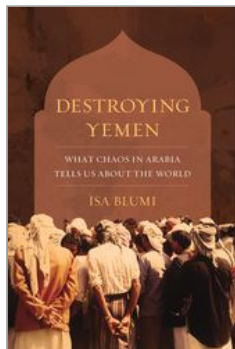


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### Destroying Yemen: What Chaos in Arabia Tells Us about the World

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### Wrong from the Start

Modernization and Development and the Violence they Spun

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#### [–] Abstract and Keywords

The migratory, labor, cultural and administrative history of the both North and South Yemen has been neglected. By exploring through Cold War era documents just how invested various internal actors were in transforming Southern Arabia's relations with the larger world it is possible to add another angle of interpretation to the larger book's project. It is argued that by leveraging competing external interests, a new set of operatives within Yemen's political classes emerge. Looking closely at the manner in which the British global empire provided an interactive context for Yemenis, it is possible to highlight the global threads linking indigenous politics with the larger world. Be they Marxist inspired guerrillas whose use of violence help expel Britain from South Yemen in the late 1960s, the early advocates for a retrenchment of Salafist orthodoxy (with deep links to Saudi Arabia), or those merchant families long servicing the trade networks linking Southeast Asia, East Africa with the Middle East, Yemen's new generation of political actor receives close inspection throughout this chapter.

*Keywords:* Development, Urbanization, Migration, anti-colonialism, political, violence

Yemen's Fight is My Fight. Yemen's Revolution is our Revolution.

JAMAL ABD AL-NASSER, Port Said, December 23, 1962

#### Introduction

Striving to break free from the stranglehold of capitalist colonialism, peoples of the Third World increasingly sought to unite to resist the traps of the Cold War. Along with others from the newly emerging postcolonial states, Jamal 'Abd-al-Nasser of Egypt joined a new generation of leaders aiming to liberate the non-Western world from the shackles of diplomatic marginality, economic servitude, and racial violence. It was the 1955 Bandung Conference that brought together those most charismatic Afro-Asian leaders of recently decolonized peoples, instilling a sense of possibility in the middle of the Cold War. The photogenic meetings in Indonesia, riding a wave of stunning confidence derived from their momentary independence from the confines of partisanship demanded by the Cold War, signaled hope to the world (Prashad 2008).

Sadly, the very sense of promise emanating from diverse intellectual circles also blinded would-be revolutionaries to the fact that their programs often served as pillars of the very colonial edifice they were attempting to topple. In what became a quick chain of setbacks, contradictions, and outright betrayals of the spirit of the Non-Aligned Movement (NAM), some of the proponents of what was supposed to liberate Third World peoples projected the very same economic authoritarianism against which they fought.

Central to the betrayal was a missionary-like zeal for “development.” Implicit in Marxist-inspired campaigns to change the world was the idea that “traditional” peoples like those found in Yemen blunted historical **(p.114)** inevitabilities. Egypt’s war in Yemen was in this respect, in the name of progress and justice, an attempt at forcefully integrating a previously independent agrarian people into the global economy. For would-be modernizers, be they self-declared capitalists or revolutionaries, the 1962 coup and the resulting war proffered possibilities for larger global gain. The task below is to make sense of these blurry lines of causality that caught Yemenis inhabiting this different web of politics.<sup>1</sup>

Framed in the euphemisms of a new era, Egypt’s “brotherly” intervention in Yemen opened channels of globalist penetration earlier denied by men ardently distrustful of “modernity.” The resulting eight years of war structurally reoriented North Yemen toward the global economy. Most importantly over the long term was the introduction of policies the IMF, World Bank, and other UN agencies advocated throughout the 1960s. Piggybacking on Egypt’s occupation, these “multilateral” organizations established, through invasive “aid packages,” the kinds of institutions that would over the next thirty years facilitate the economic subordination of heretofore “isolated” North Yemen (Latham 2011). These efforts, however, were constantly sabotaged as Yemenis openly defied the interests of global finance capital by pitting rival foreign agents of this forced “modernization” campaign against each other. As a result, both Egypt and the KSA failed to insinuate “progress” into North Yemen, a resiliency that should illuminate why the parallels to the current intervention by globalist henchmen should not be ignored.

This chapter charts the unbending Yemeni resistance to “progress” well into the 1970s, a stubborn embrace of local values that exposes the problem for those Bretton Woods institutions seeking to implement modern development programs in still-independent rural societies. To successfully integrate Yemen into the global economy required the blind trust and credulity on the part of Yemeni “clients.” Yemenis were expected to ignore the political consequences of installing the most basic of requirements in the modernization manifesto: a strong central state and economy exposed to the larger world. Ostensibly global capital required a compliant state willing to enforce progress on an uprooted, and thus economically vulnerable, politically fragmented society. Impossible under the imams, such a subordination and ultimate incorporation into the global regime of plunder could not have happened without the Egyptian occupation starting in late 1962 and the cooperation of a tank commander by the name of ‘Ali Abdullah Saleh.

### **(p.115)** The Egyptian Legacy

Regarding those who ultimately sided with (or were coopted by) Egypt in its battle between “conservative forces” and “progressives,” one gets the sense their ambitions conflicted with the war’s objectives. With rare exception, Yemenis did not wish for occupation, and it is clear Egyptian strategists understood this. Already by the early months of 1962, perhaps sensing change would come soon, prominent Yemenis drew up something they called the National Charter (NC). The NC appropriated the language of the period, wishing to reduce the class distinctions that persisted in Yemen, while advancing the struggle to liberate South Yemen from British rule. At the same time, drafters demanded a strong national army, modeled after Egypt’s but mediated by the “true spirit of Islam,” testament to the fact that many in Yemen believed more developed Arab societies abandoned their moral principles in return for the delights of modernization (Halliday 2001: 193-95).

This skepticism about Egypt’s values certainly reflected in the reaction to the arrival of Egyptian forces later that year. Even those with an ideological affinity for the larger revolutionary cause were not convinced that Nasser’s military occupation constituted a positive development. The warning bells rang almost immediately as both the Soviets and the Kennedy administration eagerly supported Nasser’s Yemen adventure (Gerges 1995). As Cold War rivals lauded the stated goals of the occupation to promote a strong centralized state that could impose “reforms” specifically targeting “tradition,” the imprints of the Nasser regime’s global reach would soon be everywhere in North Yemen’s cities. In the end, it was a globalist regime through planeloads of UN staff that mobilized popular Nasserism to provide cover for the project to subordinate Yemen.

Wasting no time, the newly minted Yemen Arab Republic (YAR) secured membership to various international bodies while the Soviet Union and soon after the US offered diplomatic recognition.<sup>2</sup> This initial support gave Nasser’s men the mandate to build a new, fully integrated North Yemen despite the initial panic from KSA and Britain.

Ultimately the YAR under Egyptian tutelage and the UN failed because it constituted but a shell of a government, the instruments of a real, transformative and, what many had hoped, modernizing state were all but forgotten with the war. Worse, instead of benefiting from an alliance with a fellow revolutionary state, the “progressive” Egyptians acted like old-school imperialist **(p.116)** occupiers. Again instructive for our reading events in Yemen today, a side effect of the occupation and the political economy around it was the emergence of competing factions whose rival embrace of Arab nationalism mirrored that which pitted Syrian/Iraqi Ba’athist against the Egyptians. In this respect, all the factions participating in this war proved ideologically malleable.

One important faction, called Nasserists in the literature, initially proved eager to ingratiate their homeland’s new globally minded guardians. Unfortunately, these “naïve” Yemenis ended up being abused in Egyptian technocratic talk as peasants and tribesmen (Schmidt 1968: 85-87).<sup>3</sup> Realizing only too late that Western values (corporate colonialism draped in progress) reached even the Nasserist idealists, many erstwhile Yemeni republicans eventually conceded that they should have listened to their imams.<sup>4</sup>

### Egypt’s Colonialist Turn

Much blame awaited those who idealized the personality behind Egypt’s power grab in the Middle East. Of course, most progressives imagined Egypt through a prism filtered by Radio Cairo broadcasts and the laudatory stories appearing in local print media about the charismatic Nasser as the natural champion of Arab Nationalism. Egypt was also seen, thanks to slick marketing via a thriving film industry, as the closest thing to a modern, developed state in the region (Schochat 1983). When Syrians eventually revolted against Egypt’s “revolutionary project,” the rest of the world should have been watching more critically.<sup>5</sup>

The biggest problem was an Egyptian arrogance permeating all levels of the country’s interactions with the rest of the Arab world. In particular, the Egyptian technocratic zealots eager to implement modernization strategies they learned about from college textbooks proved incapable of working with partner Arab societies. By embracing the discourse around Egypt’s special role, most of the well-intentioned agents of Nasserism proved blissfully ignorant that their efforts often replicated those of the old powerful families ruling Egypt before the “revolution” of 1952 or worse still, European imperialists (Mayfield 1971: 156-63).

Indeed, Egypt’s “revolutionary” state became the infrastructure for an entrenched elite that was wise enough to read into the Free Officer’s Movement an opportunity in face of the inevitable land reform and nationalizations. In many ways, the enhanced state power garnered by the populism of Nasser **(p.117)** became an extension of a modified oligarch’s power.<sup>6</sup> The war in Yemen was thus as much an extension of domestic Egyptian politics at the height of a crisis within the UAR as a charitable gesture to help initiate progress for a “brother-Arab” state.

In the end, Nasser's populist dictatorship was framed ideologically to serve as succor to a dangerously downtrodden population while proving equally hostile to those socialists aiming to redistribute the oligarchy's wealth. That is to say, Arab nationalists actually worked to further redistribute wealth into the hands of a select group of already powerful Egyptians. In the early days of the new regime in Cairo, it was the forced nationalization of formally privately owned lands, especially those properties owned by non-compliant foreigners, that opened the window for some Egyptian elites (Aoude 1994: 3-14; Kerr 1962). As with most other programs of development before and since, be it in the form of a xenophobic outburst ripping apart the fabric of Egyptian commercial life or the blind embrace of abstract Arab nationalism as applied in occupied Yemen, the real revolution was in the expanded power of oligarchs, the foreign corporations they represented, and political entrepreneurs in and out of the region.<sup>7</sup>

No matter how much sympathetic scholars tried to suggest otherwise, the Egyptian regime of the late 1950s was following a route that several of the most notorious ideologues of modernization set out for Egypt at the expense of its Arab comrades. Eager to promote US ascendancy, Daniel Lerner, Walt Rostow, and their Cold War colleagues (Manfred Halpern) were enthralled by what they saw in postcoup Egypt. Indeed, as evident from their several visits to the region, many of the superficial accoutrements of modernity were beginning to inundate Egypt (Latham 2011: 75-77). As Egyptians bought TVs, wore Western clothing, and drank Pepsi, the link that many US advocates of modernization made with the principled investment in schools and enhancement in state power suggested that better times were coming.<sup>8</sup>

For Egyptian partisans of modernization, it was edifying to hear praise from W. W. Rostow who advocated the fostering of national markets to defeat communism at its own game (Mehmet 2002: 70-72). Nasser himself was enthralled by Rostow's ideas articulated in *Stages of Economic Growth* (1960). As Egypt's largest newspaper, *al-Ahram*, published key points of the thesis in a serial, Egyptians could see with their own eyes that the new forms of governance that specifically aimed to change "backward," "traditional societies" found in rural Egypt were working. Here the psychological handicap of constantly seeking "Western" affirmation led to adopting especially (p.118) brutal policies in North Yemen by 1962. As such, Egyptians were prepared to perform their progressive and modern duty: export Egypt's own successful integration into the world economy to places such as Yemen. In this context, like missionaries of another era, educated Egyptians harnessed the powers afforded by the modern state to bring an improved life to those who still did not know any better (Mitchell 2002).

Of course, modernization and most development schemes of the era qualified "growth" by the extent to which formerly inaccessible sources of wealth production became part of the larger global mechanisms serving the Atlantic powers (Hah and Schneider 1968). The imamate in Yemen, in this frame of analysis, was almost criminally "traditional" because, in part, it regulated the kind of economic interactions Yemenis maintained with the outside world. Perhaps ironically, both the Zaydi conservatives backing the imams and progressive members of the FYM most likely to embrace Nasserism and "modernity" initially agreed that those outsiders clamoring to gain access to North Yemen were poisoned by un-Islamic materialism and thus entirely unwelcome. Yemen, in other words, would not surrender easily.

Enter the modern Egyptian proxy. As with rural Egypt in the late 1950s, transforming places like “undeveloped” Yemen was the modern Egyptians’ manifest destiny.<sup>9</sup> Americans appreciated Egypt’s potential. Indeed, already in the late Eisenhower period, but especially with the rise of Kennedy’s new generation of Cold War strategists, Americans viewed Egypt’s revolutionary potential in this modernist context as firstly an important buffer to the expansion of the Soviet Bloc, both in the Suez region and the larger Red Sea and Middle East, but then also as a huge new market for US corporations. As we will explore more below, as much as US development aid agencies (and multilateral agencies dominated by them) were eager to push US standards of living on the rest of the world because it was good for the charitable soul, it was also very good for business.<sup>10</sup>

With the subsequent push to make Egypt the region’s hegemon and enforcer of the kind of modernization benefitting US corporations as much as local political oligarchies, we can interpret the overtures of pan-Arabism as cynical populism played in tunes to sedate the likely renewed backlash to this new era of exploitation. This betrayal played out earlier with the creation of the UAR in 1958. The same exploitative forces pillaging much of Egypt’s newly expanded agricultural capacity, investment in factories, cheap electricity, and a pliable military leadership was greedily directed first at Syria and then Yemen (Jankowski 2002: 161–73; Kerr 1971: 11–25). In short, Egypt (**p.119**) exported its exploiting class in the form of “aid,” laying the groundwork for subsequent assaults on Yemen’s economic sovereignty as demanded by the USA, UN, and IMF.

### Rethinking Nasserism and Globalism

Nasser’s project in the 1960s, far from being hostile to the liberal economic agenda imposed on the larger Third World in the form of modernization, promoted an Egyptian version of the globalist program that impoverished targeted, once functioning agrarian societies (Amin 1992: 92–93). Egyptians hoped to extend such programs inducing “downward mobility” in North Yemen, ostensibly turning a once independent agrarian society into a guinea pig for “development” projects expected to assure long-term Egyptian political and economic hegemony (Rahmy 1983: 34).

In partnership with the UN, authorities freshly arrived from Cairo immediately established something called the Revolutionary Command Council (RCC). The role of the RCC was to impose a state with a formal infrastructure modeled after Egypt’s. This entailed a full portfolio of ministries that could not have possibly been manned by Yemenis. With personnel shortages and patronizing Egyptian assumptions that even those few who came to work were not capable, within months Yemen became but a mere province of larger Egypt.<sup>11</sup> Wishing to maintain some semblance of propriety, the Egyptian-appointed governors of Yemen set up a legal framework, taking the form of preliminary and then transitional constitutions that lasted for the rest of the 1960s (Rahmy 1983: 249). Unfortunately for North Yemen, this legal apparatus allowed corrupt officials to pillage the funds beginning to flow from now eager donor nations.<sup>12</sup>

In such an environment, the RCC had practically free reign. What it did with that power is revealing in that it supports the characterization of development aid being strategically used to build the capacity of the recipient state to collect as much surplus from the population's productivity as possible (Hudson 1971; Hayter 1971). Indeed, the first year of reforms installed by the Egyptians and the army of technocrats and advisors sent by UN agencies was to develop this wealth transfer function of state. Through direct and indirect taxation, through a functioning centralized banking system, North Yemen's surplus wealth was targeted. As we can safely identify in "capacity-building" schemes promoted by USAID, UN, and IMF programs since Egypt's global **(p.120)** friendly occupation of the YAR, such schemes helped maximize the amount of Yemeni savings ending up in off-shore capital markets.

This task fell to the hastily established state bank and its partner Bank Misr (which handled all finances of the military operations). These institutions, with branches set up in most cities, immediately tried to supplant the old ways of local merchants. Both criminalizing traditional commercial practices by way of new tax laws and forcing newly regulated markets to funnel productivity into Bank Misr-backed institutions, the regime aimed to maintain a firm control of prices and ostensibly monopolize trade (Burrowes 1987: 24-27).<sup>13</sup>

The strategy to break apart the economically powerful, and thus politically dangerous, local "oligarchs" formally controlling the markets was to force them to interact with the occupation regime directly. To realize more comprehensively this reorientation of the Yemeni economy the administration imposed a currency that included a significantly revalued minted silver riyal and for the first time, paper.<sup>14</sup> As all transactions would be steered through public corporations under Egyptian management that then offered exclusively commercial concessions to Egyptian companies, those traditional merchant elites would have to politically demonstrate their subordination or lose out entirely. The result would be a redirecting of funds through Egypt that intended to abolish trading monopolies once belonging to families linked to the imam.<sup>15</sup>

The Yemen Bank for Reconstruction and Development (YBRD) grew in this period and in theory worked with the Yemeni currency board to serve as a central bank (Attar 1964: 266-69).<sup>16</sup> The idea here was to help steer the distribution of funds while also stabilizing exchange rates.<sup>17</sup> In fact, until the early 1970s, the YBRD was the only commercial and investment bank in YAR. Other "state-owned" corporations created to serve empire during the Egyptian period included the National Tobacco and Match Company, a guaranteed revenue source; the Yemen Foreign Trade Company, which during the war assured that all imports and exports went through Egyptian ports and were processed through their own customs services in order to collect fees; the Yemen Salt Industry Company; the Yemen Fuels Company; and the Yemen Pharmaceutical Products Company (Burrowes 1987: 24-25).<sup>18</sup> In what was previously a decentralized and largely state free society, these monopolies served the purpose of redirecting power toward a "modern" state at the expense of Yemenis ability to manage their commercial affairs independent of empire.

In the end, the YAR government, which had difficulty collecting revenues from a war-torn, territorially truncated country, was but a conduit for redistributing **(p.121)** Yemen's wealth to Egypt. The system ultimately bred a class of bureaucrats who had a vested interest in perpetuating the plunder. A precursor to much of what constitutes development aid today, the Yemenis discovered Egyptian and UN assistance meant gutting the country of whatever it had to offer. When the Egyptians finally left, Yemen inherited banks with no gold reserves, a heavily damaged infrastructure, enormous debts to global "lending" agencies, and an impending famine.

### A State of Change: The Iryani Era, 1967–1974

Moving out of the shadow of its Egyptian overlords, by 1967 a technocratic workforce slowly inserted itself in the economically ruined YAR. As its constituents sifted through the rubble and started to fill in the shell of a government that Egypt had left behind, they still evoked modernization, faithfully repeating the claims and promises it offered. The young, educated Yemenis who found themselves working within a new Iryani-led government, often still under the advisory supervision of the UN that stayed behind, not only proved to be quick students but also soon demonstrated a strong nationalism deemed obstructive by their foreign guardians.

With the mess of Egypt's occupation always in the back of their minds, some prominent Yemenis tried to clean the country up by mediating between the zealotry around modernization still circulating among them and the political needs of the new reconciliation government. This effort began with President Abd al-Rahman al-Iryani's establishment of a Republic Council in 1970, a well-meaning effort to equitably distribute the spoils of any reformed, functioning state the Yemeni political elite—both Republicans and “traditional” shaykhs—could create after Egypt's occupation (Deffarge and Troeller 1969: 221–53; O'Ballance 1971: 189–202). Members of the Council included Qadi 'Abd al-Rahman al-Iryani, Ahmad Muhammad Nu'man, Muhammad 'Ali 'Uthman, and, lurking in the shadows, Shaykh Abdullah Husayn al-Ahmar. Unfortunately, the concessions given to the al-Ahmar clan in particular undermined the Council's ultimate objectives to bring political and thus economic stability. This failure induced the breakup of the government in 1974 (Burrowes 1987: 28–56).<sup>19</sup>

Revealingly while power was distributed to members of the Republic Council, the Iryani government facilitated the drawing up of a constitution that, among other things, reinitiated YAR's stealthy integration into a global **(p.122)** financial regime. It was the creation of certain governing agencies, among them an improved Ministry of Finance that facilitated the creation of the Central Bank of Yemen (Burrowes 1987: 40–42, 46–49). Officially the Central Bank would enable commercial banking and thus better manage the promised influx of funds from donor countries. This development proved important over the next few years as already there were a few donors, especially the USA, eager to “help” steer this defiantly independent country into the global economy.<sup>20</sup> To manage the newfound aid streaming in, upon the insistence of donors the Yemeni government established a Central Planning Organization (CPO) in 1972 (Burrowes 1987: 46–49).

It did not take long before the CPO became home to paneloads of expensive advisors whose primary task was to write a national development plan. One problem with drawing up such a development scheme was the particularities of the Yemeni economy. Long understood as “most underdeveloped” because Yemen was composed of communities living in small rural settlements, Yemen's cities were to be the core areas receiving most of the development money. The central reason for the initial neglect of rural Yemen was that economic development models equated urbanization (and thus encouraged the depopulation of “underproductive” villages) with modernization. The Cold War context also helps account for this seemingly odd decision to neglect Yemen's countryside.



As noted in academic papers written by disciples of Rostow and Lerner, rural populations were deemed more difficult to police. North Yemen, highlighted in the growing number of US-government-funded ethnographies of the country, was predominately an agrarian society. Its economic “backwardness” and penchant to remain impervious to central state rule meant “developing” the country by inducing migration to the cities, just as in Egypt and in Southeast Asia. Be it through the increasing shift to a cash-based economy (where rural people could only buy goods and services, and pay taxes, using money issued by the central state) or systematic flooding of Yemen’s markets with cheap “donated” food such as US wheat, almost all foreign aid to North Yemen was directed to inducing such urbanization.

By the early 1970s, it seemed this classic “development” trajectory had been implemented successfully in North Yemen. Indeed, Yemeni villagers by the hundreds of thousands flocked to the oil-related jobs emerging in the 1970s boom economies of the Gulf and KSA. Yemenis desperate for cash to feed families back home were availing themselves to be the cheap workforce for Arabia (Swanson 1979; Halliday 1977). And yet, contingencies arose and **(p.123)** the consequences of this dramatic structural change created new synergies of local power that continued to upset empire’s long-term agenda. Unexpectedly, the resulting inflow of savings from workers created a boom in rural North Yemen. The net inflow of money, almost entirely in Saudi riyals or precious metals, constituted a significant, but unanticipated, shift in society (Carapico and Myntti 1991).

For one, the influx of savings enabled rural communities to remain detached from any development program advocated by the IMF, World Bank, and the CPO technocrats. Instead of their surplus cash going to the larger economy, rural Yemenis not only continued to save their earnings in traditional ways (for dowries, rainy days) but when they did spend it, it was reinvested in local projects. Such economic behavior frustrated the underlying agenda of globalist agencies that had envisioned both a massive migration to cities and a net export of Yemen’s wealth as city dwellers adopted more “rational” practices. Instead, Yemenis remained locked to their land (even those who worked overseas sent their earnings directly to their villages) and spent these remittances locally. This stubborn “traditional” economy assured North Yemen’s peasants their economic independence, something empire could not countenance (Fergany 1982).

Because Yemenis were, consciously or not, defying “rational economic practices” advocated by modernization experts, the primary agenda for the CPO and allied government agencies necessarily shifted. Their new task was to figure out how to redirect Yemenis’ savings into state coffers. The idea was, once in state-run institutions or state bank accounts, the wealth could eventually be reinvested in institutions controlled by globalist forces. Since Yemenis refused to become middle-class consumers, embrace “universal values,” and stop having children, institutions representing empire pressured the Yemeni government to introduce a new generation of “reforms” in the mid-1970s. Once again, but under a different set of goals, “development” experts attempted to assert some “order” into Yemen’s economy. As in the past, there would be Yemeni pushback.

Government employees with strong anti-imperialist convictions appreciated that the only possibility of realizing sustainable development was to let rural communities figure out themselves how to invest their savings. Many looked to socialist South Yemen, which had taken a hard line in respect to imposing self-investment schemes after securing independence in 1967 (Lackner 1985: 176–79; Brehony 2011). Alas, despite pleas from within the Ministry of Agriculture, those holding power in the North Yemeni **(p.124)** transitional government adopted the UN programs.<sup>21</sup> The attempt to impose these development “road maps” would have dire consequences in Yemen.

Meanwhile, Iryani’s policy of reinforcing the power of those “traditional” actors who enjoyed the unequivocal support of the KSA added fuel to a fire among a growing rebellious cadre of progressive technocrats (Malone 1971: 541–48). For those around the conservative Iryani, caving to the KSA was politically expedient considering just how much power Egypt had given these rural leaders in return for their neutrality during the long war (Witty 2001; Ferris 2013: 181–90). Ironically, in time it became clear that these same actors Egypt helped empower demanded a central role in any state-building (and thus development) program. The rent they expected to draw from any cooperation quickly made it impossible for the otherwise cooperative technocrats to accomplish anything through the modernization campaign promoted by the international community.<sup>22</sup>

Here lies the paradox of globalist imperialism’s contradictory policy. Some of Yemen’s most entrenched conservative forces were the same rural leaders now expected to cooperate with the reconciliation government led by Iryani who had also signaled a desire to develop his country per globalist guidelines. The Americans initially encouraged this seemingly contradictory policy, claiming the “innovative recruitment of tribal shaykhs into positions of authority, and reasserted Islamic principles as the proper foundation of government” helped restore legitimacy to the central government (Stookey 1974: 410). And yet, if this is what the Americans sought—the restoration of the “collective voice of the ulama”—the question arises: what exactly differed from this government and that under the imam?

This is a nuance to globalist imperialism missing in most analysis of the region. Stability is not the ultimate target; it is the reversal of Yemen’s independence which the imams cultivated. Thanks to Egypt’s brutal intervention, Yemenis’ ability to negotiate with the larger world weakened considerably. Iryani’s government was given the mandate to bring peace to Yemen, but only if that entailed tying the short-term fate of the country to powerful interests backed by the KSA and the Americans.

### Enter Hamdi and the Lda

But this was Yemen and such infringements imposed by the KSA did not sit well. In June 1974, a bloodless coup led by Lt. Col. Ibrahim Muhammad **(p.125)** al-Hamdi (1943–1977) initiated a new track that at once reinvigorated the drive to develop rural Yemen advocated by socialist-leaning technocrats. The pretext for this coup was an overtly assertive KSA, echoed in Riyadh’s chief apologists, ‘Abdullah Hajri and members of the al-Ahmar clan.<sup>23</sup> Hamdi’s sudden rise echoed the ongoing political fight inside North Yemen between those supporting the Saudis, a coterie of foreign progressive activists linked to Baghdad, and the rival Bakil confederation.

To the extent this was true, at the time of Hamdi's intervention, rumors circulated that loyalists to the Iraqi Ba'athists were plotting to kill conservative members in the Iryani coalition. Catching wind of these moves, rivals scrambled.<sup>24</sup> In a replay of 1962 perhaps, two very different sets of Yemeni agents with different visions for the future raced to secure the tattered shell of the Yemeni state. Hamdi and his men got there first.

After securing the government, the men around Hamdi set up on June 13, 1974, a Command Council (CC) and installed the "Corrective Movement" to stymie the al-Ahmar (and Saudi) counter-coup elements (Burrowes 1987: 57-88). While these maneuvers were crucial, the long-term success of the Hamdi coup is not possible to explain unless also appreciating how his "Corrective Movement" catered to those previously mentioned technocrats who envisioned a different path for North Yemen.

The CC set up by Col. Hamdi immediately froze the al-Ahmar-controlled assembly, sending anyone with the ability to challenge authority into exile.<sup>25</sup> Importantly, three members of the ascendant CC, the *de facto* rulers of the YAR for the next three years, were members or allies of Sinan Abu Luhum who was accused in some circles of being closely linked to Iraq. An important personality in the Bakil confederation, originally Sinan Abu Luhum had been appointed governor of the port region of Hudaydah by Iryani. Thanks to the posting, Luhum eventually dominated trade from the coast to the highlands. Now in a short-lived partnership with Luhum, the new Hamdi government coalesced around a secular orientation that was also "fundamentally Zaydi" (Stookey 1974: 416). Stookey's fixation on the Zaydi aspects of the new powers is internally contradicted, however, when it is taken into account that actually it was "Shafi'i" merchants from Ibb and Ta'iz who thrived under Luhum's governorship. That this Shafi'i merchant bourgeoisie also enjoyed old Adeni ties allowed for their transnational trade links to translate into power in the YAR by the 1973 global oil boom.

The coup of 1974, in other words, may have not been coincidental to the fact Luhum and his merchant allies were now anticipating entirely new **(p.126)** economic perspectives. Sometimes that included doing business with the KSA or other newly independent oil monarchies. The need to frame Yemen's politics constantly in sectarian terms, therefore, seems in retrospect counter-productive and indeed a distraction. The ultimate irony is that Yemenis (both Zaydi and Shafi'i) had far more direct influence in the Gulf and Saudi political economy of boom and bust cycles for the next forty years than any crude attempt by the US/Saudi axis at securing influence inside Yemen by way of funding Islamic parties or the al-Ahmar clan. Evidence of this is in the short-lived Hamdi government.<sup>26</sup>

The measures taken by the CC immediately defanged Saudi abilities to counter. In the meantime, reports suggest Hamdi was quite the charismatic and effective orator, catching many by surprise and immediately grabbing the support of a larger public, desperate for a new champion after so many years of dysfunctional government and overt Saudi influence peddling and crony-ism.<sup>27</sup> Diplomatically Hamdi's government directly reached out to the USA, and thus put pressure on the Saudis to give this push for stability and order a chance. Such moves reveal both an astute reader of global affairs and appreciation that Riyadh could be coerced despite the oil boom.<sup>28</sup> Amid this mix was a new regional boom economy that had direct consequences for Yemenis, both those profiting from the massive uptick in oil prices that resulted in new construction and service contracts, and the poorer Yemenis who migrated to work for these expat Yemeni companies.<sup>29</sup>

In North Yemen's domestic politics, the key was a balanced cabinet, with enough "conservatives" getting their hands on marginal portfolios, and the open embrace of the socialist-leaning technocrats, who had finally found their man. The subsequent infiltration of the Central Planning Organization (CPO) with like-minded technocrats highlighted the intended direction of this new "Corrective" regime. Here we begin to see an essential partnership that linked domestic politics with a global political economy of resistance. Newly trained nationalistic bureaucrats started their slow takeover and denied for another generation empire access to Yemen.<sup>30</sup>

With all the discipline the task required, Hamdi embraced *au courant* modernization strategies, but with a distinctly Yemeni twist. Crucially, Hamdi's consolidation of state power in respect to the military and some core government agencies took its form at the expense of those "traditional" actors demanding rent in return for their compliance. At the same time, however, and to the chagrin of the most rigid modernization advocates, Hamdi also embraced a novel idea that lent support to unleashing Yemen's economic **(p.127)** productive capacity via a truly unique Yemeni form of "self-help" organization, the Local Development Associations (LDA).<sup>31</sup> With these locally managed development cooperatives located almost exclusively in the countryside, the YAR under Hamdi would unleash an early form of grassroots soft power that had the potential of revolutionizing rural development schemes throughout the world.

Perhaps the most important factor was just how independent the LDAs were from the central state. Able to exclusively access the potential tax revenue under their jurisdictions, the committees created from members of the community could also solicit external funds and loans (almost exclusively drawn from local, nonbanking sources) independently of the central state and bank now formally connected to the outside world. What really set these committees apart, however, was the fact that the biggest source of funds to help build water wells, roads, other infrastructure, or collectively invest in new revenue-producing agricultural projects was the remittances of the community's men working abroad.<sup>32</sup>

Clearly, Hamdi and his close allies understood that the LDAs promised to politically uproot what had been a dangerous entrenchment of so-called tribal shaykhs just recently given a lease on life. Hamdi realized that efforts to pry YAR free of the grip of the KSA necessitated a vibrant rural economy that made rational use of the country's greatest economic assets, its hardworking people. If Yemen's rural population could sustain an autonomous commercial relationship with larger Yemen, and remain financially the heart of the rural economy, there would no longer be a need for once-powerful intermediaries who worked for empire.

The numbers registered of the period's economic performance are staggering: More than a million hard-working Yemeni migrants funneled savings from their salaries to their communities, often ending up assisting to fund an LDA project. More than remittance funds, the unprecedented use of the LDAs' legal right to draw from local *zakat* (the annual tax Muslims surrender to pay for communal needs) collections helped villages finance the development of their communities with minimal state (and more importantly foreign) help. Crucially, by the mid-1970s these locally run projects constituted a significant portion of the national economy, and local communities owned them.

Such success induced a sudden influx in interest among international development aid organizations. And it is with this crucial episode in postwar North Yemen's history that we may also begin to appreciate just how negatively a role external actors, especially those with a so-called humanitarian **(p.128)** mandate, play in sabotaging rural people's political and economic independence. As the few early observers noted, these LDAs spurred on an unprecedented period of the kind of development long advocated in the West. Indeed, they were producing results that would make any program manager blush in the larger world. The problem is, the function of development is to integrate rural societies into the larger global economy. In Yemen, success in 1974 meant the very same "traditional" communities long condemned to aggressive social engineering proposals from the modernization advocates remained independent (al-'Awdi 1977).

Contradicting every formulaic program "experts" brought with them to Yemen from the late 1960s onwards, this self-help revolution invariably attracted the negative attention of the international community (World Bank 1981; Green 1975; Samuels 1979). Impudently dismissive, the slew of reports coming out of the much better funded developmental aid programs almost all tried to diminish the enduring value of these programs, complaining they were administratively weak and unprofessional (World Bank 1981; Swanson and Hebert 1981: 25-76). The way USAID consultants, in particular, tried to make sense of this Yemeni "anomaly" in terms of its "lack of oversight and cooperation with the government" revealed how much global powers invested in using development aid to structurally transform the world to service their needs—Yemenis' well-being be damned!

The problem was Yemenis with Hamdi in charge were again impervious to coercion. Opting for local funds to build roads, water wells, and schools, North Yemenis were not borrowing from the IMF to build the infrastructure needed to help investors pillage the country's mineral wealth. The areas of concern for scholars and officials of the various developmental aid organizations facing this reality are especially revealing. According to the reports drawn up by the international community, Yemenis' considerable savings drawn from remittances remained almost entirely within an indigenous financial system. With only 8 percent of the Yemeni population using banks in the late 1970s and most savings stored outside banks entirely, Yemen's informal economy remained invulnerable to a global system of monetary policy (Ross 1980).<sup>33</sup> Even at the heart of an oil-induced boom in the mid-1970s, with the Yemeni economy restructured to importing almost everything consumed by a growing population, less than 25 percent of all import business was financed by formal commercial banks. In other words, Yemen's vibrant economy was largely managed and lubricated outside any formal system that had strings attached to the Bretton Woods mechanisms.<sup>34</sup>

**(p.129)** To outsiders, this meant the productivity of rural cooperatives "failed" to reach the necessary channels of incorporation into the global economy, a defiance of development economics orthodoxy of the time. The necessary lie in the negative press that followed was that rural communities did not have the capacity to effectively and efficiently manage their land, and, in the case of Yemen, cash and gold savings assets. With upwards of 90 percent of all remitted money circulated through local, informal financial businesses, Yemenis' wealth remained in Yemen and used in ways that almost entirely excluded a role for the major global mechanisms. The implication was if such a cooperative model were ever instituted in Africa, the Soviet/Chinese and Western development programs, and thus empire, would go out of business.

While under Hamdi's watch, money was certainly to be made from the massive growth in construction and consumption but the likely winners of these supply contracts were trading families with historic links to Yemen. Not much room for the Bechtels, General Electrics, and Teers in that environment. Worse, unlike the Saudis, far from developing with a growing dependency on the IMF, World Bank, or other agencies, Yemenis were heading to a thriving future without surrendering their hard-earned savings to the global economy.

Many in the cooperative movement and around Col. Hamdi recognized the patriotic significance of allowing the LDAs to continue to do the heavy lifting of developing Yemen. These same advocates for rural development that remained autonomous of the programs being pitched by global interests were doing so to satisfy the long-held wish of avoiding precisely the kind of economic subordination demanded by the outside world. In this regard, Hamdi's government refused to move forward with those prescriptions drawn up by the World Bank, IMF, and scholars paid for by USAID (El Mallakh 2014: 46).

Although the cooperatives movement is treated in the literature as an economic phenomenon, it also carries political and social implications. LDAs provided a nucleus for an alternative system of administration that directed socioeconomic development to service constituencies in ways that assured their functional independence from any larger governing body. The LDA committees, for instance, played several political roles, including arbitrating group disputes. Elections to select representatives to the LDA administrative mechanisms that covered communities throughout the highlands in North and Middle Yemen suggest they also supported nascent democratic trends in local politics free of Western interference. In theory, a community could elect representatives from the village to the general assembly of the LDA, a body **(p.130)** that consisted of forty to fifty members. In turn, this body elected a president, secretary-general, and treasurer for three-year terms (Cohen, Hebert, Lewis, and Swanson 1981).

Despite the democratic potential, in some places a dominant patriarch's claim to authority infringed on the deliberative possibilities of the LDA. To address this decentralization of power Hamdi's presidency instituted a national body to link all LDAs known as the Confederation of Yemen Development Associations. This helped supervise LDA management and further unlock the power of communities while liberating them from the often-debilitating claims of authority from what some would call feudal residues. Clearly, this open-minded president who drove around town in a Volkswagen Beetle without an entourage wanted these LDAs to realize their full potential. In many ways, this was Hamdi's passion. It should be noted that before becoming president, Col. Hamdi was head of the LDAs' national organization in 1973. Slowly implemented in a few places before 1974, they boomed under his presidency.

Again, the rapid development of the LDA caught the international development community by surprise, and increasingly concerned them. Hamdi created a favorable environment for development, crucial at a time when much of the Third World simply did not trust the Americans and their invasive programs. The LDA movement held out the promise of grassroots organization nationwide. Even one of the few examples of direct state intervention in the functioning of the LDAs—the 1975 linking of the organizations to a revived Correction Movement, which offered a means to train and place political cadres at all levels of the state—proved to complement, not contradict, the bottom-up nature of the development apparatus (Carapico 1985). Yemen here gave clear space to those citizens otherwise shut out of the global development game. With the central state's money flowing to specifically develop the military and not the locally funded LDAs, the intention was to allow communities to assert more direct control over the country while keeping the state involved as partners, not rivals.

Hamdi's Yemen remained too independent of global influence to let stand. As noted above, the international community started to complain that those operating the LDAs were not "modern" enough and could not absorb properly all the surplus savings flooding the country via remittances. Rural Yemenis were basically "wasting" money. Worse, the money was handled by money changers who operated outside institutions linked to the global economy. Like Somali "pirates" or Huthi "militias" of the 2000s, the money (**p.131**) changers became criminal in the language of foreign development agencies. In the end, however, the root of all foreign hostility was Yemenis spending their own savings locally.

Even when families receiving the earnings of their loved ones toiling in Kuwait, the KSA, Qatar, or UAE did use their money to buy things, foreigners complained that Yemeni consumption put heavy inflationary pressures on property, food, services, and even labor. Ironically, rural Yemenis could adjust. It was the government employees living on fixed salaries, be they American or Yemeni, who saw their living standards drop. Reports complaining about such inflation thus must be read in this light.<sup>35</sup>

### With Friends Like These: The Good Ole Us of Aid

One would think development agencies around the world, operating on the advertised principles of charity and rural prosperity, would be happy for Yemenis developing such an innovative and path-breaking rural development program. Instead, the wealth produced in areas enjoying the greatest concentration of LDAs became the target for structural "capture." International development agencies with a rapidly changing mandate began to devise new schemes to induce Yemen's incorporation into the global economy.

The problem was that Yemen was in the middle of a boom, and its political, one could say patriotic, leader wanted his country to remain independent of foreign influence. The question then for those charged with "reforming" Yemen was how to tap into this largely "informal" economic activity and make it work for the global economy. One means of achieving this goal was the co-option of the farming development programs many of the LDAs embraced at the time. Conditions were not, however, ripe for unidirectional exchanges. When, for instance, the UN's Food and Agriculture Organization (FAO) sent a mission to North Yemen in 1955, its members noted a remarkably rich country with a well-developed agricultural base. The tone of their report was both laudatory and deferential. Yemenis did not need the UN's dictates, but instead needed its willingness to work with them (FAO 1960).

By the 1970s boom, this attitude changed. What were once seen as ancient methods of water management and farming worthy of study fell out of official favor. The same regions once praised became the focus of ridicule and condemnation. Yemenis were now using “backward” techniques and inefficiently **(p.132)** exploited the resource-rich land. In other words, Yemen’s peasants, trapped in an ancient world rife with tradition, needed scientific, modern techniques, chemicals and heavy machinery (Tutwiler 1990).<sup>36</sup>

Again, what changed to account for this shift was not so much Yemen, but the politics around the “experts” charged with engaging the country. If a once productive regime of land usage with the accompanying wealth flowing through the hands of locals was to change, reforms needed the steady hand of a government insisting on involving itself in the daily affairs of citizens. Realizing that YAR had the reputation of being a “weak state” full of fiery, independent-minded “tribesmen,” the international community put a new spin on the flood of advice it provided. A new generation of social anthropologists was sent to Yemen to figure out how to steer rural Yemenis in the right direction, softly.

Funded by the Ford and Rockefeller foundations and a still steady flow of government research grants, social scientists and economists influenced by the “Chicago Boys” (Klein 2007: 59-132) were flown into YAR to study what they now called hierarchical societies. In the process of discovering new regions, writing detailed reports on who lived there and how, many of these scholars/informants were charged with figuring out ways to convince these rural communities to cooperate (Parmar 2014: 169-72). Modernization was still the solution to a life under the thumb of regressive, backward, and patriarchal community leaders. One possible weapon to realize this was transforming the relationship these rural Yemenis had with their land. Appreciating this led to an explosion of reports related to land management, communal leadership hierarchies, and farming techniques in North Yemen (Tutwiler 1990).

As argued throughout, intrusive outsiders were in the business of figuring out cost-effective ways of prying Yemen’s wealth out of its peoples’ hands. The resilience of Yemeni resistance meant empire needed a pretext. Fortunately for them, a drought between 1967 and 1973 increased the already high demand for grain imports and added to the domestic cost-of-living crisis. In no time, the “failure” of Yemeni farmers coincided with new waves of wheat imports (and accompanying researchers) from the USA, subsidized by USAID or other agencies (Almadhagi and Noman 1996: 41, 77).

By 1976, scholars considering YAR’s food issues insisted that their Yemeni interlocutors at the Ministry of Agriculture read more IMF and World Bank annual reports on proper land management and pay less attention to admiring their homegrown LDAs. As remembered by an anonymous source **(p.133)** working at the time in the ministry, “rationalization” of land use became a buzzword, meaning the production of “input-intensive” crops should replace traditional ones. The structural transformations of the countryside encouraged by aid agencies added pressure on local authorities, leading to hasty concessions. Within a few years, North Yemenis significantly changed the ways local food went to market, how seeds were distributed, and how the entire rural economy operated financially.



The plan was to create large central markets, denying smaller clusters of villages their autonomy by forcing them to sell their products in concentrated, more regulated centers. While Hamdi was in power, this was not possible. The coup that led to his murder came just in time. Upon Hamdi's departure in 1977, state and foreign aid agencies began to partner again to build infrastructure for these larger markets (stalls, public toilets, parking space).<sup>37</sup> The immediate effect was the undermining of the farmers' ability to adapt seasonally as local markets suddenly disappeared. Solidifying its gains, USAID then proposed programs to geographically link this now more concentrated regional trade to external forces (Tutwiler 1984).

Now exposed to cheaper imports, advisors pressured farmers to introduce to "underutilized" farm lands more "productive per unit" crops. As the USAID programs sought to develop a marketable yucca tree (a program run by the University of Arizona) or tropical and semitropical fruits perfect for export (their European and Chinese counterparts doing the same), an entirely new calculus was introduced into how locals, and their LDAs, operated.<sup>38</sup> Most glaring was the egregious amount of pressure put on LDA committees to convert lands that at the time produced more expensive food products consumed locally to cash crops strictly meant for export. When adopted, again after Hamdi's assassination, this program did effectively transform parts of Yemen's rural economy (World Bank 1979: 72-75).<sup>39</sup>

The early stages of this invasive development took place in targeted zones that seemed ideal for commercial expansion. One of the areas most heavily "researched" was Wadi Zabid (Tesco 1971; Tutwiler 1984). From the 1960s onwards, this vast area extending from the Red Sea coastal plains in Tihama well up into the highlands of Hajjah received an unprecedented amount of attention from foreign researchers. The agencies that claimed ownership to the different projects involving land management, water collection, sorghum production, and even exploring which foreign species would have commercial use in Yemen, all funneled relatively large amounts of money into the area.

**(p.134)** One example was the Tihama Development Authority (TDA), sponsored by the Americans and linked to the long-standing Wadi Zabid project (Burrowes 1987: 46). On paper, the TDA's initial aim was to conduct large-scale agricultural experiments, in partnership with the US Department of Agriculture and various agribusiness experts on loan from Kansas or Nebraska. These schemes ultimately aimed to instill an ethos that equated "rural development" with the importation of certain technologies and expertise that only US corporations could provide (Tutwiler 1990). Crucially, some of that money also went to train a small group of Yemenis. At first trained to help tabulate the results of the research, these beneficiaries of scholarships would become the local advocates for the liberalization of Yemeni agriculture, being especially conspicuous after unification in 1990 when they ran many NGOs benefiting from direct foreign support.<sup>40</sup>

Throughout this time Yemenis remained resistant, however. With the Hamdi administration not entirely cooperating, other options slowly took precedence. These were the 1970s, when the CIA and MI6 frequently used local surrogates—"jackals"—to ensure regime compliance throughout Africa, the Middle East and Latin America. Amid this orgy of violence, Hamdi, the charismatic hero of North Yemen's LDA revolution, was assassinated. By the next year empire found their man.

The arrival of 'Ali Abdallah Saleh in 1978 almost immediately led to the YAR reversing its locally focused development agenda. Saleh's new government sought to insinuate the central state into larger society, ostensibly turning back the push to develop North Yemen from the countryside. Critically, the resulting full-scale exposure of North Yemen to the global economy would take place at an odd transitional moment in the larger world.<sup>41</sup>

With the approval of the Saleh regime, for the next thirty years scholars and USAID technicians encouraged neoliberalism to take root in previously resistant North Yemen. The answer prior to 2011 was to exploit the apparent tension between traditions and rational economic behavior afflicting North Yemen. In somewhat of a reversal, social anthropologists from Britain and the USA increasingly suggested to the aid agencies supporting their research that the political organization of so-called tribal communities could be used to the advantage of development programs (Gerholm 1977). The key would be to create a cadre of "facilitator[s] of change" who would **(p.135)** help assure rural North Yemen finally fit within a larger global structure (Swagman 1988: 168-72).

Sure enough, the big aid agencies and governments funded a generation of ethnographic work to explore how "tribes" could, with some oversight, assure that the agricultural production of communities in, for instance, the strategically important Sa'adah region, found its way into the larger global economy. The number of British and American anthropologists invading the area signals this new strategic turn. Perhaps the most blatant fusion of scholarly work and empire was a 1982 joint USAID and US Department of Agriculture study into how best "the market" could mobilize rural Yemen to ostensibly challenge the successful model of the Hamdi-era LDAs (USAID 1982).

Through the participation of a social anthropologist and other "experts" in their respective fields, an Agricultural Sector Assessment framed the LDA as a "traditional" form of social organization with "Islamic" roots. As such, the communities seemingly doing so well in the confines of the LDA were beholden to an ever-present "tribal" shaykh who controlled the flow of funds in and out of the community. Upon recognizing this supposed hierarchy in rural North Yemen, the question turned to how to use it to realize the structural changes deemed optimal by Washington. A question yet unanswered by those studying this period in Yemeni history, or more generally the ethics of social science work of this sort, is what were the consequences of the US government and its aid agencies remaining fixated on the "Islamic" associations to an LDA system they assumed was backward and inefficient?

It is likely that framing the relationship between the inhabitants at the time thriving within LDA programs in an "Islamic" coloration had consequences to how US agencies planned to pursue future development projects. In time, it becomes clear that subsuming the local under the banner of "Islam" was a discursive trick connected to a similar juxtaposition of tradition versus innovation (USAID 1982: 21).

The resilient decentralized nature of agricultural production in Yemen emerged as one of the most crucial issues earmarked by the authors of the USAID's 1982 Agricultural Sector Assessment for change. Their research mandate had been to identify factors that were "constraining agricultural development in Yemen." Asserting that the LDA system, under the hegemony of tribal Zaydi Muslim shaykhs, kept Yemeni farmers autonomous from the global market, the Americans advocated for more formal, secular, and rational state interaction. With a vetted cadre of ministry of agriculture "experts," educated in American universities, the Americans encouraged the **(p.136)** Saleh government to push for complete centralization of agricultural policy using as partners selected "communal leaders." In their model, the YAR government would determine which crops farmers should grow and how they spent any surplus revenue. Again, the presumption was USAID "experts," among whom included an anthropologist and sociologist, and their trained "locals" were more attuned to what North Yemen needed than those farmers producing the wealth empire coveted. In the process, they may have created a new hierarchy that rewarded pliable locals with positions of "leadership" otherwise reserved for other, traditionally autonomous community leaders.

The problem was "tradition." According to drafts of these USAID reports translated into Arabic for local government consumption, Yemeni peasants were reluctant to move beyond "self-sufficiency." As American experts saw it, farmers were predisposed to continue producing just for their local markets, thereby, it was charged, stymying economic growth. By just selling locally, there was never the need to expand production and thus develop new techniques (requiring chemicals and fertilizers or new American-made machines). The hope was that these communities might consider "modern technological" and American "know-how" to improve their productivity.<sup>42</sup>

According to a former official in the ministry of agriculture, perhaps the most glaring aspect of these reports was the suggestion that farmers change from producing for local markets altogether. By substituting crops they normally produced for "inefficient" local markets with cash crops that could be exported, local farmers would become rational, business-minded agents instead of uneducated peasants avoiding risk. Here the modernization discourse of the 1950s remains relevant, as North Yemen was still impervious to the world in which Nelson Rockefeller's servants Kissinger and Brzezinski reigned supreme.

To the brainwashed USAID agents, the tradition of self-sufficiency was posited as an impediment to development. Farmers could buy much cheaper imported (processed) food in the market, so why would the consumer bother buying "expensive" fresh local products if given the chance? The "free trade" demands being imposed on North Yemen with the change of regime in 1977-1978 gave Yemenis a way out. But for the USAID and other foreign aid programs to get these communities out of their "stagnant" "traditional ways," they needed to move beyond a clumsy central state with its complicated politics. To the Americans, they also needed a "facilitator [s] of change," and invariably a religious leader or "tribal shaykh" would be a better intermediary **(p. 137)** in the quests to convince Yemeni peasants to take that leap of faith and change (USAID 1982: 21-25).

Tellingly, the underlying model for the Americans to understand how rural Yemeni communities functioned borrowed heavily on the crude, dismissive attitudes educated experts had about faithful people more generally. The community leader, a male figure of some status, was the necessary inter-locuter if these peasants were going to ever change. Unfortunately, in many parts of North Yemen, it was the old Zaydi shaykh in that position. They proved stuck in their privileged ways and resisted change. This image of Zaydi leaders not only resembled what social anthropologists working in the region observed, but reflected a popular trope among urban Yemenis likely shaping the attitudes of impressionable Americans writing reports back to Washington (vom Bruck 2005).

The unit of analysis in such reports, repeated under the aegis of the World Bank, IMF, or various UN agencies, was the traditional force of Zaydi Islam, the source of interference for communities' needing development. Zaydi interpretations of Islamic law blocked the proper use of land, infringing on its redistribution through market forces and the commercialization of its accumulation outside family inheritance traditions.<sup>43</sup> At this early stage, therefore, that crucial local intermediary was not yet available in the village. In the end, the USAID pushed for yet a new generation of secular land laws that required a strong state to enforce them (USAID 1982: 21–25).

As the targets for reform were always the LDAs that had brought so much actual physical development to rural North Yemen, the 1982 USAID report specifically explored ways this legacy of the Hamdi era could be circumvented. It is here that the inability to find suitable partners within local "tribal" structures proved frustrating. The conclusion was the village unit itself needed breaking up. One idea was to create an expanded pool of labor recruiters who could facilitate a more rational system of distributing the male (and female) workforce, at the time understood to be seasonal and based on an old system of networks. The idea behind setting up with US funds a program that sent "excess" capacity throughout the country and even abroad was to deny local communities the ability to provide their own labor (USAID 1982: 37). In time, the aid literature produced in New York, London, and Geneva devised ways of building bridges between the Yemeni state (representing the collective financial interests of the larger world) and local communities, assuring that "tribes" worked with the state in a rapidly changing economy that rationalized a mobile laboring population (Manea 1998).

**(p.138)** This revealingly invasive, meddling, and arrogant 1982 report was eventually given preference by authorities in Sana'a' who likely shared the same prejudices toward "tribal" (and religious) rural people. Development required bold, aggressive, and life-changing acts, often beyond the wish of local communities that were far more conservative than was deemed healthy. As a result, Yemen's "peasant" rural communities, entrapped by the village "chief" and perhaps the restrictive role of Zaydi Islam as well, needed bold, state-induced projects that actually spirited men out of the village.<sup>44</sup> After all, with the right kind of cash crop and the use of American labor-saving technology, pesticides and fertilizers included, Yemen's villagers were no longer needed in the fields. Alternatively, they could work in cities in sweatshops producing clothes for a global market (long advocated by modernization theorists) or the soon booming oil and gas projects as discussed in the next chapter.

Complementing USAID's projects were the major international financial programs' own plans for Yemen's integration into the global market. In the World Bank's five-year plan covering 1975–1980, for instance, it envisioned helping expand physical infrastructure, integrating regions long self-sufficient but isolated; developing the agriculture industry (including domestic food production); encouraging agricultural exports; and expanding the construction sector to absorb rising investment volume. Of course, investment required finance, which means debt. These capital-intensive projects would all be funded by foreign-sourced loans. To pay for them, YAR would set up mechanisms covering the expenditure in the public sector through raising the level of national savings deposited into banks, not buried gold or LDAs, and mobilizing “dormant” financial resources through taxation and other means (World Bank 1981: 72–75 for land use; for five-year plan, 4).

In this time of proffering expensive, budget-changing development programs, Yemen became a major recipient of funds from various invasive aid groups: UNDP, WHO, FAO, UNESCO, UNICEF, World Bank, and US, British, Swiss, Swedish, USSR, Italian, Chinese, and other bilateral agencies. The net effect of such assistance corresponded to those monitored more recently in the developing world: distortions in pricing, and funding pools that privileged insiders and produced greater poverty for the majority of people (Ferguson 2006). Worse, this was a period when oil prices plummeted, resulting in a massive return of Yemeni men no longer employable in the oil rich economies elsewhere in Arabia. By the mid-1980s, in other words, Yemen would go from boom to bust on the watch of Saleh and his newfound allies in the international aid industry (Carapico 1985).

### **(p.139) Conclusion**

As the veritable industry of aid helped globalist forces insinuate into Yemeni societies at their most precarious moments—drought in the late 1960s and the oil bust economies of the mid-1980s—the first target was to absorb the surplus wealth they had produced earlier through farming or working overseas. In increments, power was taken away first from the notorious “informal” bankers, those money changers who kept a tight lid on currency devaluation and interest charged for loans to merchants. With Saleh's stealth campaign to uproot these “informal” economic actors at a time of economic crisis, his government, under the watchful eye of foreign advisors, steered Yemen's microeconomies toward centralization.

As attempted already during the Egyptian occupation and Iryani government, developing Yemen's banking industry aimed to give the IMF, World Bank, and others an efficient means to rob Yemen of its human and natural wealth.<sup>45</sup> In this sense, Saleh's regime, unlike predecessors deposed by coups, successfully played a crucial role in an expansive phase of empire. Forgotten today as he has become the target for Saudi destruction, Saleh throughout his career as leader of North Yemen performed his various roles well. During early stages of his tenure, he assured that Yemenis' productivity could be monetized. That often entailed facilitating the exportation of Yemenis to work in the neighboring oil economies. Saleh's regime also assured that Yemen remained open to both capital investment and development. In this sense, in spite of his demonization since 2011, Saleh was ostensibly an agent whose “contractual obligations to investors” made him a partner in the (negative) development of Yemen. As a reward, he and his allies became fabulously rich, payment for agreeing to ruthlessly play the role of the “local guarantors of the regime of private property” (Ho 2004: 227).

Saleh facilitated the erection of the necessary “modern” financial infrastructure all the major donor parties hoped to put in place. The idea was that once implemented, workers’ remittances, in particular, could foster the kind of consumption Lerner and Rostow argued a developing nation needed to prosper.<sup>46</sup> More realistically, these measures simply assured Yemen’s considerable savings would no longer be used to secure the country’s autonomy from the larger world. Instead, Yemen’s integration would both saddle its future generations with debt while providing the liquidity needed by empire.

Clearly the unleashing of development schemes both in agriculture and other capital-intensive segments of the Yemeni economy had multiple **(p.140)** functions, but all were steered to disrupt and then transform a society. Ben Ramalingam, a major voice in the aid industry, has warned after years of observation that the disjointed cookie-cutter approach first used in Yemen has had chaotic consequences for recipients throughout the world. His biggest concern is the fact that interventions are not properly studied in themselves to help future campaigns draw from an available pool of “lessons learned.” It is often the case that “interventions begin with the lack of adequate indicators, clear objectives, baseline data and monitoring” (Ramalingam 2015: 112). The inevitable pushback comes from locals whose reasons for resistance are never allowed into summary reports of projects, as the biggest goal of agency staff and project directors is keeping out clear assessments of their policies. As Ramalingam (2015: 112) suggests, the ones who make careers out of aid will likely argue that multilateral development agencies, banks, and UN agencies already invest much manpower hours into assessing their projects and do not need oversight.

This factor alone suggests a political complacency and subordination to which Yemenis would come to adjust. But the emergence of an invasive development aid apparatus hostile to oversight also hints at a change in the political ambitions of some elite. With the rise of the likes of Saleh and Hadi, his vice-president of more than twenty years, interactions with the larger world have led to a course of structural disequilibrium, which we observe in the next chapter is part of an actual attempt at “controlled demolition.”

This takes us back to the spring of 1977. While the country was economically booming, external interests considered that North Yemen’s further development could pose a long-term security threat to the KSA. As has often happened, the use of violence via local proxy would help upset Yemen’s trajectory. The primary target would be the political leadership responsible for such prescient economic policies.

Known to travel freely throughout Sana’a’ in his small Volkswagen, eating regularly at his favorite restaurant where he held meetings, Hamdi was an easy target. But his assassination was not just a transfer of power; it also was an attempt to erase something. News of his death, along with his brother, came with a twist. The large number of incriminating photos of his body lying next to bottles, crates some say, of whisky extended to innuendo as he was attached to the death of two beautiful French models whose bodies were found at his home. The dirty politics of the 1970s were in full swing in Sana’a’, with the Cold War of a different nature showing its ugly head again.<sup>47</sup>

**(p.141)** To some still-important opponents of Yemen's global entanglements, a foreign-imposed ideology of modernization thankfully failed even to begin to realize its promised results. Its failed insertion into Yemen created a space for a different kind of political economy of development to emerge. It is by drawing from this much less programmatic, albeit equally doctrinally driven, quest that the Saleh regime remained empowered for decades. To external interests hoping to finally break the Yemeni knot of resistance, Saleh would be the necessary intermediary. With one foot in "traditional" Yemeni politics and the other desperately reaching out to cultivate relations with powerful globalist interests, the way the Saleh regime mediated the enhanced, and even aggressively expansive form of modernization doctrine known today as neoliberalism and globalization assured that for much of the 1990s and 2000s, a much more insidious "penetration" of globalist power would take place. This would require that Saleh eventually abandon the local for the global. The results were destructive.

Notes:

(1.) For example, sectarianism was both exploited by locals and fomented by outsiders. Often, leftist-orientated scholars of the period, caught in their own doctrinal vortex, laid blame for Yemen's violence on this sectarianism. At one point, opponents to the Hamid al-Din family even claimed that Imam Ahmad was alone responsible for divisions between Shafi'i Yemenis and the Zaydi from which the imams came (Nu'man 1965: 11-28).

(2.) Bidwell 1983USNA, RG 59, Box 12, Folder Egypt, Policy Planning Council (1961-1969), "United States-United Arab Republic Relations," paper by Polk, January 16, 1963.

(3.) Let us not forget that while Egypt was aiming to "develop" Yemen, Nasser's army of technocrats and engineers, often in partnership with major Western construction companies, also eviscerated indigenous communities throughout Egypt (Mayfield 1971). The massive land reform projects in Upper Egypt included targeting certain "uncivilized groups," especially Nubians, in the kind of racialized exploitative politics one finds in more famous cases in North America and Southern Africa. A program of "development" seen as positive at the time (Beddis 1963: 77-80) was actually forced removal of a population. The larger point to keep in mind is the era of positivist social engineering projects transcended the apparent ideological divide the Cold War inflated. Marxist-Leninists, hardcore Maoists, Arab Republicans/Nationalists, Kennedy dogooders, and World Bank-funded technocrats all aspired to mobilize science, technology, and the modernization spirit to change the world (Mitchell 2002). The guardians of Yemen's integrity before 1962 did not trust this zeal.

(4.) 'Afif 1982USNA RG 84, Box 1, P 836, Taiz no. 82, Cortada to Washington, October 27, 1963.

(5.) Serious critiques of the “bitter experience” only surfaced later; perhaps the most illuminating analysis of the time was offered by Munif al-Razzaz (1967). And yet, already in 1961, with Egypt’s abusive rule over Syria sending shock waves among leftist factions throughout the region, Nasser’s charisma partially lost its attraction. Ironically, it was the policy differences over Yemen that most highlighted how far leftists and Nasser loyalist drifted prior to Egypt’s invasion of Yemen. At the height of its own crisis, the UAR (Egypt, in other words) formally withdrew its support for the Southern Yemen Liberation Movement, which had a strong presence within its leadership of Arab Nationalists (MAN) led by the Palestinian George Habash. Instead, Cairo extended open support for the conservative rival under the leadership of Abdallah al-Asnaj and Abdul Qawi Makkawi, first known as the People’s Socialist Party and then FLOSY (Brehony 2011: 11). This constituted a crisis for many among the Southern Yemeni diaspora, including intellectuals who would not treat Egypt and Nasser kindly in their subsequent publications (al-Hawatmah 1968: 37–42).

(6.) Far from being socialist in the classic sense, Egypt’s heavy state-directed development program in the period prior to the *infitah*, or massive privatization “opening up” imposed by Anwar Sadat in the 1970s, created virtual monopolies that benefited the most well-connected oligarchs turned bureaucrats (Sonbol 2000).

(7.) Such criticism within Egypt, suppressed throughout the Nasser period, became commonplace in first Cairo literary circles and then openly after the 1967 defeat to Israel among university students. The protests culminated in an explosion of violence ultimately resulting in the movement’s destruction by Nasser’s successor, and long-term US ally, Anwar Sadat (Anonymous 1972).

(8.) Throughout his seminal book, Lerner refers to Egypt’s ongoing transformations as moving toward the ideal goal of eliminating traditional impediments to modernizing the country, and in the process securing the region for the “free world” (Lerner 1958: 214–63; Shah 2011: 129–32).

(9.) Mehmet 2002USNA, RG 59, Box 222, Folder: Near and Middle East, “Shaking the Kaleidoscope in the Middle East,” Polk to Rostow, October 29, 1962.

(10.) One of the important ways the USA aided Egypt’s development agenda was to feed the country’s massive appetite for wheat. With more than half of Egypt’s grain imports subsidized by the USA dumping its own huge surplus supplies, the limited cash and gold reserves of the country could go into more capital-intensive—and for US companies like Bechtel and General Electric, more profitable—infrastructure projects. As much as there would be a material transformation, so too would the USA assist in the social engineering component of the Nasser revolution, another intersection of imperialist agendas that remains understudied (Burns 1985: 54–76; Weinbaum 1986).

(11.) There were exceptions. Perhaps the more outstanding Yemeni working for this early republican government was a Cairo University graduate named ‘Abdallah al-Kurshumi. An engineer, he eventually became minister of public works under Egyptian tutelage and subsequently very wealthy, it is said. Private Correspondence, Europe, 2016.



(12.) An early display of such corruption around the still-powerful head of Egypt's armed forces 'Abd al-Hakim 'Amir, was recorded in the bemused Canadian Ambassador Ford's correspondence to the British. See NAUK, FO 371/172862, Ford to FO, "UAR Internal Affairs," Cairo, November 16, 1963; see also the extensive intelligence report gathered on 'Amir's patronage networks in USNA, RG 59, Box 2554, POL 15-1 1967-69, UAR, Battle to DOS, A-636, "The Rise of Abdul Hakim AMER," Cairo, January 27, 1967.

(13.) There was money to be made. In 1961 Yemen was importing almost \$17 million worth of goods, leaving it with a balance of trade deficit of more than \$8.5 million, until then covered by grants from all the major powers competing for the government's favor (Attar 1964: 201, 282). This would change after occupation, with the deficits covered by new loans guaranteed by Bank Misr and the UN.

(14.) USNA RG 84, Box 2, p 836, P4641, Taiz no. 194, Cortada to State, December 22, 1963.

(15.) Such tactics would be used by the Hadi/Israh interim government after 2012 and repeated by different administrations in Southern Yemen occupied by rival factions after May 2015. The consequences have not been pretty, with about as dysfunctional an economy as one could find anywhere in the world. Throughout Hadhramawt and Aden are competing warlords siphoning off oil and maintaining smuggling routes that bring fresh supplies of weapons and Baskin Robbins ice cream to the supposed enemies in North Yemen, hardly an endorsement for Operation Restoring Hope.

(16.) An old Imam Ahmad hand and one of the "Famous Forty" who studied in Italy, Muhammad al-Attar, born in Djibouti, was the first director of YBRD and minister of the economy. He proved to be a diligent adherent of technical Marxist development strategies, hoping to realize a "socialist transformation" of the Yemeni economy that did not veer too far from Nasser or the Americans (Burrowes 1987: 24).

(17.) By the time the Iryani government-led YBRD and its fragmented offices joined the IMF in 1970, everyone realized that simply letting the "market" determine the rate of exchange (in order words, returning day-to-day control of currency markets to money-changers in the main towns of YAR) was the best plan of action. Ultimately, the Yemeni Central Bank, in order to secure some of the cash circulating in the informal (normal Yemeni) economy, offered particularly attractive exchange rates (Chaudhry 1997: 253-54, 282).

(18.) The last corporation is especially intriguing as Yemen has long been the place of curiosity among pharmacologists and botanists. With the region only visited by Western-trained experts in these fields in the 1930s, over the next half century, the amount of, often very secretive, research on Yemen's plant life is astonishing. For a brief peek at the kind of work done by scientists picking at Yemen's untold treasures, see Hadden (2012).

(19.) USNA RG 84 P. 836, Box 1, No. 139, Hart to State, Jeddah, October 9, 1963.

(20.) The problem is donors no longer made direct payments to recipients, especially in the gold and silver still preferred by most rural Yemenis. Instead, governments offered credits denominated in units of exchange whose value was only measured by its ability to purchase supplies provided by specific sources, often from the same countries that granted the “aid.” More problematic was that these transfers (aid delivery) needed to go through financial institutions entirely under the control of powerful corporations who charged fees for such services. This has become a form of corporate subsidy regularly condemned when applied to non-Western institutions (Dietrich 2012).

(21.) A source who will remain anonymous spent his first years of government service in the Ministry of Agriculture at the time. His account of the bureaucratic schism between those blindly following dictates from experts sent by the World Bank and those who trusted farmers knew what best to do with their savings constituted an important source of support for the Hamdi government that took power in 1974.

(22.) NAUK, FO 371/179855, Fyjis-Walker to FO, BM 1015/53, Cairo, July 16, 1965.

(23.) If there was an ideological current that would tie them together, it was the MB. The biggest agent behind the takeover of much of the government offices at the middle tier was Qadi ‘Abdallah al-Hajri, who also once presided over court in Imam Ahmad’s time. By 1974, it was clear he worked first and foremost for the KSA (Burrowes 1987: 43-45). He was also sure to be on the negotiation team when discussions over the renewal of the 1934 treaty with the KSA took place. At the meetings he pushed Yemen to give up its long-held territorial claims on Jizan, ‘Asir, and Najran; an outrage that likely led to his assassination in 1977.

(24.) Burrowes 1987 Personal Correspondence, Europe, 2016.

(25.) The next few months were so contentious that they led the new government publishing an official narrative of these events (YAR Ministry of Information 1974).

(26.) Developed further in chapter 6, it bears remembering that Yemenis, especially Hadhramis, emigrated en masse after the 1967 independence of South Yemen. They flooded the Hijaz in the KSA and Kuwait, Qatar, and what became the UAE (Alajmi 2014; Alsudairi and Abusharaf 2015). Many of the wealthier members quickly infiltrated into the now booming oil economies by way of marriage and/or business partnerships. More, some of the ruling elites in these receiving communities, especially in Abu Dhabi, already had deep family roots tying them to Yemen. While the bin Ladens are the most famous, they are not the only Yemeni families who would end up dominating Saudi and Gulf domestic, regional, and global political orientation. It bears remembering that many of the “Adenis” who would settle abroad were from Ta‘iz and Ibb, having migrated to Aden to work in the then boom economy of the port. It is largely this pool of now well-established Yemenis in the larger Arabian Peninsula who would give the Hamdi regime the breathing space to do some fairly incredible, if short-lived, things. It was also these Ta‘iz, Ibb, and Aden natives who are likely driving events in Southern Yemen today in the context of the war.

(27.) For Hamdi’s efforts at state building see Burrowes (1987: 57-85).

(28.) The alliance between Kissinger, Nixon, and the Saudis that strived to transform the global economy did not mean Riyadh became a political equal. As always, the KSA depended on the USA, which had just now made the family fabulously wealthy by permanently tying the two together with the so-called petrol dollar (Chaudhry 1997: 185-92).

(29.) Chaudhry (1997: 193-207) writes on the remarkable impact of this boom period had on Yemeni workers and the YAR economy.

(30.) Perhaps ironically, it would be American-trained technocrats at the forefront of this institutional building marathon. 'Abd al-Ghani, once with the Yemeni Bank for Reconstruction and Development and head of the CPO's earlier version Technical Office, became the first governor of the newly minted Central Bank. A nephew of the now deposed Iryani, al-Ghani obtained a PhD from the USA, and once ran a Wadi Zabid agricultural project for a US research group discussed later (Burrowes 1987: 46-48, 67).

(31.) Sheila Carapico (1998b: 107-34) did truly ground-breaking work in the late 1970s on these remarkable rural associations. In addition to Dr. Carapico's exploration into how Yemen's private sector remained essential to the day-to-day functioning of the country's economy, readers are advised to consult Chaudhry (1997: 207-11) for an equally essential study written a decade later. Chaudhry's rich political economy of Yemen's dramatic change of fortunes between the boom years that were administered during the Hamdi government and bust period in the decade that followed is especially relevant.

(32.) The Americans were funding several studies to capture the dynamics around the migration and remittance patterns that were transforming Yemen and proved so promising a resource for external interests to plunder. Often noted was money literally transferred hand to hand, frequently along commercial routes that saw daily traffic crossing the borders between Yemen and the KSA (Carapico and Tutwiler 1981: 45-50).

(33.) The lack of branch banking was in part put to blame for this anomaly in global finance, one that needed immediate attention (World Bank 1979: 103-5).

(34.) Money changers and individual communities pooling savings were more than capable of keeping Yemen's dynamic growth in-house, and the big corporate banks knew it (Chaudhry 1997: 241-50).

(35.) USNA RG 286, Box 1, P 688, Central Subject Files 1973-77, USAID Mission to the Yemen Arab Republic, RY 79, Ruiz to Glaseser, May 24, 1977.

(36.) As was often the case, some of the most egregious, dangerous, and most disruptive projects uprooting people's lives entailed industrial-scale agriculture and the forced resettlement of farmers in towns and cities (Way 2012).

(37.) Early work in the coffee-producing areas of Ibb highlighted how distribution networks were upended by such changes in the regional economy. When new markets emerged, shipping coffee via new paths became more expensive and paradoxically pushed many producers to get out of the business (Gerholm 1977: 53-56).

(38.) In the meantime, in a "know thy enemy" spirit, American social scientists and researchers paid by USAID dissected the LDA structure and laid out an analytical scheme that charted the personalities leading them (Tutwiler 1977).

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(39.) Today notorious crop substitution policies have ruined local economies by inducing both massive flight to the cities of now landless peasants and the production of monocrops. Such crops, like palm oil or soy, lead to massive deforestation, the overuse of scarce water resources, and the concentration of wealth into largely foreign hands. The YAR and South Yemen were facing similar pressures from advisors and newly minted economic planners returning from university abroad. Tobacco, coffee, sugar, and cotton were the commodities international markets demanded and these were to become the chosen crops; food could simply be imported for less. Those Yemenis remaining in their villages producing food were likely to be vigilant about securing their “traditional” means of cohabitation. With the periodic imposition from a more “rationalist” view of the world, disruptions in local life would eventually transform these parts of Yemen into zones of conflict. We see this dynamic at play over disputed lands in Northern Sa’adah, discussed in chapter 5.

(40.) Thomas Scotese, USNA RG 286, Box 1, P 695, Central Subject Files 1973–77, USAID Mission to the Yemen Arab Republic, Scotese to Wheeler, May 25, 1977.

(41.) First applied by the “Chicago School” led by Milton Friedman in Chile, the imposition of the “shock doctrine” on independent and progressive states required the kind of dirty politics and CIA-funded saboteurs we see in Yemen since the 1960s, an association important to making the larger arguments in this book (Klein 2007).

(42.) USNA RG 286, Box 1, P 695 Central Subject Files 1973–77, USAID Mission to the Yemen Arab Republic, Ruiz to Wheeler, May 25, 1977.

(43.) A study in agriculturally rich Ibb in the late 1970s offers insight into the transitions in learning, interpreting, practicing, and enforcing the law in Upper Yemen, albeit in a traditionally non-Zaydi area (Messick 1993).

(44.) There are intriguing correlations between notions of Zaydi or Sufi-Islamic practices being “traditional” barriers to development and a new generation of Sunni-orientated programs that try to link Hanbali Islamic practices with Western capitalism. Efforts in Yemen to tap into a large idle population took the form of joint Islamic training and “business schools” found scattered throughout South Yemen after unification. At the same time, large numbers of Yemenis in the 1970s and 1980s attended such schools in the KSA while migrant laborers. Many brought back their alien intolerance for old school Zaydi and Sufi practices in places like Dammaj, Tarim, and Yafi’ in ways that would by the 1990s incite violent conflicts (Bonney 2011: 111–222; Farquhar 2016; Hajj 2002). The Gülen movement originating in Turkey offered similar services producing “liberal” Muslims (Yavuz 1999). Similarly, in Indonesia, a cadre of pious Muslims helped pitch science and especially business practices as a natural extension of Islamic values. Often through Saudi-funded NGOs and a very successful private training company—ESQ—an intensive period of indoctrination initiated a generational shift toward a productive fusion between being rational economic beings and good Muslims (Rudnyckij 2010: 6–8; Van Bruinessen 2002).

(45.) In the early 1980s the focus was on steering all the money accumulated in the LDAs away from traditional forms of wealth transfer. The biggest potential was to see LDAs as individual borrowers who could assure big business for branches of major investment banks making inroads in Saleh's Yemen. To fully tap into this "market," major consulting firms were hired to produce reports (Verdery 1982). Chemonics International is a Washington, DC, consulting firm that is often working through the USAID and specifically agribusiness issues. By the 2000s it was involved in helping pitch the promise of microfinance in Yemen, pharmaceuticals, and even ventured into environmental protection, ironic considering their other clients (Chemonics International BIFOR Consortium 2000).

(46.) The literature is substantial on remittances; major donors were especially keen on monitoring the phenomenon and funded ethnographic and sociological work on the Yemeni expat worker population. Entirely innocent on their own, these reports, when viewed cumulatively, expose the insidious intersecting roles of IMF advisors, consultancy firms, NGOs, think tanks, government agencies, and academia. One can see how this "intelligence" is mobilized in more formal policy reports and learn a great deal from sitting down and talking to commodities traders or "corporate research" department employees about how they pick and choose from this well-intentioned academic production. Of course, there are the more overt Cold War uses of anthropologists "working in the field" that has expanded to "aid workers" and employees of other multilateral agencies. This dastardly misuse of local people's trust to spy and then report on their lives for better strategic planning to either steal from them or destroy their lives outright deserves more attention in academic circles. Some revealing critical reflections of this phenomenon include Price (2008) and Lutz (2006).

(47.) Again, the French interest in Yemen was deep, providing the best coverage of these events (Rondot 1978). That said, many are convinced this was a Ba'athist hit, orchestrated by Iraq for reasons not entirely clear.

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