# Blacklisting the Houthis: What is the Price – What is the Gain?

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## **Key Points**

- Although the list of Houthi atrocities is long, the Houthi's close relationship with Iran highly likely influenced the decision by the previous administration to designate them as a Foreign Terrorist Organization (FTO).
- FTO blacklisting exacerbates the humanitarian situation in Yemen by creating barriers for the distribution of international aid.
- The FTO designation will negatively impact humanitarian assistance upon which 70% of the population relies.
- The international community requires consensus on political goals, and substantial diplomatic effort to increase security cooperation.

## Introduction

On December 30, 2020, three precision-guided missiles struck Aden Airport where a plane carrying Yemeni cabinet members had just landed. The strike killed twenty-seven people and wounded over 130. Although no one has yet claimed responsibility, it is likely the Iran-backed Houthis were involved. Such a likelihood is based upon the fact that the attacks targeted the new Internationally Recognized Government of Yemen (IRGOY) and the Southern Transition Council (STC). Another indicator is that the techniques and weapons employed are similar to those previously used by the Houthis. In response to this attack, the US State Department declared the Houthis 'terrorists' effective January 19, 2021.

## Assessment

The timing of the FTO declaration is peculiar. For years, the Houthis rebels have conducted violent attacks on the Yemeni government with disregard of civilian casualties; additionally they continue to publicly advocate for targeting the US and Israel. The State Department's timing suggests this action was designed to pressure the incoming Biden administration to continue with the hardline policy against Iran.<sup>1</sup> Regardless of the motivations, this declaration does not solely affect Iran. The FTO designation has numerous direct and indirect effects on the Yemeni people living in Houthi held territories.

## **Humanitarian Situation**

Despite the international community's preferences, the Houthis are Northern Yemen's de facto government. The Houthis are an integral part of Yemen's society. They currently hold Yemen's capital, Sanaa, and the port of Al

<sup>&</sup>lt;sup>1</sup> Jemens nächster Alptraum," *Der Tagesspiegel*, January 12, 2021, <u>https://www.tagesspiegel.de/politik/usa-erklaeren-huthis-zu-terroristen-jemens-naechster-alptraum/26790386.html</u> (accessed January 12, 2021).

Hodeidah. Control over such vast and important territory makes the Houthis a major Yemeni power broker. For NGOs dealing with humanitarian issues, Houthi legitimacy matters less than the desperate suffering of the Yemeni people.

According to NGO experts, the FTO designation will decrease humanitarian efforts within Houthi-controlled territory. They also fear that "aid would be seized by the rebels and used for profit that could be traced back to aid organizations."<sup>2</sup> Regardless of territories held by a FTO, Yemen needs international donors to honor their pledges and to maintain their humanitarian support. While policy makers see aid as a tool to expand influence, NGOs' first priority is access to people. Due to the FTO designation, NGOs are now in violation of international law if they deal with the de facto Houthi government. The FTO designation may expose NGOs to legal action for doing their job: helping people in need. Houthi's status further harms the financial system, trade and commerce; it complicates imports, devalues the currency, and increases prices.<sup>3</sup> To mitigate this ever-increasing crisis, the international community must continue to delivery aid to Houthi controlled areas,<sup>4</sup> gain the necessary FTO sanction waivers, and navigate legal regulations.<sup>5</sup>

#### **Internal and External Consequences**

Although the list of Houthi atrocities is long, the real motivation behind the previous US administration's action likely the Houthi's close relationship with Iran. While the new US administration could rescind the label, doing so does not appear to be a high priority. Therefore, the FTO designation remains for the moment, and the international community must work to stop the Houthis from looting, exploiting humanitarian aid for their own benefit, arbitrary killing, conducting illegitimate executions, and conscripting child soldiers.

A well-coordinated international community effort seems to be the most promising approach towards conflict resolution. The Saudi-led coalition is clearly the stronger party in this conflict, but aerial bombing and Saudi-led ground operations have not yielded measurable success. The coalition's use of military force to regain control of the port of Hodeidah and secure the flow of humanitarian assistance may not be a realistic option. After years of conflict, the fighting has caused far too many losses on both sides with the Yemini people suffering the most.

Recently, intensified regional military-to-military talks have had the potential to stimulate regional actors to address security for Yemen humanitarian aid. Furthermore, the resurgence of the Gulf Cooperation Council (GCC) to its full scale may present an opportunity for a powerful alliance to form a platform against arms smuggling into Yemen. This situation calls for Yemen's partners to enhance the security along Yemen's borders. It also calls for the US and Arabian Peninsula partners to deepen their security cooperation efforts to train and equip the Yemeni Government forces and reestablish effective and legitimate security apparatuses. Enhanced security cooperation may then provide opportunities for other regional countries like Egypt, or European nations, to participate in a broader security cooperation endeavor. Once the Yemeni people begin to perceive a strong international community backing, they are more likely to resist Houthi oppression.

https://www.aljazeera.com/news/2021/1/11/yemen-what-the-houthi-terrorist-designation-means-in-500-words (January 12, 2021). <sup>4</sup> Adam Lucente, "Congressional Democrats and Republicans rebuke Trump admin over Houthi terror designation," *Al Monitor*, January 12, 2021, <u>https://www.al-monitor.com/pulse/originals/2021/01/house-senate-democrats-republicans-trump-houthi-terrorist.html</u> (accessed Hanuary 14, 2021).

 <sup>&</sup>lt;sup>2</sup> Lara Jakes, Ben Hubbard, "U.S. to declare Yemen's Houthis a terrorist group, raising fears of fueling a famine," *New York Times*, January 10, 2020, <u>https://www.nytimes.com/2021/01/10/us/politics/us-yemen-houthis-terrorist-group.html</u> (accessed January 11,2020).
<sup>3</sup> Al Jazeera, "Yemen: What the Houthi 'terrorist' designation means in 500 words," January 11, 2021,

<sup>&</sup>lt;sup>5</sup> Jakes, Hubbard, "U.S. to declare Yemen's Houthis a terrorist group."

Incorporating diplomatic instruments of influence, Qatar should use its less averse stance towards Iran to broker talks with the GCC and facilitate peace for the Yemeni people's benefit. Currently, Qatar is encouraging Gulf Arab nations to enter a dialog with Iran.<sup>6</sup> If the GCC would follow through and establish a dialog with Iran, Yemen could provide a convenient starting point for wider negotiations. Iran could use those negotiations to signal some rapprochement with potential to sustainably improve the security situation in Yemen.

#### Leveraging the FTO Designation

From a Middle Eastern perspective, the FTO designation is intended to bring about a quicker resolution to the crisis. Despite years of mediated negotiations, the conflicting parties failed to reach resolution because the Houthis did not sufficiently commit themselves to any of the following: UN Resolution 2216, the Gulf initiative developed from the Yemeni National Dialogue; or the Stockholm Agreement.

Ideally, the FTO blacklisting will urge the international community to exert more pressure on the rebels and force them to comply with future peace efforts. Simultaneously, it may bring the Houthi leadership back to the negotiation table. GCC countries and international donors can provide support to compensate for an anticipated decrease of international assistance from nations or NGOs. This support can buy time until the IRGoY takes over the port of Hodeidah and re-establishes the flow of humanitarian aid.

#### Conclusion

The Iranian-backed Houthis rebels undoubtedly act like terrorists and the international community broadly agrees the Houthis are a significant source of instability. All conflict stakeholders agree any political solution must include both the Houthis and the Yemeni government. The FTO designation places barriers in front of future peace negotiations, and thus, a halt to this conflict in the near term is unlikely. With the war set to go on, the humanitarian crisis in Yemen will grow.

The FTO designation may increase political pressure, but it does not fundamentally change the situation on the ground. This designation will negatively impact humanitarian assistance upon which 70% of the population relies. Under these circumstances, the international community must act quickly to find the most effective way to provide proper assistance and improve Yemen's security situation. Regardless of the FTO designation, only a multilateral security cooperation endeavor will bring lasting peace to Yemen.

## **Recommendations for US/USCENTCOM**

- Issue direction and guidance to allow NGOs to provide humanitarian assistance in the conflict environment.
- Caution partners and humanitarian assistance providers that malign Houthi actions can quickly sabotage the already precarious humanitarian situation.
- First encourage GCC nations, then more distant allies, to enhance security cooperation in Yemen and the region.

<sup>&</sup>lt;sup>6</sup> Simone Foxman, "Qatar says it`s time Gulf Arabs start talks with Iran," Bloomberg, January 18, 2021, <u>https://www.bloomberg.com/news/articles/2021-01-18/qatar-says-it-s-time-gulf-arabs-start-talks-with-iran</u> (accessed January 19, 2021).