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AL QAEDA IN YEMEN: A NEW FOOTHOLD

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P R O C E E D I N G S

MR. POLLACK: Good morning. Welcome to the Saban Center for Middle East Policy at the Brookings Institution. For those of you who may not know me, I am Ken Pollack and I am the Director of the Saban Center. I am delighted to see you all here in D.C. to talk about what has become a very important topic, one that we have been concerned about here for some time but which has burst onto the national stage in just the last few weeks. I'd also like to extend a very special welcome to our guests in Doha, Qatar. We are delighted to have our Brookings Doha Center doing a reciprocal meeting at the exact same time with members of the audience there who will be joining in at various points in time. We're thrilled to have you all with us. I hope it's a pleasant evening in Qatar (Arabic).

As for Yemen and as for the topic of today, if you had the TV on at all on Christmas Day, whether it was watching basketball, watching football or just watching the Yule Log, you will know that of course we almost suffered a very nasty terror incident on Christmas Day, the infamous Undie Bomber. Of course, this led to a much greater uproar about the potential for terrorist attack by al-Qaeda operatives coming out of Yemen. What we wanted to do today was to dig a bit deeper into this story and to address the larger questions of Yemen, of the resurgence of al-Qaeda, of its presence in Yemen and of the wider war against al-Qaeda.

I am joined today by a terrific panel to discuss all of these different issues. Immediately to my right is Daniel Byman who is a Senior Fellow here at the Saban Center for Middle East Policy and is also the Director of the Security Studies Program at Georgetown. As many of you know, Dan is a frequent author having written several books on terrorism and appears widely in the U.S. media on the topic. To Dan's right is Greg Johnsen who joins us from Princeton University where he is in the

Department of Near Eastern Studies. Greg is an expert on Yemen having done a Fulbright Scholarship there and is a frequent author on Yemen, on the relationship of al-Qaeda to Yemeni politics and on the wider issue engulfing Yemen today. Greg also has a new article coming out in "Foreign Policy" on the topic, and obviously for those of you who don't get satisfied by everything that you hear today, that may be a good place to go for some additional background material on the subject. Finally, to Greg's right is our Senior Fellow Riedel. Bruce of course joined the Saban Center for Middle East Policy after a very long and distinguished career in the U.S. government. He served at the Central Intelligence Agency where Bruce's most important and most difficult responsibility was supervising myself and Dan Byman. After that Bruce served at the Department of Defense, at the National Security Council, and since coming to us at Brookings has done extensive work on the subject of terrorism, on Afghanistan and Pakistan, and almost everything else having to do with the Middle Eastern and South Asian political scene.

We're going to begin with Dan. What I'd like to ask Dan to do is to talk to us a little bit about al-Qaeda in the Arabian Peninsula, what's happened to it over the years, why we should be concerned about it and just how concerned we ought to be about it. Dan, why don't you start us off?

MR. BYMAN: Good morning, and thank you all very much for coming out to hear us. Ken used the words al-Qaeda in the Arabian Peninsula and there is a distinction here that I want to emphasize from the start which is our attention understandably has been on Yemen for the last month or so, but this is an organization that sees itself in many ways as bound by a much broader geography, not just Yemen, but the entire Arabian Peninsula, in particular Saudi Arabia, and when you think about al-Qaeda in Yemen, you need to think about both. Historically, Saudis and Yemenis have been the two most important part of the al-Qaeda core, I think that's changing right now,

but that's no surprise to anyone who's followed these organizations. In 2009 in the beginning of the year we saw the two branches merge. We saw the al-Qaeda folks in Arabian Peninsula and the al-Qaeda folks in Yemen ostensibly fly the same banner together. This was a change because in the past the organizations had moved a little differently, but there was always a link. And not surprisingly, almost immediately we saw an attempted attack in Saudi Arabia in 2009 that was really based on Yemen, the attempted assassination of Mohammed bin Nayef.

The rise and fall of the organizations goes not in parallel but in inverse. If you think about this in the early part of the decade, there was a real danger if you will from Yemen. In Yemen you had a number of organizations there that seemed, I don't want to make them 10 feet tall, but seemed quite capable. Saudi Arabia at the time seemed rather quiet. Then as there appeared to be successes in Yemen in 2002 and 2003, the organization there seemed quiescent, things in Saudi Arabia actually got quite hot, and in 2003-2004 and a little bit of 2005, Saudi Arabia really was the focus for the Arabian Peninsula. Then after the Saudis had some success, we saw things shift back to Yemen really starting up again in 2006. I want to begin very briefly with Saudi before I focus on Yemen because as I said I think the two are linked.

In 2003 in Saudi Arabia there were a serious of major terrorist attacks to the point where it seemed like there was almost a low-level insurgency going on in the country, but by 2005, this was largely over. You had I think 30 attacks by some counts, 30 real attacks in 2004, and then about seven major attacks in the years following, so a huge, huge drop-off. Saudi Arabia won to me in a very interesting set of ways, probably most important and hardest to verify from the outside is a very effective repressive campaign. Police and security services in general, the intelligence services, aggressively went after militant networks throughout the country. In Saudi Arabia there was also

however a very impressive propaganda effort where several senior religious leaders were kind of flipped. They had been in the Selafi jihadist camp and they were convinced to go against al-Qaeda. You had an effective prison campaign. This was quite in contrast with Yemen. In general, Saudi Arabia is a very tough operating environment if you want to be an insurgent. You have open desert and you have cities, neither of which is particularly favorable to insurgent activity, in contrast to Yemen. Also important though is the Iraq issue which was a tremendous motivator of anger against certainly the United States, but vindicated the al-Qaeda narrative. That certainly remained, but as time went on, I don't want to say it burned out, but it became reduced.

As the Saudis succeeded though, a part of the organization fled to Yemen. I don't want to say the bulk, but you had a number of key figures if you look at the Saudi most wanted list. A fair number of the people on it are believed to be in Yemen right now. If you look at Yemen, you could see a lot of shifts in the broader Selafi jihadist movement there. Earlier in the decade you had certainly an al-Qaeda presence, but the groups that were seen as the al-Qaeda core in Yemen, a lot of what they were doing was really logistical work for al-Qaeda in general. They were doing outreach and integration with other Selafi jihadist groups. And they were doing a lot of recruiting for jihads, whether it was in Afghanistan or Iraq, so a lot of their activity was not focused on Yemen per se, it was focused regionally, and then there were attacks like the 2000 attack on "USS Cole" that were attacks on foreign targets there.

What you had after 9/11 was a very interesting case of where to me successes can lead to failures if you're not careful. There was a very effective crackdown in addition to some missile strikes, but the crackdown brought in tons and tons of people some of whom had only flirted with the Selafi jihadist movement and brought them into Yemeni jails. There they mixed with the serious types. There they became more

radicalized. This jail problem is one we've seen throughout the Middle East and even in the United States where individuals come in with one set of ideas and come out with a much more dangerous one.

What we've seen since 2006 when there was a jailbreak in Yemen is the emergence of an al-Qaeda franchise that is much more similar to what we think of when we think of al-Qaeda than what I would say was true in Yemen 10 years ago, but there are a few differences. One of the biggest is that this organization tries to work much more with local tribes than what we saw in Iraq what we saw in Pakistan where the al-Qaeda movements there really tried to displace tribal structures. Often this means they marry into tribes, but when you think about counterterrorism this has huge implications. Dave Kilcullen who is to me one of the great scholar practitioners of counterinsurgency today talks about the idea of counterinsurgent math where when you kill 10 people in a regular conventional war, you have 10 fewer people to deal with, but if you kill 10 insurgents, you might have 20 more to deal with because their cousins and brothers come out to fight. That's certainly the case in Yemen where the integration of al-Qaeda in Yemen into the tribal structure is creating complications for the government effort to go after them.

Also the organization has worked much more with local grievances. In Yemen it's no secret, and Greg is going to talk about this in much more detail, that there has always been a tension between the weak central government and local power structures and al-Qaeda has worked with this trying to play on tribal grievances and local grievances in order to gain free operating space. But with all that said, we've seen a shift in targeting that seems much closer to the al-Qaeda core, not only the United States, but more regional targets like Saudi Arabia, foreign tourists, and also a much better emphasis on propaganda. This was something that was not a part of the Selafi jihadist

groups in Yemen 10 years ago in a serious way. Now they're not quite up to al-Qaeda core standards, but they're putting our serious propaganda and clearly trying to reach and sway a broader audience.

The attitude toward the Yemeni government has also changed. In the past it was a mixture of trying to ignore the government, stay out of its way, in return for a certain degree of autonomy, but now they're much more willing to take on the government directly. They've been going after security forces which is a huge shift. They're aggressively going after them from time to time. This is quite risky. It risks a serious government crackdown, it risks alienating ordinary Yemenis who do have some pride in their government, but it does suggest a different ideology that's coming in, one where the government is seen not simply as a minor nuisance or obstacle, but as something fundamentally illegitimate.

One of the biggest problems is that over the last 10 years the Yemeni government's effort has been up and down. I think half-hearted is a more than fair way to describe it. Part of the reason is that they saw the al-Qaeda threat if you want to call it that in their country as very limited. If you compare it to some of the other threats they face, from their point of view this was a relatively small number of people going after a number of targets that were not core regime targets. But there was also a certain degree of anger at the United States. In 2005 the United States suspended some of its aid in part linked to the Millennium Challenge Account which is designed to encourage economic growth and has a fairly restrictive set of rules. This was entirely appropriate according to the Millennium Challenge rules. A lot of the money was being siphoned off for what we would consider corrupt purposes. But from Yemen's point of view, the payoff for cooperating with the United States was they lost money and so the incentives that you

put in which are a mixture of pressure and bribery really started to go away from a Yemeni point of view.

But you also had at the same time the gradual growth and then quite dramatic growth of several insurgencies within Yemen. We focus on al-Qaeda in the Arabian Peninsula, but there are several other ones that I'm sure Greg will talk about more. What this meant was the jihadist community went from being a nuisance to a potential government, that the Saleh government in the past has repeatedly used fighters whether from Afghanistan in the past or Yemenis who are motivated by this ideology to fight its domestic enemies. These are soldiers who can be recruited. This is a very common approach in weak states where you work with some social groups against others including with violence.

In the last weeks there have been reports of change and that the government may be more aggressive, and this may be so, but we have to watch this one very carefully. The spotlight is on Yemen. Right now there is a mixture of a lot of pressure and a big truckload of cash backing up and Yemen has a strong incentive to be seen as cooperating. But at the same time, Yemen recognizes that some of its enemies today might be friends and some of its friends might soon be enemies and the idea of going all out against any particular foe is probably mistaken in their way of thinking because they might find themselves without an ally when they need it 6 months from now or a year from now or 2 years from now.

Let me close with what may seem like a tangent but I feel it's very relevant which is a small word on Iraq. In the past when we've seen fighters come back from jihads, Afghanistan in particular, we've seen them change the nature of local struggles. What we're seeing how are two things with regard to Iraq. One is some fighters are trickling back to places like Saudi Arabia and Yemen and they're bringing

some of the ideas that they have learned in Iraq, some of the techniques, some of the tactics. The other thing is we're not seeing a diversion of fighters to Iraq the way we used to. In Saudi Arabia in 2004 and 2005, a big problem for the al-Qaeda people there was that a lot of their fighters didn't want to fight the al-Saud, but they wanted to go to Iraq and fight the Americans. And while that was seen as legitimate by the group, it wasn't what the group wanted. That diversion is not happening in the same way at the same scale, and as a result, a lot of the homegrown radicals who might otherwise go abroad to fight are not going to leave, so me that's a danger area to watch in the future. Thank you very much.

MR. POLLACK: Thank you, Dan. Greg, let me turn to you next. What I'd love to have you do is to pick up on a number of the issues that Dan has already laid out in terms of the relationship between al-Qaeda in the Arabian Peninsula and the wider and very complex internal Yemeni scene. I think Americans have finally come to grips with the fact that Yemen has a lot of internal problems, but I think we're having a lot of difficulty understanding the nature of those problems and then how it is in some ways creating a space for al-Qaeda in Yemen. So help us sort that out.

MR. JOHNSEN: First, thanks so much for coming out and thanks to the Brookings Institution for hosting me. Yes, I would like to I think give a little bit a snapshot of what I see Yemen as today and how to understand Yemen and how to think about Yemen, and then I'll move into talking about al-Qaeda in the Arabian Peninsula and how this fits into what from a distance looks like a very chaotic country.

I think we're all aware or we've been made aware in the last couple of weeks that Yemen is really teetering on the brink of disaster, but its problems, while very extensive, are neither nor unknown. They are I think however overwhelming. The numerous different crises that the state faces are I think nearly debilitating in their totality.

There are simply put too many problems of too severe a nature to deal with independently of one another or on a crisis-to-crisis basis. Instead, I think that Yemen and its challenges have to be understood and dealt with as a whole. I think in order to Yemen and really to understand the realities of political life in Yemen, one has to realize that the Yemeni state is I think increasingly beset by three distinct layers of conflict, only one of these layers is really visible to outside observers like ourselves, and these three layers will all continue to plague the country and will in fact grow much more severe in the coming years. In addition to that, I think all of these layers while they are distinct; they also exacerbate and play off of one another. So in a sense, they make each other much worse than just the one distinct conflict, and let me go into these so you have an understanding what it is that I'm talking about.

At the top, I think what we're seeing right now is really the struggle for power in this elite rival by that's going on at the moment. This is something that is without a great deal of inside knowledge, something that is taking place out of sight behind closed doors. It's not something that people like ourselves really have access to, so we're coming to the end of one generation and we're seeing another generation prepare itself for power. But while this is taking place, the president is at least in my opinion preparing his son who's the Commander of the Special Forces and the Republican Guard to take power after him, but this is causing a lot of problems within not only the president's family, but also within the Sun Han tribe of which he is a part. So you see one of the reasons that President Saleh has been so successful and has been able to maintain power for over 30 years is that he's doled out military and intelligence command posts to individuals within his family and within his tribe. So what you have is you have the military and intelligence structure that essentially the Sun Han family tree, so some of these individuals aren't particularly enamored of the idea of Ahmed the president's oldest

son taking power, so you're seeing all these what had really held this sort of power center together is starting to fragment and fracture a great deal, and I think we saw this last year in 2008 when President Saleh tried with a variety of different means to forcibly retire or kick upstairs well-placed allies of Ali Muhsen al-Ahmar who is from his home village and has long been a very important supporter of the president and is in fact the most powerful military commander within the country. So this is at the top.

Then in the middle we have this trio of security crises which I think most of us are well aware. This is what is grabbing the majority of the headlines, this is what is going to continue to grab the majority of the headlines in the year go come, this is of course the resurgent al-Qaeda threat. This is the Houthi rebellion up in the north in which active fighting has been on since 2004. But really the roots of this crisis are much, much deeper. There were clashes throughout the 1980s and throughout the 1990s. The Houthis as they're referred, I think the best way to think of them is really Zaidi purists, and Zaidis are a sect of Shiism, but it's much different from the type of Shiism that we see practiced in Iran or elsewhere. In fact, the president himself is Zaidi, and this is one of the things that's often overlooked. However, a point that I would bring out and that I would stress is that the president is not a Hashimi, he is not an individual who if the country were ruled according to Zaidi theology or Zaidi doctrine would be eligible to run the country, so he is very sensitive to the threat that's posed by the Houthi family who are themselves Hashimis. So the Houthis up in the north if you're following me, and I apologize that it is a little complicated, view themselves as a community that's in danger of theological and cultural extinction. They see a two-pronged alliance against them from Wahabi and Selafi imports from Saudi Arabia who are up in Sa'dah, as well as the government which although it's supported the Houthis at different times has primarily lent most of its support to the Selafis in the north. So this is really the background of the

crisis, and talking about it as a proxy war between Iran or Saudi Arabia is a little misleading. That conflict is really being grated on to this Zaidi conflict, the conflict between the Houthis and the government, which is very much a local problem.

I think also it's important to remember when we talk about these different crises exacerbating one another, we're now in the sixth round of this Houthi conflict and this is a conflict that from July 2008 up until August 2008 there was this unilateral ceasefire and one of the reasons that in at least in my opinion the government once again started prosecuting its war against the Houthis is that it felt that its inability to put down this rebellion was actually emboldening calls for secession from the south and again we see how these different crises are playing off of one another. So we have al-Qaeda and we have the Houthis, and then as I just mentioned we have the increasingly and increasingly violent calls for secession from the south. So this is this middle trio of security challenges that the state is facing.

Underlying both of these layers is a layer of I think what might be best described as a bedrock later of infrastructural challenges if you will. This encompasses things that some of us have become aware of in recent days, things like the fact that the Yemeni government is running out of oil, it's running out of water, there's rampant corruption, literacy rates are extremely low, poverty is very high, the birth rate is very high. There is just a laundry list of issues here. I think one of the things again to keep in mind is that as the government loses money from its oil imports, the style of government that President Saleh has or attempted to rule or attempted to govern Yemen is starting to break down. When you run out of money it's like throwing sand in the machine, everything starts to break down. What Saleh has attempted to do I think is play different opposition groups off against one another in keeping them all fairly weak and perpetually dependent upon the center, but when he lacks money this is not something that he can

do so we see a breaking down in his relationship with different tribes, we see the lack of money fueling some of the insurgency in the south because this is something that many of the military officers from the former south and north and south Yemen were unified in 1990 and they fought a civil war in 1994. After that civil war the president forcibly retired numerous of these individuals, and then in 2007 they started to be removed from their pensions, so this lack of money again we see affecting this and all these different crises playing off of one another.

Now with that sort of snapshot of Yemen or how I see Yemen, let me turn to al-Qaeda, and I'll underscore some of the points that I think Dad did a very excellent job of making and hopefully add a couple of my own.

I want to begin this section with a word of caution, and this is something that I've said a number of times over the past month, but I'm going to continue to repeat it. This is that I think in Yemen particularly with the al-Qaeda problem, we're well past the point of a magic missile solution to the problem of al-Qaeda. The organization is now much too strong, it's much too entrenched, to be defeated like it was in 2002 when the U.S. carried out a drone strike in what was then called the War on Terror and took out the head of al-Qaeda, a man named Abu Ali al-Harithi. After that we saw the organization sort of crumble down around itself. This new generation, this new configuration of al-Qaeda, is much different and it's been built I think with a strong enough infrastructure to withstand the loss of key cell leaders, and we have already seen this. We saw this in October 2006 when Fawaz al-Rabeiee was killed and the organization continued to go. We saw it in August 2008 when Hamza al-Quiti was killed and the organization didn't miss a step, and in fact in September, the next month, they carried out an attack on the U.S. embassy.

Let me step back for just a moment and give you I think an overview. I tend to view the war against al-Qaeda in Yemen as being in two distinct phases. You can start this first phase in if you want October 2000 and it goes all the way up until November 2003. Certainly al-Qaeda's presence in the country predates this, predates the "USS Cole" attack by nearly a decade, I think most people date it about 1992, but if we start with the "Cole" and particularly after September 11, this is when the Yemeni government got very, very serious about combating al-Qaeda. President Saleh took a trip to Washington on November 2001 and was told by the Bush administration this is how you show us that you're on our side. You go after these individuals of al-Qaeda operatives within the country. Yemen went after them and cooperated quite closely. There was the drone strike in 2002. Then about a year later in 2003 the replacement head of al-Qaeda, a man named Mohammed Hamdi al-Ahdal, was arrested. Then we see a time from November 2003 to February 2006 where there is very little to almost no al-Qaeda violence in the country. I think this is some of what Dan was talking about. We saw individuals within the country where there was no infrastructure for them to fit into within Yemen and also the fact that the Iraq was going on had I think the function of really drawing them off so they were more attracted to jihad abroad than they were in Yemen.

Then comes this February 2006 prison break, and this is really I think a very significant event when we're talking about the history of al-Qaeda in Yemen. Twenty-three al-Qaeda suspects tunneled out of prison into a neighboring mosque where they said their morning prayers and then walked right out the front door to freedom. Among these individuals were some very skilled, very highly trained operatives, Nasir al-Wahishi who is the current emir of al-Qaeda, Qassim al-Raimi who was reported killed last Friday and of course that's turned out to be untrue. Al-Qaeda has put out a statement that he was seen at a banquet out in Ma'rib having lunch at this Thanksgiving

meal to celebrate the survival of the attack. These individuals escaped and al-Wahishi and al-Raimi did a very, very good job of rebuilding, reorganizing and resurrecting al-Qaeda up from the ashes.

I want to give one anecdote that will help illuminate some of the differences between this first phase and this second phase, and this is something that hasn't been talked about a great deal. This is the case of a man named -- al-Raimi and -- al-Raimi was the brother of -- al-Raimi, and of course these two brothers have another brother Ali who's currently in Guantanamo Bay. As we know, jihad in many ways is a family business. And -- al-Raimi was killed in June 2007 and he was killed by all accounts by members of al-Qaeda who were worried that he was going to turn state's evidence. Now -- al-Raimi had fought in Iraq, he had fought in Afghanistan, but he essentially said when it comes to Yemen this shouldn't be an active front in jihad. There are on foreign troops here. This is a different situation than Iraq and Afghanistan. But that was something that this current generation of al-Qaeda didn't seem to be able to stomach, and the fact that he had this blood relation with Qassim al-Raimi also didn't seem to matter because whether Qassim al-Raimi ordered it or not, it appears that he at least tacitly gave his approach for this attack to take place. When you talk to people in Yemen, they'll often talk about this Islamic phrase (Arabic) which is association and disassociation and this is I think a very, very important concept and one that has to be understood if you're going to think about this new generation of al-Qaeda in the Arabian Peninsula that's developed since 2006.

I'm running quite short on time so I'm going to wrap up by mentioning a couple of things. One is that since this organization, Al-Qaeda in the Arabian Peninsula and its precursors Al-Qaeda in Yemen and then al-Qaeda in the South of the Arabian Peninsula, since they've broken out of prison in February 2006, they've went through I

think three distinct phases. The first is in 2006-2007 where they work at rebuilding and reorganizing the organization there in Yemen. We see this really come to head in June 2007 when Qassim al-Raimi puts out two statements, one directed toward the old guard of al-Qaeda saying Yemen had to be an active front in jihad, we have to confront the government, and the next directed toward the Yemeni government and giving them four things of what they can do to avoid being a target. Then in January 2008 the organization launches their bimonthly journal (Arabic) which is I think translated as "The Echo of Battles," I think that's the best translation, and they follow this up with an attack on a convoy of Belgian tourists out in Hadramawt. So this really initiates this almost year-long campaign of violence that at least for myself culminates in the attack on the U.S. embassy in Sana'a in September 2008. Then in January 2009 as Dan said we see this merger between Al-Qaeda in Yemen and Al-Qaeda in Saudi Arabia moving it from a local chapter to a regional franchise and this is the organization where Nasir al-Wahishi and Said Ali al Shihri had started to focus more first on a regional reach and then of course as we saw on Christmas Day an ability to even reach into the U.S. I think one of the important takeaways from this if you will is that Nasir al-Wahishi and how he sort of set up the organization in Yemen has attempted to follow the template that bin Laden has put down in Afghanistan in the 1990s when al-Wahishi was a personal aide and personal secretary to bin Laden, and so he has accepted oaths of allegiance from individuals within Yemen, he has attempted to really I think follow this pattern that he saw bin Laden develop and he uses his personal links to bin Laden in a very Islamic way to continue the individual-to-individual transmission of knowledge. So what we've seen is this organization is I think incredibly ambitious. They've put in a great deal of thought. They've learned from the mistakes in the first phase in Yemen as well as what happened in Saudi Arabia and now I think we are in a great deal of trouble. And just one anecdote

that I would leave you with. On my most recent trip to Yemen, I was talking to a very well-informed Yemeni journalist, and one thing that he said really stood out to me. He said, I an no longer tell the difference between al-Qaeda in the mosques and al-Qaeda in the caves, and I think this goes with what Dan was saying in that the narrative that al-Qaeda in the Arabian Peninsula has developed within Yemen is something that with the notable exception of suicide attacks in the country is broadly, broadly popular. They've put themselves on the right side of nearly every issue from local corruption to Guantanamo to Israel-Palestine, and so I will just close with that.

MR. POLLACK: Greg, that was a terrific summary of what's going on there. There was one issue you touched on that I'd love to have you develop just a little bit just 2 minutes before we turn it over to Bruce, and that's the Saudi role in all of this. Explain to us a little bit about the Saudi relationship with Yemen, how they are helping or hurting what's going on there.

MR. JOHNSEN: I think in the early part of 2008 and particularly in the summer of 2008 those of us who were following al-Qaeda, those of us who were reading "Sadr" , started to notice a very big difference and this is that they were essentially receiving an influx of Saudi talent. You started to see a lot more Saudi names as authors within "Sadr" and quite frankly the caliber of the religious scholarship within "Sadr" went up. There was I think a gravitas to the material that just hadn't been there before. But now that process I think really culminated with this merger and now we're even starting to see I think some fractures and some fragments that could potentially be exploited because of the difference between Saudi Arabia and between Yemen. Very recently in the last issue of "Sadr" which is the eleventh issue, there was an article by Ibrahim al-Rubaish who is a former Guantanamo Bay detainee. He really talked about some of the differences between Sunnis and Shia and this is a message that while I think it makes a

great deal of sense within the Saudi context, this is something that within the Yemeni context grates on the ear a little bit. We've also seen Ibrahim al-Rubaish follow this up with an audio tape that he released as well as an audio that was released from Mohammed al-Rashid, another Saudi individual. So the fact that there are these two Saudis and they're really spending a great deal of time focusing on the differences between Sunni and Shia and how it is that we should go after Shia and how you have to be aware of them and how they're deceivers and so on and so forth. I think you all sort of know the litany of challenges or allegations that we have there. This is something that's quite new for the organization and it's something that I think shows some of the differences between how Saudis in the organization think about the future direction of Al-Qaeda in the Arabian Peninsula and how Yemenis think about the future of Al-Qaeda in the Arabian Peninsula. It's not something that we've ever seen a Yemeni publicly state that we need to be going after Shia referencing Iraq and things of this nature. So that's one I think potential fissure that could be exploited by either the Yemeni government or other actors.

MR. POLLACK: Thank you, Greg. Bruce, help us to understand this in the wider context. Obviously what's going on in Yemen is part of the larger turmoil of the Middle East and it's also part of the larger war against al-Qaeda and the larger al-Qaeda organization. In particular, one of the things I'd love you to address is this question which a lot of Americans have raised, is al-Qaeda simply morphing? Is it simply shifting? We're now focusing our attention on Afghanistan. We've had some success in Iraq driving it out of there. Are they simply like water finding whatever cracks are out there, moving to whatever field is available, and does this in some ways make the larger war against al-Qaeda impossible, and does it make the war against Afghanistan irrelevant?

MR. RIEDEL: Thank you, Ken. I'll get to those points in just a minute. I'd like to start though with a preliminary observation about the Christmas plot. It's easy to make fun of a man putting explosives in his underwear, but had this plot succeeded and what would a success have meant, blowing up an airliner probably midway in flight over the north Atlantic where all the forensics are at the bottom of the ocean, this would have been a transformative event. The president rightly said a few days after it that the United States dodged a bullet. It's even more accurate to say that President Obama dodged a bullet. His presidency would have been transformed between opening the presents and having the turkey on Christmas Day in a way much again to how George Bush's presidency was transformed. The incident would not have been as big, but a second catastrophic attack on the United States by al-Qaeda would have transformed his presidency.

The administration is rightly focused on this for a number of other reasons as well. First, this attack comes as the culmination of a year-long unprecedented al-Qaeda activity inside the United States. We had a number of very important arrests that demonstrated that al-Qaeda's attempt to reach into the United States was intensifying in 2009. We had an arrest in Colorado, we had a takedown of a cell in Chicago, we had the Fort Hood massacre which apparently has some relation to Al-Qaeda in the Arabian Peninsula as well.

What the administration doesn't know about the attack or the attempted attack on Northwest 253 is the simple, most-important issue. Was this a one-of? Was this the only person in al-Qaeda's stable who they've been able to find in the last year or so who had capacity and motive or was Northwest 253 really a test case to see how easy it would be to get someone on an airplane and to see whether the explosives worked? If you read the statements of Al-Qaeda in the Arabian Peninsula, I think they certainly make

a strong case for the latter, that this was a test case, the bomb maker's technical attributes are still learning and more is coming.

The worst thing for the Obama administration about all of this of course was that it was clear from the day after Christmas that unlike his predecessor, there was going to be no rally around the flag. There was not going to be let's all stand together. Had there been a catastrophic terrorist attack, it would have been a partisan political issue from the moment that plane went down and that makes the business of fighting al-Qaeda even more difficult and even more central and important for the Obama administration.

With that in mind, let me turn to where does this fit in what I would cal al-Qaeda's grand strategy and how important is Yemen in the global war against the al-Qaeda network. Don't get me wrong, I think it's absolutely critical and I think all the points that we've already heard about how difficult it is will make this one of the most central challenges of the Obama administration. But I would argue that from al-Qaeda's grand strategy, Yemen is still not the epicenter of the war and the epicenter of the war remains in Afghanistan, Pakistan and South Asia.

Let's take a snapshot of where al-Qaeda is today. Al-Qaeda declared war on the United States in 1996. It's 14 years later and al-Qaeda has become the world's first truly global terrorist organization. It has cells of one kind or another from Mauritania to Indonesia. Its narrative has inspired hundreds of suicide bombers. It has been able to create a new base of operations somewhere in the mountains between Afghanistan and Pakistan which is an extraordinarily secure base in the sense that the high-value targets, number one, and number two, are completely off the picture. We know they're there but we haven't seen them literally now in 8 years. Its various franchises around the Islamic world, the franchise in Yemen, the franchise in Iraq, the

franchise in Indonesia, the franchise in Maghreb, are very dynamic organizations. Both of the previous speakers have already alluded to the rise and fall of al-Qaeda in Yemen, but if you look across the franchises, that's a common phenomenon. Franchises rise up, 5 years ago Al-Qaeda in Iraq was probably the growing franchise in the al-Qaeda world, and then they recede. What's important though is that almost all of them show a remarkable recuperative power. They can be battered into submission, but like Al-Qaeda in Yemen, they frequently come back up to the surface.

What role does the al-Qaeda core play in this world of franchises and cells? Al-Qaeda is an extremely decentralized movement. Osama bin Laden does not exercise day-to-day operational command. Whether or not he knew they had a Nigerian, whether or not he knew they were going to attack on Christmas Day is an unknown. We frankly don't know the answers to questions like that. Only people inside al-Qaeda really know the answer to that question. But what we do know is that the al-Qaeda core, bin Laden and Ayman Zawahiri and their propaganda instrument Al-Sahab, the in-the-clouds propaganda instrument that they use, provide general strategic direction, overall guidance. They set the stage, who are the targets, where are we going after them, where are the priorities. In the case of Al-Qaeda in the Arabian Peninsula, if you go back to the document in which the announce of Al-Qaeda in the Arabian Peninsula is made it says in that document we are doing this at the direction of Sheikh Osama. So if you read their own documents and they own propaganda, they take strategic direction. Yemen has long been on Osama bin Laden's list. It's not just because his family comes from there from the Hadramawt area in the extreme southeast, it's been an object of interest for him for a very, very long time. In 1989 when he had finished with the war in Afghanistan against the Soviets, his next project was going to be to start a war against the communist government in south Yemen, the People's Democratic Republic of Yemen, the PDRY.

He took this project idea to the Saudi royal family and said we've done it to the Soviets once, let's do it to them again. The Saudi royal family said, no, we don't need to. They're going to fall of their own dead weight. The Saudis turned out to be right. But it's an early example of bin Laden's interest in this part of the world. Aden may have been the scene of his first attack against an American target, the bombing of the Movenpick Hotel in 1992 which may or may not have been directed by Osama bin Laden, but was certainly a precursor has already been laid of where Al-Qaeda in Yemen was going.

Now Yemen fits in a much larger strategy for them. First and foremost, it's a foothold in the Arabian Peninsula. Bin Laden has always seen the Arabian Peninsula as one of his highest priorities. If you can destabilize Saudi Arabia, if you can destabilize the small Gulf states, then you inflict a massive blow on the crusader Zionist alliance simply by attacking the world's energy supplies and by attacking America's probably most important ally in the Arab world. We've already heard and I think I won't need to go into it again the backdrop to how creating Al-Qaeda in the Arabian Peninsula was and is to a certain extent rejuvenating al-Qaeda in Saudi Arabia and acting as a force multiplier for Al-Qaeda in Yemen. I think we've already covered that quite importantly.

Secondly and equally important in part of al-Qaeda's grand strategy, Yemen is now a way to stretch the battlefield, and it's become very, very important for al-Qaeda to stretch the battlefield because over the course of the last 18 months the United States has finally focused on the al-Qaeda core and the epicenter and the headquarters in Afghanistan and Pakistan and is inflicting significant damage on them. Most of this of course comes from the CIA drone program. The CIA drone program which the Obama administration has to admit was started under the Bush administration has been intensified remarkably under the Obama administration. In 2009 we averaged one drone

attack in Pakistan a week. In 2010 we've already had 11 drone attacks in Pakistan. The attack on the CIA's forward operating base in Afghanistan was an example of how deadly these attacks are for al-Qaeda. Al-Qaeda had to strike back and it struck back brilliantly and quite successfully, but it hasn't stopped the temp of drone operations, in fact, if anything they're getting more intense. This pressure on al-Qaeda's core is encouraging them to encourage all of their franchises to go out there and do more, and the one which seems to be the most productive is of course Al-Qaeda in the Arabian Peninsula.

What's the al-Qaeda's core best outcome? The best outcome from their standpoint would be to get the United States to actually start putting boots on the ground in Yemen, to start what al-Qaeda likes to refer to as another bleeding war. Bear in mind al-Qaeda's strategy since September 11 has been to entice the United States into bleeding wars in the Islamic world, to replicate with this superpower what it believes it did to the former superpower in Afghanistan in the 1980s. If you could entice the Americans to put boots on the ground, you'll start another bleeding war, you will stretch the American economy and the American military even more. The model of course that they have in mind is to do to us in Yemen what happened to Egypt in the 1960s in Yemen when it put 70,000 boots on the ground, used chemical warfare and turned out to be a complete failure. The United States obviously should avoid this trap, and with all the problems Yemen had, I think we should bear in mind one thing, there is no made-in-America solution to the problem in Yemen. Yemen needs American attention, it needs American resources, but it does not need American boots on the ground, and it is not in the final analysis the epicenter of the war against al-Qaeda. Pakistan remains the epicenter of the war against al-Qaeda and for two reasons. One I think is fairly obvious and one which may be less obvious. The obvious one is Pakistan is a nuclear weapons state. We wouldn't have close to 140,000 U.S. and NATO forces in Afghanistan if we

weren't worried about the nuclear problem in Pakistan. The administration doesn't like to link them all the time, but I can assure you having sat in on a lot of these meetings that these two are linked very much in the minds of the administration. Pakistan is important in other ways as well. It's the second-largest Muslim country in the world. It has a long history of being at the center of Islamic education and learning.

The second reason which is perhaps not so obvious is that al-Qaeda in Afghanistan and Pakistan operates within a much larger syndicate of terrorism. The al-Qaeda core in Afghanistan and Pakistan probably numbers in the hundreds. Nobody knows for sure except for people in al-Qaeda. But it's important because it has so many other allies, the old Afghan Taliban, the new Pakistan Taliban, groups like Lashkar-e-Taiba that attacked Mumbai a year ago, Jaish-e-Mohammed attacked the Indian capital in 2001, they're not a monolith, they don't have a single director, but at the operational and tactical levels they operate very closely together. We've seen examples of that in the last year. The best example is the individual who I mentioned in Chicago who was arrested back in October, David Headley. David Headley is the man we now know who did the reconnaissance for Lashkar-e-Taiba of the targets in Mumbai. He did it over the course of 2 years. When he was arrested he was in the process of doing new reconnaissance missions. But what we also know from his arrest was that he wasn't just working for Lashkar-e-Taiba. He was also working for al-Qaeda and had been working for al-Qaeda for over a year. He's an example of an individual, and you can find hundreds of examples like him, who doesn't stay in his lane. We want him to be only al-Qaeda, but he wants to operate in the entire syndicate of the global Islamic jihad that now has its centerpiece in Afghanistan and Pakistan.

The attack on the CIA base is another good example of this. The attack was clearly worked out with the connivance of al-Qaeda if you look at the bait that they

put forward. The bait that they put forward to the CIA was we'll give you the location of Ayman Zawahiri, high-value target number two. But the attack itself was carried out by Afghan Taliban probably supported by Pakistani Taliban. It's the classic example of how al-Qaeda is embedded in a much, much larger syndicate of terrorism. There is no comparable syndicate of terrorism in Yemen at least so far. Al-Qaeda in the Arabian Peninsula by working on the tribes, by working on the southern secessionist movement is trying to create that syndicate, but I don't think it operates there yet.

One last point I'd like to deal with in terms of the broader picture and that's to say a word about the question that Ken raised earlier which is the correlation between Saudi Arabia and Yemen. For people who've been watching Saudi attitudes toward President Saleh for a long time, the current situation is a remarkable one. Saudi Arabia has spent most of the last two decades trying to get rid of Saleh, thinking of every possible way to make life miserable for this man, and they've done a lot to make life miserable for him and it all goes back to August 1990 and Yemen's apparent support for Iraq. Yemen's support for Iraq was never as great as the Saudis like to make it out to be, but from the Saudi standpoint it was bad enough that it led to a fundamental break in relations. The 1994 civil war was in many ways a Saudi-inspired southern secessionist movement again to pay back Ali Abdullah Saleh. So to see the Saudis today copartner with Ali Abdullah Saleh in a war against the Zaidi-Houthi rebellion is really a remarkable development. For the United States it's good news because we can't fix Yemen. As I've said already, there's no made-in-America solution to the problem of Yemen. This is going to be an expensive problem. If you want to fix half the infrastructure problems that we've already heard about, it's not going to come out of our budget. We're going to need to rally the Saudis and the other Gulf states to make a major effort to help provide if not a

better future for Yemenis, at least some hope of a better future down the road and that investment is going to have to come out of the Gulf states.

MR. POLLACK: Thank you, Bruce. That was a terrific rundown of the larger context. Before I turn it over to the audience and open it up to them, I'd like to put a question to you, but I'd also love to hear Dan's thoughts as well, and it goes to an issue which you started to get into, Bruce which is a twofold question. First, what may be a very simple question. Is there a solution to the problem of Al-Qaeda in the Arabian Peninsula that does not deal with the larger problems of Yemen? Then a second related question, and you started to get to this, rather than ask you what the U.S. should do, what are the things out there that we absolutely should not do? You mentioned one of them, putting troops in Yemen, but are there other things we absolutely should not do in trying to deal with the underlying problems of Yemen and deal with the problems of AQ-AP?

MR. RIEDEL: In the not to do, don't put American boots on the ground in any significant numbers, don't take your eye of the epicenter of the battle which is still in Pakistan, and this is the harder one that gets to your first question, try not to become a partner in a war against an obscure Zaidi tribe in north Yemen which is not our war. Saleh is going to try to do everything he can to get us to finance and equip his forces for doing that. I don't think that's in our national interests. It's in our national interests actually to find a mediated solution to the war in the north, and that gets to your first question, no. We tried the magic drone strike. We actually got it and it worked, but its shelf life proved to be fairly finite. The drones are a technological marvel. There are one of the most brilliant weapons of war that we've seen invented in a long time, but they are not a strategy, they are not a solution. They are like attacking a beehive one bee at a time. You can get some important bees, but you'll never get rid of a beehive that way.

MR. POLLACK: Dan, would you like to add that?

MR. BYMAN: Yes, I agree with Bruce. Just a few things. We need to recognize that, this sounds trite, that our government actions that are disparate are actually seen by other countries as one policy even though we in Washington know they're not. So when one part of our government cuts foreign aid or puts new diplomatic conditions, it affects counterterrorism and vice versa, and other countries actually think that's a plan even though such integration in planning is something we talk about at think tanks but almost never happens in practice.

Another thing to avoid as Bruce said is certainly U.S. boots on the ground, but I would say more broadly, have a certain policy of humility toward Yemen. The number of people who have a finger-tips feels for Yemeni politics in this country and in this government in particular, I'm not sure I can put them on one hand. It's a country that has been a U.S. priority. It is a country that has not been something that we've invested the intellectual effort in. So to have this kind of nuanced, fine-grained policy I think we'd all love to have is actually probably beyond the capabilities of our government and we need to recognize that. In particular we need to recognize the limits of Saleh as a partner. Greg alluded to it at the beginning that this a man who from his point of view, a lot of his energy is not just dealing with these rebellions but dealing with trying to place his son and allies in the right positions within the elite. So when we are trying to shovel aid money into this country it's going to be used for patronage purposes first and maybe, maybe, maybe a bit will get to the people we want it to get to. In general we have to recognize that Saleh is going to work with us only to the point where it benefits his power position in his regime and that's not shocking or surprising and shouldn't be to anyone, but when we talk about making Yemen a major partner in terror, when we talk about fixing infrastructure or fundamentally changing the problems in Yemen, what we're really

saying is we're going to help Saleh aggrandize his power even though we're not asking much in terms of political change, and we're not going to get much. As a result I'm quite skeptical of large solutions because I don't think we have the partner we need to carry them out, but the result means we're stuck with minor solutions like drone strikes that to me can limit the problem but certainly can't solve it.

MR. POLLACK: Thank you, Dan. Let's open it up to the audience. We'll also take some questions from our audience in Doha, but we'll start here in Washington. I'd like to ask people to please raise your hands high. When I call on you, even if I should call on you by name, please do identify yourself, both your name and your affiliation, and please do ask a question, don't simply make a statement. Questions here. Let me start with John.

MR. ANTHONY: John Duke Anthony, just asking for a response to the following, as to its efficacy and the implications. It's hard to believe that we are to accept that Americans are bereft of significant numbers of specialists on Yemen. To say that you cannot count them on the fingers of one hand is wildly misleading. There are dozens if not hundreds of members of the American Institute for Yemeni Studies and have been so for the last quarter of a century. There are more than a hundred former Peace Corps volunteers who've served in every part of Yemen and at grassroots, civil, political, economic challenges. Secondly, I've yet to hear anyone address what I would argue is a core issue and challenges, namely, jobs, jobs and jobs, employment, employment, employment. More than 50 percent of the Yemeni adult population are without jobs and we know what the significance of that is even if we look at it only through American prisms of 10 percent. Lastly, you're quite right about focusing on the GCC countries. There are three aspects of this, the London's Donors Conference, a 4.3 billion pledge 4 years or so ago, the 3.8 billion pledge by the GCC countries this last September at a

meeting in Jeddah, and the fact that Saudi Arabia's foreign minister says for the record we've been providing Yemen a billion dollars a year. The United States does not provide much more than tenth of that per year. Please comment.

MR. POLLACK: I think John's question gets to a larger question which is worth the panel exploring which is we know that economic problems are part of the underlying foundation of the various terrorist networks out there. We also know it's not the only thing going on, but it certainly is part of it. And I think it would be an interesting question to ask about both specifically perhaps for Greg, are there things that the United States can be doing to help Yemen deal with its economic problems which are clearly feeding into the growth of terrorism there, and then for Dan or Bruce if you guys would like to comment on the more general phenomena of how the United States can be helpful in dealing with the economic issues across the Middle East that are helping to spawn these kinds of movements. Greg, do you want to start us off?

MR. JOHNSEN: Yes. Thanks very much for the questions. I think that when we're talking about particularly the issue of al-Qaeda and talking about jobs, I think you've absolutely put your finger on a very important issue and certainly we know from research, and there's a limited amount of research I think that's been done recently in Ma'rib, Sa'dah, Al Jawf, governorates within Yemen where al-Qaeda is very, very active, and we also know that there are also governorates in Yemen where there is very little employment and there is a great deal of poverty and the young men don't have many different options. I think Bruce spoke about Yemen's no vote and abstentions on the U.N. Security Council, and let me just follow that up with one thing. At that time the Yemen riyal was 12 to 1 against the U.S. dollar. Currently it's more than 200 to 1 against the U.S. dollar. This is not just something that is completely dependent upon all the Yemenis being expelled from Saudi Arabia, but certainly that had a major impact.

One thing that I would say that gets toward the broader issue of what to do in Yemen is first I think a narrow focus on al-Qaeda and on the issue of counterterrorism within Yemen is a mistake. I think that the U.S.'s insistence on seeing Yemen only through the prism of al-Qaeda actually induces the types of results that the U.S. is hoping to avoid. I think it's also important to remember that there are no easy, there are no obvious solutions to what to do in Yemen and that even if the U.S., its allies in Europe, with Japan and so forth, as well as its regional partners, come together with a near-perfect plan, this still leaves far, far too much to chance. So I think that I would follow-up with what Dan said, that we do need to come in with a great deal of humility and realize that the United States influence is limited, but so are the Saudis. It has much greater influence, but it doesn't always understand Yemen in the way that sometimes we think it does.

MR. BYMAN: Let me respond on two levels. First I wanted to address John's point about expertise in the U.S. government which to me is a very important one. A few things here. First of all, the numbers you give are actually to me fascinating because they're small for a nation of 300 million. How many Americans speak German? How many Americans have studied in Germany or have traveled in Germany? The number dwarfs what we're talking about. So if you look at Yemen, the actual numbers are quite small. If you look at American resources, I'm an academic and I can tell you that the Yemeni dialect is certainly not taught widely among the few programs that have strong Arabic language programs. Then to go beyond that and we think about the U.S. government, one weakness of U.S. government in general is it focuses on government-to-government relations and for 95 percent of foreign policy, that makes sense. You don't cut a deal on trade, you don't make a military cooperation with a mayor. But on counterterrorism, local knowledge is vital, so you need to know what's happening in

Hadramawt, you need to know what's happening in the Houthi areas, and that sort of knowledge is limited and especially in the last 10 years, I think that's about right, 8 or 9 years, the incredible restrictions on U.S. personnel due to force protection concerns and personal security, anyone who goes to Yemen knows that these are quite real. We've just talked about the danger. But when I went to Yemen the first time as a U.S. government person, I wandered around the country. The last time I went as a U.S. government person I had several people with very large weapons riding around with me and my contacts were very limited. That shall we say limits my ability to get a finger-tips feel, and as a result I wish we knew more. I personally believe in throwing more personnel resources just on the basis of knowledge in the hope that some of these people will join the government, but it's quite limited. Then if you think about senior officials in DOD, senior officials in the State Department who make policy, how many of these people are Yemen hands? A very, very small number have had any exposure to the country.

The broader point about economic issues. I'm a believer in the importance of economic issues in shaping individual actions, but in terms of individual actions, but in terms of U.S. policy, we're not going to change the economic picture of many of the Middle Eastern countries that have problems under the governance changes. There are a number of reasons for Yemen's economic woes, but one of them is poor governance. There are some fascinating studies that the "Washington Post" did of U.S. efforts to try to kick-start some local projects and how they were immediately siphoned off or used by the Yemeni government for power manipulations to favor one tribe over the other or when the United States was trying to encourage some local initiatives, the government blocked it because it didn't control them. You have to focus first on governance before economic aid and economic pressure on the outside is going

to make the difference you want. So that's why I put my effort and my money because both it's cheaper and because I think it's a necessary precondition.

MR. POLLACK: Garry?

MR. MITCHELL: Thanks. Garry Mitchell from the "Mitchell Report." I first of all want to say to the panel, I hesitate to use the words thank you, but thank you for a disarmingly revealing conversation which really forces two questions in my mind. One is around grand strategy and the other is around narrative. In terms of grand strategy, it seems to me that, and I will focus in this case on Osama bin Laden who I think may be one of the few grand strategists left anywhere in the world today, who clearly as his first premise is a Sun Tzu disciple, know they enemy. As I listened from Dan down to Bruce I was struck by something. One is the know they enemy piece, and second, if you listen to what emerged in this conversation today and in other conversations, I would argue that Osama bin Laden knows by heart the book written almost three decades ago by Bob Waterman and Tom Peters called "In Search of Excellence," and if you don't recall, there were six elements at the front of that in which they said defined excellent organizations. One is a bias for action which has to do with a focus on small groups. The second is being close to customers. The third is autonomy and entrepreneurship. The fourth is productivity through people which means partners and giving people in the organization a sense of dignity. The fifth is hands on and value driven, that you shape values and you use stories and myths. And the sixth is stick to knitting. It seems to me that this is someone who understands what it takes to build a great organization. Bruce talked about essentially bin Laden steers the logic but leaves the operating decisions increasingly to the individual units. So my question is, it seems to me that the lessons that just screams at us from this panel and others is he understands us. My question is, how well do we understand him? They look like a learning organization to me. I think the

U.S. Army has been a good learning organization. But how about the larger U.S. government? Are we learning and are there ways in which we can demonstrate that we know thy enemy even remotely as well as the enemy knows us?

MR. POLLACK: Bruce, do you want to take that on?

MR. RIEDEL: First, a piece of good news for you Garry is "In Search of Excellence" is actually required reading in the CIA if you want to go into management chains. You've brought back memories of dismal branch meetings when you brought that up.

How well do we know our enemy? I think it's remarkable that it's taken us a long time. This guy declared war on us 14 years ago. Very few people took him seriously until August 1998 when he blew up two embassies. We have devoted incredible numbers of resources to this. We have refashioned our government. We have created whole new departments of government, the Department of Homeland Security. We have created new intelligence centers, the National Counterterrorism Center. So on paper we have devoted an enormous amount of energy to it, but I don't feel that we really know our enemy that well or get inside their strategic picture that well. And we face a very agile and dynamic enemy which, you're right, has a remarkable learning curve and understand us very well. What they did to us on December 30 in Khost was the classic example of that. This Jordanian whose nom de guerre in al-Qaeda is al-Khorasani, I don't know if he was a double agent or a triple agent or a quadruple agent or whatever he was, but they ran this operation brilliantly. A double agent, and even more a triple agent is one of the most difficult things to run in espionage because you have to give real information in order to make it credible, and they ran this one brilliantly. That's not a criticism of the individuals involved in Khost, it's just an observation about the nature of our enemy. One has to wonder anytime you discover that the enemy is running

counterintelligence against you, you've got to ask how many of my other assets are similarly not really who I think they are?

MR. POLLACK: Greg, I want to put a question to you from our Doha audience which is to what extent has the increasingly repressive nature of the Saleh regime contributed to the growing popularity of al-Qaeda? I think there's also a corollary to that which is to what extent do we need to deal with the repressiveness and the corruption of the Saleh regime to get at the problem?

MR. JOHNSEN: This gets at I think a very important topic and a very important question. We in the West tend to focus on this balancing act that we have. We're putting money into the country, we're worried that some of this money that we earmark for al-Qaeda will be used to prosecute a war against the Houthis. The Yemeni government has certainly done a very good job on obfuscating the differences between these different groups. They've put out lists of terrorists that have Houthis, al-Qaeda members and individuals from southern movements on it, so sort of dealing out and pealing out and deciding who is who is a very complicated issue and it requires I think this sort of localized knowledge that Dan was speaking about.

But on the other side, there's also a very delicate balancing act for President Saleh as well. How much U.S. assistance does he take? Certainly one of the problems, and I think the U.S. early in what was then called the war on terror, was very guilty of hubris when it carried out this drone strike on Abu Ali al-Harithi and then immediately afterwards it leaked news of this and it broke this secret agreement that it had with the Yemeni government and it did it for domestic political purposes. The attack took place on November 3, 2002 and midterm elections were November 5, 2002. This was something that someone in the Bush administration did to bolster Republican allies and it was something in Yemen that was viewed as Yemen essentially being sold out for

U.S. domestic political concerns. So this is something that is an issue I think on both sides. As to the repressive nature of the Saleh government, certainly this is a government that in recent years feels itself, whether this is accurate or not is a little bit of a different story, I think more vulnerable than it has in the past. It's certainly carried out a number of different actions that are repressive with the "Al-Ayyam" newspaper in Aden, with arresting people like Muhammad al-Maqali and other journalists. What I'm trying to say is this is difficult on both sides and these tensions and these difficulties can often I think have repercussions that aren't necessarily foreseen and that can in fact be quite damaging to both, and so it's a very, very difficult line to tread.

SPEAKER: -- a recent article by Scott Ritter saw the war on al-Qaeda and its global network as being a losing proposition for the United States because it keeps reinventing itself and increasing its numbers the harder we strike. He pointed out and I think quite accurately that by solving the two big dueling complaints of the Muslim world in Palestine, Israel and in Kashmir, we would remove the fuel from their growth. They might conduct regional or local insurgencies against governments they didn't like, but it wouldn't fuel a global jihad the way it is doing now. Yet I've heard so little mention of these issues.

MR. POLLACK: Bruce, do you want to start us off?

MR. RIEDEL: This comes to the point where you promote your own book slavishly. "The Search for Al-Qaeda" makes this case absolutely. If you want to defeat al-Qaeda, you have to defeat the al-Qaeda narrative that inspires its actions and to defeat the al-Qaeda narrative you have to deal with the issues that it raises, Israel, Palestine, Kashmir, other conflicts like that.

But it's not an either/or. We shouldn't see this as one solution only. We have to do a lot of things. We have to attack the narrative and not just with good

speeches, but with real policies that end the oppression that Palestinians live under and give Palestinians a better future and deal with the Kashmiri issue as well. But we also have to play aggressive counterterrorism moves because we can't wait for the hearts and minds of the Islamic world to change and we're never going to change the hearts and minds of the al-Qaeda core. Al-Qaeda does not want a just and fair lasting peace between Israel and the Palestinians. It wants to destroy Israel and shoot the ones who can swim literally. That's what they talk about.

It's the balance here. I would suggest in the Bush administration that the balance was way out of kilter. We were all drones, all military and no narrative, none of the larger struggle. I think that this administration recognizes that it had to change that and it's trying to do that. The devil of course is in the details. It's easy to say let's make peace between Israel and the Palestinians, but believe me, it isn't so easy when you actually have to sit down with the Israelis and Palestinians and make that come about.

If I could address one other issue, I want to go back to John Anthony's very good point about the GCC and just add to it a little bit more. We are not in the nation-building business. Nation building has become an ugly word in the United States, but a certain degree of infrastructure building and job promotion is essential if we're going to have a Yemen which is not a cauldron for terror, and the GCC are the only people who can do it and we need to really put pressure on them in order to do more not just the Saudis, the UAE, Qatar, all of them. At the end of the day it's in their interest. It is Al-Qaeda in the Arabian Peninsula. It wasn't an accident that they tried out their new spiffy on Mohammed bin Nayef first. He's their number-one enemy. He's the one who's led the most effective repression of an al-Qaeda franchise anywhere in the world over the last decade and that's why they wanted to take him out.

I would take it a step further. We ought to encourage the GCC to take on some significant project which would be a demonstration that the world is now reinvesting in Yemen in a big way, and that I have and my favorite is relaunch the Aden port. Make Aden a regional hub for port activity. It's badly needed in that part of the world. It's something that Aden used to be and it could be again, and it gets to your question of jobs, jobs, jobs, because that would a mechanism for jobs.

MR. POLLACK: Let's take Margaret here.

MS. WARNER: Margaret Warner from the PBS "Newshour." Yesterday the Senate Foreign Relations Committee held a hearing on this same topic and there was a lot of I would say almost upbeat conversation about what a thriving civil society Yemen had and that that could be built on and that American policymakers could build on that. Do you think that's the case or is that wishful thinking?

MR. POLLACK: Greg, would you like to start?

MR. JOHNSEN: There is I think a good history in Yemen since unification in 1990 of a very vibrant community or civil society. This I think has taken some hits in recent years and I think again I would go back to Dan's point about the sort of localized, nuanced knowledge that the U.S. has of Yemen and I think we're extremely lacking there. Increasingly I think we have diplomats who go to a fortified embassy and then go back to a fortified housing compound in Hudaydah and this frantic drive between the two, and I've done it with some of them. They really treat it as though it's Indian country to use their language, and it's something where the sort of shift that U.S. diplomacy has went under in recent years from risk management to risk prevention. There are very real security threats in Yemen, we have to be honest, but we shouldn't just house ourselves in this embassy and be afraid of everything that's outside of the embassy. This gives us a very narrow and I think often times misleading view of what's

going on in Yemen. So now not only do we have diplomats who aren't able to go and travel out into the country, but we have diplomats who are increasingly not even able to travel within Sana'a itself and this I think is a real, real problem.

Another problem that you have for the U.S. is because of once again some of the real security threats, we're sending younger and younger diplomats to Yemen because it's an unaccompanied post. So unless you can have your spouse find employment within the embassy, then you don't bring anyone. This then attracts younger and younger diplomats who are less and less experienced. So in a country that needs really the greatest amount of U.S. institutional knowledge to be brought to bear, we're sending the least-qualified individuals. And I'll just leave you with one anecdote. I was in Yemen in July and August of this year. I had dinner with a number of individuals from the U.S. embassy, and one of the political officers there was expressing to me how good a friend she was with this particular sheikh, a name named Tamid al-Akmar who is a very prominent tribal figure, a very big politician within Yemen, and I said to her I'm very excited to go home. He's supposed to be on "Al Jazeera" this evening, he's on (Arabic) he's giving a very important talk that the newspapers have been talking about for weeks in Yemen. She had no idea that he was going to be on the program. So this is something where I think for the U.S. we are just in a situation where we have a very narrow snapshot of Yemen and we're projecting out from that and many times that leads us into misleading results.

MR. POLLACK: I'd like to pose another question from our audience in Doha. This one is for Bruce. Bruce, you're being asked to comment on the link between al-Qaeda activity in Somalia and Yemen. There appears to be a considerable swapping of fighters between both countries. Could you comment on the threats posed by both?

MR. RIEDEL: It's a good question and it's an area where I think there's a lot of speculation, not a lot of hard data. We know that Yemen has been a sanctuary for al-Qaeda-related, they're not al-Qaeda core, but they're al-Qaeda-related cells during brief periods, and they've been very brief, when al-Qaeda and its allies in Somalia were under some pressure and they were able to go to Yemen. You see a little bit in jihadist literature today and jihadist websites talk about these two franchises perhaps being able to create a network of crises in the Gulf of Aden, and the fantasies of some of these websites block the Bab-el-Mandeb to foreign traffic. I think this really is in the area of fantasy at this stage. The hard data on how much interaction there is between Somalia and Yemen is pretty small. That said, one thing that is very clear, I just sailed through the Bab-el-Mandeb a month ago and we're all fixated on the problem of pirates and that's a significant problem, but there is a much larger reality going on which is people smuggling. As bad as Greg has portrayed Yemen to all of you, to people in East Africa it's the Promised Land and hundreds if not thousands of people every day are being smuggled through the Red Sea and across the Gulf of Aden coming from Somalia, from Eritrea, from Ethiopia, even from Kenya and Sudan, who see Yemen as the first stage in the golden road that's going to lead them ultimately in the end to maybe a job in Dubai or maybe a job somewhere in Western Europe. And this human smuggling problem is a very, very big long-term counterterrorism threat because within this network of criminality you can have terrorist organizations thrive. This is another reason why I will push my pet project of rebuilding the Aden port. Currently all traffic that goes through the southern Red Sea and into the Arabian Sea goes in protected convoys. They don't stop anywhere. They sail right by Yemen. So any chance of building infrastructure in Yemen is lost. That's why if you could get a port revival project going you could do a lot of things to a lot of difficult problems.

SPEAKER: Thank you. My name is Ibrahim from -- I just came back from Yemen last week. My question actually is about the possible alliance between al-Qaeda and the tribal system in Yemen which is something that I haven't heard any concentration or discussion about which is in my opinion I think it's one of the key factors in the strategy in dealing with Al-Qaeda in Yemen. Jobs is always a good solution, but this is a long-term thing. It takes time. We're not going to solve the 35 percent unemployment in Yemen in a couple of weeks. It's going to take time. One very strong indicator about this possible alliance between al-Qaeda and the tribal system which is where al-Qaeda appeared so far is where the tribal system is strong in Abyan and in Ma'rib and in some other governorates which is unlike Afghanistan where al-Qaeda tries to replace the tribal system, in Yemen it is trying to work with the tribal system. So this is one thing that I see that if this alliance is forged, is shaped, is established between al-Qaeda and the tribal system becomes their most serious problem that the government has to face, and so far what I've seen is that only the government has made some threats alerting the tribal system and the tribal leaders not to form any kind of alliance. So this part of the strategy and how this should be dealt with because if this is something to happen, in my opinion it's going to be very serious.

MR. POLLACK: I think that's going to be our last question. Greg, if you could address that and any closing remarks you'd like to make, and then I'll ask Bruce and Dan to chime in as well.

MR. JONHSEN: I think on al-Qaeda and the tribes, we should remember when we're talking about the tribes within Yemen we tend to talk about them just as the tribes as a monolithic bloc, but this isn't true. There are many, many different tribes. There are different confederations. We often speak of two but there are actually three tribal confederations in Yemen and not all of these follow this command and control

structure if you will. Certainly I think al-Qaeda has attempted to integrate itself within particular tribes and I think it's very important to remember we do not have perfect knowledge about Al-Qaeda in the Arabian Peninsula and what goes on in the organization, so we can sort of see different things that come to the surface and we try to piece them together. On my last trip to Yemen in July and August, this was something that a lot of people raised as a concerning factor, that we're just in the beginning stages of al-Qaeda attempting to integrate itself into the tribes. One of the only pieces of evidence that we have of this is a statement that was put out in Sada al-Malahim, this bimonthly journal that talks about this one figure, a man named Mohammad al-Umda, who is actually from Taizz in the central plateau region and al-Qaeda was congratulating this man. This is one of the guys who tunneled out of prison with al-Wahishi and al-Raimi back in February 2006, and the assumption is that this individual married into one of the tribes as a way of having any time that the Yemeni government goes after these people and we saw this a couple of weeks ago when the Yemeni government went after the al-Hanak family in the Arhab tribal region, the Arhab got together and they attempted to decide what is our response going to be to the Yemeni government prosecuting our individuals, prosecuting tribesmen, because we have to remember that in the Yemeni context it isn't just you have an al-Qaeda identity and you have the tribes, you have many people who wear different hats, so they might been as al-Qaeda by the U.S., but within a local context they're seen as tribesmen. So this is also something that I think serves to extend, and when the Yemeni government then goes after these individuals, it can get involved in a very murky and a very multifaceted conflict. We've seen this numerous times in Yemen going back to December 2001 as well as more recently in the battle of Ma'rib in July 2009. So it is I think something that should be of concern and it's something that al-Qaeda is certainly attempting to do. We also saw Said Ali al Shihri, the

former Guantanamo Bay detainee, the deputy commander, he brought his entire family down to Yemen. Not only does this put them beyond the reach of the Saudi state so that it can't do to him what it did to Mohammad al-Olfi , another former Guantanamo Bay detainee, but it also allows al Shihri and others to integrate into the local community in a way that a single man of military age just cannot do. So I think this is an important thing and we're only in the beginning stages. How it projects out will I think go a long way toward how sustainable Al-Qaeda in Yemen turns out to be.

MR. POLLACK: Dan? Is there anything you'd like to add?

MR. BYMAN: Very briefly, this is always a tension for a group with a more ambitious agenda which is how to much to work locally. The tribes are a great example of where when you integrate into the tribal structure you get allies and you get a certain degree of protection, but the tradeoff is you have limits in enemy. If you are affiliated with one tribe, you are not affiliated with another. There are rivalries within tribes that are constant, and a result, we've seen this in the past with al-Qaeda when it's made local allies, it's made local enemies and those local enemies are opportunities largely for the Yemeni government, but even so this sort of tradeoff is something we should be looking more for in counterterrorism which is they make a move they often open up vulnerabilities as well and I think this is a good example of something that is from their point of view a mixed blessing.

MR. POLLACK: Bruce? My apologies to those who are not able to ask their questions. We had far too many questions for the available time, but thank you very much joining us, thank you to our Doha audience, and please join me in thanking our terrific panel.

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I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

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