



Middle
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A STRATEGY FOR COUNTERING THE HOUTHI THREAT AT SEA

*Recommendations for
President Biden*

February 2024



The Defense and Security Program at the Middle East Institute

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The Authors



Kevin Donegan

Vice Admiral Kevin Donegan (USN, ret.) is a Distinguished Senior Fellow on National Security at MEI. He served as Commander of the US Navy's Fifth Fleet and Commander of the 32-nation Combined Maritime Forces in the Middle East. He also served as Director of Operations for U.S. Central Command where he managed combat operations for all U.S. Joint military forces in the Middle East. In the Pentagon, he served as Deputy Chief of the US Navy for operations, strategy, and planning, leading the development of the US Maritime Strategy and was the service lead for the guiding strategy for the Department of Defense.



Michael Patrick Mulroy

Michael "Mick" Patrick Mulroy is a Non-Resident Senior Fellow and Co-Director of the Yemen Steering Initiative at MEI. He is a former US Deputy Assistant Secretary of Defense (DASD) for the Middle East. As the DASD, he was responsible for defense policy for 15 countries and represented the Department of Defense of national policy in that area. He is also a retired CIA Paramilitary Operations Officer in the Special Activities Center and a US Marine. He is an ABC News National Security Analyst, and a Co-founder of Lobo Institute. He is on the board of directors for Grassroots Reconciliation Group and is the Co-founder of End Child Soldiering.



Sam Mundy

Sam Mundy is a Distinguished Senior Fellow on National Security at MEI. Lieutenant General Mundy retired after 38 years in the US Marine Corps and currently serves as President of Once a Marine LLC. Before retiring Sam served as the Commander, Marine Corps Forces Central Command (MARCENT), responsible for the employment of Marines in the Middle East. While at MARCENT he oversaw the training and certification of US Central Command's (CENTCOM) Standing Joint Task Force, developed and marketed the concept for a regional rapid response force, and oversaw the re-basing of Marines from Kuwait to Saudi Arabia.



Bilal Y. Saab

Bilal Y. Saab is a Senior Fellow and the Director of the Defense and Security Program at MEI. In addition, he is an Associate Fellow with Chatham House in London and an Adjunct Professor with Georgetown University's Security Studies Program in the School of Foreign Service. He is the author of *Rebuilding Arab Defense: US Security Cooperation in the Middle East* (Boulder, CO: Lynne Rienner Publishers, May 2022). Prior to MEI, Saab served as Senior Advisor for Security Cooperation in the Pentagon's Office of the Under Secretary of Defense for Policy, with oversight responsibilities for CENTCOM.



Joseph Votel

Joseph L. Votel is a distinguished senior fellow on national security at MEI. General Votel retired as a four-star general in the US Army after a nearly 40-year career, during which he held a variety of commands in positions of leadership, including most recently as commander of CENTCOM from March 2016 to March 2019. Before CENTCOM he was the commander of the US Special Operations Command and the Joint Special Operations Command. He was the commander of the 75th Ranger Regiment when they deployed to Afghanistan in 2001 and to Iraq in 2003. While assigned to the Pentagon, he organized the original IED Task Force that eventually grew into the Joint Improvised-Threat Defeat Organization.

MEMORANDUM

TO: President Biden

FROM: Kevin Donegan, Michael Patrick Mulroy, Sam Mundy,
Bilal Y. Saab, and Joseph Votel

DATE: February 5, 2024

SUBJECT: A STRATEGY FOR COUNTERING THE HOUTHI THREAT AT SEA

BLUF: The Houthi threat to freedom of navigation and the free flow of commerce in the Red Sea and the Gulf of Aden challenges a core and enduring U.S. interest in the Middle East. U.S. airstrikes seeking to degrade the military capabilities of the Houthis are necessary but insufficient. We recommend a broader approach using an interdiction regime at sea that aims to: 1) counter the ability of the Houthis to be resupplied/rearmed by Iran, or other organizations, with weapons and weapons components that can be used to attack international vessels; and 2) deny the Houthis the use of Iranian training, intelligence, targeting information, or other means that can be used to endanger international maritime trade.

BACKGROUND

For the first time in four decades, a core U.S. interest in the region on which successive American presidents have based U.S. Middle East policy — freedom of navigation and the free flow of commerce — is increasingly at risk. By enabling the Houthis in Yemen to attack international vessels in the Red Sea and the Gulf of Aden with armed drones and sophisticated anti-ship missiles, Iran, as it did in the Gulf in the late 1980s, is causing tremendous harm to commercial activity in one of the world's most crucial waterways.

Elsewhere in the region, Iranian aggression against U.S. interests is also on the rise. Iranian proxies in Iraq and Syria have attacked U.S. troops and installations in both countries more than 170 times since Oct. 17. The Jan. 28 attack against a small U.S. outpost in northeastern Jordan killed three American soldiers and injured dozens more.

- » The Houthis have stated that their attacks are in response to Israel's war against Hamas in Gaza, which, according to Israeli leaders, seeks to destroy Hamas following its massive terrorist attack against Israel on Oct. 7. Hamas killed more than 1,200 people and abducted about 250, less than half of whom were released during a one-week truce in November in exchange for 240 Palestinian prisoners. Gaza's Health Ministry has reported that the Palestinian death toll in Gaza has exceeded 27,000.

- » Iran itself has publicly warned that the United States “will not be spared from this fire” if Israel’s retaliation against Hamas continues.

ASSUMPTIONS

Two operating assumptions guide our analysis and recommendations.

1. We believe that while a cessation of hostilities in Gaza and ideally a lasting diplomatic solution to the Israeli-Palestinian conflict will defuse tensions across the region and advance the process of Arab-Israeli normalization, it is unlikely to change Iran’s strategic outlook or stop its state-sponsored terrorism and political violence.
 - » Since its coming to power in 1979, the Islamic Republic’s radical rhetoric and hostile behavior have consistently shown that it is a revisionist state. Its top priority, however, is to ensure the survival of its regime, which is increasingly unpopular at home. Tehran pursues that goal by suppressing its population, spreading its ideological-religious influence beyond its borders, and trying to control the politics and resources of its more vulnerable Arab neighbors. It is foreign policy in the service of narrow regime interests.
 - » Iran’s efforts to achieve regional primacy face external obstacles including local Arab resistance to Tehran’s Shi’ite sectarian model. The U.S. military presence in the region is another major barrier. Hence, a central element of Iran’s approach is to gradually drive the United States out of the Middle East. Cognizant of its military inferiority in relation to the United States, Iran prefers to leverage its regional militia network, which it has cultivated for many years, to pursue its ends, obfuscate its role, and minimize its costs. “Plausible deniability” continues to be Iran’s preferred modus operandi.
 - » It is against this background that we examine and propose U.S. response options to the Houthi attacks. On the surface, these attacks seem distinct, serving purely the local purposes of the Houthis, but they are largely consistent with Iran’s strategic designs in the region.
2. Pursuant to the above, we believe that the issues of Iranian responsibility and accountability for the latest escalation should be clear. Whether Iran ordered Hamas to strike on Oct. 7, the Houthis to attack ships in the Red Sea and the Gulf of Aden, or the Iraqi militias to kill three U.S. service members is a secondary question. What is undisputable is the fact that without Iran’s provision of generous, continuous, and verifiable assistance to its regional proxies including arms, training, advice, funds, and intelligence, those attacks would have been either virtually impossible or much less effective. If Iran truly wanted to deescalate, it could stop its weapons shipments or sharing of targeting information with its proxies, but it has done the opposite.

THE THREAT

The Houthi threat to regional waters has the potential to significantly hurt international trade and energy markets.

- » The economic risks of a growing crisis in the Red Sea are already becoming apparent. The Houthi attacks have upended global trade and forced many ships to avoid Egypt's Suez Canal, a vital route for energy and cargo travelling from Asia and the Middle East to Europe. At least 90% of the container ships that had been going through the Suez Canal are now rerouting around Africa and the Cape of Good Hope.
- » Total oil shipments via the Suez Canal, the SUMED pipeline, and the Bab el-Mandeb Strait accounted for about 12% of total seaborne-traded oil in the first half of 2023, and liquefied natural gas (LNG) shipments accounted for about 8% of worldwide LNG trade.
- » So far, the impact on the oil market is greater for Europe and economically vulnerable nations than it is for the United States, but should the Houthi attacks escalate and cause a major supply disruption, there could be serious risks to oil flows and the prices could spike quickly, reigniting inflationary pressures and affecting the U.S. economy.

STRATEGY

The United States has every interest in preventing a widening of Israel's war in Gaza. A region-wide and prolonged military conflict would be especially harmful to regional security and the global energy markets. Preventing escalation requires restoring U.S. deterrence against Iran.

- » We believe that the frequent U.S. messaging on the need to avoid a broader war in the region is understandable but counterproductive. While it correctly conveys an important U.S. objective, it also suggests a degree of hesitation or reluctance to act. The Iranian threat has already escalated. The United States should focus its strategic communications on compelling Iran to cease and desist.
- » To effectively counter the Houthi threat, we recommend:
 1. Tasking U.S. Central Command (CENTCOM) with leading an interagency effort to deny the Houthis the means and capability to attack the free flow of commerce in the Red Sea and Gulf of Aden. This would be in support of UN Security Council Resolution 2216, which demanded that the Houthis withdraw from all areas seized during the Yemen war and relinquish arms taken from the previous Yemeni government — measures which both Iran and the Houthis have violated.

- » This effort should include countering the ability of the Houthis to be resupplied/rearmed by Iran, or other organizations, with weapons and weapons components that can be used to attack international vessels; denying the Houthis the use of Iranian training, intelligence, targeting information, or other means that can be used to restrict the free flow of commerce; and striking Houthi infrastructure and leadership as well as Iranian operatives in Yemen.
2. Resourcing the above effort with the necessary Intelligence, Surveillance and Reconnaissance (ISR) capabilities, U.S. Air Force squadrons (plus tanking), and fusion cells along with the ships, aircraft, and other task-specific units required to achieve the above objectives.
 3. Providing the U.S. 5th Fleet Commander with the authorities to conduct “collective self-defense” of any vessel that is U.S.-flagged, U.S.-owned, U.S.-operated, has American crew members, or that is carrying any cargo transiting to or from the United States. In addition, the 5th Fleet Commander must be authorized to defend any other ship that requests U.S. defense for transit of the Red Sea and Gulf of Aden.
 4. Empowering CENTCOM to increase strike sorties overland as part of a dedicated capability reduction effort.
 5. Tasking the Department of Defense and the Department of State with strengthening existing, and developing new, partnerships with Arab and European allies to form an international task force, separate from Operation Prosperity Guardian, to execute the above-proposed interdiction mission at sea. The command structure already exists within the Combined Maritime Forces (CMF) and U.S. Naval Forces Central Command Headquarters (NAVCENT HQ).
 6. Increasing funding, even if temporarily, for the U.S. Navy to procure additional Task Force 59 unmanned surveillance vessels (USV) surveillance assets that could enhance an existing operation that already watches over 10,000 square miles of water space on a persistent basis.
 7. Overhauling the existing UN Verification Inspection Mechanism (UNVIM) regime. This process requires inspection of material flowing to Yemen, typically in Djibouti, but is vastly ineffective. Hardly any items have been confiscated through UNVIM in years. The Department of Defense and the Department of State should collaborate with Arab partners and European allies to generate a new, enduring verification mechanism outside of UNVIM, one that has teeth (accountability), is not susceptible to corruption, and that has appropriate authorities to prevent the flow of lethal aid into Yemen.

CAVEATS

This strategy could fail to alter Iran's strategic calculus, stop the Houthi attacks, and restore U.S. deterrence. Getting consumed with countering Iran's proxies, with all the military and political challenges that effort entails, could be what Tehran wants. It is possible that influencing Iran's cost-benefit calculus requires pursuing a more direct and aggressive approach.

- » However, we believe a more Iran-centric approach is counterproductive for the time being because it unnecessarily increases the chances of escalation.
- » Our proposed strategy leaves sufficient room for Iran to reconsider its deliberate escalation, but if Tehran insists on staying the course, then the United States should apply increased pressure and raise the costs for Iran by striking a broader set of Iranian targets in the region including coastal anti-ship and anti-aircraft batteries, and military ships assisting the Houthis with targeting information.

CONCLUSIONS

It is important to keep the Iran challenge in perspective. Iran has considerable capabilities, but it is not an undeterrable regime. It has been deterred in the past. It is vulnerable at home and has weaknesses abroad, which the United States can and must exploit.

- » Sustainably degrading the capabilities of Iran's proxies, and especially the Houthis, is not an inconsequential or weak U.S. response. Iran heavily relies on these proxies to project power in the region. If the strategy is supported by sufficient resources and political commitment, it could measurably reduce Iran's influence in the region and possibly impact its stability at home, all at an acceptable level of cost and risks.
- » Effectively degrading the capabilities of the Houthis will signal U.S. resolve and send a strong message to Tehran that the United States is capable of countering other parts of Iran's threat network.
- » While crucial, U.S. air power alone is unlikely to effectively address the Houthi threat to international maritime trade. With the cooperation of Arab partners and European allies, the United States should create a comprehensive interdiction regime at sea to significantly degrade not just the existing capabilities of the Houthis but also their supply lines.

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MEI's Defense and Security Program provides rigorous and multidisciplinary analysis of the current and emerging defense and security challenges and opportunities facing the United States and its regional partners. It also works to create a unique, credible, and independent platform for defense and security stakeholders from both the United States and the region to more closely interact, exchange views, and share experiences regarding various matters of national security.

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