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Meeting Summary

Yemen, the Region and the World: Perceptions of Regional and International Interests



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Chatham House Yemen Forum and Sheba Centre for Strategic Studies

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INTRODUCTION

This paper summarizes the discussion at a workshop held in Sana'a, Yemen in April 2010, jointly organized by the Sheba Centre for Strategic Studies and the Chatham House Yemen Forum. The purpose of the meeting was to provide a space for open discussion on the topic of 'Yemen, the Region and the World: Perceptions of Regional and International Interests in Yemen', and to link internal debates in Yemen with those in the West.

The meeting was divided into three sessions: 'Yemen and the West – A Genuine Partnership?', 'Yemen and the GCC – a Safe Neighbourhood Policy?' and 'Yemen and Somalia – A Wide Gulf?'. Key points that emerged during the discussion are detailed below:

- 2010 is a crucial year for Yemen in terms of implementing reforms. Elections are planned to take place in April 2011, and for this to happen voter registration must begin in September 2010. However, both within Yemen and among the international community there is a lack of consensus over the relative urgency and importance of economic versus political reforms. A national dialogue beginning in mid-2010 could help to resolve some of these issues.
- The comprehensive approach adopted by the Friends of Yemen group has the capacity to assist the country's stability and development, and it is important that a balance is struck between addressing security and developmental concerns. More time must be spent by the Friends of Yemen on substance rather than process and the expectations of Yemen and the West need to be aligned with each other.
- There is a growing need to view Yemen as part of a wider region, including both the Gulf Cooperation Council (GCC) countries and the Horn of Africa. Yemen should be looking towards a mutually beneficial relationship with the GCC countries but not necessarily fully-fledged integration. Access to GCC labour markets is important but not the only concern, and Yemen should highlight the added-value of its inclusion as a strategic partner and the benefits of structured neighbourhood policy.
- The international community lacks in-depth understanding of Somalia's internal politics, which is crucial to understanding

regional dynamics. The Gulf of Aden can be seen as a vector of instability for the region, and there is a need for more coordination and collaborative efforts in addressing arms trafficking, piracy, smuggling and migration.

The meeting was held under the Chatham House Rule and the views expressed are those of the participants. The following summary is intended to serve as an aide memoire to those who took part and to provide a general summary of discussions for those who did not.

The Chatham House Rule

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SESSION 1: YEMEN AND THE WEST – A ‘GENUINE PARTNERSHIP’?

A Comprehensive Approach

One of the major outcomes of the January 2010 London Meeting (a high level meeting convened by UK Prime Minister Gordon Brown to discuss the many serious economic, political and security problems in Yemen) was an international consensus on the need for a ‘comprehensive approach’ in addressing Yemen’s challenges. This approach would streamline political, economic, social, and security concerns when working towards achieving stability and sustainable development in Yemen. The Government of Yemen (GoY) has expressed its willingness and readiness to fully adopt this approach and has taken positive steps, such as accepting IMF recommendations.

The biggest challenge is striking the balance between security demands and sustainable development. Momentum is key, and there is a widespread sentiment that time is running out. 2010 is viewed as a pivotal year for achieving reforms, and many Yemenis are emphasizing the need for positive change by September 2010 when voter registration has to begin for the elections to be held in 2011.

The West: Perceptions and Concerns

The support of Western countries for the comprehensive approach is driven by lessons learned from Iraq and Afghanistan. Taking these lessons into serious consideration, the West recognizes the importance of national and regional ownership of the reform process, and understands that the essence of any Western approach must be support rather than intervention. There is also a recognition that Yemen’s situation is unique, and the approach is likely to follow events as well as try to influence the way they unfold.

The role of the GoY in heading the reform processes is emphasized by the West, especially by donor countries. Since the London meeting in January, the Yemeni government has made some visible progress towards reform by reducing fuel subsidies, achieving a ceasefire in Sa’ada, and renewing commitments to donor coordination at the Friends of Yemen Riyadh meeting in February 2010. While appreciating and crediting the Yemeni government for these steps, Western countries are concerned about Yemen’s ability to maintain momentum.

Yemen: Perceptions and Concerns

Yemenis view security and development as two interdependent issues, with development issues seen as the root causes of security problems, fostering an environment conducive to terrorism and extremism. From this perspective, the best approach would be one that focuses on solving development problems such as unemployment, poverty and the depletion of resources. An approach that focuses on security, as is the case with some Western policies towards Yemen, could potentially be harmful as it diverts attention from the root causes and the required long-term strategies to achieve stability.

The GoY acknowledges that commitment to and implementation of the reform agenda is key to success, admitting however that it suffers from institutional weaknesses that hinder its ability to utilize aid and implement reforms. Some also emphasize the need for carefully studied decisions, pointing to the fact that many decisions made or recommendations followed are often only meant to 'stop the bleeding', with little understanding of their long-term impacts. For example, both the long-term effects of removing subsidies and the recent government decision to raise interest rates need to be carefully studied.

The Friends of Yemen Process

The Friends of Yemen process is viewed as an important instrument that can assist the country achieve stability and development. Yemen expects the Friends of Yemen to play a role by, among other things, supporting the government's efforts in the implementation of IMF recommendations, forming a decentralized government, expediting the National Dialogue and ensuring that 2011 elections occur in a fair, transparent environment. However, there is a common misperception among Yemenis that there will be aid pledges made by the Friends of Yemen group; this is not the case.

So far, there has been an overemphasis in the Friends of Yemen meetings on process and not enough on substance. The difficult political questions need to be addressed. Following the attempted bombing of Northwest Airlines Flight 253 by Yemen-trained Umar Farouk Abdulmutallab on Christmas Day, Yemen is receiving an unprecedented amount of international attention and it is crucial that this attention is translated into a real opportunity.

Economic versus Political Reforms

Although the Government of Yemen and the majority of Yemenis fully support and acknowledge the need for reforms, there remains a lack of national

consensus on how they should be implemented, particularly on whether political reforms or economic reforms should come first. There is a general split between the ruling party and opposition party on this question, with the government emphasizing economic reforms and the opposition emphasizing political reforms.

According to the opposition, security threats such as those posed by al-Qaeda and extremism result from the state's failings. Emphasis is placed on the need for electoral and constitutional reforms, and political reforms more generally, especially those that ensure personal freedoms. These are viewed by the opposition parties as the cornerstone for development. Economic reforms are still supported by the opposition, though many of its members are disappointed by the lack of economic stability since 1995 and demand a 'balanced vision' in which economic solutions are accompanied by administrative reforms.

The government, on the other hand, is careful to distinguish between the urgency and importance of reform, holding that political and economic reforms are equally important, but that economic reforms are more urgent. A common analogy used is that of people fighting on a sinking ship and the urgency of rescuing the ship rather than stopping the fighting. The population cares about job opportunities, services, the rule of law – until the government can deliver these, everything else becomes a secondary priority. The government also believes that the opposition's dissent and lack of confidence in its reform decisions is the result of a lack of broad understanding of the situation and the actions it demands.

The Need for National Consensus

Without national consensus on the reform agenda, the Friends of Yemen process cannot become an effective support instrument. One key method for establishing national consensus is through holding a national dialogue that includes all political parties, NGOs and other key stakeholders. Holding an effective national dialogue, however, is not easy. An effective dialogue must be clear and well defined in terms of its agenda, participants and timeframe.

Such a national dialogue would help Yemen achieve significant reform and establish a good system of governance, and the Friends of Yemen are well placed to guide this process.

SESSION 2: YEMEN AND THE GCC – A ‘SAFE NEIGHBOURHOOD’ POLICY?

Understanding GCC Interests

Questions often arise over how the Gulf countries perceive Yemen and whether this perception has changed over the past few years in light of changing security dynamics. While Iraq and Iran were once the primary source of security concerns for the Gulf, today Yemen is posing serious threats to the security and stability of the region.

Many Yemenis regret the GCC’s security-focused perspective on their country, hoping instead for a holistic approach that views security conditions in Yemen in light of other existing social problems. Development and financial assistance, and approaches that address education and capacity-building would be greatly beneficial. There is currently a huge disparity of income and service provision between Yemen and the GCC states that also needs to be taken into consideration.

Yemenis are also trying to understand the GCC’s current interests in the region. In the past, it has not necessarily been in the Gulf countries’ interest for Yemen to be a strong state. Financial aid and economic support also used to be provided to discourage Yemen from seeking support and establishing alliances with other countries. Whether these interests are changing and how this is affecting the GCC’s approach to Yemen needs to be further understood.

There are also questions of where Yemen fits into sub-regional groupings more generally – should it be viewed as part of the Horn of Africa as well as part of the GCC?

Yemen’s Labour Force

One of the most serious problems Yemen faces is high unemployment. Exporting Yemeni labour to neighbouring Gulf countries is seen as a key short-term solution. However, the Gulf countries’ position on this issue remains ambiguous and there are still questions over their will to accept such a strategy.

One argument often raised by neighbouring countries is that Yemeni labour is low-skilled and not adequately competent for their requirements. Yemenis, however, view this as rather an excuse, pointing to the fact that much of the foreign labour force in the Gulf is also low-skilled. Yemen has also undergone

an initiative, Silatech, that will train 100,000 Yemeni workers in one year but the GCC is nonetheless hesitant about welcoming this labour.

Some Gulf countries such as Saudi Arabia may have expressed political will on the labour issue but this has not been translated into a clear and practical work plan, though some Yemenis believe that it is their government's duty to develop these plans. There needs to be a political framework from both sides in order to develop practical solutions.

Others believe that the option of exporting Yemeni labour must not be overemphasized and instead must be seen as only one of a combination of other strategies to improve Yemen's economy, including plans for funding, investment and trade exchange.

Need for Better Self-Marketing

Many Yemenis regret the security-focused view that Gulf countries have towards Yemen, although arguably Yemenis have themselves contributed to this view by highlighting the risk of their country becoming a regional destabilizer. Yemen also too often turns to 'sentimental' appeals, such as common bonds of language and religion, to make its case for GCC integration rather than practical or objective reasoning.

Yemenis must instead work on highlighting the added-value of their inclusion into the GCC, stressing positive incentives. These could include:

- Yemen's strategic location that makes it the best option for exporting oil,
- Yemen's mineral resources that provide investment opportunities,
- Yemen's importance when addressing drug smuggling and refugee influx,
- The fact that Yemen is the Gulf's primary trade partner (constituting a primary market for 35% of its non-oil exports) and
- Yemen's potential for tourism.

One clear message from the GCC is that Gulf countries will not 'rescue' Yemen from its problems and in their attempt to push for integration Yemenis are therefore holding themselves fully accountable and responsible for solving their internal problems.

A Neighbourhood Policy

Yemenis acknowledge and appreciate the large financial assistance Gulf countries provide. However, many do not view this as a strategic solution. Strong relations exist between Yemen and some Gulf countries, at both governmental and individual levels. Yemen and Gulf countries need to build on these relations and develop a broader, more structured neighbourhood policy (see the example of the EU-Mediterranean Neighbourhood Policy with its strong bilateral ties).

An effective neighbourhood policy must be clear and practical. An important step would be to identify mutual benefits and build the perception of a mutually beneficial relationship. Some argue that such a relationship must be the essential goal between Yemen and the Gulf, rather than full-fledged integration. Yemen must actively contribute towards building confidence in this relationship. Yemen's approach to Gulf countries must also be based on an understanding of the differences between these countries and tailored accordingly.

SESSION 3: YEMEN AND SOMALIA – A WIDE GULF?

A Regional Approach

There is a growing acceptance of the need for a regional approach to Somalia, and for acknowledging the interdependencies and influences between Somalia and Yemen. The perception of this link has been shifting in the last few months and the US Senate Committee on Foreign Relations recently issued a report titled *Yemen and Somalia: A Ticking Time Bomb* (20 January 2010), which focuses on the growing evidence of attempts by al Qaeda to recruit American residents and citizens in Yemen and Somalia.

Understanding Somalia is necessary for understanding the relationship between Yemen and its wider surroundings, and Yemen itself recognizes that what happens in Somalia affects it. Yemen perceives stability and the presence of a strong central government in Somalia as serving both Yemeni and regional interests.

Towards a Better Understanding of Somalia

There is a need for a deeper and more accurate understanding of Somalia's current complex situation, which is shaped by three main elements:

- *The tribal structure* –: This plays a pivotal role. It is the old fabric of Somalia but current power sharing is done on this basis. It is important to rebuild the Somali state from its local foundations, up to central level.
- *Religion and the Islamic ideology* – The establishment of Islamic movements, including the Salafi jihadist, Sufi and Islamic brotherhood armed movements.
- *Piracy* – This is often seen as an apolitical issue but it is a security problem for Somalia, the states in the region and the international community.

There is a sense that the international community does not understand the Somali problem – or does not want to –, and there is a notable absence of the Somali element in international dialogue on Yemen and the wider region. In light of the increasing complexity of the Somali reality, what is required is a serious assessment of the problems.

Despite Somalia's difficult situation, there are some bright aspects that deserve attention. These include the capacity of the transitional government to ensure security, the success and stability of Puntland and Somaliland, and the flourishing private sector, which is now managing government utilities and public sector institutions such as communications, education, trade and airports.

As long as the state takes care of security, foreign relations, justice and conflict-resolution, the private sector can provide the remaining services. However, the question arises over whether it is now in the interest of the private sector to maintain a state with limited reach.

Yemeni-Somali Relations and the International Community

Yemeni-Somali relations must be built on positive ties and joint efforts in addressing problems. Although the relationship may be causing burdens on Yemen through the influx of refugees and the potential security threats, these problems are temporary and there should be units that work together to address these issues.

Yemen must also be more actively involved in solving Somali problems, using its historical connections with Somali tribes to assist in resolving conflicts between tribes and factions in Somalia. The relationship between the two countries is deep-rooted and some Somali tribes say they have Yemeni origins. Furthermore, the international community should engage with Yemen on this issue and support it in addressing Somalia's problems. The international community, including Yemen, must address the real root causes of Somali crises. They need to support the creation of a legitimate state, and provide funding for state actors who are leading the fight against piracy.

Security and Migration

Yemen perceives Somalia as a source of instability and a security threat, with Somali refugees placing pressure on infrastructure and the delivery of public goods and services, and the purported links between Shabab and al-Qaeda. In a declining economy, the pressures of increasing numbers of migrants underpin all Yemen's socio-economic challenges. However the exact impact of refugees on Yemeni political structures and the likelihood of Yemeni-Somali conflict remain unclear.

The security threats from Somalis, in terms of terrorism activities, is most likely overstated. Although Shabab and al-Qaeda have stated an intention to

co-operate, the nature of the link between them is unknown. Shabab also has little to offer – what al-Qaeda in Yemen need is ideological depth, operational minds and finance, which have been lost from recent operations undertaken by the Yemeni government to tackle AQAP.

The Gulf of Aden: A Vector of Instability?

The Gulf of Aden can be seen as a vector of instability in the region, for arms trafficking, smuggling and migration. The migration patterns are long established, but have increased threefold over last few years, and the number of Ethiopians coming to Yemen is increasing dramatically. The patterns are shifting and putting increasing pressure on Yemeni infrastructure.

Yemen is taking steps to curb arms trading, but what extra assistance can the international community give? There is a need for coordination and collaborative efforts between Yemen, the Gulf countries and the international community in addressing the problems, as to date Yemen's efforts have largely been singular. Piracy and terrorism are considered key issues of concern by the international community and the Somali population and the relationship between smuggling, piracy and tourism is the result of the current Somali crisis. The international community should mitigate or limit this phenomenon – a lot of money is spent on fighting piracy and if only a small portion of these funds were given to Somali people they would help to solve the problem at its roots.

ABOUT THE ORGANIZATIONS

The Yemen Forum is part of the Middle East and North Africa Programme at Chatham House. It aims to raise awareness, stimulate debate, share expertise and support policy-makers and professionals addressing regional and transnational issues affecting stability and development in Yemen.

www.chathamhouse.org.uk/yemen

The Sheba Centre for Strategic Studies is an independent non-profitable think-tank based in Sana'a that aims to foster positive changes in the state and society in Yemen. Its outputs are intended to provide decision-makers with alternatives and ideas related to social, political and economic issues through research findings, reports, analyses and scenarios.

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