

BETWEEN HEGEMONIC ASPIRATIONS AND THE NEED FOR PEACE AND STABILITY: **SAUDI ARABIA'S ROLE IN SOUTHERN YEMEN**



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COVER PHOTO: Representatives from the Southern Transitional Council and the internationally recognized Yemeni government sign the Riyadh Agreement in the Saudi capital on November 5, 2019 // Photo: SPA



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INTRODUCTION

Close engagement with Yemen has been one of the fundamentals of Saudi foreign policy since modern Saudi Arabia was established in 1932. Saudi policy toward Yemen has been shaped by four basic factors: Yemen's foreign and domestic policy; regional and international developments; the nature of the Saudi regime and its decision-making mechanisms; and the political and security consequences of having a long, shared border. Saudi Arabia has experienced three major political events to its south: the 1962 revolution in North Yemen,^[1] the rise of the socialist regime in South Yemen in 1967,^[2] and the unification of North and South Yemen in 1990.^[3] Riyadh employed a range of soft power tools including a network of local alliances, dispensing economic aid, and propagating its Sunni Islamic ideology – Salafi-Wahhabism – to maximize its political influence in times of stability and wage proxy wars in times of conflict. Before the current conflict, direct Saudi military intervention was restricted to protecting its borderlands, such as the 1969 war with the leftist government in Aden and the 2009 war with the armed Houthi movement (*Ansar Allah*).

Saudi actions have been underpinned by fear of a strong, hostile state on its border. Now, over three decades after the proclamation of the unified Republic of Yemen, Saudi Arabia fears the opposite: that Yemen remains a weak and failed state. When he took power in 2015, King Salman launched Operation Decisive Storm with the stated objective of ending the Houthi seizure of power and restoring the internationally recognized government to power in Sana'a. But the realities of Yemen's domestic dynamics and regional geopolitics – among them, the weakness of the legitimate government, a resurgent southern movement demanding an independent southern state, disagreements between Saudi Arabia and its main military coalition partner, the United Arab Emirates, US pressure to end the war, the humanitarian crisis, Houthi battle resilience – stymied those

[1] Tawfeeq al-Ganad, "September 26 revolution and regional transformations: How Saudi Arabia tightened its grip on the first republican regime in the Arabian Peninsula [AR]," Khuyut, September 26, 2020, <https://www.khuyut.com/blog/09-25-2020-0september>

[2] Bruce Riedel, "Saudi Arabia and the civil war within Yemen's civil war," Brookings Institute, August 15, 2019, <https://www.brookings.edu/blog/order-from-chaos/2019/08/15/saudi-arabia-and-the-civil-war-within-yemens-civil-war/>

[3] Mark Katz, "Yemeni unity and Saudi security," in *Political Transformations in Yemen, Western Studies and Research, 1990-1994* (Sana'a: The American Center for Yemeni Studies, 1995).

hopes. As a result, Saudi policy has focused on three objectives over the past two years: consolidating its dominant position in areas held by the internationally recognized government in the south and east of the country; containing the security threat posed by the Houthi movement, most notably on its southern border; and mapping out a political settlement that allows Riyadh to remain a pivotal player in the Yemeni arena, supporting allies in bringing the war to a conclusion that suits Saudi interests.

Since the brokering of a cease-fire deal in Hudaydah in December 2018, southern Yemeni governorates have become a dynamic theater of operations for the Saudis, with Riyadh intensifying its military deployments from Al-Mahra in the east near Oman to the interim capital Aden in the southwest. This military activity was accompanied by renewed diplomatic efforts, culminating in the signing of the Riyadh Agreement in November 2019 between the secessionist Southern Transitional Council (STC), which demands a southern independent state, and President Abdo Rabbu Mansour Hadi's internationally recognized government. But Saudi Arabia has not faced an easy path in establishing political clout in southern Yemen. Its policy of supporting Hadi as the legitimate leader of Yemen has had to contend with features of southern politics such as calls for secession and political reform. This has obliged Saudi Arabia to engage a series of local actors inside Yemen, on one hand, and recalibrate its approach to regional actors such as the UAE, on the other. While this approach has ensured a period of relative stability in southern governorates, it now appears to be producing diminishing returns for Saudi Arabia and its ability to direct events according to its interests.

In examining the Saudi role in southern Yemen, this paper is divided into three sections. The first gives a brief historical overview of the evolution of Saudi policy toward South Yemen, from the latter's national independence in 1967 to the Houthi movement's takeover of Sana'a in 2014. The second analyzes the dynamics of the current Saudi role in the south, from Operation Decisive Storm to the conclusion of the Riyadh Agreement. The third addresses the peace dilemma in Yemen: the future of faltering Saudi mediation efforts in the south and ways of directing the positive, balancing aspects of the Saudi role toward a resolution of the conflict and lasting political reform.

HISTORICAL OVERVIEW

A border dispute and an ideological battle

The nationalist movement against colonial rule in southern Yemen traditionally derived much of its revolutionary legitimacy from its anti-Saudi stance. This hostility emanated from colonial-era border disputes in which Riyadh refused to recognize southern Yemen's claims of sovereignty over the towns of Sharurah and Al-Wadiyah. Fighting broke out between Saudi Arabia and South Yemen in 1969, during which southern forces failed to regain the disputed territory. Following this, the left-wing of the National Front that had managed to seize the reins of government in Aden in 1969 renamed the country the People's Democratic Republic of Yemen in 1970, instituting a socialist program of revolutionary change.^[4] In the proxy wars that followed, Saudi Arabia supported southern groups opposed to the socialist regime, providing some with arms, while also helping consolidate the power of the government in North Yemen at the same time as protection from the radical south. The Aden regime, meanwhile, supported revolutionary leftist movements in North Yemen and some Gulf states and deepened its alliance with the Soviet Union. Soviet influence over southern Yemen – including the Bab Al-Mandab Strait – remained a constant concern for Riyadh and its ally Washington.^[5]

Saudi policy had mixed fortunes. In the north, following the withdrawal in 1967 of Egyptian forces who had supported the republican government, Saudi Arabia switched to backing the Yemen Arab Republic. But North Yemen still suffered intense political and social turmoil in the aftermath of the civil war (1962-1970), and some northern leaders occasionally tried to pivot away from Riyadh through rapprochement with Aden or openness to the Soviet Union.^[6] In this context Riyadh found Islamic movements and tribal sheikhs to be an important

[4] In the 1950s, colonial power Britain unilaterally established a border between Saudi Arabia and its eastern protectorates of Hadramawt and Al-Mahra. Riyadh did not recognize the British demarcation line, retaining military control of the two border areas. See Fred Halliday, *Revolution and Foreign Policy: The Case of South Yemen, 1967-1987* (Cambridge: Cambridge University Press, 1990).

[5] Helen Lackner, "Socialist Revolution in Arabia," *Orient Magazine*, November 30, 2017, <https://orientxxi.info/magazine/article2157>

[6] In 1979, clashes broke out between the Sana'a and Aden regimes. Northern leader Ali Abdullah Saleh secured weaponry from Moscow that enabled Sana'a to eliminate an Aden-backed insurgency. Before his assassination in 1977, President Ibrahim al-Hamdi planned to pursue unification with the southern leadership.

means of ensuring stability and safeguarding its interests. As for South Yemen, it suffered through its own political crises, most notably the civil war of January 1986 and the break up of the Soviet Union. But events took an unexpected turn for Saudi Arabia when the Sana'a and Aden regimes came together to declare a unified Republic of Yemen in 1990. Riyadh viewed unification as a threat for a number of reasons. Ideologically, the democratic model accompanying unification represented a threat to Gulf monarchies. Strategically, unification upended a balance of power in the Arabian Peninsula that had given Riyadh a position of dominance: Yemen overnight became a strong neighbor, through the discovery of oil, the prospect of the northern and southern armies merging as one, a population size roughly equaling that of Saudi Arabia, and vast territories in strategic locations theoretically under one political authority. Unification also raised the prospect of renewed border conflict with Saudi Arabia since a stronger Yemeni state might now decide once again to press border claims against Saudi Arabia. In 1989, Aden had rejected a Saudi offer of financial aid in return for resolving the border question, preferring the unification approach for ideological and strategic reasons.^[7] After 1990 the united republic formalized its eastern border with Oman, but the northern border remained unresolved.

[7] Unity would allow a settlement of border issues from a position of strength. Aden had also begun discussing a transition to a market economic model, which would have more legitimacy in the context of unification. The Saudi foreign and finance ministers were in Aden three days before Saleh visited in November 1989 to sign the unity agreement. Yemeni Socialist Party (YSP) politburo member Jarallah Omar (d. 2002) outlined Aden's thinking in his memoirs: "I recall that [YSP general secretary] Ali Salem al-Beidh and others said explicitly: We should speed up the establishment of Yemeni unity before we become an oil state. This was a very important point. Ali Salem al-Beidh held on to his opinion which we all agreed with, as we wanted unity before the south could become an oil state. The people in the south and many others will oppose unity and they are going to want Aden and the south to be the same as the small Gulf states." See "Jarallah Omar's Memoirs – 7 [AR]," *Bidayat*, Issue 22, 2019, <https://bidayatmag.com/node/1003>

The invasion of Kuwait and attempted secession of the south

Saudi apprehension toward the new regime in Sana'a continued to grow. A year after unification, this turned into outright hostility as a result of Yemen's support for Saddam Hussein during the Gulf War. Meanwhile, the intense polarization that set in as the unification project began to sour saw Riyadh begin to explore opportunities for cooperation with southern leaders pushing back against attempts by President Ali Abdullah Saleh to relegate them to junior partners in governance.^[8] Cairo and most Gulf states aligned with Riyadh in seeking to secure a UN resolution to prevent the forces of President Saleh from assaulting Aden during the civil war of 1994.^[9] Saudi Arabia supported southern groups opposed to the unification, such as the National Front of Southern Opposition, which tried to bring in southern leaders who had fled abroad, as well as the armed Movement for Self-Determination (aka the Hatm movement) led by military commander Aiderous al-Zubaidi (now president of the STC) and backed by Ali Salem al-Beidh, the last president of South Yemen who left the country following the defeat of the southern forces in 1994.^[10]

Saudi-Yemeni border skirmishes continued until 2000 when a new formal agreement on land and maritime borders was reached. The Treaty of Jeddah^[11] solved Saudi Arabia's major concern about its southern neighbor, bringing about a fundamental change in its foreign policy. Riyadh now became more inclined to support the status quo and its various institutions, overseen by President Saleh. Riyadh even pushed its network of allies in both north and south to support Saleh's candidacy in the 2006 presidential election. Meanwhile, political tensions and opposition in the south saw a temporary lull after the Hatm movement declared its dissolution in 2002.

[8] According to diplomats in the north and south, communications between Riyadh and the YSP were established in 1991, managed by party officials Mohammed al-Qaiti and Ahmed Obeid bin Dagher and helped by Prime Minister Abu Bakr al-Attas's good ties with Saudi Arabia. When Al-Beidh declared secession in May 1994 he appointed Abdul Rahman Al-Jifri, leader of a pro-Saudi faction, as his deputy and Al-Attas as prime minister.

[9] Many Yemeni researchers believe the decision to secede was made with Saudi support. Riyadh also backed elements of the northern army that invaded the south, tipping the balance in favor of Saleh. The aim may have been to perpetuate division, but Aden's defeat was an unforeseen consequence.

[10] Dua Suwaidan, "Ali Salem Al-Beidh: To Saudi Arabia he flowed [AR]," Al-Akhbar, June 2, 2015, <https://al-akhbar.com/Yemen/21846>

[11] The Jeddah Agreement established the Saudi-Yemeni border based on the 1934 Treaty of Taif. In the south, the border was settled amicably with Riyadh ceding Al-Wadiah and Yemen ceding Sharurah, while the border strip was extended from Jabal Al-Thar to the Omani-Saudi border.

Erosion of the system of unity and the rise of non-state actors

During the 2000s, the Saudis focused on addressing security threats in Yemen stemming from the activity of extremist groups. Foremost among them was Al-Qaeda, which was able to direct and support its Saudi branch from safe havens in southern and eastern Yemen. These two branches announced a merger in 2009 under the name Al-Qaeda in the Arabian Peninsula (AQAP). That year AQAP almost succeeded in assassinating Prince Mohammed bin Nayef, then Assistant to the Minister of Interior for Security Affairs, who had won praise in Washington as the mastermind of the kingdom's counterterrorism campaign against Al-Qaeda. It was during this period that the Houthi movement also emerged as a force to be reckoned with in the north, gaining military strength through a series of six wars with the Yemeni state. The last of these wars spilled over into Saudi territory in 2009 as the Houthis accused Riyadh of backing government forces.

So, while unified Yemen no longer posed a strategic threat for Riyadh, it nonetheless remained an unpredictable ally. "We support Yemen's unity, but we don't trust Saleh," King Abdullah was quoted as saying in a February 2009 US diplomatic cable released by Wikileaks.^[12] This distrust related to both Saleh's probity and ability to govern. With the rise of the secessionist Southern Movement in 2007, Saudi Arabia began to consider diversifying its political alliances. This came as Riyadh's southern allies gradually shifted away from President Saleh to align themselves with the Southern Movement's discourse of reform and then with its language of secession.^[13] Since 2009, some southern Salafi figures have also become voices in the southern secessionist movement.^[14] As a result, Riyadh continued support for its conservative allies, tribes and Islamists in the south, but at a low level.

[12] "US ambassador to Riyadh: King Abdullah supports Yemen's unity but does not trust President Saleh [AR]," Al-Masdar, January 2, 2011, <https://almasdaronline.com/articles/58324>

[13] Formly pro-Saleh, Abdul Rahman al-Jifri began to take a critical stance in 2007; see comments in al-Ayyam, September 19, 2007, <https://www.alayyam.info/news/33UMUIO0-YYPS90>

[14] Sheikh Tariq al-Fadli was one of the most prominent figures who tried to play a leading role in the movement. In May 2009 Salafi sheikhs from Aden and Hadramawt boycotted a Salafi conference in Sana'a held to condemn the calls for secession; see "The Salafiyya in Yemen Conference Ends Its First Meeting in Sana'a and Affirms its Support for the Government against Separatists [AR]," Mareb Press, May 29, 2009, https://marebpress.net/news_details.php?lng=arabic&sid=16808

This two-pronged strategy – concurrently supporting state institutions and forces antagonistic to the government – contributed to deepening the perception of Yemen as a failed state. It also underscored how Saudi policy toward Yemen had become increasingly fragmented, a reality that became starkly apparent during the Arab uprisings. This was due in part to the rivalry between King Abdullah, who was close to President Saleh, and the Crown Prince Sultan, who had traditionally managed the extensive Saudi patronage network in Yemen, which included tribal sheikhs in various regions and the the Islamist Islah party.^[15] In 2011, Saudi Arabia faced the threat of a wave of revolts across the region, including in Yemen where non-state actors such as the Southern Movement, the Houthi movement and AQAP had grown in influence. Prince Sultan and Interior Minister Prince Nayef bin Abdulaziz, key stalwarts of the Saudi regime, passed away in 2011 and 2012, respectively, impacting Riyadh's lines of communication with local Yemeni allies including President Saleh. Al-Qaeda took control of extensive areas in southeastern governorates. Meanwhile, Saudi Arabia's archrival Iran established ties with the Southern Movement, including its more radical factions led by Al-Beidh.^[16] Some southern armed factions began to gain control of rugged rural areas in the southwestern governorates, while the Hatm movement declared the resumption of combat missions in 2011.^[17]

With the formation of a Muslim Brotherhood-led government in Egypt in 2012, Saudi Arabia focused its attention on countering the Islamist group across the region and Turkish-Qatari axis supporting it. Critically, this had the effect of further weakening Riyadh's ties with Yemeni allies such as the Islah party and general Ali Mohsen al-Ahmar, with whom Qatar had managed to establish its own bonds of alliance. The Houthis were able to take advantage^[18] of these significant cracks in the power structure linked to Saudi Arabia to extend their influence throughout the northern governorates.^[19]

[15] Ginny Hill and Gerd Nonneman, "Yemen, Saudi Arabia and the Gulf States: Elite Politics, Street Protests and Regional Diplomacy," Chatham House, May 2011, https://www.chathamhouse.org/sites/default/files/field/field_document/Yemen%20Saudi%20Arabia%20Gulf%20States%20May%202011%20AR.pdf

[16] Salwa Fadel, "Differences between Al-Beidh and Tehran cause closure of Aden Live in [Beirut's] Dahiya suburb [AR]," Janoubia, November 7, 2014, <https://bit.ly/3sG85iv>; and "Dead and wounded in Aden, Expected visit by Al-Beidh to Iran [AR]," Yafa News, November 4, 2012, <https://yafa-news.net/archives/244>.

[17] "An Armed Movement Resumes Activities in Southern Yemen [AR]," Al Jazeera.Net, June 24, 2011, <https://bit.ly/32uH9Hy>.

[18] For more on Houthi strategy see "Saudi policy towards the Houthis before Operation Decisive Storm: A Reading of Positions and Transformations [AR]," Arab Policy Forum, no date available, <https://bit.ly/3HdsWgW>

[19] Ginny Hill and Gerd Nonneman, "Yemen, Saudi Arabia and the Gulf States: Elite Politics, Street Protests and Regional Diplomacy," Chatham House, May 2011, https://www.chathamhouse.org/sites/default/files/field/field_document/Yemen%20Saudi%20Arabia%20Gulf%20States%20May%202011%20AR.pdf

The Houthi takeover of Sana'a

Faced with the shock of the Houthi takeover of Sana'a in September 2014, Riyadh set aside whatever disputes it had with the various local actors (the Southern Movement, Islah, Ali Mohsen) in order to direct its full efforts toward bolstering the legitimacy of the government led by President Hadi, who had succeeded Saleh, and countering the Houthi expansion. Since it was outside the Houthi sphere of influence, southern Yemen also acquired increased strategic significance to Saudi Arabia as an area that could be mobilized against them. Saudi intelligence helped smuggle Hadi out of house arrest in Sana'a to Aden, and provided his government with political and financial support.^[20] Hadi, facing a Houthi march southward, was later forced to flee to Oman, as Al-Beidh had done in 1994. The Saudis remained, however, a decisive factor in the unfolding conflict. They were not only instrumental in obtaining a UN resolution condemning the Houthi assault on Aden and the south; Riyadh also mobilized Arab allies for war against the Houthis and their surprise partner, former president Ali Abdullah Saleh (who was eventually killed in clashes with the Houthis in 2017 after their alliance collapsed). Still, the confluence of circumstances that brought the Houthis to power forced Riyadh to undertake a major rethink of its aims and actions in Yemen.

[20] Yemeni tribal and political sources to author, March-September 2020..

SAUDI POLICY DURING THE WAR: FROM STORM TO PACIFICATION

Hosting Hadi and the battle for southern Yemen

Three factors drove the Saudi decision to intervene militarily in Yemen in early 2015: the Houthis had advanced into the governorates of southern Yemen, crossing all Saudi red lines; US-Saudi relations became severely strained after the signing of the Iran nuclear deal, inducing in the Saudi leadership a sense of having to act alone to protect vital interests; and the death of King Abdullah in early 2015, which saw the center of power in the kingdom shift to King Salman and his favorite son, Prince Mohammed bin Salman, whom he had appointed as minister of defense.^[21]

The Saudi strategy was to take back Aden and the southern governorates in cooperation with the UAE, Riyadh's main ally in the war who put troops on the ground in the south. Riyadh reached out to prominent leaders of the former South Yemen, including former President Ali Salem al-Beidh, former prime minister Haider Abu Bakr Al-Attas and former Secretary-General of the Yemeni Socialist Party Yasin Saeed Numan, to mobilize support for Operation Decisive Storm. On the ground, two main political groups emerged as essential for the military response, the Salafis and the Southern Hirak movement. Riyadh was prepared to engage with the secessionists as a tactical move, assuming their demands could be managed through power-sharing arrangements – specifically, the six-region federation plan drawn up before Sana'a fell.^[22] Riyadh also expected southerners to keep out of Iran's sphere of influence and focus their energies on deterring Houthi expansion. But the Southern Movement's strategy was to exploit the Emirati military presence for its own ends.

[21] Mansur al-Marzuqi, "King Salman's one year in Al-Yamamah palace: Break or continuation? [AR]" Al Jazeera Center for Studies, January 12, 2016, <https://studies.aljazeera.net/ar/reports/2016/01/201611294313309689.html>

[22] Maysaa Shuja al-Deen, "Federalism in Yemen: A Catalyst for War, the Present Reality and the Inevitable Future," Sana'a Center for Strategic Studies, February 28, 2019, <https://sanaacenter.org/publications/analysis/7124>

Saudi and Emirati Aims Diverge

At the end of 2015, Riyadh pressured President Hadi to include a new UAE-aligned group of southern leaders in his government. Foremost among them were: Aiderous al-Zubaidi, who was appointed governor of Aden; Shalal Shayea, who was appointed as director of security for Aden; and Hani bin Breik, who was appointed minister of state. At the same time, Saudi Arabia pressed Al-Beidh to rein in secessionist rhetoric and activities – a message reinforced by Saudi coalition airstrikes in May 2016 on Al-Aar camp in Yafa where secessionists were thought to be training irregular forces.^[23]

Following its initial military success in pushing Houthi forces out of southern Yemen, Riyadh, which wanted to prevent any significant political changes in Yemen, put forward a three-point plan. This included: the transfer of power from President Hadi to his Vice President Khaled Bahah as a figure acceptable to all parties; the formation of a new government on the basis of 2016 peace talks in Kuwait; and deescalation with the Houthis through military arrangements within the framework of agreements made in the southern Saudi town of Dhahran al-Janoub.^[24]

But this Saudi approach, which aligned with the changing international and regional environment (such as the Obama doctrine and Iran nuclear deal), suffered from political mismanagement. There was the intense personal rivalry between then Crown Prince Mohammed bin Nayef and Mohammed bin Salman, who in addition to being Minister of Defense also served as Deputy Crown Prince, which manifested itself in disagreements over the Yemen war. Secondly, Saudi bureaucrats managing the Yemeni file had a conventional mindset that was out of touch with both the requirements of the new Saudi policy and the new realities of Yemen. President Hadi and allies in the Islah party exploited these Saudi contradictions well to strengthen their positions within the legitimate government and block Saudi plans. In April 2016, Hadi removed Bahah from office and appointed two figures well-known to Riyadh: Ali Mohsen al-Ahmar as vice president and Ahmed Obaid bin Dagher as prime minister. Hadi killed two birds here with one stone: He halted the internationally backed political transition (away from him) and undermined growing Emirati influence in the

[23] "The secrets of Saudi Arabia's threats to Ali Salem al-Beidh, following his escalated moves and demands in the Yemeni street for secession [AR]," Al-Quds, May 31, 2016, <https://bit.ly/3z8uW7C>.

[24] Salman Rashid al-Amari, "The direction of the Kuwait talks on Yemen [AR]," Al-Bayan, April 18, 2016, <https://www.albayan.co.uk/Article2.aspx?id=5033>.

south, particularly after the UAE-led liberation of Mukalla from Al-Qaeda control. In early 2017, Hadi repeated this trick, dismissing other southern leaders allied with the UAE.

The UAE response was to support the creation in 2017 of the Southern Transitional Council (STC), that demands an independent southern state, and which is headed by Al-Zubaidi, who had been sacked as governor of Aden by Hadi. The creation of the STC appeared to again cross Saudi red lines. But while refusing to recognize the body, Mohammed bin Salman held off from hostile actions against it to spare the Saudi-UAE relationship any public ruptures. The Saudi leadership was also preoccupied in mid-2017 with both the Gulf diplomatic crisis with Qatar and arranging the replacement of Bin Nayef as crown prince with Bin Salman.

This change in the Saudi power structure would lead to a more hardline policy on Yemen – one more inclined toward confrontation and a desire to impose Saudi writ. On the one hand, Riyadh began deploying military forces to Al-Mahra and parts of Hadramawt governorate, which are geographically contiguous with Saudi Arabia. On the other, in 2018 Saudi military leaders began to study plans for establishing permanent military bases in Aden, Taiz and Shabwa, and restructuring government forces to be as effective as the UAE's southern allies.^[25] Riyadh maintained strong support for Hadi as head of the official government, working to arm his forces in the south^[26] and build up as wide a network of allies as possible.^[27] Still, the Saudi presence in Al-Mahra provoked a local backlash led by Sheikh Ali Salem al-Hurayzi, with backing from Oman and Qatar.^[28] As a result, the outlines of Saudi policy towards southern Yemen were formed in 2017-2018 on the basis of two factors: changing relations of cooperation/rivalry with Abu Dhabi and the divisions which emerged as a result between the STC and southerners in Hadi's government; and similarly shifting relations with Muscat and Doha, which created further strains for Saudi policy.

[25] This is according to the statements of a senior military official in the Yemen defence ministry who is close to Riyadh and President Hadi. This was also confirmed by military sources close to the UAE in Aden.

[26] Riyadh's support for Hadi continued despite reservations about his performance. Riyadh pressured him in 2018 to reconcile with Abu Dhabi ahead of the Hudaydah battles with Houthi forces, though without bringing UAE allies into his government.

[27] Although the Hadramawt Inclusive Conference (HIC) was established in 2017 with the support of Abu Dhabi, Riyadh was later able to bring HIC into its sphere of influence. As a result, the HIC rejected alliance with the secessionist STC and took positions in Hadi's cabinet. In Shabwa, Riyadh maintained its tribal alliance base even with figures who cooperated with Abu Dhabi such as Sheikh Saleh bin Farid. During fighting in Shabwa in August 2019, Bin Farid sided with Riyadh and Hadi, renouncing the STC.

[28] Riyadh contained the resistance by attracting a large number of Al-Mahra sheikhs and drawing on popular concerns over UAE influence, STC militants and smuggling. See Yahya al-Sewari, "Yemen's Al-Mahra: From Isolation to the Eye of a Geopolitical Storm," Sana'a Center for Strategic Studies, July 5, 2019, <https://sanaacenter.org/publications/analysis/7606>

Despite Mohammed bin Salman's firmer grip on power in Saudi Arabia, internal problems continued to plague policy since neither the Saudi cabinet's long-standing special committee on Yemen nor the Saudi embassy (which moved to Aden in 2015) were attuned to working with the new Saudi leadership. The murder of Saudi journalist Jamal Khashoggi in October 2018 also increased international pressure on Saudi Arabia to change course in the Yemen war, leading to the December 2018 Hudaydah cease-fire agreement that caused rifts in the coalition and the Yemeni government camp. At this juncture, de facto ruler Mohammed bin Salman put management of Saudi Arabia's Yemen policy in the hands of his brother, Deputy Defense Minister Prince Khalid bin Salman, reflecting Bin Salman's busier schedule after assuming the mantle of Crown Prince as well as a desire to distance himself from a war which had not gone as planned.^[29]

Return to pacification

In 2019, Riyadh faced three main threats: Houthi strikes on oil facilities inside Saudi territory, military escalation by the STC in Aden; and the growing militarization of the conflict in Al-Mahra. In response to these challenges, Riyadh became notably more proactive in its pursuit of dialogue with various actors, including direct talks with the Houthi movement.^[30]

The Saudis conducted secret talks with the Houthi movement to examine the possibilities of a political settlement as well as an immediate cessation of hostilities on the Saudi-Yemeni border. In 2019 Saudi Arabia used these back channels to explore a comprehensive cease-fire, but the efforts came to nothing. Houthi drone attacks increased during 2019, including a claim of responsibility for attacks on Aramco facilities in Abqaiq and Khurais in September 2019 that caused disruption to Saudi oil production lasting several weeks, although Washington and Riyadh both accused Iran of staging the drone and missile operation.^[31]

[29] The Yemeni file has always been managed by the second man in the kingdom (Sultan, Nayef Mohammed bin Nayef, etc.), except in times of emergency. See "Khalid bin Salman in charge of the Yemeni file in Saudi Arabia [AR]," *Al-Arabi Al-Jadid*, March 26, 2019, <https://bit.ly/3pBC9tI>

[30] "Saudi Arabia, Houthis discuss military de-escalation [AR]," *Al Jazeera.Net*, October 22, 2019, <https://bit.ly/3exXpKs>

[31] "Houthi drone attacks on 2 Saudi Aramco oil facilities spark fires," *Al Jazeera English*, September 14, 2019, <https://www.aljazeera.com/economy/2019/9/14/houthi-drone-attacks-on-2-saudi-aramco-oil-facilities-spark-fires>; Michelle Nichols, "U.N. investigators find Yemen's Houthis did not carry out Saudi oil attack," *Reuters*, January 8, 2020, <https://www.reuters.com/article/us-saudi-aramco-attacks-un-exclusive-idUSKBN1Z72VX>

In southern Yemen, bloody clashes in August 2019 between government and STC forces caused Khalid bin Salman to adopt a new approach: a mid-way between the hawkishness of his brother's policies during Operation Decisive Storm (thus, there was no Saudi military action in Aden) and the dovish policies of his cousin Mohammed bin Nayef, who had accepted the peace agreement between the Houthis and Hadi in 2014 that conferred legitimacy on the former without guarantees for implementation.^[32]

It was only after the Saudis ensured adjustments to the strategic balance of power in southern Yemen that they agreed to a settlement with the Abu Dhabi-backed STC in two phases. The first involved: dismantling the armed forces of the STC in Shabwa, where pro-government forces had defeated the Emirati-backed Shabwani Elite in the August fighting; the immediate deployment of Saudi and government forces at the governorate's airport; and imposing the six-region federation plan, isolating the STC (which never gave its assent) in the western governorates of the south. The second phase involved removing UAE forces in Aden and replacing them with Saudi forces, thereby drying up sources of direct financing and weaponry to the STC and halting the steady growth of its armed forces. The UAE withdrawal from Yemen announced in October 2019 was in large part a fiction, only applied in a meaningful way in Aden under Saudi pressure.

Following the signing of the Riyadh Agreement in November 2019, Prince Khalid bin Salman headed to Muscat to diffuse tensions related to the situation in Al-Mahra. In February 2020, an agreement was reached to appoint a governor approved by all sides, including Muscat's allies in the local authority, and to maintain the Saudi military presence at a level that assuaged Omani concerns. Indeed, Saudi Arabia gradually lowered its presence in the governorate, withdrawing from all areas in late 2021 except for a military base in the regional capital, Al-Ghaydah.^[33] This came as Riyadh and Muscat appeared to step up efforts to resolve the conflict in Yemen.^[34]

Through Khalid bin Salman, Saudi Arabia began to return to its conventional quietist approach in Yemen favoring the status quo. The new Democrat-led administration in the United States, whose victory had been predicted throughout

[32] Eli Shalhoub, "How has the Saudi royal family's position shifted towards the Yemen war [AR]?" Al-Akhbar, April 17, 2015, <https://al-akhbar.com/Yemen/19257>.

[33] Security and local sources in Al-Mahra to the author, November 2021.

[34] "Omani foreign minister: We have not put forward any initiative to end the war in Yemen and we support the Riyadh Agreement and the Saudi initiative," Al-Masdar Online, July 10, 2021, <https://almasdaronline.com/articles/229358>.

2020, also played a crucial role in consolidating this approach. Riyadh went even further in trying to achieve an ambitious resolution with the Houthi movement and, behind it, Tehran, through taking part in dialogues in Muscat and Baghdad.^[35] The situation on the ground improved to some degree in light of these engagements – for example, the cease-fire on cross-border aerial attacks by the Houthis and Saudi bombing in Yemen lasted several months in 2019 and 2020 – but the Houthi military campaign in Marib has continued unabated, as have Houthi air attacks on Saudi Arabia.

[35] Hussein Ibish, "Saudi Arabia's New Dialogue with Iran was Long in the Making," Arab Gulf States Institute in Washington, May 4, 2021, <https://agsiw.org/saudi-arabias-new-dialogue-with-iran-was-long-in-the-making/>

SAUDI ARABIA AND THE PEACE DILEMMA

Saudi Arabia's policy aims in southern Yemen are to preserve unity, reinforce its hegemony and achieve a comprehensive political settlement. Riyadh has adjusted its foreign policy over the course of the conflict toward a more flexible and pragmatic approach in which it builds consensus and wields power with a lighter touch. This generated the Riyadh Agreement, the November 2019 political settlement that succeeded in defusing armed conflict in the south and led to the formation in December 2019 of a new power-sharing cabinet led by Maeen Abdelmalek Saeed, who is close to Saudi Arabia and was first appointed in 2018. But despite Khalid bin Salman's efforts, the Riyadh Agreement has been unsuccessful as a long-term plan of action.

Saudi Arabia has numerous tools of influence in southern Yemen. These include a military deployment on the ground in Aden, Shabwa and Al-Mahra; a broad network of regional alliances, in particular with the UAE, whose cooperation has been critical throughout the conflict; and local alliances through the armed forces of the internationally recognized government and its political institutions (the presidency, parliament, cabinet, local authorities), as well as emerging tribal groupings (the Hadramawt Tribal Alliance, Shabwa tribes, Al-Mahra tribes, Abyan tribes) and Salafi movements. In addition, Riyadh is key to the financing of civilian and military sectors, covering the fuel for power plants, providing liquidity to stabilize the currency and paying government and STC salaries, as well as holding the purse-strings for any post-conflict reconstruction. All of this enabled Saudi Arabia to pacify opposition to the Riyadh Agreement.

Despite this, Saudi mediation suffered constant setbacks throughout 2020 and 2021. Progress was dependent upon Khalid bin Salman's direct intervention to counter escalations by the STC. Saudi Arabia's bureaucratic arms – its special committee on Yemen, its embassy, the Saudi army, its intelligence services – have proven unable to manage the day-to-day requirements of the Yemen question in an effective manner. These agencies lack coordination and vision for their plans of action.

Saudi foreign policy used to deal with regional conflicts of concern through proxy wars or the endless proposal of initiatives. In 2015, the third generation of Al-Saud princes found themselves for the first time tasked with managing an all-out war on the ground in Yemen. When victory proved unattainable, they were obliged to look at other options based on negotiation and compromise. Both approaches were extraneous to Saudi experience, and Riyadh found it could only hope to succeed with assistance from its allies, both old and new.

Failure to fully implement the Riyadh Agreement carries serious risks that will not be in the interests of any party except Tehran. If the STC and the Yemeni government were to revert to the logic of zero-sum conflict, Riyadh would be faced with two difficult options: use its military strength to impose unification, opening a new front in Aden; or throw its support behind Hadramawt autonomy in an effort to shut the STC out of the southeastern region and back anti-STC military forces. Saudi Arabia continues to act on the assumption that neither of these options will become necessary, aiming to absorb the STC into the structures of the internationally recognized government and bring it into the Saudi orbit of influence.

The STC hopes for a third scenario. Just as the presence of a hostile state in Yemen's south was a motive for Saudi support to North Yemen in the 1970s and 1980s, the entrenching of Houthi power in the north could push Riyadh to throw its support behind a southern secession plan as part of a final resolution of the conflict. The STC, for example, considers that the fall of Marib to Houthi forces would amount to the collapse of the internationally recognized government, forcing Riyadh to deal with the STC as a deterrent force vis-a-vis Houthi efforts to push further south. In 2020, STC president Aiderous al-Zubaidi suggested this would be the direction of events if Marib, the last northern stronghold of the internationally recognized government, were to fall to the Houthi movement.^[36]

To a large extent, the STC's bet seems to have paid off in that the legitimate government lost large areas in Marib and Shabwa governorates to the Houthi movement during 2021. This had led to a new Saudi-Emirati understanding over changing the power structure in Shabwa, preserving the interests of Abu Dhabi,

[36] "The fall in Marib would have serious consequences, not just at the humanitarian level. It could accelerate the process toward internationally convened talks between the North and the South. It could lead to a situation whereby the STC is largely in control of the South and the Houthis control most of the North. In that case, it would make sense to have direct talks between the parties in control." See "The Southern Transitional Council (STC) warns against the fall of Marib in the hands of Ansar Allah, Calls on Biden to end the war," Sputnik News, March 2, 2020, <https://bit.ly/315d80k>.

Riyadh and their allies. On the one hand, the Islah-affiliated Shabwa governor Bin Adio was replaced by Sheikh Awad and on the other the southern Giants Brigades were moved from the west coast to Shabwa in December 2021, with the immediate effect of taking back some districts from the Houthi forces. The pro-STC Shabwani Elite Forces, now rebranded as the Shabwa Defense forces, also redeployed in the governorate after making changes in their military command.

Alternatively, the successful implementation of the Riyadh Agreement would allow for resolving the southern issue through a transitional period in which the Houthis are persuaded to commit to a comprehensive settlement. The Houthis could be encouraged to soften their stance if an agreement succeeds in addressing corrupt practices and political patronage that opposition groups see in Hadi's government.

Ensuring peace in Yemen necessitates redressing the current balance of power between the Houthi movement and the various forces ranged against it by pressing the former to negotiate a settlement. Saudi Arabia and the international community can achieve this via three means: stalling Houthi advances in Marib and moving the theater of operations back to Sana'a, where recent Saudi coalition operations have targeted sites thought to be used for drone production;^[37] resuming operations against Houthi forces in Hudaydah; and moving forward with the Riyadh Agreement, particularly in Aden. Past peace talks do not give cause for optimism. The Kuwait negotiations in 2016 failed to stop fighting in Marib and the Stockholm negotiations in 2018 could not prevent continued fighting in Hudaydah. However, the Riyadh Agreement stands now as the only credible path toward peace.

[37] "Arab coalition bombs drone sites in Yemen's Sanaa: Report," Reuters, November 24, 2021, <https://english.alarabiya.net/News/gulf/2021/11/24/Arab-coalition-bombs-drone-sites-in-Yemen-s-Sanaa-Report>

RECOMMENDATIONS

- Reactivate the Yemen-Saudi Coordination Council which was in operation under Saleh.^[38] To resolve the bureaucratic blockages in Saudi policy, the Yemeni file should not remain the exclusive domain of Saudi princes and managers (special committee head, Saudi ambassador, intelligence chief) – cabinet ministers should also act to support the new government in Aden.
- Given the political impasse with the Houthis, it would be preferable to redirect international efforts toward supporting Saudi mediation efforts and the Riyadh Agreement. This could become a model for a wider cease-fire. This requires Saudi Arabia to relinquish its monopoly on diplomacy in southern Yemen and to engage the international Quartet (US, UK, UAE, Saudi Arabia) and the UN Special Envoy's Office in supervising implementation of the Riyadh Agreement.
- Broader tasks should be assigned to the Saudi business community in the peace-building process, to create sustainable interests between the two countries and overcome entrenched networks of corruption within state agencies. This would reduce spending on political patronage networks and redirect resources towards sustainable development. To this end, the Saudi-Yemeni Business Council should be reactivated and entrusted with post-conflict reconstruction tasks.
- The Saudi-UAE meetings known as the “Al-Azm Retreats” should be resumed on a regular basis and their scope broadened to include the Yemeni government. These meetings could become an official platform for managing disputes and preserving alliances, acting as a complement to the personal and security-based relationships that already exist.
- Jeddah should become the location of sustained political dialogue between Yemeni parties, on the one hand, and Yemeni and Saudi officials, on the other. Saudi decision-makers should make more use of proposals and assessments by experts on Yemen. This would help them to be aware of potential problems among their Yemeni allies and form policy on a more solid base of information. Such a platform could be more effective than the special committee on Yemen.

[38] “Saudi-Yemeni Coordination Council resumes activity,” Al Jazeera.Net, December 11, 2000, <https://bit.ly/3z4mciv>.

The Sana'a Center for Strategic Studies is an independent think-tank that seeks to foster change through knowledge production with a focus on Yemen and the surrounding region. The Center's publications and programs, offered in both Arabic and English, cover political, social, economic and security related developments, aiming to impact policy locally, regionally, and internationally.

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