



# **FEDERALISM IN YEMEN: A CATALYST FOR WAR, THE PRESENT REALITY, AND THE INEVITABLE FUTURE**

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View to the Sanaa city. Photo Credit: Dmitry Chulov  
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## **TABLE OF CONTENTS**

<b>Executive Summary</b>	<b>4</b>
<b>The Origins of Zaidi Dominance in North Yemen</b>	<b>6</b>
<b>Unification, Civil War and Southern Marginalization</b>	<b>8</b>
<b>Rising Discontent Toward Centralization of Power in Sana'a</b>	<b>10</b>
<b>The National Dialogue Conference and the Federal Map</b>	<b>12</b>
<b>Hadi's Controversial Federal Model</b>	<b>14</b>
<b>Failure to Account for Economic and Demographic Realities</b>	<b>14</b>
<b>The Southern Movement's Reaction to Hadi's Federal Plan</b>	<b>15</b>
<b>The Houthi Movement's Reaction to Hadi's Federal Plan</b>	<b>16</b>
<b>Political and Logistical Failings</b>	<b>17</b>
<b>The Increased Fragmentation in Yemen</b>	<b>19</b>
<b>The STC, Hadramawt and al-Mahra in South Yemen</b>	<b>19</b>
<b>Marib and Taiz</b>	<b>21</b>
<b>The Breakup of the Houthi-Saleh Alliance</b>	<b>22</b>
<b>Looking Ahead</b>	<b>24</b>

## EXECUTIVE SUMMARY

The 2014 proposal to partition Yemen into a federal system was one of the major causes of the current conflict. The plan, proposed by President Abdo Rabbu Mansour Hadi, was supposedly intended to put the country on the path to a more peaceful future by addressing long standing regional grievances toward the central government. These resentments stem largely from a sense of injustice regarding inequitable development in the country and the monopolization of political, economic and military authority in the capital, Sana'a. However, rather than achieving the goal of ensuring peace and the equitable distribution of resources in the country, the flawed and rushed proposal served to further fragment the country, exacerbate divisions, and harden demands for increased local autonomy.

A primary failing of President Hadi's proposal for a federated Yemen was that it lacked a mechanism by which the country's natural resource revenues would be distributed among the various regions. By this omission the proposal would have created sparsely-populated regions with autonomy over their natural resources, while more densely populated areas – particularly the capital and other northern areas – which had previously been dependent on these resources revenues would have been left without. Hadi's proposal would have also landlocked the armed Houthi movement, a development which the group's leadership had vehemently opposed.

Since the onset of the current war, President Hadi has continued to promote the 2014 federal map as a means of improving the prospects for long-term stability in a post-conflict scenario. Given that the plan faced intense opposition from many quarters upon its unveiling and was a major factor in motivating the military and political expansion of Houthi forces, popular support post-conflict for Hadi's version of federalism remains a distant prospect.

Realities on the ground have changed significantly as a result of the prolonged violence and protracted political and military stalemate however, resulting in a situation in which some form of federalism in Yemen may have become unavoidable. Indeed, a federated Yemen is a de facto outcome of the war to date. Political forces in southern Yemen, who aligned with the Hadi government against the Houthi-Saleh alliance, have increased calls for autonomy and even secession. The Southern Transitional Council (STC), a secessionist group backed by the United Arab Emirates, currently holds more political authority in Aden – the Yemeni government's temporary capital – than Hadi does. Meanwhile, oil and gas-rich governorates such as Marib and Hadramawt have attained a large degree of political autonomy and control over their natural resources during the conflict. As a result, the populations within these regions generally oppose a return to their previous subservient political and economic position.

It remains the case though that most of Yemen's population, and correspondingly the lion's share of civil servants and security personnel, are based in areas such as Sana'a that are devoid of natural resource revenue. Financing for state institutions in these areas will – at least in the near-term – remain dependent on revenues collected elsewhere in the country. Any future federal system would be highly unstable without addressing this reality.

It is widely agreed that there is little possibility of a military victory for any side in the ongoing conflict. Following any potential negotiated end to the war and subsequent reconciliation process, broad discussions on the subject of federalism – and indeed other possible alternatives – are needed to avoid a repeat of the flawed process that led to the current war. Rather than postponing discussions until after the conclusion of the conflict, preliminary discussions should be held with a variety of stakeholders to better understand their key demands and visions for governance in post-conflict Yemen. This diplomatic engagement should take place in parallel to the current UN-backed peace talks to end the conflict.

## THE ORIGINS OF ZAIDI DOMINANCE IN NORTH YEMEN

Yemen's Zaidis have historically dominated the country's northern political, tribal and military elite.<sup>(1)</sup> Zaidism is a school of Islam unique to Yemen, and although it is considered a branch of Shia Islam, it is generally viewed as having more theological in common with Sunni Islam. Zaidis have traditionally exercised control from the northern highlands, with the majority of Yemen's Zaidi population located in the northern governorates of Sana'a, Amran, Sa'ada, Hajjah, parts of Dhamar, and areas extending south to Samarah Mountain in Ibb governorate. The Zaidi religious autocracy, known as the 'Imamate', ruled over North Yemen for centuries, and at different points in history also extended its outreach into parts of Yemen's southern regions. The legacy of Zaidi dominance has instilled a shared belief among some in the Zaidi hierarchy regarding their divine right to rule Yemen. This belief can also largely be attributed to the fact that the long line of Zaidi Imams came from the Hashemite family, who claim to be direct descendants of the Prophet Mohammed.

The 1962 republican revolution, which led to the overthrow of the Imamate and the formation of the Yemeni Arab Republic (YAR), had little impact in terms of the extent to which Zaidis dominated the political scene and the military in the north. During the subsequent 1962-1970 civil war, the Egyptian-backed republicans successfully resisted Saudi-backed royalist attempts to restore the Imamate.<sup>(2)</sup> In 1968, as the North Yemen civil war was winding down, inherent tensions and increased score-settling on the republican side grew more prominent between the Zaidis and Shafi'is, adherents to the Shafi'i school of Sunni Islam. The end result was the expulsion of military factions with a Shafi'i majority.

The end of the civil war did not improve stability in North Yemen, as a series of coup d'états and assassinations unseated three consecutive presidents: Abdulrahman al-Iryani, Ibrahim al-Hamdi and Ahmed al-Ghashmi.<sup>(3)</sup> Many presumed that Ali Abdullah

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1) Adam Baron and Farea Al Muslimi, "The Politics Driving Yemen's Rising Sectarianism," Sana'a Center for Strategic Studies, May 30, 2016, <http://sanaacenter.org/publications/main-publications/40>. Accessed February 28, 2019.

2) Zaidis continued to enjoy a commanding presence in the army and security forces – particularly members of the Hashid and Bakil tribal confederations. The composition of the Yemeni army at the time of the republican revolution was almost exclusively Zaidi. On the republican side, the revolution was led by officers from both the Hashid and Bakil tribal confederations with the support of Egypt and its then-President, Gamal Abdel Nasser; Maysaa Shuja Al Deen, "The Endless Battle in Taiz," Atlantic Council, April 26, 2017, <http://www.atlanticcouncil.org/blogs/menasource/the-endless-battle-in-taiz>. Accessed February 28, 2019.

3) The overthrow of each president contributed to Zaidi dominance of North Yemen's military and security apparatus as they tended to coincide with the integration of more Zaidi officers drawn from the northern tribal hinterland.

Saleh, a follower of the Zaidi branch of Islam who assumed power in 1978, would quickly suffer a similar fate to his predecessors. Saleh, however, constructed his own personalized patronage network in an attempt to consolidate authority, much of which was facilitated through the General People's Congress (GPC) party that he founded and led until his death. The network Saleh established, which would become the lynchpin of his 33-year rule, was largely defined by: (1) a familial and tribal-based military and security apparatus that included a large number of tribesmen from Saleh's Sanhan district in southern Sana'a, and (2) the distribution of oil rents to essentially buy loyalty following the discovery of oil in the mid-1980s.<sup>(4)</sup>

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4) The oil rents enabled Saleh to pay for his restructuring of North Yemen's armed and security forces. Saleh also channeled the oil rents through his own political party, the General People's Congress (GPC), which he formed in 1982.

## UNIFICATION, CIVIL WAR AND SOUTHERN MARGINALIZATION

Historically, North Yemen and South Yemen were two separate states. The South had a markedly different socio-economic and political history from the North. While the North was governed by the Zaidi elite located in and around Sana'a, the United Kingdom governed much of South Yemen from Aden from 1839 until 1967, where British efforts focused on controlling the strategically located Port of Aden. In 1969, two years after the British withdrew from South Yemen, the country became a one-party, Soviet satellite state – the People's Democratic Republic of Yemen (PDRY) – governed by the Yemeni Socialist Party (YSP).<sup>5)</sup>

The PDRY witnessed repeated infighting among senior members of the YSP who disagreed over the party's direction. In 1986, a short but bloody civil war occurred after the bodyguards of then-President Ali Nasser Mohamed assassinated the vice president, defense minister and other officials during a politburo meeting. More than 10,000 people were subsequently killed during the two-week conflict. The 1986 southern civil war opened up a powerful socio-political and geographic faultline that pitted military units from al-Dhalea and Lahj governorates, who emerged as winners of the civil war, against those from Abyan and Shabwa governorates, who fell on the losing side of the conflict. Ali Nasser Mohamed and his supporters – who included current Yemeni President Abdo Rabbu Mansour Hadi – fled to North Yemen after their defeat.

Politburo member Ali Salem al-Beidh survived the massacre and became leader of South Yemen after the war. Al-Beidh soon pushed for unification with the North after Soviet aid to the South dwindled in the run-up to the collapse of the Soviet Union. In addition, al-Beidh identified unification with North Yemen as a means to negate the dangers of an internally-divided YSP and the looming threat posed by southern military officers from al-Dhalea and Lahj, who had become empowered following the southern civil war.

For Saleh, unification meant gaining control of both North and South Yemen, and thus in 1990, the Republic of Yemen was formed. In reality, however, the two countries become one in name only. The merger was the product of a rushed and ill-considered process spearheaded by Saleh and al-Beidh, with the latter becoming Saleh's deputy following unification. The merger agreement itself was less than two pages in length. Shortly after the establishment of the united Republic of Yemen, Saleh, al-Beidh and their respective

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5) South Yemen became a Soviet satellite state after the marxist National Liberation Front (NLF) gained the ascendancy in South Yemen over other nationalist groups, such as the Front for the Liberation of Occupied South Yemen (FLOSY) that also played a key role in forcing the British to withdraw.

cadres began trying to usurp the other's authority and power, though Saleh's side proved far more effective in this pursuit.<sup>6)</sup> Tellingly, the armies of the northern Saleh-led YAR and the southern PDRY did not merge.

Resentment among southerners over their marginalization at the hands of the northern political, tribal and military elite in Sana'a reached a boiling point in 1994. Al-Beidh's attempt to form a new, independent southern state set a series of events in motion that culminated in the outbreak of a North-South civil war that raged from May to July 1994. For Saleh, one of the most effective means of rallying public support in North Yemen for the war against the South was to frame it as an existential battle to maintain the Zaidis' hold on power. Saleh also effectively lobbied support by playing upon northern tribal adherence to the principle of *asabiya* – a communal bond based on a mutual understanding and appreciation of collective power and solidarity.

The North-South civil war ended after Saleh-allied forces ransacked Aden and temporarily quashed southern separatist ambitions. With the defeat of the YSP in the south, most officers of the South Yemen Army were demobilized under the pretense of early retirement. Importantly, the southern factions that allied with Saleh to defeat the YSP were the same ones that had been on the losing side during the 1986 southern civil war. Following the 1994 civil war, only those southern units that helped Saleh to win were incorporated into the Yemeni military, and Saleh appointed Hadi as the new vice president.

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6) President Saleh and Ali Salem al-Beidh had largely limited the negotiations on unification to just the two of them, with little outside consultation. While their decision enjoyed popular support in both North and South Yemen, the agreement they signed was hastily drafted.



## RISING DISCONTENT TOWARD CENTRALIZATION OF POWER IN SANA'A

Bitter memories in South Yemen of the rushed unification process, the centralization of power in Sana'a, and the 1994 North-South civil war have helped shape North-South animosity in the country. Resentment among southerners toward their continued political and economic marginalization festered in the decade that followed the civil war, while the northern tribal Zaidi elite reaped the benefits of victory, in particular access to rents from southern regions' natural resource wealth.

In the eyes of many southerners, the North was regarded as an occupying and oppressive power, a view reinforced by elite northerners appropriating and selling off southern land – a practice that began during the 1994 civil war and continued in its aftermath. Added to this, southerners bemoaned the fact that they, like the vast majority of Yemenis, accrued little financial benefit from Yemen's limited natural resources. In addition to the oil and gas fields located in Marib and al-Jawf governorates in north Yemen, a large portion of Yemen's oil resources are found in the eastern Hadramawt and Shabwa governorates that were formerly part of south Yemen.

Instead of distributing Yemen's natural resource wealth equitably across the country, Saleh diverted revenues to bankroll his own personal, centralized patronage network. As noted, Saleh's family and Zaidi tribal sheikhs from the northern hinterland – particularly those located in areas that make up the tribal belt around Sana'a – were the main benefactors. They enjoyed preferential treatment regarding government spending, employment and otherwise, often via the military and security apparatuses. Saleh's reluctance to redistribute funds away from the center to the periphery was a strategy that not only affected the south but the majority of Yemen as a whole, which suffers from widespread poverty and underdevelopment.

The sense of injustice and underlying resentment found in Yemen's southern regions can also be explained by the apparent readiness of Saleh's security forces to use force in an attempt to silence murmurings of discontent. In 2007, security forces began a crackdown on forcibly-retired southern officers after they began demanding higher pensions or reinstatement, leading to the formation of the Southern Movement – commonly referred to as Hirak. Since the Southern Movement's formation, calls for southern independence have risen steadily.

Rising opposition to Saleh's rule spread to other areas of the country and expanded in scope to include social critiques regarding the role of women and youth in society. The major sticking point, however, remained the lack of economic development in Yemen due to low levels of government investment, institutionalized corruption and crony

capitalism.<sup>(7)</sup> Frustrations over the level of corruption and inequality that defined Saleh's rule spiked in early 2011 during the so-called 'Arab Spring.' Inspired by events in Egypt and Tunisia, youth and activists in the cities of Taiz, Sana'a and Aden occupied public squares and called for Saleh to step down.

In parallel to peaceful protests by youths and activists, an elite power struggle played out, pushing Yemen toward a civil and, ultimately, regional war. Saleh's detractors engaged in an armed confrontation with the beleaguered president's forces in Sana'a. Tensions calmed in November 2011 after Saleh signed the Gulf Initiative, brokered by the Gulf Cooperation Council, which was intended to serve as a roadmap for a peaceful political transition in the country. As per the terms of the initiative, Saleh stood down in February 2012 and handed the presidency to his deputy, Abdo Rabbu Mansour Hadi, in exchange for immunity from prosecution for the use of force against protesters, along with any offenses committed during his 33 years in power. The immunity also protected his political allies from prosecution.

The armed Houthi movement – a Zaidi revivalist group formed in Sa'ada governorate – initially supported the protests against Saleh. The group's leadership declared its willingness to engage in the political transition mapped out in the Gulf Initiative, even though it refused to sign on to the plan itself and officially condemned it. As for Saleh, once removed from office he adopted similar tactics to those he employed in 1994 to rally support in the north to combat his political opponents. After 2011, Saleh seemed determined to exact revenge against those he held personally responsible for his ouster.<sup>(8)</sup>

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7) Saleh's ability to use the patronage system he constructed as a means of maintaining control was arguably successful until oil production started to decline in 2001. Yemen's GDP and government revenues grew through the 2000s and even started to recover in the period after the global financial crisis and before the 2011 uprising. This recovery was helped by the fact that Yemen's LNG came online in the mid-2000s, which helped offset the decline in oil production. Nonetheless, given the fact that Yemen's oil supplies were dwindling, the oil revenues that were being made as a result of a rise in global oil prices were thus an artificial representation of Yemen's deepening economic crisis.

8) Given his considerable leverage within Yemen's armed forces and his influence over the security officials and tribesmen that had benefited from their association with Saleh, the former president was well placed to respond after begrudgingly stepping down.

## THE NATIONAL DIALOGUE CONFERENCE AND THE FEDERAL MAP

One of the central components of the planned two-year political transition was the National Dialogue Conference (NDC), which ran from March 18, 2013 to January 25, 2014. The NDC brought together 565 delegates from many of Yemen's major political parties and diverse social groups.<sup>(9)</sup> The NDC offered them the opportunity to have their say in the reformulation of the country's governing system through consultations that aimed to tackle a number of significant and unresolved issues. These included: state religion; political reform; transitional justice; child marriage; and, perhaps most importantly, state structure and the form of governance, with federalism later identified as a leading option in this regard.

The NDC also attempted to address regional grievances, primarily those of the armed Houthi movement – some dating back further than the six wars they fought, from 2004 until 2010, against Saleh and the Yemeni government – and the Southern Movement. These issues and grievances, among others, were discussed within the framework of nine separate working groups.<sup>(10)</sup>

The Southern Issue and State-Building working groups proved two of the most divisive elements of the NDC. This was due to diverging views over whether Yemen should remain a united centralized state, be separated into two countries as demanded by ardent southern secessionists, or even reconfigured into a new but still to be decided federal model. Members of the GPC party (over which Saleh was still the official party leader) largely rejected any form of federalism. The conservative Islamist party Islah and the Nasserite Party were both strongly opposed to Yemen being divided into two federal regions. For the factions of the Southern Movement that participated in the NDC, a two-state federation was the preferred solution. Houthi delegates oscillated between these positions, declaring support for a united Yemen at times while also expressing openness to a multi-territory federation. The Houthi delegates' backing of a federal system was largely contingent on whether their group would be granted sea and port access within the new federation.

It is important to note that the southern representatives who participated in the NDC were arguably drawn from some of the less influential factions of the Southern Movement. This was illustrated by the appointment of Mohammed Ali Ahmed – formerly a top official in

9) "Yemen National Dialogue Conference Participants," The National, March 18, 2013, <https://www.thenational.ae/world/mena/yemen-national-dialogue-conference-participants-1.292425>. Accessed February 28, 2019.

10) The nine separate working groups were as follows: The Southern Issue; Sa'ada Issue; National Issues and Transitional Justice; State-Building; Good Governance; Military and Security; Independence of Special Entities; Rights and Freedoms; and Development.

the PDRY, but one who had lived abroad for most of the years following the 1994 civil war – as chairman of the Southern Issue working group, though he resigned from his position after only eight months. Other more popular and hardline southern leaders declined participation in the NDC, including al-Beidh and the head of the Southern Movement’s supreme council, Hassan Baoum. The lack of agreement on the NDC among Southern Movement factions and representatives is tied to the loose organizational structure of the Southern Movement itself.<sup>(11)</sup>

As the NDC drew to a close on January 25, 2014, no consensus had been reached on the reconfiguration of the Yemeni state. At the closing session, President Hadi announced the establishment of a presidential committee tasked with formulating a new federal model for the country. Following Hadi’s unilateral announcement, the closing session descended into chaos with the Houthis, the YSP and a number of independent representatives objecting and withdrawing their delegations from the NDC before the final agreement could be signed. President Hadi attempted to sidestep the withdrawal of these parties by directly obtaining the signatures of individuals within their delegations, though this ultimately failed, with the exception of one YSP representative.

By unilaterally deciding to form the committee and implement its recommendations, Hadi acted with executive authority that exceeded the power bestowed upon him by the Gulf Initiative as head of a transitional government. President Hadi’s decision to form a committee also occurred without communicating the specific criteria – political and professional – by which the members of the committee were to be selected. This directly violated the principles of transparency under which the transitional government was formed. Hadi himself headed the committee and most of its members were personally affiliated with him.

The committee then began attempting to sketch a new federal map and endorse it before the expiration of the transitional period in mid-February 2014 when, as stated in the Gulf Initiative, presidential and parliamentary elections were to be held. On February 10, 2014, less than two weeks after Hadi appointed the committee, the body presented and endorsed a controversial federal map that partitioned Yemen into six regions – four in the north and two in the south. For many, the federal division appeared more about short-term political expediency than geographic, demographic or socio-economic considerations. Many Yemenis came to view the presidential committee as a body formed to give the veneer of legitimacy to Hadi’s proposal, and that in reality it had been drawn up before the NDC had ended. Such speculation was supported by local media reports outlining the proposal’s details that were published before Hadi had even announced the committee’s formation. While the process of the proposal’s development remains in dispute, the end result appeased neither Hadi’s political opponents nor the public at large, who were already skeptical of his intentions.<sup>(12)</sup>

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11) The Southern Movement is an umbrella organisation that includes a number of competing factions with their own respective leaders who are known to promote different, preferred secession models. In the past, three main secession models have been presented. The first advocated for full and immediate secession. The second demanded greater regional autonomy for southern regions within a federal model. The third called for a phased transition in which a referendum on southern **independence** would be held after a two to five-year period.

12) Suspicions were earlier raised by a leaked telephone call publicized by the Houthis that supposedly took place between Hadi and his former Chief of Staff and the General Secretary of the National Dialogue

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# HADI'S CONTROVERSIAL FEDERAL MODEL

## Failure to Account for Economic and Demographic Realities

A primary failing of President Hadi's proposal for a federated Yemen was that it lacked a mechanism by which the country's natural resource revenues would be distributed among the various regions. By this omission the proposal would create, by default, regions with autonomy over the natural resources and other revenue within their borders. In this light, Hadi's federal map seemingly gave little consideration to the need to balance the sparsely populated yet oil and gas-rich regions with the comparatively more densely populated commercial and agricultural regions.

The Azal region, which was slated to include Sana'a province, is devoid of any natural resources. (Sana'a City itself was slated to be an independent entity within the federal system). If the new federal map were implemented, people living in the Azal region, including the Zaidi elite, were likely to be negatively affected. A large number of people in the Azal region work in the state's administrative and military sectors, which are bankrolled by revenues extracted from elsewhere in Yemen, namely the oil and gas resources of Marib, al-Jawf, Hadramawt and Shabwa governorates. The federal partition plan essentially failed to account for the potential impact that the Azal region's isolation from key economic resources could have on a region so dependent on central government employment and spending.

While the federalism plan placed people in the Azal region in a rather tenuous position given their dependence on revenue extracted elsewhere, Hadi's federal map placed the neighboring oil and gas rich governorates of Marib and al-Jawf in the same region, Sheba. If established, the Sheba region, resource-rich by Yemeni standards, would have a combined population of no more than 1.5 million people. Moreover, Hadi also grouped the oil-rich governorates of Hadramawt and Shabwa together in the Hadramawt region, which is home to no more than 2 million people. As a result, almost all the country's known oil and gas resources would be concentrated within two areas holding only 13 percent of the population.<sup>(13)</sup>

Under the planned federal map, Yemen's Ibb and Taiz governorates would be confined to the smallest yet most densely populated region – the al-Janad region. Ibb is home

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Conference (NDC) Dr. Ahmed bin Mubarak. During the alleged call, bin Mubarak reportedly informed Hadi "we need a week for the committee to make it look like as if it actually discussed and thought about this division."

13) The World Bank. Yemen, Rep, World Development Indicators, <https://data.worldbank.org/country/yemen-rep>. Accessed February 28, 2019.

to Yemen's most arable land while Taiz is one of the country's main industrial centers. Together both governorates represent a critical bloc that boasts high levels of agricultural and commercial productivity compared to the rest of the country. Ibb and Taiz also have some of the highest levels of education and social mobility in the country. Nonetheless, people from Ibb and Taiz have traditionally been denied access to positions of power and any real decision-making authority, given that military and security posts were normally reserved for the Zaidi tribal elite. For Taizis, the seeming imbalance between their high levels of tax contributions and their low level of representation in positions of authority has been a major grievance.

The ports dotted along Yemen's coastline are another major source of revenue for the country. According to the proposed February 2014 federal map, the three ports with arguably the most economic growth potential – Hudaydah, Aden and Mukalla ports – would be spread, respectively, across the Tihamah region in the west of the country, Aden region in the south, and Hadramawt region in the east. Both Aden and Tihamah would be largely revenue dependent on these ports. Meanwhile, the majority of the country's imports arrive via Hudaydah port; historically, Yemen has imported some 90 percent of its foodstuffs. Despite their economic potential, both Aden and Hudaydah ports have traditionally suffered from operational and investment-related problems.

## **The Southern Movement's Reaction to Hadi's Federal Plan**

At the time of its unveiling, the proposed map was rejected outright by most Southern Movement factions. Their staunch opposition was rooted in their longstanding grievances related to their political and socio-economic marginalization by Saleh and the Zaidi elite in Sana'a. Whether intentional or not, the presidential committee's division of the south into two regions appeared aimed at pitting southern regions against each other and creating disunity within the Southern Movement and its calls for secession. This can be seen in the fact that the federal map grouped al-Dhalea, Lahj and Abyan governorates together in the Aden region, ignoring the latent tensions between al-Dhalea and Lahj on one side and Abyan on the other.

Secondly, while people in Aden and Hadramawt governorates harbor strong aspirations for southern independence, there are underlying tensions over their differing perceptions of what southern secession would look like. There is a strong sense of an independent identity in Hadramawt governorate that shapes a desire felt among some Hadramis to form their own breakaway region that is separate from other southern governorates, namely Aden.

Finally, the controversial federal map overlooked other pertinent intra-southern tensions and rivalries. For instance, people in Mahra and Socotra governorates also generally hold a distinct sense of identity and opposed the proposal of being subsumed within a larger

Hadramawt region. This was hardly surprising, considering previous calls made in both governorates for the acknowledgment of their own respective demands for greater local autonomy.

Local protests over Saudi and Emirati efforts to increase their influence within the governorates have also rekindled demands in Mahra and Socotra to have their own region within any federal system. In Socotra governorate, popular demonstrations and Yemeni government objections to a UAE military presence on the Island forced Emirati troops to withdraw in May 2018. Meanwhile, the local leaders in Mahra, which borders Oman and shares historic, cultural, and economic links with the Sultanate, in 2018 organized protests against Saudi military deployments in the governorate and rumored plans to build a pipeline in the region. The opposition to the 2014 federalism map also stems greatly from locals' desire to safeguard their specific cultural identities; in these governorates many people speak their own, essentially non-Arabic, native dialects.<sup>(14)</sup> For instance, locals in Mahra governorate speak the Mahri language, which has played a major role in maintaining social cohesion and the unique culture of the region.

## The Houthi Movement's Reaction to Hadi's Federal Plan

As for the Houthi movement, the 2014 federal map left them isolated in the Azal region with no access to the sea, as they had demanded during the NDC. This subsequently emboldened their determination to assert themselves both politically and militarily.

While the Houthi movement participated in the 2011 anti-Saleh protests and the NDC, they also launched a simultaneous military campaign. Initially, Houthi forces fought against Salafis situated in the small town of Dammaj in the Houthi movement's stronghold of Sa'ada. Following this, they confronted members of the Islah party and tribal militias affiliated with the al-Ahmar family – a development that sparked the interest of former President Ali Abdullah Saleh.<sup>(15)</sup> With Saleh's support, the Houthi forces' military expansion continued across north Yemen, leading to their takeover of the capital Sana'a in September 2014.

Both Saleh and the Houthi movement, who are from the Zaidi heartland north of Mount Samarah in central Yemen, were bound by a shared desire to ensure that power in the country continued to rest in the hands of the Zaidi elite. From this perspective, Hadi was a southern imposter who had to be replaced. As a means of rallying support across the northern governorates, the Houthis and Saleh wielded the asabiya card, and claimed that federalism would fracture and disintegrate Yemen to the disadvantage of northerners, and in particular, northern power brokers.

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14) "Yemen's Southern Question: Avoiding a Breakdown," International Crisis Group, September 25, 2013, <https://d2071andvip0wj.cloudfront.net/yemen-s-southern-question-avoiding-a-breakdown.pdf>. Accessed February 28, 2019.

15) It is at this point that Saleh decided to form an alliance of convenience with the Houthis as they essentially offered him the opportunity to exact revenge against Islah and the al-Ahmar family, the two main actors that Saleh held personally responsible for his ouster.

Looking back on the events that unfolded in the run-up to the arrival of Houthi forces in the capital, two major flashpoints stand out. The first was the proposed federal map, which the Houthis vehemently opposed due to their isolation from natural resource-rich areas and, more specifically, ports. The Houthi movement reportedly delivered a letter to Hadi and the presidential committee demanding access to the sea prior to the map's unveiling.<sup>(16)</sup> This demand ultimately fell on deaf ears; thus, the Houthi movement set about ensuring that the Hadi government could not implement the proposed federal map due to the new and evolving realities on the ground.

The second major flashpoint was Hadi's decision to cut fuel subsidies by 90 percent in August 2014. The International Monetary Fund and the World Bank had advised the government to gradually reduce subsidies; Hadi, however, implemented the entire reduction essentially overnight.<sup>(17)</sup> The armed Houthi movement seized on the popular discontent this decision provoked to position itself as the champion of economic equality. At the time, some in Sana'a saw the Houthis as an untried yet palatable alternative relative to what they, and many others in Yemen, deemed to be a wholly incompetent and corrupt government.

## Political and Logistical Failings

Some of the glaring errors Hadi made in 2014 regarding the federal map were the by-products of the haste with which such a major policy decision was undertaken. These errors were compounded by the ambiguity of clauses in the final agreement. As noted, Hadi was also acting outside his legal mandate in declaring a federation. Under the Gulf Initiative, Hadi and his cabinet were merely a transitional authority, empowered to guide the process of transferring power to a democratically-elected government via elections planned for 2014. Attempting a drastic restructuring of the Yemeni state was outside the scope of the transition plan and would have required a national referendum to have legitimacy, as per the Gulf Initiative.

Even if a mandate and legal authority existed, the state apparatus under Hadi was incapable of successfully transitioning Yemen from a centralized state model into a federation. Indeed, such a move – in the best of circumstances – would likely take decades and prove incredibly disruptive to the state's functioning. Beyond this, other facts on the ground worked against a move toward federation as well. In 2014, government ministries were heavily characterized by internal conflict as political parties vied for control. At the same time, entities with entrenched political and financial interests tied to the central government viewed any reduction in central government prerogatives as

16) "Houthis reject the formula of the six provinces because they divide Yemen 'to rich and poor'", (الحوثيون يرفضون صيغة الأقاليم الستة لأنها تقسم اليمن "إلى أغنياء وفقراء"), France 24 Arabic, February 11, 2014, <https://www.france24.com/ar/20140211-اليمن-حوثيون-تقسيم-رفض-أقاليم>. Accessed February 28, 2019.

17) Peter Salisbury, "Bickering While Yemen Burns: Poverty, War, and Political Indifference," The Arab Gulf States Institute in Washington, June 22, 2017, [http://www.agsiw.org/wp-content/uploads/2017/06/Salisbury\\_Yemen\\_ONLINE.pdf](http://www.agsiw.org/wp-content/uploads/2017/06/Salisbury_Yemen_ONLINE.pdf). Accessed February 28, 2019.

direct threats to their existence. Popular support for the plan was also minimal due to a rapidly deteriorating quality of life within Yemen that many citizens blamed on the poor performance of Hadi's transitional government.

The transitional authority was also limited by its inability to command the country's security apparatuses to impose its will. As noted, Saleh had spent years packing the military's officer ranks with loyalists after purging southern Yemeni army officers following the 1994 civil war. Hadi's attempts to assert his authority by replacing several top-ranked officers and reducing salaries angered many army units, including the elite Republican Guards. Consequently, during the transition period the military, by and large, remained loyal to Saleh and reliant financially on the former president's patronage networks.

If a federalist government structure in Yemen were to have any chance of succeeding it would need to address the incumbent authority of existing power brokers, political parties and tribal leaders, while also garnering support from the country's populace. However, Hadi's committee attempted to weaken both the central government and powerful national actors – particularly the armed Houthi movement and the Southern Movement. This forced a number of national actors to take positions in opposition to the Yemeni government, making conflict nearly inevitable.

## THE INCREASED FRAGMENTATION IN YEMEN

As the Houthi movement established a stronger foothold in Sana'a, Houthi forces and military units loyal to Saleh gained control of more and more territory further south and west of the capital, essentially holding the Hadi government to ransom.<sup>(18)</sup> The conflict further escalated in March 2015, when a Saudi-led military coalition intervened in support of Hadi, under the pretense of defending the internationally recognized Yemeni government.

Following their intervention, the Saudi-led coalition helped anti-Houthi and Saleh forces regain control of Aden and other areas of the south in the summer of 2015. With several exceptions, the frontlines have remained largely static since. The war entered a new phase in December 2017 as tensions between the Houthi movement and Saleh forces boiled over, resulting in Houthi fighters killing Saleh and the northern Zaidi alliance being broken. Following the death of Saleh, many of his loyalists defected to the anti-Houthi coalition. Bereft of internal allies, the Houthi movement was pushed on several frontline areas in 2018. However, Houthi forces maintained their hold on many key areas including the capital Sana'a and Hudaydah, despite the start of an anti-Houthi coalition offensive against the port city in mid-2018. Against this backdrop of prolonged violence, Yemen has become increasingly fragmented.

### The STC, Hadramawt and al-Mahra in South Yemen

In Aden, and across southern Yemen more broadly, the path of destruction left by Houthi-Saleh forces hardened southern independence aspirations. Added to this, the support and protection provided by the Saudi-led coalition, and the UAE in particular, has emboldened southern secessionists across the South, particularly in Aden, Shabwa and Hadramawt governorates. The local authority of southern secession leaders has also increased as a result of the fact that the internationally recognized Yemeni government has largely operated from exile in Riyadh, Saudi Arabia, since fleeing Aden in March 2015. Although some members of the Hadi government returned to Aden in 2016, the government's already limited authority has since plummeted, as witnessed by the clashes in the city in early 2018 between UAE-backed southern forces and troops loyal to Hadi.

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18) "Houthi rebels take over Yemen's Hodeidah port: residents," Reuters, October 15, 2014, <http://www.reuters.com/article/us-yemen-insurgency/houthi-rebels-take-over-yemens-hodeidah-port-residents-idUSKCN0I40HB20141015>. Accessed February 28, 2019; The Houthis placed President Hadi and other members of his government under house arrest. Hadi responded by temporarily resigning in January 2015 before fleeing to Aden a month later where he withdrew his resignation. Houthi-Saleh forces then laid siege to both Taiz and Aden where they pursued Hadi and deployed the Yemeni Air Force in an unsuccessful attempt to kill Hadi.

In Hadramawt governorate, long-standing aspirations for greater regional autonomy and increased authority over its own economic resources fueled the establishment of the Hadramawt Inclusive Conference (HIC) in April 2017. The HIC brought together 160 participants who collectively agreed on the selection of 52 members for the HIC executive decision-making authority, which includes several senior southern leaders such as al-Beidh and Baoum. Participants also agreed on a series of outcomes that prioritized the need to secure increased local decision-making authority, control over the management of the governorate's oil resources and the al-Wadea border crossing on the Yemeni-Saudi border. In October 2018, the governor of the central bank in Aden stated that a deal was in place which saw local authorities in Hadramawt allocated US\$20 million of the US\$150 million bi-monthly revenue from oil exports in the governorate.

Meanwhile, in Aden, Hadi removed popular and ardent secessionist leader, Aiderous al-Zubaidi, as governor in April 2017. In the same presidential decree, Hadi also fired Hani bin Braik – a pro-secession Salafi leader who is the symbolic head of the Aden-based, UAE-backed Security Belt forces – as Minister of State. Hadi's decision to remove both al-Zubaidi and bin Braik stemmed from concerns over the pair's close working relationship with the UAE, which Hadi felt was actively encouraging al-Zubaidi and bin Braik to undermine his authority in Aden.

The decision to single out al-Zubaidi and bin Braik galvanized the Southern Movement and conversely reduced Hadi's already low level of popularity in both Aden and in south Yemen more broadly. After pro-independence southerners staged week-long demonstrations against Hadi in the wake of al-Zubaidi's and bin Braik's dismissals, the former governor of Aden announced the formation of the Southern Transitional Council (STC) in May 2017. Al-Zubaidi heads the STC with bin Braik as his deputy. The uneasy alliance between Hadi and southern factions, formed after anti-Houthi forces pushed Houthi-Saleh forces out of Aden in July 2015, was damaged further still when Hadi dismissed the governors of Hadramawt, Shabwa and Socotra governorates following their appointment as members of the STC.

Tensions within the anti-Houthi alliance flared in Aden in January 2018 when STC-affiliated forces clashed with the Presidential Protection Forces and stormed key government buildings and military sites. Earlier in the month, al-Zubaidi had openly accused the Hadi government of corruption and demanded the resignation of the prime minister and his cabinet. The Yemeni government also prevented STC supporters from holding mass demonstrations in the city. After the effective rout of government forces from the city in the fighting, Saudi Arabia and the UAE stepped in to impose a ceasefire. Yemeni government forces were permitted to return to military posts lost during the clashes, though the balance of power in the city as of this writing clearly favors the UAE-backed STC and Security Belt forces. Fervent displays of support for southern independence and opposition to Hadi and the internationally recognized Yemeni government are on visible display on the streets of Aden. However, the situation in the city today is one marked by

insecurity. A wave of assassinations since 2016 has targeted clerics and security officials, while the local government has been characterized as “barely functioning”, owing to rivalries between the Yemeni government and the STC.<sup>(19)</sup>

While al-Zubaidi and the STC are acting with an authority that may convince some that they are the primary agents and mouthpieces for southern independence, the presence of the HIC and what Hadramis hope to achieve for themselves and their governorate suggests otherwise. At its April 2017 convention, the HIC reached a consensus over three potential frameworks from which to pursue the objective of obtaining greater regional autonomy: (1) as part of the six-region federal model Hadi proposed; (2) as a federal region in an independent southern state; or (3) as a fully independent entity. Although members of the HIC admit the last option is the least realistic of the three, its inclusion alongside the other two options served to highlight the readiness of leaders in Hadramawt governorate to adapt to changing contexts in pursuit of the underlying goal of increased autonomy. There is no guarantee that the HIC will agree to back the STC’s plans for southern Yemen if local ambitions are not respected. Furthermore, there is opposition from Mahra and Socotra to be part of Hadramawt in any of those formulas.

## Marib and Taiz

As far back as the Imamate rule in northern Yemen, Marib governorate has maintained a relatively greater degree of autonomy than other regions. In recent decades however, much like in Hadramawt governorate, there has been a deep sense of frustration among the population in Marib over the the lack of state funds allocated to their areas, despite the wealth of natural resources located in the region. This has been the case under both the regime of former President Saleh and the current government of President Hadi. As a result of the lack of state investment, Marib has suffered from poor infrastructure development. The current conflict, however, has seen Marib experience an economic boom. The decision of the Marib branch of the central bank of Aden to stop sharing revenues generated in governorate with the rest of the country has led to increased financial resources locally and a spike in the region’s population as people moved there from other areas of the country.

This growth has also been assisted by the comparative level of security in the governorate compared to other regions in the country. The positioning of Saudi-led defense systems in the governorate has helped foster a secure environment in which normal economic life can prosper, with the exception of the Sirwah district in southeastern Marib, where fierce ground fighting still continues. As a result, Marib, under an independent local authority, has utilized the additional funds to improve local infrastructure, such as building new roads and a new university, and transforming the old military hospital into a public hospital.

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19) April Longley Alley, “Eight Days in Aden – A Forgotten City in Yemen’s Forgotten War,” International Crisis Group, May 23, 2018, <https://www.crisisgroup.org/middle-east-north-africa/gulf-and-arabian-peninsula/yemen/eight-days-aden-forgotten-city-yemens-forgotten-war>. Accessed February 28, 2019.

Despite opposition to Hadi's controversial federal map elsewhere in Yemen, there is an undercurrent of support in both Marib and al-Jawf governorates to implement the 2014 federal map in its current form. Hence, Marib is unlikely to accept any future deal that doesn't acknowledge its previous support for the map and its newfound socio-economic status.

The conflict has also caused a widening divide between Taiz governorate, and northern and southern governorates. The difficult conditions that residents have been forced to endure inside Taiz City during the ongoing conflict have fostered a rising contempt toward the competing political authorities in the country. Such sentiments can be explained by the limited support the Hadi government and the Saudi-led coalition provided Taiz to break the Houthi siege, which has been enforced since 2015. The end result has been a growth in Taizis demanding their own regional autonomy in a post-conflict setting.

## The Breakup of the Houthi-Saleh Alliance

Tensions within the Houth-Saleh alliance existed throughout the conflict, although these were relatively contained as the forces shared a common goal regarding the preservation of Zaidi preeminence and authority in Yemen. In 2017, these cracks began to come to the fore as the result of growing internal competition over control of government appointments and revenues, in addition to the Houthi movement's suspicions over the intentions of former President Saleh, who had begun to call for dialogue with Saudi Arabia to end the conflict. These differences boiled over in December 2017 and an irrevocable split occurred after Saleh called on Yemenis to rise up against the Houthi movement.<sup>(20)</sup> Localized battles broke out around Sana'a between the two groups, during which Houthi forces gained the upper hand and killed the former president.

Following the death of Saleh, many loyalists of the former president switched sides in the conflict and joined the anti-Houthi coalition. These included the military commander and prominent leader of the northern al-Hada tribe, Fadl al-Qawsi, and Saleh's nephew Tariq Saleh.<sup>(21)</sup>

Tariq Saleh, in an attempt to assume a leadership mantle after the death of his uncle, mobilized loyalist troops and formed the National Resistance Forces in February 2018, with military and financial backing from the UAE. Although there was opposition to Saleh joining the anti-Houthi coalition – particularly in Taiz, owing to his role in the former regime – troops under his command have deployed along the Red Sea Coast and provided a major ground force in the offensive to capture Hudaydah that began in June 2018. Locals in these areas, most notably Hudaydah, one of the country's poorest provinces, held longstanding ties to Ali Abdullah Saleh and were reliant on the vast

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20) "Yemen at the UN – November 2017 Review," Sana'a Center for Strategic Studies, December 7, 2017, <http://sanaacenter.org/publications/yemen-at-the-un/5156>. Accessed on February 28, 2019.

21) Mashari Althaydi, "Will Saleh loyalists have a role during Yemen's next phase?" Al Arabiya, December 25, 2017, <https://english.alarabiya.net/en/views/news/middle-east/2017/12/25/Will-Saleh-s-loyalists-have-a-role-during-the-next-phase-.html>. Accessed February 28, 2019.

patronage networks established by the former president. It is likely that Tariq Saleh will attempt to tap into these networks to further establish an independent base of power in the country moving into the future.

With former President Saleh out of the picture, the Houthi movement has been able to further cement its hold on northern Yemen. Following its break with Saleh, the movement stacked government institutions in Sana'a with loyalists while repression and the imposition of Houthi ideology in Houthi-controlled areas has increased. However, an exception to this occurred in Taiz and Shabwa governorates. Lacking the previous political cover provided by Saleh in non-Zaidi regions and no longer supported militarily by his loyalists, Houthi forces were forced to retreat from several southern frontlines areas.

Within the former Houthi-Saleh alliance, the Houthi movement was the party less directly opposed to the concept of federalism. Judging from the group's previous willingness to discuss the issue during the NDC post-revolution, the Houthi movement could potentially support a federal system in Yemen if a new plan satisfies their strategic aims. Most notably, this would call for a revision to Hadi's 2014 federal map to provide the Houthi movement with sea and port access, most likely via Hajjah province. However, it remains to be seen whether the armed Houthi movement would be able to mend the fracture in the northern Zaidi front after killing Saleh, or garner popular support among Zaidis for federalism.

## LOOKING AHEAD

During a number of interviews, President Hadi has continued to promote the 2014 federal map as a means of improving the prospects for long-term stability in a post-conflict scenario.<sup>(22)</sup> The situation on the ground in Yemen, however, has changed significantly as a result of prolonged violence amid a protracted political and military stalemate. Given that the plan faced intense opposition upon its unveiling and was a major factor in motivating the military and political expansion of Houthi forces, popular support for Hadi's version of federalism post-conflict remains a distant prospect.

Fighting has engulfed large parts of the country, transcending regional boundaries previously in place under the Saleh regime and those which Hadi proposed in February 2014. Militarily speaking, the country is nominally divided between Houthi forces and groups within the anti-Houthi alliance. Yet, in reality, the ever-evolving local dynamics are far more complex. The ongoing conflict has fragmented the country and deepened regional identities in both the northern and southern parts of the country.

The idea of installing a federal system in Yemen has its supporters, not least in Marib, al-Jawf, and to a lesser extent, Hadramawt governorates. But it also has its opponents, none more so than the hardline southern secessionists, in addition to pro-unity advocates found in northern Yemen ranks. Notably, the Islah party, which initially opposed a federal system based on two regions during NDC discussions, now largely backs Hadi's plan as the best scenario for maintaining a united Yemen.

Since its inception, the STC under al-Zubaidi has continued to gain momentum. Despite this surge in support for southern secession, it is unclear whether the efforts of al-Zubaidi and the STC will lead to the division of Yemen into two separate states. The intra-southern divisions that have traditionally plagued the Southern Movement are the first major obstacle. The 1986 fault lines from the civil war have yet to be reconciled and it is unlikely that residents of Hadramawt governorate, represented by the HIC, nor other power centers such as al-Mahra, Socotra and Taiz, will accept being dictated to by al-Zubaidi and the STC.

The second major obstacle has been the reluctance of the international community to publicly acknowledge southerners' proclaimed right to self-determination. Nonetheless, STC members are being offered a platform from which to present their arguments – as illustrated by the meetings and consultations that have been held with European diplomats.

Even if the international community were to back southern secessionist aspirations, the lingering threat of northerners mobilizing against the South in an attempt to prevent the

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22) "Yemen's President in an Interview with 'Al-Quds Al-Arabi': We will not accept the road map..." Al-Quds Al-Arabi, February 2, 2017, <http://www.alquds.co.uk/?p=669157>. Accessed February 28, 2019.

latter from achieving independence remains. In the absence of a strong deterrent, which is currently present in the form of the military protection offered to the South from the Saudi-led coalition, the prospect of renewed North-South confrontation looms large. The South would need a security guarantor to prevent the North from once again attempting to quash their southern counterparts. To avoid further bloodshed, southern secessionists would presumably need a negotiated settlement with the North, which may be difficult to reach, given the principle of *asabiya* and the determination among the Zaidi elites to ensure that power is maintained in Sana'a.

The future political and regional configuration of Yemen and the mode of governance ultimately remains undecided. Following years of failed efforts, the UN managed to bring the main warring parties to the negotiating table in December 2018. However, negotiations mainly were limited to discussing the precarious economic situation in the city and deescalation measures for active frontlines in Hudaydah and Taiz governorates.<sup>(23)</sup> While these direct negotiations are welcome developments, it is imperative that ongoing diplomatic efforts engage with a variety of stakeholders to further discuss governance in Yemen post-conflict. If the flawed process by which Hadi decided on and unveiled the controversial federal map is to be avoided, and given the divergence of opinion over the merits of a federal system in Yemen, broad discussions on the subject of federalism and other possible alternatives are needed.

Rather than postponing these discussions until after the conclusion of the conflict, preliminary discussions should be held now in order to gain a better understanding of what different stakeholders and governorates envision regarding post-conflict state building, in hope of arriving at some form of consensus. Diplomatic engagement on this issue should also seek to incorporate traditional Yemeni tools of mediation and dialogue. These discussions should be held away from the media spotlight, include all relevant stakeholders, and not be rushed by timelines imposed by outside actors.

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23) Martin Griffiths, "Statement of the Special Envoy for Yemen to the Press on Consultations in Geneva," Office of the Special Envoy of the Secretary-General for Yemen, September 5, 2018, <https://osesgy.unmissions.org/statement-special-envoy-yemen-press-consultations-geneva>. Accessed February 28, 2019.

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