

Research Paper

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Yemen and the Saudi–Iranian ‘Cold War’

Summary

- The competition between Iran and Saudi Arabia for regional influence is exacerbating a number of existing disputes in the region, where the two powers are backing different sides – including Yemen.
- This paper argues that primary drivers of tension and conflict in Yemen are local, but the perceived, and often exaggerated, roles of external players continue to affect the calculations of the Yemeni players and of different regional actors.
- The Houthis, founded as a revivalist movement for the Zaydi form of Shia Islam that is largely unique to northern Yemen, have transformed themselves over the past decade into a formidable militia, and their military takeover in January 2015 has plunged the country into uncertainty.
- Interviews with people who have been granted rare access to the Houthis’ inner circle of leaders suggest that the core leadership is in many cases genuinely committed to the Islamic revolutionary principles set out by Hussein Badr al-Deen al-Houthi, which in turn borrow heavily from those of Iran.
- Saudi Arabia perceives the Houthis as an Iranian proxy. However, while the group has some support from Iran, this is not the same as taking orders from it.
- Domestically, the Houthis are unlikely to be able to govern the country and deal with its multiple insurgencies alone. Yemen will also require the financial backing of its much wealthier neighbours, above all Saudi Arabia, to prevent its economic collapse.
- The issue for Saudi Arabia and the United States in the short and medium term will be how to achieve a working relationship with a key power broker in a strategically important country that is unlikely to feel the need to serve their interests in the way that past regimes in Sana’a have.

Introduction

Whatever the eventual outcome of the ongoing international negotiations concerning Iran’s nuclear programme, tensions regarding Iran’s role in the region go far beyond the non-proliferation agenda of the international community. The competition between Iran and Saudi Arabia for regional influence is exacerbating a number of existing disputes in the region, where the two powers are backing different sides.

Among the areas where Iran’s interests appear to collide with those of Saudi Arabia is Yemen, the Arab world’s poorest country, which borders the Kingdom and occupies much of the southwestern tip of the Arabian Peninsula. Yemen’s travails during and since the Arab Spring uprisings of 2011 have often been overlooked by the Western media. Interest in the country has largely been limited to Al-Qaeda in the Arabian Peninsula (AQAP). Yet the most important development in Yemen since 2011 has been the rise and expansion of a group commonly known as the Houthis. As of early 2015, this military and political movement effectively controlled the Yemeni capital, Sana’a, having pressured the country’s transitional president, Abd Rabbu Mansour Hadi, a key US ally in the war against Al-Qaeda, into submitting his resignation.

This paper seeks to shed more light on the Houthis’ rise, and on how Yemen fits into wider regional competition between Iran and Saudi Arabia. It argues that primary drivers of tension and conflict are local, but the perceived (and often exaggerated) roles of external players continue to affect the calculations of the Yemeni players and of different regional actors.

Founded as a revivalist movement for the Zaydi¹ form of Shia Islam that is largely unique to northern Yemen, the Houthis have transformed themselves over the past decade into a formidable militia. According to diplomats in Riyadh, Washington and London, the group is backed by Tehran, as part of Iran’s efforts to expand its network of proxies across the region – a line largely taken at face value by Western and regional media. The concerns of external actors go beyond regional power dynamics, with Riyadh nervous – as is Cairo – about the effect that a Houthi takeover of the west coast of Yemen would have on the Bab al Mandeb strait, which is a conduit for around 5 per cent of all world oil trade.² The US administration, meanwhile, is primarily concerned with maintaining a regime in Sana’a that is both able and willing to cooperate with ongoing efforts to weaken and ultimately destroy AQAP, which Washington views as being among Al-Qaeda’s deadliest ‘franchises’. (In January 2015, notably, AQAP claimed responsibility for the violent attack on the offices of the satirical magazine *Charlie Hebdo* in Paris.)

Yemeni and Western officials believe that Iran’s ties with anti-establishment groups in Yemen go beyond the Houthis, repeatedly claiming that Tehran has close ties with leading members of Al Hirak al-Janoubi, or the Southern Movement, a coalition of secessionist groups that want to split Yemen down pre-unification lines.³ Regional security officials have similarly worried about the

¹ Zaydis come from the ‘Fiver’ school of Shia Islam, and follow the teachings of the Imam Zayd ibn’ Ali – as they do those of Ali, Hasan and Hussein (Zayd was a grandson of Hussein) common to other strands of Shiism. It is, however, as close in practice to mainstream Sunni Islam as it is the dominant form Twelver form of Shia practised in Iran.

² Salisbury, Peter, Houthi expansion threatens Yemen’s strategic Bab al-Mandab Strait, *Financial Times*, 23 October 2014; <http://www.ft.com/cms/s/0/444765c0-59dc-11e4-9787-00144feab7de.html>.

³ The modern Yemen was formed by the amalgamation of the socialist south and Arab republican north in 1990.

impact that southern secession would have on maritime security in the Indian Ocean, and what increased Iranian influence in southern Yemen would mean for a stretch of water that is crucial to Gulf trade. None the less, to characterize either group as a true ‘proxy’ of Iran that shares Tehran’s wider goals is to oversimplify the relationships involved – and overstate the degree to which such claims can be substantiated.

The bigger issue for Saudi Arabia and the United States in the short and medium term will be how to achieve a working relationship with a key power broker in a strategically important country that is unlikely to feel the need to serve their interests in the way that past regimes in Sana’a have – but which will require the financial backing of its much wealthier neighbours, above all Riyadh, to prevent its economic collapse, leveraging fears of an influx of economic migrants into the Gulf states.

Historical Saudi and Iranian ties to Yemen

Riyadh’s relationship with Yemen is a long and tangled one. Many Yemenis view the northern Kingdom as a young, *nouveau riche* upstart that wields excessive influence in the region, while the Saudis see Yemen as a problematic and populous state in their own ‘back yard’ – requiring both careful attention and caution.

Saudi leaders have long advocated a policy of ‘containment and maintenance’⁴ in the case of Yemen, where enough support is given to whichever regime is in power in Sana’a to prevent state collapse, but a certain level of state dysfunction is viewed as attractive. ‘Keep Yemen weak’, King Abdulaziz is reputed to have said on his deathbed, encapsulating long-standing fears that a strong Yemen could prove a major threat to domestic Saudi security. However, Riyadh is wary of the impact that state collapse in Yemen would have on the Kingdom, and Saudi policy-makers have long worried that an economic crisis in the Arabian Peninsula’s poorest and second most populous state could lead to an influx of Yemeni economic migrants. In April 2013 the Kingdom announced a crackdown on illegal labourers, as a result of which hundreds of thousands of Yemenis were expelled from the country. Riyadh is also in the process of building a 1,500-km fence that runs the length of the Saudi–Yemeni border, aimed at stemming the south–north flow of economic migrants, smugglers and militant Islamists.⁵

In recent decades, a narrative has emerged of ideological opposition within Wahabi Saudi Arabia to the Zaydis, a religious group largely unique to north Yemen but which also has a presence in the south of Saudi Arabia. (The border between the Kingdom and Yemen fluctuated during much of the 20th century, but was agreed by a treaty signed in 2000). This has not always been the case, however. Riyadh supported the Zaydi imamate, a religious monarchy, in its fight against Egyptian-backed Arab nationalist republicans and anti-establishment tribal forces in the 1960s, at a time when Islamist movements were widely seen as a counterweight to secular opposition groupings in the Gulf.

⁴ Salisbury, Peter, Saudi Arabia’s Odd-Couple Relationship with Yemen, Bloomberg Businessweek, 16 October 2014; <http://businessweekme.com/Bloomberg/news/190/newsid/97>.

⁵ Ibid.

Pragmatism similarly prevailed on both sides following the republicans’ eventual victory, with a number of republican military officers and tribal leaders of Zaydi heritage converting to Sunni Islam in order to encourage patronage from their northern neighbour. Salafist Saudi clerics were placed in traditionally Zaydi mosques in the north of Yemen, as part of efforts to undermine the pull of the Zaydis’ *sayyid* leaders, who had ruled the imamate for much of the millennium to the 1960s.

Riyadh became a direct patron of both the Yemeni government and tribal and military leaders in the 1980s, paying them monthly stipends for much of the first 30 years of the Saleh regime’s existence.⁶ During the 1970s and 1980s Sana’a fought leftists who were then regarded by Riyadh as among its greatest regional threats. This led to an isolationist policy *vis-à-vis* the southern socialist state, the People’s Democratic Republic of Yemen (PDRY), which merged with the north in 1990 after a brief period of *rapprochement*. The decision of Ali Abdullah Saleh, president of the newly unified Yemen, to back Saddam Hussein’s Iraq in its invasion of Kuwait in 1990 caused Riyadh to sever ties, cutting aid to the new state and deporting an estimated 1 million Yemeni migrant labourers, a move that deprived Yemen of a valuable source of revenue in the form of workers’ remittances.

Largely as a rebuke to Saleh’s support for Baghdad, Saudi Arabia backed southerners in an abortive attempt at secession in 1994. In subsequent years, however, Riyadh slowly reconciled with the Yemeni president as the two countries worked to negotiate a border treaty. During the first decade of the new millennium, the Kingdom came to focus on tackling Islamist extremism, and Yemen – a hub for Al-Qaeda operatives – became a key battleground for Riyadh’s counterterrorism officials. The Saudi and Yemeni branches of Al-Qaeda cooperated with one another in the early 2000s, before merging as AQAP in 2009.

Iran’s involvement in Yemen has been less well documented – but no less complex – than Saudi Arabia’s. Before the Islamic Revolution of 1979, the regime of the Shah cooperated closely with Riyadh in backing the imamate, and had good relations with the British colonial administration that oversaw much of southern Yemen until 1967. After twin revolutions in northern and southern Yemen, and the revolution in Iran, the northern Yemen Arab Republic (YAR) maintained close relations with both Saudi Arabia and Iraq under Saddam Hussein, and by association held a position of opposition to Iran. The PDRY, the socialist state that succeeded British rule in the south, became friendly with Tehran, as much due to a mutual opposition to Western colonialism and the rule of the Gulf monarchies as a reflection of ideological crossover.

Tehran backed a hard-line Marxist faction – which ultimately prevailed – during a 1986 civil war in the south. (Yemen’s recently ousted president, Abd Rabbu Mansour Hadi, was on the losing side, and some southerners say this explains his deep antipathy towards Iran.) Relations with Yemen remained cordial during the 1990s, with then president Saleh generally open to maintaining ties with any state that he thought could serve his own interests, playing regional powers off against one another in order to consolidate his own position both during and after the East–West Cold War.

⁶ Hill Ginny; Nonneman, Gerd, *Yemen, Saudi Arabia and the Gulf States: Elite Politics, Street Protests and Regional Diplomacy*, Chatham House, May 2011; <http://www.chathamhouse.org/publications/papers/view/177061>.

Foreign policy under Saleh, according to the late Fred Halliday,⁷ consisted of ‘mobilizing external backing for the president’s rule’ against the ‘numerous fissiparous forces that continued to operate within the united country’, while preventing outside support for his rivals where possible.⁸

The Houthis and the Hirak

The Houthi and Hirak movements both emerged in the 2000s as Saleh developed increasingly autocratic tendencies. Saleh’s behaviour during this period often riled his international allies, but Saudi Arabia, the United States and the United Kingdom each chose to back the president as long as he maintained a commitment to fighting terrorism, under an operational logic of ‘the better the devil you know’. Ultimately, however, Saleh’s attempts to consolidate his family’s control over the apparatus of the state led to the collapse of his regime and to the political transition that began in late 2011.

The Houthis, who prefer to be known as Ansar Allah, or Partisans of God, began as a faction within the youth offshoot of Al-Haq, a Zaydi political party formed in 1990 to contest the united Yemen’s first legislative elections, held in 1993. An Al-Haq member of parliament, Hussein Badr al-Deen al-Houthi, joined its youth wing, Al Shabbab al-Moumineen, or the Believing Youth, which focused on the revival of Zaydism, in the mid-1990s. Al-Houthi left parliament in 1997 and travelled abroad, to Iran and elsewhere, to expand his religious education. He returned to Yemen from Sudan, where he had been studying for a doctorate, shortly after the events of 9/11; the latter is said to have been a defining influence on the cleric’s world view, convincing him that the region would soon be embroiled in a series of wars with foreign powers.

On his return to Yemen, al-Houthi began to sharpen his rhetoric, taking a more anti-establishment and anti-foreign intervention stance, causing divisions with more moderate and liberal leaders of the Believing Youth. (He coined the group’s noteworthy *sarkha* chant, adapted from the ‘Death to America’ of the Islamic Revolution in Iran: ‘Death to America, Death to Israel, Damn the Jews, Victory to Islam’.)

Saleh attempted to coerce al-Houthi into diluting his rhetoric before issuing a warrant for his arrest. With a small group of followers, al-Houthi fled to his birthplace of Marran, in central Sa’dah – a northern Yemeni province bordering Saudi Arabia. In September 2004, after a brief period of fighting in Sa’dah, al-Houthi was captured, shot and killed. (According to two well-informed sources, Saleh had ordered al-Houthi’s capture, but the cleric was killed in an act of vengeance by a soldier angered by the loss of close colleagues during the violence in Sa’dah.)⁹

Over the next decade, the Houthi movement, named after the cleric, transformed itself into a well-organized and committed militia. It gained popularity elsewhere in northern Yemen, particularly after the late founder’s brother, Abdelmalek al-Houthi, again reworked the movement’s rhetoric,

⁷ A noted scholar of Middle East politics, Halliday began his career in southern Yemen.

⁸ Halliday, Fred, *The Foreign Policy of Yemen*, in Hinnebusch, Raymond A. and Ehteshami, Anoushiravan (eds), *The Foreign Policies of Middle East States*, Lynne Rienner, 2001, p. 272.

⁹ Author interviews, September–October 2014.

focusing from the 2011 uprising onwards on revolution rather than religion and giving his support for youth protesters in Sana’a.¹⁰

Interviews with people who have been granted rare access to the Houthis’ inner circle of leaders (including its so-called ‘executive committee’, a council that oversees its governance operations in Sa’dah) say that while the group has been careful since 2011 to keep hard-line rhetoric to a minimum in public – conveying instead a message of religious tolerance in the hope of establishing as wide a support base as possible¹¹ – the core leadership is in many cases genuinely committed to the Islamic revolutionary principles set out by Hussein Badr al-Deen al-Houthi, which in turn borrow heavily from Iran’s radical revolutionary principles.¹² The movement’s leaders have also appeared to have maintained a commitment to the Zaydism practised by Hussein, rather than the distinct Twelver Shia practised in Iran. However, a number of prominent Houthi supporters have converted to Twelver Shia over the past two decades and have visited Iran for religious instruction, prompting speculation that there is in fact a Twelver faction within the wider Houthi movement.¹³

People who have experience of dealing with the Houthis also say that rather than aping the state-centric approach of Iran, or the centralized rule of Hezbollah, the group has retained many aspects of governance that were inherent to Zaydi rule in Yemen before the 1960s. Decision-making at the executive committee level is a collaborative rather than a top-down affair, and the group presents itself to local tribal groups with which it hopes to cooperate as a balancing force rather than an authority that governs by writ.¹⁴ Historically, the Yemeni state has obtained power and legitimacy from a diverse network of tribal groups that rule at a local level, rather than by imposing laws uniformly across the country.¹⁵ Conversely, however, the group’s opponents accuse it of authoritarianism and doctrinaire tendencies unmatched even by Saleh.¹⁶

Hirak, meanwhile, was born of frustrations among former southern military and government officials who were forcibly retired after the country’s 1994 north–south civil war. Their initial demands were for reinstatement to positions held before the conflict, back pay and improved pensions. Saleh again attempted to put the movement down from 2007 onwards, arresting a number of Hirak leaders and banning protests, precipitating a backlash among southerners that has evolved into a leaderless pro-secession movement. However, his efforts to subdue the secessionists’ cause had the opposite effect, catalysing the call for independence in the south.

Claims of Iranian involvement

Western and Yemeni officials have long accused Iran of backing the Houthis. An article in the *Financial Times* in February 2014 quoted a Yemeni official as claiming that Iran and its Lebanese proxies provided direct financial and logistical support, as well as military advisers, to the Houthis,

¹⁰ Finn, Tom, Abdel-Malek al-Houthi: From shadow rebel to kingmaker, *Middle East Eye*, 20 August 2014; <http://www.middleeasteye.net/in-depth/features/abdel-malek-al-houthi-shadow-rebel-leader-kingmaker-988988591>.

¹¹ Ibid.

¹² Author interviews, Sana’a, September–October 2014.

¹³ Author interviews, September–October 2014.

¹⁴ Author interviews, September–October 2014.

¹⁵ Hill, Ginny, Kinninmont, Jane, Northedge, Leonie, Salisbury, Peter, *Yemen: Corruption, Capital Flight and Global Drivers of Conflict*, Chatham House, October 2013; <http://www.chathamhouse.org/publications/papers/view/194239>.

¹⁶ Author interviews with members of Islah, former residents of Sa’dah, Amran, 2014.

a view that, according to the newspaper, was supported by US officials.¹⁷ In January 2013 the *New York Times* reported on a briefing given to one of its reporters by US officials, who cited the Yemeni authorities, that an arms shipment seized by Yemeni security forces off the country’s south coast had originated from Iran. The article stated that the officials cited believed that the shipment of ‘contraband’ was intended for insurgents within Yemen, although they declined to provide fuller details.¹⁸ Despite repeated requests from local and international journalists, neither Sana’a nor Washington further corroborated these claims.¹⁹

A large question mark remains over the extent to which Tehran or Hezbollah have funded or armed the group, which relies on local support and taxation in order to remain sustainable.²⁰ In conversation with the author of this paper, a Sana’a-based journalist and analyst, many diplomats and officials have given a more nuanced view of the group, conceding that external support has been centred more closely on internal capacity building – which is more valuable, in the view of many analysts, than simple cash payments.²¹ One Sana’a-based analyst points to the south, where Hiraq has failed to achieve any kind of leadership structure or internal cohesion, and where alleged Iranian support has largely been limited to funding.²² The Houthis are notable in Yemen for cohesive internal management of security and administration, which, in the view of another analyst, ‘can only’ have come about through some form of external support.

This marks a change in tone from 2010, when diplomatic cables released by Wikileaks pointed to scepticism among US officials in Sana’a that the Houthis were heavily backed by Tehran and Hezbollah, or even that they were part of a regional proxy war between Iran and Saudi Arabia. ‘We are fighting on behalf of you, the Americans, and Israel,’ the then President Saleh is reported to have told one US ambassador, of the war he oversaw with the Houthis between 2004 and 2010.

US officials were apparently more concerned that Saleh was diverting US-funded troops and equipment, meant to combat Al-Qaeda in the south of the country, to the fight against the Houthis. Of a ship that Sana’a claimed to be carrying arms from Iran bound for the Houthis, one dispatch noted: ‘sensitive reporting suggests that the ship was carrying no weapons at all’. The US government provided satellite imagery of Houthi positions during the sixth and final war in Sa’dah, but only once Saudi Arabia entered the fray.²³

Yemeni and Western officials have also accused Ali Salem al-Beidh, the former southern president who had backed unification but who then led the 1994 attempt at secession, of maintaining close ties with Iran. ‘Iran is training militants who are aligned with a separatist movement in southern Yemen, while Iran’s Lebanese proxy, Hezbollah, is providing some funding and media training to

¹⁷ Salisbury, Peter, West grows wary of Yemen’s Houthis as Shia group’s profile increases, *Financial Times*, 13 February 2014; <http://www.ft.com/cms/s/0/5cd5950a-9004-11e3-ae9-00144feab7de.html>.

¹⁸ Worth, Robert F., Yemen Seizes Sailboat Filled With Weapons, and U.S. Points to Iran, *New York Times*, 13 January 2013; <http://www.nytimes.com/2013/01/29/world/middleeast/29military.html>.

¹⁹ Author’s own, and others’, experience of reporting on the story at the time.

²⁰ Author interviews with Houthi supporters, residents of Houthi-controlled areas, 2014.

²¹ Multiple author interviews, Sana’a, 2014.

²² Author interview, November 2014.

²³ von Mittelstaedt, Juliane, ‘Operation Scorched Earth’: A US Hand in Yemen’s Civil War, *Der Spiegel*, 3 December 2010; <http://www.spiegel.de/international/world/operation-scorched-earth-a-us-hand-in-yemen-s-civil-war-a-732734.html>.

the group,’ the *Wall Street Journal* reported in June 2013, pointing to al-Beidh’s Hirak faction and citing Yemeni and Western officials – but again giving few substantive details.²⁴

The reality of Hirak is of course more complex than a simplified narrative of an Iranian proxy. The movement is a multi-stranded organization which many domestic and regional actors have attempted to co-opt in order to further their own causes and position themselves during Yemen’s political transition. ‘Overtures [have been] made by [former president] Saleh through his party the General People’s Congress (GPC),’ Al Jazeera reported of attempts by various groups to co-opt Hiraki factions, adding that Hirak factions had also been approached by representatives of Yemen’s then transitional president, Abd Rabbu Mansour Hadi, and claiming that Iran, Saudi Arabia and the UAE were among the regional governments making a play for influence in the south.²⁵

Analysts who study Hirak closely argue that there is little evidence that Iran or other external actors have provided direct military training to militant Hiraki factions, or training and support to the group’s leadership, in the way that they likely have the Houthis. Rather, assistance has been limited to funding key leaders – perhaps explaining why the Houthis have been so successful and Hirak so ineffective.

Beyond these claims, officials in Sana’a claim that the Houthis’ and al-Beidh’s television stations – Al Masira and Aden Live respectively – are both run from a Hezbollah-owned building in Beirut. (Sources at Aden Live dispute this assertion, saying that the two broadcasters’ offices are in different tower blocks several minutes’ walk from one another.) Two diplomatic sources provided the author of this paper with some anecdotal evidence pointing to open lines of communication between Tehran and the Houthis during the 2014 siege of Sana’a. According to these sources, Tehran instructed Houthi leaders to abandon plans to target foreign interests in the Yemeni capital, although this claim could not be verified at the time of writing and the author agreed not to disclose details relating to the issue in full.²⁶

A number of civil society activists who took part in Yemen’s 2011 uprising, including Houthi supporters and southern separatists, say that they were flown to Beirut by Iranian representatives during and after 2011. They compare the training they were given there to the ‘capacity building’ provided to civil society organizations by Western NGOs and government-backed schemes.²⁷

Tehran has limited itself to voicing sympathy for the Houthis, stopping short of claiming them as a proxy. In September 2014 Ali Akbar Velayati, a close associate of Ayatollah Khamenei, was reported to have said that Tehran ‘supports the Houthis in their rightful struggles’. Others have been less circumspect. Alireza Zakani, an Iranian Majlis deputy who according to regional media is close to Khamenei, made claims in the Iranian press that the Houthi takeover of Sana’a was a ‘victory for

²⁴ Abi-Habib, Maria, Fears Grow Over Yemenis’ Ties to Iran, *Wall Street Journal*, 20 June 2013; <http://www.wsj.com/articles/SB10001424127887324904004578536884215565420>.

²⁵ Salisbury, Peter, Yemen’s Southerners see hope in Houthis’ rise, Al Jazeera English, 20 October 2014; <http://www.aljazeera.com/news/middleeast/2014/10/yemen-southerners-see-hope-houthis-rise-2014102052535893759.html>.

²⁶ Author interviews, Sana’a, August–September 2014. Because of the sensitive nature of these disclosures, the author has been asked not to give further details in public. However, in documentation supporting UN sanctions against Saleh and two leading Houthi commanders, the claim is made that Abdelkhaleq al-Houthi, a brother of the movement’s leader, planned to attack the US embassy in Sana’a before being instructed not to do so by unknown Houthi officials: see <http://www.un.org/press/en/2014/sc11636.doc.htm>.

²⁷ Historical author interviews with Yemeni activists.

the regime in Tehran’, adding that Iran now controlled four capitals: Baghdad, Beirut, Damascus and Sana’a.²⁸

It is difficult to conceive that the group, isolated for much of its existence in the mountainous northern interior, would have been able to evolve an organized and tactically assiduous fighting force without some external support. It is less difficult to believe that it was able to arm itself, however. Yemen is awash with weapons and is a major hub for the arms trade, meaning that claims that arms are being shipped to the country become something of a moot point.

Many Yemenis highlight the sharp irony of US and Saudi claims of Iranian ‘interference’ in Yemen, in the context of the support provided by both Riyadh and Washington to the autocratic Saleh for much of the last decade of his rule, and having worked in close cooperation with his regime on counterterrorism operations from 2003 onwards. Saudi Arabia also backed Saleh’s earlier efforts to install Salafists in place of Zaydi imams in mosques in northern Yemen, as well as his fight against the Houthis – for which the US also provided some intelligence support – catalysing the group’s rhetoric against foreign intervention.

Since the Houthi takeover of Sana’a, it has become increasingly clear that the Houthis’ principal sponsor was not an external actor but rather ex-president Saleh, who has encouraged his tribal and military allies to either stand aside or support the Houthi campaign, and whose loyalists make up a significant proportion of the ‘popular committees’ that have patrolled the streets of the capital since September 2014.

Historical tensions and current realities

The United States and Saudi Arabia also backed, to an extent, Saleh’s violent campaign against the Houthis in their northern heartland, Sa’dah, in six wars between 2004 and 2010 – conflicts that, in part, led to the then president’s declining legitimacy during the first decade of the new millennium. The US-led programme of drone strikes in Yemen is also seen as a driver of – rather than a barrier to – extremism. As one Sana’a-based political analyst put it: ‘They can hardly claim that the Iranians are undoing the stability they have fostered in Yemen, or blame the Houthis for looking elsewhere for support, can they?’²⁹ Meanwhile, careful analysis of GCC relations with Yemen, and with the Houthis, over the past decade shows that internal rivalries among the Gulf states have been virtually as pronounced as the enmity with Iran.

The GCC countries have long seen Yemen as the weak link in the region – a potential source of instability for the Arabian Peninsula as a whole and to key maritime routes. Kuwait, Qatar, Saudi Arabia and the UAE have for decades funded hospitals and schools in Yemen, as part of efforts to aid the country’s development; and most of the Gulf states have conducted humanitarian appeals since the mid-2000s, when Yemen’s agricultural base was badly damaged by a series of devastating floods.

²⁸ Reported in English in Middle East Monitor, ‘Sanaa is the fourth Arab capital to join the Iranian revolution’, 27 September 2014; <https://www.middleeastmonitor.com/news/middle-east/14389-sanaa-is-the-fourth-arab-capital-to-join-the-iranian-revolution>.

²⁹ Author interview, Sana’a, October 2014.

Qatar, the UAE and Kuwait have each made efforts to invest in major schemes in Yemen. Doha backed a \$600 million real estate scheme in Sana’a, and Dubai Ports World (DP World) took over the concession to run the southern port of Aden in 2008 – a contract for which a Kuwaiti firm had also bid. Such efforts have often been frustrated, however. The Qatari scheme remains incomplete, while DP World relinquished the Aden concession in 2012 after being accused of deliberately damaging the port’s reputation in order to boost traffic through Dubai itself as well as through a port in Djibouti that is also controlled by the company. Meanwhile, Riyadh has regularly made direct cash transfers to Sana’a to keep the country afloat: most recently, Saudi cash to the value of more than \$4 billion has been used to stabilize the economy since the beginning of Yemen’s political transition.

While the GCC states have generally focused on Iran in their public narrative on the Houthis, a key source of tension related to the group prior to 2011 was the differing roles played by Qatar and Saudi Arabia in the six-year conflict between the group and the Saleh regime. Riyadh had backed plans to crush the Houthis since at least 2008, concerned that the group’s rise would inspire its own Zaydi and Shia minorities. Doha, for its part, attempted to play the role of mediator in the conflict. In 2007 the then emir, Hamad bin Khalifa Al Thani, visited Yemen and dispatched a Qatari delegation to Sa’dah to help broker a ceasefire, offering up to \$500 million for the reconstruction of the province in exchange for Houthi disarmament. A ceasefire accord (known as the Doha agreement) between the Yemeni government and the Houthis was signed in the Qatari capital in February 2008. When the ensuing truce was broken, Qatar again sent envoys to try to end subsequent conflicts – including the sixth war, in which Saudi Arabia was an active participant.

Since Yemen’s Arab Spring – at which time Saleh ordered the Qatari ambassador to Yemen out of the country, having accused Doha of backing conservative Islamist military, tribal and political groups in agitating for his overthrow, Qatar’s role in Yemen has continued to diverge from that of Saudi Arabia. Doha was not a signatory to the so-called ‘GCC deal’ whereby Saleh finally agreed to step down, having been asked not to take part in negotiations. Since 2013 the Qatari government has been sidelined in Sana’a, while Saudi Arabia has backed attempts to marginalize the same Sunni groups – which it views in the same negative light as it does Muslim Brotherhood organizations elsewhere in the region – that Doha allegedly supported during 2011 (claims of continued Qatari support are an ongoing source of tension). In an apparent return to its ‘soft power’ roots, Qatar has offered millions of dollars to help make reparations to former southern civil servants as part of efforts to ease tensions in the south of Yemen.

It is unclear, meanwhile, what position each of the GCC states took during the Houthi siege of Sana’a. Several regional journalists reported following the rout that the UAE had provided support to Saleh.³⁰ The former president is said in turn to have facilitated the Houthis’ entry into the Yemeni capital,³¹ as part of a manoeuvre aimed at further weakening the conservative Sunnis who are his biggest political rivals – and whom Saudi Arabia and the UAE regard as an existential threat. Diplomatic sources in Sana’a say that if this was the case – and few actually believe that it was – it is

³⁰ Hearst, David, Was the UAE behind the Houthi takeover of Sana’a?, *Middle East Eye*, October 2014; <http://www.middleeasteye.net/news/was-uae-behind-houthi-takeover-sanaa-1340168724>.

³¹ Salisbury, Peter, The Trouble With Yemen, *Bloomberg Businessweek Middle East*, 1 November 2014; <http://businessweekme.com/Bloomberg/newsmid/190/newsid/263>.

unlikely that Abu Dhabi would have acted without the knowledge of Riyadh.³² Both the UAE and Saudi Arabia deny involvement, and it seems that if they did initially support Saleh and the Houthis, they quickly reversed that position.

Since the Houthi takeover, the group’s prominence has presented Western and GCC states – particularly the United States and Saudi Arabia – with a series of complex policy challenges. After taking the capital, the Houthis began to focus on Al Baydah province, in central Yemen. The province is a noted hotbed of support for AQAP, which before the emergence of Islamic State (IS) had been characterized by Washington as the region’s deadliest Al-Qaeda franchise. The Houthis have also repeatedly backed plans to overturn Yemen’s historical status quo and push for a new constitution and democratic elections, echoing the stated aims of Western embassies in Sana’a. Attempts to dislodge the group would likely exacerbate an already perilous power vacuum in the north of the country, ease pressure to bring the transition to an end and give AQAP something of a reprieve. As of early 2015, the country was faced with yet another severe fiscal crisis, which could only be averted by yet more Saudi funding. Riyadh is loath to underwrite a country that it regards as being in the hands of a militant Shia group, but is said to be mindful that a worsening economic crisis could lead to a wave of unwanted northward economic migration.

Houthi supporters acknowledge that Yemen needs external financial support if it is to avoid an economic meltdown. ‘We know we need money to keep the government running and pay for things,’ said a pro-Houthi activist with close ties to the group’s leadership. ‘So we can’t just do what we want and alienate everybody else.’³³

The complexity of this balancing act was laid bare in early November 2014, when the United States – at the urging of the GCC, particularly Saudi Arabia – petitioned the UN Security Council to impose sanctions on Saleh and two leading Houthi field commanders.³⁴ The sanctions were approved by the Security Council on 7 November. An earlier list of sanctions targets leaked to Al Jazeera (and confirmed to the author by diplomats in Sana’a) had included Abdelmalek al-Houthi, but it can be inferred that the group’s leader was removed from the list because Riyadh and Washington recognize the reality that they may well need to cooperate with the Houthis in the future.

Such cooperation is unlikely to come on the easy terms of the past. The pro-Houthi activist cited above also commented that while the group recognizes the need for interaction with foreign powers, Yemen’s foreign policy is likely to become more closely aligned with Iran’s as the group becomes more influential in matters of government. In this regard, he made the case that the government will become more focused on the eradication of Sunni extremist movements such as AQAP and IS, and on pushing aggressively for a solution on the issue of Israel and Palestine. The former focus broadly aligns with Saudi and US interests, while the latter also (ostensibly) fits with the stated foreign policy aims of both Saudi Arabia and Iran. The prospect of Yemen becoming more aligned with Iranian foreign policy would, however, create serious concerns for Saudi Arabia, which

³² Author interviews, Sana’a, September–October 2014.

³³ Author interview, Sana’a, November 2014.

³⁴ Michols, Michelle, U.N. sanctions Yemen’s ex-President Saleh, two rebel leaders, Reuters, 7 November 2014; <http://www.reuters.com/article/2014/11/07/us-yemen-un-sanctions-idUSKBN0IR2EA20141107>.

ultimately fears that the Houthis could become a direct threat to its own interests and even to its own territory.

But such an arrangement now seems unlikely. Since early 2015 the Houthis have taken an increasingly aggressive stance against foreign intervention, repeatedly blaming the country’s security and economic problems on external actors and Yemeni government ‘puppets’. The events of January 2015 – when the Houthis seized control of the presidential palace, together with Abd Rabbu Mansour Hadi’s private residence in Sana’a and the headquarters of Yemen’s two main intelligence organizations, before demanding further political power – have shown that the sanctions have done little to stem the Houthis’ rise, and it is unclear what, if any, leverage the international community has over the movement.

Conclusion

At first sight, Yemen appears likely to be another country where Saudi–Iranian tensions further complicate existing homegrown rivalries. At root, however, the latter are local disputes, far more than they are a proxy conflict between Saudi Arabia and Iran. The Houthis’ recent expansion is partly a reflection of a newfound alliance with an unlikely bedfellow: former president Saleh is at heart a nationalist secularist – and historically an enemy of the group – but is for now an ally against their common rivals.

The Houthis’ expansion into provinces south of Sana’a since their takeover, and their increasingly aggressive stance in Sana’a itself, suggests that their capacity for risk remains undiminished, and that, as many suspect, they have been spurred on by overinflated confidence caused by the ease with which they seized the capital. Southerners now worry that the group may spread further south towards Aden, where, allegedly, they already have a growing presence. Their progress is likely to be slowed by AQAP – which if anything has gained more support since the Houthi takeover, reflecting fears among Sunnis that the Houthis plan on imposing their own religious doctrine on the country once they have achieved their territorial ambitions.

It is unclear whether the group is in the process of overstretching itself, as many now believe – or, if it proves successful in its bid to control the entire country, whether it will be able to sustain its position. Neither is it clear how the GCC, and Saudi Arabia in particular, will react to the Houthis’ continued territorial expansion and increasing marginalization of the transitional institutions. Both sides seem to be willing to moderate their positions in order to cooperate, but the Saudis are particularly concerned that, should the Houthis come to control Yemen for the longer term, the group’s next target could be its northern neighbour – with or without Iranian support. Ultimately, if Yemen is to return to a degree of stability, and is to remain geographically intact, a compromise will need to be reached that satisfies, above all, the needs of domestic players while securing the support of the country’s long-term patrons.

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