

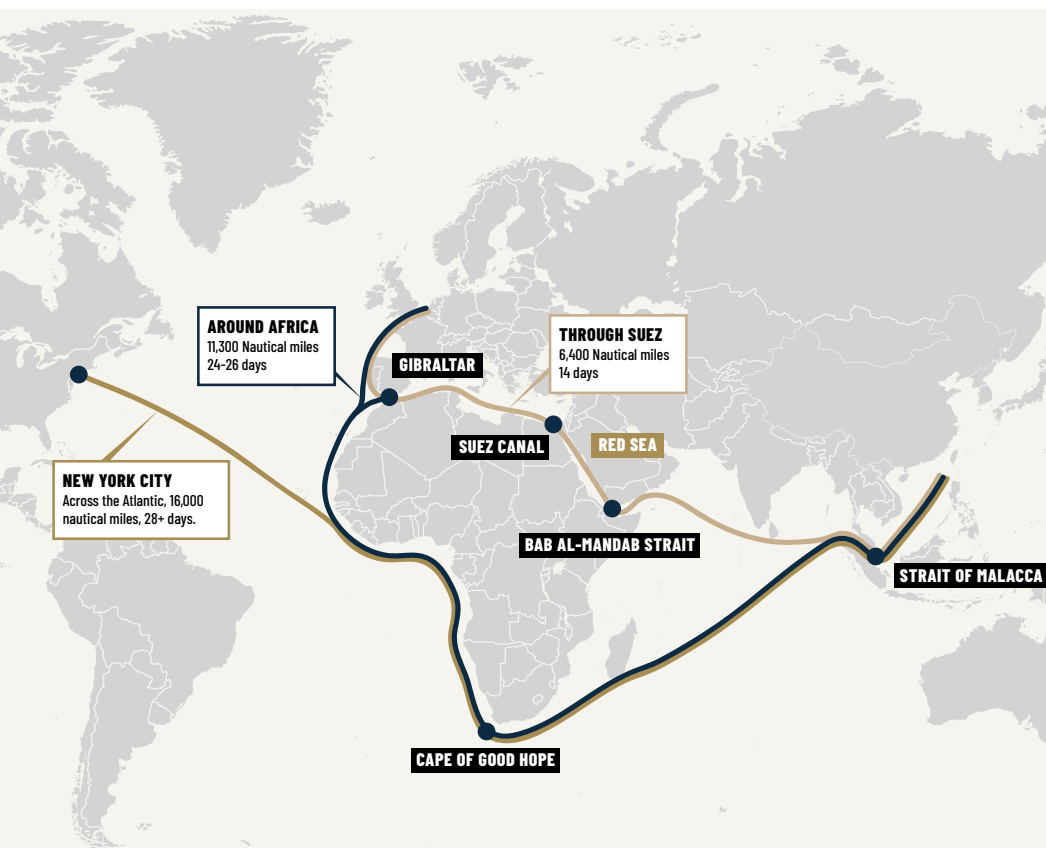
Red Sea Attacks Harm the U.S. Economy and National Security

On November 19th, Houthi forces began their attacks on vessels transiting the Red Sea began, conducting since then over 50 attacks on Western shipping.

These attacks have forced global supply chains to shift their routes away from the Suez Canal, which sees an estimated \$1 trillion of shipments pass through every year, to transiting instead around the Cape of Good Hope, adding thousands of nautical miles and weeks of delays. Shipping rates have increased by over 300 percent, eroding revenue and profits for Western companies, and, according to some estimates, costing up to \$450,000 per ship to make the detour. The Houthi strikes on shipping could potentially reduce global GDP by as much as 0.4 percent.



Major shipping companies have suspended nearly all their ship traffic through the Red Sea, including:



Western Economic Losses Mount

As widely reported, China and Russia have reached an understanding with the Houthis and their Iranian sponsors to allow their ships to sail through the Red Sea and Gulf of Aden without being attacked. Routes from Europe to Asia can take up to 31 days when redirected around the Cape of Good Hope, compared to the roughly 19 days it takes to travel through the Suez Canal. By being able to transit the Red Sea unmolested, Chinese vessels can transport goods up to 12 days quicker compared to Western shipping going around Africa. Chinese shipping firms have been reaping extraordinary profits based on this unimpeded access, to the detriment of Western firms that continue to be targeted by Houthi strikes in the Red Sea.



Furthermore, China's continued illicit purchasing of Iranian oil is indirectly financing the recent string of attacks by Yemen's Houthi rebels. China buys about 90 percent of Iran's oil exports, including crude sold by the Quds Force, which in turn finances Iran's proxies, including the Houthis.

Bahrain + US: Strategic Allies

Bahrain and the United States have historically enjoyed a strong security relationship, which was only strengthened when the U.S. and Bahrain signed the C-SIPA security and economic cooperation agreement. Bahrain is home of the U.S. Fifth Fleet and U.S. Naval Forces Central Command, and actively work together on anti-piracy and freedom of navigation initiatives.

Houthi attacks on vessels transiting the Red Sea are attacks on the international community and the international community has come together through a multinational security operation, **Prosperity Guardian**, which Bahrain is the only Arab country participating, to protect trade in the Red Sea and the Gulf of Aden.

The Kingdom of Bahrain stands with the U.S. and our global allies in ensuring maritime security and freedom of navigation.

“The **attacks on commercial ships in the Red Sea region constitute a global danger**, and the joint forces led by the United States aim to enhance maritime navigation security and keep sea lanes open to the flow of global trade.”

U.S. Secretary of
Defense Lloyd Austin.

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