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Defense Estimative Brief: Somali
Democratic Republic (U)

(U) Summary

~~(S/NOFORN)~~ Since President Siad's rise to power in October 1969, Somalia's problems have become so extensive that his position could easily weaken, making Somalia an even more fragile and troubled ally for the US. Despite signs of recovery, the economy is narrowly based and will require long-term and substantial external aid. Likewise, the military for at least several years has little prospects of recovering its former pre-1977/1978 capability. Siad is expected to remain in power for at least the next year, but, if he were overthrown, it probably would result in the surfacing of leaders who would request substantially more outside military and economic aid. In Siad's absence, the United States would face difficult policy choices as the struggle to consolidate power evolved and rapprochement with the Soviets became a possibility, particularly if US aid were not forthcoming.

1. (U) Political Prospects

a. ~~(S/NOFORN)~~ President Mohamed Siad Barre is expected to remain in power over the next year, barring assassination or other unforeseen departure from office. The President is a survivor, acroitly handling political challenges, military setbacks, economic stagnation, and tribal hostilities. Prospects of a coup attempt--most likely from the military--are considered slight but cannot be discounted completely. No one has been identified as waiting in the wings to succeed Siad--either by a tapping from him or through the jostling of government and military political intrigue. A master at political infighting, Siad manipulates tribal rivalry to the advantage of his own Marehan clan, and maintains an effective monitoring network of political and military activities through the assignment of tribal loyalists to selected positions.

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b. ~~(S/NOFORN)~~ Siad will continue to dominate the decisionmaking process and resist any effort at political change which could weaken his authority. His domination of the political process and his unwillingness to delegate real decisionmaking authority to his civilian and military advisors will hamper efforts at economic reform, reduction of corruption, and improvements in military capability. Siad's use of tribal conflicts as a political tool undermines any hope of diminishing tribalism, one of Somalia's most basic and intransigent problems. Consequently, Siad's unwillingness or inability to bring tribalism under control will continue to adversely affect Somalia's military capability and economic development, and will remain a threat to Somalia's political stability over the long term.

c. ~~(S/NOFORN)~~ Somalia will require continued military and economic assistance from Western and Middle East supporters. Somalia's military capability, stretched thin since the 1977-1978 Ogaden War with Ethiopia, will remain capable of controlling internal threats but will not be a match against the superior Ethiopian military if major hostilities erupt. Somalia's military, while primarily concerned with the Ethiopian threat, will expend much of its efforts to contain the threats posed by the Issak clan-based Somali National Movement (SNM), a northern anti-Siad dissident group, and the Somali Democratic Salvation Front (SDSF), a Majartain clan-based dissident movement in central Somalia operating out of Ethiopia. The effect of these threats is to dissipate Somalia's military capability, jeopardize efforts at economic reform by diverting needed economic planning and action to security concerns, and increase Somalia's reliance on external support.

2. (U) Economic Outlook

a. ~~(S/NOFORN)~~ Prospects for significant economic progress in Somalia over the next year are low. Somalia, with a population of six million, annual per capita income of less than \$200, high inflation, and spreading unemployment, is one of the world's poorest countries and has few natural resources on which to base economic development--resources which are further strained by the presence of 700,000 or more refugees. Much of the country is semiarid and vulnerable to droughts. Over two-thirds of the population are nomadic and raise livestock for a living. With the exception of livestock and a few cash crops--bananas and sugarcane--agriculture is carried out on a subsistence level. Manufacturing is rudimentary and primarily involved in import substitution and food processing.

b. ~~(S/NOFORN)~~ Defense requirements will adversely affect economic progress for at least as long as the dispute with Ethiopia over the Ogaden continues. Expenditures directed toward rebuilding the Somali military and maintaining a credible deterrent against Ethiopia will jeopardize Somalia's efforts to balance military expenditures most effectively with economic planning. The defense budget of \$131 million is 26 percent of the central budget and near 14 percent of GNP. Although recent hostilities focused on border areas and will have little short-term impact on economic activity, the long-term impact of ongoing confrontation could seriously affect Somalia's ability to control its debt service burden. Somalia's appetite for weapons will aggravate this problem and will most likely require additional external assistance to manage it.

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c. ~~(S/NOFORN)~~ There is, however, some potential for economic progress this coming year if Somalia's commitment to economic reform and stabilization initiated in 1980 with the IMF remains strong. This commitment, highlighted by a second devaluation last July and including provisions for higher prices to agricultural producers based on free market forces, the elimination of some marketing controls, the dismantling of inefficient government-supported enterprises, and a decision to restrict government credit and borrowing, should provide a basis for reducing inflationary pressures and improving the balance of payments/foreign exchange reserve positions. In 1982, the ratio of imports to exports was more than four to one, and the outstanding foreign debt was one billion. If the government can persevere and broaden the scope of its economic reform, Somalia might be able to move out of economic stagnation.

3. (U) Military Trends

a. ~~(S/NOFORN)~~ The mainstay of the Siad regime will remain the Somali National Army (SNA). It is both his powerbase and the greatest potential threat to his remaining in power. With SNA backing, Siad is likely to be able to withstand any internal threat to his leadership; however, the widespread dissatisfaction within the military over how military, economic, and tribal problems are being addressed provides an opening ambitious military officers may wish to seize. Although Siad keeps tabs on internal military activities through his own tribally based intelligence apparatus, this potential challenge will remain latent over the foreseeable future.

b. ~~(S/NOFORN)~~ The problems of the Somali military are so fundamental and pervasive that it will be several years at best, coupled with massive external support, before the country will be able to defend itself effectively against an adversary like Ethiopia. Somalia has not recovered from its military adventurism against Ethiopia in the 1977-1978 Ogaden War. Evidence of Somalia's military ineffectiveness is its inability to dislodge Ethiopian forces from the Balenbale and Goldogob areas along Somalia's central border with Ethiopia. Neither of these situations nor the inability of the Somali military to defend its borders against either the dissident SDSF in the central region or the SNM in the north will change soon.

c. ~~(S/NOFORN)~~ Military assistance from Western and Middle East supporters should improve Somalia's defensive capabilities in the next year. However, this support is not expected to be sufficient to prevent Ethiopian military successes inside Somalia if Ethiopia elects to pursue an aggressive policy. Somali irredentist goals in the Ogaden will continue to provide Ethiopia the motivation to maintain border superiority, to support the SDSF, to keep Somalia unsure of Ethiopian military intentions, and to test Somali military resolve through limited tactical engagements.

4. ~~(S/NOFORN)~~ Foreign Policy. Somalia will maintain its Western orientation, but its foreign policy will continue to focus on regional issues and the need to secure external economic and military assistance. Although Siad, in cooperation with the international financial community, is expected to continue his economic reform effort, the issue most central to Somalia's foreign policy will be the need to obtain sufficient military assistance to provide adequate defense of its borders against Ethiopian incursions. Ethiopia will remain Somalia's principal adversary and no improvement in relations is expected in the near term. While Somalia appears to have reduced its aspirations toward

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Djibouti, and Kenya, its irredentism toward the Ogaden region in Ethiopia will remain intact and continue to be the principal source of the existing conflict.

5. (U) Implications for the United States

(b)(1),(b)(3):10 USC 424,(b)(6),1.4 (c)



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