



Yemen: Background and U.S. Relations

Jeremy M. Sharp
Specialist in Middle Eastern Affairs

October 6, 2011

Congressional Research Service

7-5700

www.crs.gov

RL34170

Summary

Unrest in the Arab world has amplified existing political tensions in Yemen. Sustained mass protests and President Ali Abdullah Saleh's attempts to preempt a broad crisis with concessions have concentrated U.S. and international attention on the daunting array of political and development challenges facing Yemen. Congress and U.S. policymakers may be concerned with prospects for stabilizing Yemen and establishing strong bilateral relations with future Yemeni leaders.

Many Administration officials have declared that Al Qaeda in the Arabian Peninsula (AQAP), the Yemeni-based terrorist organization that has attempted on several occasions to attack the U.S. homeland, is the most lethal of the Al Qaeda affiliates. In recent years, the Administration and Congress have supported an increased U.S. commitment of resources to counterterrorism and stabilization efforts there. Many analysts assert that Yemen is becoming a failed state and safe haven for Al Qaeda operatives and as such should be considered an active theater for U.S. counterterrorism operations. Given Yemen's contentious political climate and its myriad development challenges, most long-time Yemen watchers suggest that security problems emanating from Yemen may persist in spite of increased U.S. or international efforts to combat them.

For FY2012, the Obama Administration requested \$120.16 million in State Department-Administered foreign aid to Yemen. S. 1601, the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2012, would provide \$115 million in total aid for Yemen which is \$5.16 million below the President's request.

Contents

Overview: Yemen’s Political Crisis and U.S. Policy	1
Latest Developments.....	2
Awlaki Killed.....	2
Saleh Returns to Yemen.....	3
Clashes in Sana’a.....	3
Opposition to Saleh Remains Fractured	3
Fighting Against AQAP Militia in Abyan	4
U.S. Counterterrorism Policy	5
Congressional Action and U.S. Aid to Yemen	6
Country Overview	6
Key Yemeni Political and Military Figures	8
The Saleh Family	8
The Al Ahmar Family.....	9
Major General Ali Mohsen.....	9
Vice President Abdo Rabu Mansour Hadi.....	9
U.S. Relations and Foreign Aid	10
U.S. Foreign Assistance to Yemen.....	11
Military Aid.....	12
Economic Aid.....	16

Figures

Figure 1. Abyan Governorate.....	5
Figure 2. Map of Yemen	8

Tables

Table 1. U.S. Foreign Aid to Yemen	12
Table 2. 1206 Department of Defense Funding for Yemen FY2006-FY2010	15

Contacts

Author Contact Information.....	17
---------------------------------	----

Overview: Yemen's Political Crisis and U.S. Policy

As of early October 2011, President Ali Abdullah Saleh remains president of Yemen despite widespread opposition to his rule and to his relatives' control over most of the country's security forces. Ironically, Yemen's intractable political crisis has come at a time of heightened U.S. counter-terrorism operations inside Yemen, culminating in the September 30 U.S. strike against an Al Qaeda in the Arabian Peninsula (AQAP) convoy that killed Anwar al Awlaki, the U.S.-born cleric and mastermind of the foiled Christmas 2009 airline bomb plot, among other operations he either oversaw or personally inspired. Neutralizing Awlaki (despite unresolved legal controversy over the government's right to target an American citizen) had been a top Administration priority in Yemen. At this time, however, it is unclear how Awlaki's death will affect AQAP's capacity to target the U.S. homeland. Most Administration officials have declared that AQAP is the most lethal of the Al Qaeda affiliates, though policymakers also have suggested that there are only a few dozen AQAP members who are part of the terrorist group's international operations cell plotting attacks against the United States.¹

Having returned to Yemen from Saudi Arabia in late September after surviving an assassination attempt on June 3, President Saleh has vowed to remain in power so long as his rivals, General Ali Mohsen and the Al Ahmar family,² stand to benefit politically from his removal. In a September interview, Saleh stated, "... if we transfer power and they are there, this will mean that we have given into a coup.... If we transfer power, and they are in their positions, and they are still decision-makers, this will be very dangerous. This will lead to civil war."³ Clearly, despite a Gulf Cooperation Council (GCC) proposal that would grant him and his family immunity if he resigns, Saleh has been concerned about stepping down and ending his immediate family's hold on power. Saleh has rejected this proposal multiple times, perhaps calculating that as political change has swept ruling families out power in Tunisia, Egypt, and Libya, his family would suffer a similar fate should he resign the presidency.⁴

Throughout Yemen's political crisis of 2011 and in previous years, the United States has had to balance the need to conduct short-term counterterrorism operations aimed at high-value AQAP targets at large in Yemen's vast tribal hinterland with the need to mitigate underlying political, economic, and environmental challenges (i.e., corruption, reduced oil production, water depletion) that make the country an attractive base for terrorist groups. The latter goal is an enormous challenge not only for the United States but for Saudi Arabia and other Gulf neighbors. The former goal has proven to be more attainable, perhaps due to both increased U.S. intelligence activities inside Yemen and President Saleh's willingness to be more cooperative with the United States as his political position inside Yemen has become more untenable.

Before the successful air strike against Awlaki in September, there had been a failed attempt to kill him in May 2011, a period when anti-Saleh protest had reached a crescendo. In September,

¹ "U.S. Air Attacks in Yemen Intensify," *Washington Post*, September 17, 2011.

² See, "Key Yemeni Political and Military Figures."

³ "Saleh says he won't step down until rivals are out," *Washington Post*, September 29, 2011.

⁴ Saleh's negotiating terms over his resignation have been deemed unacceptable by the opposition. Reportedly, Saleh demands that in order for him to resign, demonstrations must end; the defected military must return to their ranks under Saleh's control; a coalition government must be formed; immunity must be granted to the president and his family; and presidential elections must be held before he formally resigns. The opposition believes that meeting these demands would pave the way for the continued rule of Saleh's family or hand-picked successor.

Assistant to the President for Homeland Security and Counterterrorism John Brennan said that “Counterterrorism cooperation with Yemen is better than it’s been during my whole tenure ... The Yemenis have done a good job of finding and arresting and carrying out attacks against al-Qaida types.... So even though Yemen is in the midst of this internal domestic turmoil ... the information is flowing back and forth.... We're sharing information.”⁵ However, U.S. officials also have indicated that there is no connection between the recent killing of Awlaki and the recent return of President Saleh to Yemen (see below).

Nearly a week after the Awlaki killing, a report surfaced suggesting that U.S.-Yemeni relations are becoming more strained due to disagreements over the extent of U.S. involvement in counterterrorism operations inside Yemen.⁶ Reportedly, the Yemeni government is disappointed both in the continued U.S. demand for a quick political transition and the U.S. refusal to become more deeply and directly involved in countering an insurgency in Abyan (See “Fighting Against AQAP Militia in Abyan,” below). According to one unnamed U.S. official:

“I know there is dissatisfaction, particularly among the Saleh family,” said the official, who spoke on the condition of anonymity to discuss U.S. counterterrorism operations in Yemen. “They would like us to do different things to suppress an insurgency that is alive, particularly in Abyan, and [anything against] Saleh’s political interests.... [But] “We’re not going to get enmeshed in that type of domestic situation.”⁷

Latest Developments

Awlaki Killed

On September 30⁸, multiple news reports indicated that an alleged U.S. air strike in Yemen killed Anwar al Awlaki, Samir Khan (an American citizen of Pakistani origin and the editor of AQAP’s Inspire magazine), and several of Awlaki’s bodyguards. According to U.S. officials, new information on Awlaki’s whereabouts had surfaced in September 2011, and Yemeni sources claim that his location came from “a recently captured Al Qaeda operative.”⁹ According to one unnamed U.S. official asked to comment on the significance of Awlaki’s death, “It’s critically important.... “It sets a sense of doom for the rest of them. Getting Awlaki, given his tight operational security, increases the sense of fear. It’s hard for them to attack when they’re trying to protect their own back side.... You take out someone like this, it sends a message.... Now they [AQAP] have to go into a succession effort that will cause a movement of people, of messages, which makes them more vulnerable. Bottom line, they’ve taken a severe impact.”¹⁰

⁵ “U.S., Yemen Boost Anti-Terrorism Ties,” *Chicago Tribune*, September 15, 2011.

⁶ “Despite Death of Awlaki, U.S.-Yemen Relations Strained,” *Washington Post*, October 5, 2011.

⁷ Op. cit.

⁸ On May 5, the United States reportedly carried out an air strike in Shabwa province against a car believed to be carrying Anwar al Awlaki. Instead, the U.S. military hit a vehicle carrying two mid-level AQAP operatives, Abdullah and Mubarak al Harad, who were killed instantly. According to one unnamed U.S. official, “We were hoping it was [Awlaki].”

⁹ “Yemen Notes Its Own Role in U.S. Attack on Militant,” *New York Times*, October 1, 2011.

¹⁰ *New York Times*, October 1, 2011.

Saleh Returns to Yemen

On September 23, in a surprise move, President Saleh returned to Yemen from a near-four month absence that started after he suffered severe burns during an attack against his presidential compound in the capital of Sana'a on June 3. In his absence, U.S. and European officials had been urging his Vice President, Abed Rabbo Mansour al Hadi, to broker a GCC-sponsored transition deal. However, the Vice President's authority was limited and delegitimized by Saleh's son Ahmed, who kept him from occupying the presidential palace and exercising control over security forces. Overall, Saleh's relatives were able to retain their control over most of the security services in his absence, at times using lethal force against political opponents and street demonstrators. On September 24, U.S. State Department spokeswoman Victoria Nuland remarked, "We again urge President Saleh to initiate a full transfer of power without delay and arrange for presidential elections to be held before the end of the year within the framework of the GCC initiative. The Yemeni people have suffered enough and deserve a path toward a unified, stable, secure, and democratic Yemen. We will continue to work with the GCC and others in the international community to support the Yemeni people's aspirations."¹¹

Clashes in Sana'a

After some reports indicated that some progress had been made on a presidential transition deal, government troops, protestors, and defected soldiers loyal to General Ali Mohsen began battling in the streets of Sana'a on September 18, leading to the deaths of over 100 people in a 4 to 5 day period before all sides agreed to a cease-fire. Some Yemenis accused General Mohsen, who had been protecting protestors, of perpetrating the violence by allowing demonstrators to march toward hostile government troops in order to provoke a confrontation that could scuttle a possible transition deal from which General Mohsen may have been excluded.¹² Others blame government troops for using excessive force to quell demonstrators who they claim had planned for weeks to march from their protected area around Change Square at Sana'a University toward other areas of the capital in an act of defiance against the government.

In addition to fighting within the capital, fighting on its northern outskirts has persisted for months between Saleh's son Ahmed, the commander of the Republican Guard, and tribal rivals loyal to the Al Ahmar family. Both sides have been vying for control of a series of mountains overlooking the airport, the presidential palace, and a military base.

Opposition to Saleh Remains Fractured

Throughout the current period of political unrest in Yemen, opponents of President Saleh's continued rule have not been able to coalesce around one leader or one unified faction. During the summer of 2011, two different "councils" were established by various factions within the opposition. In July, prominent youth protestors and former government officials established a "transitional presidential council" in order to create a new parliament and draft a new constitution. However, the formal opposition coalition, the Joint Meetings Party (JMP), opposed this move and, a month later, formed its own National Transitional Council (NTC) modeled after

¹¹ Victoria Nuland, *Ongoing Political Situation in Yemen*, U.S. State Department, Department Spokesperson, Office of the Spokesperson, September 24, 2011.

¹² "8 Months After First Protests, Yemen Enters Dangerous New Phase," *New York Times*, September 21, 2011.

Libya's Interim Transitional National Council (TNC). Both councils have failed to put forward a coherent agenda. They also exclude from their membership other groups opposed to Saleh's rule, such as the Southern Movement and the Al Houthi family.

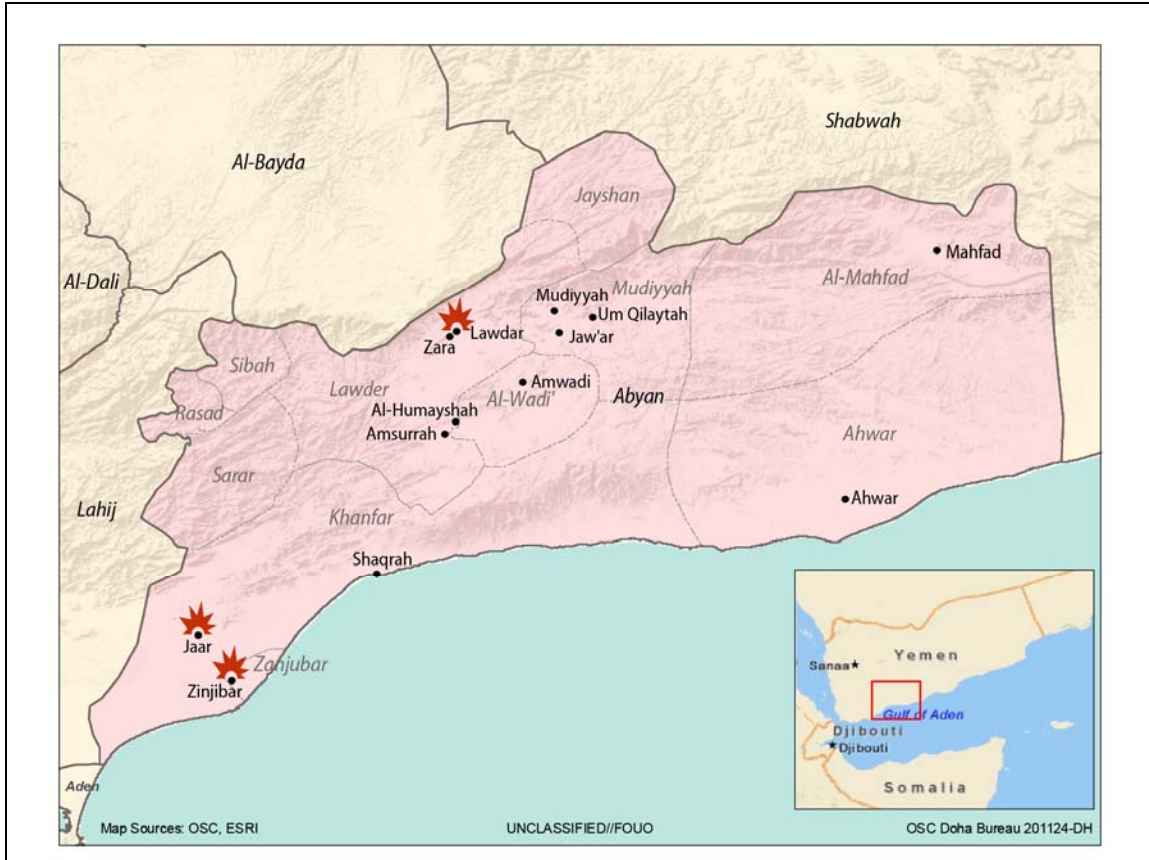
Fighting Against AQAP Militia in Abyan

In March 2011, Islamist militants in the southern province of Abyan seized the town of Jaar. The fighters there called themselves Ansar al Shariah (partisans of Shariah, or Islamic law) and are believed to be part of AQAP's effort to create an army capable of seizing territory. In May 2011, at the height of anti-Saleh protests, central government troops and civilian administrators abandoned Abyan's provincial capital city of Zinjibar to Ansar al Shariah. For several months, Yemeni forces remaining in the area (notably the 25th Mechanized Armor Brigade) were outnumbered by militants; fighting dragged on with casualties mounting on both sides. By the fall, new Yemeni army brigades¹³ had arrived in Zinjibar to fight alongside various irregular tribal forces opposed to the presence of AQAP on their lands. The United States may also have been assisting Yemeni air units by providing satellite imagery for targeting locations of Ansar al Shariah fighters.¹⁴ The United States also provided humanitarian assistance, including food and medical supplies, to Yemeni troops trapped inside a sports stadium in Zinjibar. Saudi Arabia also may have provided Yemen with military aid. On September 10, the Yemeni government announced that it had regained control over Zinjibar, but reports continued to suggest that heavy fighting continued there as of early October.

¹³ According to one report, two competing military units, one loyal to President Saleh and the other loyal to the defecting General Ali Mohsen, are fighting Ansar al Shariah in Abyan and that this had led to internal conflicts. See, "Clashes in Southern Yemen Underscore Nation's Turmoil," *New York Times*, September 15, 2011.

¹⁴ One account suggests that the U.S. military provided aerial resupply drops to encircled Yemeni forces using U.S. aircraft. See, Michael Knights, Policywatch #1854, *The Al-Qaeda Challenge In Southern Yemen*, The Washington Institute, October 3, 2011.

Figure I. Abyan Governorate
(Yemeni Clashes with Ansar Al Shariah)



Source: Map Resources. Adapted by CRS (September 2011).

U.S. Counterterrorism Policy

During the summer and fall of 2011, multiple news reports represented that the United States had expanded unmanned aerial surveillance and air strikes over and inside Yemen against AQAP targets.¹⁵ According to one report, “Because it operates under different legal authorities than the military, the CIA may have greater latitude to carry out strikes if the political climate shifts in Yemen and cooperation with American forces is diminished or cut off.”¹⁶ After President Saleh left Yemen for Saudi Arabia in early June following an assassination attempt against him, unnamed U.S. officials suggested in media reports that by relying more heavily on the CIA to conduct counterterrorism operations inside Yemen, operations could be carried out as a “covert action,” which can be undertaken without the support of the host government.¹⁷ Other reports suggest that the United States was reaching out to Yemen’s opposition in order to seek support for continued U.S. counterterrorism operations there in the event that Saleh’s government falls. According to one report, U.S. officials said that [Yemeni] opposition leaders told U.S.

¹⁵ *Washington Post*, September 21, 2011.

¹⁶ *Washington Post*, June 14, 2011.

¹⁷ *New York Times*, June 15, 2011.

Ambassador to Yemen Gerald M. Feierstein that operations against AQAP “should continue regardless of who wins the power struggle in Sana’a.”¹⁸

Congressional Action and U.S. Aid to Yemen

For FY2012, the Obama Administration requested \$120.16 million in State Department-administered foreign aid to Yemen. In FY2011, Congress allocated Yemen \$62.898 million, which was well below the original Administration request of \$106.6 million. In addition, Yemen did not receive any U.S. 1206 Department of Defense (DOD) assistance in FY2011.

For FY2012, a draft House State and Foreign Operations Appropriations bill would require that no aid be made available for Yemen until the Secretary of State certifies that “(1) no ministry, agency, or instrumentality of the Government of Yemen is controlled by a foreign terrorist organization; (2) no member of a foreign terrorist organization serves in any policy position in a ministry, agency, or instrumentality of the Government of Yemen that is proposed to receive such assistance; (3) a comprehensive anti-terrorism vetting and tracking system exists for all Yemeni security forces personnel benefitting from United States security assistance; and (4) all ministries, agencies, or instrumentalities of the Government of Yemen that directly or indirectly benefit from United States security assistance are financially transparent and accountable.” S. 1601, the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2012, would provide \$115 million in total aid for Yemen (S.Rept. 112-85), which is \$5.16 million below the President’s request.

Section 10012 of H.R. 2219, the House-passed Department of Defense Appropriations Act, 2012 states that “None of the funds made available by this Act for international military education and training, foreign military financing, excess defense articles, assistance under section 1206 of the National Defense Authorization Act for Fiscal Year 2006 (P.L. 109-163; 119 Stat. 3456), issuance for direct commercial sales of military equipment, or peacekeeping operations for the countries of Chad, Yemen, Somalia, Sudan, Democratic Republic of the Congo, and Burma may be used to support any military training or operations that include child soldiers, as defined by the Child Soldiers Prevention Act of 2008, and except if such assistance is otherwise permitted under section 404 of the Child Soldiers Prevention Act of 2008 (P.L. 110-457; 22 U.S.C. 2370c).”

Country Overview

Located at the southwestern tip of the Arabian Peninsula, Yemen is an impoverished Arab country with a population of 23.8 million. The country’s rugged terrain and geographic isolation, strong tribal social structure, and sparsely settled population have historically made it difficult to centrally govern (and conquer), a feature that has promoted a more pluralistic political environment, but that also has hampered socioeconomic development. Outside of the capital of Sana’a, tribal leaders often exert more control than central and local government authorities. Kidnappings of Yemeni officials and foreign tourists have been carried out mainly by dissatisfied tribal groups pressing the government for financial largesse or for infrastructure projects in their districts.

¹⁸ *New York Times*, June 9, 2011.

A series of Zaydi¹⁹ Islamic dynasties ruled parts of Yemen both directly and nominally from 897 until 1962. The Ottoman Empire occupied a small portion of the Western Yemeni coastline between 1849 and 1918. In 1839, the British Empire captured the port of Aden, which it held, including some of its surrounding territories, until 1967.

The 20th century political upheavals in the Arab world driven by anti-colonialism and Arab nationalism tore Yemen apart in the 1960s. In the north, a civil war pitting royalist forces backed by Saudi Arabia against a republican movement backed by Egypt ultimately led to the dissolution of the Yemeni Imamate and the creation of the Yemen Arab Republic (YAR). In the south, a Yemeni Marxist movement became the primary vehicle for resisting the British occupation of Aden. Communist insurgents eventually succeeded in establishing their own socialist state (People's Democratic Republic of Yemen or PDRY) that over time developed close ties to the Soviet Union and supported what were then radical Palestinian terrorist organizations. Throughout the Cold War, the two Yemeni states frequently clashed, and the United States assisted the YAR, with Saudi Arabian financial support, by periodically providing it with weaponry.

By the mid-1980s, relations between North and South Yemen improved, aided in part by the discovery of modest oil reserves. The Republic of Yemen was formed by the merger of the formerly separate states of North Yemen and South Yemen in 1990. However, Yemen's support for Iraq during Operation Desert Storm crippled the country economically, as Saudi Arabia and other Gulf states expelled an estimated 850,000 expatriate Yemeni workers (the United States also cut off ties to the newly unified state). In 1994, government forces loyal to President Ali Abdullah Saleh put down an attempt by southern-based dissidents to secede. Many southerners still resent what they perceive as continued northern political economic and cultural domination of daily life.

President Saleh, a former YAR military officer, has governed Yemen since the unified state came into being in 1990; prior to this, he had headed the former state of North Yemen from 1978 to 1990. In Yemen's first popular presidential election, held in 1999, President Saleh won 96.3% of the vote amidst allegations of ballot tampering. In 2006, Saleh stood for reelection and received 77% of the vote. The president's current and last term expires in 2013, barring any future constitutional amendments.

¹⁹ The population of Yemen is almost entirely Muslim, divided between Zaydis, found in much of the north (and a majority in the northwest), and Shafi'is, found mainly in the south and east. Zaydis belong to a branch of Shi'a Islam, while Shafi'is follow one of several Sunni Muslim legal schools. Yemen's Zaydis take their name from their fifth Imam, Zayd ibn Ali. They are doctrinally distinct from the Twelvers, the dominant branch of Shi'a Islam in Iran and Lebanon. Twelver Shiites believe that the 12th Imam, Muhammad al Mahdi, has been hidden by *Allah* and will reappear on Earth as the savior of mankind. For more information, see CRS Report RS21745, *Islam: Sunnis and Shiites*, by Christopher M. Blanchard.

Figure 2. Map of Yemen



Source: Map Resources. Adapted by CRS (July 2010).

Key Yemeni Political and Military Figures

The Saleh Family

President Saleh's son Ahmed is commander of the Republican Guards. He was born in 1970 and studied at Britain's elite military academy at Sandhurst. President Saleh's three nephews also hold senior positions in the military and intelligence services. His nephew Colonel Amar Saleh is deputy chief of the National Security Bureau (NSB), an intelligence agency formed in 2002 designed to work in closer cooperation with foreign governments.²⁰ Another nephew, Yahya Mohammed Abdullah Saleh, is chief of staff of the Central Security Organization (CSO), a division of the Ministry of the Interior which maintains an elite U.S.-trained Counter-Terrorism

²⁰ According to one recent report, the NSB was established to "provide Western intelligence agencies with a more palatable local partner than the Political Security Organization (PSO). The NSB is now responsible for dispensing \$3.4 million of U.S.-provided tribal engagement funds to support the campaign against AQAP. See, Michael Knights, "Strengthening Yemeni Counterterrorism Forces: Challenges and Political Considerations," *Policywatch* #1616, The Washington Institute for Near East Policy, January 6, 2010. In general, due to previous allegations of PSO sympathy and direct support of Al Qaeda, the United States government deeply distrusts that security agency and does not work with its units which are responsible for day-to-day security inside the country. See, "Yemen Security Agency Prone to Inside Threats, Officials Say," *Washington Post*, February 10, 2010.

Unit (CTU).²¹ Tariq Saleh is head of the Presidential Guard, the Yemeni equivalent of the U.S. Secret Service. Finally, the president's half-brother, Ali Saleh al Ahmar, is commander of the Air Force.²²

The Al Ahmar Family

It is possible that a member of the Al Ahmar family would either head an interim government or run for president once a transitional process has been put in place. The family has members who may be acceptable to neighboring Saudi Arabia and much of the Hashid tribal confederation in Yemen. Sheikh Sadeq (alternate spelling: Sadiq) al Ahmar, the eldest of 10 sons of the late Sheikh Abdullah al Ahmar (who was the speaker of Parliament, leader of the Islah party, and paramount sheikh in Yemen prior to his death in 2007), is the head of the family and may prove to be a key figure in the weeks and months ahead.

Hamid Al Ahmar, the longtime Saleh critic and member of the prominent Al Ahmar family, is another possible presidential candidate. Hamid Al Ahmar has condemned Saleh's ruling style, saying "We believe that power should be distributed, not continue [to be run] as a one-man show." Unlike other opposition figures, Hamid Al Ahmar has sided with Yemeni protestors since the beginning of the unrest. Hamid Al Ahmar is a wealthy businessman who has benefited from his family's prominence in Yemeni society and its good relations with neighboring Saudi Arabia. According to one report, he is the chairman of Yemen's main cell phone company, SabaFon; owns Saba Bank and Al-Nas press institute; and is the proprietor of local Kentucky Fried Chicken and Baskin-Robbins franchises.²³ One leader of the youth demonstrators remarked, "Someone like Hamid Al Ahmar wants to get rid of Saleh so he can have a larger piece of the pie.... We will either oust a dictator to get another dictator. Or there will be civil war in Yemen."²⁴

Major General Ali Mohsen

Commander of the First Armored Division, he defected from the regime on March 21. According to one recent analysis, "Given the number of men and the hardware under his command as well as his ability to marshal irregular forces (Mohsen has close ties with 'Afghan Arabs' and Salafi-inspired militants), he is surely being courted by all sides."²⁵ However, many of the youth protestors may look at Mohsen's defection with suspicion, believing that his move is opportunistic in order to position himself as Yemen's next ruler.

Vice President Abdo Rabu Mansour Hadi

Sixty-six-year-old Vice President Hadi is originally a southern Yemeni who was born in Abyan governorate. He is a former Army commander and minister of defense who spent four years

²¹ Andrew McGregor, Yemen and the U.S.: Different Approaches to the War on Terrorism, The Jamestown Foundation, *Terrorism Monitor*, May 10, 2007.

²² *New York Times*, January 5, 2010, op. cit.

²³ Open Source Center, "Yemen: Hamid al-Ahmar Emerges as Possible Presidential Candidate, OSC Analysis, March 10, 2011, Document ID# FEA20110311015480.

²⁴ "In Yemen, a Wary Alliance of Students and Tribes," *The Atlantic*, February 25, 2011.

²⁵ Michael Horton, "Special Report from Yemen, Escalation of Violence Moves Yemen Closer to Civil War," *Jamestown Foundation*, March 14, 2011.

studying military leadership in the Soviet Union in the mid-1970s. He is known as a loyal supporter of President Saleh, who found Hadi useful as a southern Yemeni with strong ties to the military.

U.S. Relations and Foreign Aid

Historically, close U.S.-Yemeni relations have been hindered by a lack of strong military-to-military ties and commercial relations, general Yemeni distrust of U.S. policy in the Middle East, and U.S. distrust of Yemen's commitment to fighting terrorism. Since Yemen's unification, the United States government has been primarily concerned with combating Al Qaeda-affiliated terrorist groups inside Yemen. Al Qaeda's attack against the USS *Cole* in 2000²⁶ coupled with the attacks of September 11, 2001, a year later officially made Yemen a front in the so-called war on terror. Though Al Qaeda-affiliated terrorist groups operated in Yemen nearly a decade before the 2000 *Cole* bombing, the United States had a minimal presence there during most of the 1990s. After President Saleh lent his support to Iraq during the first Gulf War, the United States drastically reduced its bilateral aid to Yemen. USAID virtually ceased all operations inside Yemen between 1996 and 2003 with the exception of small amounts of food aid (P.L. 480) and democracy assistance to support parliamentary elections.²⁷ In the late 1990s, though differing views over policy toward the late Saddam Hussein's Iraq continued to divide Yemen and the United States, U.S.-Yemeni military cooperation was revived as policymakers grew more concerned with Al Qaeda.²⁸

During the early years of the George W. Bush Administration, relations improved under the rubric of the war on terror, though Yemen's lax policy toward wanted terrorists and U.S. concerns about corruption and governance stalled additional U.S. support. Yemen harbored then and continues to harbor now a number of Al Qaeda operatives and has refused to extradite several known militants on the FBI's list of most wanted terrorists. In 2007, after reports surfaced that one of the USS *Cole* bombers had been released from prison, the Millennium Challenge Corporation canceled a ceremony to inaugurate a \$20.6 million threshold grant, which was canceled a few years later.

In 2009, the Obama Administration initiated a major review of U.S. policy toward Yemen. That review, coupled with the attempted airline bombing over Detroit on Christmas Day 2009, led to a new U.S. strategy toward Yemen referred to as the National Security Council's Yemen Strategic Plan. This strategy is essentially three-fold, focusing on combating AQAP in the short term,

²⁶ In 1999, the Clinton Administration reached a naval refueling agreement with Yemen at Aden harbor. After the *Cole* bombing a year later, some critics charged that this refueling agreement had placed U.S. vessels at risk in order to improve U.S.-Yemeni relations. In testimony before the Senate Armed Services Committee, former CENTCOM commander and retired Marine Corps General Anthony Zinni said that "The refueling of that ship in Aden was my decision.... I pass that buck on to nobody.... I don't want anyone to think we ever in any instance, anywhere, in any evolution or event that took place in CENTCOM ever took a risk for the purpose of a better relationship with a country and put soldier, sailor, airman, marine at risk for that reason. Absolutely not.... At no time was this a gratuitous offer to be made just to improve relations with the Yemenis." See, "Retired Commander takes Responsibility for Decision to Refuel Ships in Aden," *Agence France Presse*, October 19, 2000.

²⁷ Edward Prados, *The US and Yemen: A Half-Century of Engagement*, Center for Contemporary Arab Studies, Georgetown University, 2005.

²⁸ "For Yemen, an Evolving U.S. Relationship; As Both Seek to Improve Ties, Sanctions Against Iraq Remain a Point of Division," *Washington Post*, October 24, 2000.

increasing development assistance to meet long-term challenges, and marshalling international support in order to maximize global efforts to stabilize Yemen.

However, the United States remains concerned over Yemen's deteriorating human rights record, particularly as President Saleh's government combats terrorism and domestic insurgencies. There is concern that should violations continue, Yemen's reliability as a U.S. partner could come into question. According to the U.S. State Department's 2009 report on human rights in Yemen:

Serious human rights problems increased significantly during the year. Severe limitations on citizens' ability to change their government included corruption, fraudulent voter registration, administrative weakness, and close political-military relationships at high levels. The ruling and opposition parties denied opportunities for change when they agreed to postpone for two years April's parliamentary elections after the two sides failed to reach an agreement on electoral reform. There were reports of arbitrary and unlawful killings by government forces, politically motivated disappearances, and torture in prisons. Prison conditions were poor. Arbitrary arrest, prolonged detention, and other abuses increased, particularly with the ongoing protest movement in the southern governorates, where authorities reportedly temporarily jailed thousands of southerners during the year. The judiciary was weak, corrupt, and lacked independence. The government significantly increased restrictions on freedom of speech, press, and assembly, and there were reports of government use of excessive force against demonstrators. Journalists and opposition members were harassed and intimidated. Academic freedom was restricted, and official corruption was a problem. International humanitarian groups estimated that more than 175,400 persons were internally displaced as a result of the Saada conflict. Pervasive and significant discrimination against women continued, as did early marriage, child labor, and child trafficking. The right of workers to associate was also restricted.²⁹

U.S. Foreign Assistance to Yemen

Over the past few fiscal years, U.S. military and economic assistance to Yemen has steadily increased. For FY2012, the Administration is seeking \$120.16 million in foreign assistance for Yemen. Though the Obama Administration has increased aid substantially, it is worth noting that when compared to other regional recipients such as Israel (\$2.8 billion in FY2010), Egypt (\$1.55 billion in FY2010), Jordan (\$842 million in FY2010), and even the Palestinians (\$500.4 million in FY2010), U.S. aid to Yemen lags far behind.

²⁹ See, <http://www.state.gov/g/drl/rls/hrrpt/2009/nea/136083.htm>.

Table I. U.S. Foreign Aid to Yemen

(current year \$ in millions)

Aid Account (Foreign Operations)	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011 Estimate	FY2012 Request
Economic Support Fund (ESF)	7.920	12.000	1.500	19.767 ^a	5.000	26.606	47.56
Foreign Military Financing (FMF)	8.415	8.500	3.952	2.800	12.500	19.960	35.0
Development Assistance (DA)	—	—	4.913	11.233	35.000	—	—
Nonproliferation, Anti-Terrorism, Demining, and Related Programs (NADR)	1.441	3.751	4.034	2.525	—	4.5	4.5
Global Health Child Survival	—	—	2.833	3.000	4.800	8.982	21.0
International Military Education and Training (IMET)	.924	1.085	.945	1.000	1.100	1.1	1.1
International Narcotics Control and Law Enforcement (INCLE)	—	—	—	—	—	1.750	11.0
Totals	18.700	25.336	18.177	30.325	58.400	62.898	120.16

a. Congress appropriated an additional \$10 million in ESF for Yemen in P.L. 111-32, the Supplemental Appropriations Act, FY2009

Military Aid

Foreign Military Financing

The United States provides Yemen's conventional armed forces modest amounts of FMF grants mainly to service aging and outdated equipment. The FMF program is managed by the Defense Security Cooperation Agency (DSCA). According to documentation provided to CRS by DSCA, FMF grants help Yemen's Air Force to sustain their two C-130H aircraft originally purchased in 1979, as well as a handful of their serviceable F-5 fighter aircraft. The United States also has provided Yemen's Coast Guard, which was partially developed and trained by the United States, with fast response boats (Archangel and Defender Class) using FMF grants. FMF also funds Yemen's regular purchase of small arms ammunition, spare parts, and power generators. It also covers overseas transportation of equipment to Yemen, the costs of which can be high due to piracy attacks in nearby waters.

FMF funds also are used to supplement training for Yemen's Ministry of Interior Forces, specifically from the U.S.-funded Counter Terrorism Unit (CTU) inside the Central Security Force, an internal unit controlled directly by General Yahya Mohammed Abdullah Saleh, the president's nephew. Section 1205 of P.L. 111-383, the Ike Skelton National Defense Authorization Act for Fiscal Year 2011, authorized the Secretary of Defense, with the concurrence of the Secretary of State, to provide \$75 million in aid (equipment, supplies, and training) to enhance the ability of the Yemen Ministry of Interior Counter Terrorism Forces for operations against Al Qaeda in the Arabian Peninsula and its affiliates.

There are a number of reasons why FMF to Yemen has remained relatively low. Overall U.S.-Yemeni security cooperation has proven variable and inconsistent over time, making U.S. policymakers reluctant to commit long-term funding to the country. Second, in recent years, new foreign operations appropriations have been directed toward Iraq, Afghanistan, and Pakistan, in addition to maintaining regular aid commitments, leaving fewer funds available for other priorities. Finally, in the past, there has been some U.S. concern about Yemen's willingness and ability to abide by regulations on the end-use monitoring of U.S.-supplied equipment. In 2008, the United States and Yemen finally reached an End Use Monitoring Agreement. Speaking at the signing, then U.S. Ambassador to Yemen Steven Seche said, "Under this agreement, the United States and Yemen reaffirm their commitment to insuring transparency and fighting corruption.... Transparency, accountability, and oversight are key components of a free and democratic society. These principles, when properly valued and implemented, help build trust between allies as well as between governments and their citizens."

Nonproliferation, Anti-terrorism, Demining, and Related Programs Funds (NADR)

Managed by the State Department, the NADR account (estimated at \$4 million per year) funds training programs for Yemeni criminal justice officials. According to notifications transmitted to Congress, FY2010 NADR funds were planned to "enable the government of Yemen to harmonize its criminal legislation with the international legal instruments against terrorism and enhance implementation of respected laws." NADR-funded workshops provide training in the investigation and prosecution of terrorist cases through the use of case studies and experience sharing with other countries.

International Counter Narcotics and Law Enforcement (INCLE)

Yemen is not a regular recipient of INCLE funds. For FY2011, the Obama Administration requested \$11 million in INCLE funds to

establish a robust rule of law program to improve Yemen's capacity to enforce its laws, expand the its presence and delivery of services, and contribute to the overall U.S. stabilization strategy. It will expand rule of law programming to additional districts and governorates in Yemen, which will help bolster internal security by providing equipment and training to the Yemen police to increase the capacity of the government to properly train and equip new cadets. Funding will also develop the capacity of the Yemen judicial system to promote the rule of law. Programs will aim to support the development of new counterterrorism laws and as appropriate, the criminal code.

International Military Education and Training (IMET)

Like most recipients, Yemen uses IMET funds to send its officers to the United States to study at select military colleges and institutions. IMET funds also have paid for English language instruction from the Defense Language Institute for Yemeni officers, including the construction of a language lab in Yemen. IMET funds typically support the training of between 10 to 20 students per year.

1206 Defense Department Assistance

In recent years, the Defense Department's 1206 train and equip fund has become the major source of overt U.S. military aid to Yemen. Section 1206 Authority is a Department of Defense account designed to provide equipment, supplies, or training to foreign national military forces engaged in counterterrorist operations. Between FY2006 and FY2007, Yemen received approximately \$30.3 million in 1206 funding. In the last two fiscal years, it has received \$221.8 million. As of mid-FY2010, Yemen is the largest global 1206 recipient, receiving \$252.6 million. Pakistan is the second-largest recipient with \$203.4 million.

In general, 1206 aid aims to boost the capacities of Yemen's air force, its special operations units, its border control monitoring, and coast guard forces. Approximately \$38 million of the FY2010 1206 assistance will be used to provide Yemen's Air Force with one CASA CN-235 medium-range twin-turbo-prop aircraft to transport its special operations units. The United States also has used 1206 funds to provide special operations units with training, helicopters with night-vision cameras, sniper rifles, secure personal radios, and bullet-proof jackets. Yemen's Coast Guard has received through 1206 funding patrol boats and radios and border security personnel have received armored pickup trucks.

Some observers and lawmakers have concerns regarding increased U.S. military aid to Yemen. Some fear that, despite required U.S. human rights training and vetting of Yemeni units, abuses committed by security forces may still occur or even increase. Others, particularly lawmakers, are concerned that U.S. equipment could be diverted by the Yemeni government away from combating terrorism and toward fighting domestic insurgencies. One January 2010 Senate Foreign Relations Committee report concluded that it was "likely that U.S. counter-terrorism assistance had been diverted for use in the government's war against the Houthis in the north and that this temptation will persist." The report stated that

This potential misuse of security assistance underscores the importance of enhancing the current end-use monitoring regime for U.S.-provided equipment. Indeed, the existing end-use monitoring protocols in place have revealed discrepancies between U.S. records of security assistance and those that are in the possession of Yemeni defense forces. The Defense Security Cooperation Agency (DSCA), the Department of State, and Embassy's Office of Military Cooperation (OMC) should work to reconcile these differences. In addition, they should conduct a thorough review of physical security and accountability procedures at the Yemeni Special Operations Forces (YSOF) compound.³⁰

³⁰ U.S. Congress, Senate Committee on Foreign Relations, *Following the Money in Yemen and Lebanon: Maximizing the Effectiveness of US Security Assistance and International Financial Institution Lending*, committee print, 111th Cong., 1st sess., January 5, 2010 (Washington: GPO, 2010).

Table 2. I206 Department of Defense Funding for Yemen FY2006-FY2010
(\$ in millions)

I206 Program	FY2006	FY2007	FY2008	FY2009	FY2010
Cross Border Security and CT Aid	4.3	—	—	—	—
Yemeni Special Operations Capacity Development to Enhance Border Security	—	26.0	—	—	—
Air Force Aerial Surveillance Initiative	—	—	—	5.9	—
Coast Guard Maritime Security Initiative	—	—	—	29.9	—
Increased Border Security CT Initiative	—	—	—	25.4	—
Explosive Ordnance Disposal Initiative	—	—	—	5.8	—
Special Operations Forces CT Enhancement Package	—	—	—	—	34.5
Fixed-Wing Aircraft and Support for Yemeni Air Force to Support CT Units	—	—	—	—	38.0
Rotary-Wing Aircraft (4 Huey II) and Support for Yemeni Air Force to Support CT Units	—	—	—	—	52.8

I206 Program	FY2006	FY2007	FY2008	FY2009	FY2010
Upgrades and Parts for approx. 10 existing Yemeni Air Force Helicopters	—	—	—	—	30.0
Total	4.3	26.0	0	67.0	155.3

Source: CRS Report RS22855, *Security Assistance Reform: “Section 1206” Background and Issues for Congress*, by Nina M. Serafino.

Economic Aid

Yemen receives U.S. economic aid from three primary sources, the Economic Support Fund (ESF), the Development Assistance (DA) account, and the Global Health Child Survival account (GHCS). In September 2009, the United States and Yemen signed a new bilateral assistance agreement to fund essential development projects in the fields of health, education, democracy and governance, agriculture and economic development. The agreement, subject to congressional appropriations, provides a total of \$121 million from FY2009 through FY2011.

USAID’s new country stabilization strategy for Yemen for 2010-2012 features, among other activities, two main programs, the Community Livelihoods Project (CLP) and the Responsive Governance Project (RGP). The CLP seeks to work with NGOs in local communities in Yemen’s rural governorates in order to expand access to freshwater, healthcare, and education. Its estimated budget is \$80 million for three years, plus up to \$45 million for each of two additional option years, for a total of \$125 million over five years. The RGP seeks to work with, according to USAID, “key Yemeni ministries, including Health, Education, Agriculture, Planning, Industry & Trade, among others, to address related but broader government policy, institutional, and capacity issues that will help the Government of Yemen be more responsive to the needs of its citizens.”³¹ Its estimated budget is \$27 million for three years, plus up to \$16 million for both additional option years, for a total of up to \$43 million over five years. The governance program was awarded to Counterpart International.

In FY2010, USAID obligated an additional \$12.8 million to support a containment and stabilization program for northern Yemen. According to USAID, funds provided “immediate community-based assistance in the governorates surrounding Sa’ada (Hajjah, Amran, northern districts of Al Jawf) in order to contain the Sa’ada conflict from spilling into these areas, support the current ceasefire, mitigate the possibility for a renewed outbreak of violence, and position USAID to enter Sa’ada to deliver similar assistance as the basis for future reconstruction should access open up.”³²

³¹ USAID, *Fact Sheet: USAID New Strategy for Yemen*, February 5, 2010.

³² USAID, *United States Agency For International Development*, Advice of Program Change, CN#58, June 10, 2010.

Democracy Assistance/Tribal Outreach

U.S. economic aid to Yemen also supports democracy and governance programming. For several years, U.S. democracy promotion organizations have run programs in Yemen's outlying provinces to support conflict resolution strategies designed to end revenge killings among tribes. Some NGOs receive U.S. funding to facilitate discussions between tribal leaders in Mareb province and government officials, donors, and the private sector. U.S. assistance also works to monitor voter registration, enhance the electoral competitiveness of Yemen's main political opposition parties, train members of parliament, and provide technical assistance to parliamentary oversight and budget committees. The State Department's Middle East Partnership Initiative (MEPI) also provides small grants to a number of local Yemeni NGOs.³³

Author Contact Information

Jeremy M. Sharp
Specialist in Middle Eastern Affairs
jsharp@crs.loc.gov, 7-8687

³³ For a list of ongoing MEPI grants in Yemen, see <http://www.abudhabi.mepi.state.gov/abstracts/yemen.html>.