

Yemen's Strategic Vision 2025

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Introduction

Within the context of preparing the Second Five-Year Plan for Economic and Social Development (2001–2005), and on the basis of assessing the current situation of the national economy and the course of development during the last decade, a serious and careful pause was inevitable. In such pause, it was deemed necessary to identify the challenges and difficulties facing the country, as well as the available and potential opportunities for the future. As a result, a conviction materialized that continuing the process of preparing typical plans would no longer succeed in breaking the noose and surpassing the challenges. Moreover, the need was evident for adopting new approaches based on the following three necessities:

- Long term policies to deal with challenges that require long time horizons, and which should be continuously subjected to revisions and correction through medium term plans.
- Comprehensive policies that mobilize all the wherewithal of the society and the economy to overcome the obstacles and difficulties.
- Combining typical and innovative policies while stressing on the characteristics of the society and the economy.

Adopting such approaches requires that Yemen possess a long-term strategic vision that reflects its ambitions and spells out the goals that the society aspires for, economically, socially, educationally, culturally and politically. The vision would also lay out the country's development course, in addition to enabling Yemen to participate effectively and equitably in the international economy, in accordance with suitable and concordant strategies and policies. Accordingly, and then, the strategic vision becomes the course for economic and social progress, which all the groups and associations of the society rally around, and the guideline for Government actions, notwithstanding the replacements and successions of the Governments and the differences in the duties and roles thereof.

The gravity of the major challenges, such as high population growth, poor human development indicators, depleting water resources, large expansion of Qat cultivation and the crop's social and economic impact, apart from the weakness of the public administration, should not thwart our commitments nor should it undermine our ambitions for achieving the desired development and for a decent livelihood. After having accomplished the unification of Yemen with democracy becoming firmly entrenched, there is still the struggle of building up a modern state, which is not less in importance to the accomplishment and maintenance of Yemeni unity. This requires a comprehensive vision that absorbs the broad ambitions and the challenges that were inherited from the past, with all their negative attributes, distortions and paradoxes, besides having to deal with all the variables, renditions and forms of the new and developing challenges.

1. Framework and Directions of Yemen's Strategic Vision 2025

Yemen's Strategic Vision 2025 stems from a multitude of considerations and justifications that reflect the economic, social, political and cultural situation and the challenges and obstacles that stand in the way of catapulting comprehensive development and enhancing the capacities and capabilities of the society. The Vision sets out the long-term ambitions and goals, which the society aspires for and keeps pace with developments and with the rapid economic, scientific and technological changes. It also covers all the sectors and groups that make up the society, the political organizations and the local communities as well as the economic, social, political and cultural aspects of life. The vision aims for the progress of the society as a whole and as individuals in all aspects and at all levels, in addition to ensuring consistency with the civilized and cultural heritage of the country.

Therefore, over the next twenty five years, Yemen's Vision aims –God willing– to improve the level of human development and to become among the countries with middle human development that reflects higher standards of living and decent lives for individuals and the society at large. Accomplishing this aim requires improving the demographic and health conditions, eliminating illiteracy, increasing school enrollment for basic education, especially among females, in addition to raising the per capita income. Raising income should be accompanied by the diversification of the sources of generating GDP, rather than continuing to rely almost completely on oil and gas production and exportation. This would require identifying the sources of growth and the promising sectors, and the creation of job opportunities and the achievement of a strong leap in exports.

Diversifying the economic base of Yemen, increasing production and exports and creating productive job opportunities necessitate turning the country towards the "new economy", stimulating the society to improve its productivity and its competitiveness in all fields and the development of a national system for creativity. Such a system transforms the individual from a job seeker to a generator of job opportunities and enables him to convert natural resources into commodities and services. Technology, in general and communications and information technology, in particular, will help to increase the ability to improve local products.

The achievement of economic progress can not be realized without being accompanied and dependent on the improvement of the social, scientific, cultural and political frameworks that collectively manifests the comprehensive development. Accordingly, the formulation of Yemen's Strategic Vision 2025 shall call for: ***the transformation of Yemen to the rank of countries with middle human development with a diversified economy and social, scientific, cultural and political progress.***

1.1 Directions of the Strategy to Reach the Ambitions and Aims of the Economic Vision

For Yemen to reach the rank of countries with middle human development requires that the per capita income be multiplied several times. This can be accomplished by means of stimulating economic growth to increase real GDP by an annual average of not less than 9% over the next quarter of the century, coupled with reducing the current high population growth. The need to achieve high economic growth becomes obvious also in order to confront unemployment by creating job opportunities for the growing labor force. The economy will need to start, in the first few years, to achieve at least an increase in per capita GDP by 2.5% per annum, considering the current population growth rate.

These ambitious growth rates will need simultaneous increase in domestic and foreign investments, as neither of them is indispensable in the forthcoming stage. The achievement of such growth will also still depend on improving productivity, the identification of the non-oil sectors that are capable of achieving high growth, focusing on comparative advantage, taking the correct development options and the proper management of resources.

1.1.1 Sources of Growth and Promising Sectors

1.1.1.1 Rejuvenation of the Coastal Regions

The limited natural resources, topped-off by the small cultivable area, and the scarcity of water in the populous habitats, with the continuing increase of the population –especially in the Central Highlands– highlights one of the primary constraints on economic and social development. The cities and regions extending along the Yemeni coastline of approximately 2,000 km, from the Town of Meidi in the North to the Town of Hawf (Al-Mahra) in the East are a strategic component and an essential element for coming out of this problem on one hand, and for the accomplishment of Yemen's economic and social goals in the next quarter of the century on the other. By developing those cities and regions we can arrive at a population and geographical balance that will alleviate the present urban concentration and migration to urban areas that has already burdened the available services and facilities.

1.1.1.2 Accelerating the Wheel of Industrialization

Industrialization and accelerating industrial development should be a strategic option and determinant of economic development in Yemen over the next period, in order to achieve the desired goals and to ensure moving from the status of a country of low income to the rank of middle income economies with rapid growth by 2025. The goals of the industrial sector focus on the need to broaden, improve and diversify the industrial base, to improve the quality of industrial products and to develop new pioneering industries that benefit from the country's

comparative advantage in natural resources and labor and that open broad horizons for the improvement of income and employment.

The ability to "improve the product", by means of a national system for innovation is considered essential for increasing value added, achieving economic diversification and creating new productive job opportunities, in addition to encouraging small and medium size industries. Similarly, the appropriate technology for Yemeni industry needs to be identified, and preparation of a strategy for transferring, adopting and producing what can be generated locally, especially in water desalination, fishing, preserving and marketing fish products, improving seed breeds, irrigation and using fertilizers (biotechnology). The acceleration of industrial development also requires Government support and backing for the establishment of industrial estates and furnishing them with facilities and services, providing land for the large industrial projects, which will help reduce the high production costs, and improving the capability and competitiveness of Yemeni industries.

1.1.1.3 Promotion of Extraction Industries

Yemen possesses a reasonable wealth of oil and gas estimated at 5.7 Billion barrels of proven oil reserves and around 14 trillion cubic feet of natural gas. Benefiting from these resources calls for expansion of excavation and exploration work to cover all of Yemen, including the marine areas, especially after the signing of the Yemeni – Saudi Border Agreement. This will enable the oil sector to play a major role in stimulating growth in the national economy.

It is also imperative to speed up the exploitation of natural gas locally and to primarily take advantage of its use in power generation. Shifting to power generated by natural gas reduces the cost of electricity, reinforces generated electric power and encourages setting up industries that require considerable power in their operations such as steel and aluminum smelting and petrochemical plants. In light of increased reserves of gas, an integrated and long-term plan needs to be drawn up for exporting gas to world markets, in addition to expanding utilization of liquefied natural gas (LNG) for household purposes (especially in the rural areas) and in workshops, farms and even in the large plants. Policies to develop the mining sector seek to stimulate local and private investment in excavation and exploitation. It is possible to develop the production of minerals, rocks and building materials and to exploit them for the production of cement, cement bricks, glass, paint, ceramic products and red bricks. This sector could also be a source of foreign currency earnings and can create many job opportunities, and contribute to the rejuvenation of rural areas, especially if plants are set up to increase value-added and produce new products relating to these activities, by means of transferring and adopting the appropriate technology.

1.1.1.4 **Developing and Rationalizing Agriculture**

The Future Vision for Agriculture should be built on the basis of a review of the functions and roles of this sector, given the factors that govern its activities and the orientation towards rationalizing the use of scarce water resources. The agriculture sector uses between 90 – 93% of water resources with an irrigation efficiency that does not exceed 40%. Irrigated as well as rain-fed agriculture, in general, is characterized by low productivity, due to several reasons, of which the most significant is the widespread dispersion of landholdings. The expansion of Qat cultivation and the dependence of the rural economy on the crop in those areas where it is cultivated constitute additional challenges that lead to the depletion of resources.

Regardless of the quality of the agricultural products, which face strong competition, a part of the surplus value comes from the low charge on water. The relatively high returns of irrigated crops leads to neglect of rain-fed agriculture and to increased competition for groundwater. This results in falling water tables, deterioration of water quality, retraction of production of basic agricultural products. Accelerated growth of the industrial and urban sectors leads also to the reallocation of waters in their favor, at the expense of neglecting large sections of rural areas and agricultural land. As a consequence, the options available are limited among pursuing groundwater to further depths, the transfer of water between basins, or else resorting to desalination of sea water at high costs, which will seriously affect the economic feasibility of population activities and the living and health conditions of the people, especially small farmers and those with low incomes. Thus, food security and water security become a national challenge that requires the exertion of focused and arduous efforts.

Therefore, a plan must be adopted for the development of agricultural production and for allowing some time for the economy and the society to start adapting to the new conditions. This plan should include redirecting agricultural production and turning to activities that generate non-farm income and supporting pro-women activities, whether in the rural or urban areas. This would require the expansion of water harvesting, improving traditional irrigation and introducing modern irrigation techniques to raise the efficiency of water use. Providing alternatives for the cultivation of Qat is paramount, in order to reduce water depletion while at the same time realizing economic returns. The cultivation of coffee, potatoes and other crops that are cost efficient and have export markets can represent those alternatives, in addition to the protected production of some vegetables.

Although there are some who would long for achieving an overall and general goal for the elimination of the Qat tree and to live in a Yemen which is free of Qat. However, a more realistic goal should be finding the balance between the development of the society on one hand, and controlling the spread of Qat and the reduction of its adverse effects, on the other. This can be achieved by adopting gradual measures in the demand and supply sides to contain the spread of Qat consumption and cultivation first, and then to gradually reduce Qat

cultivated areas and the magnitude of consumption, by depending on the cooperation of all – individuals, groups and institutions.

1.1.1.5 Balanced Exploitation of Fisheries

The Fisheries sector is regarded as one of the most important among the promising economic sectors. There are large reserves of fish resources, thanks to the advantageous marine location, the long coastline, the territorial waters that extend on the Red Sea, the Arabian Sea and the Gulf of Aden, apart from the coastlines of the many islands in these waters. Due to the labor-intensive nature of traditional fishing activities and the availability of warm waters throughout the year, the establishment of modern culture farms for fish and marine life, which have a high commercial value and for which there are lucrative markets in both Europe and the United States may be promoted. To accomplish this, attention should be given to research and studies in fisheries, to support existing centers and laboratories and establishing others in the various coastal areas of the country. Focus should also be given to modern technologies in culture breeding, fishing, refrigeration, storage, canning and marketing of fish products, in order to raise productivity and improve quality and competitiveness. Setting up "commercial incubators" in this field would lead to the development of this sector and in keeping with the international developments.

1.1.1.6 Exploiting the Potentials in Tourism

Yemen is considered among the countries that are rich in tourism resources and treasures, and which have yet to be exploited. This makes Yemen fit to become an important country in the region for tourism. The development of the tourism sector opens up wide prospects for alleviating unemployment, where the potentials for Yemen allow for the development of cultural, historical, environmental, aestivation, coastal and island tourism, in addition to mountain climbing and desert scouting. Therefore, over the next period, Yemen will witness the concomitance of the Government undertaking to complete some of the infrastructure projects with diligent activity towards setting up various private tourism projects, such as hotels, restaurant, tourism villages and complexes, diving centers and tourist transport projects. In the event that this promising sector is exploited, the number of tourists will rise from the 73,000 in 2000 to an estimated two million tourists in 2025 (by an annual growth rate that exceeds the world's average) and eventually revenues will rise up to an estimated \$ 2 – 3 billion.

1.1.1.7 Globalization and the Orientation towards Exports

It is impossible for Yemen to oppose or stand against the tumultuous winds of change, especially those of globalization. On the contrary, it would have to work, collectively, with the advanced and developing countries in order for globalization to accomplish growth, higher standards of living and new opportunities for all.

Globalization is associated with a world economy that is oriented towards information, the expansion of the role of science and technology in production and services to improve competitiveness and the export of manufactured products, rather than exporting raw materials, in order to increase the national wealth and job opportunities. This kind of economy is characterized by the growth of expenditures for acquiring information, in all its form, including research, development and transfer of technology such as information technology and communication, in addition to concern for intellectual property rights.

Given the limitations of the domestic market, the importance of trade and its link with economic growth becomes apparent, whereby trade becomes a source for growth and a method for enhancing productivity and adherence to professional values. The orientation towards exports must be a strategic option and a stimulus for the desired economic growth. The development of exports should become the number one issue that concerns the economy and all the groups within the society, not just an issue that concerns a particular sector. This would require that the people's appreciation and comprehension of these variables become part of their culture and behavior.

Yemen may be able to benefit from the agreements on free trade areas, and incite the movement towards free trade with the Gulf Cooperation Council and the East African countries. Those regions represent a natural market and an inlet for Yemeni manufactured exports to the heart of Africa, in addition to the States of the Indian Ocean. The flow of foreign investments into the country is also associated with globalization. States that achieve high growth rates obtain much of the FDIs while the share of the less fortunate states is minimal, including Yemen, where the share of foreign investments (excluding the oil companies) did not exceed 1% of the total licensed projects during 1992-2000. Therefore, and before inviting foreign investments, the Yemenis, themselves, should first be persuaded to invest in the country, by means of providing the required infrastructure and setting up the appropriate investment environment. An environment free from bureaucratic red tape, corruption and disputes over land ownership, along with ensuring clean, fair and quick litigation proceedings, and firm protection of rights including intellectual property rights. After that, there will be no need for government efforts to promote investments in the country, as Yemeni emigrants and Yemeni expatriates overseas, throughout the world, will be the first to rush towards pumping their capital funds, which are estimated to amount to \$ 20 – 30 billion, for investment in Yemen.

1.1.1.8 Exploiting the Geographic Location and Supporting the Role of the Free Zones

Free Zones represent one of the promising sectors for economic growth in Yemen, due to the strategic geographic location of Yemen. After the unification of Yemen, the Yemeni Government persisted in the development of the national economy, in linking it with the world economy and diversifying sources of income. Developing exports and making use of the comparative advantage, which the country enjoys, especially the strategic location of the Port of Aden are

priority areas. Despite the fact that implementing the first phase of the project represented an essential and important step, in the course of attracting more investments, however, there is more that needs to be done to revive the role of the Port of Aden, especially in light of competition among the various free zones in the region. The relationships with other free zones, especially those in the neighboring countries must be strengthened, with a view towards seeking coordination and integration, so as to achieve prosperity and growth in the activities of all these zones, in particular with due consideration of the New World Order.

The geography and population of Yemen provides a suitable climate for investing in the establishment of various economic activities in the various regions. Government's policies, plans and programs encourage establishing other free zones (in Socotra, Al-Hodeidah and Al-Mukalla) in accordance with the promising investment opportunities in these zones. Yemen can become a regional and international center for trade, industry, investment, transit, storage and shipping activities. This would secure an increase in output, income and the creation of job opportunities for Yemeni labor. On the other hand, technology parks and incubators suitable for Yemen should be set up, especially for fisheries, agricultural and mining industries, especially after such mechanisms have become possible and inexpensive.

1.1.2 Requirements and Conditions for Economic Growth

1.1.2.1 Partnership Between Government and Private Sector

The achievement of the objectives of the Vision is very closely concomitant with the new roles for the Government and for the private sector. The strategy for future action is based on the role of the private sector as an engine of economic growth, which requires improving the efficiency of the resource utilization, reinforcing competitiveness and the participation and the empowerment of the local and foreign private sector to implement several projects, including infrastructure projects, by means of applying build, operate, transfer (BOT) and build, operate, own (BOO) systems..

The Government's role in undertaking infrastructure projects, improvement of financial intermediaries, maintaining low inflation, stabilizing the exchange rate, all of which are essential and necessary conditions for the economy and the society, and for attracting investments and for the growth and expansion of the private sector.

1.1.2.2 Modernizing the Public Administration

In order to ensure that the national economy performs its functions properly and effectively, and to create the conducive climate for attracting investments, it is imperative to overcome the difficulties that hinder the private sector and restrict

its activities. Modernizing and restructuring the public administration and its various institutions, in a manner that will be useful for the new roles of the Government and which will reinforce its regulatory role is key. The roles and tasks of the government do not need more laws and regulations, but they do need work towards reviewing and improving the existing ones, in addition to simplifying procedures, freezing sources of corruption, putting an end to the neglect and inefficiency of employees. The gradual orientation towards an E-Government, by means of using information and communication technology would improve the performance in all Government agencies as well as facilitate dealings of citizens with them. There should also be progress towards delegating authorities to the administrative units in the Governorates and the districts – especially after the issuance of the Law of Local Authorities – which should be granted sufficient authority to enable them to manage the affairs of the local communities.

A just and honest judiciary is also considered a guarantee for achieving people's security and the country's well being. Therefore, a prerequisite to strengthening the investment climate and rejuvenating the economy would be ensuring protection of rights and property. To achieve this objective, the execution of the judicial reforms, which aim to improve the performance of the judiciary, to simplify litigation procedures, speed up the execution of court rulings by the law enforcement agencies and the recording procedures of the Real Estate Register.

1.1.2.3 Economic Growth and Alleviation of Poverty

The period of the First Five-Year Plan saw noticeable improvement in the performance of the national economy, which reflected positively in a number of economic indicators. However, the growth realized during that period, estimated to average at about 5.5% per annum, was not enough to raise the standard of living, reduce unemployment and generate productive job opportunities, to the extent of ensuring long-term sustainable economic growth.

The comprehensive solution to such an enigma rests on pursuing the appropriate strategy designed to achieve sustainable economic development, with the provision of job opportunities, an equitable distribution of income, an increase of social expenditures (e.g. education and health), and prioritization and expansion of projects for poverty reduction. Yemen's Strategic Vision aims at halving food poverty by 2015, and its complete elimination, with the decline of relative poverty to 10% by 2025.

Since 1995, the Government, with the support of Yemen development partners, took the initiative of creating a Social Safety Net, to include the Social Welfare Fund, the Public Works Project, the Social Fund for Development, the Productive Family and Community Development Centers and a significant number of other Government and non-government programs and projects. Within this framework, the Strategic Vision aims to create productive job opportunities by means of adopting numerous approaches. The first and most important is to create a broad base for small investments, in order to enable all social groups in

the society to set up their own businesses or to provide job opportunities for such categories. The Net also seeks to direct attention towards community programs, which are based on the participation and contribution of the people in the preparation and implementation of local projects. The idea of business incubators can be introduced as an effective mechanism for the creation of productive job opportunities and the development of the various regions of Yemen, subject to the comparative advantage of each region. It is also imperative to focus on the most deprived groups based on a criteria that ensures that deprived people benefit and that there is equity in distribution in the governorates and districts.

1.1.2.4 Environment Protection

Environmental issues have become a cause for arousing concern of both officials and the public. The Government realizes that the conservation of the environment is not just the issue of the day, but rather it is more tied to the future, in the short and long-terms and touches on the fate of the forthcoming generations. In recognition of the relationship between the environment and development, and of the importance of sound environment management, it is imperative to work towards reinforcing awareness, directing attention to research and development in this field and enhancing official and non-government environment work. The priorities of environment activities are summed up in supporting water management, preventing the pollution of water basins, halting the deterioration of land and rangeland resources, regulating waste management and industrial effects, management of the coastline and pollution of the marine environment, and studying the impact of climatic change on environment and on desertification, in addition to the protection of agriculture terraces and biodiversity in the protected zones.

It is imperative to enter into the environmental industry, to direct attention to this new sector, to set up the specialized facilities for recycling and simple rural wastewater treatment plants, and to produce products that help to protect the environment.

1.2 Directions and Objectives of the Strategic Vision in the Social Field

Human Development aims to build human capital, and raise their standards of living, economically, intellectually and culturally, by means of formation of productive human capacities and broadening the available options for enabling the society, as a whole and individually, to have access to a source of livelihood. It should also lead to the realization of a suitable and decent life, and to participation in political, economic and social decision making, under a system, in which security and stability are prevalent, and under social justice that ensures freedom and equity and an environment that is optimally exploited to ensure that resources are conserved and renewable. Hence, the aims and ambitions of human

development, as embodied in the Strategic Vision emanates from the realization of the following specific policies and objectives:

1.2.1 **Population**

The Strategic Vision aspires to create a set of interconnected structures and policies, all of which contribute to dealing with the population challenge, in the different aspects of life. It aims at gradually reducing the present rate of population growth to 2.1% and to arrive to a population of 33.6 million inhabitants by 2025. The Vision also aims for controlling the factors of internal migration and to redirect such migration to the coastal growth areas, whereby the percentage of the urban population would rise to about 60%.

Children represent an essential link in the social contract, for which the family and the society together are responsible. The normal situation is exemplified by the children who are found amidst families that surround them with care and warmth and which implant in their children self-confidence, and then within a society that provides them with suitable education and health facilities to support their social upbringing. Youth are confronted by many challenges. Therefore, it is imperative to develop the youth and young people's capacities and potentials and to make them better able to pave their own paths, depend on themselves, help their families and build their country. As for the handicapped and the elderly, in order to ensure that they are cared for, to reduce the hardships of life on them, to shield them from poverty and becoming marginalized and to provide them with the required care, it is imperative to maintain deep social solidarity, in keeping with the teachings of our righteous religion, and our instilled customs and traditions, even under the economic and social changes that the society is undergoing.

The efforts also focus on narrowing the existing gaps between men and women, whether in education, health, or in providing greater chances for women to participate in political, economic and social activities. Women should become full partners with men in carrying the burdens and harvesting the fruits of development, with a view towards realizing the principle of "**women are the siblings of men**", without prejudice and with respect to the consistent gender differences legally and in accordance with Islamic jurisdiction. This orientation aims for increasing the participation of the women in all facets of economic activity and to raise their participation rate in the labor force from 22.7% to 50% by 2025.

1.2.2 **Health**

The large population growth led to increasing the strain on the limited capacities of the health sector, and accordingly to the poor quality of health services and the spread of some diseases and epidemics. The sector also suffers from having inappropriate management systems, which are not in harmony with the times, and from having financial resources that do not meet the needs of the health programs. Public and private investment is considered the primary and basic input for the development of the various preventive, primary and therapeutic health services, in order to achieve social development and to prepare the human beings

for acquiring the knowledge, expertise and technical skills that qualify them for production, performance, creativity and innovation.

Raising the health situation of the population can be achieved by means of spreading and improving health services, especially in the rural areas. Yemen's Strategic Vision aims at increasing health service coverage to about 90% by 2025, with focus on primary health care, reproductive health, immunization and raising health awareness. Maternal and infant mortality rates should also be reduced to 65 and 31 deaths respectively by 2025. The Strategic Vision aims to have Yemen declared free from the prevalent and endemic diseases, such as malaria, schistosomiasis, tuberculosis and intestinal parasites.

1.2.3 **Education**

Eliminating Illiteracy and Enhancing Adult Education

The needs and aspirations of the Yemeni society can never be fully achieved, except after illiteracy has been eliminated, by means of directed educational programs that seek to improve the life of the individuals and to empower them to enjoy their rights and reinforce their confidence, capacities and respect for productive work. The Strategic Vision essentially focuses on combating illiteracy in order to reduce it to less than 10% of the population by 2025.

Achieving Education for All

Despite the expansion of education over the last decades, and considering the base it took off from, enrollment in basic education is still modest at 61.4%, with wide gaps between urban and the rural areas (57.4% and 85.4%, respectively) and between females and males (43.9% and 77.2%, respectively). In girls education, the Strategic Vision aims to spread and guarantee the education of all girls, especially in rural areas, reduce the gap between boys and girls in order that girls enrollment in basic education reaches 95% by the year 2025. Applying compulsory basic education, increasing awareness on the importance of education for girls, increasing the absorption capacity of girls' schools and limiting drop out are key policies.

Yemen's Strategic Vision also aims to introduce rudimentary changes in the educational systems, in terms of structures and curricula, until these systems are able to keep pace with scientific and technological developments and with the needs of development. Accordingly, the Strategic Vision takes off from a starting point in the area of information technology (IT), wherein many countries were able to accomplish great strides and achieve advanced levels that gradually prepare them to deal with the elements of IT. Since schools represent the proper inlets to the age of IT, and while advanced countries have been able to provide a computer for each student, to seek to be likewise in the case of Yemen which looks to eliminate illiteracy and generalize basic education over the next quarter of a century, would be illogical. While such goal may look impossible to realize, and in order to keep up with the times in light of the available resources, it is possible to set up schools for IT that draw the alert students and provide the required teaching and training in this field.

1.3 Directions and Objectives of the Strategic Vision in the Field of Science and Technology

The basis for a science and technology system already exists in Yemen. It only needs restructuring and an improved framework, to provide the appropriate legislative and legal framework for it, and to direct the education and training system towards this end. It also requires support and reinforcement to transform it to a national system for innovation, which should be the foundation for the real development of the Yemeni economy, in terms of diversification, increasing growth rates, generating productive job opportunities therein, and its entry into the new world economy that is based on the knowledge. Yemen's Strategic Vision aims for the transformation of the fundamentals of Yemen's science and technology base, to a national system for innovation in accordance with the following perspective:

1.3.1 Formulation of a National Strategy for Science and Technology

This strategy ensures the transformation of the existing science and technology system to a national system for innovation, by means of activating the relationship between education and training, research and development, production and services activities, and scientific and technological activities. Such relationships should consider the resources and needs, such as in the areas of maintenance, measurements, setting standards and external marketing. This strategy may be prepared during the first years of the Second Five-Year Plan in order to establish the structure of the system and setting up an agency that coordinates, implements and follows up on the improvement of the strategy.

1.3.2 Education and Training

Vocational and Technical Education and Training

High unemployment, high population growth, and high internal migration, all require that special attention be given to rejuvenating, broadening the base and improving the areas of technical education and training. To increase the number of students in this kind of education requires directing a certain percentage of the output of basic and secondary education towards vocational training and technical education and to the community colleges. Emphasis should also be clear on the integration and flexibility of the educational facilities and channels, whereby the vocational training centers would receive around 120,000 students and the absorption capacity of the technical institutes and the community colleges is raised to about 105,000 male and female students by 2025.

The aim of this kind of education and training is to prepare a technically qualified labor force that contributes to achieving comprehensive development and to strike a balance with the needs for economic growth and the promising sectors which the Strategic Vision focuses on. In addition, such approach encourages the establishment of small and medium enterprise in all forms, especially those that rely on innovation.

University Education

University education witnessed large expansion in the last two decades. The number of universities mounted to 7 government and 8 private universities in 2000, and the number of registered students stood at 184,000, of which 45,000 are female students. Faculty members reached 3,200 of whom 80% are Yemenis. Nonetheless, poor structures and traditional content characterize university education. The enhancement of university education requires improving its responsiveness to the needs of the society and of development, and its ability to keep pace with the advances in the fields the humanities and applied sciences and with the changes and challenges of the times.

Yemen's Strategic Vision strives to ensure linking higher education to the needs of the society, whereby its graduates are transformed from job seekers to generators of job opportunities. This can be accomplished by means of adopting a multitude of measures such as: (a) setting up university institutes that absorb a limited number of outstanding students and which supports the Yemeni Innovation System and offers scientific and technological specialization compatible with the Economy of the 21st Century; (b) increase the percentage of students specializing in the fields of Science and Technology; and (c) setting up technology incubators in universities and business incubators in the vocational training and technical education institutes and in the community colleges.

1.3.3 Scientific Research and Development

The fundamentals and foundations for scientific research and development do exist in Yemen, which are spread out in some of the centers, institutions and universities. The activities of these institutions differ, in terms of type of activity, its size and effectiveness. Most of research and development is still in its embryonic stages and needs to be developed further to be more effective. Yemen's Strategic Vision anticipates an increase in the number of these institutes and in the allocations to them. They will be also given more support in order to have a more active role with greater coordination amongst them. More important is that they should be linked with the production and service sectors to become among the effective components within the Yemeni Innovation System and to assist in establishing an economy that rests on the know-how. Moreover, there is a need to promote the undertaking of scientific studies and research in the universities, including those that represent requirements for higher education degrees.

Support can also be given to investment funds for small and medium size industries, which depend on the findings and outcomes of research and development. Venture capital funds and banks can also be set up for financing the application of research findings in industry, agriculture and services. Business incubators and technology incubators are considered practical mechanisms that must be set up in the various regions of Yemen and across different production and service sectors.

1.3.4 Technology Transfer and Absorption

Stimulating economically related scientific and technological development and establishing research and development institutions enhance the national capacity to absorb the appropriate technologies. It is imperative to give attention to every method of technology transfer, whether through training or by setting up strategic partnerships with companies that possess such technology. It can be also encouraged by means of joint ventures or through attracting foreign direct investment, especially in the manufacturing of natural resources or agricultural goods. It is also important to reinforce the ability to negotiate and enter into contracts for the transfer of technology. "Product improvement", "inverse engineering" and all other methods are also considered among the major mechanisms for accomplishing the objectives of technology transfer and absorption.

1.3.5 Scientific and Technological Services

The provision of science and technology services that meet the needs of the Strategic Vision, requires setting up a favorable environment, exemplified by the availability of information and information networks in all industrial, agricultural, scientific, technological and cultural fields. It also requires modern and rapid techniques for disseminating information, such as television, the Internet and compact disks. Furthermore, it needs support to measurements and standardization, and making the role of their relevant agencies effective in improving the quality and reliability of local products and services. Finally, Arab, regional and international cooperation in science, technology and networking deserves special attention, in view of its great importance.

1.4 Directions and Objectives of the Strategic Vision in the Cultural Field

Yemen enjoys a long and diversified cultural track record, with roots that go back to distinguished ancient civilizations, of which the most significant were the Kingdoms of Saba, Ma'en and Himyar. Those civilizations blended positively with the righteous religion of Islam, which entered Yemen peacefully in the 7th Century, when the Yemenis rushed to convert by tribes and as individuals. This cultural heritage continued to grow and become updated as the ages passed. Its influence even extended to other areas of the world, through old and modern migrations, which went on to reflect the original Yemeni identity and its cultural and civilized heritage wherever it went.

The most apparent traits of Yemeni culture are the devotion to the Islamic religion and the faith in Allah and loyalty to the Prophet, the love for the homeland, solidarity, mercy to each other, hospitality to the guest, championing the weak, desire to work and to excel in work, love of commerce, quest for knowledge, and search for the new, from all of which became manifested in intellectual and cultural openness, with the preservation of the Yemeni identity, originality and distinctiveness.

Yemen's Strategic Vision aims to build and develop the institutions that are able to achieve cultural breakthroughs and to transfer culture from marginal attention to a driving element of development. Culture should be an area for innovation, production, attracting investment and creation of job opportunities, and a gateway for communication with the modern world. This orientation does not, in any case, conflict with preserving the historical and cultural heritage, that is exemplified by the substantive and traditionally passed down heritage, folklore heritage, architectural, literary, scholarly and artistic influences, nor with the devotion to the Yemeni cultural identity and with engraining all the values of good, amity, cooperation, tolerance, generosity, care and protection of the homeland into the hearts, minds and behavior of the forthcoming generations.

1.4.1 The Cultural Dimension of Development

The accomplishment of the objectives and goals of the Strategic Vision in culture requires giving special attention to the cultural dimension of development. This development should be settled, by means of having the people take an active part in it and increasing their awareness on development. Development should interact with religious beliefs and cultural values, and should employ inherited and acquired culture, resources and capabilities to transform human beings to participants in the production of knowledge and expertise. The diversified climate, terrain and cultural sites can also be exploited, along with the multiple and different customs, traditions and arts. Also, the substantive and non-substantive kinds of heritage can bring about new additions and innovations, and accordingly integrates the population with development and interacts with the new and the old creatively, for the interest of man and the progress of mankind. It implants a new understanding of originality that supports creativity, and which exhumes the spirit of perseverance, work and the reward for output and innovation.

Accordingly, culture becomes an element of sustainable development, and the rational use of natural, human and ethereal resources. Engraining and deepening cultural freedom is an integral part of political freedom and the freedom of expression, and an organic component of democracy and human rights, which sets the climate for creativity and innovation and which ensures the positive interaction with globalization and the communication revolution.

1.4.2 Culture, Literature and Artistic Diversity

Cultural diversity is reinforced by means of motivating the different governorates to develop their contributions and enrich the Yemeni common culture, within an Arab and Islamic culture that opens up to foreign cultural experiences. The rejuvenation of Yemeni culture should be in support of an Arab Islamic culture, which is open to, and interacts with the world. This can prevent the cultural preponderance that accompanies globalization, on one hand, and leads to the diversification of a creative world culture on the other.

Cultural diversification in Yemen shall become a manifestation of tolerance that absorbs and is enhanced by the heritage of local communities, and which creates

new common grounds that accepts coexistence and solidarity, on the basis of equality, non-violence and the elimination of tyranny. Differences that create strife and destroy the attributes of national unity and fraternal links within a common loyalty to Allah, and then to the homeland and unity are unacceptable.

To sustain this diversity, it becomes necessary to guarantee all the freedoms and rights of expression, creativity, writing and publication. In this respect, attention must be given to encouraging artistic production, in all its forms, such as novels, short stories, theater and cinema, fine arts, music, scientific research and educational production, besides continuing to encourage poetry and literature, in view of the cultural role they have played since antiquity.

1.4.3 Broadening the Concept of Innovation

Innovation is not just confined to literature and artistic fields, but also includes all aspects of life and all areas of knowledge. It works to engrain the values of production, deep thinking, the sound management of resources and communities and amity for change. It also entails the improvement of cultural activities to enhance the quality of output and the provision of job opportunities, especially in the publication of books. Therefore, this would need spreading public libraries beginning with the Capital Secretariat and the governorate capitals, establishing school libraries, holding school cultural contests, giving attention to children's culture by means of implementing the Yemeni Children's Library Project, establishing children's cultural centers, and providing suitable children's books. It is also important to consider the role of television and radio programs in encouraging reading and reviving the connection with intellectuals.

Innovation also requires activating the role of the theater, the cinema, and television, as well as the improvement of their production base; encouraging the local, Arab and foreign private sector to invest in these fields; accelerating the establishment of school theater, teaching young children about the theater and developing a taste for it that helps discovering talents and capabilities in playwriting and acting. Attention to the development of traditional skills is considered essential to preserve the architecture of the Yemeni home, in terms of its functions and decorations, and avoiding unnecessary change. Introducing new skills, for which there is a local and/or foreign market and to train local labor, especially women in these skills is very key in the strategy.

It is imperative to spread the use of communication means (compact disks) for presenting cultural material, especially those of large size and high cost, and spread new cultural material that is unavailable in the local market. They may be also used for highlighting the Yemeni diversified cultural heritage, Yemen's natural and tourism site potentials and those derived from archeological ruins, the diversified terrain and climate, and from the components of substantive and intangible cultural heritage, such as, handicrafts, customs and traditions. Word, color, song and picture can do spreading culture.

1.4.4 Science and Technology Transfer

Culture can never develop and achieve the aims of the Strategic Vision for catapulting development, unless it works towards the transfer of knowledge and technology, especially by means of education for all, improvement of higher education, teaching science and technology, improving its methods, attention to scientific research, spreading information centers, introducing communication technologies and giving attention to translation to and from foreign languages.

1.4.5 Maintenance of Culture

It is imperative to spread "maintenance culture" and to apply it as an approach for the rationalization of the use of resources. Resources should be dealt with prudently and creatively. To spread awareness on the need to maintain machinery, equipment and other accomplishments, to preserve national identity, substantive and intangible heritage, and to tone the determination to find creative solutions to our problems is the path for future. This would include elimination of bad customs and traditions, such as overindulgence and prodigality, and all the social behaviors, which lead to the depletion and destruction of resources and potentials of the society. The role of culture is also obvious in the elimination of blood feuds and the imposition of the rule of law and resorting to religious jurisdiction as a basis for governing the relationship of the individual with other groups and the state.

1.4.6 Perception of Women's Role

The creative output of this culture should radiate with ideals that work towards changing the inferior social views of women, which are part of the mistaken cultural heritage of the society. Accordingly, women should be given their proper place as effective and equal partners to men in terms of rights and responsibilities, in accordance with religious jurisdiction and the law. Involving women in cultural production and expanding their chances for education and their roles in building up the society will give quick returns, in terms of expanding the production and creativity base, improve health and education, and contribute effectively in controlling population growth.

1.4.7 The Qat Problem

Qat is engrained in the heart of the culture and heritage of the society. It has become a semi complete culture of its own. Over the next quarter of a century, we can not ignore such an important problem as Qat, in all its various aspects. It must be put up for continued and open dialogue on the harms arising out of its increased spread and its social, health and environmental effects, and accordingly consideration and searches should be made for acceptable alternatives to Qat.

1.4.8 Sectoral Linkages

Culture and cultural production is considered an outcome of the interaction and interconnection of several sectors related to handicrafts, architecture, decorations, fine arts and tourism, as well as the theater, schools, universities, television and the

radio. Coordination and cooperation between these sectors will lead to the development of the productive base, stimulation of creativity and innovations and promotion of marketing and competition domestically and overseas. For example, the development of tourism requires the orientation towards reviving the ancient caravan routes, such as the Frankincense Trail, the Silk Trail, the Pilgrimage Trail, and the other trails.

Achieving the aims of cultural development calls for reviewing and activating the roles of cultural institutions, to enable them to contribute effectively to a cultural renaissance that is hoped for in Yemen's Strategic Vision. Equally important is setting forth new policies for offering incentives for cultural output and linking awards with output and creativity. It is also necessary to support the participation of civil society in cultural production and sponsoring innovators, and to encourage the private sector to invest in culture and set up prizes that motivate cultural production. Organizing festivals can also mobilize every cultural or artistic field and stimulate the cultural environment.

1.5 Directions and Objectives of the Strategic Vision in the Political Field

The cultural renaissance of Yemen over the next period requires the reinforcement of gains and accomplishments that the country realized. It also sees proceeding forward with the political system and the democratic experience in order to take off towards more advanced stages until the establishment of a mature and stable democratic state and society. For this purpose, and on the political side, Yemen's Strategic Vision seeks to have Yemen transformed from **a young democracy to a stable and mature democracy**, where political pluralism, the peaceful transition of authority and the respect for human rights become the society's engrained and strong mechanisms for the management of government and the realization of political progress for the society as a whole.

This Vision is based on the consistencies and platitudes which were agreed upon unanimously in the programs of all the political parties and factions, as exemplified by:

- Adherence to Islam, considering it to be the main foundation for all rules of conduct.
- Adherence to the republic and the Principles of the September and October Revolutions.
- Safeguarding the unification of the territories and people of Yemen and deeply instill national unity.
- Establishing the modern Yemeni State on the basis of and with adherence to democracy.

For the achievement of the major political objectives of the society, Yemen's Strategic Vision should rest on the following main pillars:

1.5.1 Reinforcing Democratic Practice and Political Participation

This pillar is based on the reinforcement of democracy, on political pluralism as a form of government, and on democracy and the peaceful transition of power. This approach entails ingraining the constitutional right of voting; nomination; establishment of, and membership in associations, unions, political parties and organizations; the sound application of laws relating to political parties, elections, the provision of equal opportunities for political parties and organizations to enable them to perform their political, social and cultural roles within the society, and in representing and activating the role of constructive and responsible opposition as a guarantee for the continuation of the democratic course. This approach is supported by continuous review and improved regulations and methods for managing elections to arrive to an advanced and integrated elections system, which will secure optimal popular participation, keep pace with the developments and improvements and which will be manifested in a free choice.

On the other hand, the participation of women in political activity has become an important factor for the acceleration of political progress and development. Accordingly, over the next period, efforts must be focused to setup a suitable climate for the reinforcement of the role of women and their contribution to public life and in the society, and for women to take leadership positions and posts, by means of encouraging and empowering them to exercise all their legal, social and political rights, which are guaranteed by the Constitution, starting with the right to nominate and vote.

1.5.2 General Freedoms and Human Rights

The government's respect for, and commitment to, general freedoms and human rights has become an essential yardstick that reflects the level of political maturity and the progress of the country. Therefore, it is basic that the legislation and laws, which guarantee the rights of the citizens and their general freedoms are issued, and that all the facilities that ensure that they will be able to enjoy them and exercise them freely and be able to obtain all the requirements of the rights of citizenship are provided accordingly.

1.5.3 Good Administration and Transparency

The Government is confronted with the pressure to manage government more efficiently and at lower cost, by means of a small decentralized and innovative administrative apparatus, besides the necessity of providing the right conditions for competition and sense of responsibility, which should be accompanied by accountability. Management transparency and combating corruption have also become requirements for good governance, and among the requirements for economic and social development. The use of modern technologies in management -especially target-oriented management, management strategies, the use of information technologies in managerial development- helps towards reaching the E-government, which raises the efficiency of management and enhances its transparency.

1.5.4 Decentralization and Local Authority

Efforts have been exerted by the Government to instill democracy and reinforce popular participation, to protect the rights granted by the law to the citizens in electing their representatives in the local councils, and to activate the roles of these councils in the future. Exercising authorities granted by the Law of Local Authorities, in planning and executing projects and programs at the local level requires the application of administrative and financial decentralization, which came to activate the role of the citizens and to expand their participation in development. This represents a mechanism for the stability of the population in their regions and for clarifying the relationship of the local authorities with the Government at the central level.

1.5.5 Civil Society

Democracy is not just based on political pluralism, but rather also on the institutions of civil society. To reinforce the integrated relationship between the government and the society, it is imperative to encourage the society to organize itself, by means of setting up professional, labor, and public organizations, institutions and federations, etc. It is also important to activate their role in all political, cultural, social and economic fields. Development of the legislation and the provision of the conditions and factors that are adequate to ensure the independence of these institutions will enhance their contribution in the development of the society and instill democratic practice and create an advanced and democratic Yemeni society.

1.5.6 Political Awareness and Traditions for Political Practice

The dissemination of constitutional, juristic, and legal rights within the society represents an essential condition that enables the citizens to know their rights and to undertake their responsibilities. The awareness of citizens leads to instilling democratic practice and traditions, within the institutions of Government, and also within the political parties and organizations, within the unions, associations and organizations, and other institutions of civil society, to carry out the duty of oversight over the execution of laws and legislation. It is imperative to note that the creation of a high level of awareness requires raising the forthcoming generations on the concepts of democracy, instilling in them democratic values and practices and incorporating them in the educational curricula accordingly.

1.5.7 Foreign Policy

The political stability and development and the economic progress of countries in the age of globalization and economic blocs has become linked to their ability to create positive interaction with their regional and international spheres, based on reciprocal economic interests and benefits. In fact, the essential principle is to use foreign policy as an important instrument and vehicle for serving economic issues and for reinforcing the country's ability to be competitive and to search for new markets and to develop exports. Taking off from this, the foreign policy will be directed towards achieving political stability, development and economic progress for the country, and towards activating the role of Yemen in regional economic

blocs and to work towards enlivening common Arab activities, on the basis of solidarity, cooperation and integration, and to direct attention to the reinforcement of relations with neighbor states, especially the members of the Gulf Cooperation Council and the countries of the Horn of Africa, in addition to the improvement of Yemen's relations with all international government and non-governmental organizations that are concerned with humanitarian issues and human rights.