

STATEMENT OF PROPOSED TESTIMONY

HOUSE SUBCOMMITTEE ON COAST GUARD AND MARITIME TRANSPORTATION

Menace on the Red Sea: Securing Shipping Against Threats in the Red Sea

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Since the 19th of November 2023, the Houthi Movement within Yemen has launched a sustained assault on global maritime commerce. While the initial rationale for these attacks was to show support for Gaza, the Houthis have quickly moved to re-enliven their own ambitions. If the war between Israel and Hamas ended today, it is highly unlikely that the Houthis would cease their attacks on vessels transiting the Red Sea. After years of fighting in Yemen and claiming to be at war with the United States and the United Kingdom, the Houthis are thrilled to have finally achieved widespread visibility, and global relevance. The recent strikes by the US and the UK have not only failed to deter the Houthis, but have actually legitimized their domestic narrative, leading to a major upsurge in both popularity and recruitment. That popularity is also growing outside of Yemen, raising serious concerns for Houthi-inspired attacks. At the same time, Iran, which had promised to stop arming the Houthis in the Chinese-brokered agreement with the Saudis last March, has also renewed its overt support to them, and launched several attacks of its own on ships in the Indian Ocean and Arabian Sea. The Houthis are stronger today than they were three months ago and shipping in the Red Sea is a life-threatening prospect to the seafarers who carry the 90% of world trade that moves through the maritime domain. Unless the United States changes its approach, global shipping will remain impeded, the region will descend further into intractable conflict and the US economy will suffer.

The Houthis Before November 2023

Before the world watched them board and commandeer the GALAXY LEADER on 19 November 2023, the Houthis were relatively unknown and invisible on the international stage. Sadly, Yemen has long been the forgotten corner of the Middle East. Even after ten years of fighting against the Government of Yemen and a Saudi-led Coalition, the Houthis had gained little attention, even in foreign policy and international security communities. That does not mean, however, that they were an insignificant group. Over the course of the civil war, the UN estimates that more than 150,000 people have been killed in fighting and an additional 227,000 have died from famine and the related humanitarian crisis. In context, that means that more Yemenis have died in their civil war than the total number of deaths – on all sides – in the twenty years of War in Afghanistan. Though many are coming to know the Houthis for the first time, they actually have a long track-record that provides insights into how they are likely to operate and respond to different forms of intervention.

How the Houthis Enjoy Operating

The Houthis love to make the West and what they perceive to be Western institutions – like the United Nations – look bad. They have a long history of getting close to an agreement, or even agreeing to something, just long enough for the UN or others to expend funds or make bold statements, only to renege at the last minute. For years, the UN repeated the same cycle over and over again with regard to the FSO SAFER – a dilapidated tanker attached to the Marib-Ras Isa pipeline and used, before the war, as the main export terminal for Marib Light Crude. The vessel was laden with 1.14 million barrels of oil, and, had it spilled, would have not only caused an environmental disaster more than four times the size of the 1989 Exxon Valdez spill, but damage the desalination plants that provide drinking water for tens of millions of people along the Red Sea Coast. The Houthis consistently agreed to allow the UN to get onboard and assess the vessel, then delayed the mission once the assessment team was in place across the sea in Djibouti, and then backed out of the agreement altogether. While the UN kept thinking that the Houthis would be motivated to protect their own coast and the people who live by it, it became clear that the Houthis found far greater motivation in toying with the UN and trying to make it look foolish. Given that the Houthis consider the US to be an even bigger enemy than the UN, they will go to lengths to try to make the US look bad in the eyes of their target constituents.

Houthi Narrative versus Reality

Despite claiming to be at war with foreign powers, it is worth highlighting that the Houthis have killed several times more Muslim Arabs in the last decade than Israel has in the entire 75 years of its existence. That said, the majority of the deaths in Yemen have not been from bullets or missiles but from a humanitarian crisis that put roughly six million people on the brink of famine. During the negotiations over the FSO SAFER, Mohammed Al Houthi, a member of the “Supreme Council” tweeted that the international community cared more about the “shrimps” than the Yemeni people. Meanwhile, the Houthis were limiting the movement of food to their own people in order to advance the narrative that they were being starved by Western Powers. At the same time, even when the money was available, they were failing to pay the salaries of Yemenis, further exacerbating the crisis in order to further their narrative. Their propaganda capacity is well-calibrated to appeal to their target audiences and they will unnecessarily cause Yemenis to suffer and die just to advance their talking points.

The Gaza Narrative

At present, the main Houthi narrative is that these attacks on maritime commerce are a form of protest against Israel’s campaign in Gaza. Unfortunately, Western media have continued to link the situation in Gaza to the situation in the Red Sea, giving further credence to that contention. Many in the region and even beyond who sympathize with the plight of the Palestinians now see the Houthis as one of the only elements that have taken meaningful action to back up their thoughts and prayers. The Houthis are opportunistically using the suffering of the Palestinian people to be able to reenergize their fighters, recruit new ones and boost both their funding and their popularity. And it

is working. With the advent of US and UK strikes, Houthi recruitment is rapidly accelerating, and other groups in the region, including the Al Shabab in Somalia, are seeing a similar upsurge in energy and motivation to fight. With the advent of the US and UK strikes, the Gaza narrative is no longer necessary; a complete resolution of the situation for the Palestinians would still leave the Houthis with plenty of reasons to attack shipping in their own minds and in the eyes of their fighters and supporters. Divorcing the narrative from Gaza, however, would have helped to potentially motivate other states who are suffering from the Houthi attacks – like Egypt – to play a bigger, more visible role. While it would still potentially diminish some of the Houthi momentum if the Gaza crisis ended, that momentum may now have taken on a life of its own.

Iranian Inspiration

For most of the last decade, the Houthis were primarily focused on taking over sovereign control of Yemen. In the past, their leaders have shown a profound lack of understanding of the maritime domain. For example, at one point they proposed that in order to fix the FSO SAFER, they would simply repaint the exterior hull of the vessel while it was still at sea. Iran, by contrast, has shown remarkable ability to use maritime attacks to send targeted messages to specific interlocutors. In 2019, 2021 and 2023 in particular, Iran engaged in a series of attacks on vessels and facilities that had a noticeable impact in changing different states' or individuals' posture toward Iran. Throughout those attacks, Iran did not cause a major maritime environmental spill (despite hitting tankers), and, with one exception – the MERCER STREET in July 2021 – did not take human life. The Houthis, by contrast, have shown reckless disregard for the marine environment and human life in almost equal measure. In the past, Iran has admitted that they have directed the Houthis to attack particular vessels, and have helped build the Houthi capacity to conduct maritime strikes. The recent haphazard attacks on vessels with no clear ties or very tenuous ties to their professed target shows that they are not concerned about getting it wrong. And given how they have viewed and treated the lives of Yemenis over the years, it is safe to say that they do not regard the sanctity of human life in a manner consistent with international norms. The Houthis are imitating Iranian aggression, without understanding or replicating Iranian precision. This puts seafarers at immense risk.

Iranian Support

Iran has long provided material support to the Houthis, arming them with a range of both small arms and light weapons and more sophisticated drones and ballistic weapons. Without Iran, the current aerial assault on shipping would not have been possible. Benefitting from the chaos that the Houthis have created over the last two months, Iran has resumed its overt support for the Houthis and this creates increased concern for ships in the region. Iran has provided intelligence and targeting to the Houthis, particularly in the recent attacks on US-linked vessels. Two vessels – the MV SAVIZ and the MV BEHSHAD – are ostensibly Iranian owned commercial vessels that operate in the southern Red Sea. They have, however, long been used to support the Houthis and both collect and provide intelligence. Iran's more sophisticated maritime capacity is a major factor in increasing the threat that the Houthis pose. At the same time, recent Iranian attacks on ships as far away as 200 miles off the coast of India and longstanding Iranian

aggression against ships in the Strait of Hormuz should serve as a reminder that as much as the world can sanction Iran, Iran can still cripple the flow of international maritime commerce. In combination with the more erratic Houthis, and potentially others – like pirates based out of Somalia – this could create long-term hardship for the world's economy and those responsible for the physical movement of international trade.

Maritime Significance

The nature of global commerce makes this situation a major threat to the world's economic stability as well as critical supply chains and desperately needed humanitarian assistance. According to data from Lloyds List, the Bab al Mandeb – the southern entrance to the Red Sea – has seen a 47% year on year decrease between the third week of January 2023 and the third week of January 2024. That level of decline remained consistent in the fourth week of January. The Suez Canal – a major factor in Egypt's economy – saw a 36% decline in the third week and a 45% decline in the fourth week. Meanwhile, the Cape of Good Hope – the southernmost point of Africa – has seen an 80% increase in year on year traffic this January. This is already affecting insurance rates, which have increased as much as 40 times what they were, and, as a result, the cost of shipping. According to the accounting firm Ernst and Young, the six days during which the EVER GIVEN was famously stuck in the Suez canal in March 2021 cost the shipping industry \$416 million per hour. The costs of the Houthi attacks, however, will be far greater and will, as a result, be passed on to consumers throughout the world. The cost of everything is likely to increase, given the integrated nature of supply chains. While much attention has been paid to energy supplies, oil and gas are fungible commodities that can be rerouted more easily. By contrast, specific goods in specific containers have to get to specific destinations. Disrupting the 30% of global container traffic that traverses the Red Sea will therefore have a greater impact on the economy than the 10% of oil that traverses the same passage.

Knock-on Concerns

Diverting ships around Africa comes with other concerns, as well, particularly for larger containerized vessels. African ports are too shallow to host those larger vessels, meaning that there is no safe harbor for such vessels in the event of a storm, an emergency, or even a need for resupply. And the weather is a concern – both in terms of the strong storm systems that have already been battering the Western Indian Ocean, and in terms of the traditional challenges associated with navigating around the Cape of Good Hope, the southern tip of Africa. Furthermore, the major increase in traffic around Africa means that the African ports are now overrun and do not have the capacity to resupply and service the vessels that are able to call. Finally African maritime security concerns, while recently calmer, could reemerge as major spoilers, with the combination of inspiration from the Houthis and opportunity from the heavy increase in vessel traffic. Piracy off Somalia and Nigeria, and terrorist attacks in various places remain serious threats to the safety of shipping and the free flow of maritime commerce.

Houthi Escalation

In addition to the threats that ships face in diverting around Africa, there are added concerns that could emanate from Yemen. Thus far, the attacks have manifested in three primary forms: capturing a vessel, aerial attacks on vessels, and at least one surface attack on a vessel. After capturing the GALAXY LEADER, the Houthis likely have satisfied their appetite for demonstrating that capacity. Taking a vessel comes with all sorts of challenges, and since they have not been after ransom money, it is unlikely that they will attempt to take more vessels in that manner. That said, taking ships for ransom could become an interest in the future. The aerial assault, however, is likely to continue as long as the weaponry exists to launch it. With longstanding arms smuggling routes to provide the Houthis with weaponry, it is unlikely the US and UK will be able to eradicate that capacity any time soon. Even taking out 100% of that aerial assault capacity, however, the Houthis can still attack ships. During the last decade, they have piloted the use of remote controlled “bomb boats” to attack ships in a manner similar to the USS COLE bombing in 2000, without having to commit suicide in the process. Furthermore, piracy has showed that with sufficient will, minimally armed individuals can cause significant hardship to maritime commerce. Surface attacks and even unmanned underwater system-based attacks could become a problem in the near future.

Further Concerns

Having managed to get the oil off the FSO SAFER onto a more seaworthy vessel, the YEMEN, the UN has now paused the completion of the effort to protect Yemen and the Red Sea from the threat posed by that situation. The Houthis, therefore, could target that vessel, causing a catastrophic spill out of spite, further hampering access through the Red Sea. They could also attack and cause a similar spill on another tanker, producing the same effect. It would be consistent with the Houthis mindset to do so, blame the West, and seek to profit off the clean-up process. This could cause multi-generational harm to the other Red Sea states, not least of all Egypt. Additionally, the Houthis have publicly warned that they have the capacity to cut the submarine cables that traverse the Red Sea and account for one third of the world’s internet. They have cut cables in the past and doing so now would cause significant global economic hardship. With their amplified will over the last few months, the Houthis can continue to find ways to be disruptive for months and years to come.

Yemeni Stability

Yemen has benefitted from a ceasefire since 1 April 2022, and the Houthis were close to accepting a peace deal with the war weary Saudis before this situation erupted. The reenergized Houthi movement, however, may not only reject peace, but renew efforts to take Marib – seen by the Houthis as their economic future in light of its oil production capacity – and other parts of Yemen’s territory. With the momentum behind them, the Houthis could easily restart the fight to take over Yemen’s sovereignty. It is thus absolutely critical to support and empower the Government of Yemen – not just militarily – to be able to stand on its sovereignty and defend itself. The West effectively stopped the Government of Yemen from retaking the Port of Hodeidah on the Red Sea and other

coastal areas in 2018 in favor of a deal – known as the Stockholm Agreement – that sought to deescalate tensions. The Houthis have never abided by that deal and Yemen has suffered from leaving the Houthis in control of the coast. Now global shipping is suffering from that as well. Yemen's sovereignty needs to be a serious consideration in how to shift the dynamics of this currently spiraling situation.

Conclusion

The Houthis are merchants of chaos, and can play a disruptive role in the Red Sea for months and years to come. As long as they are motivated to fight, they will continue to do so. The more they are perceived to be standing up to the US, UK and other Western governments and institutions, the more support they will garner. With that support, they will be able to continue to replenish arsenals and recruit new members, as well as inspire others to fight. The US needs to change its approach, empower the Government of Yemen, help inspire others who are suffering the consequence of these attacks to step up, and work to divert the Houthi attention away from the maritime domain. The Houthis claim to be standing up for the innocent Palestinians who have been harmed by the war between Israel and Hamas. Their form of protest is to attack and threaten the lives of innocent seafarers, and harm the innocent people around the globe who rely on maritime shipping for survival. They cannot be allowed to maintain their false narrative and every effort must be made to restore the freedom of navigation and the safety of global maritime commerce.