The Yemen Arab Republic: From Behind the Veil

By G. Alan Klaum

The Yemen Arab Republic of 1978 is a far cry from the Yemen of 1962 and most assuredly from the Yemen of the decades and centuries that preceded. The veil that once protected Yemen’s parochial sensibilities has been taken away. The changes now are dramatic and swift. Her new leaders, with an outward vision, seek a modern identity. They have accepted the challenge, but the problems that confront them are formidable.

Yemen, land of the legendary Queen of Sheba, sits in the southwestern corner of the Arabian Peninsula. Surprisingly fertile, with some of the best farmlands in Arabia, Yemen had already developed a highly cultured civilization centuries before Christ, a civilization based on cities and a settled form of agriculture as opposed to the nomadic existence of Arabians in the north. “Arabia Felix” (“Happy Arabia”) the Romans called it, in part because of those very agricultural areas.

Yemen’s mountains and upland regions form a populous, relatively well-watered area, which for many centuries was somewhat isolated from the rest of the world. Along the southwestern and south central coast of the Arabian Peninsula, ancient kingdoms flourished, cities grew, and a

prosperous trade in such commodities as frankincense and myrrh developed with Africa and India.

Except for references in the writings of other ancient peoples and for accounts by a few Arab authors, the Western world had no knowledge of the ancient cities of southwestern Arabia until the nineteenth century, when Western explorers visited the area and found an advanced culture in the ruins of fine buildings, sculpture, canals, roads, and well-planned cities.

The remains of elaborate irrigation systems, obviously devised to control and conserve the floods of the rainy periods, were in evidence. Of particular importance was the dam of Marib, ancient capital of the Queen of Sheba. Constructed of finely hewn limestone, the dam was so well-engineered that it compared favorably with the most ambitious structures in other ancient countries.

With the rise of Roman power, covetous eyes turned toward the wealth and trade that Arabia Felix had so long enjoyed:

An invasion based on Egypt was organized under the Roman general Aelius Gallus in 24 B.C. According to the Greek geographer Strabo, no difficulty was anticipated because “the Arabians, being engaged mostly in traffic and commerce, are not a warlike people.”

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Street scene at Bab al Yemen
But the easy conquest the Romans planned was not to be. The invasion was short-lived, and the Romans, running short of water, were forced to retire. By the time Aelius Gallus returned to Egypt, most of the army had perished from disease, starvation and thirst. The first Western invasion of the Arabian Peninsula had ended in dismal failure.

After the decline of the Roman Empire, southwestern Arabia found itself the center of a new power struggle between the Sassanid Persians and the Abyssinians or Ethiopians. The latter had conquered areas of southwestern Arabia in the fourth century A.D. and again in the sixth century. Later, the Abyssinian Abraha sent his forces—including at least one elephant, not exactly well-suited to desert warfare—on a fruitless expedition against Mecca to the north in or about 570 A.D. It was the same year, the Year of the Elephant as it became known, in which Muhammad the Prophet was born in the Holy City.

Islam and Turkish Rule

During the rise of Islam in the seventh century, it was Sassanid Persia who again held the Yemen. The Sassanids, who earlier had controlled part of northeastern Arabia, looked with disdain upon the tribes of Arabia Deserta. But those same tribes, under the banner of Islam, soon became the conquerors.

The period before the rise of Islam was a period of anarchy in southwestern Arabia, with constant tribal feuds and fights, as well as religious persecutions such as that of the Christians by the Jews. Most Arabs still worshipped pagan gods. Mecca, a sacred city even before the rise of Islam, was the site of a temple, where pilgrimages were already being made, representing a main source of revenue for the residents of the city.

From humble beginnings, Islam first enkindled both the town and the desert peoples of the Arabian Peninsula, then swept over most of the civilized world. It brought forth one of the most brilliant periods of art and culture the world has ever known. The Yemenis, by virtue of their proximity to Mecca, were among the first people to convert to the new religion. The conversion to Islam, however, was also to create dissension within Yemen between two major sects—Sunni and Shia—and the country was to be split between Shi-ite northerners and Sunni southerners.

With the advent of Islam, the Imams, or religious leaders of the Zaidi (Shi-ite) tribes in the north, emerged as a powerful dynastic force. However, the extremely mountainous nature of the terrain tended to militate against the imposition of permanent control by any one faction. The Ottoman Turks, spreading their mantel throughout the region during the sixteenth century, occupied Yemen but found it impossible to maintain their hold over the country. A second attempt to assert the suzerainty of the Ottoman Empire lasted from 1872 until 1918, the end of World War I.

Independence Under the Imamate

In 1911, the Turks, wearying from the rebellions of the northern Yemeni tribes, were obliged to recognize Imam Yahya as temporal and spiritual ruler of the Zaidi community. The Turkish defeat in World War I provided the Imamate with the opportunity to create a new independent kingdom of Yemen, which was to survive from the date of the Turkish withdrawal in 1918 until the 1962 revolution.

With departure of Turkish military forces as a result of the armistice terms of the war, the Imam laid theoretical claim to Britain’s Crown Colony of Aden, other British protectorates in south Arabia, and the Haradramaut (an area east of Aden). In 1915, the Imam’s son, Prince Ahmed, had already established family control over the Tihama. A dispute with Saudi Arabia over the Asir area to the north of Yemen was settled in 1934 by a Yemeni-Saudi treaty of friendship recognizing incorporation of the Asir into Saudi Arabia. In the same year, by the treaty of Sana’a with the British, the Imam agreed to the status quo of the Yemen-Aden Protectorate border.

In 1947 Yemen surprisingly moved into the international scene, stepping...
out of its isolation to become one of the earliest members of the United Nations. In reality it was but token contact with the outside world.

Inside the country the Imam’s rule was harsh. Yemen was a theocracy autocratically governed by the Imam, who administered according to the laws expounded in the Koran and his own personal whims. Military historian Edgar O’Ballance in his book, *The War in the Yemen*, wrote of Imam Yahya’s rule:

He kept his throne and extended his authority by playing off one faction and tribe against another, by hostagery, by bribery and fear, and by instigating or encouraging a counter to any potentially dangerous elements that appeared so that their energy and attention were absorbed in hostile rivalry. . . . Any dissidence against the Imam’s authority (and there were many who considered that they or their families had a better right to the throne than Yahya) met with a death penalty and in addition a crippling fine was levied on the family or tribe. Personal fortunes were often summarily confiscated on mere suspicion of disloyalty, perhaps for nothing more than an incautious utterance. . . .

Imam Yahya relied heavily upon the hostage system. It is believed that at the time of his death he held about 4,000 of them, mostly his own relatives, sons of provincial governors, Seiyyid families and tribal Sheikhs. . . . It was a system that had been going on in the Yemen for centuries, to one degree or another. It proved to be fairly effective under these barbaric, primitive conditions, and it enabled Imam Yahya to keep his hand firmly on the helm of state. In the 1940s organized opposition began to develop, and in 1948 Yahya was assassinated in a coup d’état. The constitutional monarchy that ensued was a brief page in Yemeni history. It tragically collapsed and Crown Prince Ahmed became the new Imam.

The rule of son, like that of father, was severe and ill-informed, characterized by ruthless oppression and executions. There were several attempts on Ahmed’s life, and for a while, he managed to escape serious injury.

In the meantime, as another unexpected move, the country joined in 1958 the Federation of Arab States together with the United Arab Republic and Syria. But international undercurrents were already at play, and ties were severed in 1961 with the two countries as a result of the UAR’s “dissatisfaction” with Yemen. Ahmed died in 1962 after several months of illness and injuries and fourteen years of despotic rule. His son Mohamed al-Badr became his successor, pledging to follow his father’s path. Eight days later the Zaidi Imamate ended. On September 26, 1962 the Yemen Arab Republic was declared.

**Yemen Arab Republic**

Under its Egyptian-inspired officers, the military coup that deposed Imam Mohamed al-Badr plunged the country into a civil war between Republican and Royalist factions. It continued with varying degrees of intensity until 1970. Major international powers were drawn into the conflict, while an estimated 200,000 Yemenis were killed. In 1967 Egypt, who had been aiding the Republican cause, and Saudi Arabia and Jordan, the Royalist cause, withdrew their forces.

The Soviet Union announced that it would continue to supply the Republicans, but Soviet personnel, who had accompanied Egyptian troops, fell into disfavor and most left by the year-end. Withdrawal of Egyptian troops made the Royalist forces bolder, but boldness ended in retreat. In 1969 Saudi Arabia halted its arms and financial aid to the Royalists. Imam al-Badr and his relatives abandoned the struggle, leaving the Republican forces in control of the country. A coalition government was formed to include Royalists, although the Imam and his family were excluded from membership.

Opposition to the new government continued intermittently, marked by border clashes with The People’s Democratic Republic of the Yemen to the south (formerly Aden and its hinterland). It was in the PDRY that a number of prominent opponents of the Republican regime were living in exile. Hostilities culminated in a major border offensive in 1972, an offensive that ended strangely in the decision that the two countries should ultimately be unified as the Yemen Republic. Opposition from Saudi Arabia and the northern sheikhs, however, has made progress toward unification difficult and slow. In June 1974 a new governmental crisis occurred. The constitutional President, Al Iriyani, resigned. Power was assumed by the Yemen Arab Republic Armed Forces led by Lt. Colonel Ibrahim Al Hamdi, who later named himself Chairman of the Command Council, which assumed the role of the country’s supreme constitutional body.
The country quickly settled in under its new leaders. Later that year, Hamdi, in addition to being Chairman of the Command Council, became Head of State, at 35 one of the youngest statesmen in the Arab world. His firm commitment to development policies aimed at reversing the downward economic trends earned him widespread popularity among ordinary Yemenis. Internal power struggles have taken place, largely as the result of President Hamdi's efforts to strengthen the authority of the central government throughout the country, thereby reducing the influence of the Zaidi tribes in the north. On October 11, 1977, on the eve of his departure for the PDRC, as a move aimed at improving relations and encouraged both by the Egyptians and the Saudis, Al Hamdi was tragically slain. His Chief of Staff, Major Ahmed Hussein al-Ghashmi assumed leadership of Yemen and has pledged to continue the policies of his predecessor.

The Government
The Republican Government is headed by a seven-member Command Council. It is the Council that functions as the policymaking body and appoints a Prime Minister, who functions essentially as an administrative official, coordinating the activities of his ministers. The Cabinet, appointed by the Prime Minister, varies in size. Both are responsible to the Command Council.

Under the Constitution of 1971 the first nationwide elections took place in the Republic to elect an Assembly of 159 members to serve as the new legislative body. The Assembly then elected a Republican Council, which in turn appointed the Prime Minister, whose Cabinet submitted itself for a vote of confidence to the Assembly.

In June 1974 the Constitution was temporarily suspended and the country ruled by a five-member Command Council and an appointed Prime Minister and Cabinet. In November the Constitution was restored in a somewhat modified form, strengthening the role of the Command Council.

The system accommodates regional and tribal factors and has buttressed a moderate and pragmatic leadership, which also enjoys the support of the military.

Yemen's legal system is based largely on tribal and Islamic law. The tribes have their own system of regulations and prescriptions. Violations are settled according to tribal custom in tribal courts. Islamic law (sharia) is administered by Islamic judges who rely on the Government to carry out their judgments. In addition to the sharia courts, there are also civil courts that are administered by the Government.

The Chief of State, through the Ministry of Justice, appoints and pays judges and administers the courts.

For administrative purposes, Yemen is divided into ten provinces: Taiz, Ibb, and Al Bayda in the south, Hobaida along the Red Sea coast, Sana'a and Dhamar in the center of the interior, Hajja and Al Mahwit in the northwest, Salada in the north, and Marib in the east. Each province is further subdivided into several districts. The directors of the districts are, like the governors of provinces, directly appointed by the central government, but at the sub-district and village levels, local leaders are installed in accordance with local custom, which varies between election, hereditary appointment or special tribal leaders.

Under the Republic, the total outlook has been altered and positive action taken. Among other things this includes:

1. The introduction of the concept of government involvement in public life in areas other than security, justice and taxation.

2. The introduction and extension of public education, health services and certain taxes outside the religious taxation system.

3. The considerable curtailment of the practice of levies by the sheikhs.

4. The establishment of a Central Planning Organization entrusted with the task of drafting, in cooperation with the United Nations, its specialized agencies, and other international institutions, a national plan for economic development.

5. The shift from silver coins to the use of bank notes and the establishment of banking institutions for monetary control and commerce (such as the Central Bank of Yemen—AlBank AlMarkezi).

6. The introduction of procedures of arbitration outside the religious courts for the settlement of business conflicts.

7. The creation of chambers of commerce and the establishment of a number of new economic enterprises.
The Look of the Land

I first visited the Yemen in 1948. In those days it was ruled with barbaric despotism by Imam Ahmed, and of all the countries I had travelled in, none gave me such a feeling of being suddenly carried back in time to the Middle Ages. Apart from the firearms and a few battered trucks and cars, the scene must have been unchanged for many centuries, and the description given by John Jourdain, the first Englishman to visit and write about Sana'a in 1609, was as “contemporary” in 1948 as it was then . . .

Yemen is by tradition an agricultural country. Agricultural production accounts for more than 70 percent of Yemen’s Gross National Product and remains the source of employment for the vast majority of the population. Arable land is estimated at 5 million hectares, one-third of which are being cultivated. Less than one-tenth of this cultivated land is irrigated, while the remainder is dependent on rainfall.

For descriptive purposes, the country may be divided into five environmental regions running basically north and south: the Tihama Plain, the Lower Mountain Region, the Middle Heights Region, the High Mountain Region and the Eastern Slopes.

The Tihama Plain

The Tihama, a hot, sandy semi-desert strip up to 50 miles wide, occupies approximately 10 percent of the country’s land surface. Running the length of the Red Sea coast of Arabia, more than 2,000 miles, the Tihama, which derives from the language of ancient South Arabia and means lowland, separates the Red Sea littoral from Yemen’s generally well-watered mountainous area.

Although there is little rainfall along this coastal plain, it is an area that holds great potential for agricultural development. The plain has abundant underground water, while great wadis (valleys of seasonal rivers) carry water down from the mountains. Along the banks of the wadis there is intensive cultivation. It is here that most of the country’s cotton and tobacco are produced, as well as sorghum, maize and millet; sesame (the seeds are used for cooking oil); watermelons and tomatoes. Farmers grow carrots, parsley, peppers and beans in small plots and in orchard groves, bananas and papayas.

Hodeida, the main town of the Tihama Plain, offers a strange contrast of concrete buildings and straw huts. As Yemen’s largest port, Hodeida is rapidly becoming one of the country’s main commercial centers. Port facilities here have been modernized and expanded with Russian aid. Small-scale industry is developing, including cotton-cleaning factories and cotton seed oil cake manufacturing and those inevitable “symbols of modernity”—Pepsi Cola and other soft drink factories.

Salt, further north along the coast, has huge rock salt deposits, thus far Yemen’s only non-agricultural export. Rumanian aid has brought modern production techniques to Salaf, while aid from the Kuwait Fund for Arab Economic Development has been used to improve shipping facilities.

To the south along the Red Sea is the tiny port of Mocha (Al-Mukha), where traders from Europe centuries ago, obtained large quantities of coffee, thereby lending the name of the port of export to what remains one of the world’s most celebrated coffees. The European trading centers of the eighteenth century have disappeared; most of the fine buildings have crumbled. Only the tiny craft of the local fishermen and the dhows plying their trade across the Red Sea and Indian Ocean continue to enter and leave this port. Larger cargo boats now use Hodeida.

In the Tihama interior is Zabid, an ancient town, long known as a center for Islamic studies and said to be the birthplace of algebra.

The Lower Mountain Region

Rising steeply from the coastal plain in a series of steps are the western slopes of the Lower Mountain Region. Here, where the rainfall is comparatively good, the land on the slopes is intensely cultivated—some 3.6 million hectares.

Terraced slopes are used for growing cereals, while small strips of alluvial land at the bottom of the mountain gorges are cultivated with alfalfa, sorghum, maize, banana and papaya.

The Middle Heights Region

Centering around the city of Taiz and covering one-tenth of the total land area, these southern uplands are the most densely populated and most agriculturally productive areas in Yemen. They lie between 3,000 and 7,000 feet above sea level, benefiting from monsoon rains and a mild climate. Here the major cereal crop is sorghum, rotated with other crops such as barley and wheat and to some extent with maize, potatoes, beans and alfalfa. All types of citrus fruits, coffee, banana, papaya and Yemen’s famous “gut” (a mild narcotic leaf—the catha edulis) are grown here.

On the steeply terraced mountain slopes, Yemeni coffee has been cultivated down the centuries. In the fifteenth century, pilgrims brought coffee from Yemen to Mecca spreading the use of the beverage in the Islamic world. Two centuries later, Turkish invaders tasted the aromatic brew and exported the art of coffee-making to other countries. The Red Sea port of Mocha grew in prominence, and coffee developed into the country’s major export, only recently surpassed by “gut” as the leading commodity.

Taiz, second major city of the Yemen Arab Republic, spreads across the slopes of a huge mountain, Jebel Saber. The old walled part of the city with its souk (market place) is small in size, but modern Taiz stretches beyond the walls and covers a large area. In addition to small garage and plumbing workshops, there is some privately owned light industry including biscuit manufacturing and an aluminum utensils factory.

To the south of Taiz is the mountainous Humahiah region that reaches to the border of The People’s Democratic Republic of Yemen. Turba is the main market town.

To the north is the province of Ibb whose rainfall is so plentiful, that an
average of three crops are grown each year. And here is the picturesque hilltown of Djbila, thirteenth-century capital of the extraordinary Arwa, better known in history as Queen Sayyida. Author Harold Ingrams, for many years Resident Advisor to the Sultans of the Hadramaut and later Chief Secretary to the Government of Aden, recalled this famous ruler during one of many visits to this area of Yemen: But Sayyida's memory is still kept green in Yemen by the many monuments to her genius for administration and perhaps no one rides up and down the mountain passes we followed without remembering. ... that Queen Sayyida built them 800 years ago. The broad pavement of well-shaped stones was stepped and followed reasonable gradients, with watering places for man and beast at intervals. Of the handful of Westerners that know Yemen well, Ingrams's descriptions evoke a special feeling for the country. In his 1964 book, The Yemen—Inmans, Rulers, and Revolutions, Ingrams wrote of the small market town of Ibb: It is about 6,700 feet above sea-level and crowded with tall houses and good mosques. There are many graceful minarets and an ancient overhead aqueduct with a curious water lift for the principal mosque. The narrow streets are paved and clean and the market square with its large-spreading tree looked like many a French Place. The walls are impressively thick and buttressed, and there are only two gates, with round medieval stone towers. Ibb, I was told, had not changed for centuries. It is easy to see why; it is full of good and solid buildings. The Higher Mountain Region Rising still higher, above 7,000 feet, are the northern uplands with Sana'a, the capital of the Yemen Arab Republic, in the center. It is an area of low, erratic rainfall that produces mainly rainfed crops of wheat, barley and sorghum. The cultivation area is estimated at 3.6 million hectares of which less than 15 percent are devoted to dry farming. The rest of the area is used for grazing. Where supplies of ground water are available, small groves of apricots, pomegranates, almonds and grapes are cultivated.

It is hard to imagine a Yemen unlike the deserts so common to the rest of the Arabian Peninsula. But different it is, for on the northern uplands, there are considerable temperature variations between day and night as well as between seasons. In fact, because of the cold, the people in winter often wear long sheepskins to keep warm.

One of the highest capitals in the world, Sana'a is dominated by the mountain Jebel Njugum, crowned by a Turkish fortress. The Arabs claim the city was founded by Noah's son Shem, making it one of the oldest continuously inhabited cities in the world. It was important long before Islam and was famous for the Ghumdan, a castle twenty-stories high, with a roof adorned by four bronze lions that roared when the wind blew.

A characteristic of the old city are the high light-brown brick houses with decorations of white plaster. In former times most of the finest houses belonged to magistrates and other officials of standing, while those of merchants were far less ostentatious in their exteriors. Bazaars in Sana'a, as elsewhere in the Arab world, remain a neverending source of fascination: There were whole streets of squares of little shops in which men carried on the same business. There were the dagger-makers, the alabaster-workers, the blacksmiths, always ready to put up a show, when four men swinging great hammers in time and singing the while, would beat the sparks out of a bar of white-hot iron. There were the sandal-makers, the dagger-sheath makers, the silversmiths, the tailors, the jewel polishers, the brass workers, the carpet-sellers, pawnbrokers, booksellers, and many others.

In the center of Sana'a's is the great cathedral mosque, once a Christian church. It is impressively forbidding, its high walls built of great stone blocks. Inscriptions are carved in the dead languages of south Arabia and in ancient Kufic script. It is the only mosque with a Kauba (literally "a cube") outside Mecca where the cube-like building in the center of Mecca's great mosque is an object of special devotion.

Of equal interest in the city is the mosque dedicated to Ali, nephew and son-in-law of the Prophet Muhammad, who, as the envoy of his father-in-law, came to establish order in Yemen. Known as a lovable character, Ali had little talent for the stern realities of statecraft. Nevertheless, his mission and later martyrdom made it certain that Yemen would always be favorable ground for the Shi'ite sects of Islam.

The mosque at Sana'a contains a relic of Ali—a Koran stained with blood. Ali appointed one Ubeid Allah ibn Abbas as Governor of Yemen. He was later succeeded by his brother, Abdalla. Ali had left with the brothers a Koran written in his own hand. While Abdalla's children were reading it, they were brutally slaughtered by a general sent by the first Umayyad Caliph of Damascus to conquer Yemen. The Koran is stained by the children's blood. As one step toward safeguarding Yemen's past, an urban planning study aimed at the preservation and partial reconstruction of ancient Sana'a and four other Yemeni cities is underway. Louis Berger International of East Orange, New Jersey and Kampax of Copenhagen are involved in a joint venture to retain unusual examples of the ancient and distinctive architecture. The cities of Hodeidah, Ta'izz, Shibam and Dhamar are all under study. A master plan being developed for each city will retain its unique character and sharply omit additional infrastructure. Details are expected to be submitted to the Government sometime in 1978 with the project going out to international bidding shortly afterward. The unusual "urban preservation" approach is considered feasible because Yemen's rural population has been migrating to the towns at the rate of only 6 percent annually—an exceptionally modest phenomenon that has not created the crushing need for mass urban housing encountered elsewhere in the Middle East.

The Eastern Slopes The eastern slopes of the highlands drop down to the rugged deserts of the Empty Quarter. In the distant past the land was reputedly a rich agricultural region. Today, due to its present inaccessibility, little is known about its agricultural potential and water reserves. What little agriculture there is is now confined to the areas around Marib and Harib and a few oases, which obtain their water from springs or seasonal streams.
The Problems Ahead

Before the civil war, the country had remained almost totally isolated from the outside world. Its social and economic life was guided by Islamic law and tribal customs. Internal transport and communications were rudimentary and many parts of the country were totally cut off from each other. There was no administrative structure; modern production methods were unknown and formal educational facilities virtually non-existent. When the Republican Government assumed power in 1962, it opened up the country and established contacts with bilateral and multilateral aid donors, but developmental progress was slow during the years of the civil war.14

The roots of the YAR’s development problems can be traced to the autocratic rule of the Imamate. According to a report in the 1977 Middle East Annual Review, Yemen began the decade with one of the lowest figures for per capita GNP in the world (390 in 1972). The country had at that time “less than 400 miles of metalled road, electricity in only one or two of its major towns, rudimentary hospitals and schools and very little industrial activity. In addition, the country suffered a prolonged period of drought from 1963 to 1973 with disastrous effects on the economy, which is almost entirely based on agriculture.”17

During the early Imamate, Yemen was at least agriculturally self-sufficient. Even though Yemen, in the early fifties, had exported agricultural products, it became a decade later a net importer, with coffee exports a mere fraction of their former levels. Thus, Yemen’s agricultural success story was, in truth, inaccurate. The agrarian economy, which the fledgling Republic inherited, was no longer “the granary of Arabia” and had already entered a very steep decline with the concomitant dependency on foreign foodstuffs.

The drought in the late sixties and early seventies caused the further stagnation of the economy’s agricultural sector. Economic growth was confined largely to services, together with construction and some manufacturing. Construction enjoyed a considerable boom with demand for public buildings and private homes dramatically increasing due to the sudden influx of remittances from the increasing numbers of migrant workers attracted to the neighboring oil-rich states.

Dependence on Foreign Aid

Recognizing that two of the country’s most crucial problems are poverty and backwardness, the Hamdi government viewed foreign loans and grants as the major means to combat them. The YAR’s foreign policy has reflected the need to attract aid funds without too many political strings. Accordingly, the YAR has sought to obtain as much foreign aid as possible from East and West without alignment, while proclaiming in the Arab world its basic support for Egyptian President Sadat’s policies. (At the time of preparing this article, the YAR’s policy towards the recent Israeli rapprochement was not clear.)

In 1970 Yemen became a full member of the International Bank for Reconstruction and Development, the International Monetary Fund, and the International Development Association, in an apparent move to create the international links that would ensure the flow of aid. The visits made by President Hamdi, shortly before his death, and by his senior ministers—to Egypt, Sudan, Kuwait, the United Arab Emirates, Iraq, Iran and other Middle Eastern countries—produced promises of substantial aid in the form of loans, grants and trained manpower.

It is Saudi Arabia that remains the YAR’s most generous benefactor, providing the country with petroleum products and financial assistance and budget aid for the construction of badly needed infrastructure. One recent report indicated “that discussions between the Saudis and the North Yemenis in April 1976 brought promises of Saudi assistance for the health, education and communication sectors of the Development Plan, the latter to include some $140,000,000 for the construction of new roads throughout the country.”18

In 1974-’75 external aid provided for more than 35 percent of total governmental spending. It is a staggering but perhaps essential figure if the country is to accelerate its march into the twentieth century. Among those countries giving aid, much of it at very low-interest rates are:

1. China, which has lent funds for road construction and technical education. (It has built a road from the port of Hodeida up through the rugged)

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The economy of the Yemen Arab Republic, long sustained by foreign aid from a variety of sources, is now on the road to achieving a level of self-subsistence never before known. The country has had an historic and important past and it is developing in every sense of the word, with needs spanning all areas—infrastructure, agriculture, industry and power supply. A spillover of Saudi Arabian affluence is putting the Yemen Arab Republic in a favorable position to achieve its ambitious development goals, which in turn should offer lucrative sales opportunities to U.S. firms and make this Middle Eastern nation a promising site for U.S. investment.

Such are the findings of Joseph O. Eblan, Commercial Officer at the U.S. Embassy in Jeddah, Saudi Arabia, who met recently with officials at the U.S. Embassy in Sana’a, capital of the Yemen Arab Republic. In a report to the U.S. Department of Commerce following his trip, Mr. Eblan states that U.S. firms should be encouraged to examine the promising market in the Yemen Arab Republic.

The country has clearly benefited from Saudi Arabia’s booming affluence, Mr. Eblan observes. It is the greatest supplier of labor for every sector of Saudi development. Estimates range from 500,000 to 2,000,000 Yemenis working in Saudi Arabia and there is a significant number in other Arabian Peninsula countries. It is estimated that worker repatriation of funds in 1977 will exceed $1.5 billion. The outflow of workers to Saudi Arabia has created a shortage of construction labor at home and, as a result, wages are rising.

It is believed that the outflow of Yemeni workers to Saudi Arabia will continue long after completion of the current Saudi development programs since Saudis often decline menial or semi-skilled work. Also, operation of the billion-dollar projects in Saudi Arabia could require more workers than the number that built them. For example, the new Jeddah International Airport will require 24,000 operational workers compared with the 8,000 employed in its construction. The Yemen Arab Republic is the closest and most adaptable source of labor supply.

With its workers abroad earning the cost of its internal development, with the creation of its own $3.5 billion development program, and with continued official Saudi interest in its progress, the Yemen Arab Republic has the potential of becoming an economically viable state. In agriculture, if the production and processing of foods can be made profitable, Saudi Arabia and the Horn of Africa could become lucrative markets. The climate of the Yemen Arab Republic’s mountainous regions is ideal for agriculture, and eventually for tourism from the blazing ports of the Horn and the oven atmosphere of the Saudi desert. Saudi investment in this area is foreseeable. Kuwaiti investment already exists, primarily in construction companies engaged in infrastructure projects and in a cement plant.

The development goals of the Yemen Arab Republic call for new roads, expansion of the port of Hodeida, improvements in civil aviation, establishment of a new and much needed telecommunications network, expansion of the primitive electric power system, commercialized agriculture and other projects. All of these undertakings are resulting in bright commercial prospects, and in fields ranging from construction equipment to consumer goods.

The commercial and economic potential of the Yemen Arab Republic and the changes occurring and about to occur are not temporary phenomena. The current prosperity will continue so long as Saudi Arabia, the affluent neighbor to the north, needs Yemeni workers and so long as Saudi Arabia retains an abiding interest in creating favorable conservative and moderate political positions. The Yemen Arab Republic, once a political trouble spot, could reach a level of economic viability on its own, however, once the necessary infrastructure, industrial and agricultural improvements are made.

For U.S. engineering, construction and trading firms the potential is immense. From total cash reserves of some $2,000 only 10 years ago, the Yemen Arab Republic’s foreign fund reserves are now over $2 billion. Demand deposits in the private sector have increased 1,000 percent since 1977.

The Yemen Arab Republic’s imports have increased from $90.5 million in 1972-73 to $376 million in 1975-76. The current year is expected to show an import figure well over $440 million. U.S. exports to the Yemen Arab Republic during the first seven months of 1977 were valued at $22.3 million—nearly double $11.4 million for the corresponding period in 1976.

At present the country’s leading imports are animals and foodstuffs (43.4 percent), manufactured goods (18.2 percent), and machinery and transport equipment (17 percent). As the country develops its potential to produce more food, both for domestic consumption and export, more funds will become available for the purchasing of heavy machinery and transport equipment.

The Yemen Arab Republic, in addition to the prospects it offers to U.S. exporters, offers even greater potential for the provision of services and technology in engineering and construction. Raw but conservative estimates indicate that in the next three years projects valued at more than $1 billion will be implemented. A review of these projects with officials of the Central Planning Office, the Minister of Development and the Minister of Economy indicates the following are needed:
Two cement plants of 300,000 and 500,000 tons, valued at more than $200 million. (The first plant is now locked up by a Kuwait-Yemeni consortium.

- Numerous dams to conserve the ample rainfall for agriculture, valued at more than $150 million, plus underground water storage systems.
- Enlargement of the Port of Hodeida where up to 50 ships often ride at anchor with a turn-around time of four months; cost is estimated at $70 million.
- An oil pipeline from the Red Sea coast to Sana'a, an uphill all-the-way project requiring heavy pumping stations; cost estimated at $300 million-plus.
- Modernization of the electric generating facilities at Sana'a and improvement of the country's almost nonexistent grid; value large but unspecified.
- Rural electrification; value unknown.
- Road projects of more than 2,400 kilometers in the next three years. Engineering not yet done. Minister of Development would prefer one company to complete all the highway projects. This could cost more than $2 billion.
- Enlargement and development of the ancient Port of Mocha. Engineering not yet started.
- Telecommunications projects. French appear to have gotten first phase, which will be followed by later expansion. Estimates range from $500 million to $1.5 billion.
- Draft of the three-year plan gives priorities to establishment of industries to produce building materials from local resources. Also, priority will be given to all industries using local materials.

In addition there are many and varied investment opportunities in copper and iron ore smelting, marble quarrying, tourism and transport. There also is a variety of development loan banks and sources for public and private ventures, including the World Bank and the Islamic Development Bank.

At present, the Yemen Arab Republic needs engineering firms and the interest of major construction firms. Officials at all levels have stated that U.S. firms are desired. All they need do is visit the country and meet with government officials and local businessmen. Urgently needed are U.S. consulting companies to draw up tenders and advise the government on the feasibility of projects as well as to recommend priorities. There is said to be no expertise in the Yemen Arab Republic capable of undertaking the scope of the projects under consideration.

A major and very colorful example of U.S.-Yemeni commercial partnership is Operation Skyhook, now helping to alleviate congestion at the Port of Hodeida. Essentially, the Skyhook system consists of a natural-shape helium-filled balloon which travels back and forth between the vessel and the shore via cables. The balloon travels at 1,000 feet per minute and is capable of unloading approximately 800 tons per day. A mobile multi-drum winching system, two anchor buoys and normal off-loading supplies are the only other major pieces of equipment.

The idea started with Colin E. Unsworth who founded Unsworth & Co., a New York-based freight forwarding firm and member of the U.S.-Arab Chamber of Commerce, in 1947. Aware that port congestion in the Middle East could cost a ship up to $4,500 per day while waiting to be berthed, he considered helicopters as a solution but found them to be too expensive. Next he considered hot air balloons and found they could not lift sufficient weight.

Finally, Mr. Unsworth turned to Lightspeed U.S.A., Inc., experts in Lighter-Than-Air (LTA) technology. It was agreed to try a tethered helium-filled balloon and soon the firm of Lightspeed & Unsworth was born.

While in Saudi Arabia, an official of Lightspeed & Unsworth met with a partner of Yemen Marketing International Co., Ltd (YEMICO). After several attempts to sell Skyhook to local agents and the government, Lightspeed & Unsworth signed a contract with YEMICO to form a new company, Yemen Skyhook (YES) to set up and operate Skyhook.

The first balloon—The Queen of Sheba with a lift of 10 tons—went into operation on September 26 and is said to have increased port productivity by 35 percent.
2. West Germany, which has given loans to help construct the airport at Sana'a and the Sana'a-Taiz road as well as assistance for agricultural research.

3. Kuwait, which has given project aid through the Kuwait Fund for Arab Economic Development for agricultural development and grants for the establishment of schools and a new hospital in the capital.

4. The United States, the Soviet Union, Great Britain, various UN agencies and the World Bank, for a wide cross-section of economic and social projects.

5. The Organization of Arab Petroleum Exporting Countries, which has provided an $11 million, interest-free credit to help offset the impact of increased oil prices.

Continued rivalry exists between the Soviet Union and the United States. The Soviet Union has provided aid to Yemen since the mid-1950s, bringing about construction of the modern port of Hodeida (completed in 1971); the paved road from Hodeida to Taiz; and a large hospital in Sana'a. Scholarships for study in various Communist countries have been granted to several hundred Yemeni youth. The Soviet Union is also involved in a cement factory and a fish-processing plant to exploit the rich fish resources of the Red Sea.

Substantial surplus food from the U.S. has arrived for famine relief at various times under Public Law 480 (Food for Peace). In addition, the main road from Sana'a to Taiz, together with an extension to the old port of Mocha, was originally constructed by the U.S. (Not completed because of civil war, it was later improved and surfaced by West Germany.) The U.S. also built a public water system at Taiz and undertook a series of small self-help rural development projects. The U.S. AID program, terminated in 1967, was renewed in 1972 with the reestablishment of diplomatic relations.

The servicing and rescheduling of debts brought about by foreign loans will continue to play a major part in the Government's economic planning for a long time to come. Increases in foreign aid will simply add to the current fiscal obligations. The reasons behind the Government's decision to develop the economy seem pragmatic, based on a realistic assessment of the country's serious problems:

1. With a population of 5.1 million people growing at 2 percent per year, Yemen is one of the most densely populated countries in the Middle East.

2. It has far fewer natural resources than most of its neighbors, who seek to maintain much smaller populations on rapidly growing incomes supported by oil production.

3. Yemen's only exploited mineral deposit is rock salt, although exploration for oil is underway in the Red Sea. Unless a substantial strike is made, the country's only major resource will be agriculture.

4. 80 percent of the population works in the agricultural sector, which contributes about 70 percent of Gross National Product and is organized on subsistence lines. Productivity is low and, although agricultural exports have increased since 1970, they were still lower than agricultural imports in 1974.

(From available statistics for the first half of 1975, this trend appears to be continuing with foodstuffs comprising 40 percent of total imports.)

5. The potential to increase agricultural output substantially is severely restricted by the country's physical features and erratic rainfall.

Despite the growth of investments and an improvement in the Government's tax collection procedures, there is obviously no other way that the country, with its narrow economic resource base, can hope to finance the large-scale development of economic and social infrastructure that the country needs.

Planning and Prospects

The concept of development planning is still very much in its infancy in the Republic of Yemen. With the help of foreign advisors, the Central Planning Organization (CPO) drafted a three-year development program for the years 1973-76. This was the country's first
attempt at formulating and executing a comprehensive development strategy, but as the CPO pointed out, the program was not a plan—"It is impossible to introduce the modern concept of planning into a country moving from the fourteenth to the twentieth century." The CPO itself had only been officially set up, with World Bank and Kuwait assistance, one year before, but was quickly to prove itself one of the most dynamic institutions in the country. A full five-year plan with a total expenditure of $3,630,000,000 has now been elaborated.

Three-year plan, 1973-76
(Yemeni Rials million)

<table>
<thead>
<tr>
<th></th>
<th>1973-76</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>138.11</td>
<td>276.22</td>
</tr>
<tr>
<td>Industry, energy and minerals</td>
<td>91.80</td>
<td>183.60</td>
</tr>
<tr>
<td>Transport</td>
<td>292.13</td>
<td>584.26</td>
</tr>
<tr>
<td>Other infrastructure (water, sewerage, etc.)</td>
<td>97.40</td>
<td>194.80</td>
</tr>
<tr>
<td>Commerce and finance</td>
<td>41.45</td>
<td>82.90</td>
</tr>
<tr>
<td>Education</td>
<td>195.11</td>
<td>390.22</td>
</tr>
<tr>
<td>Health</td>
<td>48.22</td>
<td>96.44</td>
</tr>
<tr>
<td>Administration and social services</td>
<td>31.42</td>
<td>62.84</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>935.64</strong></td>
<td><strong>1,871.28</strong></td>
</tr>
</tbody>
</table>

Source: Central Planning Organisation

The objectives of the plan, which aims at a growth rate of 8.2 percent a year, is to work toward a self-sufficient economy based on both agriculture and modern industry, to develop basic services virtually from scratch and to increase sources of foreign exchange. A high priority will be given to transport and communications which are to get 28 percent of expenditure. Next comes industry (22 percent) and agriculture (14 percent).

The priority given to transport and communications in the plan is easy to understand in view of the past difficulty in moving from one region to another—a difficulty that has severely hampered economic development and political integration. Road construction will account for a large share of the transport and communications budget, together with the improvement of the Sana'a/Hodeida/Tal'a telephone system and the expansion of the extremely congested port facilities in Hodeida. In the education sector, which is allocated about 7 percent of the total budget, the aim is not only to increase very significantly the number of pupils at all levels in the formal education system, but also to work toward eliminating adult illiteracy which is currently above 80 percent. In the agricultural sector, the plan calls for the development of

surface and underground water resources, thereby increasing the land under irrigation. Other big projects include a U.S. AID-funded poultry farming scheme, as well as livestock and grain storage programs.

Prospects for a substantial increase in agricultural production are not at all encouraging. Much of the 8 percent of Yemen's land is cultivated on the imposing hillsides of the highlands into which the farmers of the past have cut steep terraces on which to plant their crops. The soil is fertile, the farming is intensive, but there is little scope for the introduction of modern, large-scale mechanized farming techniques. Planting and harvesting are carried out by hand with the aid of animals. The maintenance of the terraces presents a real problem because it demands a large labor input, no longer available in rural areas of higher worker migration. Many of the cultivated areas are remote from towns and roads. The individual holdings are fragmented due to Yemen's complex land tenure laws. Consequently, the distribution and marketing of food products is a major problem.

In addition, there are few personal incentives for the Yemeni farmer to

Production of major crops (thousand tons)

<table>
<thead>
<tr>
<th></th>
<th>1972-73</th>
<th>1973-74</th>
<th>1974-75</th>
<th>1975-76</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton</td>
<td>18.5</td>
<td>20</td>
<td>27.2</td>
<td>27</td>
</tr>
<tr>
<td>Tobacco</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5.6</td>
</tr>
<tr>
<td>Coffee</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>4.8</td>
</tr>
<tr>
<td>Millet and sorghum</td>
<td>900</td>
<td>720</td>
<td>1,570</td>
<td>1,608</td>
</tr>
<tr>
<td>Maize</td>
<td>80</td>
<td>84</td>
<td>107</td>
<td>104</td>
</tr>
<tr>
<td>Wheat</td>
<td>50</td>
<td>71</td>
<td>78</td>
<td>90</td>
</tr>
<tr>
<td>Barley</td>
<td>164</td>
<td>230</td>
<td>220</td>
<td>235</td>
</tr>
</tbody>
</table>

Source: Central Planning Organisation

increase production. More than 75 percent of the cultivated land is operated by landowners who rent it out on a share-cropping basis. Profits are divided according to whether the land is rain-fed or irrigated and to the various crops grown. This division is roughly equal in practice between owner and tenant, but the latter is expected to provide the animal and human inputs necessary to plant and harvest the crops.

The lack of trained manpower is another major stumbling block for the achievement of the plan's objectives in the agricultural sector. The shortage is prevalent both on the professional and sub-professional levels. There are few staff available to run the basic agricultural institutions, such as the extension service, so vital to development. Foreign experts will be needed for some time.

Major projects have been undertaken to develop land and water resources. The Tihama Development Project (jointly funded by the World Bank and the Kuwait Fund for Arab Economic Development) is modernizing the existing irrigation system in Wadi Zabid and carrying out a feasibility study to develop surface and groundwater irrigation at Wadi Mawr. The project will include plans for the provision of agricultural credit and extension services.

The country's first integrated rural development project has also been launched in order to improve the living standards of some 20,000 farming families living in the Southern Uplands. The project is jointly financed by the World Bank and the Abu Dhabi Fund for Arab Economic Development.

Certain experts feel that the key to increased production in the natural resources sector may well be the development of livestock. The Yemenis are natural husbandmen. Almost all farmers keep at least one cow for milk production, plus one or two sheep and some poultry. It is estimated that there exist in the country about 800,000 cattle and 9,000,000 sheep and goats. Disease control is still in a very undeveloped state, while the country's veterinary service is run by foreigners—British experts. It is an area for major development.
With minimum improvements in animal health and feeding, the result could be worthwhile increases in yield and breeding rates. The World Bank and the Kuwait Fund are considering a major new project designed to improve the standard of animal husbandry and to develop the country’s livestock potential. It is a project that will cover all stages of animal production—from raising new breeds of animals to control of marketing standards for meat production.  

Industry and Manufacturing

Although agriculture still plays the predominant role in the Yemeni economy, there is growing interest in industrial development with increased investment evident in recent years in both private and public sectors. Less than 1 percent of the Yemeni labor force is employed in industry. Manufacturing plays a modest role in the mix—contributing only 2 percent of GNP in 1971 and employing 61,000 workers. The demand for manufactured products is largely satisfied through imports. To the traditional manufacturing activities of cotton textiles, weaving with handloom, leather work and woodwork have been added cigarettes, soft drinks, biscuits, candies, furniture, aluminum products and building materials. Construction work has begun on a small industrial estate at Sana’a, while development plans call for new factories to process such local raw materials as fish, glass and cotton seed. The Government-owned textile factories employ more than 9 percent of the labor force in those enterprises.

By the end of 1971 there were a total of eighteen Government-owned manufacturing enterprises, plus six others that combined Government and private ownership. Such companies employed 80 percent of the total labor force working in industry. Cotton textile fabrics, cement, asphalt, salt and electric power are produced by the same period, is a cause of serious concern to the Government planners. With the limited range of traditional primary products to export, Yemen faces major obstacles in the international trading system, as seen in the case of two of her exports: coffee and salt.

In the world trading system, coffee is said to be the second most valuable commodity after oil; however, under the Imamate, production in Yemen was allowed to decline. It practiced primitive grading and marketing techniques and was not a member of the International Coffee Organization, which determines access (quotas and floor and ceiling prices) to the higher priced coffee markets. The result was that Yemen was forced to sell roughly graded coffee to the lower-price non-quota markets. The international situation of the 1970s, with wildly fluctuating terms of trade and intensified competition from Latin America and African coffee producers, left little scope for a tiny producer to bargain. Despite the recent record levels in world coffee prices, the value of Yemen’s coffee sales in 1976 was actually lower than in 1970, with hides and skins for the first time replacing coffee as Yemen’s second biggest export (after cotton).

In the case of salt, Yemen’s sole non-agricultural export, the country is in an even weaker bargaining position. There are enormous rock salt deposits of

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton lint (tonnes)</td>
<td>6,728</td>
<td>7,468</td>
<td>7,956</td>
<td>27,238</td>
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<tr>
<td>Cotton woven (thousand yards)</td>
<td>10.2</td>
<td>10.5</td>
<td>11.5</td>
<td>9.1</td>
</tr>
<tr>
<td>Cotton spun (ton)</td>
<td>—</td>
<td>375</td>
<td>375</td>
<td>161.4</td>
</tr>
<tr>
<td>Cement (thousand tonnes)</td>
<td>—</td>
<td>50</td>
<td>50</td>
<td>66.1</td>
</tr>
<tr>
<td>Aluminium (ton)</td>
<td>120</td>
<td>140</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>Paint (thousand gallons)</td>
<td>30</td>
<td>44</td>
<td>—</td>
<td>12.7</td>
</tr>
<tr>
<td>Biscuits (ton)</td>
<td>—</td>
<td>3,247</td>
<td>3,247</td>
<td>—</td>
</tr>
<tr>
<td>Chocolates (ton)</td>
<td>—</td>
<td>3,085</td>
<td>3,085</td>
<td>—</td>
</tr>
<tr>
<td>Soft drinks (million bottles)</td>
<td>—</td>
<td>19.6</td>
<td>19.6</td>
<td>15.2</td>
</tr>
<tr>
<td>Tobacco (million boxes)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>17</td>
</tr>
<tr>
<td>Shoes (thousand pairs)</td>
<td>—</td>
<td>—</td>
<td>923</td>
<td>—</td>
</tr>
<tr>
<td>Plastics</td>
<td>—</td>
<td>—</td>
<td>88,821</td>
<td>—</td>
</tr>
<tr>
<td>Vegetable oil (ton)</td>
<td>—</td>
<td>—</td>
<td>242</td>
<td>—</td>
</tr>
<tr>
<td>Nails (ton)</td>
<td>—</td>
<td>—</td>
<td>60</td>
<td>—</td>
</tr>
<tr>
<td>Oil cake (ton)</td>
<td>—</td>
<td>—</td>
<td>2,150</td>
<td>—</td>
</tr>
</tbody>
</table>

Source: Central Planning Organization
excellent quality and easily exploitable. (More than 25 million tons are located in the area near the deep-water port of Salif, stretching for many miles in length and width and over a mile deep.) But most of the world’s major salt consumers are also producers with one exception: Japan. Japan is today the world’s largest salt importer and up until the early 1970s the sole market for Yemeni salt. However, in 1972, Japan, despite an enormous surplus on its

Balance of payments, 1971-72 to 1974-75
(Millions of Rials)

<table>
<thead>
<tr>
<th>Year</th>
<th>Current accounts</th>
<th>Imports</th>
<th>Exports</th>
<th>Balance of trade</th>
<th>Services</th>
<th>Net invisible account</th>
<th>Capital accounts</th>
<th>Government payments (commodity and cash loans)</th>
<th>Government payments (loan settlements)</th>
<th>Net capital accounts</th>
<th>Private investment, errors and omissions (net)</th>
<th>Balance of payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1971-72</td>
<td>-24.4</td>
<td>-19.5</td>
<td>-83.7</td>
<td>306.7</td>
<td>-32.9</td>
<td>-573.0</td>
<td>-873.3</td>
<td>1,163.4</td>
<td>-1,163.4</td>
<td>-1,163.4</td>
<td>-1,163.4</td>
<td>-1,163.4</td>
</tr>
<tr>
<td>1972-73</td>
<td>42.1</td>
<td>33.9</td>
<td>61.9</td>
<td>58.5</td>
<td>390.8</td>
<td>539.1</td>
<td>-81.4</td>
<td>1,104.9</td>
<td>-1,104.9</td>
<td>-1,104.9</td>
<td>-1,104.9</td>
<td>-1,104.9</td>
</tr>
<tr>
<td>1973-74</td>
<td>366.4</td>
<td>690.7</td>
<td>875.7</td>
<td>1,655.5</td>
<td>366.4</td>
<td>519.6</td>
<td>777.7</td>
<td>1,412.1</td>
<td>1,412.1</td>
<td>-1,412.1</td>
<td>-1,412.1</td>
<td>-1,412.1</td>
</tr>
<tr>
<td>1974-75</td>
<td>123.2</td>
<td>57.6</td>
<td>144.4</td>
<td>164.3</td>
<td>-29.4</td>
<td>-20.2</td>
<td>15.1</td>
<td>16.6</td>
<td>16.6</td>
<td>-16.6</td>
<td>-16.6</td>
<td>-16.6</td>
</tr>
<tr>
<td>1971-72</td>
<td>93.8</td>
<td>37.4</td>
<td>139.3</td>
<td>147.4</td>
<td>-37.8</td>
<td>-51.5</td>
<td>-37.4</td>
<td>-37.5</td>
<td>-37.5</td>
<td>-37.5</td>
<td>-37.5</td>
<td>-37.5</td>
</tr>
<tr>
<td>1972-73</td>
<td>-107.2</td>
<td>-69.4</td>
<td>-83.0</td>
<td>-491.6</td>
<td>-107.2</td>
<td>-69.4</td>
<td>-83.0</td>
<td>-491.6</td>
<td>-491.6</td>
<td>-491.6</td>
<td>-491.6</td>
<td>-491.6</td>
</tr>
</tbody>
</table>

trade with North Yemen, stopped importing rock salt as a result of a combination of economic and environmental considerations (rock salt contains a high level of polluting solids, which are expensive to get rid of).

Yemen has been attempting to find markets in the eastern bloc, notably in the Soviet Union and North Korea. Japan’s resumption of rock salt imports would add about $1 to $2 million to Yemen’s current export earnings.

Main commodities traded
(‘000 Rials)

<table>
<thead>
<tr>
<th>Commodities</th>
<th>1973-74</th>
<th>1974-75</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports</td>
<td>364,377</td>
<td>481,631</td>
</tr>
<tr>
<td>Beverages and tobacco</td>
<td>13,069</td>
<td>29,113</td>
</tr>
<tr>
<td>Minerals, fuels, lubricants, etc.</td>
<td>32,625</td>
<td>35,694</td>
</tr>
<tr>
<td>Basic manufactures</td>
<td>152,986</td>
<td>193,114</td>
</tr>
<tr>
<td>Machinery and transport equipment</td>
<td>85,928</td>
<td>149,585</td>
</tr>
<tr>
<td>Chemicals</td>
<td>48,540</td>
<td>66,154</td>
</tr>
<tr>
<td>Total</td>
<td>744,980</td>
<td>981,004</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commodities</th>
<th>1973-74</th>
<th>1974-75</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exports</td>
<td>35,180</td>
<td>28,188</td>
</tr>
<tr>
<td>Cotton</td>
<td>6,461</td>
<td>4,972</td>
</tr>
<tr>
<td>Coffee</td>
<td>6,241</td>
<td>4,404</td>
</tr>
<tr>
<td>Hides and skins</td>
<td>26</td>
<td>443</td>
</tr>
<tr>
<td>Salt</td>
<td>643</td>
<td>443</td>
</tr>
<tr>
<td>Live animals</td>
<td>31</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>55,382</td>
<td>52,966</td>
</tr>
</tbody>
</table>

Source: Central Bank of Yemen

about $8 million, but it is no easy task for an economically weak country like Yemen to get a major industrial country to review its economic behavior, however ungenerous.

**Education, Manpower and Emigrant Workers**

The severe shortage of skilled manpower is a basic problem affecting most developing countries. For Yemen, the problem presents deep and conflicting difficulties. The country lacks the facilities to train skilled workers in almost all disciplines. Yemen is busy establishing a school system in buildings provided by Kuwait and Saudi Arabia and staffed by Egyptians, Syrians and Jordanians. It has a university. Technical education has been started by the Chinese and the World Bank. But the overall quality of education available in the country remains low and specialized skills have to be acquired abroad. At the same time Yemen has a tradition of providing large numbers of emigrant workers for its fellow Arab countries, particularly for the burgeoning Saudi Arabian economy, largely dependent on the massive influx of cheap and mainly unskilled Yemeni labor. The Yemen Government’s attitude toward this migrant force is changing. While the workers’ remittances have become a vital part of the country’s economy, representing by far the most important source of foreign exchange, the labor

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**Yemeni Communities in the U.S.**

Not many people are aware of the presence of Yemenis in the U.S.; there are few statistics on the scale and other data of Yemeni migration. But in Detroit alone there are an estimated 4,000 to 6,000 Yemenis working in the automobile industry, while in California Yemeni farmworkers comprise a considerable element of the agricultural labor force.

Approximately one-third of North Yemen’s male population work overseas, the vast majority in the oil states of the Gulf. For several decades, however, Yemeni immigrant communities have emerged in the West as well, notably in Britain, France and the United States.

Most Yemenis leave their wives and children behind in the impoverished villages of Yemen, but remain in close contact with their families. Their wages are regularly sent home, thus supplying considerable and crucial support for the domestic economy. In many cases these remittances are the only source of cash income, indeed, the standard of living in rural Yemen can be directly related to the rate of emigration. But the price for this "overseas aid" is high. The expatriate worker is long separated from home and family and finds that only the lowest paid menial work is open to him in what are all too often unfriendly communities.

One profile of the typical Yemeni farm laborer in California describes:

- young man in his twenties...
- His skin is deeply tanned. His frame is small. He is slender, almost underweight. His clothing is drab, but neat and fairly clean. He is shy, definitely wary, hesitant to make any disclosure. He is Muslim. Though he does not observe the fast of Ramadan because of the arduous nature of the work, he does pray five times a day in the field and attends mosque whenever possible. He is married. His wife and children are in Yemen. He speaks no English. He does not have a car, and he has few possessions.

*Extracted from Middle East Research and Information Project, Report No. 34.*
shortage in Yemen is already acute. Restrictions on the numbers of emigrants have recently been introduced. The 1975 census showed that out of a total population of 5.1 million, there were approximately 431,000 Yemenis working abroad, mainly in Saudi Arabia and the Gulf. Their remittances are thought to have amounted to more than $1 billion in 1976 as the boom, which has enabled these rich oil-bearing countries to provide substantial funds for Yemen's development program, continues to create a need for rapid construction of infrastructure elsewhere in the Arabian Peninsula. As more and more Yemenis leave to work abroad, the development programs the Government is trying so hard to sustain are endangered by the lack of suitable staff to work on its own development projects. And what of the social repercussions? Surely the absence of male adults from their families and villages must place a tremendous burden on the women and will lead ultimately to the neglect of agriculture.

It is difficult to see just what the Government can do to overcome this problem. According to analysts of a conference for Yemeni emigrants held in Yemen last year:

It is certainly possible to argue that at present workers are learning skills abroad which there is no opportunity to acquire in the YAR. This was one of the themes of the first Congress of Emigrants held earlier this year in Sana'a. Delegates came, at Government expense, from many parts of the world and President Hamdi urged them to help their country's progress by securing the best possible skills for themselves and their families and to send their savings home, where they would not be subject to taxation. It is, however, doubtful whether the Government will be able to sustain this argument successfully throughout the period of the new Development Plan, particularly as more donors concentrate their efforts in the educational sector and provide assistance for the development of rural education, teacher training and technical education. Will Yemen's economic and social planning pay off before the beginning of the 1980s? The Government planners certainly hope so, but confronted with so many formidable problems, the reading of the future remains unclear.

NOTES

6. Ibid., p. 385.
10. Focus on the Middle East.

BIBLIOGRAPHY

"Yemen (Sana'a)—Cities: Planning and Preserving," Middle East Markets, Nov. 21, 1977.
The new edition of Palestine and International Law updates through 1976 Mr. Cattan's earlier analysis of the legal issues underlying the Palestine Question. Its approximately 260 pages of text and nearly 100 pages of appendices, constitute the most thorough and comprehensive treatment of this subject to be found in a single volume.

To some, the chronology of precedence and duration of occupation set forth in the historical introduction may be startling. The Canaanites, not the Jews, were the earliest known inhabitants of Palestine. The Israelite occupation of Palestine was only an episode in the history of that area. If time in power and contributions to the development of the area were weighed, pagans, Christians and Moslems could all be said to have at least parity of claim with the Jews.

Turning to our day, the author examines in depth each of the juridical bases advanced in support of the legitimacy of the modern State of Israel. He concludes that the first and best known of these, the Balfour Declaration, is a legal nullity for at least two valid reasons: in 1917, the British Government had no right or sovereignty over Palestine to confer; and the gift of what one does not own of necessity violates the legal rights of the actual owners and occupiers. For either reason, the declaration of gift must be null and void.

The League Mandate for Palestine, which incorporated the Balfour Declaration, is likewise held to be invalid on purely legal grounds. Cattan argues persuasively that if the creation in Palestine of a national home for immigrant Jews violates the natural rights of independence and self-determination of the people of Palestine, then a Mandate purporting to do so is in turn in violation of Article 22 of the League Covenant, i.e., of the very authority under which the Mandate was created.

After tracing the history of the Mandate and Great Britain's related acknowledgment that unrestricted Jewish colonization in fact violated the legal rights of the Palestinians, Mr. Cattan argues with effect that neither the Charter of the United Nations nor general principles of international law conferred competence on the U.N. General Assembly to partition Palestine. This position was widely recognized at the time; indeed, the move by a number of states to submit this issue to the International Court of Justice was blocked by the narrow margin of 21 votes to 20. Moreover, the probable invalidity of the 1947 partition resolution has been acknowledged by some of the most respected commentators of the period including Pitman Potter, I. Brownlee, and the great legal positivist, Hans Kelsen. We are referred in this connection to the writings of Kermit Roosevelt, James Forrestal and former Secretary of State, Sumner Welles, all of whom agree that the partition would not have been approved but for overwhelming Zionist and American political pressure.

The actual effect of the partition when viewed in light of the principles of justice and self-determination to which the U.N. was and is committed is a most telling argument against its validity. In 1946, the year before the partition, the total population of Palestine amounted to about 1,972,000 inhabitants, comprising 1,203,000 Moslems, 145,000 Christians and 608,000 Jews. Of the Jews, only 60,000 had been there at the inception of the British Mandate; the rest were post World War I immigrants. In 1946, the Jews owned 1,491,699 dunums or 5.66 percent of Palestine's total area of 26,323,023 dunums. Arabs owned 12,574,774 dunums or 47.77 percent. The rest was in the public domain.

What did the partition plan do? It gave the Jews, who made up less than one-third of the population and who owned less than 6 percent of the land, an area exceeding 14,500 square kilometers, representing 57 percent of the area of Palestine. Can there be anything in the League Covenant, the U.N. Charter or the law of nations which could conceivably make legitimate a U.N. resolution purporting to confer sovereignty over more than half of an area solely on the adherents of a particular religion who make up less than one-third of the area's population and own less than 6 percent of the land? To state the question, Cattan would argue, is to answer it.

The author proceeds to address in detail the various theories and arguments which have been advanced to cloak the new state in legitimacy. With logic and citations of authority, he discards in turn arguments for Israeli legitimacy based upon the partition resolution itself. Israel's admission to the U.N., the recognition of Israel by other states and prescription or the mere lapse of time. When he is finished, one is hard pressed to avoid the conclusion that, under international law as presently practiced and understood, there is no accepted legal theory which supports Israel's legitimacy and sovereignty over Palestine.

Of course, the political realities remain. American foreign policy continues as one with Zionist interests. Supplied with U.S. arms, treasure and know-how, Israel is still the dominant military power in the Middle East. In recent months, it has been reported Egypt may be of the disposition to confer recognition and legitimacy on Israel in return for the restoration of lands taken in 1967 and a measure of self-determination for the Palestinians. If Israel accepts, Mr. Cattan's work will probably be of only academic interest. If, however, Israel does not, its small volume is likely to become the legal and intellectual Manifesto upon which this and subsequent generations of Arabs will base a continuing crusade to recover Palestine for the Palestinians.

Meanwhile, regardless of one's persuasions, this is a book to be read and pondered. Most readers will be shocked at the departure from traditional American values evidenced by our Middle Eastern policy since 1947.

Reviewed by Fred Drucker
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