TAL SHIAR DEFENSE INTELLIGENCE REPORT

UNCLASSIFIED//AOR Saudi Arabia, Yemen/Houthis

Escalation Dynamics and Likely Outcomes for Renewed Saudi-Houthi War

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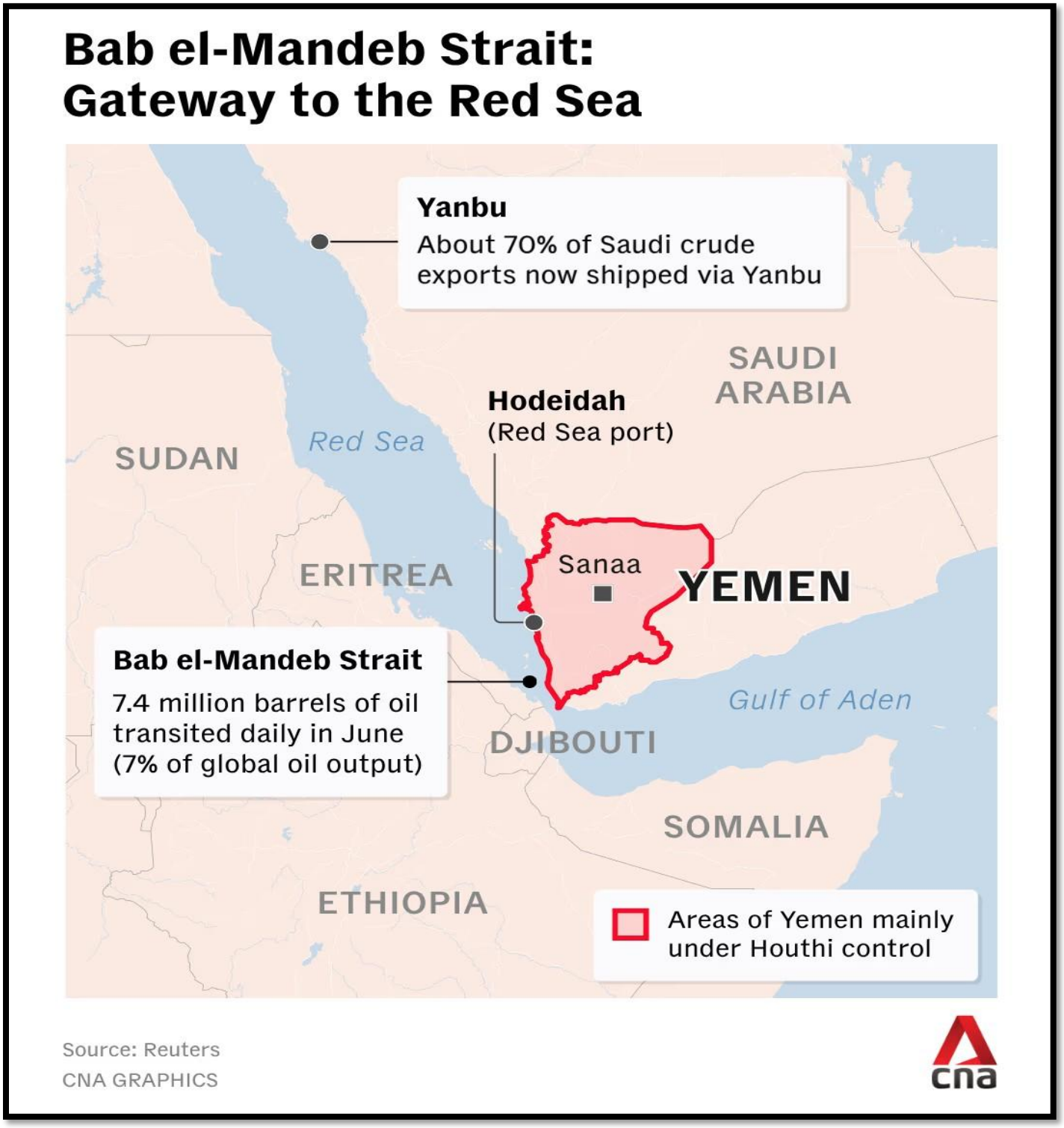
We do not assess Saudi Arabia will conduct imminent ground offensive into Houthi-held Yemen in the near term. Saudi-led coalition airstrikes on Houthi military targets in Hodeidah (24–25 July) and subsequent strikes in Marib and al-Jawf constitute the most significant kinetic exchange with the Houthis since the 2022 truce. These actions were in response to Houthi attacks on Red Sea shipping, a declared naval blockade of Saudi ports, and earlier cross-border missile/drone launches. *They are calibrated, limited-objective operations—not the opening phase of a major ground offensive aimed at reclaiming Sanaa.*



- **Trigger sequence:** Saudi strike on Sanaa International Airport (13 July) to block an Iranian aircraft carrying a Houthi delegation → Houthi retaliation against Abha Airport → Houthi naval blockade announcement and claimed attacks on Saudi-linked tankers → coalition strikes on Hodeidah-linked military sites (port area and Kamaran Island explicitly not targeted for commercial traffic) → Houthi missile/drone attacks on Aramco facilities in Jizan and Yanbu → follow-on Yemeni government and coalition strikes on Houthi launch infrastructure in Marib/al-Jawf.

- **Saudi objectives:** Degrade Houthi ability to interdict Red Sea shipping and strike critical energy infrastructure; deter Iranian air-bridge activity into Houthi territory; signal that post-2022 strategic restraint has limits. Riyadh has no appetite for a return to the multi-year, high-casualty campaign of 2015–2022. Vision 2030 priorities, Red Sea oil-export dependence (heightened by Hormuz disruptions), and simultaneous U.S.-Iran theater pressures constrain risk tolerance. President Trump previously provided political backing for limited Saudi action.

- **Houthi posture:** Estimated 200,000+ fighters plus popular committees; indigenous and residual Iranian-supplied ballistic/cruise missiles, one-way attack drones, and anti-ship systems. Demonstrated ability to strike deep into Saudi territory and disrupt commercial shipping. Leadership has framed the exchange as "escalation for escalation" and threatened further expansion of targeting. Iranian material support is constrained by ongoing U.S. strikes on Iran, but local production and stockpiles sustain near-term tempo.



Likely Outcomes of Sustained or Expanded Conflict

- **Limited air campaign continuation (most probable near-term path):** Saudi and Yemeni government strikes continue against launch sites, depots, and C2 nodes. Houthi intermittent missile/drone attacks on energy and maritime targets persist. Shipping insurance rates and oil-price volatility rise. Neither side achieves strategic breakthrough. External mediation pressure (Oman and others) increases within weeks.

- **Broader Yemeni government ground offensive with Saudi air support:** Possible along Marib or other fronts if Houthi pressure continues. Historical pattern shows high attrition, slow advances, and inability to seize or hold Sanaa without massive sustained commitment. Elevated risk of urban fighting, civilian casualties, and renewed humanitarian crisis. UAE and other partners may limit involvement.

- **Protracted multi-year war of attrition (lower probability, high impact):** Replicates 2015–2022 dynamics. Saudi air superiority yields tactical successes but fails to dismantle Houthi political-military structure. Houthis impose cumulative costs on Saudi infrastructure, Red Sea commerce, and global energy markets. Iranian leverage via the Houthis increases even as Tehran faces U.S. pressure. Sustained oil-price spikes; Saudi fiscal and Vision 2030 timelines degrade.

- **De-escalation via mutual economic pain and external pressure:** Both parties retain strong incentives to avoid full renewal of the civil war. Houthis ultimately depend on Saudi economic accommodation; Riyadh prioritizes internal development and Red Sea security over decisive military resolution. Return to informal restraint or mediated understandings remains plausible if attacks on energy and shipping can be dialed back.

Implications for U.S. Interests

Renewed Saudi-Houthi fighting opens a second active front while U.S. forces remain engaged against Iranian targets and managing Hormuz dynamics. Houthi interdiction of Red Sea routes compounds energy-market stress already generated by Hormuz disruptions. Direct U.S. involvement against the Houthis would further stretch CENTCOM resources. Saudi requests for additional defensive support (Patriot, THAAD, ISR) or offensive coordination become more likely if Houthi strikes on critical infrastructure intensify. The episode reinforces the operational linkage between Iranian proxy activity and the broader regional confrontation.



Tal Shiar was founded by Nadeem Iqbal, a national security expert who served over 16 years as an intelligence officer for the Department of Defense from 2006-2022. His career began as a counter-insurgency analyst on the Afghanistan-Pakistan Task Force (2006–2013), followed by 9 years as a military analyst in the Syria Branch (2013–2022). He deployed five times in support of combat operations (3× Afghanistan, 2× Iraq), including two rotations with Special Operations Forces focused on counter-terrorism missions in the CENTCOM theater. Additional roles included rotations to CIA Headquarters as the military analyst for the DNI Middle East Task Force and served as the Syria Country Director for Office of Secretary of Defense Policy (OSDP). He was recognized with Joint Civilian Commendation/Achievement Medals, the NATO Medal(x3), the Secretary of Defense GWOT Medal, DoD Expeditionary Award and the OSD Excellence Award.