



CENTRE FOR SECURITY STUDIES | SPECIAL BRIEF

February 2022

ANATOMY OF A FAILED STATE: YEMEN

Pradeek Krishna

Edited by: Karthika Ellangovan

The citizens of Yemen have found themselves stuck in the middle of a gruesome conflict since 2014. The conflict finds its roots in the Arab Spring protests and the chain of events it triggered. Like many other conflicts in the region, the country has fallen into a larger struggle for power between more influential players in the Middle East. The parties involved in the conflict have had increasing differences between them making the conflict a difficult one to solve. The following sections of this paper will look into the conflict in Yemen, its repercussions and will look into whether Yemen can be termed as a Failed State.

Background of the conflict

The conflict stems from the fundamental differences between the North and the South. The conflict may seem like another Shia-Sunni divide in the Middle East due to the parties involved. However, the Shia-Sunni split was not as fierce historically. The recent religious divides in the country are causing the conflict to worsen rapidly. The seeds of the conflict were sown during the colonial era. Britain saw strategic and economic benefits in the port city of Aden and set up a protectorate around it. In 1918, Shia imams declared a kingdom in Northern Yemen and declared independence from the Ottoman Empire. This kingdom was subsequently overthrown in the 1960s following a civil war that involved Saudi Arabia and Egypt and the Yemen Arab Republic was established. Southern Yemen eventually turned into the Marxist People's Democratic Republic of Yemen shortly after the British left.¹ However, the South began to struggle following the fall of the USSR and the exhaustion of communist subsidies. This facilitated the unification of both countries and the formation of the Modern Yemeni State in 1990. Ali Abdullah Saleh, the ruler of North Yemen, assumed leadership of the new country. The unification of Yemen did not put to rest the internal conflicts and divides. Southern separatists intensified their cause and reemerged as the Southern Movement. They pressed for greater autonomy for the south within the new and unified nation.² The population was increasingly opposing the Saleh administration, which was accused of being corrupt and autocratic. The Houthi movement started gaining traction as they rose against the government six times between 2004 and 2010. Pressure mounted on Saleh in 2011 following the popular Arab Spring protests. The president's political and military rivals now jostled to oust him. Saleh

¹ United Nations Foundation. (2021). "Yemen: A Brief Background." unfoundation.org, 2021. <https://unfoundation.org/what-we-do/issues/peace-human-rights-and-humanitarian-response/yemen-a-brief-background/>.

² BBC. (2021). "Yemen Crisis: Why Is There a War?" BBC News. BBC, November 2, 2021. <https://www.bbc.com/news/world-middle-east-29319423>.

eventually decided to step aside in 2012 following assurances of immunity from prosecution. His Vice-President, Abdrabbuh Mansour Hadi took charge as the interim president in a transitional government brokered by the Gulf Cooperation Council (GCC). The UN established the National Dialogue Conference (NDC) to form a new constitution agreeable to Yemen's diverse population. The NDC convened 565 delegates in 2013, however, they were unable to resolve disputes over the distribution of power.³

The population was increasingly growing impatient with the Hadi administration which was slowly inching towards corruption and autocracy like its predecessors. The opposing parties were growing increasingly impatient and were demanding further reforms. These political divisions eventually ended up blowing into a full-scale military due to various factors.

The primary factor for which the Hadi administration received major criticism was the rising fuel prices in the nation. The Hadi administration succumbed to pressures from the International Monetary Fund (IMF) and lifted fuel subsidies in 2014. This was following a \$550 million loan extended by the IMF on promises of economic reforms. The Houthi Movement mobilized the masses to protests demanding lower fuel prices and a change in administration. The Houthis shortly coalesced with forces loyal to former president Saleh and gained more military strength. By late 2014, they took over much of the capital Sanaa. They consolidated their hold on the held and began marching further south. The Hadi government subsequently resigned and President Hadi fled to Saudi Arabia. Other militias mobilised against the Houthi coalition and joined hands with forces loyal to the Hadi government. In 2015, with Hadi in exile, Saudi launched an offensive in Yemen to oppose the Houthis and restore the Hadi administration to Sanaa. These factors, with the Saudi offensive being the last nail in the coffin, escalated the Yemeni conflict into a Civil War causing massive casualties and repercussions.⁴

³ Robinson, Kali. "Yemen's Tragedy: War, Stalemate, and Suffering." Council on Foreign Relations. Council on Foreign Relations, 2022. <https://www.cfr.org/background/yemen-crisis>.

⁴ Id.

The Parties Involved in The Conflict

The Houthis

The Houthi movement, officially known as Ansar Allah, emerged in the late 1980s as a movement for cultural and religious revivalism among Zaydi Shiites in the northern parts of Yemen. They gained political attention in 2003 after opposing President Saleh for backing the US-led invasion of Iraq as part of the Global War on Terror. Houthis eventually went on to join hands with forces loyal to Saleh. The reasons for this alliance were highly tactical. Saleh's loyalists opposed the Hadi administration and were feeling marginalized and sought a higher role in the country. Further, Saleh had the support of key members of Yemeni security forces, tribes, and political networks. These connections made Saleh an important asset to the Houthis. However, Saleh was killed by the Houthis after he shifted allegiance to the Saudi-led coalition in 2017.⁵

Iran is said to back the Houthis although Iran has always denied offering any support to the group. However, it is no secret that Iran has provided them with military support including weapons. This angle puts the Yemeni conflict into a broader struggle for regional dominance between Iran and Saudi. This could also be dubbed as a modern Cold War in the Middle East. Hadi administration has also on several occasions accused the Hezbollah of aiding the Houthis. Hezbollah is an Iranian ally in Lebanon. Saudi perception that Houthis are Iranian proxies has further escalated Riyadh's military campaign in Yemen. However, it is claimed that Iran's influences on Houthis might be limited due to Iran and the Houthis subscribing to different schools of Shiite Islam.⁶

⁵ Robinson, Kali. (2022). "Yemen's Tragedy: War, Stalemate, and Suffering." Council on Foreign Relations. Council on Foreign Relations, 2022. <https://www.cfr.org/background/yemen-crisis>.

⁶ Jones, Seth G. (2022) "The Iranian and Houthi War against Saudi Arabia." The Iranian and Houthi War against Saudi Arabia | Center for Strategic and International Studies, March 7, 2022. <https://www.csis.org/analysis/iranian-and-houthi-war-against-saudi-arabia>.

The Saudi-led Coalition

Saudi Arabia assembled a coalition of Sunni-majority Arab states including Bahrain, Qatar, Sudan, Jordan, Kuwait, Egypt, Morocco, and the United Arab Emirates (UAE) in 2015 to launch a military campaign in Yemen against the Houthis. By 2018, the coalition also saw forces from Eritrea and Pakistan. They launched an air campaign against the Houthis. A Houthi ruled Yemen spelt particular trouble for Saudi because it meant allowing a hostile neighbor on its southern border.⁷ Further, the Bab al-Mandeb strait is of significant interest to many countries including the US, UK, France, and Germany hence these nations have always supported the Saudi coalition. The Bab al-Mandeb strait is a chokepoint between the Arabian and the Red Sea and is an important part of the global transport of oil.⁸

The Southern Transitional Council (STC)

The South has always seen uprisings and separatist movements from the tribes. The unification of the country only fueled these movements. The major representative of the southern independence struggle in the Yemeni Civil War is the Southern Transitional Council. The first signs of the organization came in April 2017 when President Hadi accused the governor of Aden, Aidarous al-Zubaidi, of disloyalty and dismissed him. This triggered mass protests and on May 11, 2017, the STC was formed. Al-Zubaidi was chosen to preside over the 26-seat council. The council immediately declared its intention to reinstate the Southern State. The Hadi administration immediately denounced the STC as illegitimate.⁹ The main international support for the group comes from the UAE. The UAE had initially backed the Security Belt, which is now an STC-dominated paramilitary group. The UAE had initially deployed several troops, second only to Saudi Arabia, as part of the Saudi coalition however it changed sides and eventually got into conflict with the side.¹⁰

In November 2019, the Hadi government signed the Riyadh Agreement with the STC, which affirms that both sides share power equally in a post-war Yemeni government. The conflict

⁷ Robinson, Kali. (2002). "Yemen's Tragedy: War, Stalemate, and Suffering." Council on Foreign Relations. Council on Foreign Relations, 2022. <https://www.cfr.org/backgrounder/yemen-crisis>.

⁸ Ashwal, Ammar Al. (2021). "Yemen and the Curse of Geography: Bab Al-Mandab Disputed by Great Power Rivalries." Carnegie Endowment for International Peace, May 18, 2021. <https://carnegieendowment.org/sada/84558>.

⁹ Al Jazeera. "Yemen: What Is the Southern Transitional Council?" News | Al Jazeera. Al Jazeera, April 26, 2020. <https://www.aljazeera.com/news/2020/4/26/yemen-what-is-the-southern-transitional-council>.

¹⁰ Robinson, Kali. (2022). "Yemen's Tragedy: War, Stalemate, and Suffering." Council on Foreign Relations. Council on Foreign Relations, 2022. <https://www.cfr.org/backgrounder/yemen-crisis>.

between both sides continued despite the agreement for several months in 2020, but eventually, they joined a unity government with equal representation of northerners and southerners. This development provided some hopes of peace in Yemen and was a big step towards bridging the internal divisions of the country.¹¹

The Current State of the Conflict

Local ceasefires have not yet translated into a broader peace process in the country. The Yemeni population still suffers from the consequences of the conflict. The Stockholm Agreement of 2018 has ended offensives against the Houthis in the northern cities such as Hodeidah, however, a wider agreement is yet to be reached. Conflicts worsened in 2021 due to Houthi advances into the cities of Marib and al-Bayda governorates. Marib is increasingly becoming the new epicentre of the conflict as its oil reserves are of great interest to the Houthis. Houthi advances are met by airstrikes from the coalition forces which increasingly affects the civilian population in the city. Further, the Riyadh Agreement of 2019 ended major fighting between the Saudi coalition and the STC in cities like Aden however conflicts persist in some regions.¹²

Can Yemen be classified as a Failed State?

Yemeni population breathed a sigh of relief in 1990 when both the North and the South put aside their differences and united into a single country. However, the recent conflicts have again divided the country into sectarian lines. While the Hadi administration still remains the Internationally Recognized Government (IRG) of Yemen, the Houthis control most of the country, especially in the North, including the capital city of Sanaa.

Lessons from the past have taught that nation-states fail because they are agitated by internal violence and can no longer deliver positive goods to the citizens. The government loses its legitimacy and the characteristics of a nation-state disappear from the country. Although it is

¹¹Saab, Bilal Y., Gerald M. Feierstein, and Fatima Abo Alasarar. (2022). "The Riyadh Agreement: Yemen's New Cabinet and What Remains to Be Done." Middle East Institute, January 20, 2022. <https://www.mei.edu/publications/riyadh-agreement-yemens-new-cabinet-and-what-remains-be-done>.

¹²International Rescue Committee (IRC).(2022). "Crisis in Yemen: Protracted Conflict Pushes Yemenis Deeper into Need." International Rescue Committee (IRC), January 21, 2022. <https://www.rescue.org/article/crisis-yemen-protracted-conflict-pushes-yemenis-deeper-need>.

difficult to define a failed state, some features of such states remain common. Most of which are evident in modern-day Yemen. Such states are deeply conflicted and contested bitterly by warring factions. It is not the intensity of violence that characterizes a failed state, but the endurance of the conflict. Further, governments of such states fail to control the borders and lose authority over sections of the state.¹³ The Internationally Recognized Government has lost much of its territory to the Houthis, the STC, or in some cases, Al Qaeda. The government has lost its legitimacy within the state, making Yemen a failed state.

The Repercussions of the Conflict

The impacts of the conflict have had heavy effects on the core of the country and have left the citizens in an unprecedented humanitarian crisis. 15.6 million people are experiencing extreme poverty in the country and even the economically well-off population is increasingly struggling. Inflation is skyrocketing and the value of the Yemeni rial has deflated massively. In December 2021, 1 US dollar was worth 1,670 Yemeni rials in the south, an increase of 140% since the start of the year. In the first year of the war alone, the economic output of the nation fell by 29 percent.¹⁴ Economic disagreements between the warring sections have led to the split of the country into monetary and economic zones. In Houthi ruled areas, prewar banknotes are in use while the other regions use the government issues banknotes. The Houthis banned these banknotes in 2019 collapsing the riyal's value altogether. The warring factions often weaponize the country's economy which further deteriorates the situation. Most government servants including doctors and teachers haven't received reliable salaries in years.¹⁵ The prices of basic goods have been increasing rapidly in the nation making it increasingly difficult for the middle class to survive. Further, the rise in fuel prices due to the dispute between Houthis and the IRG over imports to the port of Hodeida has worsened the trouble. The oil sector, which made up the largest export of the country was hard hit by low global oil prices. Additionally, the

¹³Rotberg, Robert I. (2016). "Failed States, Collapsed States ... - Brookings Institution." Brookings Institution, 2016. https://www.brookings.edu/wp-content/uploads/2016/07/statefailureandstateweaknessinatimeoferror_chapter.pdf.

¹⁴International Rescue Committee. (2022). "Crisis in Yemen: Protracted Conflict Pushes Yemenis Deeper into Need." International Rescue Committee (IRC), January 21, 2022. <https://www.rescue.org/article/crisis-yemen-protracted-conflict-pushes-yemenis-deeper-need>.

¹⁵World Bank Group. (2021). "Yemen's Economic Update - April 2021." World Bank. World Bank Group, April 2, 2021. <https://www.worldbank.org/en/country/yemen/publication/economic-update-april-2021>.

COVID-19 pandemic trade slowdown and heavy rainfalls have massively hit non-oil economic activities in the state.¹⁶

More than 70% of the Yemeni population relies on humanitarian assistance. Over 20.5 million citizens are without safe water and sanitation and 16.2 million people require urgent emergency assistance due to food insecurity and malnutrition. Yemen has also succumbed to mass outbreaks of diseases such as measles, cholera, diphtheria, and Dengue Fever.¹⁷

The Future of the Conflict

The peace negotiations have had limited impacts on the conflict. The Stockholm Agreement of 2018 has been successful in limiting the battle in the port city of Hodeidah, however, many provisions of the Agreement are yet to be implemented. These provisions include the exchange of more than fifteen thousand prisoners and the establishment of a joint committee to de-escalate violence in the city of Taiz.¹⁸ Houthi attacks on Saudi oil facilities in 2019 and other such incidents have only worsened the conflict and increasing disagreements among more influential regional actors like Saudi, Iran, and the UAE are adding fuel to the fire. UAE has been de-escalating its presence in the country however, Houthi air attacks against the UAE in 2022 may force the Emiratis to reconsider their decision. The country has been divided into several factions and it will be difficult to put the state as a whole again. This is particularly worrying as none of the factions are equipped enough to rule the nation, and economic activity is restricted mainly to oil. The gas field in Marib, Shabwa, and Hadramawt will increasingly be regions of contestation and this would further prolong the conflict. If the Houthi offensive in Marib succeeds, then the Houthis would hold more economic power and more negotiating power. This would be of particular worry to international organizations as several states consider the Houthis to be a terrorist organization and would be unwilling to negotiate with the group.¹⁹

¹⁶ Al-Akhali, Rafat. (2022). "Yemen's Most Pressing Problem Isn't War. It's the Economy." IGC, January 12, 2022. <https://www.theigc.org/blog/yemens-most-pressing-problem-isnt-war-its-the-economy/>.

¹⁷ Relief Web. (2021). "The Impact of Remittances on Yemen's Economy - Yemen." ReliefWeb, October 18, 2021. <https://reliefweb.int/report/yemen/impact-remittances-yemen-s-economy>.

¹⁸ Robinson, Kali. (2022). "Yemen's Tragedy: War, Stalemate, and Suffering." Council on Foreign Relations. Council on Foreign Relations, 2022. <https://www.cfr.org/backgrounder/yemen-crisis>.

¹⁹ Johnsen, Gregory D. (2021). "The End of Yemen." Brookings. Brookings, March 25, 2021. <https://www.brookings.edu/blog/order-from-chaos/2021/03/25/the-end-of-yemen/>.

The first step of resolving the conflict would be bringing more parties to the negotiating table and the Houthis be taken into a wider peace negotiation. However, there is still no guarantee to what extent such negotiations would be successful and even if they reach an agreement, the agreement may not be implemented efficiently due to differences in opinion.

Conclusion

The conflict-ridden state of Yemen is becoming the most recent example of a failed state. With the Internationally Recognized Government losing more and more territory to the Houthis and other factions striving for power in Yemen, the conflict looks like a difficult one to solve. The future for Yemen does not look bright as the humanitarian and economic crises are worsening and the warring factions have not exhausted their hostilities. Peace negotiations have come a long way, but have failed to translate into something significant. These negotiations need to focus on the Houthis more and without them on the negotiating table, a larger peace process is unlikely. Houthis control the majority of the state and would be unwilling to give away their territory without promises of power. However, such agreements do not look likely in the near future and the conflict might go on without a resolution.

Pradeek Krishna is an undergraduate student at the Jindal School of International Affairs and is a Research Assistant at the Centre for Security Studies, JSIA. All views expressed in this publication belong to the author and do not reflect the opinions or positions of the Centre for Security Studies.