

The Illusion of American Protection:

Gulf States' Leverage, War, and the Case for Collective Security

Geopolitics
Strategy Unit
April 2026

Mohammad Yaghi



There is a clear contradiction between the importance of the Arab Gulf states to the United States and the global economy, on the one hand, and Washington's disregard for the interests of these states, on the other.

The Arab Gulf states made every possible effort to [prevent](#) the United States from attacking Iran, knowing in advance that they would be among the biggest losers from such a war. Rather than listening to the Gulf states, Washington appears to have prioritised Israel's interests. In the early days of the conflict, Secretary of State Marco Rubio justified the U.S. attack by [saying](#) that Washington knew Israel was preparing to strike Iran and that such a strike would trigger attacks on U.S. forces, making a pre-emptive U.S. strike necessary. This interpretation was also reinforced by Kamala Harris, who [stated](#) at a Michigan Democratic Women's Caucus event in Detroit on April 18, 2026, that Trump "entered a war — got pulled into it by Bibi Netanyahu. Let's be clear about that — entered a war that the American people do not want."

This logic effectively subordinated Gulf stability and prosperity to Israel's security calculations, disregarding the interests of Gulf states for whom regional peace is essential to their [economic transformation programmes](#). These programmes depend on attracting investment and expanding non-oil sectors—including tourism, logistics, technology, research, and knowledge-based development—as part of a broader effort to reduce dependence on oil and gas.

This was not the first time the United States ignored Gulf concerns. In 2003, Washington proceeded with the invasion and occupation of Iraq [despite Gulf Arab fears](#) that toppling Saddam Hussein would destabilise the region and empower Iran. It also ignored the [Arab Peace Initiative](#) of 2002, a Saudi-sponsored Arab League proposal that offered comprehensive Arab recognition of Israel in exchange for full withdrawal from the land occupied in 1967, and continued its support for Israel in its wars against the Palestinians, the Lebanese, and Syrians.

What must not be overlooked is that the Israeli–American war on Iran is an extension of Israel's war on Gaza since 7 October 2023. It also falls within a broader American project aimed at empowering Israel over its regional enemies under the slogan of "peace through strength." In practice, this amounts to "peace through subjugation": the defeat and destruction of Israel's enemies, leading ultimately to Israeli hegemony over the Middle East.

This article argues that the Gulf states possess significant leverage over the United States, yet have not used it effectively to protect their own interests. It also calls for a new security paradigm in the Gulf: one not based on American protection, but on collective regional security. The war on Iran has exposed the limits of U.S. protection, underscored the centrality of resolving conflicts involving Israel to regional stability, and demonstrated the urgent need to move toward a collective Gulf security framework.

The Cost of War for the Gulf States

The consequences of the ongoing U.S.–Israeli war on Iran for the Arab Gulf states go far beyond the direct security damage caused by Iranian strikes and the disruption of energy exports: oil and gas [losses alone](#) are already likely to exceed \$100 billion due to the sharp reduction in Gulf exports through the Strait of Hormuz, with further long-term damage stemming from attacks on energy infrastructure, including Qatar's reported [loss](#) of roughly one-sixth of its LNG export capacity, valued at about \$20 billion annually.

The war has also struck at the core of the Gulf's economic transformation model. Gulf states depend on regional stability to attract capital, expand tourism, aviation, logistics, technology, and services, and reduce their dependence on oil and gas. Yet the war has damaged this investment climate in measurable ways. Maritime war-risk insurance and freight costs through the Strait of Hormuz have risen sharply, with some [estimates](#) placing the added war-risk premium at \$5–15 per barrel of oil.

Even if the war ends, these economic effects are likely to persist. Maritime insurers have already suspended or repriced war-risk coverage for vessels travelling through the Strait of Hormuz and the wider Persian Gulf, while [Lloyd's Joint War Committee](#) has expanded its high-risk designation for the region. Reports of mine-laying, attacks on vessels, and uncertainty over safe passage mean that insurance and shipping costs are likely to remain elevated well beyond any formal ceasefire.

Gulf financial markets have also [reflected](#) this loss of confidence: Dubai and Abu Dhabi reportedly lost about \$120 billion in market capitalisation by late March, while Qatar and Bahrain's exchanges fell by roughly 4% and 7%, respectively. Aviation and tourism have also been hit, with industry officials warning that jet-fuel shortages and elevated costs could persist for months even after the Strait reopens. These figures suggest that the war is not only disrupting exports, but also raising risk premiums, delaying investment, and weakening the Gulf's image as a secure hub for global business.

The losses are not limited to crude oil, LNG, and investments. Gulf economies also export strategic industrial products, including aluminium, fertilisers, petrochemicals, and helium, which are deeply embedded in global supply chains. The region [produces](#) roughly 8–9% of global aluminium output, Gulf countries account for about 36% of [global urea](#) exports, and Qatar alone [supplies](#) roughly 25–33% of the world's helium. Any closure or disruption of routes through the Strait of Hormuz would therefore affect not only energy flows, but also the movement of alumina and other inputs needed by Gulf smelters, fertiliser exports critical to global food production, and helium supplies essential for semiconductors, medical imaging, aerospace, and advanced technologies. Based on the value of GCC agri-nutrient exports, aluminium output, and Qatar's helium share, direct losses in these sectors could plausibly reach several billion dollars, in addition to the much larger losses in oil and gas exports.

Gulf states have also had to redirect financial resources toward emergency defence spending, infrastructure protection, and budget support. While no reliable aggregate figure is yet available, [analysts](#) expect GCC military spending to rise as governments reassess their security assumptions after the war exposed the vulnerability of energy infrastructure, ports, airspace, and other strategic assets. This creates an opportunity cost: resources that could have supported long-term diversification projects are instead being absorbed by immediate security and fiscal-stabilisation needs. In this sense, the war does not only impose immediate financial losses; it slows the Gulf's broader transition toward post-oil economies.

These enormous losses raise two urgent questions for the Gulf states: Why were they unable to prevent the war? And what must they do to ensure they do not again fall victim to U.S.–Israeli adventurism in the region?

To answer these questions, the next section turns to the sources of leverage the Gulf states possess—tools that could directly influence the United States if they chose to use them.

The Gulf's Unused Leverage over Washington

Despite the declining U.S. dependence on Gulf oil since the early 2000s, the region remains central to Washington. The Gulf states are central to global energy markets, [producing](#) more than one-fifth of world oil supply and holding around one-fifth of global natural gas reserves. [ESCWA](#) gives the GCC share as 33% of global crude oil reserves and 21% of natural gas reserves.

Further, the Gulf states have emerged as a new political centre of gravity in the Arab world following the regional decline of Egypt, Iraq, and Syria. The weakening or collapse of several traditional Arab power centres after 2003 and 2011 created space for the GCC states to [exercise unprecedented influence](#) over regional politics, diplomacy, finance, and security.

The United States' [military infrastructure](#) in the region underscores this importance. The U.S. Fifth Fleet in Bahrain, Al Udeid Air Base in Qatar, and Camp Arifjan in Kuwait form key pillars of Washington's Gulf presence: the first supports maritime security and the protection of shipping lanes; the second serves as the forward headquarters of U.S. Central Command and a command-and-control hub for regional air operations; and the third functions as a major logistical node for U.S. forces. Together with other bases and military sites across the Gulf and Iraq, this network gives Washington extensive capacity to project power, manage deployments, and monitor regional security dynamics.

Beyond military considerations, the Gulf states possess substantial financial weight in the United States through both their outward investments and the broader system of “petrodollar recycling.” [The New York Federal Reserve](#) defines this process as oil exporters using windfall oil revenues to buy foreign goods and invest in foreign assets, noting that much of these invested funds ends up “directly or indirectly” in the United States. This influence extends beyond the U.S. economy to the global financial system, particularly in the context of strategic competition with China. The issue is therefore not simply that Gulf oil and gas are priced in dollars, but that the revenues generated are largely recycled into U.S. financial markets through Treasury securities, bank deposits, and investments in companies and real estate.

These financial flows contribute to sustaining the global dominance of the dollar, providing liquidity to the U.S. economy, lowering borrowing costs for the U.S. Treasury, and helping to manage inflation. In 2025, Kuwait, Saudi Arabia, and the United Arab Emirates alone [held](#) a combined total of approximately \$1.19 trillion in U.S. securities. Additional direct investments by Gulf states support tens of thousands of American jobs: [UAE foreign direct investment](#) alone supported more than 33,000 U.S. jobs in 2023, while Saudi Arabia's [Public Investment Fund estimates](#) that its U.S. investments have supported over 172,000 jobs. Large-scale pledges, including [the UAE's \\$1.4 trillion](#) ten-year U.S. investment framework in AI infrastructure, semiconductors, energy, quantum computing, biotechnology, and manufacturing, further deepen this interdependence.

Together, the Gulf states possess three principal sources of leverage: access to military bases and facilities, vast financial assets within the United States, and Washington's reliance on them in the context of global competition with China. If used effectively, these tools could shape U.S. foreign policy in the Middle East.

On the military level, Gulf states could threaten to restrict access to bases, limit overflight permissions, reduce intelligence cooperation and logistical support, or even signal an end to the U.S. military presence on their territory. On the financial level, they could redirect part of their assets and investments away from the United States, potentially exerting pressure on interest rates, employment, and consumer prices. On the geopolitical level, signalling a turn eastward toward China or coordinating more closely with Russia in managing global energy markets would weaken U.S. global influence. A shift toward pricing oil and gas in non-dollar currencies could further undermine Washington's ability to use economic sanctions as a strategic tool.

The current international context makes the use of such leverage more plausible. The United States and Israel are increasingly isolated because the war was launched outside a clear framework of international law and without meaningful coordination with key U.S. allies. As a result, the Trump administration has struggled to mobilise international support. This was evident when [Trump called](#) on several countries, including China, France, Japan, South Korea, and the United Kingdom, to help secure or reopen the Strait of Hormuz, but received no firm commitments.

There is little doubt that the use of such leverage would invite counter-pressure from Washington, including potential security and economic repercussions, and that Gulf states themselves may differ on whether to pursue such a course. Yet this is neither unusual nor prohibitive. The Gulf states are not seeking confrontation with the United States, but rather the protection of their own interests. In this context, they can mitigate American pressure by diversifying their international partnerships, including with China, Europe, Canada, Russia, Japan, Turkey, and Pakistan.

In conclusion, the Gulf states possess sufficient leverage to raise the cost of Washington's disregard for their interests and to compel greater respect for their priorities. Their failure to prevent the war on Iran does not stem from a lack of power, but from their failure to mobilise that power in support of a coherent and collective diplomatic strategy aimed at preventing war.

This raises the second question: if American protection cannot be relied upon, what security framework should the Gulf states pursue to ensure they do not once again become victims of U.S.–Israeli policies in the region?

From External Protection to Regional Collective Security

The war has revealed several critical realities. As Iranian missile and drone strikes targeted American installations across the region, several bases were rendered effectively unusable, prompting the United States to [quietly evacuate personnel](#) from some facilities and repatriate hundreds of service-members from countries such as Bahrain and Kuwait. In many cases, remaining personnel were forced to operate from temporary locations such as [hotels and office spaces](#) rather than fortified bases. This dynamic underscored a fundamental paradox: installations originally intended to provide security for Gulf states had themselves become liabilities requiring protection.

The second reality is that regional conflicts are deeply interconnected. The war on Iran cannot be separated from the Israeli military actions across the Middle East since October 7, 2023, including Israel's [repeated](#) operations against Iran and the direct war of June 2025. This interconnection was also visible in the participation of Hezbollah in Lebanon, the Popular Mobilisation Forces in Iraq, and the Houthis in Yemen in support of Iran in the current war. It was equally clear in the scale of Iranian attacks on the UAE, which appeared to reflect Abu Dhabi's [close alignment with Israel](#). According to [FDD's Long War Journal](#), the UAE faced the largest share of Iranian strikes among Gulf states, with 2,256 drones and 563 missiles, for a total of 2,819 incoming systems. By comparison, Kuwait received 1,221, Saudi Arabia 1,020, Bahrain 709, and Qatar 338. In other words, the UAE received more than twice as many strikes as Kuwait or Saudi Arabia, nearly four times as many as Bahrain, and more than eight times as many as Qatar. As a result, closer alignment with Israel does not enhance Gulf security; to the contrary, it seems that it increases exposure to regional conflict. The failure to recognise the interconnectedness of regional conflicts, and Israel's central role within this network of conflicts, will not bring peace and stability to the Gulf region.

The third reality is that this war has never been only about Iran's nuclear programme. Iran's nuclear programme was under [tight supervision](#) by the International Atomic Energy Agency under the [JCPOA](#) until President Trump withdrew from the agreement in 2018, a decision that Jeffrey Sachs [links to Israeli pressure](#) and Netanyahu's long campaign against the deal. The war began as an [unlawful campaign](#) aimed at decapitating Iran's leadership to change the regime. After failing to achieve that primary objective, it proceeded to target Iran's infrastructure, [including](#) "schools, universities, hospitals, bridges, water desalination plants, police stations, oil refineries, and more," with the intention of weakening the Iranian state by keeping it occupied with survival and reconstruction. But crucially: a failed Iranian state would not remain contained inside Iran. It has the potential to spill over across the entire Gulf region.

The fourth reality concerns Iran's deterrence doctrine. The war underscored the centrality of both Iran's missile programme and its regional alliances to its defence doctrine. Iran's missile capabilities have proven indispensable to its deterrence strategy, enabling it to confront both the United States and Israel while maintaining control over the Strait of Hormuz. As such, these capabilities are unlikely to be relinquished absent total military defeat—an outcome that remains improbable. At the same time, Iran's network of regional allies has demonstrated clear strategic value: actors such as Hezbollah, the Popular Mobilisation Forces, and the Houthis have contributed to constraining U.S. and Israeli military options, thereby reinforcing Tehran's broader regional posture.

Taken together, these capabilities have produced a situation in which military escalation is no longer a viable path to decisive advantage. The United States and Iran have reached a state of strategic deadlock, in which neither side can improve its position through escalation alone: the destruction of Iran's energy infrastructure, for example, would likely prompt Tehran to target energy facilities in the Gulf, producing catastrophic consequences for Gulf economies, the global energy market, and the United States itself through unprecedented price increases. Similarly, attempts to blockade Iran for a long period would likely be met by continued Iranian disruption of the Strait of Hormuz, and possibly the extension of confrontation to Bab al-Mandab. These dynamics create a balance of deterrence that limits Washington's ability to impose its terms militarily and makes a political settlement increasingly inevitable.

The final and most important reality is geographical. Geography matters, and it matters greatly. It shapes the conditions for cooperation, limits strategic choices, and often pushes states into alliances either within the region or beyond it. For this reason, the security and prosperity of the Gulf states are inherently linked to those of Iran. This interdependence is clearly demonstrated by the current war. Once Iran faced an existential threat, it moved decisively to target American interests in the region and exerted control over the Strait of Hormuz, with immediate consequences for the security and economies of the Gulf states—an action that U.S. officials, including Secretary of State Marco Rubio, have [described](#) as tantamount to deploying an “economic nuclear weapon.”

In sum, these realities point to the need for a fundamental shift in Gulf security thinking. Geography alone dictates that Gulf security is inseparable from that of Iran and Iraq. This interdependence calls for a regional collective security framework based on mutual recognition that the security of each state is part of the security of all. Such an approach would require initiating sustained dialogue with Iran to establish a shared charter governing regional security, potentially leading to the creation of a formal institution responsible for collective decision-making.

For this framework to succeed, several conditions must be met. First, there must be agreement on the primary sources of threat. Second, security must be based on equality, ensuring that no state enhances its security at the expense of others. Third, states must accept that certain security matters, such as the security of the Strait of Hormuz, will be managed collectively rather than unilaterally.

However, this vision faces significant obstacles. Divisions among the Arab Gulf states—visible both in their different positions on the war on Iran and in earlier political alignments such as the Abraham Accords, as well as in the conflicts that devastated Yemen, Sudan, Libya, and Somalia—complicate the emergence of a unified Gulf position on collective security. In addition, the entrenched presence of U.S. military bases in the Gulf presents a structural challenge to any move toward independent regional security arrangements.

Despite these challenges, the war has made one point unmistakably clear: reliance on external protection is no longer sufficient — and may even prove to be a liability — for the Arab Gulf states. A shift toward a collective, regionally grounded security framework is not merely an option; it is a necessity.

Conclusion

Ultimately, the U.S.–Israeli war on Iran reveals that the Arab Gulf states can no longer treat their security as something that can be delegated to the United States or tied to Israel’s regional calculations. The war has shown that U.S. military bases, massive Gulf investments in the United States, and the Gulf’s role in global energy markets do not automatically translate into effective political influence when these tools are not used in the service of collective and independent Gulf diplomacy.

The most important lesson of this war, therefore, is that Gulf security cannot be achieved through deeper dependence on U.S. policy or closer alignment with Israel. Rather, it requires a new regional approach that recognises that the security of the Gulf states, Iran, and Iraq is interconnected by geography, economics, energy, and maritime routes. The Gulf states cannot prosper while the region is repeatedly pushed into war, and Iran cannot strengthen its own security by threatening its neighbours or using its allies in ways that destabilise them.

From this perspective, collective security in the Gulf becomes a strategic necessity, not an idealistic option. It requires a new regional charter that identifies sources of threat, establishes permanent channels of dialogue, and sets clear rules for non-aggression, respect for sovereignty, protection of maritime routes, and the prohibition of using the territory of any state to wage war against another. It also requires the Gulf states to unify their position and use their military, financial, and geopolitical leverage to pressure for an end to the war, rather than financing its consequences or merely adapting to them.

The future of the Gulf will not be determined only by the outcome of the war on Iran, but by the ability of Gulf states to learn from it. Either they remain an arena in which U.S.–Israeli conflicts are managed, or they become a collective actor capable of imposing their own security priorities and interests. Only the second path can protect stability, ensure the continuation of economic transformation projects, and prevent the recurrence of wars for which the Gulf pays with its security, wealth, and future.

Note:

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Mohammad Yaghi

Mohammad Yaghi is a political scientist specialising in Middle East politics, with a particular focus on Palestinian politics, the Gulf states, and political mobilisation. He holds a PhD in Political Science from the University of Guelph and has taught at the University of Guelph, Queen's University, and Naif Arab University for Security Sciences in Riyadh. He currently teaches Palestinian Politics and Comparative Urbanism

in the MENA region at the University of Toronto. His work combines theoretical analysis with regionally grounded research informed by sustained engagement with Palestine and the Gulf. His recent publications include co-editing the special issue *Foreign Aid of Gulf States: Continuity and Change* (*Third World Quarterly*, 2024).



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-  Abaad Studies & Research Center
-  مركز أبعاد للدراسات والبحوث

abaadstudies@gmail.com

info@abaadstudies.org

www.abaadstudies.org

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