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**The Use of Economic Incentives In Promoting Government
Stability in Counterterrorism Operations:
Specifically Relating to the Republic of Yemen**

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Introduction

A conflict ignited just over ten years ago on September 11, 2001 in the heart of New York City has since shifted from its origin to Afghanistan, Pakistan and now Yemen. Though the terrorist organization that perpetrated the act was al-Qaeda the United States (U.S.) escalated the conflict even further and declared a “War on Terror” intending to eliminate terrorism as a viable option for insurgency by organizations and claiming the use of terror as sufficient cause for retaliation. “Terrorism” will here be defined according to the U.S. Department of State’s definition, “premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents, and is usually intended to influence an audience.”¹

In combatting terrorism the U.S. has a number of tactics in its arsenal including, but not limited to: full-scale military invasion, surgical military operations, nation building, diplomacy, etc. When fighting a terrorist organization that takes haven within a sovereign nation it is necessary to engage in diplomatic tools and negotiations to work in conjunction with this nation in order to reach a mutually beneficial solution to eliminating the terrorist threat. A tried and true tool used by the U.S. is the use of economic incentives to stabilize a state government and encourage them to pursue the elimination of specific terrorist targets. Especially in the last decade has this tool become more evident and it has evolved as it has gained usage. The methods and successes seen via economic incentives in Yemen are not the same as are seen in Afghanistan or Pakistan.

¹ Brigitte L. Nacos. *Terrorism and Counterterrorism*. 4th ed. (Boston, MA: Longman, 2012). p. 22.

Literature Review/History

There is debate as to what the most effective method to combat terrorism is, whether it should be eliminated strategically one hard target at a time or whether it requires a social and economic change at a basic level. Karin von Hippel posits that a solution should fall further into the second category than the first. She refers to poverty as an enabling factor, noting that “by providing the poor with social services, a number of national focused Islamist groups and political parties, and the al-Qaeda movement more generally, have been able to significantly broaden their appeal.”² In this case, strengthening the national government’s institutions and ability to provide these types of social services will eliminate at least one contributing factor in the spread of terrorist recruitment.

The Republic of Yemen has a unique and especially fragmented political and social situation. The country is formed from two separate modern states, the People’s Democratic Republic in southern Yemen and the Yemen Arab Republic in the north.³ The two unified in 1990 under the North’s leader, President Saleh.⁴ After a civil war in 1994 fought over politics between political parties there was a lot of political strife and

² Stuart Gottlieb, ed. *Debating Terrorism and Counterterrorism*. (Washington, D.C.: CQ Press, 2010). p. 53.

³ Paul Dresch. *Modern Yemen*. (Cambridge, United Kingdom: Cambridge University Press, 2000). p. 124.

⁴ *Ibid.* p. 184.

separation remaining in the country.⁵ President Saleh remained in office for the next decade and a half, winning both the 1999 and 2006 presidential elections.⁶

Ongoing factionalism within the country is found in the al-Houthi rebellion in the north, the southern secessionist movement and the presence of al-Qaeda and other terrorist organizations' operatives.⁷ Beyond these political and social ills the nation faces crippling poverty with 53% of the population impoverished according to the Multidimensional Poverty Index.⁸ The nation has few natural resources or industries to speak of; oil makes up one-third of Gross Domestic Product (GDP) but is expected to run dry in the next decade. Yemen is currently facing a water shortage crisis with the possibility of completely depleting urban aquifers in the next two decades and an increasingly arid climate shows no promise for improvement. There is a real possibility that without aid Yemen could be the first environmentally failed state⁹

In the midst of such instability the Arab Spring spread to Yemen in early 2011 leading to protests and demonstrations against then President Saleh. Attempts to maintain order and suppress the public outcry frequently turned violent resulting in more than 2,000 deaths.¹⁰ In November 2011 Saleh agreed to step down and accepted the Gulf Cooperation Council's (GCC) Transition Initiative. In February 2012, in exchange for

⁵ Ibid. p. 197.

⁶ Library of Congress. "Country Profile: Yemen." August 2008. <http://lcweb2.loc.gov/frd/cs/profiles/Yemen.pdf>.

⁷ Jeffrey Fleishman. "Yemen smolders amid Houthi insurgency and Al Qaeda attacks." *LA Times*. 30 July 2010. <http://articles.latimes.com/2010/jul/30/world/la-fg-yemen-security-20100730>.

⁸ United Nations Development Programme. "Human Development Report 2011." (New York: UNDP, 2011). p. 144.

⁹ *The World Bank*. "Yemen: Country Brief." April 2012. <http://go.worldbank.org/8NOZE6X500>

¹⁰ Jeremy M. Sharp. "Yemen: Background and U.S. Relations." *Congressional Research Service*. 10 April 2012. p. 1. <http://www.fas.org/sgp/crs/mideast/RL34170.pdf>.

immunity for himself and his allies from any crimes they may have committed for political purposes, Saleh stepped down as President of Yemen to become President of the General People's Congress Party. Elections were held in February with only one candidate on the ballot, per the GCC's Transition Initiative, Saleh's Vice President Abed Rabbo Mansour al Hadi.¹¹

The increasing presence of al-Qaeda in Yemen has observers worried about what a collapse in the Yemeni government would mean for terrorism. This would open a power vacuum within the country that would incite such a struggle that al-Qaeda would have ample opportunity to further secure their stronghold in the country. It would also deprive the U.S. of a partner in battling al-Qaeda in the Arabian Peninsula (AQAP). As such, the U.S. worked with the GCC to draft the Transition Initiative to ensure a smooth leadership transition.¹²

The U.S. has been a heavy provider of economic and security related aid over the course of the last few years in attempts to fill in some of the gaps in governance. Between 2007 and 2012 the U.S. allocated \$72 million through the Economic Support Fund (ESF), \$52 million through Development Assistance (DA), \$29 million in Global Health Child Survival (GHCS), and \$37 million in Food for Peace via the United States Agency for International Development (USAID).¹³

USAID has a strategy aimed at increasing Yemen's "stability through targeted interventions in vulnerable areas."¹⁴ Its objectives include improving community

¹¹ Ibid.

¹² Ibid.

¹³ Ibid. p. 13.

¹⁴ United States Agency for International Development. "2010-2012 Yemen Country Strategy." 2010. p. 2. http://pdf.usaid.gov/pdf_docs/PDACP572.pdf.

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livelihoods and improving governance in order to “mitigate drivers of instability.”¹⁵

These “drivers” are defined as a large population growth, unequal development, political disaffection, corruption, weak governance, diminishing natural resources and “violent Islamist extremism.”¹⁶ USAID defends this strategy as addressing some of the root causes that turn people to extremism. By providing citizens with necessary social services at a local level through their elected leaders and government they will build trust in government institutions, improve the economic and social conditions of the traditionally underserved and deprive al-Qaeda of an easy haven.¹⁷

Similar tactics have been used in Afghanistan and Pakistan with differing results.

¹⁵ Ibid. p. 3-7.

¹⁶ Ibid. p. 1.

¹⁷ Ibid. p. 2.

Case Study: Afghanistan

Afghanistan has been the focus of the War on Terror since the infamous 9/11 attacks perpetrated by the terrorist organization al-Qaeda. Once the Taliban had been driven from the capital and legitimate governance in Operation Enduring Freedom the U.S., and other world powers, desired to establish a stable and democratic form of government that would prevent Afghanistan from becoming a safe haven for terrorism and al-Qaeda again. The Bonn Agreement was signed by major factions in Afghan politics, excluding the Taliban, on December 5, 2001 establishing a basis for a new Afghan government, with the full support of the United Nations (UN).¹⁸

This government has since modified its Constitution, and navigated two election cycles resulting in a second term President Hamid Karzai and a lot of political contention. This contention, along with a fragile economy, a weak government and lack of control over its own territory have led to U.S. concerns over the stability of the country as it withdraws its military presence from the country. The political contention began around the 2009 Presidential elections. There was only 35% voter participation, demonstrating remaining Taliban influence in the nation through their intimidation of voters, and there were widespread allegations of election fraud. These allegations turned out to be true for the incumbent, Karzai, and the contender, Abdullah, as determined by the Elections Complaint Committee (ECC). The ECC also confirmed, after fraudulent votes had been deducted that Karzai had won the election. The confirmed electoral fraud weakened

¹⁸ Kenneth Katzman. "Afghanistan: Politics, Elections, and Government Performance." *Congressional Research Service*. 30 March 2012. p. 5. <http://www.fas.org/sgp/crs/row/RS21922.pdf>.

Karzai's legitimacy further in the eyes of the public and further complicated his efforts at governance.¹⁹

At the beginning of the 2010 Parliamentary elections Karzai overrode a 2005 election law with a decree that violated the Constitutional requirement that such changes be made a year prior to the date of elections.²⁰ Again, the election was at least partially fraudulent and this led to political unrest in the losing party who felt they were cheated. Due to investigations into the fraud the new Parliament's inauguration was officially postponed for nearly a year, leading to threats of impeachment of Karzai and unofficial meetings of the unconfirmed members of Parliament. Ultimately nine members victories were declared invalid and they were stripped of their seats, resulting in a mass boycott of Parliament by about seventy of its members that did not end until October 2011.²¹

With the Taliban still maintain enough influence within Afghanistan to affect voter turnout through intimidation it is clear the Afghan government still does not possess control over its territories. With the availability and openness of the Afghanistan-Pakistan border insurgents and terrorists can slip from one country to the next when and if Afghan forces get too close. In 2008 the Taliban moved closer to the capital and committed a series of high-profile attacks within Kabul itself.²² To increase the imbalance in the situation, negotiations over the final size of the Afghanistan National Security Forces (ANSF) is currently being haggled over with potential cuts being made to a size of 230,000 members from 352,000. Afghanistan's Defense Minister Wardak

¹⁹ Ibid. p. 24-25.

²⁰ Ibid. p. 28.

²¹ Ibid. p. 32.

²² Kenneth Katzman. "Afghanistan: Post-Taliban Governance, Security, and U.S. Policy." *Congressional Research Service*. 4 April 2012. p. 20.
<http://www.fas.org/sgp/crs/row/RL30588.pdf>.

claims the 230,000 target would be “too low to accomplish the security mission.”²³

Others claim that any force larger than that would be too costly to support.²⁴

Afghanistan’s ability to exclusively fund its own security forces any time soon is doubtful as its economy has yet to recover from ongoing war and violence. These wars and pattern of violence have decimated Afghanistan’s young and male population and there are presently more than 3.5 million refugees displaced within the country.²⁵ The nation has few strong industries and 90% of its budget is a result of foreign aid.²⁶ According to the World Bank, in a nation with a population of 34.4 million people 36% of them are in poverty.²⁷

Between 2001 and 2010 the U.S. gave \$52 billion in aid in order to stabilize Afghanistan to “blunt popular support for extremist forces.”²⁸ \$11 billion of this was spent via the Economic Support Fund (ESF), \$887 million via Development Assistance (DA), \$487 million via Global Health/Child Survival (GCHS), \$553 million via Refugee Accounts, \$979 million via Food Aid, and \$346 million via International Disaster Assistance (IDA).²⁹ These funds go towards projects like the National Solidarity Program (NSP), which is intended to improve “local ties to the central government.”³⁰ The NSP has mostly been used in local infrastructure build up, resulting in improved

²³ Ibid. p. 32.

²⁴ Ibid.

²⁵ Ibid. p. 61

²⁶ *Al Jazeera*. “Afghanistan’s Economy at a Glance.” 19 Feb. 2012.

<http://www.aljazeera.com/indepth/features/2012/02/2012215151357231364.html>.

²⁷ The World Bank. “Data: Afghanistan.”

<http://data.worldbank.org/country/afghanistan>.

²⁸ Curt Tarnoff. “Afghanistan: U.S. Foreign Assistance.” *Congressional Research Service*. 12 August 2010. <http://www.fas.org/sgp/crs/row/R40699.pdf>.

²⁹ Ibid. p. 12.

³⁰ Ibid. p. 5.

community organization. Specifically targeting domestic economic growth from within USAID works towards legal reform, including taxation, and creating business associations to promote growth in local businesses.³¹

In 2010 additional funds were requested, roughly \$2.6 billion for the Afghan Security Forces Fund (ASFF). This went towards objectives like alternative development for poppy fields, strengthening Afghan government agencies, and tax reform.³² This request was approved after roughly \$300 million in reductions from the request.³³ In order to maintain some oversight and control of the ultimate use of these funds Congress attached a few conditions. The ESF account had \$200 million withheld from the 2010 budget until it was certified that the Afghan government was “cooperating fully with U.S. efforts against the Taliban and Al Qaeda...”³⁴

Early in May 2012 while in Afghanistan President Obama commented that “the goal I set – to defeat al-Qaeda, and deny it a chance to rebuild – is within reach.”³⁵ He also expressed his confidence in Afghan security forces and the Taliban’s weakness as well, while there to sign an agreement over the U.S. role after it recedes from a combat position in 2014.³⁶

Obama claims the battle is nearly won, but that the U.S. presence will be necessary to continue the fight in a limited capacity for some time yet to come. The

³¹ Ibid. p. 6.

³² Ibid. p. 15.

³³ Ibid. p. 17.

³⁴ Ibid. p. 19.

³⁵ Aamer Madhani and David Jackson. “Obama in Afghanistan: Al-Qaeda Defeat at Hand.” *USA Today*. 1 May 2012.

<http://www.usatoday.com/news/world/afghanistan/story/2012-05-01/obama-afghanistan-visit/54674136/1>.

³⁶ Ibid.

economic figures are not encouraging at this time; they show a nation almost completely propped up by outside support. The Afghan government is rife with corruption and does not possess the trust of its constituents. It is hard to say at this point whether it is the economic incentives that are responsible in any part for the retreat of the Taliban and al-Qaeda or the U.S. military presence. Even if the economic incentives in this case do play a part it will be nearly impossible for donor support to prop up the Afghan economy to such an extent for long. Unless the incentives gain new progress in developing nascent national industries and government stability it does not seem there will be much success in Afghanistan's future once the funding starts to dry up.

Case Study: Pakistan

Pakistan is one of the top strongholds for al-Qaeda. Its mountainous and rural Northwestern Frontier Province provides ideal cover for al-Qaeda operatives to seek cover and refuge when fleeing United States' forces in Afghanistan. Even should Pakistan indicate a strong desire to run these operatives out, they lack control of this region, making it extremely difficult to do so. The United States has found drones to be an effective solution, but this infringes on Pakistan's sovereignty, something they do not take lightly.

Pakistan has been a U.S. partner in fighting al-Qaeda since 2001 after the 9/11 attacks, though the relationship has been anything but smooth. Most recently the two nations have disagreed over the unilateral move by the U.S. to assassinate Osama bin Laden and a U.S. drone attack in November 2011, which resulted in the deaths of twenty-five Pakistani troops.³⁷ Pakistan called both of these events "an attack on Pakistan's sovereignty" and responded to the November occurrence by closing its borders to all North Atlantic Treaty Organization (NATO) supply troops.³⁸ This impasse has still not been resolved, though negotiations have been ongoing for months.

Despite their differences the U.S. and Pakistan have been allies since the country's inception. There have been periods where ties were cut, but thus far they have always been reestablished when common interests are at stake. The latest era of U.S.-

³⁷ Stephen D. Krasner. "Talking Tough to Pakistan." *Foreign Affairs*. Jan./Feb. 2012. <http://www.foreignaffairs.com/articles/136696/stephen-d-krasner/talking-tough-to-pakistan?page=show>.

³⁸ Shams Momand. "Pakistan Stops NATO Supplies After Deadly Raid." *Reuters*. 26 Nov. 2011. <http://www.reuters.com/article/2011/11/26/us-pakistan-nato-idUSTRE7AP03S20111126>.

Pakistani cooperation began in 2001 to combat terrorism after a three-year hiatus from 1998 when Pakistan tested its nuclear weapon. In order to secure Pakistan's compliance with anti-terror campaigns the U.S. has provided large monetary packages intended for both economic and military use. The U.S. has provided \$22 billion in aid between the years 2001 and 2011. Of this, \$14.6 billion was security-related and \$7.5 billion economic-related.³⁹

The economic-related aid was distributed under multiple headings: GHCS, DA, ESF, Food Aid, Human Rights and Democracy Funds (HRDF), IDA, Migration and Refugee Assistance (MRA). The sources of such are the U.S. Departments of State and Agriculture and USAID.⁴⁰ In 2009 Congress passed the Enhanced Partnership with Pakistan Act (EPPA), intended to provide Pakistan with additional economic and security assistance to stabilize them as an effective regional partner. Sec 301 of EPPA requires the Secretary of State to draft a Pakistan Assistance Strategy Report to be submitted to Congress.⁴¹

The Pakistan Assistance Strategy Report was delivered in December 2009 outlining three key objectives to “achieve an enhanced partnership.”

1. “Improve the Government of Pakistan’s capacity to address the country’s most critical infrastructure needs.”
2. “Help the Pakistani government address basic needs and provide improved economic opportunities in areas most vulnerable to extremism.”

³⁹ K. Alan Kronstadt. “Pakistan-US Relations: A Summary.” *Congressional Research Service*. 21 Oct. 2011. p. 38. <http://www.fas.org/sgp/crs/row/R41832.pdf>.

⁴⁰ Ibid.

⁴¹ S. 1707. 111th Cong. (2009).

3. “Strengthen Pakistan’s capacity to pursue economic and political reforms that reinforce stability.”⁴²

The purpose of these key objectives is to “bring stability and prosperity to Pakistan” in order to further U.S. objectives in the region through stabilizing Pakistan economically and politically while engendering more public support for U.S. efforts in the region.⁴³

This is necessary for a number of reasons. Primarily, Pakistan suffers from political and economic instability, and its people dislike the U.S. presence in the region.

Current President Zardari had only an 11% approval rating from the public as of May 2011, while opposition figures held approval ratings over 50%.⁴⁴ In addition, over the course of the last few years there has been significant instability within Parliament. The Pakistan People’s Party (PPP) became the ruling party in 2008, but rules through an unstable coalition. “Jamaat Ulema Islami (JUI), a small but influential Islamist party,” backed out of the coalition late 2010. Muttahida Quami Movement (MQM) has either left or threatened to leave the coalition multiple times throughout 2011 due to disagreements over “fuel prices, inflation and perceived government mismanagement.”⁴⁵

One of the few things the Pakistani public seems to be largely united on is their disapproval of U.S. tactics and presence. In 2009, 52% of Pakistanis opposed EPPA, and only 15% approved.⁴⁶ In 2011, 82% of Pakistanis aware of U.S. military action to assassinate Osama bin Laden disapproved and 13% approved. Though the major issue in

⁴² U.S. Department of State. *Pakistan Assistance Strategy Report*. 14 Dec. 2009. p. 2-3 <http://www.state.gov/documents/organization/134114.pdf>.

⁴³ Ibid.

⁴⁴ Kronstadt. “Pakistan-US Relations.” p. 33.

⁴⁵ Ibid.

⁴⁶ Gilani Research Foundation. “Perceptions on Kerry-Lugar Bill: Gilani Poll/Gallup Pakistan.” *Gallup Pakistan*. 14 Oct. 2009. <http://www.gallup.com.pk/Polls/14-10-09.pdf>.

this situation appeared to have been the perceived violation of Pakistan's sovereignty as 85% of those aware disliked that it was done without Pakistan's government's knowledge and only 29% felt that bin Laden should have been neither captured nor killed.⁴⁷

In trying to overcome a dissenting public and a low approval rating of the incumbent leader it is necessary to address economic problems contributing to the disgruntlement of the public. Pakistan suffers from high inflation, unemployment, and food and energy shortages. A flood in 2010 further damaged an economy already in decline from the global recession. These factors along with "increasing militancy... and political instability" have contributed to a decline in tourism and foreign direct investment.⁴⁸ According to UN Human Development Report 2011 nearly 50% of Pakistan's population is affected by multidimensional poverty⁴⁹, a factor determined by health, education and standards of living in households.⁵⁰

In order to gain good will towards the United States and President Zardari of Pakistan, the Pakistan Assistance Strategy outlines a focus on highly visible and high impact projects in conjunction with Pakistan's government. A renewed focus on building up infrastructure, improving the government's provision of social services to underserved areas and political and economic reforms are all important objectives. Political and economic reform will come through U.S. funneling funding for important projects through accountable local and national level Pakistani government agencies. This will

⁴⁷ Julie Ray and Rajesh Srinivasan. "Pakistanis Criticize U.S. Action That Killed Osama Bin Laden." *Gallup World*. 18 May 2011.

<http://www.gallup.com/poll/147611/pakistanis-criticize-action-killed-osama-bin-laden.aspx>.

⁴⁸ Kronstadt. "Pakistan-US Relations." p. 31.

⁴⁹ UNDP. "Human Development Report 2011." p. 143.

http://hdr.undp.org/en/media/HDR_2011_EN_Complete.pdf.

⁵⁰ Ibid. p. 172.

simultaneously improve public opinion of these agencies, provide funding for necessary projects, and make the Pakistani government responsible for the success and life of these projects, thus making them more likely to be sustainable in the long-term.⁵¹ Also in pursuit of political and economic reforms the U.S. will provide economic advice and assistance and monitor elections while supporting civil society groups to “ensure the continuation of elected civilian government and constitutional rule.”⁵²

U.S. cooperation with Pakistan has produced some success in its battle against al-Qaeda. Up until recently Pakistan permitted NATO to transport supplies through its borders and permitted the use of bases in Baluchistan from which to launch drone strikes.⁵³ Pakistan has also aided in the captures of al-Qaeda top operatives and leaders such as Mohammed Ali Qasim Yaqub, a courier between leaders,⁵⁴ and “Khalid Sheik Mohammed, the 9/11 mastermind.”⁵⁵ Ultimately though the consensus is that their participation is insufficient to justify the massive amounts of economic and military aid provided to them each year by the U.S. However, without this support the situation could potentially be a lot worse.⁵⁶ There is a significant presence of Islamist extremism in the country, enough that officials worry that without stabilization of the Pakistan’s economy, society and government these elements stand a real chance of gaining traction and

⁵¹ USDOS. *Pakistan Assistance*. p. 2-3.

⁵² Ibid. p. 3.

⁵³ Krasner. “Talking Tough.”

⁵⁴ Kronstadt. “Pakistan-US Relations.” p. 13.

⁵⁵ Krasner. “Talking Tough.”

⁵⁶ Phillip J. Quinlan. “Pakistan: A Conflicted Ally in the Fight Against Terrorism Since 9/11.” *Global Security Studies* 3. iss. 1 (2012). p. 11.

<http://globalsecuritystudies.com/Quinlan%20Pakistan%20Final.pdf>.

control. Should Islamist extremist take over the concern is they would undo all progress at suppressing al-Qaeda and other terrorist organizations and further their reach.⁵⁷

As such lawmakers are cautious about coming down too harshly on Pakistan's shortcomings and advocate working towards the "counter-terrorism needs... that are mutually beneficial between Pakistan and the United States."⁵⁸ The United States Government Accountability Office (GAO) reviewed the oversight and implementation of EPPA for its effectiveness at accomplishing its stated objectives in February 2011. It concluded that the Pakistan Assistance Strategy Report outlined sufficient aims and failed in providing plans for operations research, which are used to improve on the instituted programs, and did not advise on "projected levels of assistance" on seven of seventeen of the Millennium Challenge indicators.⁵⁹ Some of these are vital, such as "natural resource management, business start-up, trade policy, and inflation control."⁶⁰ The report shows that the aid appropriated for 2010 as part of the *Pakistan Assistance Strategy Report* was particularly slow in being disbursed, with \$1.5 billion being available, \$1.2 billion being obligated and only \$180 million being disbursed by December 2010. With this being the case the GAO determined the full effect of aid for 2010 could not be determined. They recommended even further oversight of the disbursement and the recipient Pakistani agencies.⁶¹ The evidence in the case of Pakistan is inconclusive, leaving the impression

⁵⁷ Kronstadt. "Pakistan-US Relations." p. 1.

⁵⁸ Merrill Goozner. "White House Backs Aid to Pakistan Amid Doubts." *The Fiscal Times*. 3 May 2011. <http://www.thefiscaltimes.com/Articles/2011/05/03/White-House-Backs-Aid-to-Pakistan-Amid-Doubts.aspx#page1>.

⁵⁹ United States Government Accountability Office. "Department of State's Report to Congress and U.S. Oversight of Civilian Assistance to Pakistan Can Be Further Enhanced." 17 Feb. 2011. p. 3. <http://www.gao.gov/new.items/d11310r.pdf>.

⁶⁰ Ibid.

⁶¹ Ibid.

that economic assistance here has had a small to moderate effect in providing a stable government willing to aid in fighting al-Qaeda. It has had a greater effect in providing a stable government with enough incentive to at least not openly support al-Qaeda and other terror organizations, which could be the case if economic support were withdrawn, the country further destabilized and a more extremist form of government took over.

As U.S. efforts at driving out al-Qaeda in Afghanistan, then Pakistan are more successful increasingly the organization has centralized in Yemen under the branch known as Al-Qaeda in the Arabian Peninsula (AQAP). The Republic of Yemen is a struggling nation politically, economically, environmentally and socially. There is a real risk that AQAP could gain a permanent foothold within Yemen, especially should it become a failed state or devolve again into civil war. U.S. Secretary of Defense Leon Panetta stated, “AQAP... still remains dangerous.”⁶²

The recent effort to double down on economic reform within Yemen rather than rely heavily on a military presence within the nation shows promise. However, there is potential that this will end in a situation much like Afghanistan, where so much economic aid is required to maintain stability that it is not sustainable to continue. In order for economic incentives to be determined as truly successful they must result in organic growth in the economy, a government viewed with legitimacy by its people and accomplish the counterterrorism goals necessary to U.S. security.

These efforts are ongoing in all three of the nations discussed here. In Afghanistan, the U.S. administration is ready to claim success.⁶³ These measures have not been successful as of yet, though, they fail in creating sustainable and organic economic growth and in engendering a sense of legitimacy in the government. It is possible this will improve over time, but as of now Afghanistan’s economy is not sustainable without heavy lifting on the part of donors and the government cannot make it through a single election cycle without fraud. In Pakistan, though the government is unstable at times, it holds together and aids in accomplishing U.S. counterterrorism goals.

⁶² Sharp. “Yemen: Background.” p. 5.

⁶³ Madhani. “Obama.”

Some say they do not accomplish enough, but with a population that does not favor U.S. efforts and sympathizes with insurgents the government is in fact maintaining legitimacy by not pushing too far. Pakistan is certainly in need of economic assistance, but it can be seen as a success in the other two categories. The incentives provide them with necessary aid, they perform the minimum requirements to receive this aid without overly alienating parts of their population and though approval ratings are low the coalition government is holding together.

With efforts in Yemen only having been seriously considered over the last five years or so it is too soon to determine the true effectiveness of these tactics within its borders. With the recent political turmoil and transition it will take time to determine whether the government earns legitimacy in the eyes of the public and with such desperate economic straits it will be years before success can be seen in that category as well. The easiest thing to track now is the government involvement in aiding in counterterrorism campaigns. Thus far the government is cooperating in permitting U.S. involvement in pursuing al-Qaeda and coordinating with U.S. intelligence to track insurgents.⁶⁴

⁶⁴ Katherine Zimmerman. "Ten Years After 9/11: Al Qaeda's Reemergence in Yemen." *Critical Threats*. 20 Sept. 2011. <http://www.criticalthreats.org/yemen/zimmerman-qaeda-reemergence-september-20-2011>

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