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The Houthis Drone War in 2026: How a Non-State Actor Is Reshaping Warfare in the Red Sea

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EXECUTIVE BRIEF & KEY FINDINGS

This article examines how the Houthis' 2026 drone and missile campaign is reshaping asymmetric warfare in the Red Sea and wider Middle East. It explores the group's evolving military capabilities, dispersed supply chains and cost-exchange advantage against conventional air-defence systems. It also analyses the use of maritime disruption and energy-route threats as tools of economic coercion, alongside the Houthis' strategic autonomy and the regional response. It argues that countering this threat will require stronger international supply-chain enforcement and more cost-effective, layered counter-drone capabilities, while recognising the uncertainties surrounding several battlefield claims.

1. Introduction

Over the past three years, the Houthis (Ansar Allah) have been interpreted primarily as an Iranian proxy that had found a low-cost method to wreak havoc on global shipping. That's not the case in October 2026. The movement is currently engaged in a multiple front campaign of drone and missile attacks against Saudi Arabia, the internationally recognised government of

Yemen and, at times, Israel. It is also seeing if a non-state player can be able to threaten a key energy artery with mass-produced, low-cost systems.

This article traces how the war developed in 2026 and what the Houthi experience suggests about cost-exchange warfare, supply chains and the limits of conventional air defence. Every day brings changes and numerous claims on the battlefield, that have yet to be substantiated. I annotate this where appropriate.

2. The Gaza-to-Tehran route to 2026

Under the Gaza ceasefire of October 2025, the Houthis have stopped targeting Israel and shipping through the Red Sea, but repeatedly threatened to return to the attacks if the United States or Israel attacked Iran. The group was initially able to hold back when the US-Israeli offensive against Iran started on 28 February 2026. ACLED estimated that it limited itself to rhetorical solidarity and refrained from directly taking on military action, perhaps planning for a gradual escalation of violence.

Restraint ended on 28 March. The Houthis began a series of attacks on Israeli territory in late March and early April, with the first being two attacks on 28 March. These were symbolic, but modest military gestures, according to analysts at the Middle East Council on Global Affairs. The group also explicitly excluded shipping, the Gulf states and regional energy infrastructure, that was interpreted as a deliberate decision for strategic discipline instead of weakness.

For a brief period, the situation was held up by a ceasefire on 8 April, and a memorandum that was issued on 14 June between Iran and the US. The UN Security Council's July projection indicated the Houthis had not launched any new attacks on Israel since the memorandum, and did not engage in attacks on maritime navigation. This calm was not to last.

3. The Saudi Truce has failed

The break-off took place in July, but it started with a flight, not a missile. An Iranian Mahan Air plane a company designated to transport weapons and personnel for Iran's Quds Force touched down at Sanaa airport on 3 July without undergoing inspection, to pick up a delegation from the Houthis returning from Tehran. On 13 July, the government hit the runway at Sanaa airport. During the de-escalation period, the Houthis declared over Riyadh and attacked the Saudi territory for the first time since 2022.

On 20 July they announced a maritime embargo on Saudi Arabia. The timing mattered. Because Hormuz had been mostly closed, the Saudi tankers headed out by means of Yanbu. The EU naval mission recommended against ships affiliated with Israel, the U.S. or Saudi

Arabia entering the Red Sea and the Gulf of Aden until the risk subsides. In any case, the Houthis' own agenda has been elevated to a tool in Iran's broader campaign to choke off the global energy supply.

4. The Drone Ecosystem

The Houthis' arsenal is multi-layered and at its core are drones. The level of local production capability is highest in simple one-way attack UAVs, including the Sammad-3, which was employed on land targets and in the loitering variant on maritime targets. The airframes may have been assembled in Yemen, but several elements of its guidance, control and propulsion are too specialized to be manufactured locally and others like the Chinese DLE-170 engine are commercially available. The higher the level of the systems, the more Iranian supplied components in the systems, such as Shahed-131, Shahed-136 and the long-range Yafa.

This suggests the model of local assembly, imported parts and Iranian technical assistance. More than 800 components and 750 tonnes of munitions were found as coded “DIY kits” to be assembled in Yemen, according to a report on interdicted weapons that was released in May 2026. About 5% of the components were identified as coming from Iran and the remainder from 16 other jurisdictions. That's because of the diffuse source, which can make interdiction more difficult than if there was one true supplier.

Interdiction continues. Government loyalists claimed they had hit an explosive-laden drone boat while preparing it for attack on Red Sea shipping and intercepted a dhow laden with drone parts. The Houthis have aerial, naval and uncrewed systems at their disposal.

5. Cost-Exchange Warfare

Economics is the core strategy behind the Houthis' drone offensive. The Shahed-class drones are thought to cost $20,000 to $50,000, while the interceptors employed by the Gulf states and Israel are estimated to cost $3 million to $12 million. This ratio, according to a think-tank assessment of the larger 2026 war, is one of the structural issues that jeopardizes the sustainability of the US's stockpiles of interceptor missiles.

The Houthis do the same thing, albeit on a smaller scale. One August barrage on the port of al-Makha was made up of drones and ballistic missiles, with the government claiming 11 drones were shot down by its air defence system. If the attacker shoots down a small drone that costs them very little, then it's a minor setback for their side. But if the attacker expends a much more costly interceptor, then it works in their favour. The fact that the Houthis are not obliged to strike all of the targets means they do not have to invest a lot in the defenders, just

occasionally in the attackers. Low-flying, slow drones also take advantage of radar and interceptor designs that were developed to counter the ballistic threat.

As the cost problem has emerged, defenders have taken to cheaper responses. Gun based systems, directed energy weapons and interceptor drones that cost about 5000 are referred to, with a lot of experience that Ukraine has gained against Shahed swarms. That experience has turned Ukraine into a supplier of drone-defence skills, a demand which is growing among the Gulf states and the USA.

6. The Economic Front: Blockade and Oil

The Houthis' most impactful drone/missile operation is the blockade. Kpler and AXSMarine data indicates that crude loadings at Yanbu dropped by at least 30 per cent in a matter of days since the declaration on 20 July. However, Vortexa forecast broadly flat exports, with an increase in ‘dark' tanker loadings. The disagreement is a reminder of how difficult it is to measure the real effect if the transponders are turned off.

Then attacks on shipping came. The Houthis on 24 August alleged a missile attack on a tanker belonging to Saudi national shipping company Bahri, which confirmed it was attacked but with all crew safe. The escalation was picked up by oil markets. On 24 September, Brent closed at $106.60 per barrel, more than 3 per cent higher than the previous day.

Europe has now started to intervene. France pledged to place troops, radar and air-defence batteries around the Yanbu complex, while the British deployed an RAF aircraft refueling tanker to support Saudi interceptor jets to intercept Houthis, the reports said, as Britain became the first country to provide significant foreign military assistance to Saudi Arabia specifically to target attacks by the Houthis. Saudi Arabia has also expanded defence cooperation with Turkey and Pakistan under the auspices of the Mecca Joint Defence Agreement signed in August. A non-state actor has dragged a number of states into a fight over one oil terminal.

7. Current Situation: October 2026

The fighting is at a new and more perilous phase since the 2022 truce ended. The Houthis claimed to have struck a site of Aramco in Riyadh with ballistic missiles and drones on 3 October, and announced the attack by spokesman Yahya Saree. An AFP journalist reported flames and smoke rising from an Aramco facility south of the capital. The Saudi-led coalition dubbed the Houthi account "misleading," and Aramco has not disclosed the cause of the fire, so the actual cause has not been verified. Riyadh's response to reports about Yanbu in late

September were also unconfirmed.

The battle escalates on both the ground and in the air as well. The coalition said it had conducted 97 targeting missions in the Taiz axis and Tor al-Baha front against Houthis' reinforcements, while dozens of Saudi strikes struck Sanaa, according to the Houthis' media. Presidential Leadership Council (PLC) Chairman Rashad al-Alimi declared on 4 October a major military operation to retake all Houthi-held territory. Meanwhile, security sources on the same day informed AFP that the Houthis had severed the Taiz-Aden supply route.

Diplomacy remains thin. A committee to discuss the Mecca Defence Pact was to meet in Riyadh on 5 October, while Pakistan's foreign minister said Iran had suggested political engagement with the Houthis. Casualty and damage estimates from both sides have been largely unconfirmed.

8. Does the situation actually change?

First, the Houthis are not just following orders, but showing agency. It shows them being careful about their march, and planning their escalation in a manner that appears to be more about managing risk for their own sake than just following Tehran's orders, and their selection of the Saudi front in July. Iran's interests are clearly at stake and the blockade is in line with Iran's energy strategy. Despite all of that, the Middle East Council on Global Affairs and Stimson's framework of conditional restraint suggests that the Houthis are operating with autonomy and this seems in line with analysts who emphasize that the Houthis have survived several Western naval operations.

Second, it's the strategic centre of gravity, it's the supply chain. A single state's ban on a component will not stop the threat as it is commercial and will be sourced from a wide range of jurisdictions. The cooperation of customs enforcement and maritime interdiction and export control in numerous countries is the essential basis of counter-proliferation.

Thirdly, the force structure is adjusted by changing costs. Legacy interceptors are unable to defend an oil terminal against swarms of low-cost drones at a financially viable cost. The French and British deployments indicate that defenders are likely to increasingly turn to layered, less-expensive capabilities, as well as to partners that have relevant operational experience in countering drones.

Fourth, drones are being coupled with economic coercion. The Houthis use drones, ballistic missiles and uncrewed boats alongside a declared blockade as a way to make kinetic power a market-moving move. Its goal is not to destroy ships, but to increase insurance premiums,

redirect tankers and maintain risk premiums.

9. Limits and Uncertainties

Several caveats apply. There are numerous strike claims that cannot be independently confirmed on either side, and the Saudi coalition refutes some of the Houthis' claims. Data on Yanbu is disputed. Houthi forces' ability to hit hardened, well-defended targets is also still restricted and Saudi and allied air defences have downed numerous projectiles. The government's declared offensive is facing tough terrain and even government officials concede that it will take them a sustained battle on various fronts, and increased support than they have at their disposal to take Sanaa. Further escalation would also open the door to more severe counter-measures against the Houthis' control of energy facilities and ports, further exacerbating the humanitarian situation in which huge numbers of people are already displaced.

Conclusion

The 2026 Houthis' drone campaign exemplifies the potential for a non-state actor to use low-cost systems, long and widely dispersed supply chains, and carefully selected targets to project power. What the group has accomplished most is that it has made it so costly for states to defend one export route that they have had to commit precious interceptors, naval forces and diplomacy to the effort. The movement's ability to hold up will depend on the success of the government offensive, the wider course of the Iran war and the effectiveness of lower cost counter-drone measures. The Red Sea is no longer a mere shipping route vulnerable to disruption; it's now a laboratory for the future of asymmetric warfare.

The views expressed are those of the authors and do not represent the views of CNAWS.

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