



Whither Saudi Arabian-Yemeni Relations?: Interests and Implications for U.S. Policies

BY

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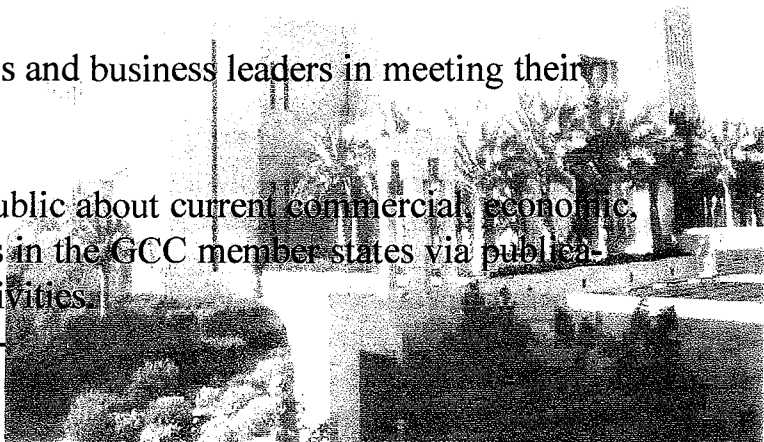
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To inform American leaders and the public at the local, state, and national levels about the shared interests and common concerns among the U.S. and the six GCC countries;

To enhance the capabilities of the Office of the U.S. Special Trade Representative and the Departments of Commerce, Defense, State, and Treasury;

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Introduction

For years, relations between Saudi Arabia and Yemen, two friends of the United States, have been marked by opportunity and promise interrupted by intermittent conflict and tension. The most significant dispute has involved border demarcation. Most borders are meant to function as bridges of cooperation, but the opposite has often been the case of late along a 1,300-mile disputed boundary between the two countries.

The most recent talks on border demarcation between Riyadh and Sana'a – Saudi Arabia's and Yemen's capitals – started in 1995, and were followed by border clashes in 1997 that continued, sporadically, into 1999. In the past year and a half, the two countries have been working toward resolving their disputes. Because conflict over borders forms the central issue between them, it is the central issue addressed in this monograph.

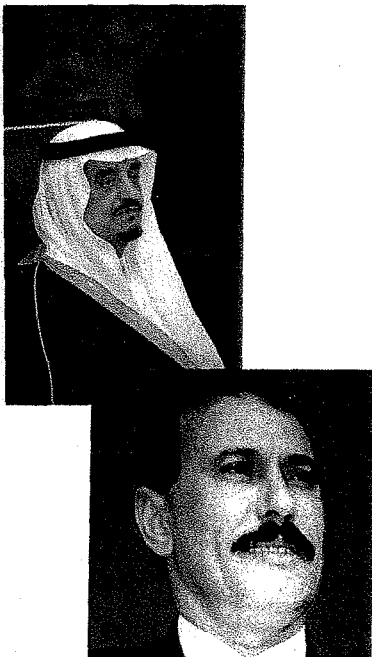
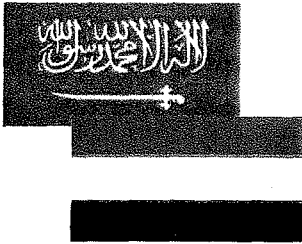
At the same time, there are several direct and indirect economic links between Saudi Arabia and Yemen. These links often involve mutually beneficial opportunities for stronger ties between Riyadh and Sana'a. But, on occasion, economic issues have also led to friction. One of the most significant current issues concerns the number of Yemenis that should be permitted to work in Saudi Arabia.

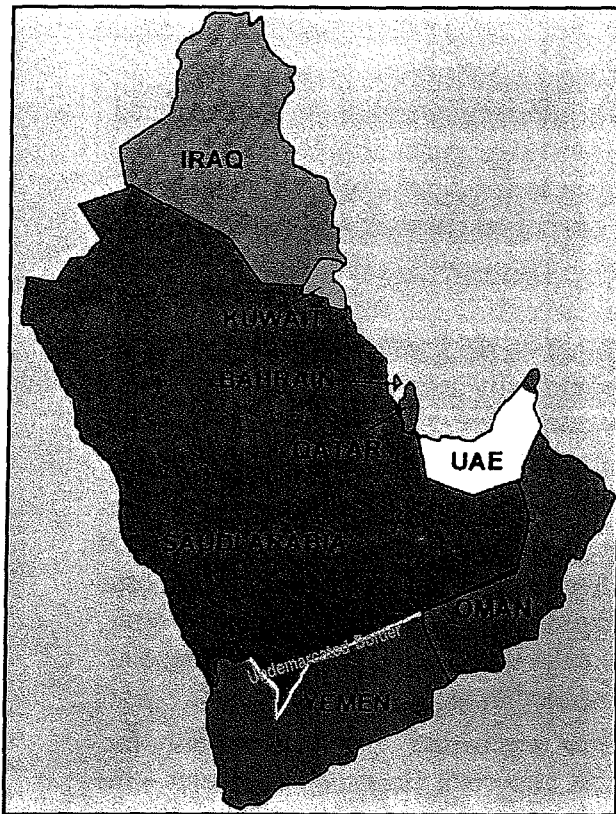
These issues, and others discussed herein, are highly significant not only for Saudi Arabia and Yemen, but for their most important Great Power partner – the United States. In the period ahead, a resolution of these disputes will have a major impact on the abilities of the Gulf Cooperation Council (GCC) to strengthen deterrence and defense capabilities to face challenges to regional peace and stability as posed by Iran and Iraq.

The GCC comprises six countries: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. Yemen (along with Iran and Iraq) is not a member of the GCC. But, following Saudi Arabia, it is the largest and most populous country in the Arabian Peninsula. Yemen also occupies one of the Peninsula's most strategic sites, which is enhanced by the location of its deep-water port, Aden.

Yemen's geographic position, its port facilities, and recent developments in international shipping have brought its importance to the world's attention once again. Because of Yemen's strategic significance and its close relationship with Iraq during the Kuwait crisis of 1990 and 1991, it is timely to analyze the relationship between Yemen and Saudi Arabia – and the resulting impact of this relationship on the United States, the ultimate defender of these two countries.

What follows is a multifaceted analysis of this complex relationship that examines Saudi Arabia and Yemen from seven separate perspectives. The information and insight draws heavily on the author's empirical observations and discussions with nearly equal numbers of Saudi Arabians and Yemenis during the course of four visits to Saudi Arabia and three to Yemen over the past fifteen months. For further context, background, and perspective, he has drawn on knowledge and understanding gleaned from the privilege of first-hand exposure to the people, culture, geography, and foreign relations dynamics of both countries over the past three and a half decades.





PERSPECTIVE ONE: THE ENDGAME IS NIGH (I)

One Yemeni perspective is that the conflicts are part of a “policy of nibbling by Saudi Arabia.” It alludes to the many incidents between the two countries that have occurred in the vicinity of their undemarcated border areas. The territory in question spans a de facto 1,300 mile disputed line, constituting by far the longest unsettled frontier in the Middle East. Given the length of the disputed border and the possible discovery of oil and/or gas deposits in the area, the potential stakes for both countries and investors are substantial.

According to this perspective, some Yemenis believe that Riyadh’s objective is not so much to seize the territories where the incidents have occurred. Rather, they say, it is to “encroach here and there until a level of intolerance among Yemenis is reached which will provoke dissident elements to overthrow the country’s President, ‘Ali ‘Abdallah Saleh, and his government.”

Yemenis who subscribe to this perspective assert the

following:

The territory in question spans a de facto 1,300 mile disputed line, constituting by far the longest unsettled frontier in the Middle East.

Given the length of the disputed border and the possible discovery of oil and/or gas deposits in the area, the potential stakes for both countries and investors are substantial.

- (1) “Saudi Arabia, and to a lesser extent Kuwait, have been determined to overthrow Yemen’s government ever since the 1990-91 Kuwait crisis,” i.e., when Iraq invaded and occupied Kuwait. Yemen then served as chairman of the UN Security Council. In that capacity, Yemen voted against the resolution that authorized the use of force to liberate Kuwait, which was perceived by leaders in Kuwait, Riyadh, Washington, and many other capitals as sympathetic toward Iraq;
- (2) Prior to the Kuwait crisis, numerous Saudi Arabians expressed reservations regarding the May 1990 unification of South and North Yemen. They were concerned about the potentially negative implications of establishing a larger and more populous country on Saudi Arabia’s southern border;
- (3) Participants in former South Yemen’s abortive secessionist bid during the civil war in Yemen of April-July, 1994 are believed to be bound and determined to get their positions and privileges back.

Public demonstrations against the Yemen government's implementation of World Bank and International Monetary Fund (IMF)-recommended economic reforms in 1998 have provided the exiled leaders, and their supporters within Yemen, a chance to advance their cause. The urban riots and tribal uprisings that ensued, combined with an upsurge in hostage-taking as a form of anti-regime protest, represent the highest level of opposition toward the Sana'a government in many years, leading some to believe the moment to be unusually propitious for a concerted effort to bring down President Saleh and his administration.

- (4) High-ranking Yemenis believe Saudi Arabia has concluded that, "This (i.e., our) regime must go; our President and many others, in the eyes of Riyadh, have apparently become insufferable. After conceding the maximum possible to settle the dispute, we wake up to find that we are faced with new and unacceptable demands that we realign the limited demarcated boundary agreed to in the 1934 Treaty of Taif to allow the Kingdom to obtain maritime territories and strategic land positions at our expense. For us to go along with such demands would be political suicide."

Participants in former South Yemen's abortive secessionist bid during the 1994 civil war are believed to be determined to reclaim their positions and privileges.

PERSPECTIVE 2: BACK TO A NORTH AND SOUTH YEMEN?

According to this perspective, various Saudi Arabians and former South Yemenis seek a reversion to a North and South Yemen. These theorists posit that, regardless of who rules Yemen, it is in Saudi Arabia's strategic interest to have a weak and divided country, or two countries, to its south, i.e., a return to the Yemen Arab Republic (North Yemen; Sana'a) and the People's Democratic Republic of Yemen (South Yemen; Aden).

PERSPECTIVE 3: A REPUBLIC OF EAST YEMEN?

This perspective holds that, in addition to the North Yemen and South Yemen that existed prior to May 1990, various Saudi Arabians and Yemenis would like to create a third Yemen, or at least a different second one – an East Yemen, comprised of the Hadramawt and its neighboring governate to the east, Mahra, which abuts the Sultanate of Oman.

PERSPECTIVE 4: YEMEN'S POLITICAL SYSTEM IN THE EYES OF ITS NEIGHBORS

Various Yemenis argue that a major, and possibly the definitive, cause of the flare-ups over the past few years has to do with some of the more arch-conservative officials in the governments of the six

Gulf Cooperation Council (GCC) countries: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. The perspective posits that these officials are in varying degrees opposed to Yemen's form of regime and would like to see it collapse. It focuses on Yemen's ongoing experiments with political pluralism, democratization, and the provision of universal suffrage in its elections.

Yemenis who adhere to this perspective conclude that some GCC member-states' leaders regard such experimentation at this stage in the region's development to be ill-timed and dangerous. They believe such leaders are apprehensive that the spirit behind Yemen's political reforms, if left unopposed, could possibly spread to other countries in the Arabian Peninsula, and, were it to do so, their more traditional systems of governance could be threatened.

Some prominent Saudis and Yemenis believe that what has been happening has nothing to do with an effort to overthrow the Yemeni government, replace its head of state, divide Yemen into two or more countries, or spur Riyadh and Sana'a to the negotiating table ...

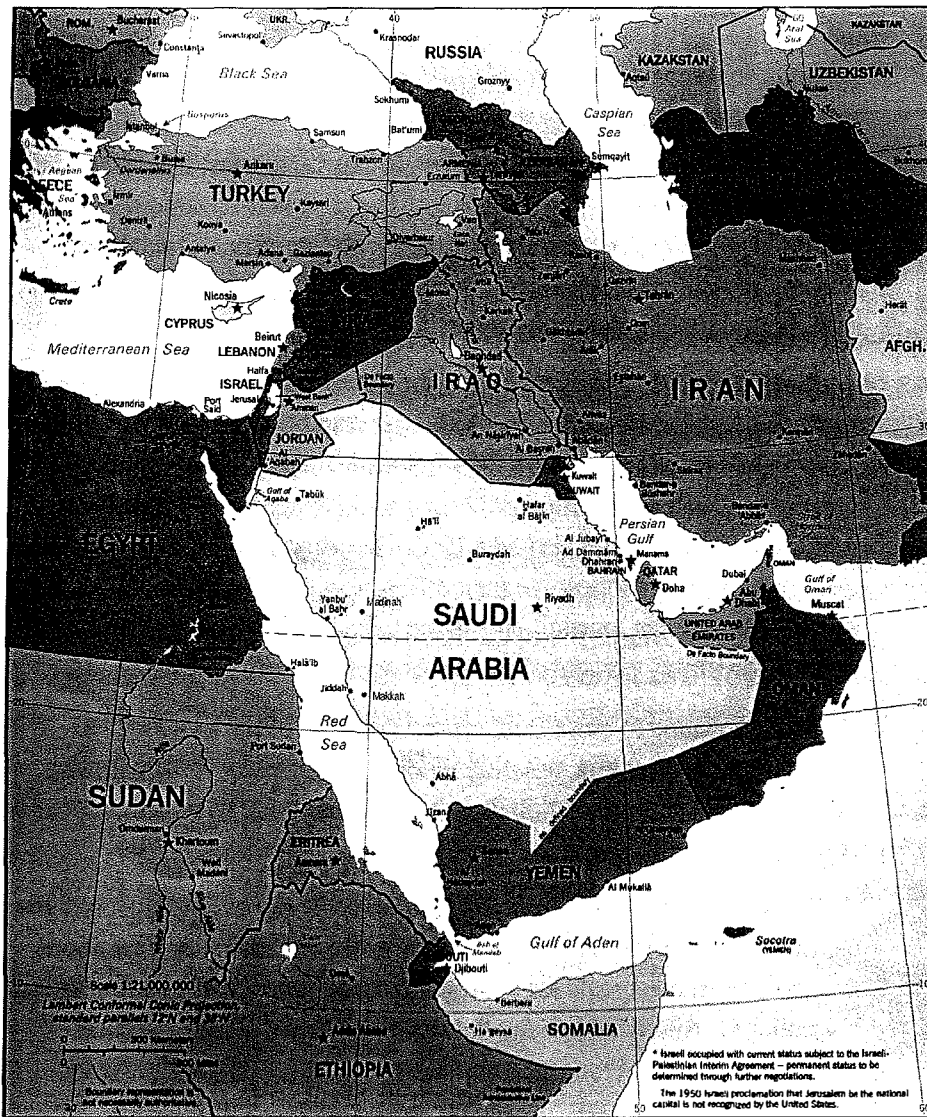
PERSPECTIVE 5: NO END IN SIGHT

This perspective is popular among prominent Yemeni intellectuals and among some Saudi Arabians as well. It holds that the mutual recriminations and annoyances amount to little more than "politics as usual." It argues that what has been happening in recent years has nothing to do with an effort to overthrow the Yemeni government, replace its head of state, divide Yemen into two or more countries, or spur Riyadh and Sana'a to the negotiating table to complete their unfinished business. This perspective contends that lingering doubts, cynicism, and a penchant for caution lie behind a perceived indecisiveness among leaders of both countries.

PERSPECTIVE 6: A POTENTIAL REGIONAL MILITARY ROLE FOR YEMEN IS OPPOSED

This school of thought, popular with some Yemeni analysts, reasons that Saudi Arabian defense planners and other officials are either suspicious of or not pleased with the possible implications of Washington's and Sana'a's increasing bilateral (and potential multilateral) military discussions over the past year.

In the view of one well-informed Yemeni advisor to the government in Sana'a, "The late July 1998 clashes between the Kingdom's and Yemen's armed forces regarding the Red Sea island of Duwaimah are not likely isolated incidents. They could be Saudi Arabia's way of displaying its displeasure with a perceived intent by our leaders, without the 'blessing' of or even 'appropriate consultation' with our most important neighbor, to develop a quite different defense relationship with the U.S. than in the past."



Source: Perry-Castaneda Library On-line Map Collection (Austin: University of Texas, 1999).

PERSPECTIVE 7: THE ENDGAME IS NIGH (II)

From this perspective, which has more Saudi Arabian than Yemeni adherents, the Kingdom's strategic objective is to establish a firm and multifaceted foundation upon which to pursue Riyadh-Sana'a relations. Its proponents assert that the purpose behind the intermittent conflicts between the two countries, at least as far as the Kingdom is concerned, is not to bring down the Yemeni President or his administration. Rather, it is to prod Sana'a into signing a comprehensive and durable Saudi Arabia-Yemen agreement. (The last partial accord between them occurred in 1934).

The rationale for this view is rooted in the fact that, at the December, 1994, GCC Heads of State Summit in Bahrain, Saudi Arabia's King Fahd closed the meeting with a clarion call to

the member-states to mend relations and settle their countries' outstanding border disputes prior to the following summit, scheduled for December 1995 in Muscat. Thereafter, Saudi Arabia was unusually proactive, through direct talks and/or via intermediaries, in addressing its border related issues with Oman, Qatar, and Yemen. The Kingdom's efforts to resolve its boundary disputes with Oman and Qatar were successful and progress was registered towards an eventual resolution of its boundary dispute with Yemen.

Just prior to the Muscat Summit, however, King Fahd suffered a stroke and was represented by Heir Apparent HRH Prince 'Abdallah. King Fahd has not attended a GCC summit since. Even so, the intervening twelve-month period produced positive results in Saudi-Yemeni relations. The two sides signed a 1995 Memorandum of Understanding declaring the intent to resolve their differences peacefully and reflecting agreement on what, participants in the talks have indicated, represents "more than ninety percent of the issues outstanding."

What remains to be settled, representatives of the two sides acknowledge, is, *inter alia*, not only where the boundary will be drawn, but the level of compensation due Yemen (if any) for its willingness to compromise.

Some outside analysts who have followed these events closely view the matter differently. Among them are those who are sanguine about the short-term prospects for a Saudi-Yemeni agreement of some kind, but conclude that what has the greatest possibility of being settled – and, in their view, what most needs to be settled – is the border between the two countries.

In support of their view, they note that the border is only one part (Article 4) of the 1934 Saudi-Yemeni Taif Agreement. To paraphrase the view of one such analyst who is sympathetic to Yemen, "If the two sides, even if only for now, can just settle their boundary dispute, this would be a giant step forward, one that would benefit both countries and ease the way for so much else."



Analysis and Assessment

Perspective I: The Endgame is Nigh (I)

The first perspective, which posits that Saudi Arabia's goal is to overthrow the Yemeni government, is possible but unlikely. It is possible if one gives credence to the views of some of Yemen's highest officials, who believe this to be the case and who, to give them their due, have far greater knowledge about the details and dynamics of the Saudi Arabian-Yemeni relationship than any outsider could hope to acquire.

It is also possible, if one concedes the point that two decades ago, at the height of the Cold War, many Saudi Arabians and Yemenis implicated Riyadh, and/or Yemeni forces allegedly seeking to curry its favor, in the ouster of two Yemeni presidents in succession – Ibrahim Al-Hamdi and Muhammad Al-Ghasmi – in 1977 and 1978, respectively.

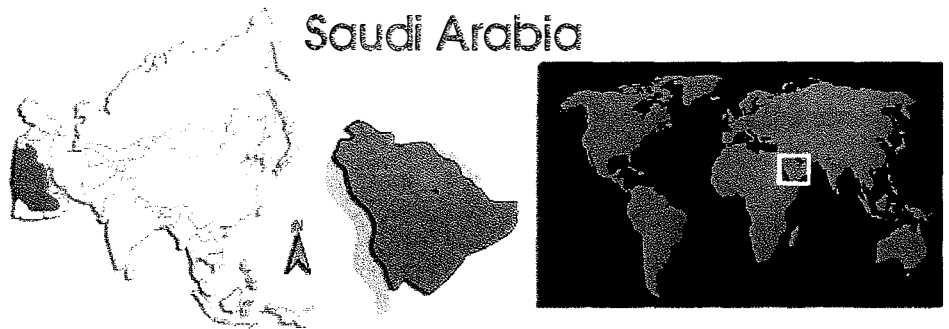
This perspective and its implications are not likely to be accurate or applicable in the present instance, however, because of the dramatically changed circumstances within the past decade. The Cold War is over, Yemeni-Russian and Yemeni-Chinese relations have been severely curtailed for quite some time, and the exceptional scrutiny under which Saudi Arabia's international behavior is now placed makes it difficult to fathom why the Kingdom could or should have any interest in being involved in such activities.

In the late 1990s, Riyadh's concerns vis-a-vis Yemen – that it feel comfortable with whoever leads the country and that their peoples be at peace with one another – remain as legitimate as before.

THE PERSPECTIVE'S ROOTS

The contemporary situation is vastly different from that of the late 1970s. In those days, there were valid concerns that the People's Democratic Republic of Yemen (PDRY; South Yemen), a Soviet client state and the first Arab Marxist-Leninist country in history, was preparing to overthrow the Sana'a-based government of North Yemen.

At the time, anti-Communists' fears with regard to North Yemen were ten times greater than for South Yemen. According to the Party's leaders, South Yemen was never home to more than 35,000 members of the (Marxist and pro-Soviet) Yemen Socialist Party; North Yemen, by contrast, was home to 350,000, even though they were not legally recognized as such. Saudi Arabia's concerns about who would preside over the most populous country on the Kingdom's lengthy southern doorstep were, therefore, understandable.



Source: *Perry-Castaneda Library On-line Map Collection* (Austin: University of Texas, 1999).

In the late 1990s, Riyadh's concerns vis-a-vis Yemen – that it feel comfortable with whoever leads the country and that their peoples be at peace with one another – remain as legitimate as before, and vice versa.

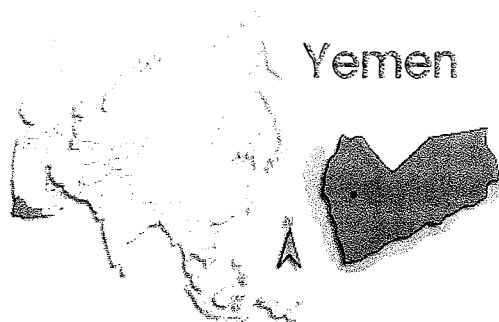
The record to date reflects Saudi Arabian support for the regime of President Saleh, who has provided Yemen a degree of leadership continuity and stability that had not existed since the country's 1962 revolution. Soon after Saleh's assumption of the presidency in 1978, Riyadh established a close relationship with the former military officer.

THE AID FACTOR

Outside analysts who have followed these events closely conclude that what has the greatest possibility of being settled — and, in their view, what most needs to be settled — is the border between the two countries.

From the 1970s until several years prior to the Kuwait crisis, Saudi Arabia provided significant infrastructural and financial aid to Yemen. It did so alongside other aid providers, including the United Nations Development Program, the World Bank, various regional development funds, Kuwait, the Emirate of Abu Dhabi, the United States, the Soviet Union, China, Japan, West Germany, the Netherlands, and several Soviet Bloc and Scandinavian nations.

However, owing largely to the downturn in oil prices and government revenues from 1983 onwards, the Kingdom had little choice but to suspend its project aid and financial transfers to the Yemen government. Yet, in earlier underwriting a large portion of Yemen's development needs, through direct cash payments and in-kind contributions, Saudi Arabia, from the mid-1970s to the mid-1980s, helped pay for a substantial portion of the medical clinics, hospitals, mosques, and schools built in Yemen. Moreover, Saudia, the national airline of Saudi Arabia, took a major equity stake in Yemen's national air carrier, Yemenia, as a means of enabling Yemen to have its own independent fleet of civil aircraft.



Source: *Perry-Castaneda Library On-line Map Collection*
(Austin: University of Texas, 1999).

In addition, dating from a specific clause in the Taif Treaty of 1934, (North) Yemenis were allowed to enter and work in Saudi Arabia without a visa. Yemenis contest this point. One high-ranking official went so far as to state, “The idea that Saudi Arabia ‘allowed’ Yemenis to enter and work in the Kingdom is highly exaggerated. It was a matter of right and recognized as such in the side letters to the Taif Treaty.”

Saudi Arabian officials familiar with the treaty’s background and context do not dispute this point, at least on technical grounds. Yet, in emphasizing what they claim to have been their predecessors’ intent, they view the matter not so much in terms of a “right” as a “privilege” – one granted no other nationality – that the Kingdom agreed to extend to Yemen at the time of the Taif Treaty.

Regardless of how one interprets the 1934 treaty, officials from both countries acknowledge that, by the late 1980s, more than a million and a half Yemenis annually resided within the Kingdom. Using the yardstick of an average of seven Yemenis per nuclear family, and September 1998 official census figures that put the Yemeni population at 17.6 million, the minimum number of individuals inside Yemen whose families’ essential living requirements were met as a result of the Yemeni workers in Saudi Arabia was on the order of seven million people, at the time (a decade earlier than the census figures cited) *more than half the entire Yemeni population*.

Moreover, for more than a decade, dating from the mid-1970s, annual remittances sent home from Yemeni workers in Saudi Arabia were the single largest source of Yemen’s foreign exchange. United Nations reports indicate that the total amount of development aid plus remittances coming into Yemen from the Kingdom during that period was *one third higher than all other overseas development assistance to Yemen*. Through this assistance, Sana’a was able to cover its annual balance of payments deficits.

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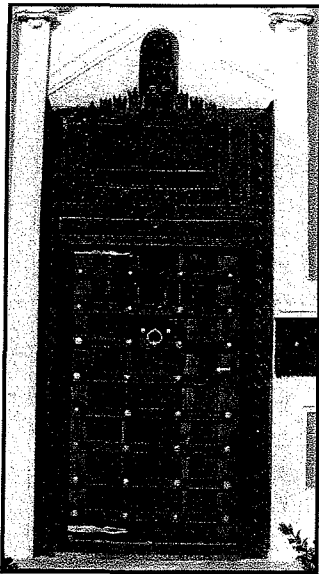
In the aftermath of the cessation of official Saudi Arabian (and other GCC countries') aid in 1990, Riyadh has continued its long-standing policy of providing cash subsidies to prominent personalities and leaders of tribes in the northern and westernmost regions of Yemen where the de facto borders of the two countries come together.

According to some Saudi Arabians, a major objective in providing such payments has been to ensure a measure of peace and stability that might not otherwise prevail. Many Yemenis, however, dismiss such an analysis out of hand and say the exact opposite. In the words of more than one senior Yemeni official, the underlying motivation of the aid givers has not been "altruism" but rather "raw opportunism."

These and others witness to the assistance note that the recipients of such aid from the Kingdom have often been among the principal forces of opposition to the regime in Sana'a and, "in that way, useful sources of pressure upon it in support of whatever happened to be a particular Saudi Arabian need, concern, or interest at a given point in time."

Yemeni critics and many outside observers have long complained that such an arrangement represents an intrusion into the domestic affairs of a neighboring country. The critique, however, is incomplete. It either overlooks or downplays the following:

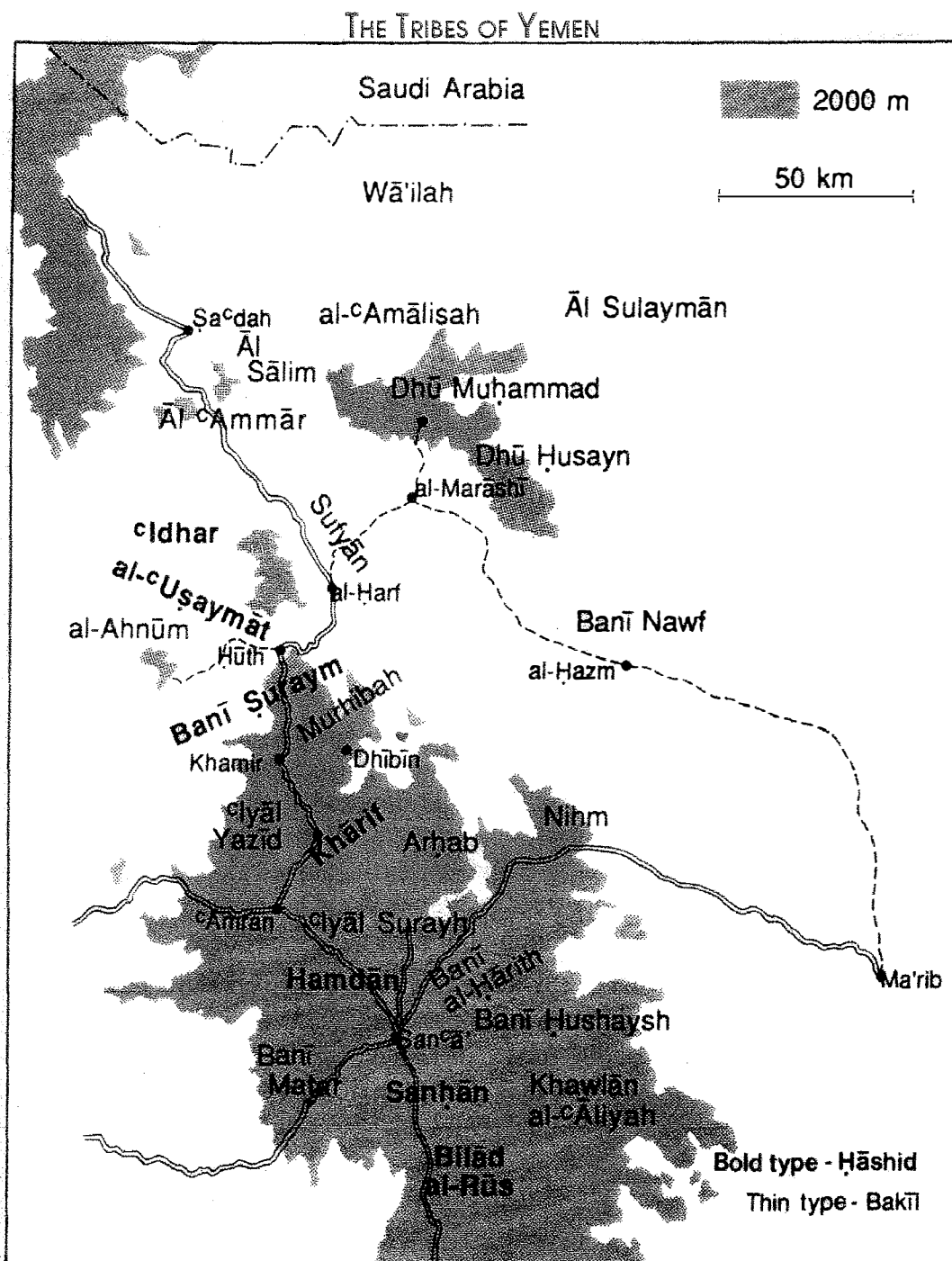
- (1) With the exception of assistance from Abu Dhabi, which helped to re-build the Marib Dam (in what was formerly North Yemen), and continuing aid from the World Bank, Germany, the Netherlands, and several Scandinavian nations, the Yemeni government remains largely bereft of the financial resources to provide its northernmost regions the kind of development assistance that its northern neighbor can provide;
- (2) The Kingdom's assistance, regardless of however altruistic or opportunistic its intentions may be, has helped free limited Yemen government funds to be used in other regions; and
- (3) From the inception of Saudi Arabia's economic assistance to Yemen, high-ranking Yemeni elected officials – for example, the country's Vice-President, Speaker of the Parliament, and head of the Hashid tribe, to which the President belongs, and the heads of the Bakil and other border tribes – have actively solicited (and been successful in receiving) the assistance, knowing full well that comparable amounts of aid would be hard to come by elsewhere.



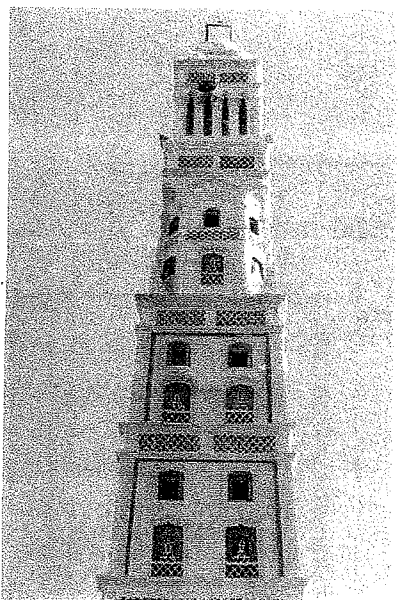
*Traditional Arab door,
Seiyun, Hadramawt, Yemen*

THE 1994 CIVIL WAR

In stark contrast to this evidence of one country's assistance to another was Saudi Arabia's and other GCC countries' de facto support for an attempted breakaway movement from April to July 1994. The movement, which ultimately failed, was led by 'Ali Salim Al-Baidh, the former PDRY President, (unified) Yemen's Vice-President, and Yemen Socialist Party (YSP) head.



Source: Adapted from Paul Dresch, *Tribes, Government & History in Yemen* (Oxford, UK: Clarendon Press, 1989), p. 25.



*Mosque in Tarim, Hadramawt,
Yemen*

The six GCC countries contributed a substantial sum to support the failed secessionist bid. The money was allocated for arms and related forms of assistance designed to ensure the insurgents' victory. In the end, none of the arms actually reached the rebels, U.S. and other Western diplomatic recognition was not forthcoming, and Yemeni President Saleh succeeded in out-maneuvering his opponents.

Some Saudi Arabian and Yemeni analysts agree that the GCC countries' policies were forged in response to former South Yemeni leaders' skill at playing upon the following:

- (1) Lingering resentment among the GCC countries over the aforementioned positions and roles that Yemen took during the Kuwait crisis;
- (2) Despite the earlier good relations between Riyadh and Sana'a that evolved shortly after 'Ali 'Abdallah Saleh took over, a palpable degree of mistrust of the Yemeni President personally, manifested especially during the Kuwait crisis among several GCC member-countries' heads of state; and
- (3) A discernible pan-GCC bias in favor of South Yemenis over North Yemenis.

The latter factor dates from the era of British control over South Yemen from 1839 to 1967. During that period, South Yemenis had a long and close relationship with (what would become) the GCC countries based on trade – especially with Kuwait, Oman, and Saudi Arabia – and on the trust and confidence inspired by those who served in the security forces of Bahrain and Qatar as well as the seven Trucial States that, in 1971, combined to form the United Arab Emirates.

Despite these relationships, the rebels were unable to counter or compensate for three other factors, which doomed their effort from the start. One was their under-estimation of President Saleh. Although the Yemeni President accepted almost every international call for a cease-fire, he urged his commanders on the ground to continue fighting until the rebels surrendered.

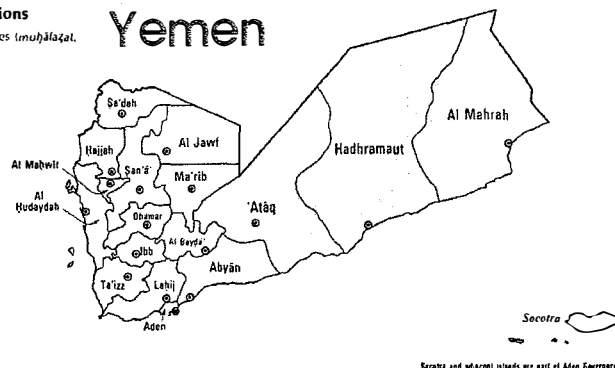
Second, the rebels could hardly have chosen a more inappropriate time to declare their attempt to secede. Their move came barely months after the United States announced its "Two MRCs Policy" of intervening in no more than "two major regional crises" at a time.

With one key component of U.S. forces bogged down at the time in Somalia, and another steaming toward the Pacific in response to signs that North Korea might invade South Korea, the policy ruled out the rebels' hopes of achieving their strategic objective of winning Washington's support.

Third, even without Washington's "Two MRCs Policy," which some American analysts insist was not a factor in any event, the United States and the GCC countries would have been hard-pressed to reconcile their support for a breakaway government in Yemen with their simultaneous insistence on maintaining the territorial integrity of the region's countries. Indeed, providing such support would have contradicted both the Clinton Administration's and the GCC countries' commitment to a unified Iraq, despite the many Kurds in the north, and Shi'a in the south, demanding the creation of autonomous entities or independent states.

Administrative Divisions

Yemen has 17 governorates (*muhāfazāt*, singular *muhāfazāh*).
 ● Governorate capital



Source: *Perry-Castaneda Library On-line Map Collection*
 (Austin: University of Texas, 1999).

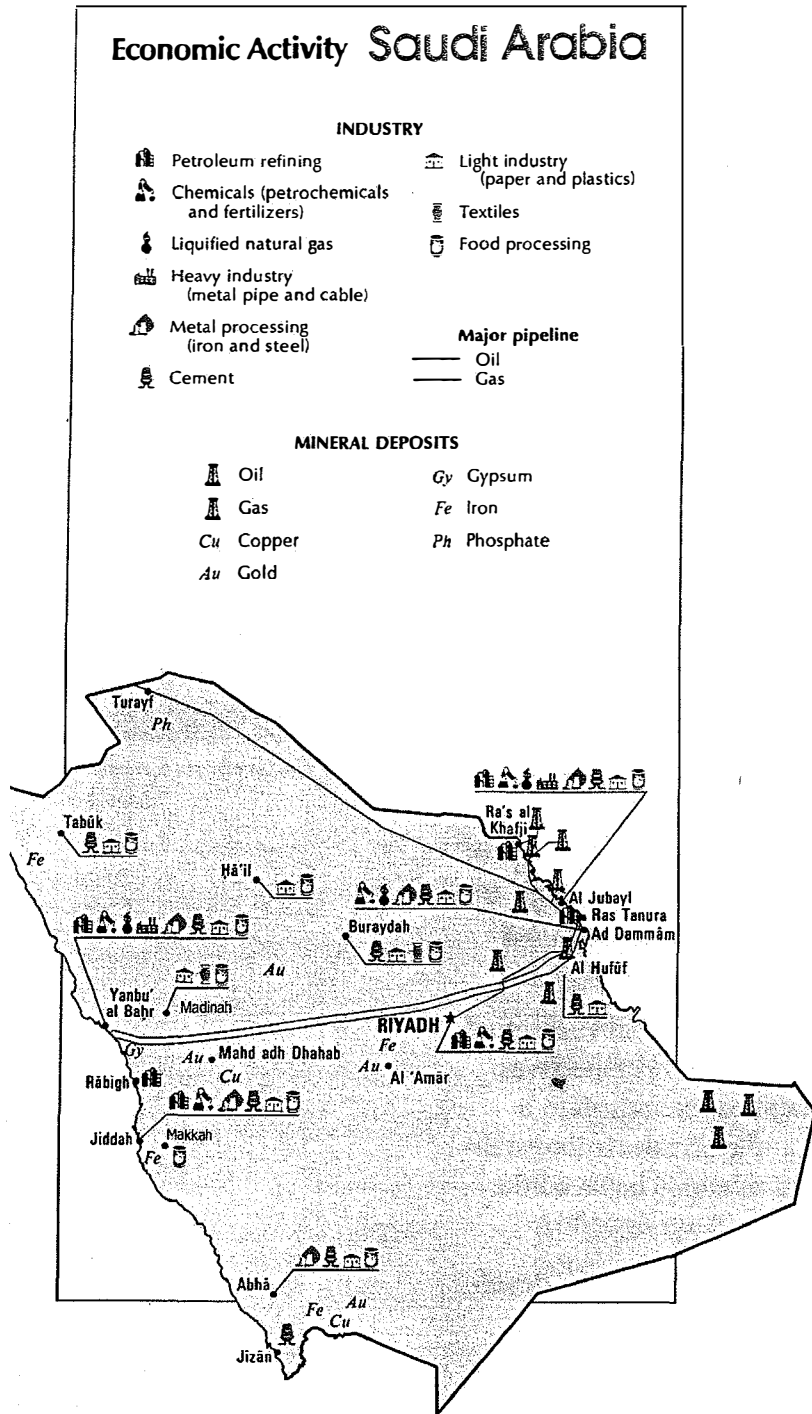
CHANGED CIRCUMSTANCES

Since the end of Yemen's civil war in July 1994, there has been nothing to indicate that U.S. officialdom differs from its earlier position of support for Yemeni unity. Nor, in the view of this analyst – the conclusion of some high-ranking Yemenis to the contrary notwithstanding – are there any indications that Riyadh is intent on displacing the Sana'a government.

Neither does the information submitted earlier in support of Perspectives I-III – i.e., I. – the aforementioned perspectives centered on a governmental overthrow; II. – the return to a North and a South Yemen; and/or III. – the prospects for establishing an East Yemen – explain recent relations between the two countries.

Of greater relevance to understanding Saudi-Yemeni developments in the latter half of the 1990s is the following:

- (1) There have been more high-level visits between Riyadh and Sana'a in the past four years aimed at resolving their differences than in the entire previous decade. Each visit has registered progress on the matters in dispute;



Source: Perry-Castaneda Library On-line Map Collection
(Austin: University of Texas, 1999).

(2) Saudi Arabia and Yemen have repeatedly reaffirmed the aforementioned 1995 Memorandum of Understanding to resolve their disputes peacefully;

(3) Senior leaders on both sides acknowledge that the remaining differences are related not to whether agreement is possible but, rather, to when it will be reached, where the border will be drawn, and, insofar as Yemen's people and government are concerned, whether and how Riyadh will be able to meet the standard international criteria of prompt, adequate, and effective compensation (if any) for Yemen's decision to relinquish its claims to the disputed areas; and

(4) The two countries are definitely closer now than they were prior to their 1995 Memorandum of Understanding.

DIPLOMACY'S CHALLENGE

Overcoming the remaining obstacles will try the patience and skill of the best mediators and negotiators on both sides. One issue is the reported willingness of Saudi Arabia to readmit as many as 650,000 Yemeni workers, two thirds the number of those residing in the Kingdom prior to the 1990-91 Kuwait crisis. These workers lacked visas and sponsorship and were repatriated. If Saudi Arabia's willingness to readmit them is true, it would be evidence of Riyadh's interest in arriving at a mutually beneficial agreement and, if compensation were the issue, proof as well of the Kingdom's ability to devise a means of "creative financing."

Yet, to date, some high-ranking Yemeni officials insist that statements made to this writer in the summer of 1998 by numerous Yemenis about the possible readmission of 650,000 workers to Saudi Arabia are "completely untrue – there have been no such promises and commitments."

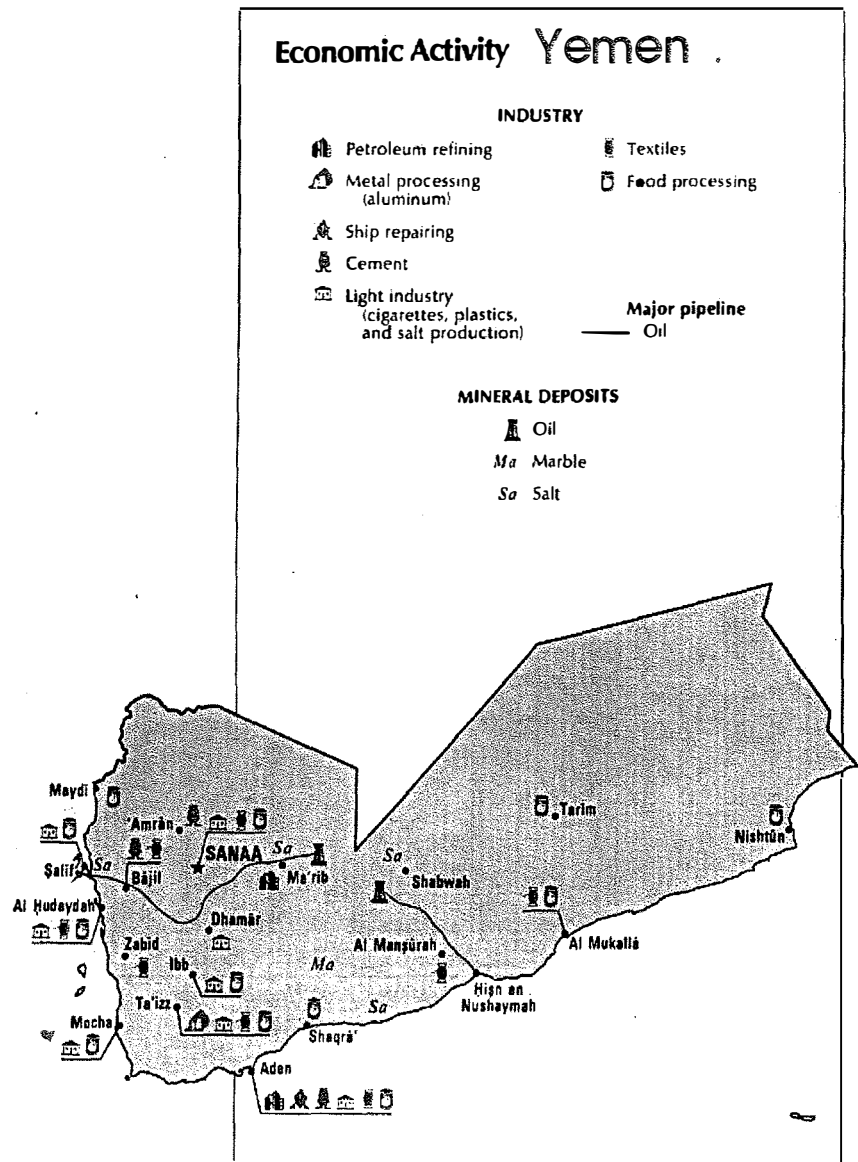
Others acknowledge that, as of the winter of 1999, more than 500,000 Yemenis were already residing in the Kingdom. The latter number included those who, through special arrangements, had managed to return since the Kuwait crisis, and, others who, through one means or another, had never left.

LABORING THE POINT

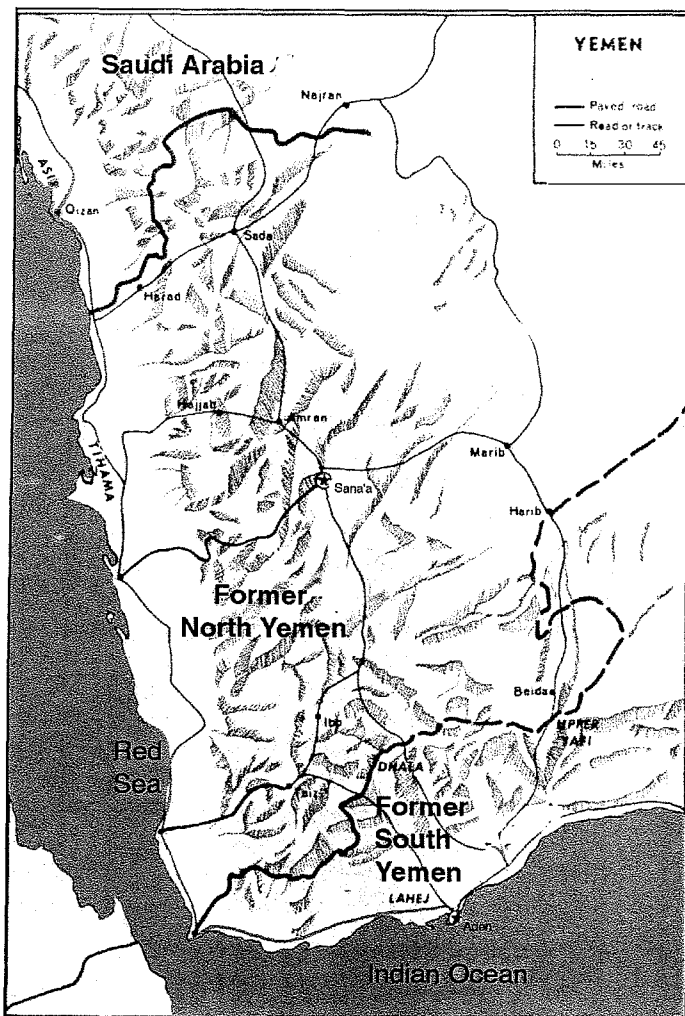
If another 650,000 Yemenis were allowed to return to the Kingdom to work, nearly five million additional Yemenis would stand to benefit in terms of their economic well-being. Sana'a, moreover, would gain access to a source of desperately-needed hard currency.

With the resultant increase in revenues, Yemen's political and economic stability might improve – the country's deteriorating economic situation was a key factor behind the 1998 demonstrations against the government's price hikes on fuel, electricity, water, and other vital commodities.

However, rapid and potentially far-reaching changes within the Kingdom's own work force compound the uncertainties and complexities of how the Yemeni labor factor may or may not enhance the prospects for a settlement. Since 1997, Saudi Arabia has mounted a major campaign, known as "Saudization," to reduce the country's reliance on expatriate workers.



Source: Perry-Castaneda Library On-line Map Collection (Austin: University of Texas, 1999).



Source: Adapted from Stanford Research Institute, *Area Handbook for the Peripheral States of the Arabian Peninsula* (Washington, D.C.: American University, 1971), p. 37.

A major objective of Saudization is to increase the number of employment opportunities for the Kingdom's citizens. In the process, more than a million and a half illegal foreign workers – the overwhelming majority from South and South-east Asian countries – have been repatriated. The percentage of positions previously held by these workers that is likely to be filled by Saudi Arabians, and the percentage that might be filled by Yemenis, are, at this writing, unknowns.

LEGAL CONSIDERATIONS

In light of this development and another of even more recent vintage (see below), some Saudi Arabians, when reminded of the terms of the 1934 Taif Treaty with regard to the “right” of Yemenis to live and work in Saudi Arabia without a visa, claim that the international legal principle of *rebus sic stantibus* – known as the law or doctrine of changing circumstances – may apply.

In this case, the issue in question is whether a signatory to an international bilateral treaty that contains certain provisions beneficial to the other party can be legally compelled to uphold the provision under any and all circumstances. In the 65 years since the Taif Treaty came into force, intervening cir-

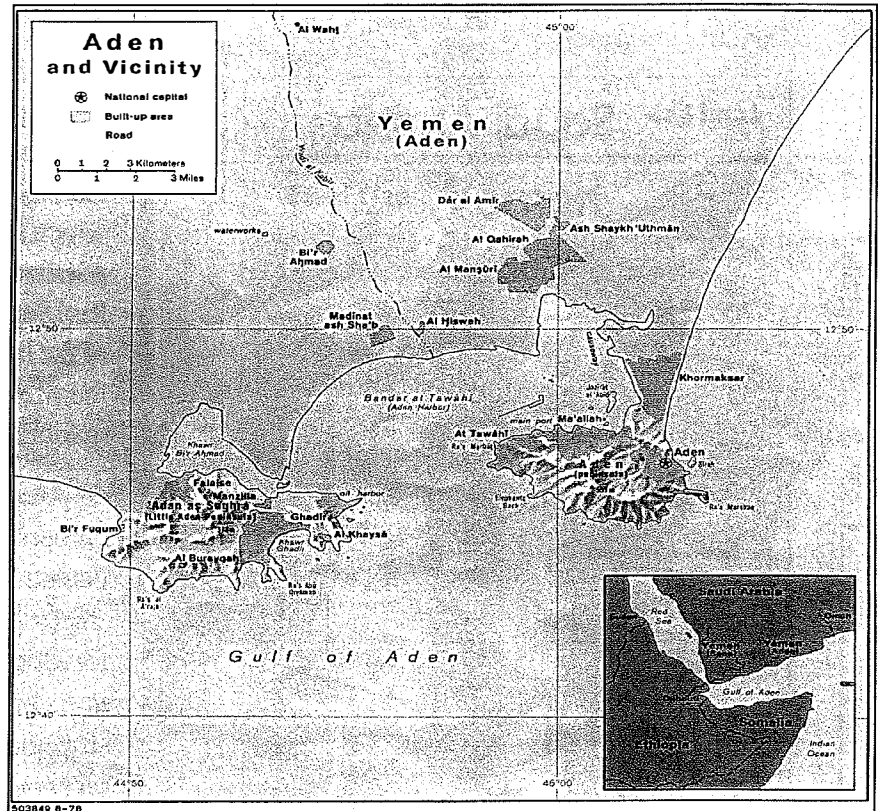
cumstances, over which neither side has had either control or adequate influence, have radically and profoundly altered, almost beyond recognition, the ones that were in play when the benefit was bestowed.

In this context, Saudi Arabians muse aloud that, were they to be held legally liable for enforcement of a provision regarding the right of (the then North) Yemenis to live and work in the Kingdom without a visa or local sponsor, this would be tantamount to requiring that, as a matter of law as well as policy, Riyadh do something that could produce immediate and substantial adverse consequences to its citizens who are in greater need of employment opportunities than ever before.

By what system of law, Saudi Arabians ask, could any country be expected or forced to adhere to each and every term of a treaty, nearly two-thirds of a century old, that could pose a serious threat to that country's economic, social, and, potentially, political stability?

Lastly, providing further insight into the possibly diminishing prospects for special treatment being extended to Yemeni laborers in the future is a privilege that Saudi Arabia recently granted the nationals of its five fellow GCC states. In August 1998, the Kingdom agreed that, with regard to citizens from the other GCC countries seeking employment in Saudi Arabia, the aforementioned Saudization policy would not apply. In exchange, Riyadh received similar exemption from other GCC countries' efforts to reduce their dependence on foreign labor in the event that Saudi Arabians were to seek work in those countries.

The potential near-term setback that this agreement dealt the hopes of Yemen, not a member of the GCC, to receive similar treatment, is self-evident.



Source: Perry-Castaneda Library On-line Map Collection (Austin: University of Texas, 1999).

Perspective Two: Back to a North and South Yemen?

It is true that some native Saudi Arabians and others of Yemeni ancestry would like to revert to the pre-May 1990 situation of a divided Yemen. These individuals fall mainly into two categories.

The first is made up of an older and more conservative generation of Saudis and Yemenis. The second category has two sub-groups. One consists of Yemenis living in various GCC states, Egypt, Syria, the United Kingdom, and elsewhere, who long to return to the days when they were in power. The other is comprised

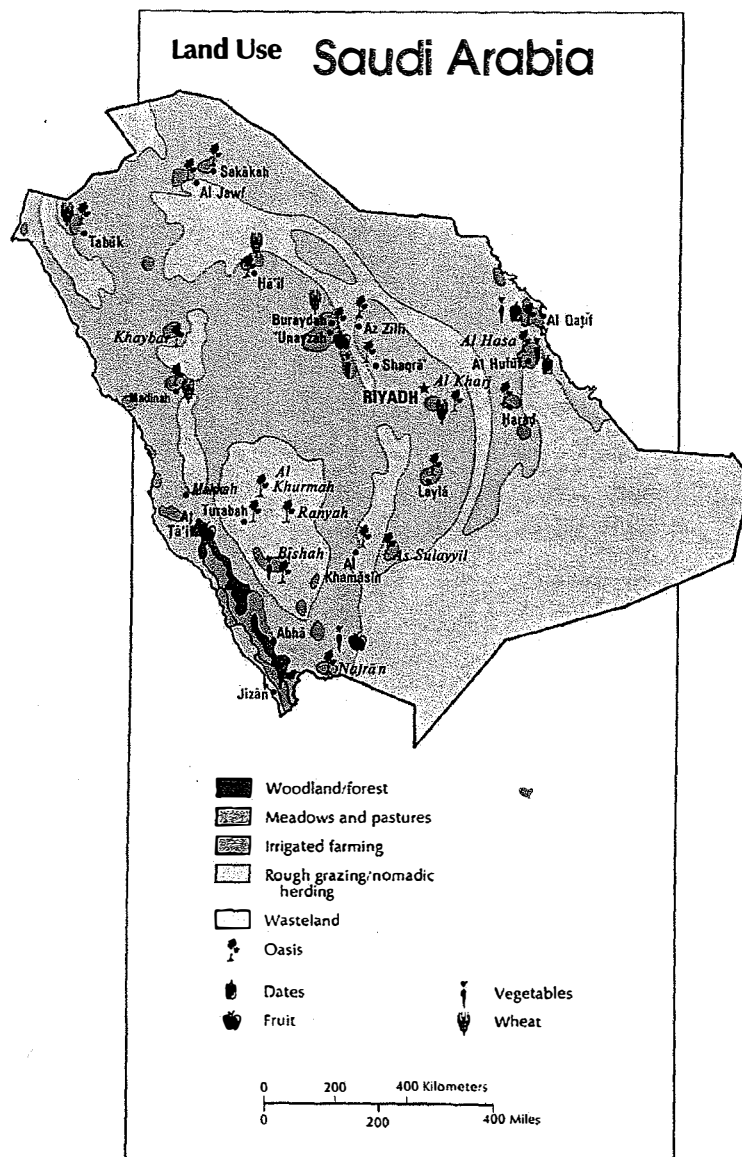
of Saudi Arabians and Yemeni expatriates, wherever they may be, who are attracted to the potential for private personal gain in the establishment of an additional Yemen.

THE ATTRACTION

The interplay among such phenomena as globalization, privatization, market economies, and revolutionary technologies are all relevant in assessing Yemen's development prospects. Yemen's southern port city of Aden, a former British Crown Colony from 1937 to 1967, is the vortex in which all four factors come together. Aden is positioned at the southernmost reaches of the Red Sea and at the far northwestern quadrant of the Indian Ocean, an ideal location astride the world's major east-west and west-east maritime routes.

Aden, which has one of the largest natural harbors in the Middle East, is an area of potentially great economic opportunity for shipping companies, international freight forwarders, and industrial and free trade zone investors. After serving as a century-long strategic outpost of the British empire, Aden in recent years has returned to a position that, together with the southern Omani port of Raysut, near Salalah, is potentially front-and-center stage for some of the world's largest shipping lines.

Among the larger maritime corporate giants are American Presidential Lines and Sealand (U.S.)-Maersk (Denmark). The latter is a recent merger controlling more than half of the world's maritime container cargo trade. Sealand is actively engaged in expanding Raysut's port facilities to capture some of the highly lucrative seaborne commerce bound for the Gulf, the Indian Subcontinent, and points further east.

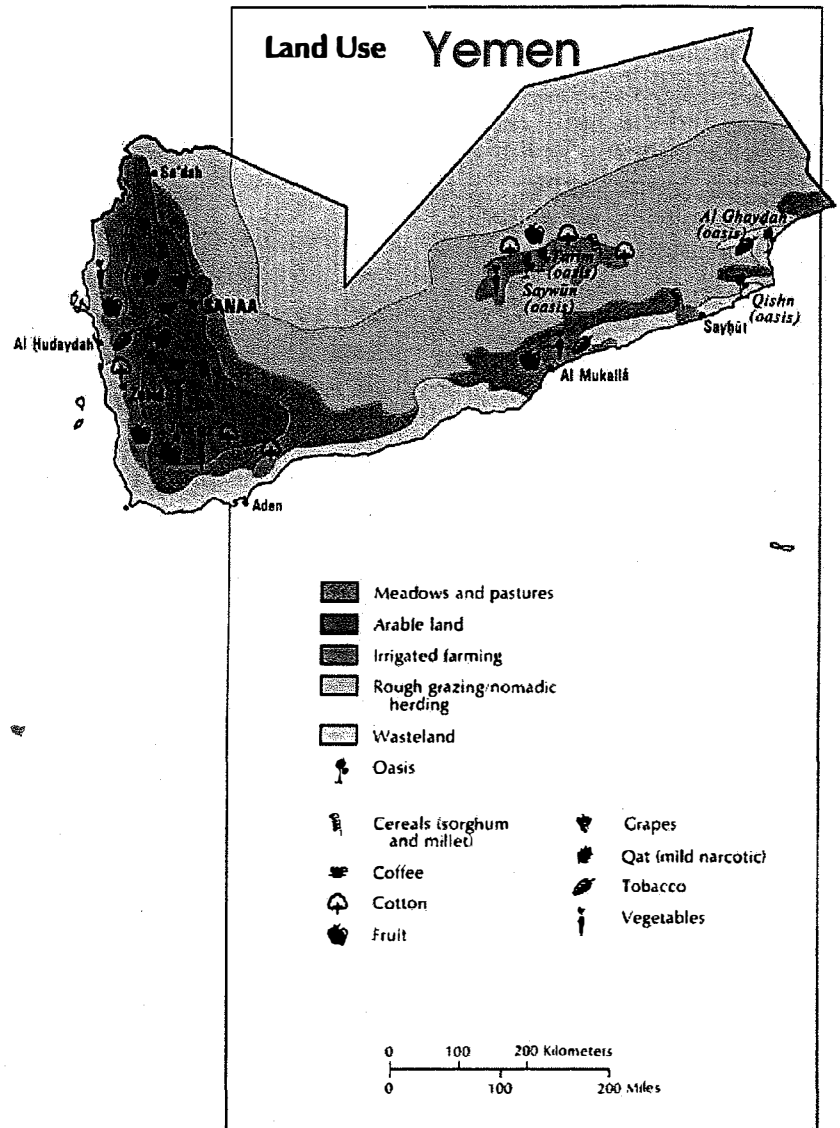


Source: Perry-Castaneda Library On-line Map Collection
(Austin: University of Texas, 1999).

A SINGAPORE SLING?

In the Indian Ocean region, Aden fits into a bold and visionary counter-trend of economic regionalization, led by the Port of Singapore Authority (PSA). Singapore was one of the first South-east Asian countries to accept the implications of globalization and to carve out a niche for itself within that context. In time, Singapore, also a former British Crown Colony, may be judged as having been equally prescient for being the first among its neighbors to add, or – in the process of re-evaluating globalization in the aftermath of the Asian financial crisis – to restore regional and subregional components to its economic destiny.

In analyzing the economic dynamics and technological transformations occurring within the international shipping industry, PSA has revisited the adage that, in commercial competition, location can spell the difference between success and failure. Accordingly, PSA has concluded that, for purposes of off-loading large volumes of cargo in the Arabian Peninsula for use either there or for trans-shipment via smaller vessels to ports in the Red Sea, the Horn of Africa, and all along the coast of East Africa as far south as the Cape of Good Hope, shippers will increasingly discover it makes less sense to use the UAE port of Dubai in the Gulf and far more sense to use an Indian Ocean site such as Aden.



Source: Perry-Castaneda Library On-line Map Collection (Austin: University of Texas, 1999).

A NAUTICAL NECKLACE

Yemeni development officials, PSA and other would-be investors in Yemen's port facilities, in delving into the region's modern history, didn't have to look far for evidence supporting their assessment of Aden's future prospects. Aden has been important internationally since the British first occupied it in 1839, when it became one of "the 'jewels' in the imperial necklace of Queen Victoria." The other "gems," each of which also became crown colonies and lay astride or adjacent to prominent shipping routes, were Gibraltar, Malta, Singapore, and Hong Kong.

Aden has been important internationally since the British first occupied it in 1839, when it became one of "the 'jewels' in the imperial necklace of Queen Victoria."

As an aid to empire, the barren volcanic rock out-cropping of Aden was initially valued as a coaling station to support British naval and commercial needs. In 1869, it took on added economic, military, and geo-strategic importance following the opening of the Suez Canal.

Events surrounding the Canal in this century, however, twice pushed Aden out of the picture. The first closure followed Israel's invasion of Egypt in 1956, which closed the Canal for nearly a year. The second closure resulted from Israel's invasion of Egypt in 1967, which shut the Canal for eight years, until 1975.

In the 1950s, Aden ranked behind only the ports of London, New York, and Liverpool in terms of number of ships and tonnage handled. For this reason, Great Britain, which ruled Aden until its independence (as part of South Yemen) in 1967, did the following:

- (1) Relocated the British Petroleum (BP) refinery in Abadan, Iran (then the world's largest) to Aden in the early 1950s;
- (2) Chose Aden to be the headquarters of all British armed forces in the Middle East after the British Middle East Command withdrew from Cyprus in the late 1950s; and
- (3) Established major (BP and Royal Dutch Shell) refueling facilities in Aden for the Royal Navy, Air Force, and British commercial ships.

In addition, the American firms Caltex, Exxon, and Mobil established terminals in Aden to serve the bunkering fuel requirements of their ships and their customers' ships. For these reasons, the United States, until well into the 1960s, was only lukewarm to the idea of Aden becoming independent of British rule.

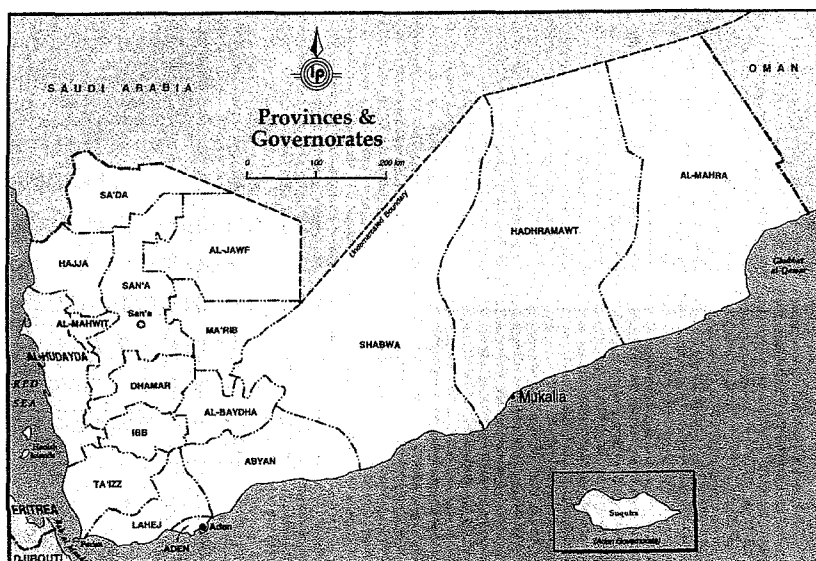
As the 1960s progressed and the U.S. deepened its military involvement in Viet Nam, Washington wanted London to retain sovereign control over its bases at Aden and elsewhere in South Yemen. Military strategists in the Johnson Administration viewed these bases as allied assets upon which they hoped the U.S. could rely in the event that the Southeast Asian conflict were to escalate.

THE CONSTRAINTS

The situation today, however, is remarkably different. Aden is a prime site for the hub of the next century's international maritime traffic and container cargo. Still, most potential project financiers and would-be joint venture partners are reluctant to invest in Yemen due to its uncertain prospects for sustained economic and political stability. In what is viewed by many as a troublesome neighborhood, capital – in the form of direct foreign investment – remains a coward in the face of such risks.

Yemeni officials also acknowledge that the port's bloated, redundant civil servant labor force – a remnant from the days of socialism and Soviet influence from 1967 to 1990 – is an additional disincentive to foreign and national investors. Another of Aden's challenges is the replacement or updating of the port's antiquated infrastructure and equipment, very little of which has been modernized since the British withdrew in 1967.

Compounding the situation are innumerable complex claims to the land surrounding the port. The claims were filed by Adenis who insist on the return of property that was confiscated by the former socialist regime. The land in dispute encompasses an area that planners envisage transforming into an industrial free trade zone.



Source: Pertti Hamalainen, *Yemen-Lonely Planet Travel Survival Kit* (London: Lonely Planet Publications, Inc., 1991), p. 24.

THE DYNAMICS OF TIME, LAW, AND VENTURE CAPITAL

The solution to these constraints requires time. It requires adequate legal redress for the aforementioned litigants. It requires considerable investment. All of these requirements are dependent upon a combination of variables. Chief among these is sustained political stability and success in implementing a range of free market, privatization, and related economic reforms.

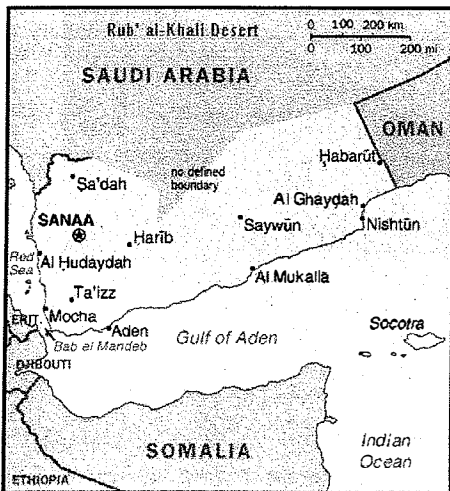
Meanwhile, Adenis and other South Yemenis will likely remain

central to Aden's port and to its future industrial operations. This continues to buttress the hopes of some that a separate South Yemen, once again showcasing Aden as its commercial center and political capital, but this time with two additional features – an industrial free trade zone and role as a regional hub for international container cargo – will be created.

This said, many who once favored this option – and they include those who lost their positions of power as far back as the transformation from colonial rule to national sovereignty in 1967 – effectively shelved their dream when Yemen's civil war ended in 1994.

Even those who cling to the hope admit that this perspective, at least for the foreseeable future, has been relegated to the remote margins of probability. A major reason is that none of its proponents are in positions of power or have sufficient influence, either by themselves or in association with outside powers, to make it a reality.

Even so, the quest to develop Aden's economic and commercial potential remains a key factor in Yemen's hope of being able to solve its border dispute with Saudi Arabia in the near future. In addition, wealthy Saudi Arabians of Yemeni ancestry – for example, the Bin Mahfouz Group, owners of the National Commercial Bank, the Kingdom's largest – have a substantial stake in Aden's development prospects, having already committed more than a quarter of a billion dollars in investment.



Source: Adapted from Perry-Castaneda
Library On-line Map Collection
(Austin: University of Texas, 1999).

Perspective Three: A Republic of East Yemen?

This perspective envisages the establishment of a third country, or a different second Yemen, to be called herein "East Yemen." It would consist of the Hadramawt and Mahra, the country's easternmost governate, that lies adjacent to it. An analysis of this perspective reveals the following:

THE "MINUSES"

- (1) Throughout not only the era of British imperialism in south Arabia but, also, the period of independence since 1967, the Hadramawt and Mahra have always been part of a larger governmental entity. In this century, they have never been independent. In contrast to what used to be North Yemen and the western part of what was South Yemen – specifically Aden, where the capital of the latter

was located – their peoples lack comparable skills and first-hand, empirical experience in the areas of diplomacy and national defense;

- (2) Moreover, unlike Aden and South Yemen, the Hadramawt and Mahra have no record of modern industry. Their peoples inhabit a subsistence-level farming and fishing region. Despite recent oil production in the Hadramawt, there is no refinery or energy industry; and
- (3) While a breakaway South Yemen and any combined or separate effort to sever the country's easternmost parts are definitely opposed by Sana'a, the answer to the question of whether a successful breakaway south, with its would-be capital presumably in Aden, would support or oppose the Hadramawt and Mahra also breaking away, in order to establish their own independent state, is not known.

THE "PLUSES"

Others argue the opposite. They note that:

- (1) Hadramis are more culturally distinct. In recent centuries, they have shared a broader and longer common history than their Yemeni co-citizens in the western parts of the country;
- (2) There are many wealthy Hadramis working in the GCC countries, some of whom might wish either to return to try their hand at making even greater fortunes in a new East Yemen or give favorable consideration to becoming major investors in such a state;
- (3) The region has significant tourist potential, not only as a living archaeological museum, but also as a tourist destination with nearly a thousand miles of unspoiled beaches and islands; and
- (4) The area could become a revenue-earning route for a pipeline to a refinery and/or export terminal at the port of Mukalla, on the Hadramawt's Indian Ocean coast, for Saudi Arabian and/or Yemeni oil fields in the southernmost reaches of the vast Rub' Al-Khali, the world's largest desert.

This fourth possibility has caught the eye of private sector investors in some GCC countries. Among such individuals, quite a few are keen to bid on the potentially lucrative business opportunities that would likely follow any decision to build a pipeline, refinery, and/or export terminal and related facilities in the region.

MORE MINUSES THAN PLUSES

However, even were such schemes to succeed, the gains to Saudi Arabia and others that might accrue would likely be far outweighed by the disadvantages. These include:

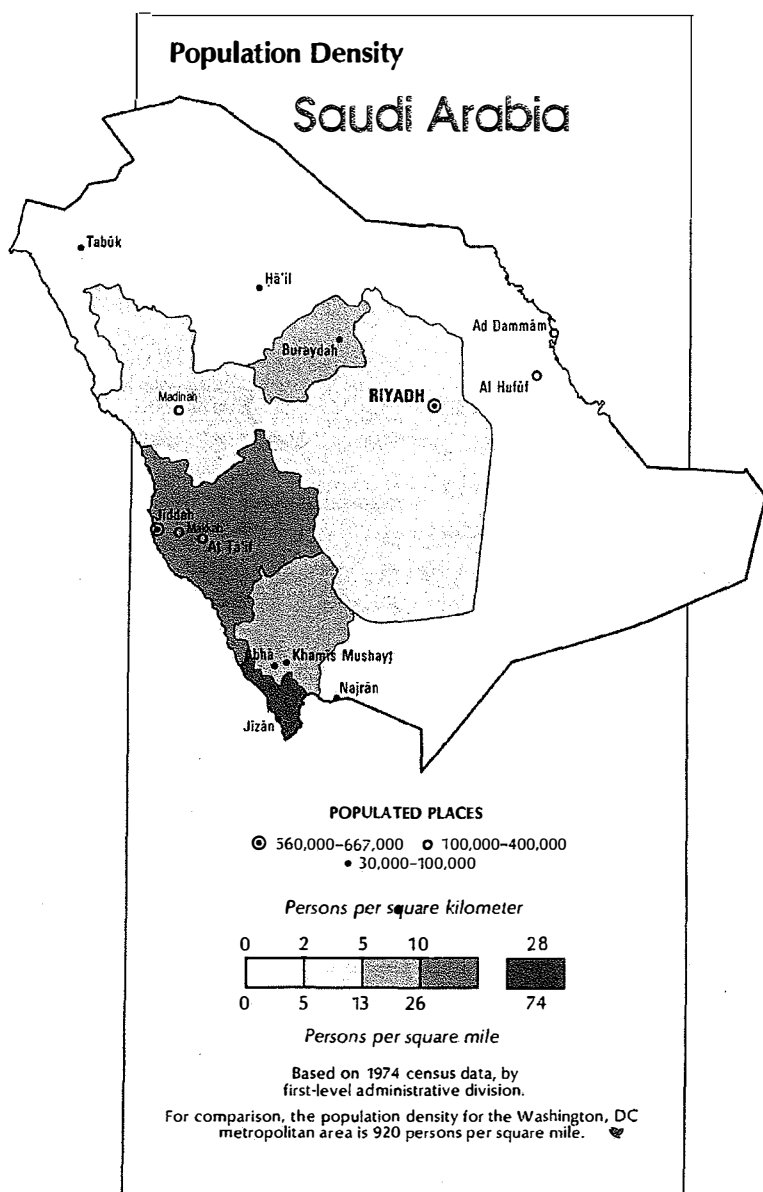
- (1) Almost certain region-wide condemnation for any role that one or more GCC states and/or Hadramis living abroad might play in breaking up an Arab country;
- (2) The Kingdom and/or other GCC countries possibly having to incur an additional major foreign economic assistance responsibility, for which they are likely to remain ill-positioned to provide for the indefinite future; and
- (3) A potentially far-reaching and ominous precedent for other would-be breakaway movements in the region, e.g., in Iraq, Iran, Jordan, Morocco, Pakistan, Sudan, and Turkey.

Perspective Four: Yemen's Political System and It's Neighbors

Many Yemenis believe that Saudi Arabia and other GCC states are disenchanted with Yemen's form of

governance and the extent to which it has encouraged popular participation in the political process.

Among Yemenis who hold this perspective, there are at least two different schools of thought as to how best to refute this perspective. In Sana'a, the official line is that Yemen's political situation is "unique," that "it's not for export," that "its antecedents pre-date the country's unification" in May 1990, and that, since then, "the citizenry's sense of national oneness has been deepened and strengthened by the unification process."



Source: Perry-Castaneda Library On-line Map Collection
(Austin: University of Texas, 1999).

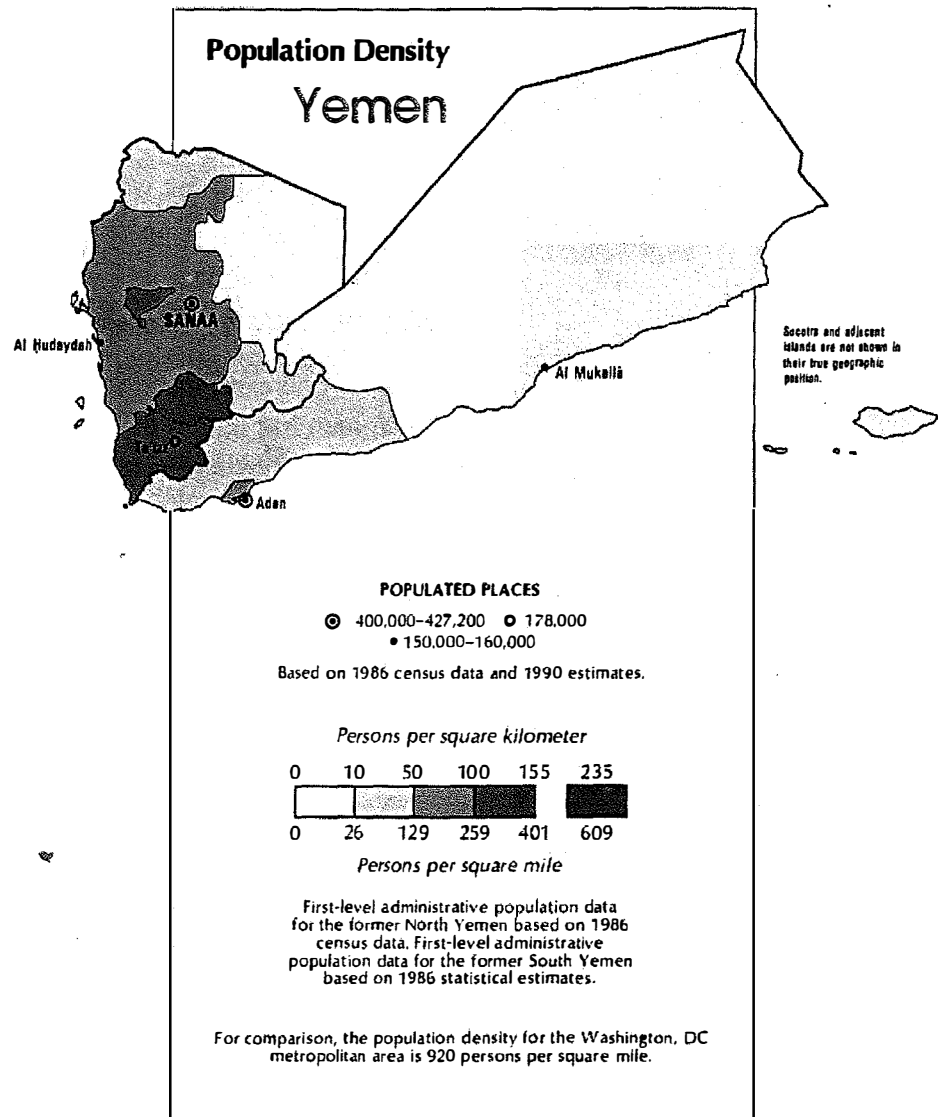
However, at the unofficial level, many Yemenis find it difficult to resist boasting about their country's political achievements over the past decade. In the course of doing so, they express doubts that neighboring and other nearby countries could be pleased.

Paraphrasing what many Yemenis have indicated to this analyst, "The GCC countries' leaders see key aspects of our political system as being at odds with their systems. They're uncomfortable with our attempts to establish a multi-party political structure. They don't like the fact that we allow a greater degree of freedom of expression than elsewhere in the region. They want us to stop."

VICTIMIZATION

Against this tone of perceived victimization expressed by many Yemenis is an opposing viewpoint expressed by many non-official Saudi Arabians. These say that Yemen's preference for one political system over another has been, and should be, its own choice. They are quick to add that, "the idea that we would seek to destroy or destabilize a structure and a system that our neighbors voted to accept, and which was designed to bring them a greater measure of peace and stability than they had in the recent past, is nonsense."

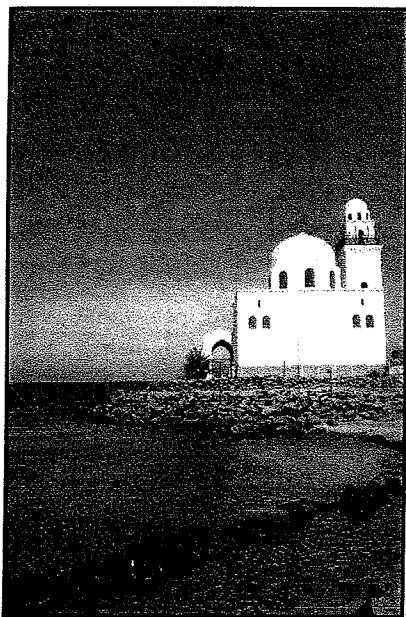
Several high-ranking Saudi Arabian officials agree. They state that, "For nearly four decades, next door to us in Kuwait, we have



*Source: Perry-Castaneda Library On-line Map Collection
(Austin: University of Texas, 1999).*

watched various experiments in expanding the extent of popular participation in the political process that are older and, in some ways, far more sophisticated than what has thus far taken root in Yemen. For example, Kuwait's history of press freedoms and parliamentary as well as student, cooperative, and trade union elections is, in our view, considerably more advanced than what has occurred to date in Yemen.

"But individuals, of course, have their own views about the merits or demerits of such experiments and, accordingly, not everyone agrees with what the Kuwaitis and Yemenis have done. Even so, most of us would say, 'That's their affair, not ours, just as we insist that how we structure and run our country is our affair, not theirs.'"



*Mosque on the Red Sea coast,
Jeddah, Saudi Arabia*

THE ABSENCE OF ALTERNATIVES

If one examines the kinds of governmental structures that Yemen has had in the recent past – structures that have no counterpart anywhere else among the Arab countries, the Middle East, and the Islamic world – the absence of alternatives becomes clear.

A useful perspective in this regard is to compare the situation that prevailed less than forty years ago with today. Forty years ago, Yemen, according to today's borders, consisted of one Imamate; one Sharifdom; one British Crown Colony; one Federation; two countries, comprising the Yemen Arab Republic (North Yemen) and the People's Democratic Republic of Yemen (South Yemen); two Protectorates; four Sultanates; and 17 Shaikhdoms, States, or Emirates.

In addition, prior to 1967, the same British (Aden and south Yemen-related) jurisdiction administered all of these governments, except the Imamate (which was independent and based in Sana'a), as well as islands in the Red Sea off north Yemen; in the Indian Ocean off south Yemen and East Africa; and far to the north and east in the area south of the Arabian Sea, off Oman. This represents an extraordinarily complex history of different governmental structures and political systems.

Most observers who have studied the alternatives find it remarkable that a single country could have emerged from so many disparate entities. Indeed, among specialists, there exists a national, regional, and international consensus that it is difficult to imagine how either the unification of Yemen in May 1990 or the country's subsequent national development process could have occurred – or in the future, could be sustained – in any other way.

In this regard, two relevant questions are: (1) By what other form of government or political process could one envision what was an avowedly Marxist government – led by the Yemen Socialist Party (YSP) in the South – merging with an ardently anti-Communist regime in North Yemen?; and (2) Where else can one find a parallel to what happened afterwards?

The latter query is in reference to the fact that the leaders of South Yemen's largely single-party socialist regime agreed with the General People's Congress, the party of many officials and leading personalities in the north, to share power with a third major political party, Islah. What is notable is that Islah, by its nature and orientation (religious, traditional, and tribally-based), differs in rather profound ways from both. It is hard to overstate the significance of this achievement. The fact that Yemen's Marxist YSP shared nearly equal political power with an Islamist party (Islah) from 1993 to 1997 is without precedent in Arab and Islamic history.

In the view of this analyst, Yemen's dramatically varied sub-regions and national political history to date would easily have been far more volatile, even violent – in ways antithetical to the strategic interests and stability of Saudi Arabia and a great many other countries' – had there been an attempt to exclude one or more of Yemen's major political forces, given the number of their respective supporters and substantial influence in various sectors of Yemeni national life.



Source: Perry-Castaneda Library On-line Map Collection
(Austin: University of Texas, 1999).

Perspective Five: No End in Sight

Saudi Arabians and Yemenis with this perspective occupy positions that enable them to keep abreast of day-to-day as well as longer-term developments in their respective country's external relations. They are dismayed at what they profess to be a lingering inability of their governments "to seize the moment and do what is right for both countries, the surrounding region, and the world at large."

They claim to have had their hopes for an imminent resolution of the issues outstanding between the two countries raised before, only to have them subsequently dashed. This knowledge and experience, coupled with their resentment at playing no more than a marginal role in disputes, has produced skepticism and cynicism that progress will be made. These individuals doubt that the shortcomings of the central players are likely to be surmounted and subordinated to an agreement that would be recognized and accepted by the Saudi Arabian and Yemeni governments and peoples.

High-ranking Yemenis bristle in reaction to this depiction. One expressed the view that, "It is hard to see how we could have been more sincere and forthcoming in our efforts to reach a settlement, only, as a result, to be met with new demands."

By contrast, Saudi Arabian officials are bothered by what they claim to be the patronizing and condescending tone of such a perspective. Upon hearing it, a typical response has been to take exception to the perceived "sense of urgency" that many Yemenis impute to such "strategically important and highly complex issues."

In addition, some Saudi Arabians and Yemenis question the wisdom of either side trying to solve so many issues in the relationship between the two countries simultaneously. Among them are those who reason that, "For now, it ought to be enough if we can simply reach an agreement on the border. If we can achieve a breakthrough on this issue, it should provide the necessary framework and atmosphere to deal with many other matters, such as trade and the number of Yemenis permitted to work in Saudi Arabia."

It is, of course, possible that the perspective of those who see little, if any, imminent breakthrough in the Saudi Arabian-Yemeni relationship will end up having been closer to reality than other viewpoints, described and examined herein, with regard

It is difficult to envision the indefinite prolongation of a situation that, beyond endangering the region's stability and security, is of questionable benefit to the strategic interests of either side...

to the near-term. However, critics on both sides agree it is difficult to envision the indefinite prolongation of a situation that, beyond endangering the region's stability and security, is of questionable benefit to the strategic interests of either side, not to mention the interests of their friends and would-be partners.

Perspective Six: A Potential Regional Military Role for Yemen is Opposed

Some Yemenis, as noted, believe that Saudi Arabia opposes any significant increase in defense cooperation between Sana'a and Washington. Behind their concern is an awareness that Yemen, despite not having been part of the coalition that liberated Kuwait in 1991, has increasingly shown a willingness to cooperate on defense-related issues with the coalition's leader, the United States.

Sana'a is already working closely with U.S. military personnel in a major humanitarian project involving the removal of close to a million land mines that remain in various parts of Yemen from past conflicts.

In the eyes of U.S. and GCC defense strategists, any development that increases the prospects for weaning countries such as Jordan and Yemen away from Iraq, which had long counted them as allies, makes eminent sense. Analysts differ on the respective merits of such a strategy. However, many Saudi Arabian, Yemeni, and American strategists agree that their mutual goal of deterring would-be challengers to the existing state order in the Arabian Peninsula and the Gulf – such as Iraq and Iran – would likely derive little, if any, benefit from a coalition built *after* a challenge from one, the other, or both of them has erupted into armed conflict.

Their mutual goal of deterring would-be challengers to the existing state order... would likely derive little benefit from a coalition built after a challenge has erupted into armed conflict.

OFFICIAL VIEWS AND POPULAR CONSENSUS

It is doubtful that there may still be a high-level game plan in one or more GCC countries to punish Yemen for its stance during the Kuwait crisis. This is unlikely despite the fact that high-ranking Yemenis continue to claim that, "We remain the most punished of all the countries that failed to join the Allied Coalition in its reversal of Iraq's aggression against Kuwait."

A growing number of Kuwaitis view the matter differently. Some point to the fact that their government gave its de facto endorsement of a prominent Kuwaiti delegation's one-week visit to Yemen in 1997 as a sign of Kuwait's eagerness to drive whatever wedges it can between Baghdad and its previous partners. The purpose was to explore the possibilities of forging new ties of cooperation between the two countries and renewing an appreciation of their common needs, concerns, and interests on a broad range of issues.

Yemeni officials who hosted the delegation, however, acknowledge that the delegation's visit was significant but achieved little. More important, they stress, has been the improvement in official attitudes resulting from several September 1998 meetings in New York between Kuwait's Deputy Prime Minister and Foreign Minister, and Yemen's Deputy Prime Minister and Foreign Minister, in conjunction with the annual convening of the UN General Assembly.

Among the more pressing regional issues that lay behind these visits and meetings, viewed from the perspective of military strategists in Kuwait and several other GCC countries, is a desire to see Yemen become part of a broadened, U.S.-led approach to bolstering the Arabian Peninsula and GCC states' deterrence and defense capabilities against Iraq and Iran. They point out that Yemen's candidacy for admission to the GCC is not under active consideration. But Yemen's lack of membership does not, in their view, preclude the development of a GCC-Yemen defense relationship.

Yemen, from its side, is predisposed to join Kuwait and other GCC states to enhance the prospects for its re-integration into the nexus of Arab countries that joined the Allied Coalition to reverse Iraq's aggression. Sana'a, moreover, is also aware that, unless it is able to restore its earlier close relationships with Kuwait, Saudi Arabia, and the UAE, it has little hope of an early resumption of these countries' previous support, directly and/or via regional funds, for Yemeni economic and social development projects.

In addition to these considerations, all the GCC countries' leaders recognize that Yemen's valuable natural deep-water port in Aden is situated along strategically vital sea lines of communication. As the Kuwait crisis demonstrated, it was through these lines, not the region's air corridors, that the overwhelming majority of heavy equipment essential to Kuwait's liberation was brought into the region. In any future Gulf conflict, these lines are likely to remain vital.

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GEO-POLITICS AS A CONSTANT

For defense planners, of additional importance is the geopolitical role that Yemen could be expected to play in any regional conflict. In the Kuwait crisis, Sana'a's behavior fell far short of the needs and expectations of the Allied Coalition and the five Permanent Members of the UN Security Council – Great Britain, France, the People's Republic of China, the Russian Federation, and the U.S. – where Yemen, as noted, was President and held the seat reserved for a representative of the then 21 member-nation League of Arab States.

The League, on August 3 and 10, 1990, voted 12 to 9 on two historic Kuwait crisis resolutions. The first condemned the Iraqi invasion unequivocally. The second called for the members to mobilize and deploy their armed forces to Saudi Arabia to prevent the invasion from spreading to other Arab countries. Yemen was one of nine countries that either voted against or abstained against both resolutions.

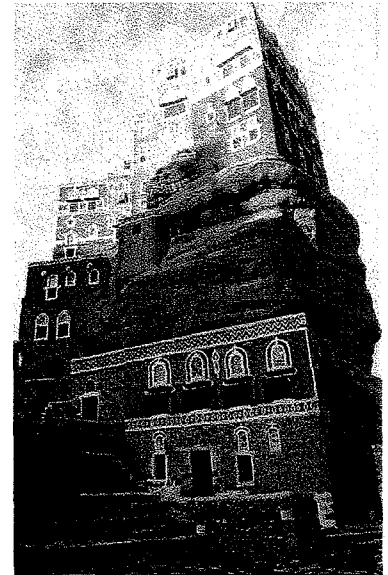
YEMEN AS POTENTIAL BALANCER

One of the twelve countries voting in favor of the resolutions was Somalia, a country that, because it has since imploded, might not vote the same way were a similar conflict to occur. It is also possible that, in a future conflict, Morocco would not be as forthcoming in support of the GCC countries as before. The reasons are not difficult to discern. In 1990, Morocco, because it voted in favor of both resolutions, was convulsed with anti-Coalition demonstrations that, not surprisingly, emboldened Iraq.

Compounding the difficulty of predicting what a vote tally might be in response to an attack by Iraq, Iran, or any other country in the future is the fact that the League has acquired a new member in the interim: the Comoros Islands, a poor nation in the Indian Ocean off the coast of East Africa and north of Madagascar.

No one can say how Comoros would have voted had it been a member of the League when the Kuwait crisis erupted. Neither, today, can one, with any certainty, predict what its position or actions might be in response to an attack against a fellow League member in the future.

The outcome of future League votes in any conflict involving an Arab country is, therefore, far from certain. For example, the result could easily be a dead-locked League, with half its members voting in favor of cooperating to resist the threat and half opposed, as nearly happened in August 1990. In such a situation, a Yemen that voted to mobilize and deploy forces to assist the victim of aggression – something it did not do the last time around – could tilt the balance.



Palace of the former Imam, Wadi Dhar, Yemen

THE MUTUAL QUEST TO ENHANCE DETERRENCE AND DEFENSE

Senior defense officials, chiefs of staff, and armed forces commanders in Saudi Arabia and Yemen acknowledge their respective and joint interests in the promotion of regional peace and stability. As evidence, they decided some years ago to establish a joint military committee. The committee has held innumerable meetings, but none in which either geo-political issues or proposals to enhance mutual defense against outside aggression have been discussed.

Senior defense officials, chiefs of staff, and armed forces commanders in Saudi Arabia and Yemen acknowledge their respective and joint interests in the promotion of regional peace and stability.

More important than the fact that such meetings are held, however, is what might transpire in a differently configured and empowered committee between and among the parties by way of increased understanding, new initiatives, and shared responsibilities.

Much seems possible in a context where the major issues in dispute between Riyadh and Sana'a have been resolved. For example, one can envision Saudi Arabia and Yemen concurring on an appropriate division of labor in conjunction with their respective future planning, training, and, possibly, specific agreements related to regional deterrence and defense. That would be a significant achievement.

Perspective Seven: The Endgame is Nigh (II)

This perspective is anchored in the view that the prospects for an early settlement of one or more issues contested by Riyadh and Sana'a are presently greater than in quite some time. This view takes its cue from the amount of energy and time spent conducting the increasing number of high-level visits and meetings of Saudi Arabian and Yemeni officials entrusted with improving their bilateral relationship.

This perspective includes an awareness of the many heavy responsibilities that weigh upon the inner circle of decision-makers in the two capitals. In addition, it embraces the viewpoint that there is little short-, medium-, or long-term benefit to be gained by either side from prolonged postponement of a settlement.

THE STRATEGIC CALCULUS OF INTEREST FULFILLMENT

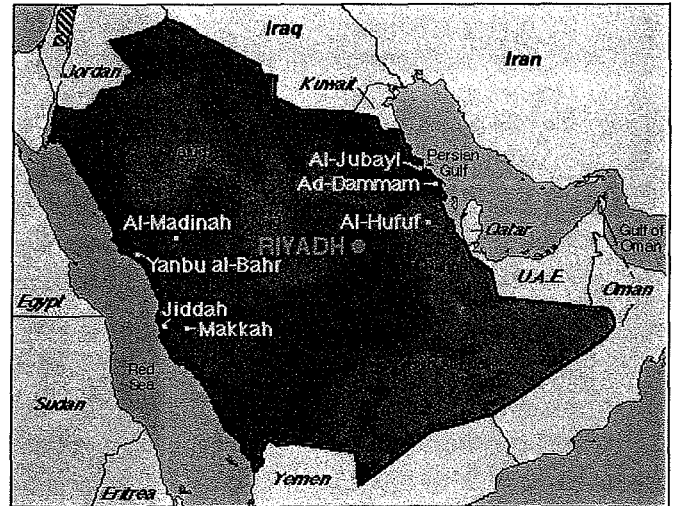
An agreement deemed acceptable to the greatest possible number of people on each side is arguably in both countries' strategic, economic, political, commercial, and human resource development interests.

An early satisfactory settlement would free energies that could be spent on other challenges and help both countries by allowing them to reallocate the costly defense expenditures associated with the border dispute. It would help remove one of the major obstacles deterring would-be investors from the disputed areas.

FOR SAUDI ARABIA

A successfully implemented agreement between the two countries would enable Riyadh to focus more on the Kingdom's two military strategic challenges – Iran and Iraq. A favorable position granted to Yemeni workers contributing to Saudi Arabia's (and Yemen's) economy would carry within it a seed that could nurture a "different" and "better" Saudi Arabian-Yemeni relationship in the immediate future.

Of course, some in the Kingdom would disagree, and say, "That's what we thought before, when we granted the Yemenis privileges extended to no one else. But, look at what happened; in the Kuwait crisis, it didn't work."

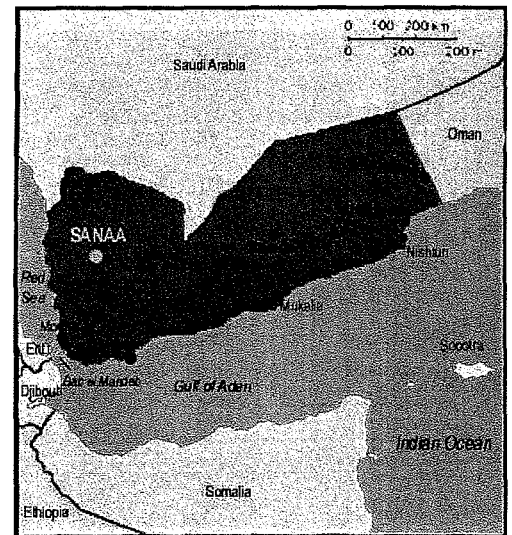


Source: Perry-Castaneda Library On-line Map Collection (Austin: University of Texas, 1999).

FOR YEMEN

For Yemen, the benefits of an acceptable agreement successfully implemented are substantial. The country could focus more effectively on its immense developmental needs. The most important areas requiring the attention and assistance of the government and its friends are infrastructure, technology, education, employment, health, and human resources training. Effectively modernizing the country's development base remains of paramount importance.

Yemen's present development foundation is considerably stronger than before it undertook, in partnership with the World Bank and IMF, to implement a far-reaching range of economic reforms. Yet, on balance, the overall base of its economy remains weak because of the uncertain prospects for sustained political stability and as a consequence of: (1) the antiquated infrastructure left over from former British colonial and Soviet satellite rule, in the south; (2) an earlier era of mismanagement and



Source: Perry-Castaneda Library On-line Map Collection (Austin: University of Texas, 1999).

scarcity of resources, in the north; and (3) an extended period of neglect, combined with inadequate administration and the paucity of resources, in the east.

In this context, a resolution of the Saudi Arabia-Yemen dispute would mean that Yemen is more than ever ready and able to deal with its pressing domestic economic situation and to strengthen and expand its development opportunities without the previous distraction of externally-focused priorities and the allocation of scarce funds for defense.

FOR BOTH

Saudi Arabian leaders, much more than their Yemeni counterparts, call for patience, pointing out that their country, in addition to being greater in size than all of Western Europe, has far more issues on its plate.

For Saudi Arabians and Yemenis, albeit differently, there is a sense that time is of the essence. This is not to imply that a settlement of the matters in dispute is equally urgent to both parties. Saudi Arabian leaders, much more than their Yemeni counterparts, call for patience, pointing out that their country, in addition to being greater in size than all of Western Europe, has far more issues on its plate. For example, it is consistently pressed to deal with challenges in its relationships with 13 neighbors, more than three times as many as Yemen.

In a further plea for understanding in terms of context and perspective, Saudi Arabians emphasize that, unlike Yemen, the Kingdom's leaders, in light of their role as Custodians of Islam's two holiest places – Makkah and Madinah – and as the world's largest oil producer and exporter, have to deal with a larger number and more diverse range of very complex issues of truly global importance. Accordingly, they stress that, while they are keen to settle their disputes with Yemen, they are, on balance, in less of a hurry than Saḥā'a.

However, Saudi Arabians and Yemenis alike, despite their different perspectives, acknowledge that, in any objective assessment of their bilateral relationship, their national security interests are overriding and that there is danger in delay with regard to arriving at a settlement, including the risk that matters might escalate.

Both also agree that the prospects for arriving at a mutually satisfactory resolution later are not likely to be as good as they are under the present circumstances. In support of this view, the principal leaders of the two sides, significant numbers of Saudi Arabians and Yemenis agree, are not only capable and broadly experienced but have dealt with the issues in dispute for more than two decades.

FOR THEIR FRIENDS, PARTNERS, AND THE ALLIED COALITION

In addition, it is hard to see how Saudi Arabia's and Yemen's friends and allies could be anything but pleased the moment they learn that these two strategically important countries have settled their longest-standing bilateral dispute.

What would likely follow in the wake of such a settlement, Saudi Arabian and Yemeni leaders believe, are opportunities from which both countries, and their key partners, would benefit. The Allied Coalition countries would be freed to think and plan on ways to strengthen and expand the region's peace and stability. They would be relieved of having to postpone initiatives in the area of intra-regional and bilateral development as well as defense cooperation that stand to benefit Saudi Arabia, Yemen, and the Coalition alike.

REGIONAL AND GLOBAL INTERESTS AT STAKE

In addition, no one denies that a Saudi Arabia-Yemen agreement that meets the minimal requirements of both parties would contribute handsomely to a regional and global need for the two countries to be at peace and in close cooperation with one another. After all, as even their detractors acknowledge, they live in what has been aptly described as a volatile neighborhood, a region that contains within as well as adjacent to it energy resources and maritime routes important to the entire world.

For all the reasons indicated and addressed herein, significant numbers of Saudi Arabians and Yemenis believe it would be hard to imagine a moment more propitious than the present for reaching an agreement. The substance and shape of an accord, they indicate, would envision the two sides putting behind them as many of their disputes as possible; acknowledging those matters that continue to elude settlement and will require further consultation and consensus; and setting a timeline for subsequent meetings, deliberations, and recommendations pursuant to a final resolution.

Many on both sides have pointed out that this last reference to a timeline is an important key to what lies ahead. The good news is the meeting on July 29, 1998 in Riyadh between a Yemeni delegation, led by its Minister of Foreign Affairs, and its Saudi Arabian counterparts, and a visit the following week to Sana'a by the Kingdom's Foreign Minister.

A Saudi Arabia-Yemen agreement that meets the minimal requirements of both parties would contribute handsomely to a regional and global need for the two countries to be at peace and in close cooperation with one another.

Following these meetings, Riyadh and Sana'a announced they had agreed on a two-month timetable for settling the issues outstanding between them. Spokesmen for the two governments further indicated that, at the end of that period, the joint Saudi Arabia-Yemen military and technical committees were committed to begin meetings with a view to finalizing the remaining matters in dispute regarding the location of their common border.

In what seemed to hint at the possibilities of a diplomatic breakthrough in the reasonably near future, the Saudi Arabian Minister of Interior stated on November 5 that the Kingdom "was ready to accept international arbitration if the ongoing negotiations with Yemen fail to settle their border dispute." And, as further indication of the two countries' joint commitment to press ahead toward reaching a solution on the boundary issue, additional meetings between their leaders were scheduled to commence in midwinter 1999.

Inshaallah.



About the Author

Dr. John Duke Anthony is the founding President and Chief Executive Officer of the National Council on U.S.-Arab Relations and a founder, board member, and secretary of the U.S.-GCC Corporate Cooperation Committee. A member of the Council on Foreign Relations and of its study groups on U.S. policies toward the Gulf, he is also a founder and former President of the Society for Gulf Arab Studies; a founder and board member of the National Commission to Commemorate the 14th Centennial of Islam; a founder of the Commission for Israeli-Palestinian Peace; a co-founder of American Educational Trust; a former President of Middle East Educational Trust; a past board member of American Near East Refugee Aid; and a consultant, for the past 25 years, to the U.S. Departments of Defense and State on American policies toward the Arabian Peninsula and Gulf states.

From 1976 to 1988, he was Coordinator, Area Studies Training Program for U.S. Personnel, U.S.-Saudi Arabian Joint Commission on Economic Cooperation, U.S. Department of Treasury. In 1993, he received the Department of State's Distinguished Visiting Lecturer Award, one of three awarded, over a span of twenty years, in recognition of his contributions to the preparation of American diplomatic and defense personnel assigned to the Arabian Peninsula and Gulf states. In 1994, he received the Stevens Award for Outstanding Contributions to American-Arab Understanding.

Dr. Anthony has taught courses on the Middle East at the Johns Hopkins School of Advanced International Studies, the Universities of Pennsylvania, Texas, and Virginia, the U.S. Naval Postgraduate School, and the Defense Intelligence College. For the past quarter century, he has also been a regular lecturer at the U.S. Department of State's Foreign Service Institute and the Defense Institute of Security Assistance Management. He is the only Westerner to have been invited to attend each of the Gulf Cooperation Council's annual Heads of State Summits since the GCC's founding in 1981. Dr. Anthony's best-known work is his *Arab States of the Lower Gulf: People, Politics, Petroleum*. He is also the author of nearly 100 articles, essays, and chapters in books dealing with the Arab countries, the Middle East, and the Islamic world.

THE NATIONAL COUNCIL ON U.S.-ARAB RELATIONS

IS AN INDEPENDENT, NON-PROFIT,
NON-GOVERNMENTAL EDUCATIONAL
ORGANIZATION WITH THE FOLLOWING

VISION, MISSION, AND PROGRAMS:

VISION

A relationship between the United States and its Arab friends that rests on a solid, enduring foundation – characterized by strengthened and expanded strategic, economic, political, commercial, and defense ties; by a reciprocity of respect for each others' culture and heritage; by increasing partnership; and by an overall mutuality of benefit.

MISSION

To enhance American awareness of the importance to the United States of the Arab countries, the Middle East, and the Islamic world through the provision of opportunities for leadership development, people-to-people programs, lectures, publications, and educational activities at the national, state, and local levels.

PROGRAMS AND SERVICES

Public Affairs

- Secretariat for the U.S.-GCC Corporate Cooperation Committee.
- Participant in the bi-annual U.S.-GCC Business and Economic Dialogues.
- Organizer and participant in the bi-annual International Peace Award.
- Organizer and co-sponsor of the annual U.S. Mideast Policymakers Conference.

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- Congressional familiarization visits to Arab countries.
- Study/Cultural visits to GCC countries for representatives of the Commander-in-Chief, U.S. Central Command.
- Fellowships in Arab and Islamic studies for university international affairs specialists, social science professors, and business leaders (Saudi Arabia, Syria, Tunisia, Yemen).
- University and High School Model Arab Leagues (involving nearly 2,000 students and teachers annually in 20 U.S. cities).

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- *Kuwait Studies Program*: ten-day cultural immersion program (Kuwait University and the Kuwait-America Foundation).
- *Passage to Morocco*: three week and six-week summer Arabic language and homestay programs (Arabic Language Institute in Fez).
- *Summer in Syria*: six-week Arabic language and cultural program (University of Aleppo).
- *Tunisia and Arab North Africa*: three-week cultural immersion program (Hannibal Club and Tunisia-America Friendship Society).
- *Washington, D.C. Summer Internship Program*: professional work experience and seminar at the National Council and 12 Washington, D.C. international affairs organizations.
- *Yemen*: three-week Arabic language and cultural immersion program (Yemen Center for Arabic Language and Country Studies).

Regional and State Committee Affiliates

- The Council's Regional and State Committees host speakers, conduct teacher workshops, and support the Model Arab League and other faculty and student activities.