview with an arrested pirate. No matter what is or are real reasons for piracy in this region the fact is that the frequency of attacks has dramatically increased in 2008.

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12 Hansen S. J., op.cit., 4-5.

13 Ibidem, 7.
The most worrying is the fact that in 2010, according to Best Management Practices book 3 (BMP3\textsuperscript{14}) there is a significant increase in range of pirates attacks. The high-risk area defined in BMP3 has been expanded beyond the Gulf of Aden to the area bounded by Suez in the north, south to latitude 10° and east to longitude 78°. The area between 47°E and 49°E remains the most dangerous for pirate attacks especially during the daylight\textsuperscript{15}.

4 HOW THE PIRATES OPERATE

The 2008 boom led to the fragmentation of piracy, and groups became smaller and more varied. There are groups of few former fishermen and a skiff or groups of about even 200 pirates involved in the business. In general, groups seem to be recruited from individuals with previous family or village ties. Sometimes a group has a tied family connections. There are also groups organized around a skilful leader and have no family ties at all. Each pirate group is usually a loose constellation around a pirate leader who is usually a veteran pirate, reinvesting funds in new pirate missions, who often functions as a fund raiser. The second way is a number of people coming together. In this case everyone brings his own food and guns, but the boat is owned by a specific person.

There are three basic modes of organization. The first is the whole operation is owned by one man who funds everything. In such cases, the owner agrees with the people involved in the mission on certain percentage of payment if a ship is captured.

The third way consists of a fund raiser who collects money from investors and then funds the pirate mission. In all three cases, the pirate leader should be well-connected and respected in the community, and thus able to draw upon his personal network for protection and problem solving\textsuperscript{16}.

How the mission is organized also influences how much it costs varying from multi-ship group, which usually is more expensive to organize into a small one-skiff group, which may need no more than $300 to run an attack. Smaller operations have less chances to be successful but on the other hand there are fewer people to share potential profits. Usually pirates retie when they collect $50,000 and more.

Surprisingly the technological resources available are limited. GPS systems and night vision goggles are used but not common. GPS and goggles are often ordered from local businessmen who travel to Dubai especially to buy them. Ship identification systems are very rarely used, sometimes pirates use so called spotters in ports to get the information about a vessel but the most common way is to observe the area and make an attempt to capture a spotted vessel (slow with low freeboard, preferably without passive security or barbed wire). The pirates tend to be self-financing and the money from hijackings is reinvested in new attacks. Additionally, former pirates that have invested their gains in legitimate business quite commonly reinvest in piracy\textsuperscript{17}.

An attack usually is conducted in a typical and following way: pirates spot flowing vessels with the latest technology. Choose the objective and board on large units, sufficiently fast to escape in the event of failure of the attack. The use of a pirate ‘mother ship’, carrying personnel equipment, supplies and smaller attack craft has enable attacks to be undertaken in a greater range from the shore. Somali pirates seek to place their skiffs alongside the ship being attacked to enable one or more armed pirates to climb onboard. Pirates frequently use long lightweight ladders to climb up the side of the vessel being attacked. Once onboard the pirates will generally make their way to the bridge to take control of the vessel. Once on the bridge they will demand the ship slows down or stops to enable further pirates to board. If the crew does not let them onboard they start shooting. If the attacked crew agrees to let them in, they would probably spend several months in pirates’ base waiting for overbought and ransom. If the crew does not let the pirates on board they fulfil their threats\textsuperscript{18}. Attacks have taken place at any time of the day. However many attacks have taken place early in the morning at first light. They try to operate

\textsuperscript{14} Military forces, shipping associations, insurers and IMB have come together to produce the third version of Best Management Practices, which was released in June 2010. Worwood D., A new anti-piracy bible, Safety at Sea, 22, October 2010, vol. 44 no 500.

\textsuperscript{15} Ibidem, 22.

\textsuperscript{16} Hansen S. J., op.cit., 34-35.

\textsuperscript{17} Ibidem, 36-37.

\textsuperscript{18} Best Management Practices to Deter Piracy off the Coast of Somalia and in the Arabian Sea Area, International Maritime Organization, 9-10, London 2010.
from and in areas, where local authorities have little or no power (central or south Somalia), because it allows them not to spend any money on bribes, which means more money to share. The money from the ransom, after paying all costs, is divided between the group that directly attacked the vessel and the group that guarded it afterwards. Hijackers get more than the guards. However, the highest share goes to the first person that boards the ship. The myths of piracy in the greater Gulf of Aden are many, but the average pirate group is a clan-based, low-tech group, consisting of former fishermen.

Statistics show that the aim of Somali pirates become all types of ships, their size is not able to discourage piracy. On the contrary, the larger vessels, the greater the risk, that they become the target of an attack. Hijacking of a large enterprise, carrying expensive goods entails huge profits for the snatchers, which obtain in exchange for the release of the crew and the ship. In 2008 in the Gulf of Aden and Somalia it could be noticed the largest, as yet, increase of tankers hijackings, carried out in a very large distance from the land, along the East coast of Africa. The purpose of each attack is to occupy a ship, but not every attack is successful one as mentioned before. Every vessel with varying speed and low side becomes a potential attack target.

The report from 2008 with 111 incidents shows how dangerous area for navigation is the Gulf of Aden and the East coast of Somalia. The number of attacks in this area increased by approximately 250% compared with the year 2007 and 2005 (noticed accordingly, 44 and 45 attacks) and approximately five times in comparison with the year 2006 (only 20). The number of attacks in August 2008 only, at 19, and rising in November and October 15 and 16, respectively. In 2009 there were 217 ships attacked with 47 vessels hijacked Somalia accounts for more than half of the 2009 figures. 2009 has however seen a significant shift in the area of attacks off Somalia. While the 2008 attacks were predominantly focused in the Gulf of Aden, 2009 has witnessed more vessels also being targeted along the east coast of Somalia. According to IMB reports in the first half of 2010 there were 100 armed attacks reported off the coast of Somalia including 27 vessel hijackings. The profits which the pirates make with the money are enormous for them, therefore, abandoning this activity in the country without prospects is practically only a wishful thinking.

5 PIRACY THE THREAT TO MARITIME TRANSPORTATION

Piracy in Somalia is a much greater threat than it might seem. The international community tackling this problem must bear in mind each potential hazard resulting from piracy. This threat can be classified in three aspects:

- the importance of piracy for international trade, and in particular the transport of oil;
- the danger for the environment;
- the potential terrorist threat.

Safety at sea has been seriously jeopardized in recent years, thanks to the emergence of incidents of piracy in key and strategic transit points, which undoubtedly the Gulf of Aden is. In addition to the direct impact on vessels, crew, cargo, as well as the maritime industry, piracy threatens worldwide commercial marine. Obviously, it is crucial that firms, which delays with the delivery of goods to the port of destination, will be losing money. Adding to this the costs paid in ransoms, piracy should be noticed as a serious threat to the trade from an economic point of view. The cost of freight rose from Rs4,000 ($132) to Rs5,600 ($185) for a 20ft container and Rs8,000 ($265) to Rs11,200 ($370) for a 40ft container. The line justified the tariff by citing a persistent risk of pirate attacks. As it shows these consequences are not limited only to companies, whose vessels are hijacked but there are also serious concerns of the increase in costs of insurance premiums for vessels intending to go through the Gulf of Aden. Their growth, is not only caused by an ongoing risk of war, but also dramatically increasing number of hijacked units. During 2008, insurance premiums were raised ten times. It is estimated that for the increasing number of passing vessels on that route the cost of insurance from the risk of war for 20,000 ships can reach even 109 400 million dollars. If the costs of an additional insurance become too burdensome for the company, or the transition by the Gulf of Aden seems too dangerous, the decision is taken about extension of the routes to Europe and North America, bypassing the Cape of Good Hope. Companies increasingly decide to bear higher costs associated with the time of arrival at the port of

19 Hansen S. J., op.cit., 41.
23 A new anti-piracy bible..., op. cit., 22.
24 Pirate range ever more vast, Safety at Sea, November 2010, vol. 44 no 501, 12.
destination, fuel and crew, then risking hijacking vessels, endangering crew’s life or paying higher insurance premiums. All the above, directly influence prices to cover the costs of transporting the goods. The Gulf of Aden is used to transport the oil from Arab countries and the already high price of this valuable in the XXI century raw material may be increased, due to the price of its transport and high insurance.

Large tankers passing through the Gulf of Aden, which are the most common pirates’ goals, might pose a danger associated with spills of substances into the sea, so sensitive and important ecosystem. During the attack on the Japanese oil tanker Takanoyama (was targeted by pirates in April 2008), by 20 graph hole oil was leaking out into the sea. The consequences of this event could be much more serious, if not fast reaction to the leakage of the substance. It is necessary to keep in mind that the pirates and their actions are based on the basis of much better weapon. The use of firearms, including rocket-propelled grenades, in the direction of the vessel could cause a fire, run a vessel on the ground and even sinking, which in turn can induce ecological catastrophe destroying marine birds and animals for many years. The objective of the pirates is forced to pay the ransom note, if the crew puts the resistance, going to more radical methods, may lead not only to the death of innocent people, but also an ecological disaster.

Piracy has become in recent years a very popular form of acquiring money and pirates have become ‘heads’ of international terrorism. It should be noted that currently there are no institutions relating to such events. Maritime terrorism must be treated seriously, and it was indicated by the attack on the American destroyer USS Cole, and killing 17 Americans. Creating a hypothetical situation in which terrorists would attack a VLCC tanker on the approach to the Suez Canal and would cause its sinking, the consequences of such incident could be multiplied. Ships waiting to pass the Canal would be queuing or heading for the Cape of Good Hope giving pirates even more possibilities of being attacked.

Terrorism at sea takes many forms:
- directed at military and civilian vessels26;
- kidnapping, hostage-taking and boats, which are tender cards for terrorists;
- characterised by a high level of cruelty directed against the crew of a ship, and taken vessels become floating weapons.

A terrorist organization can allocate financial gains from piracy to sponsorship this type of activity around the world. It is suspected that Al-Shabaab, a terrorist group from Somalia gains money in this way27. The activities of the pirates in Somalia is becoming increasingly dangerous, and very often links with terrorists. The best solution is to prevent the worst scenarios than attempt to solve the problem after the escalation.

6 CONCLUSION

The problem with Somali piracy is one of the most important issue in the XXI century. Maritime transport has become the back bone of our economy and we cannot allow anybody or anything to hamper it or threaten, as we simply cannot afford it. Not taking any steps to fight or reduce this activity would mean that we have to pay extra money for longer routes, ransoms, costly equipment and expensive insurance. The world’s economy has already been suffering problems since 2008 crisis, paying further costs may be very difficult for even well developed countries. Somalia is a very special country in terms of its internal condition, and as an international community we have to help the country to stand up on its feet or we leave it as it is and would pay even higher costs. The matter is complex and would take many different kinds of measures to stabilize the situation at sea but it seems not possible to tackle piracy without solving the problem inside the country. There are centres of power onshore in Somalia and they can be allies in the struggle against piracy; that is if they have power adjacent to the pirate bases and some interest in fighting it. Today, these centres of power are an untapped resource that could be used in this struggle. They could also be used to monitor pirate groups on shore, to register them, and to prevent piracy. However, there has to be something in it for the local partners, either through active fishery protection or through local purchases28. The question is if we—as the international community – are ready to pay the costs of this actions. If not we have to be prepared to pay for the actions undertaken, but not necessarily successful. It is up to us.

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26 As 6 October 2002, during the attack on MV Limburg Yemen ship attack was terrorism, BBC, http://news.bbc.co.uk/2/hi/middle_east/2324431.stm., 13.10.2003. as 6 October 2002, during the attack on MV Limburg


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