



# Yemen: Background and U.S. Relations

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## Summary

This report provides an overview and analysis of U.S.-Yemeni relations amidst evolving political change in Yemeni leadership, ongoing U.S. counterterrorism operations against Al Qaeda in the Arabian Peninsula (AQAP) operatives at large in Yemen's hinterlands, and international efforts to bolster the country's stability despite an array of daunting socio-economic problems. Congress and U.S. policymakers may be concerned with prospects for stabilizing Yemen and establishing strong bilateral relations with future Yemeni leaders.

On November 23, 2011, after eleven months of protests, violence, and uncertainty, President Ali Abdullah Saleh of Yemen signed on to a Gulf Cooperation Council (GCC)-brokered transition plan that will, if adhered to, lead to his formal resignation from the presidency in February 2012. However, as described below, the GCC plan provides the President and his family with immunity from prosecution and does not exclude them from future participation in the political process, possibly leaving the door open for continued Saleh family rule.

Many Administration officials have declared that 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. Section 7041 of H.R. 2055, the Consolidated Appropriations Act, 2012, states that "None of the funds appropriated by this Act may be made available for the Armed Forces of Yemen if such forces are controlled by a foreign terrorist organization, as defined by Section 219 of the Immigration and Nationality Act. The bill does not specify exact funding levels for Yemen. S. 1601, the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2012, would have provided (if passed) \$115 million in total aid for Yemen which is \$5.16 million below the President's request.

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# Yemen in Transition?

## Background

On November 23, 2011, after eleven months of protests, violence, and uncertainty, President Ali Abdullah Saleh of Yemen signed on to a Gulf Cooperation Council (GCC)-brokered transition plan that will, if adhered to, lead to his formal resignation from the presidency in February 2012. President Saleh had come close to signing similar proposals three separate times over the previous six months. This time, the combination of greater international pressure, as exemplified by the passing of United Nations Security Council Resolution (UNSCR) 2014 (which reaffirmed UN support for a political settlement as soon as possible), and defections from his loyalist security forces and their mounting losses on the ground to rival tribal militias, likely added a new sense of urgency to Saleh's decision-making. However, as described below, the GCC plan provides the President and his family with immunity from prosecution and does not exclude them from future participation in the political process, possibly leaving the door open for continued Saleh family rule.

### President Saleh's Travel to the United States?

As of late December 2011, the Obama Administration was reviewing President Saleh's request to travel to the United States for "medical treatment." On December 24, President Saleh told reporters that "I will go to the United States... Not for treatment, because I'm fine, but to get away from attention, cameras, and allow the unity government to prepare properly for elections." He said he would "be there for several days, but I'll return because I won't leave my people and comrades."<sup>1</sup>

Most analysts believe that when President Saleh signed the deal on November 23, it was in recognition of how his political position had become untenable. In early November, some European Union member states had begun to openly threaten sanctions, including asset freezes against the President and his family, if Saleh did not adhere to UNSCR 2014, which called for the signing and implementation of the GCC initiative "as soon as possible." Then, just two days before the President traveled to Riyadh to sign the deal, press reports indicated that a strategically-located Republican Guard base north of the capital that was controlled by the President's son Ahmad had been overrun by tribal forces loyal to the rival Al Ahmar family. Additional reports suggested that some elite Republican Guardsmen had defected. Security forces loyal to the President appear to have been overstretched, fighting rival groups in a divided capital, tribesmen in the hills near the airport, protestors in the city of Taiz, and Al Qaeda in the Arabian Peninsula (AQAP) fighters in the southern province of Abyan. Some suggest that the Saudi Arabian government, perhaps sensing an opportunity to intervene, may have provided President Saleh and his rivals financial incentives to settle their differences and move to a cease-fire.<sup>2</sup>

<sup>1</sup> "Yemeni Leader's Request for Visa still in Flux," *Washington Post*, December 28, 2011.

<sup>2</sup> According to one source, Saudi Arabia and other GCC states will provide Yemen with increased aid as part of the November 23 agreement. See, "Editorial: Saleh must Honor the Riyadh Deal," *ArabNews.com*, November 25, 2011.

## The November 23 GCC Transition Initiative

The GCC agreement is somewhat controversial. Though it has succeeded, so far, in ceasing some violence between warring elite factions, many of the original protestors who started Yemen's popular movement for political change reject it because it does not hold President Saleh accountable for his actions during the government's crackdown and might allow him and his family to rule Yemen in the future. 2011 Nobel Peace Prize co-winner Tawakkol Karman has said, "Is this the democracy that we are struggling for, that we paid thousands of blood, killed people and injured in the street for this? Where is the accountability?"<sup>3</sup> Some protestors have denounced the formal political opposition for abandoning the demonstrators' cause in exchange for political power. Furthermore, though UN envoy to Yemen Jamal Bin Omar repeatedly traveled to Yemen to bring all parties to the negotiating table, some Yemeni factions beyond the youth protestors have not signed on to the deal—including the Al Houthi rebels in the north and the Southern Mobility Movement, which has demanded autonomy/independence for the southern governorates. Many analysts believe that the deal is an agreement among northern Yemen elites with international approval from the United Nations, European Union, the United States, and Saudi Arabia. A comprehensive agreement that took all grievances from various political factions into account may simply not have been possible given the immediate need to stabilize the government, end fighting in the capital of Sana'a, and restart the government's delivery of basic needs and services such as food and fuel amidst a growing humanitarian crisis.

The following is a brief outline of the GCC agreement and its "Implementation Mechanism," or roadmap, which will dictate Yemen's political transition from November 23, 2011, until presidential and parliamentary elections sometime in 2013.

- President Saleh remains president until February 2012, when he will formally step down. He and his family have been granted immunity from prosecution and he is to retain his role as head of the General People's Congress (GPC), the former ruling party. In theory, Saleh's executive powers are to be transferred to Vice President Abed Rabbo Mansour al Hadi and a new prime minister from the opposition Joint Meeting Parties (JMP). After the deal was signed, Saleh granted a general amnesty to many of his cohorts who had been accused of perpetrating human rights violations (in Saleh's words, "made mistakes") during the revolution. Many observers questioned whether or not he was legally permitted to do so.
- The GCC agreement stipulates the immediate formation of a new national unity government. Shortly after it was signed, JMP member Mohamed Salem Basindwah was selected as the new prime minister. He then formed a national unity government on December 7 composed of 35 cabinet ministers split between the GPC and the JMP. The interim government is mandated to form a "military committee" that will take control of the armed forces and oversee their withdrawal from urban areas.
- Within 90 days of the agreement (on February 21, 2011), Yemen will hold an "election" for a new president. As per the terms of the agreement, both the GPC and the JMP have agreed that Vice President will be the only candidate. Hadi will serve for two years.

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<sup>3</sup> "Nobel Winner Says Yemen Could Face Civil War," *Voice of America*, December 15, 2011.

- During this two-year interim period, a new constitution will be written.
- In 2013, elections for parliament and the presidency will be held under the new constitution.

Many questions remain as to the viability of the GCC plan. There is uncertainty over the interim government's ability to control the security services headed by President Saleh's son and nephews. Many analysts are skeptical that this transition plan can ultimately lead to new leadership from someone outside President Saleh's inner circle, since his longtime Vice President is overseeing the transition process and many of his party loyalists are slated to remain in the interim government.<sup>4</sup> Other observers are hopeful that at minimum, the GCC plan will restore a sense of normalcy in the capital. On December 18, General Ali Mohsen, who had defected from the regime earlier in the year, announced that he and the units loyal to him would abide by the GCC plan, saying, "We are ready to support the Gulf initiative, which was bolstered by Security Council resolution 2014."

## Recent U.S. Policy Toward 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. Section 1206 Department of Defense (DOD) assistance in FY2011.

In the fall of 2011, the Obama Administration began to more vociferously call for an immediate transition of power in Yemen amidst heightened factional violence in the capital that escalated after Saleh's return from Saudi Arabia in late September; a deteriorating economic and humanitarian situation in Yemen; and the September 30 alleged killing of Anwar Al Awlaki, who had been a high value target of U.S. counterterrorism forces. Two weeks before the GCC deal was signed, U.S. State Department spokesperson Victoria Nuland stated that "If President Saleh cares about Yemen's future and the well-being of the Yemeni people, he must immediately initiate a full transfer of power that allows early presidential elections to be held within the framework of the Gulf Cooperation Council (GCC) transition initiative."<sup>5</sup>

U.S. policymakers also worked at the multilateral level to achieve a transition deal, culminating in the passage of UNSCR 2014. According to U.S. Permanent Representative to the United Nations Susan E. Rice, "We welcome the Council's adoption on Friday of Resolution 2014, addressing the grave situation there. Each day that passes without a peaceful and orderly transition of power is another day that the Yemeni people are forced to live in danger and instability. We again urge all parties to cease violence and exercise maximum restraint. We will continue to work intensively with the international community to support the Yemeni people's aspirations for democracy and protection of their basic human rights."

Since the signing of the GCC plan, U.S. policymakers have been cautiously supportive of the transition process. Assistant to the President for Homeland Security and Counterterrorism John Brennan congratulated Vice President Hadi on setting a timetable for elections, saying that "It is

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<sup>4</sup> Charles Schmitz, "Saleh Wins Again," *Foreign Policy.com*, December 5, 2011.

<sup>5</sup> U.S. State Department Press Releases And Documents, Violence in Yemen, November 12, 2011.

critically important for the ruling party and the opposition to work together in the weeks and months ahead and to devote themselves fully to the implementation of the agreement.... All parties need to refrain from violence and proceed with the transition in a peaceful and orderly manner.”<sup>6</sup>

### **Congressional Action**

- H.R. 1540, the National Defense Authorization Act for Fiscal Year 2012, would authorize the Secretary of Defense to provide \$75 million to “enhance the ability of the Yemen Ministry of Interior Counter Terrorism Forces to conduct counter-terrorism operations against al-Qaeda in the Arabian Peninsula and its affiliates” (Section 1207). However, the bill sets forth conditions for this assistance, stating that this authority “may not be used for Yemen until 30 days after the date on which the Secretary of Defense and the Secretary of State jointly certify in writing to the specified congressional committees that the use of such authority is important to the national security interests of the United States. The certification shall include the following: (i) The reasons for the certification; (ii) A justification for the provision of assistance; (iii) An acknowledgment by the Secretary of Defense and the Secretary of State that they have received assurance from the Government of Yemen that any assistance so provided will be utilized in manner consistent with subsection (c)(2).”
- H.R. 2055, the Consolidated Appropriations Act, 2012, contains several provisions on Yemen. Section 7041 states that “None of the funds appropriated by this Act may be made available for the Armed Forces of Yemen if such forces are controlled by a foreign terrorist organization, as defined by Section 219 of the Immigration and Nationality Act. Section 8128 prohibits U.S. military assistance to Yemen from being 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.”

## **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 25<sup>th</sup> Mechanized Armor Brigade) were outnumbered by militants; fighting dragged on with casualties mounting on both sides. By the fall, new Yemeni army brigades<sup>7</sup> had arrived in Zinjibar to fight alongside various irregular tribal forces opposed to the presence of AQAP on their lands. The United States provided humanitarian

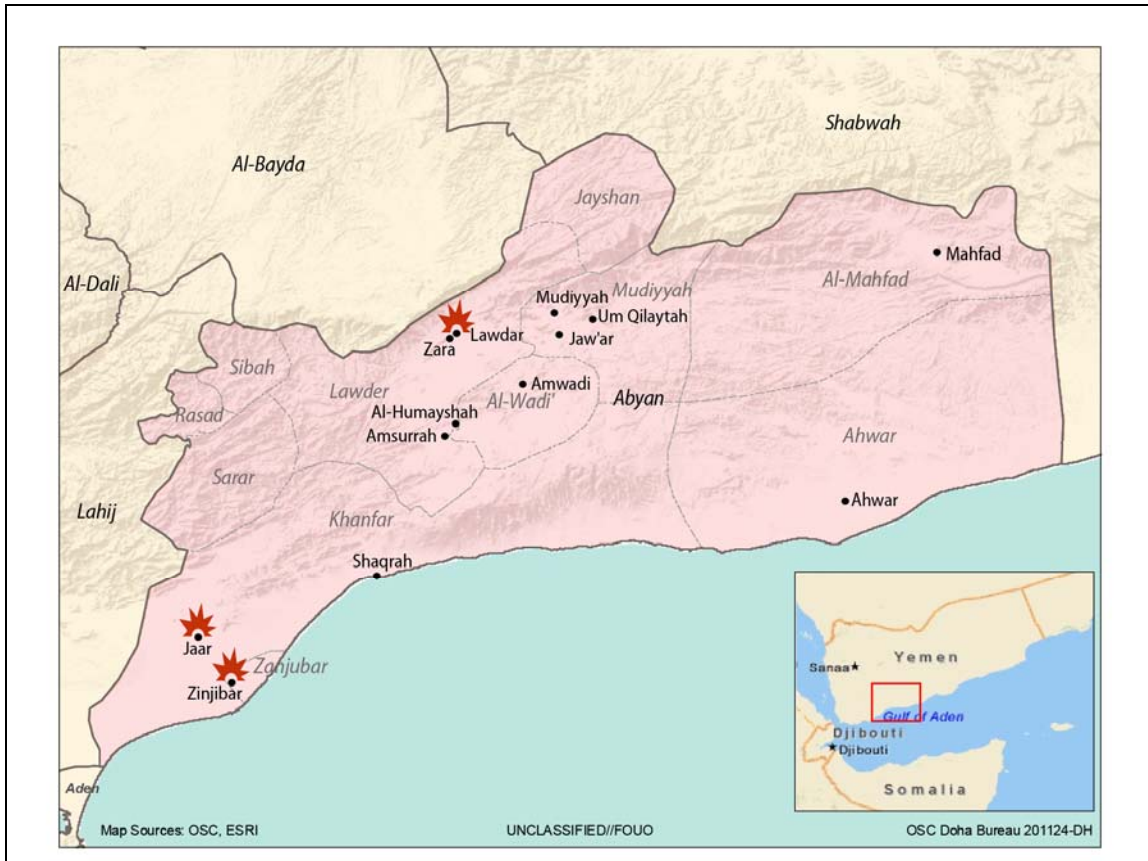
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<sup>6</sup> “Obama Aide Urges Yemen’s Parties to Work Together,” *Reuters*, November 26, 2011.

<sup>7</sup> 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 this had led to internal conflicts. See, “Clashes in Southern Yemen Underscore Nation’s Turmoil,” *New York Times*, September 15, 2011.

assistance, including food and medical supplies, to Yemeni troops trapped inside a sports stadium in Zinjibar, and may also have been assisting Yemeni air units by providing satellite imagery for targeting locations of Ansar al Shariah fighters.<sup>8</sup> Saudi Arabia also may have provided Yemen with military aid.

**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 stated that the United States had expanded unmanned aerial surveillance and air strikes over and inside Yemen against AQAP targets.<sup>9</sup> 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.”<sup>10</sup> After President Saleh

<sup>8</sup> 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.

<sup>9</sup> *Washington Post*, September 21, 2011.

<sup>10</sup> *Washington Post*, June 14, 2011.



left Yemen for Saudi Arabia in early June following an assassination attempt against him, unnamed U.S. officials were cited in media reports as suggesting that relying more heavily on the CIA to conduct counterterrorism operations inside Yemen would also allow for operations to be carried out as “covert action,” which can be undertaken without the support of the host government.<sup>11</sup>

Before the adoption of the GCC initiative in November 2011, other media reports suggested 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 fell. According to one report, U.S. officials said that [Yemeni] opposition leaders told U.S. Ambassador to Yemen Gerald M. Feierstein that operations against AQAP “should continue regardless of who wins the power struggle in Sana’a.”<sup>12</sup>

### **Awlaki Killed**

On September 30<sup>13</sup>, 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 reportedly surfaced in September 2011, and Yemeni sources claim that his location came from “a recently captured Al Qaeda operative.”<sup>14</sup> According to another source, in tracking Awlaki the United States only dealt with Yemen’s National Security Bureau, and the “operation was so closely guarded that the CIA didn’t involve Gen. [Yahya] Saleh or his U.S.-trained counterterrorism units.”<sup>15</sup> According to a *New York Times* article quoting 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.”<sup>16</sup> Since Awlaki’s death, U.S. counterterrorism officials have allegedly continued to focus on other AQAP high-value targets rather than becoming further enmeshed against a broader domestic insurgency in Abyan consisting of AQAP-affiliated fighters but also tribesmen of unknown loyalties.

## **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

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<sup>11</sup> *New York Times*, June 15, 2011.

<sup>12</sup> *New York Times*, June 9, 2011.

<sup>13</sup> 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].”

<sup>14</sup> “Yemen Notes Its Own Role in U.S. Attack on Militant,” *New York Times*, October 1, 2011.

<sup>15</sup> “Yemen, U.S. Split on Terror Priorities,” *Washington Post*, October 6, 2011.

<sup>16</sup> *New York Times*, October 1, 2011.

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.

A series of Zaydi<sup>17</sup> 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 20<sup>th</sup> 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.

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<sup>17</sup> 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 12<sup>th</sup> 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.<sup>18</sup> 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

<sup>18</sup> 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).<sup>19</sup> 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.<sup>20</sup>

### **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.<sup>21</sup> 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."<sup>22</sup>

### **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."<sup>23</sup> 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

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<sup>19</sup> Andrew McGregor, Yemen and the U.S.: Different Approaches to the War on Terrorism, The Jamestown Foundation, *Terrorism Monitor*, May 10, 2007.

<sup>20</sup> *New York Times*, January 5, 2010, op. cit.

<sup>21</sup> Open Source Center, "Yemen: Hamid al-Ahmar Emerges as Possible Presidential Candidate, OSC Analysis, March 10, 2011, Document ID# FEA20110311015480.

<sup>22</sup> "In Yemen, a Wary Alliance of Students and Tribes," *The Atlantic*, February 25, 2011.

<sup>23</sup> 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 2000<sup>24</sup> 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.<sup>25</sup> 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.<sup>26</sup>

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,

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<sup>24</sup> 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.

<sup>25</sup> Edward Prados, *The US and Yemen: A Half-Century of Engagement*, Center for Contemporary Arab Studies, Georgetown University, 2005.

<sup>26</sup> "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.<sup>27</sup>

## **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.

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<sup>27</sup> 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)

<b>Aid Account (Foreign Operations)</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011 Estimate</b>	<b>FY2012 Request</b>
Economic Support Fund (ESF)	7.920	12.000	1.500	19.767 <sup>a</sup>	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
<b>Totals</b>	<b>18.700</b>	<b>25.336</b>	<b>18.177</b>	<b>30.325</b>	<b>58.400</b>	<b>62.898</b>	<b>120.16</b>

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.<sup>28</sup>

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<sup>28</sup> 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, 111<sup>th</sup> Cong., 1<sup>st</sup> sess., January 5, 2010 (Washington: GPO, 2010).

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

<b>I206 Program</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>
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

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

**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.”<sup>29</sup> 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.”<sup>30</sup>

<sup>29</sup> USAID, *Fact Sheet: USAID New Strategy for Yemen*, February 5, 2010.

<sup>30</sup> 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.<sup>31</sup>

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<sup>31</sup> For a list of ongoing MEPI grants in Yemen, see <http://www.abudhabi.mepi.state.gov/abstracts/yemen.html>.