



Yemen: Internal Situation Report for October 2009

SCOPE NOTE

This report was prepared by the USCG Intelligence Coordination Center (ICC) in support of the Yemen Virtual Intelligence Team Community of Interest (COI) regarding the current political, military, economic, and social situations in Yemen.

KEY ISSUES

- The Yemeni Government's internal northern war against the Zaidi Shia or "Huthi" rebels escalated with the August 2009 government offensive. The continuing sectarian and separatist conflict is responsible for the 77,000 Internally Displaced Persons (IDPs) in Northern Yemen since the beginning of the conflict in 2004.
- Increased counter-terrorism measures in Iraq and Saudi Arabia have driven the newly formed al-Qa'ida in the Arab Peninsula (AQAP) to Yemen, where it has been responsible for as many as 30 attacks on Westerners, oil infrastructure, and security and government targets.
- The number of Somali and Ethiopian immigrants crossing into Yemen this year rose to 50,400, as they flee famine, drought, war, and persecution at home. Though Yemen grants automatic asylum to immigrants who prove persecution, there is increasing concern about the serious economic burden this immigration is creating within Yemen.^{A,B}

^A According to the United Nations' High Commissioner for Refugees (UNHCR), 82,000 registered and roughly 150,000 unregistered Somalis have moved to Yemen since the collapse of their government in 1991.

^B As a signatory to the 1951 Refugee Convention, Yemen grants Somalis *prima facie* refugee status.



Figure 1: Map of Yemen

Military

Northern War

The fighting between the Huthi Shia rebels and Yemeni forces in the northern Yemen governorates of Sa'dah and Amran has displaced 35,000 people since the war began on August 11, 2009. Fearing a return to a Zaidi Shia Imamate, the Yemeni Government (Sanaa) has begun a Scorched Earth campaign which—despite an early September ceasefire—has resulted in an all-out war with rebel forces. President Salih has vowed to finally end the ongoing conflict with this war, which killed more than 600 Huthi rebels in the beginning of October.

- The Yemen Shiite rebel leader—Abdul-Malik al-Huthi—claims the conflict is a fight for civil rights and against poverty and discrimination, and has accused the government of attacking refugee camps and innocent civilians.
- The Yemeni Government has accused Huthi forces of using civilians as human shields and abrogating the ceasefire with a large-scale attack on government installations in Sa'dah.

- In October, Yemen sentenced twelve subversives to death for forming gangs responsible for the violence in Sanaa and for fighting alongside the Huthi insurgency. Previously, 10 subversives were sentenced to death in July for forming gangs responsible for assisting Huthi rebels.
- On 11 October, three southern Yemen clerics issued the first fatwa since the beginning of the war, calling Yemenis in Sa'dah to fight the Huthi rebels.

Sanaa and the Huthi rebels have accused each other of collaboration with foreign parties, including primarily Saudi Arabia (Sunni) and Iran (Shia), respectively. Furthermore, on 16 October, three Lebanese Hizballah members fighting alongside rebels were reportedly killed in battle. While Iran may take advantage of a weak Yemen state to promote a Shia Imamate, open-sources suggest Yemen may be exaggerating the collaboration to legitimize its concerns and blunt some international criticism of the war.^{C,D}

- During an interview with al-Jazeera on 13 September, President Ali Abdallah Salih stated that members of two Yemeni cells were on trial for receiving over \$100,000 USD from Iranian parties. Moreover, on 28 September, a source with close ties to the Yemeni army claimed Somali jihadi affiliates with ties to Iranian and Eritrean intelligence agencies were captured fighting alongside al-Huthi rebels.
- On 12 October, Abdullah al-Mahdoon—a former Huthi leader—made several claims regarding Iranian-provided training, financial, and material support for the Huthi insurgency and that the rebels planned to ultimately restore the Persian Empire. However, al-Mahdoon indicated that the Yemeni army's strength posed a significant problem for the rebels, who were forced to rely on truces to rebuild and re-equip their forces.
- On 18 October, President Salih stated that despite allegations, AQAP and Huthi rebels are not linked; however, the two groups do support each others' efforts in destabilizing Yemen.

Al-Qa'ida in Yemen

Yemen-based al-Qa'ida in the Arab Peninsula (AQAP) has been responsible for as many as 30 terrorist attacks on US and Western interests, and security and government targets in Yemen, most notably the USS Cole attack in 2000, and the 2008 US embassy bombing in Sanaa. Despite the Yemeni government's public counterterrorism posture, a Yemeni official reported the release of 170 al-Qa'ida prisoners on promises of good behavior earlier this year. The Government of Yemen adamantly denies this accusation. Such counterterrorism setbacks have not only increased the AQAP presence, but also the threats on Yemen and regional US interests.

^C The Huthi rebels have confessed to being motivated by the Iranian Revolution and Hizballah, and have been using Iranian made weapons, including short-range missiles, shells, and machine guns.

^D The conflict between the Huthi Shiite rebels and Yemeni forces is both separatist, and sectarian. The Huthi Shia rebels are supporters of slain Shiite cleric Hussein Huthi. During an earlier conflict, the Yemeni government accepted a truce with the Huthi rebels, which permitted them to assert control over other tribal groups and expand their control in the region. Presently, the Zaidis—the most moderate form of Shia Islam—form around a third of Yemen's 23 million people, mostly residing in the north.

- The United States announced the release of 27 Yemenis from Guantanamo Bay on 03 October. Yemeni nationals currently make up the largest group of detainees.
- The 27 August failed assassination attempt by AQAP on the Saudi Assistant Minister of Interior for Security Affairs—Prince Mohammed bin Nayef—provoked a video by AQAP leader Abu Basir Nasser al-Wahayshi on 22 September warning of more AQAP attacks inside Saudi Arabia.
- On 27 September, Sa'id al-Shihri—deputy of al-Qa'ida in Yemen—requested funds to perform jihad in Yemen through a video message found on a cell phone.
- On 17 October, Sanaa began the trial of the seven suspected AQAP who were charged with threatening the security of the country with plotting attacks with weapons and explosives.

Economic

Yemen faces a declining economic future due to its undiversified economy, corruption, and widespread poverty. The recent drop in oil production—which accounts for 70% of Yemen's revenue—has severely impacted the economy and despite billions in international humanitarian and development aid, Yemen's declining oil revenue, increasing inflation, and increasing immigration may cause continued civil deterioration and internal frustration with the government.

- In October, Britain, Egypt, Germany, and Kuwait have committed to helping the poor and IDPs in Yemen through financial aid and relief materials. The aid will go towards stabilizing Yemen and support for the war-affected people in northern Yemen, in particular the displaced people of Sa'dah and Amran. Separately, Yemen and Germany signed a \$110 million development cooperation agreement which will focus on irrigation and education to help the poor people of Yemen. Also, on 01 October, Qatar gave Yemen's Ministry of Higher Education and Scientific Research a \$600,000 grant towards strengthening cultural and scientific cooperation between the two countries.
- Increased political instability, famine, and drought in the Horn of Africa have heightened human smuggling operations across the Gulf of Aden to Yemen. According to UNHCR, the number of Somali and Ethiopian immigrants crossing into Yemen reached 50,400 so far this year.^E
- On 16 October, South Korea's state-run Korea Gas Corp. (KOGAS) said it will import 40 million tons of liquefied natural gas (LNG) from Yemen's LNG Company over the next two decades. South Korea's KOGAS, SK Energy Company, and Hyundai Corporation have participated in the \$4.5 billion Balhaf LNG Plant project since 2005. The project is expected to generate \$30-50 billion over the next 20 years and attract additional international investors.
- On 30 September, Yemen signed a \$20 million grant agreement with the World Bank for the Quick Orbit Project, which will finance construction of 370 new classrooms and renovation of an additional 200.

^E According to Yemeni official statistics there are currently more than 800,000 Somali refugees in Yemen.

- On 29 September, representatives from Yemen and Italy met to discuss potential implementation Italian SELEX products for the Yemeni Coast Guard's maritime monitoring capabilities. SELEX Sistemi Integrati, Inc. and the Yemeni Coast Guard have previously collaborated in the establishment of a marine radar project funded by the Italian government for a total 20 million euro.
- On 29 September, Yemen and the United States signed a grant deal for \$259,382 towards the second phase of the rural electricity project, which will boost Yemen's agricultural production capacity and economic development.
- On 17 September, the Central Bank of Yemen announced a 74 percent drop in oil revenue from July 2008 to July 2009 (from \$3.1 billion to \$803 million), owing to the global decrease in oil prices. Furthermore, Yemen's foreign reserves fell from \$7.1 to \$6.79 billion.

Civil Issues

Since the 1994 Yemen civil war, President Salih has endured assassination attempts, intensified conflicts between regions, and southern secessionist groups who, through both peaceful and violent methods, have enticed Yemenis in the South to revolt against the government. Although the current unrest in the former South Yemen region is relatively mild, increased participation in the secessionist movement could create uncontrollable contention between Sanaa and southern Yemen.

- Thirteen people—including eight security guards—were injured on 30 September due to riots in the southern Yemeni city of al-Dali, which were staged by the Southern Mobility Movement (SMM) in an effort to promote a secessionist movement by restoring the south from government "occupation." Despite the alleged peaceful intent, rioters reportedly threw stones at government facilities, blocked public roads, and brought down national flags in the Dali governorate— where rioters shifted from holding banners demanding rights to chanting secessionist and regionalist slogans such as "Down with Colonialism" and holding pictures of Ali Salim al-Bid, the exiled former Vice President of the People's Democratic Republic of Yemen. Despite the 17 October arrest warrants for the 128 SMM members, the SMM said it will continue protesting.

Yemen's government, based on Sharia law, has been struggling with a divided parliament on the issue of child marriages, first brought to light in 2008 with the highly publicized case of the 10-year-old Yemeni girl who divorced her husband for beating and raping her. In February, the divided parliament was unsuccessful in passing a law to raise the minimum marriage age to 17 in response to the high mortality rates from child pregnancies. On 16 September, in another attempt to end child marriages, the less conservative representatives cited the recent case of the 12-year-old Yemeni who struggled for three days in labor before dying.

On 29 September, Yemen's Specialized Penal Court began the trials of the 12 Somalis accused of hijacking a Yemeni oil tanker and killing two crew members traveling from the Mukalla province back to the port city of Aden last April. Yemen—which has spent \$350 million on fighting piracy since

2007—does not have the legislation to deal with piracy and is basing this trial on banditry, which is punishable by death.

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