

Israel in the Red Sea: From Threats to Cooperation

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The Red Sea region has drawn increasing attention in light of the Houthi attacks and the damage they have caused to the freedom of global shipping in general and to Israel in particular. This is in addition to the impact of other escalating conflicts in the region, in which Israel is not directly involved, such as those in Sudan and Somalia. The intensification of these conflicts highlights the recognition that only through multilateral, regional, and international cooperation can the relevant challenges in the Red Sea be addressed. Such security cooperation, alongside collaboration in “soft” areas between Israel and countries in the region, is the foundation for promoting the long-term interests of all parties involved.

The Red Sea is a significant shipping route for global trade and serves as a maritime outlet for many countries, either located on its shores or using its ports to support their economies. At the southern end of the Red Sea is the Suez Canal, a route to the Mediterranean Sea, and the tolls collected from ships passing through it are an important source of foreign currency for Egypt’s economy. In October 2023, the Houthi terrorist militia, backed by Iran, began attacking Israel and international shipping in the Red Sea and the Gulf of Aden, with a focus on the Bab al-Mandeb Strait, the southern gateway to the Red Sea. Prior to the Houthi attacks, the volume of merchant ship traffic in the Red Sea accounted for about 15% of global merchant traffic and around [30% of the container traffic](#) moving across the seas.

Israel, located at the northern tip of the Red Sea, is directly affected by the situation due to the shutdown of the Port of Eilat, which, until the war in Gaza, handled about 2% of the total merchant ship traffic docking in [Israel](#). While Eilat is not Israel’s main port, it is of great importance as a southern reserve port for Israeli shipping in case of threats to the movement of vessels to and from Israel’s Mediterranean ports—a scenario whose likelihood increases in the event of a large-scale conflict with Hezbollah and Iran. Moreover, the Houthi attacks have lengthened the shipping routes for vessels traveling to and from the eastern Mediterranean ports to the Far East, negatively impacting Israel’s trade. The primary consequence is the rise in maritime transport costs, resulting from longer travel times and increased insurance rates.

In the background, Israel is concerned about Iran’s attempts to establish a presence in the Red Sea region, evident in the deployment of an Iranian intelligence ship in the area, the continuous operation of Iranian warships in the Red Sea waters, and the activities of Iran’s proxy in the region, the Houthi terrorist militia. Recently, Iran has renewed its interest in Sudanese ports, posing a threat to Israel and other countries in

the region and further destabilizing the Red Sea area. Egypt also views the Houthi attacks as a direct and serious threat to its national security, but it seeks to end the attacks through a ceasefire in Gaza, which it claims is the root of the crisis.

Existing and Emerging Crises in the Region:

1. **Yemen:** The Houthis currently pose the central threat in the Red Sea region. Since [October 19, 2023](#), the Houthis have been targeting Israel and maritime traffic, with a focus on the southern Red Sea and the Bab al-Mandeb Strait. These attacks include the firing of approximately 300 drones, 150 cruise missiles, and 120 ballistic missiles, as well as the use of 50 explosive unmanned vessels. As a result of these activities, five ships were severely damaged (two sank), four were hijacked, and around 30 ships sustained minor damage but continued their [voyages](#). The volume of ship traffic through the Bab al-Mandeb Strait has decreased by approximately 50%, from about 80 ships per day to around 35. By [April 2024](#), traffic through the Suez Canal had dropped by around 70%, leading to a similar decline in the canal's revenue—a loss of about \$600 million per month for the Egyptian treasury. According to [UN estimates](#), the crisis is expected to reduce Egypt's GDP by up to 5.2% between 2023 and 2025.

Due to fears of Iran and its proxies among the Arab states, they have refused to publicly join the US-led coalition in the Red Sea, nor have they condemned the Houthi attacks, expressing instead a preference for diplomatic solutions. Some Arab countries argue that the root of the current Red Sea crisis lies in Gaza and that its resolution can be found there, and not in a confrontation with Iran. The Houthi attacks on Israel and the freedom of navigation in the Red Sea have also reignited [Arab discourse](#) on the need to create an effective regional-international framework involving Saudi Arabia and Egypt, alongside major powers with an interest in maritime security, including the United States and China. Both are heavily invested in areas impacted by maritime security in the Red Sea, such as East Africa and Egypt, with the Red Sea serving as a vital shipping route for their global supply chains.

2. **Ethiopia and Somalia:** At the start of 2024, Ethiopia, which is landlocked and reliant on Djibouti for access to the sea, recognized Somaliland's independence in exchange for leasing land that would grant it access to the Red Sea and the use of Somaliland's Berbera Port, which has been expanded by the UAE in recent years. This move has caused significant tension between Ethiopia (the world's most populous landlocked country) and its neighbors, raising the risk of military conflict. In response, Egypt, which has long-standing tensions with Ethiopia over the Grand Ethiopian Renaissance Dam, [sided](#) with Somalia and declared that it rejects the agreement, viewing it as a violation of Somali sovereignty. Cairo has also sent military forces and weapons to Somalia,

replacing the Ethiopian peacekeeping forces stationed there to fight Al-Shabaab, while simultaneously increasing coordination with Mogadishu to tackle piracy in the Horn of Africa.

3. **Sudan:** Israel has an interest in expanding its peace relations with the countries of the Red Sea region, most of which do not maintain diplomatic ties with it. This interest is reflected in efforts to include Sudan in the Abraham Accords and to incorporate Saudi Arabia into regional normalization efforts. However, Sudan is currently engulfed in a bloody civil war, which weakens the state and provides fertile ground for Iran to re-establish influence there, as it did during Omar al-Bashir's rule. Sudan could once again serve as a transit point for Iranian arms transfers to its proxies in the Mediterranean, Hamas and Hezbollah. It should also be noted that the control of the port in Port Sudan is being contested by several regional and international actors, including [Russia and the UAE](#).

A Multitude of Opportunities Alongside a Multitude of Dangers

Several organizations and coalitions operate in the Red Sea region: the US Central Command (CENTCOM), in which Israel has been integrated since 2021; the Council of Arab and African States Bordering the Red Sea and the Gulf of Aden, established in 2020; the Red Sea International Research Center, established in 2019; and an informal coalition of more pragmatic countries, which includes Israel and expanded with the signing of the Abraham Accords. However, the effectiveness of these frameworks has been limited, partly due to competition among the member states for influence and leadership, disagreements over priorities, and the absence of effective mechanisms. Moreover, the potential for significant regional cooperation between Israel and Red Sea countries within these frameworks remains limited. Therefore, it is recommended to explore alternative avenues for establishing regional partnerships or to expand the existing organizations in a way that allows for more effective action.

The attempt to establish a framework for inter-Arab cooperation in the Red Sea highlights the competitive dynamics between its members, even among the "pragmatic" Arab states. In general, the many challenges in this arena, along with the involvement of numerous countries, some from outside the region, necessitate caution to avoid increasing regional or international polarization and being drawn into other conflicts. Along the western shore of the Red Sea, several failed states exacerbate the region's instability and provide fertile ground for external involvement, particularly by Iran and Russia. Conflicts in Sudan and Somalia, for example, involve overlapping interests and developing local conflicts could lead to political crises beyond the Red Sea region.

Yet, [the Houthi aggression](#) presents an opportunity to enhance inter-state cooperation against the shared threat in the Red Sea, giving Israel a chance to strengthen its ties with pragmatic Arab states and position itself as a stabilizing force in the region. Although the Houthis claim their actions are tied to the war between Israel and Hamas, they could in the future disrupt freedom of navigation under different pretexts. Moreover, even if there is some form of settlement in Yemen and Gaza, the Houthis are not going anywhere—they will remain a permanent threat to the Bab al-Mandeb Strait, one of the world's most crucial maritime chokepoints. Therefore, the Red Sea states and the international community must address this threat, which endangers global trade, causes immense environmental damage, and harms the strategic interests of countries bordering the Red Sea.

It is reasonable to assume that Israel and the Arab states expect the United States to demonstrate a long-term commitment to restraining radical actors in the region, even after the war in Gaza. Arab countries would certainly be encouraged by US military activity in the Middle East, but they are reluctant to assume a visible role due to the association with Israel and fears of provoking Iran and its proxies. Moreover, they are likely concerned about the inability of the United States to deter the Houthis and stop their aggression after nearly a year of conflict. A partial solution could lie in strengthening the naval forces of stability-seeking states in the region, enhancing their cooperation, and improving their ability to counter maritime threats, alongside increasing the commitment of global powers to safeguard and enforce freedom of navigation. This is aimed at counterbalancing Iranian and other threats in the region, although it may also escalate regional arms races.

The current crisis in the Red Sea underscores the divide between the radical axis of resistance led by Iran and the pragmatic Arab states seeking stability, peace, and security. The latter are interested in turning the Red Sea into a space of shared economic prosperity by promoting regional development projects in areas such as trade, tourism, the environment, and energy. These states are increasingly alarmed by Iran's subversion and the Houthis' actions in the region. Specifically, Israeli–American cooperation with regional states should aim to prevent Iran from re-establishing its presence in Sudan, using both economic and military means. The Red Sea countries have an advantage over Iran—the latter is geographically distant from this arena and, unlike the Gulf states, lacks the ability to project direct power in the region.

Israel should assess whether its current policies serve these security interests and to what extent regional states can be engaged in cooperation to enhance security in this critical sub-region. It is advisable for Israel to adapt its policies to potential partners in the region, identify shared interests, and remove barriers preventing cooperation with Israel. In this context, mechanisms for cooperation under CENTCOM should be

explored, particularly in the prevention of arms smuggling. Additionally, Israel's close ties with the UAE could help advance their shared interests in the Red Sea and the Horn of Africa. The UAE, for example, has increased its involvement in the countries along the western shore of the Red Sea, and Israel would benefit from engaging in discreet dialogue with it to achieve shared goals, especially in keeping Iran out of this region.

A challenge for Israel at this time is that Arab states generally prefer to hedge and are hesitant to confront Iran directly. They do not want to jeopardize the détente processes that have developed with Tehran in recent years; rather they see the guarantee of Red Sea maritime security as key in thawing relations with Iran. From their perspective, Iran and its proxies can inflict devastating damage on their territory, and they are still unsure to what extent the United States would come to their aid, as it did to help Israel in the “Swords of Iron” war. Moreover, they [view](#) freedom of navigation in the Red Sea as a global interest requiring a multilateral international response, and they are unwilling to stand at the center of a conflict that, although directly related to them, is not solely their responsibility to address.

Ending the war in Gaza and progressing toward a political solution with the Palestinians would ease Israel's diplomatic maneuverability, paving the way for the gradual restoration of its regional standing and facilitating open cooperation with pragmatic Arab states, particularly Saudi Arabia, Egypt, and Jordan. However, in the absence of a political breakthrough, shared threats could still enable the formation of coalitions beneath the surface in addressing the issue of securing freedom of navigation, as well as preventing smuggling and limiting the military build-up of terrorist armies. Naval forces, whose operations by nature are less visible, could provide an opportunity to initiate inter-state cooperation in and around the Red Sea, with the potential to expand to other areas in the future.

The development of the Red Sea is highly important to regional states, such as Saudi Arabia, which has an ambitious economic vision to turn its long western coast into an international tourist hub. This plan depends on security stability and free navigation. In recent years, the kingdom has invested in developing its naval capabilities in the Red Sea, alongside efforts to [foster regional cooperation](#) to address arms smuggling routes and the Houthi threat, although these efforts are not enough. A deeper and more public integration of Israel into the regional system in general—and the Red Sea region in particular—requires, from the perspective of the Arab states that sit along its shores, the creation of a political framework to resolve the Palestinian issue. Such a framework would facilitate security in the Red Sea and, according to Saudi Arabia, pave the way for diplomatic ties with Israel and create a kind of “regional integration.” However, to date, Israel has remained a secondary or excluded player in most regional frameworks,

despite its wish to increase its involvement to better advance its security, economic, and environmental interests.

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