Forum: Security Council

Issue: The Red Sea as a Trade Route

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I.   Introduction

On November 19, 2023, the Houthis hijacked their first commercial ship passing through the Red Sea. In February 2024, they sank Rubymar, a Belize-flagged cargo ship. On March 6, True Confidence, a Barbados-flagged ship, was attacked by a Houthi missile, which cost the lives of three crew members. These ships tell some of the many stories of the Houthi violence which marine trade in the Red Sea faces, and which comes at the expense of resources, money, and, like in the case of True Confidence, human lives. With the Red Sea being an essential trade route connecting Europe and Asia, such attacks not only impact the individual ships and companies, but also consumers and economies all over the world. Therefore, in order to maintain the stability of the world economy, it is necessary to address the root causes behind Houthi piracy and, through means of international cooperation, put an end to what has been named the Red Sea Crisis.

II. Definition of Key Terms

A. Trade Route

A trade route is a logistical network consisting of a series of pathways and stoppages used for the commercial transport of cargo. The term can also be used to refer to trade over bodies of water.[1]

B. Piracy

Piracy is the act of attacking ships in order to steal from them.[2] While the term pirates has been used since the Medieval times to refer to people who attack ships at sea with valuable goods, modern pirates attacked 445 ships in 2010, up 10% from the year before. That same year, piracy off the coast of Somalia accounted for 92% of all ship seizures.[3]

C. Middle Eastern Conflicts

In the last 20 years, conflict in the Middle East has increased drastically, the most known one being the current war in the Gaza strip. With countries like Israel facing threats like

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[1] "Trade Route | English Meaning - Cambridge Dictionary." *Cambridge Online Dictionary*, dictionary.cambridge.org/dictionary/english/trade-route. Accessed 28 Apr. 2024.
[2] "Piracy | English Meaning - Cambridge Dictionary." *Cambridge Online Dictionary*, dictionary.cambridge.org/dictionary/english/piracy. Accessed 2 May 2024.
[3] Thornton, Stuart. "Pirate Problems." *National Geographic*, 19 Oct. 2023, education.nationalgeographic.org/resource/pirate-problems/. Accessed 4 May 2024.

Hamas and Hezbollah, conflicts involve both regional and global powers, leading to widespread violence, instability, and uncertainty.[4]

An overview of the geography of the region.[5]

III. General Overview

A. Historical importance of the Red Sea and the Suez Canal

Ever since Ancient Egypt, the Red Sea represented a crucial trade route connecting Europe and Asia. A canal between the Red Sea and the Mediterranean was already suggested by the Abbasid caliph Hārūn al-Rashīd in the 9th century, and eventually opened as the Suez Canal in 1869. Today, it is one of the busiest marine trade routes in the world.[6] Due to its extreme economic importance, the Suez Canal was the target of various conflicts between countries competing for its control, be it the Raid on the Suez in 1915 or the Suez Crisis of 1956. While the Suez Canal remains under the control of Egypt, it still faces violence and conflict, and, like the entirety of the Red Sea, most significantly, piracy. [7]

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[4] Wright, Robin. "Explainer: The Roots and Realities of 10 Conflicts in the Middle East." *Wilson Center*, 5 Feb. 2024, www.wilsoncenter.org/article/explainer-roots-and-realities-10-conflicts-middle-east.
[5] *Map of the Middle East*. 3 Oct. 2020. *WorldAtlas*, https://www.worldatlas.com/articles/which-are-the-middle-eastern-countries.html. Accessed 5 May 2024.
[6] "Suez Crisis | Definition, Summary, Location, History, Dates, Significance, & Facts." *Britannica*, 27 March 2024, https://www.britannica.com/event/Suez-Crisis. Accessed 5 May 2024.
[7] "Red Sea - Trade, Shipping, Fisheries." *Britannica*, https://www.britannica.com/place/Red-Sea/Economic-aspects. Accessed 5 May 2024.

B. Houthi piracy

1. General overview

The Houthis are a Shia Muslim armed rebel group from Yemen. They took over the capital city in 2015, which started the ongoing Yemeni Civil War. In response to Israel's invasion of the Gaza Strip in October 2023, the Houthis started launching drones and missiles at Israel, demanding an immediate cease to the invasion. Alongside that, they started attacking and hijacking commercial ships in the Red Sea. According to the Houthis' initial statements, they only attacked ships coming from or heading to Israel and those connected to the country. Despite that, many of the attacked ships had no connection to Israel, and the Houthis reportedly launched over 40 attacks on commercial ships in the Red Sea and the Gulf of Aden since November, damaging 34. In response to these attacks, the USA and the UK started bombing Houthi targets in January 2024, which led to ships connected to the two countries becoming more common targets of bombing.[8]

2. Iranian and other proxy support

Ever since the creation of the Houthis, Iran has been a major supporter of the group. Iran officially denies its involvement in the Houthi pirate attacks in the Red Sea and claims that the country only supports the Houthis politically. However, it is known that the Houthis would not be able to carry out operations on this scale without Iranian support, be it arms, training or intelligence. Saudi Arabia and the United States claim that Iran has been smuggling arms into Yemen (which also violates Iran's UN embargo on arms trade), and there are reports that Iran aided the Houthis in construction of drone factories. Furthermore, the Houthis have also received military advice and support from Hezbollah, a Lebanese Islamist group. [7]

3. Consequences for global trade

The Houthi attacks on cargo ships in the Red Sea represent a shock for global commerce, since 40% of Europe-Asia trade and 12% of world trade navigates

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[8] "Who are the Houthis and why are they attacking Red Sea ships?" *BBC*, https://www.bbc.com/news/world-middle-east-67614911. Accessed 5 May 2024

through the Suez Canal.[9] Since November 2023, major shipping firms are diverting their routes away from the Red Sea, and are instead traveling around the Cape of Good Hope, around the entire African continent, which is more expensive (up to $1 million per trip), and takes around 6000 km more and 10 days longer than through the Suez Canal.[10] This, alongside higher insurance prices for cargo ships, has significantly driven up the shipping cost of goods, which will be reflected on the consumer prices: a year's disruption of Red Sea trade could increase global inflation by 2%. [11]

IV. Major Parties Involved

A. World Trade Organization

The World Trade Organization (WTO) plays a crucial role in addressing the shipping crisis in the Red Sea. By promoting international trade rules and cooperation, the WTO aims to ensure smooth and efficient maritime transport. It encourages member states to adhere to agreements that facilitate the movement of goods, including those passing through the Red Sea. Additionally, the WTO provides a platform for member states to negotiate and resolve trade disputes, which can impact shipping routes and trade flows in the region. The organization also promotes transparency in trade policies and regulations, helping to reduce uncertainty for shipping companies operating in the Red Sea. Through these efforts, the WTO contributes to the stability and reliability of maritime trade in the Red Sea region.[12]

B. Middle East

As the site of the Suez Canal, the Red Sea, and Caspian Sea, the Middle East presents distinct benefits to being used as a naval trade hub, allowing access to many different parts of the world.

C. Iran

[9] Maizland, Lindsay, and Noah Berman. "How Houthi Attacks in the Red Sea Threaten Global Shipping." *Council on Foreign Relations*, 12 January 2024, https://www.cfr.org/in-brief/how-houthi-attacks-red-sea-threaten-global-shipping. Accessed 5 May 2024

[10] WISEMAN, PAUL, and MAE ANDERSON. "Red Sea: What do Houthi attacks mean for global trade?" *AP News*, 27 January 2024, https://apnews.com/article/red-sea-houthi-attacks-shipping-inflation-124d5445bec8ce6864112e3095646308. Accessed 5 May 2024

[11] Partington, Richard. "What is the Red Sea crisis, and what does it mean for global trade?" *The Guardian*, 3 January 2024, https://www.theguardian.com/world/2024/jan/03/what-is-the-red-sea-crisis-and-what-does-it-mean-for-global-trade. Accessed 5 May 2024

[12] "What Is the WTO?" *WTO*, www.wto.org/english/thewto_e/whatis_e/whatis_e.htm. Accessed 5 May 2024.

Iran plays a significant role in supporting the Houthi rebels in Yemen. As the primary backer of the Houthis, Iran provides them with military assistance, including weapons, training, and intelligence support. This support has enabled the Houthis to sustain their operations both in Yemen and in the Red Sea. The involvement of Iran in the Houthi insurgency has also heightened tensions in the broader region, contributing to regional instability and concerns about Iran's influence.[13]

D. Somalia

Somalian individuals, especially pirates, have contributed a fair amount to the shipping crisis in the Red Sea. The country's lack of a strong central government has led to widespread piracy off its coast, particularly in the Gulf of Aden and the waters surrounding the Horn of Africa. This piracy has been a major threat to international shipping, leading to increased insurance costs and detours for ships traveling through the Red Sea. Although piracy has decreased in recent years due to international naval patrols and increased security measures on ships, it remains a concern. The instability in Somalia, coupled with its long coastline and its proximity to shipping lanes, continues to pose challenges for maritime security in the Red Sea region.[14]

E. Houthi

Due to its control over strategic areas along Yemen's coastline, including the port city of Hodeidah, the Houthi rebels have been able to repeatedly target commercial vessels passing through the Red Sea. They have consistently launched attacks on ships, including oil tankers and cargo vessels, using missiles, drones, and naval mines primarily supplied by the member state of Iran. These attacks pose a significant threat to maritime trade, disrupting shipping routes and increasing insurance costs for vessels passing through the area. The Houthi rebels' actions have heightened tensions in the region and raised concerns about the security of the Red Sea, which is one of the world's busiest maritime routes. Efforts to mitigate this threat have included international naval patrols and calls for a peaceful resolution to the conflict in Yemen.[15]

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[13] Robinson, Kali. "Iran's Support of the Houthis: What to Know." *Council on Foreign Relations*, 1 Mar. 2024, www.cfr.org/in-brief/irans-support-houthis-what-know#:~:text=Iran%20is%20the%20Houthis'%20primary,%2C%20training%2C%20and%20intelligence%20support.

[14] LaRocco, Lori Ann. "Somali Pirates Are Back on the Attack at a Level Not Seen in Years, Adding to Global Shipping Threats." *CNBC*, 7 Feb. 2024, www.cnbc.com/2024/02/06/somali-pirates-are-back-on-the-attack-at-a-level-not-seen-in-years.html.

[15] BBC. "Who Are the Houthis and Why Are They Attacking Red Sea Ships?" *BBC News*, 15 Mar. 2024, www.bbc.com/news/world-middle-east-67614911.

V. Timeline of Events

Date	Event
1869	Opening of the Suez Canal
1915	Battle of the Suez Canal
1956	Suez Crisis
2015 - present	Yemeni Civil War
November 2023 - present	Begin of escalations with Houthi rebels
January 11 2024 - present	US and UK airstrikes on the Houthis

VI. Previous & Possible Solutions

A. Legislation

Legislative measures taken by governing bodies against rebel groups like the Houthi and Somali pirates in the Red Sea primarily involve international agreements and national laws targeting piracy and insurgency. At the international level, the United Nations Security Council has passed resolutions, such as Resolution 2317, which authorizes member states to use military force against pirates off the coast of Somalia. Additionally, the International Maritime Organization (IMO) has established guidelines and conventions to enhance maritime security and combat piracy worldwide. Many countries have also enacted domestic legislation to prosecute pirates and provide legal frameworks for anti-piracy operations. For example, the United States has laws like the Maritime Security Act and the Piracy Suppression Act, granting authorities the power to prosecute pirates and detain them for trial. Similarly, countries in the Red Sea region, such as Yemen and Somalia, have implemented laws to counter insurgency and piracy, often with international support and assistance. These legislative measures are essential in providing legal mechanisms for combating rebel activities and ensuring the safety and security of maritime trade in the Red Sea.

B. Military measures

Governing bodies and states have taken various military measures against rebel groups like the Houthi and Somali pirates in the Red Sea. International naval coalitions, such as Combined Task Force 151 and the European Union Naval Force Somalia (Operation Atalanta), conduct patrols and escort missions to protect shipping lanes and deter pirate attacks. These patrols involve warships from multiple countries working together to provide security in high-risk areas. Additionally, countries in the region, such as Yemen and Somalia, receive assistance in building up their naval capabilities to combat piracy and insurgency. These measures are crucial in safeguarding maritime trade and ensuring the safety of vessels navigating the Red Sea.[16]

C. Root causes of piracy and insurgency

Addressing the root causes of piracy and insurgency is crucial in effectively combating these issues in the Red Sea region. Possible measures include:

a. Socioeconomic

One major approach centers around socioeconomic development initiatives. This involves investing in infrastructure, education, and job creation in areas vulnerable to piracy and insurgency. By providing alternative livelihoods and opportunities for local populations, initiatives like these aim to reduce the appeal of criminal activities.

b. Governance and Rule of Law

Improving governance and the rule of law is another key strategy. Weak governance, corruption, and ineffective legal systems often contribute to piracy and insurgency by creating environments where lawlessness thrives. Strengthening institutions, enhancing law enforcement capabilities, and promoting transparency can help address these underlying issues.

c. Peacebuilding and Conflict Resolution

Additionally, conflict resolution and peacebuilding efforts play a vital role. Many regions affected by piracy and insurgency, such as Somalia and Yemen, have been plagued by long-standing conflicts. Diplomatic initiatives aimed at resolving these conflicts and promoting reconciliation can help create stable environments less conducive to criminal activities.

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[16] Zheng, Zera, et al. "Charting the Course: How the Shipping Industry Is Adapting to Tensions in the Red Sea." *World Economic Forum*, 23 Feb. 2024, www.weforum.org/agenda/2024/02/red-sea-crisis-global-shipping-industry-adapting-maersk/.

d. **Maritime security expansion**

Furthermore, maritime security capacity-building is essential. This involves providing training and resources to local maritime forces and coast guards to improve their ability to patrol and secure waters effectively. International assistance and cooperation in this regard are crucial for building sustainable maritime security frameworks.

e. **Engagement with local communities**

Addressing the root causes also involves engaging with local communities and addressing their grievances. Understanding the social, economic, and political factors that drive individuals to piracy or insurgency is essential for designing targeted interventions that address these issues directly.

D. Enhanced diplomatic relations

Diplomatic engagement fosters collaboration in counter-piracy and counter-insurgency efforts. Through diplomatic channels, countries can coordinate naval patrols and share intelligence to effectively combat piracy and insurgent activities. This cooperation enhances the capabilities of regional security forces and reduces the threats posed by rebel groups such as the Houthi and Somali pirates. Furthermore, diplomatic relations contribute to conflict resolution and peacebuilding initiatives. By promoting dialogue and mediation between conflicting parties, diplomats can work towards peaceful resolutions of disputes that fuel instability in the Red Sea region. Resolving conflicts in countries like Yemen and Somalia can reduce the appeal of piracy and insurgency, leading to increased maritime security. Additionally, diplomatic efforts support economic development and regional integration. Enhanced diplomatic relations can lead to trade agreements and investment partnerships that promote economic growth and stability. Improving economic conditions in coastal communities can reduce poverty and unemployment, addressing underlying factors driving piracy and insurgency.

E. Alternate shipping routes

There are several potential alternative shipping routes to avoid the Red Sea, providing options for vessels to bypass areas affected by instability and piracy.

a. **The Cape of Good Hope Route:** Ships traveling from the Indian Ocean to the Mediterranean can sail around the southern tip of Africa instead of passing

through the Red Sea. While this route is longer and adds considerable time and fuel costs, it avoids the risks associated with the Red Sea.[17]

b. **The Northern Sea Route (NSR):** This route passes through the Arctic waters north of Russia, connecting the Pacific and Atlantic Oceans. With the melting of Arctic sea ice due to climate change, the NSR has become increasingly navigable during the summer months, offering a shorter route between Asia and Europe.[18]

c. **The Trans-Pacific Route:** For trade between Asia and Europe, some shipments may opt to travel via the Pacific Ocean, crossing the Pacific and entering the Panama Canal to reach the Atlantic Ocean. From there, vessels can sail to European ports, avoiding the Red Sea entirely. The major drawback of this route is the longer travel time and higher gas consumption. The route takes up to 24 days longer as ships need 30 days to cross the Pacific Ocean and an additional 10-20 days to cross the Atlantic.

Each of these alternative routes has its own advantages and challenges, including longer transit times, higher fuel costs, and potential environmental impacts. However, for vessels seeking to avoid the risks associated with the Red Sea, these alternative routes offer viable options for maintaining trade connections between major regions.

VII. Conclusion

The Red Sea Crisis is one of the most pressing global issues of our time, affecting not only global commerce and individual economies, but also international relations and politics. It is inevitably tied to other Middle Eastern conflicts, particularly the Israel-Hamas War and the Yemeni Civil War, causing more tension in the already turbulent region and increasing the risk of a widespread escalation of these tensions. In order to prevent even more violence and turmoil in the region and protect the global economy, the international community must act now. The crisis affects every single person on the planet to some extent, and so all Member States should cooperate to calm the situation, which can be achieved through measures like military presence, diplomatic dialogue or addressing the root causes of the problem as a whole.

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[17] Editor. "Container Ships on Cape Route: Global Maritime Hub." *Global Maritime Hub*, 25 Mar. 2021, globalmaritimehub.com/containerships-opt-for-cape-route.html.
[18] Humpert, Malte. "The Future of the Northern Sea Route - a 'Golden Waterway' or a Niche Trade Route." *The Arctic Institute - Center for Circumpolar Security Studies*, 12 Jan. 2024, www.thearcticinstitute.org/future-northern-sea-route-golden-waterway-niche/.

VIII. Questions to Consider

- How has your state and its international trade been impacted by the happenings in the Red Sea?

- What are your state's relations to the main states and groups causing the shipping crisis in the Red Sea? How can these be used to effectively navigate and negotiate the crisis?

- What has your Member State done to reduce conflict in the Red Sea? Has this been effective?

- What can your member state do to address root causes of piracy and insurgency like poverty and political instability?

- Is there precedent in the handling of other previous shipping crises that could be feasible in this case?

- What might other benefits be to reducing political hostility in the Middle East?

- How can your state facilitate diplomatic exchange and negotiation to alleviate tension in the Middle East?

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