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RECIPE FOR FAILURE: AMERICAN STRATEGY TOWARD YEMEN AND AL QAEDA IN THE ARABIAN PENINSULA

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Executive Summary

Al Qaeda in the Arabian Peninsula (AQAP) poses the greatest direct threat to the United States out of all the al Qaeda franchises. AQAP has benefited from a year of unrest in Yemen that has weakened the central state and hindered counter-terrorism operations there. AQAP's affiliated local fighters have gained control over important parts of south Yemen greatly increasing AQAP's ability to operate. American strategy in Yemen has pursued two tracks to date. The overarching approach is to facilitate the establishment of a stable government in control of a unitary Yemeni state that is willing and able to combat AQAP. In the meantime, direct action operations against AQAP leaders are meant to disrupt the organization and mitigate the challenges posed by the delay in forming an effective and willing counter-terrorism partner in Yemen. Both tracks have been affected by the insecurity resulting from the Arab Spring's arrival in Yemen in early 2011, which stopped the implementation of many military and non-military programs supporting the counter-terrorism strategy. It is far from clear that the current American strategy toward Yemen and AQAP can succeed.

Key Findings

- The Arab Spring threw American counter-terrorism policy in Yemen into crisis. That policy had relied on the exchange of military, economic, and counter-terrorism assistance for cooperation from the Yemeni government in the fight against AQAP. When challenged by popular protest, the Saleh regime predictably focused its resources on protecting the Yemeni state rather than on pursuing al Qaeda, and the U.S. withheld assistance for fear that it would be used to oppress the Yemeni people.
- AQAP has exploited the ongoing instability in Yemen and established sanctuaries from Yemen's border with Saudi Arabia to the southern coastline. A local militant group linked with AQAP has secured territory in the south and implemented *shari'a* rule in areas under its control.
- U.S. strategy rests on two approaches. One focuses on stabilizing the Yemeni state and facilitating a transition of power from Saleh's regime to one that would continue to cooperate on counter-terrorism issues. The other is the continuation of surgical strikes against AQAP's leadership. It is not clear that these approaches will be sufficient to defeat or even contain AQAP.
- Resolution to the current political crisis, even if it occurs, may not secure American objectives in Yemen. Any new government will face many structural and political challenges and will not have control over its territory. The fate of the Yemeni military, currently commanded by Saleh's

relatives and scheduled to be restructured, is an unpredictable but key variable in the success of current U.S. strategy.

- The challenge for policymakers is to develop a counter-terrorism policy that addresses Yemen's new reality.

Introduction

The threat to Americans from al Qaeda in the Arabian Peninsula (AQAP) has risen substantially since the group's establishment in January 2009. Director of National Intelligence James R. Clapper recently testified that AQAP is "the [al Qaeda] node most likely to attempt transnational attacks." It may have surpassed the remnants of Osama bin Laden's core group in Pakistan as a threat to the United States, he said. AQAP has already attacked the United States twice. Umar Farouk Abdulmutallab tried to detonate a bomb concealed in his underwear on Detroit-bound Northwest Airlines Flight 253 on December 25, 2009. AQAP operatives shipped two bombs destined for Chicago on commercial cargo planes on October 29, 2010. Al Qaeda militants in Yemen also conduct regular attacks on Western, Saudi, and Yemeni interests ranging from American and British diplomatic targets to assassination attempts on Saudi Arabia's deputy interior minister in charge of counter-terrorism. Despite counter-terrorism operations in Yemen, including the killing of AQAP member Anwar al Awlaki on September 30, 2011, the U.S. has been unable thus far to reverse the organization's expansion and consolidation. Yemen's deteriorating security and political situation add even greater challenges. The threat from AQAP is serious and growing, and the U.S. must find and implement a strategy to reduce and eventually eliminate that threat.

AQAP and its local insurgent wing, Ansar al Sharia, have established sanctuaries that run across Yemen from the Saudi border to the southern coast. AQAP has exploited the political and security deterioration resulting from Yemen's entry into the Arab Spring to gain control of additional territory, providing the organization with more operational freedom and bargaining power. Ansar al Sharia's seizure of the town of Rada'a, near Sana'a, in mid-January 2012 drove the Yemeni government to negotiate with the terrorists and concede some of their demands in return for their withdrawal from the town. Their seizure of Zinjibar on the southern coast and their ability to hold it against forces of the Yemeni army may be leading to negotiations there as well. Negotiations with terrorist groups like this demonstrate central government weakness and also threaten to endow those groups with political legitimacy that can fuel further expansion. It is vital for American policy-makers to watch these apparently local developments with an eye to the long-term opportunities they can afford AQAP to expand bases from which to attack the U.S.

American counter-terrorism direct-action operations have eliminated a number of important AQAP targets. But those operations are limited in scope and scale, and the U.S. intelligence community does not assess that they are significantly reducing or disrupting the long-term threat

AQAP poses. Director Clapper noted, “Many of those responsible for implementing plots, including bombmakers, financiers, and facilitators, remain and could advance plots.” AQAP still has a robust leadership network in Yemen, many of whom have been involved in the violent Islamist and global jihadist movement for decades. These leaders have focused on the local fight against the central Yemeni state for the moment. Nevertheless, they have already shown their determination and ability to launch attacks against the United States, and it is very likely that they will return to that effort if they secure an expanded sanctuary in Yemen.

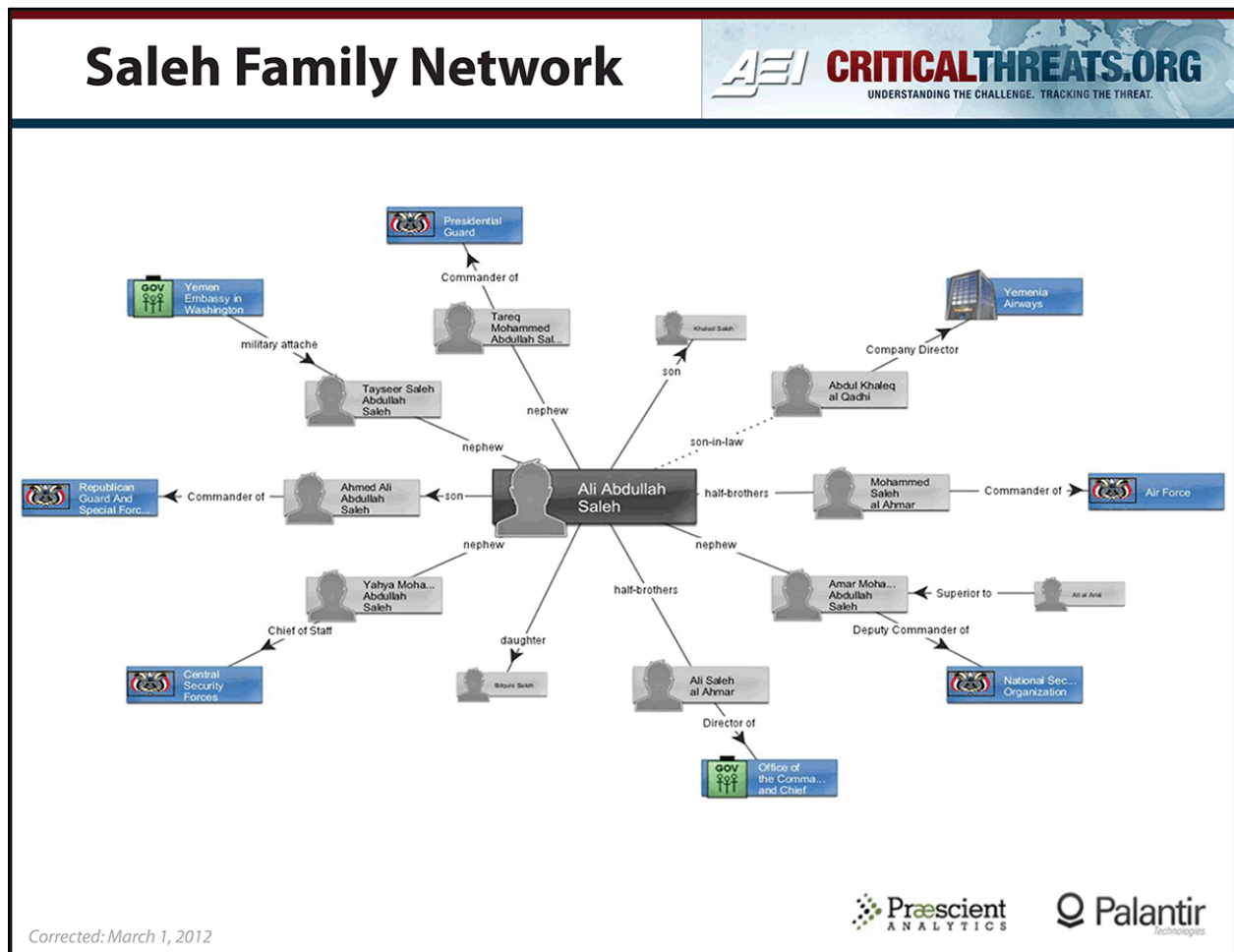
The United States needs a comprehensive strategy to defeat AQAP, which should be America’s primary strategic objective in Yemen. Instead of such a strategy, the U.S. government appears to be pursuing two disconnected approaches. One part is run by the panoply of military, intelligence, and other organizations that prosecute America’s broader counter-terrorism strategy, using direct action and other covert undertakings to target high-value AQAP leaders and assets. The other is overseen by the State Department, and focuses on the political drama evolving in Sana’a without much real reference to what is going on outside the capital. This strategy aims to facilitate the transition of power from President Ali Abdullah Saleh to a new government that would, in theory, continue to cooperate on counter-terrorism issues as stability is regained. Neither approach will succeed in defeating AQAP on its own. Direct action is most effective when used to disrupt networks and partnered with sustained on-the-ground efforts to deny organizations operating space. It is not a strategy in its own right, and Director Clapper has already noted some of its limitations.

The political strategy focused on Sana’a is even less likely to succeed. It is unlikely that the staged one-candidate election will assuage the revolutionary movements in Yemen, let alone suppress the growing separatist activities in the Houthi north and the former South Yemen. Managing those three challenges, which threaten to unravel the Yemeni state entirely, will surely preoccupy the new Yemeni government at the expense of any renewed focus on fighting AQAP, which does not pose an existential threat to the Yemeni state. Even if the new regime cooperated fully in an assault on AQAP, moreover, it will not be able to eliminate the social, political, economic, and demographic conditions that have facilitated al Qaeda’s growth in Yemen in any short period of time or, perhaps, at all.

The direct-action campaign against AQAP reduces the short-term threat the group poses to the U.S. and can hinder its ability to grow over the longer term, but it is fundamentally a mitigation strategy that does not and cannot address the core problems. The diplomatic-political campaign is based on the assumption that those core problems will be addressed once there is a clear successor to Saleh, an assumption that is unlikely in the extreme. The prospects for managing AQAP’s growing threat to the United States with these approaches are thus very poor.

Yemeni Spring: Basics

The collapse of Saleh’s ability to retain power resulting from the arrival of the Arab Spring in Yemen threw American policy toward Yemen into crisis. That policy had been based on agreements with Saleh that were executed primarily by the family members he placed in the critical positions in the Yemeni security forces—particularly those involved in counter-terrorism operations. Thus, his nephew heads the Central Security Forces, which includes Yemen’s U.S.-trained counter-terrorism unit; Saleh’s son commands the Republican Guard, an elite paramilitary unit frequently deployed to protect regime interests; and his half-brother commands the Air Force. Under these commanders are regime strongmen who wield regional forces on behalf of Saleh’s inner circle. The complete overthrow of the Saleh regime, including his family, and the ousting of these commanders, therefore, would have enormously degraded America’s abilities to implement its current counter-terrorism policy in Yemen. This fact no doubt partially explains the delay and caution with which the U.S. embraced calls for Saleh’s departure.



American counter-terrorism policy also required the Saleh regime to be both willing and able to pursue al Qaeda within Yemen, a requirement that has not always been met historically. The protesters' challenge to the Saleh regime undermined this policy further: the regime directed its resources away from the fight against al Qaeda toward self-preservation. The resumption of drone strikes in May 2011, following its halt after the accidental killing of a tribal mediator the previous year, mitigated the collapse of the strategy based on cooperation with Saleh's inner circle—high-value al Qaeda leaders did not travel as openly any more—but it cannot replace on-the-ground counter-terrorism operations. The year of unrest, violence, and state fragmentation, moreover, has fundamentally changed the situation. Attempts to return counter-terrorism policy to what it was before the protests began are misdirected and likely to fail.

Yemen will not be able to recover from the stresses of the past year any time soon. Saleh's government rested on a patronage network built over the course of his three-decade rule that entrenched his family and close associates in top positions throughout the government and the military. Saleh's reach extended throughout the state's organs, making it nearly impossible to disentangle his patronage network from the actual state. In this respect, Saleh's Yemen was much more like Saddam Hussein's Iraq than like Hosni Mubarak's Egypt, in which the military retained a considerable degree of autonomy.¹

This very structure of the Saleh state meant that attacks aimed at Saleh weakened the Yemeni state itself. Continued attacks on the regime have led to a form of state collapse instead of a smooth transition. Saleh ran the state through his family members and cronies, but he also controlled to a large extent the distribution of power beyond the state. He carefully managed and balanced Yemeni tribes and factions, ensuring that no single group gained enough power to challenge the state's authority.² As the state collapsed, therefore, no single opposition figure or faction has been able to assume control. Instead, multiple centers of power arose in Sana'a and throughout the country that will continue to vie for full control. Political jostling may further disintegrate the Yemeni state, or at the very least, prevent its rapid reconstitution.

Even the Saleh-controlled Yemeni state was already failing before the revolution, moreover, as the government attempted to juggle interrelated socioeconomic and security challenges. Yemen's unemployment rate was already over 40 percent and over half of its population is illiterate. The country's fresh-water resources are dwindling fast, pushing rapidly toward an inevitable environmental and demographic disaster. The widespread cultivation of qat—to which many Yemenis are addicted and which requires a large amount of water to grow—further drains Yemen's natural and human resources. Saleh's state depended heavily on oil production for its income, moreover, but its oil reserves are being drained steadily and income from them has already begun dropping irreversibly. Discussion among Yemen experts before the Arab Spring focused on the continued viability of a state in Yemen at all, given these trends. A year's worth of conflict, which has included attacks on Yemen's already-limited oil infrastructure, has accelerated the exhaustion of the state's resources.

Two main opposition movements had already been well-established in this setting before the Arab Spring—the al Houthis in the north and the Southern Movement. These movements focus on many of the same grievances: widespread corruption, cronyism, and political and economic marginalization by the Sana'a-based government. The Yemeni military fought six wars against the al Houthis between 2004 and 2010, always indecisively. The Southern Movement, which had been gaining popular support before the uprisings, could have been moving toward a demand to secede from north Yemen and re-establish a state within the former South Yemen borders. AQAP turned its attention to the “near war” against the Yemeni state in 2010, putting off for the moment its efforts to attack the U.S. directly and posing a new danger to the Saleh state.³ Saleh's government tried to handle these threats in succession, likely because it was incapable of managing multiple crises simultaneously. Saleh was far from firmly in control of his country even before the Arab Spring hit Yemen.

The Yemeni Spring drove these disparate threats together, however, and forced the government to try to manage them simultaneously even as it faced a new and daunting threat to its power in the form of street protests. Various opposition groups unified behind the call for Saleh to step down, but he chose to fight instead. Regime defections in March 2011 after a bloody crackdown in Sana'a galvanized the opposition movement further and weakened the state to the point of fragmentation. Most importantly—and in stark contrast with Arab Spring developments in Egypt and the Persian Gulf—the military split between loyalists and oppositionists. The commander of the 1st Armored Division, the most powerful of Yemen's conventional forces (based in the capital), General Ali Mohsen al Ahmar, defected from Saleh and threw his weight behind the revolutionaries. Saleh moved troops back to the capital, naturally, thereby creating power vacuums in areas where the Houthis, Southern Movement, and AQAP were strongest.

The al Houthis took advantage of this development and quietly seized control of Sa'ada governorate in March, appointing their own governor in Saleh's despite. The al Houthis have also sought to expand into neighboring al Jawf and Hajjah governorates, but have not secured full administrative control over those regions.⁴ Islamist militants also took advantage of the opening and seized control of the town of Jaar in the southern Abyan governorate in March. By the beginning of June, the AQAP-linked militants, operating under the name Ansar al Sharia, had seized control of Abyan's capital city, Zinjibar, and appeared to threaten Yemen's southern port city of Aden.⁵ There, they have been conducting a campaign of assassinations and car-bombings in Yemen's second city. Saleh has not attempted to regain control over Sa'ada and has thus de facto ceded control of the governorate to the al Houthis for the moment. He moved against Ansar al Sharia when it began to threaten Aden, preventing it from encircling the city itself and contesting its control of Zinjibar without, however, driving it out of Abyan's capital, let alone its sanctuaries farther north and east.

Saleh's relative passivity in confronting threats to the cohesion of the Yemeni state resulted from the protracted political crisis in Sana'a that required his full attention. The U.S. and Saudi Arabia also adopted largely passive and reactive postures—neither calling for Saleh to go quickly nor

supporting him. Their ambivalence resulted from their uncertainty about who would pursue the defeat of al Qaeda in Yemen and be able to control the fractured state if Saleh went.

The fractiousness of Yemeni opposition movements and the reluctance of Saleh's principal external patrons to push him out quickly led to a political stalemate and the emergence of competing centers of power in the capital. Saleh's supporters confronted backers of Hamid al Ahmar, a powerful businessman and politician from the Islah (Reform) party whose brother heads the Hashid tribal confederation, and those favoring defected General Ali Mohsen. American and Gulf Cooperation Council (GCC) diplomatic efforts became consumed by attempts to end the political stalemate in Sana'a. Yet Saleh remained intransigent, power remained finely balanced, and the negotiations dragged on for months.

While the political crisis continued to boil, AQAP and its Ansar al Sharia fighting wing took advantage of Sana'a's distraction to expand their operating areas into important terrain. The pattern of their operations hints at their strategy within Yemen. Abyan, which they largely control, connects a historical al Qaeda safe haven in the eastern Shabwah governorate to the southern Aden and Lahij governorates. Abyan is thus key terrain for facilitating coordinated attacks on Yemeni government military sites, officials, and the intelligence and security services. Additionally, AQAP-linked militants have also begun to push northward from Abyan into al Bayda governorate, just south of Yemen's capital. The brief seizure of Rada'a was a part of this push. These areas form a route from Yemen's south to its north through safe havens in Ma'rib and al Jawf governorates that could give AQAP access traditional trade and smuggling routes through Najran into Saudi Arabia. The insurgency's successes have also attracted additional recruits—the number of militants operating with al Qaeda has increased three-fold since the beginning of the Arab Spring.⁶ AQAP leadership has also gained greater mobility, shown by the expanding areas in which drone strikes have occurred: Yemeni-American cleric Anwar al Awlaki was the target of a May drone strike in Shabwah governorate and was killed along the al Jawf-Ma'rib border in September 2011. AQAP leader Nasser al Wahayshi also reportedly witnessed a funeral procession that traveled from Azzan in Shabwah west to Mudia in Abyan in early February 2012. AQAP is not expanding randomly, but rather is gradually seizing control of key terrain in Yemen that would permit it to become a much more serious threat to the Yemeni state, and also to enhance its ability to operate regionally.⁷

The political stalemate was broken on November 23, 2011, when Saleh finally signed an agreement to hand-over power. It is far from clear that the agreement will do more than formally remove Saleh from power through the February 21, 2012 one-candidate presidential election. The new Yemeni unity government has met, or nearly met, the political benchmarks laid out in the agreement, but this nominal political progress has had little positive effect on developments outside of the capital.⁸ Most of the threats to the viability of the Yemeni state remain in place: fragmentation continues, the economy is deteriorating, the UN has warned of worsening humanitarian conditions, and the power struggle within the political elite has not been resolved. Protesters continue to demonstrate against the government, decrying the immunities that the transition deal conferred on

Saleh and his family, immunities that were confirmed by a law passed by Yemen's parliament on January 21, 2012.⁹ The requirement to restructure the military, possibly ousting the Saleh loyalists who control elements of the armed forces essential for the counter-terrorism strategy, may undermine America's abilities to pursue its objectives against AQAP in the hope of establishing a more stable political order in Yemen. The strategy of pursuing political appeasement in order to build an ordered Yemeni state able to reconsolidate control and combat terrorists does not so far appear to be very promising.

Current U.S. Policy

American strategy in Yemen has sought to mitigate the country's political, economic, and governance issues and to assist the Yemeni government in defeating al Qaeda within its territory. Even before the Arab Spring this strategy was challenged by the limits of Saleh's control over his own country and the limits of his willingness to concentrate on the fight against AQAP. The collapse of the security situation in Yemen has led to the withdrawal of a number of key components of this strategy that had given American policy some reach beyond Sana'a. Like American diplomats, U.S. policy apart from direct-action operations is thus now largely confined to the capital.¹⁰

American soft-power efforts have historically channeled almost entirely through the central government at Saleh's insistence. U.S. economic aid supported the development of democracy and governance, health and education programs, as well as agriculture improvements. USAID programs aimed to address both immediate humanitarian concerns and overall economic development in Yemen. Many of these programs have been curtailed or effectively terminated because of insecurity. The U.S. has thus largely lost the ability to interact through soft-power with significant players outside of Sana'a or even to monitor conditions outside the capital closely precisely at the moment when such abilities are essential to develop and execute sound strategy.

American counter-terrorism assistance to Yemen has been focused on developing the Yemeni military's own counter-terrorism capabilities through military assistance funding and training. Foreign Military Financing (FMF) helped train Yemen's Central Security Forces' Counter Terrorism Unit (CTU). Additional aid provided equipment and supplies to the CTU. Funding from the Defense Department under Section 1206, designated for the training and equipping of foreign militaries for counter-terrorism and stability operations, gave the Yemeni Air Force a troop-transport aircraft and provided special operations units with training, helicopters outfitted with night-vision cameras, and body armor. Additional assistance enhanced the Yemeni Coast Guard's capabilities. But the unrest in Yemen prompted fears that military assistance would be diverted for use against peaceful protesters and Section 1206 funding for Yemen was denied for fiscal year 2011. American military training programs in Yemen were suspended in February 2011 due to the security situation. Direct action operations resumed in May 2011 against high-value al Qaeda targets and

logistical and intelligence support to the Yemeni military continued over the course of the Yemeni Spring, but the U.S. lost a great deal of leverage and visibility on the Yemeni military with the suspension of the major elements of military cooperation.

Conclusion

It is far from clear that American strategy toward Yemen as it was operating before 2011 would have been successful. But the tools of that strategy have been severely degraded even as the threats and challenges have grown. This growing divergence between means and ends demands a fundamental re-evaluation of American strategy toward Yemen, but there does not appear to have been any such re-evaluation. The Obama administration has not articulated a shift in American strategy in Yemen since the outbreak of the Arab Spring and the general contours of U.S. policy have not changed. The current approach could conceivably succeed nevertheless, but only if a large number of improbable assumptions prove to be valid. In reality, it is highly likely that at least one of these assumptions will fail, leading to the failure of the strategy overall. The potential consequences of such a failure are grave, particularly given AQAP's proven ability and intent to execute transnational operations. Reliance on a counter-terrorism strategy constructed around the chimera of a functional and unitary Yemeni state could leave the U.S. without a capable counter-terrorism partner in Yemen and with limited and highly unpalatable policy options for dealing with AQAP.

It is time for a serious reassessment of America's Yemen policy. There is no obvious solution to the challenges facing the U.S. in Yemen and no easy slogan around which to rally. The problem requires intense study, but, above all, the concentrated efforts of senior American policy-makers beyond the counter-terrorism community that it is unlikely to receive. As is often the case, however, recognizing the problem is half the battle. Until the U.S. government recognizes that its current approach is nearly certain to fail, it will not put the necessary energy into crafting a new one. The longer that recognition takes, the more likely that events beyond Washington's control—such as another AQAP attack in the United States—will precipitate sudden and incoherent action. It is not enough to define negative objectives in Yemen—no sanctuary to AQAP; no commitment of American ground forces; no collapsed Yemeni state. Instead, Washington must define the minimum essential positive conditions that must be met in order for Yemen not to pose a national security threat to the United States and determine the strategy and resources needed to achieve those conditions. Only then will there be a Yemen strategy that deserves success.

Notes

¹ Ali Abdullah Saleh modeled his leadership after Iraq's Saddam Hussein and earned the moniker of "Little Saddam." Yemen was the only Arab state to vote against the 1990 United Nations Security Council resolution to expel Iraqi forces from Kuwait.

² He once famously observed, "Ruling Yemen is like dancing on the heads of snakes."

³ See James Gallagher's "Al Qaeda in the Arabian Peninsula in 2010: The Intensification of the Near War," *AEI's Critical Threats Project*, March 8, 2011. Available:

<http://www.criticalthreats.org/yemen/aqap-2010-intensification-near-war-march-8-2011>

⁴ Local Sunni tribesmen in Hajjah, for example, have been engaged in regular clashes with al Houthis, who had begun to push toward Midi port.

⁵ For more on Ansar al Sharia's takeover of Zinjibar, see "Al Qaeda's Gains in South Yemen," *AEI's Critical Threats Project*, July 8, 2011. Available: <http://www.criticalthreats.org/yemen/al-qaedas-gains-south-yemen-july-8-2011>

⁶ Estimates for AQAP operatives in Yemen in January 2011 ranged between 300 and 400 militants. Official Yemeni estimates increased to over 1,000 by December 2011.

⁷ See Frederick W. Kagan's "Al Qaeda's Yemen Strategy," *AEI's Critical Threats Project*, June 21, 2011. Available: <http://www.criticalthreats.org/yemen/frederick-kagan-qaeda-yemen-strategy-june-21-2011>

⁸ The formation of a military committee to oversee the demilitarization of Yemen's cities and, eventually, the restructuring of the military itself is an example of one of the terms of the agreement.

⁹ "Parliament Endorses Immunity Law," SABA Net, January 21, 2012. Available: <http://www.sabanews.net/en/news258543.htm>

¹⁰ Resource constraints have also impacted the U.S. embassy in Sana'a's ability to operate. The capital has experienced regular blackouts and there are shortages of diesel fuel to run generators.