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THE IRAN WAR AND THE WIDER HORN OF AFRICA: GULF RIVALRIES, REGIONAL REALIGNMENTS, AND ECONOMIC SPILLOVERS

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EXECUTIVE SUMMARY

The US-led escalation against Iran from February 2026 has sparked debates about its already prevalent and potential impact on the wider Horn of Africa. This briefing argues that its consequences largely work in indirect ways. Apart from pursuing tactical links with the Sudanese Armed Forces (SAF), Iran is not a major actor in the region itself. Its influence is mainly asserted through the Gulf and the Red Sea: shifting security calculations, rising maritime risk, and the economic consequences of higher fuel, transport, and food costs. The crisis confirms that the wider Horn and the Gulf form one geopolitical arena. Developments in one now translate rapidly into effects in the other.

The strongest political effect is visible in three interconnected arenas. In Sudan, the Iran war adds another layer to an already internationalised conflict. It sharpens Gulf threat perceptions, complicates Saudi Arabia's positioning towards SAF, and increases the tension between mediation efforts and military support on the ground. In Somalia, the impact is less direct but still significant. Competition around ports, federal power, Somaliland's quest for recognition of its independence, and external alignments gains new weight in a more militarised Red Sea environment. In Ethiopia, the crisis reinforces the centrality of maritime access and regional power projection. In particular, Ethiopia's push towards the Red Sea now unfolds in a tighter and more conflict-prone strategic setting.

The wider regional effect can be understood as undergoing a compression of strategic competition. Gulf actors have stronger incentives to coordinate around security, especially in the maritime realm. Yet, they continue to back different local actors and pursue different regional projects. The Iran war, therefore, does not level existing competition, it only changes the ways actors exercise this competition under the condition of narrowing room for manoeuvre.

The economic and social consequences are likely to be felt across the region as a whole, including in countries not directly involved in Gulf competition. Rising fuel prices, fertiliser shortages, disrupted shipping, higher insurance costs, and delays along trade routes increase pressure on fragile economies. Kenya and Uganda are especially exposed through their dependence on or reliance on revenue from logistics. In the whole wider Horn of Africa, while not reordering the region, the Iran war makes the existing conflicts, dependencies, and external entanglements more consequential.

ZUSAMMENFASSUNG

Die von den USA angeführte Eskalation gegen den Iran seit Februar 2026 hat Debatten über ihre bereits bestehenden und möglichen Auswirkungen auf das Wider Horn von Afrika ausgelöst. Dieses Briefing argumentiert, dass sich die Folgen größtenteils indirekt entfalten. Abgesehen von taktischen Verbindungen zu den sudanesischen Streitkräften (SAF) ist der Iran selbst kein bedeutender Akteur in der Region. Sein Einfluss wird vor allem über den Golf und das Rote Meer ausgeübt: durch veränderte sicherheitspolitische Kalkulationen, steigende Risiken im Seeverkehr sowie die wirtschaftlichen Folgen höherer Kosten für Treibstoff, Transport und Lebensmittel. Die Krise bestätigt, dass das weitere Horn und der Golf einen gemeinsamen geopolitischen Raum bilden. Entwicklungen in der einen Region wirken sich inzwischen schnell auf die andere aus.

Der stärkste politische Effekt zeigt sich in drei miteinander verbundenen Arenen. Im Sudan fügt der Iran-Krieg einem bereits internationalisierten Konflikt eine weitere Ebene hinzu. Er verschärft die Bedrohungswahrnehmungen der Golfstaaten, erschwert die Positionierung Saudi-Arabiens gegenüber den SAF und erhöht die Spannungen zwischen Vermittlungsbemühungen und militärischer Unterstützung vor Ort. In Somalia ist der Einfluss weniger direkt, aber dennoch erheblich. Der Wettbewerb um Häfen, föderale Machtstrukturen, das Streben Somalilands nach internationaler Anerkennung seiner Unabhängigkeit sowie externe Bündnisse gewinnen in einem stärker militarisierten Umfeld am Roten Meer zusätzlich an Bedeutung. In Äthiopien unterstreicht die Krise die zentrale Rolle des Zugangs zum Meer und der regionalen Machtprojektion. Insbesondere entfaltet sich Äthiopiens Vorstoß Richtung Rotes Meer nun in einem engeren und konfliktreicheren strategischen Umfeld.

Die breitere regionale Wirkung lässt sich als eine Verdichtung strategischer Konkurrenz verstehen. Akteure am Golf haben stärkere Anreize, sich in Sicherheitsfragen – insbesondere im maritimen Bereich – zu koordinieren. Gleichzeitig unterstützen sie weiterhin unterschiedliche lokale Akteure und verfolgen unterschiedliche regionale Projekte. Der Iran-Krieg nivelliert bestehende Konkurrenz daher nicht, sondern verändert lediglich die Art und Weise, wie diese Konkurrenz unter Bedingungen eines enger werdenden Handlungsspielraums ausgetragen wird.

Die wirtschaftlichen und sozialen Folgen werden voraussichtlich in der gesamten Region spürbar sein, auch in Ländern, die nicht direkt in die Konkurrenz am Golf eingebunden sind. Steigende Treibstoffpreise, Engpässe bei Düngemitteln, gestörter Schiffsverkehr, höhere Versicherungskosten und Verzögerungen entlang von Handelsrouten erhöhen den Druck auf fragile Volkswirtschaften. Kenia und Uganda sind aufgrund ihrer Abhängigkeit von Logistik beziehungsweise von Einnahmen aus dem Logistiksektor besonders betroffen. Im gesamten weiteren Horn von Afrika führt der Iran-Krieg zwar nicht zu einer grundlegenden Neuordnung der Region, macht jedoch bestehende Konflikte, Abhängigkeiten und externe Verflechtungen folgenreicher.

INTRODUCTION

The war between the USA and Israel and the Iran, including Iran's retaliatory strikes against the Gulf, have already had significant impact on the situation in the wider Horn of Africa. The crisis again reveals that the region – the "immediate Horn" of Somalia, Djibouti, Ethiopia, and Eritrea, extending to Sudan, South Sudan, Kenya, Uganda, parts of eastern DRC, and down to Tanzania – is part of a single geopolitical arena with the Gulf (De Waal, 2017). Political alignments and conflict settings are tightly interlinked on both sides of the Red Sea. The US-Israeli strikes on Iran, and even more the Iranian attacks on Gulf targets, therefore, carry implications well beyond the Middle East.

Despite aiming for subtle presence, Iran itself is not a central actor in Sub-Saharan Africa (Lefebvre, 2019). Iran's most obvious alliance is with the Sudanese Armed Forces (SAF), which has facilitated SAF's access to drones. The impact of the war is thus largely indirect, but nonetheless substantial. It operates through shifting threat perceptions among Gulf actors, for whom security calculations dominate; through heightened risks to maritime security, especially if attacks of the Yemeni Houthis on commercial shipping resume; and through effects on logistics, investment, and food security as fuel and transport costs rise.

This briefing paper covers a situation very much in flux. Patterns are nonetheless emerging, even if outcomes remain unsettled. In the wider Horn, Sudan and Somalia are the main arenas of competition among Gulf states and other external actors (Ding, 2024). Ethiopia acts as a structural anchor. Its quest for regional primacy and maritime access, which has direct implications for Eritrea and for the security of the Red Sea corridor, further impacts countries such as Kenya and Tanzania (le Gouriellec, 2018).

Gulf engagement reflects different modes of sovereignty projection (Peterson, 2011). The United Arab Emirates (UAE) stand out with a networked, extraterritorial approach that combines ports, finance, security partnerships, and political brokerage. Its understanding of sovereignty is functional and asset-based. Oman, in contrast, looks back at a long historical continuity as a political entity. Others, in turn, despite comparable deep historical roots, are more directly shaped by modern state formation processes.

Iran, by comparison, draws on a long-standing territorial state tradition more akin to Ethiopia than to the Gulf monarchies (with the exception of the outlier case of Oman). This contrast helps explain both the reach of Gulf engagement and its limits. The current escalation heightens the salience of security across the arena, but it does not reorder these underlying logics. If anything, it exposes them more clearly.

The argument advanced in this briefing is that the Iran war produces a limited yet still prevalent strategic convergence among Gulf actors around joint security interests, but this will not be sufficient to overcome divergent and sometimes competing interests in a number of conflict settings. The result is an ever more fragile regional order with all influential actors under strategic pressure. While this generates a strong immediate impact, the longer-term effect is likely to be more contained. Established patterns of

engagement reassert themselves once the acute phase of the crisis passes.

GULF STATES IN THE WIDER HORN: SHARED ECONOMIC AND SECURITY INTERESTS

To understand how the shifts in Gulf strategies related to the Iran war translate into concrete political outcomes in conflict arenas such as Sudan, Somalia, and beyond, it is necessary to look more closely at how Gulf states operate in the region. They appear as embedded actors, manifesting their presence through ports, financial flows, political ties, and security arrangements. Engagement is driven by a tight fusion of security imperatives and economic strategies, which blurs conventional distinctions between commercial activity, mediation and diplomacy, and considerations of hard security. These peculiar security-economy interests are, at times, competing substantially.

The UAE are the clearest expression of this model and, in operational terms, its central actor. Control over logistics nodes along the Red Sea and Indian Ocean is regularly combined with investments in supply chains and agricultural production, which in turn are linked to strategic interests such as sustainable food security and a wide range of security partnerships with both state and non-state actors. Emirati firms such as Al Dahra Agricultural Company have built transnational supply chains in agricultural commodities, linking production in countries including Sudan to Gulf food security needs (African Center for Strategic Studies, 2025). These elements are meant to reinforce each other. They allow the UAE to position itself across multiple layers of regional politics at once. A high degree of flexibility, backed by virtually unlimited financial means, is the consequence. This integrated approach explains both the reach and the durability of Emirati influence in the wider Horn.

Saudi Arabia operates from a different starting point. Its engagement unfolds in a more state-centric way and is geared towards stabilisation at the level of recognised governments and regional order. Its priorities centre on Red Sea security, diplomatic leadership – most visibly in the Sudan negotiations and in the attempts to forge a strategic relationship with the US – and the maintenance of regime stability in a volatile neighbourhood (Rieger, 2016). Economically, this is reflected in a focus on food security and agricultural investment, including land-based production and associated supply chains in countries such as Sudan[1] and Ethiopia, rather than the logistics and port infrastructure that characterise UAE engagement.

Compared to the UAE, Saudi involvement is less granular and less embedded in local political economies. It is more cautious in its operational reach but carries weight through its financial capacity and its role as a diplomatic anchor. The latter is backed by attempts to establish itself as a conflict mediation hub, competing with Qatar on that matter.

Qatar indeed represents a third mode of engagement. Its footprint is more selective

1 Sudan Tribune, 2026, "Riyadh to host Sudanese-Saudi investment forum in June", 19 April 2026, https://sudantribune.com/article/312988.

and relies less on infrastructure or security integration. Instead, it works through elite networks and mediation initiatives (circling around the annual Doha Forum[2]), combined with targeted political financing (Kamrava, 2011). This approach has been particularly visible in Somalia, where Qatari engagement has intersected with federal politics and leadership dynamics (Pericoli and Donelli, 2024). Qatar's influence is therefore less territorially anchored than that of the UAE, but it can be politically consequential in specific contexts.

What we are observing is less a uniform Gulf approach to the wider Horn region than a set of distinct modalities built around a shared priority. Security is the overriding concern. Yet, it is not about security in a narrow sense: of course, it encompasses regime survival, but stretches to control over maritime trade routes, economic resilience, and post-carbon transformation in areas such as food supply and the diversification of economies away from oil. Economic instruments – ports, land, finance – are commonly utilised as security policy instruments.

DIVERGENT ARENAS OF GULF COMPETITION IN THE WIDER HORN

Competition among Gulf actors does not unfold as a uniform rivalry across the region. It produces distinct, competitive political orders in different settings. External involvement reshapes conflict and negotiation landscapes. It also alters the modalities in which authority is organised. Sudan and Somalia illustrate this most clearly, yet in markedly different ways. Sudan concentrates competition in the overlap of war and diplomacy. Somalia reflects it through longer-term processes of political alignment and fragmentation. What links both is that competition generates a fragmented but durable form of disorder.

Sudan

Sudan has emerged as the central intersection of Gulf competition, both through armed conflict and diplomacy (Horner, 2025). Regional actors are directly embedded in the conflict setting. They provide material support and arms supply for the parties but are also engaged politically and through mediation initiatives. The engagement produces a situation in which war dynamics and mediation processes cannot be separated any longer. Negotiation tracks become extensions of geopolitical competition, they reproduce conflict patterns in their own right.

Its substantial support for the Rapid Support Forces (RSF)[3] has established the UAE as the most consequential operational actor. Emirate engagement combines logistical, financial and direct military support. While officially denying involvement, the UAE combine concrete support steps with political positioning, anchored in broader strategic interests in the Red Sea and regional economic access. Sudan thus matters for the UAE in enabling it to showcase their reliability as a political-military ally far beyond the immediate setting.

2 https://dohaforum.org/.

3 See, for instance, https://monitoring.bbc.co.uk/product/c20489en.

However, Sudan is also of concrete significance for the UAE. It serves as part of a wider corridor linking concerns of food security[4] and land interest with the control of maritime routes and commercial networks. The UAE operate across multiple levels at once – engaging in mediation formats while maintaining ties that shape realities on the ground and in the whole region, pitching them against actors such as Egypt, Turkey – and Iran.

Saudi Arabia in turn approaches Sudan from a different angle. The conflict is primarily framed as a security challenge with direct implications for Red Sea stability and regional order.[5] Saudi engagement has therefore predominantly focused on stabilisation and the search for political legitimacy and fostering its partnership with the United States. This happened most visibly through its role in the Jeddah process and is now continuing through subsequent diplomatic formats such as the Quad – together with the US, the UAE, and Egypt. Especially its role in the Quad places Saudi Arabia in a set of complex geopolitical relationships.

Overlapping interests make coordination difficult and have, so far, limited the effectiveness of the Quad and comparable formats. Sudan thus exposes the constraints of Gulf alignment even despite shared security concerns. Newly discovered joint security interests of the UAE and Saudi Arabia towards Iran, however, could reshape these initiatives, especially since the tensions in Yemen, where UAE and Saudi Arabia have been pitched against one another, have now, at least temporarily, been resolved.

Indisputably, the Iran dimension introduces an additional layer to the Sudan conflict. Material and political linkages between the SAF and Iran, particularly in the context of drone provision, complicate Gulf positioning and sharpen threat perceptions. Yet, they also create frictions within the emerging pattern of Gulf convergence around security. Saudi Arabia, despite its focus on SAF as a stabilising counterpart, is now unlikely to accept any alignment that brings Iran into the equation. For SAF, this produces an aggravating contradiction. Its external support base – stretching across Egypt, Turkey, Iran, and Saudi Arabia – has become more and more difficult to reconcile as regional tensions escalate. What previously functioned as strategic diversification now risks turning into a liability.

Sudan thus illustrates how Gulf competition operates through both war and rival mediation efforts. It has not forged a unified external approach. Diplomatic initiatives coexist with material support that pulls in different directions. The result is not the absence of order, but a fragmented configuration in which external engagement stabilises certain dynamics while preventing consolidation.

4 The UAE are highly ambitious in that regard, see their National Food Security Strategy: https://u.ae/en/about-the-uae/strategies-initiatives-and-awards/strategies-plans-and-visions/environment-and-energy/national-food-security-strategy-2051

5 The Horn podcast, with H.A. Hellyer, “Behind the Saudi-Emirati Rift”, 5 March 2026, https://www.crisisgroup.org/pod/middle-east-north-africa/saudi-arabia/behind-saudi-emirati-rift.

Somalia

Somalia represents a different arena of Gulf competition. It is less shaped by active war mediation and more by long-term alignment in a highly fragmented political space. Authority is contested and dispersed across federal and sub-federal levels, which makes coherent interest formation difficult and creates multiple entry points for external actors. Competition unfolds through positioning within this fragmented landscape rather than through direct intervention in a single conflict theatre.[6]

Gulf engagement reflects this structure. The UAE operates through infrastructure projects and security cooperation, often extending beyond – or even bypassing – the federal centre. Qatar relies on elite networks and political backing at the federal level, shaping leadership dynamics from within. Saudi Arabia plays a more limited role (International Crisis Group, 2026a).

Turkey has emerged as a major actor (Thiessen and Özerdem, 2019). Its engagement is rooted in a decisive political shift in 2011, when then-Prime Minister Recep Tayyip Erdoğan visited Mogadishu at the height of the famine. This triggered a large-scale humanitarian response that quickly expanded into infrastructure development and, subsequently, diplomatic and security cooperation, including the establishment of Turkey's largest overseas military training base.

Humanitarian engagement served as an entry point into a long-term state-building partnership that positioned Turkey as a central external actor. Its interest combines geostrategic positioning with political affinity. Somalia provides access to the Red Sea-Indian Ocean junction and a platform for projecting influence, while also allowing Turkey to present itself as a partner in state reconstruction distinct from both Western intervention models and Gulf transactional engagement. Ideological affinities linked to political Islam facilitate access and trust but do not determine strategy.

Turkey's approach integrates diplomacy, development, and security into a relatively coherent model centred on the federal government. Somalia also hosts Turkey's largest military base overseas, TURKSOM in Mogadishu. Politically, Turkey politically supports the federal government in a quest for central state consolidation, and has emerged as one of the federal government's most important international supporters.

This contrasts with the UAE's decentralised, asset-based engagement, illustrated by DP World's port investments in Berbera (Somaliland) and Bosaso (Puntland), often undertaken with subnational authorities exploiting gaps in federal government control, and with Qatar's reliance on elite political ties. Within Somalia, this creates both complementarity and friction. The confronting approaches result in a multi-layered competitive framework in which different external models shape the evolution of Somali statehood.

These external alignments feed directly into Somalia's federal dynamics. Rather than consolidating authority, especially Gulf

6 PeaceRep, Somalia key findings, https://peacerep.org/country-findings/somalia/.

actors reinforce fragmentation by empowering different actors at different levels. Support is channelled selectively, strengthening particular leadership configurations while weakening others. The emergence of SSC-Khaatumo, the Northeastern state – declared in 2023, initially recognised as an interim administration, and granted full federal status in 2025 – illustrates how new federal entities are used to recalibrate internal balances and contain established power centres such as Puntland (Rift Valley Institute, 2025).

The Somaliland question, closely tied to port access, adds a further layer. The UAE's role is visible through its involvement in Berbera and associated logistics, as well as through less transparent security and mobility arrangements, which also includes the movement of UAE-recruited mercenaries. Moves towards international recognition remain uncertain but are closely linked to these external engagements.

Israel's recognition of Somaliland marks a concrete shift in Red Sea geopolitics, linking recognition to access and positioning along a strategic maritime corridor (Donelli, 2026). It also introduces a new line of competition, placing Israel in strategic tension with Turkey's role in Somalia. This move aligns with the Abraham Accords logic of an Israeli-UAE axis that ties diplomatic normalisation to ports, logistics infrastructure, and security presence across the region. External actors do not openly arbitrate these internal rearrangements, but their existing alignments – whether with Mogadishu or Somaliland – shape the conditions under which such reconfigurations gain traction.

Somalia therefore illustrates a mode of competition centred on political structuring and alignment. It is less overtly militarised than Sudan, but no less shaped by external involvement. Influence is exercised over time through institutions, infrastructure, and leadership ties. The Iran war reinforces these dynamics by raising the stakes of maritime access and trade security at the Red Sea-Indian Ocean junction. The outcome is a durable pattern of fragmentation in which external actors organise, rather than resolve, the distribution of power.

ETHIOPIA AS SYSTEM-SHAPING ANCHOR

Ethiopia is not simply another case within the wider Horn. It seeks to act as a decisive regional power and to reshape the balance of the entire Red Sea-Horn space (Abate Demissie et al, 2022). This ambition is expressed in a more assertive regional posture, including towards Somalia, and in a renewed focus on projecting power beyond its borders. Ethiopia's relevance lies less in being an arena of Gulf competition and more in connecting Gulf strategies to broader regional transformation. It exerts a critical structural role: shifts in Ethiopian policy resonate across the system, affecting regional alignments and power competitions.

The UAE positioned themselves as a key external partner in this trajectory. Its involvement combines financial support, infrastructure investment, and political backing, particularly in moments of

economic strain.[7] This engagement links directly to Prime Minister Abiy Ahmed's domestic agenda, including high-visibility reconstruction and urban development projects in Addis Ababa (Gavin , 2020). As in other areas, Emirati engagement extends into food security strategies, including land-linked supply chains and agricultural investments (Kibishen Gebru, 2025). These are not separate tracks. They reflect an embedded logic in which stabilising Ethiopia and integrating it into regional logistics serves broader Emirati interests in supply resilience and strategic positioning.

Ethiopia's strategic ambitions at present strongly focus on maritime access. As a landlocked state since the secession of Eritrea, Ethiopia faces structural constraints on its projection of power. Abiy Ahmed has made this explicit: a country of Ethiopia's size and aspirations cannot claim regional leadership without access to the sea and the capacity to secure it (Abate Demissie et al., 2022). This has translated into a more assertive policy around Red Sea ports, not only for trade but for strategic control.

The Iran war reinforces this trajectory by increasing the strategic value of Red Sea access and exposing the vulnerability of existing maritime routes, thereby strengthening the alignment between Ethiopian ambitions and Gulf interests in securing strategic transport and geostrategic control corridors. It also intensifies competition over access points. What emerges is a partial alignment: Gulf actors provide infrastructure and access points, while Ethiopia seeks to leverage them for political and military projection.

A recent Memorandum of Understanding with Somaliland marks a decisive step in this direction (IISS, 2024). By linking potential recognition to port access, Ethiopia moves beyond passive dependence on existing routes and actively reshapes regional alignments. As anticipated by the Ethiopian leadership, the MoU sharply escalated tensions with Somalia, which treats any move towards Somaliland recognition as a direct breach of sovereignty. It also opened a new layer of regional competition, aligning Turkey's state-centric support for Mogadishu against UAE- and Israel-linked backing for Somaliland's strategic positioning along the Red Sea corridor.

Eritrea remains a critical factor in this equation. Its position along the Red Sea and its highly securitised state structure make it a key actor in any attempt to reorder access and control. After their tactical alignment during the Tigray war, amid tensions over Ethiopia's pursuit of Red Sea access – possibly through Eritrean ports – relations between Ethiopia and Eritrea have deteriorated again (International Crisis Group, 2026b). The risk of renewed confrontation persists. Eritrea also engages in the wider regional conflicts, including involvement linked to the war in Sudan, where its positioning – including the acceptance of military bases of militias aligned with SAF – openly confronts Emirati interests. This places Eritrea as a balancing actor that complicates both Ethiopian ambitions and Gulf strategies, particularly in the militarisation of the Red Sea corridor.
Ethiopia's ambition is to shape the structure

7 https://gulfnews.com/uae/uae-ethiopia-strengthen-strategic-partnership-affirm-commitment-to-regional-security-stability-1.500491325.

of the regional system rather than merely influence its conflicts. It aims to position itself as a central node linking inland political authority with maritime access and external partnerships. Yet this ambition comes at a price. Ethiopia is increasingly entangled in multiple conflict dynamics, both internally and externally. Its assertive regional policy generates friction with Somalia and Eritrea while intersecting with Gulf competition. Rather than stabilising the system, Ethiopia's self-conscious rise as a system-shaping actor thus contributes to a more volatile and contested regional order.

PERSISTENT COMPETITION AND ECONOMIC SPILLOVERS IN THE WIDER HORN

The Iran war, without doubt, has increased pressure on Gulf actors to coordinate. New joint interest evolves around Red Sea security and the containment of escalation. This joint interest has produced a degree of strategic convergence, particularly around Red Sea security and the containment of Iran, aligning Gulf actors at the level of strategic priorities, while leaving their engagements in the Horn – most visibly in Sudan – fragmented and competitive. Rivalry persists.

There is divergence in interests across political files and different timeline perspectives. For some actors, the immediate concern is maritime security and the protection of trade routes. For others, longer-term positioning – control over infrastructure, sustainability concerns especially in the perspective of a post-carbon transition in the region, resource and transport access, and political influence – remains decisive. The Iran crisis compresses these agendas but does not reconcile them.

This divergence is most evident in the choice of local partners. In Sudan, Somalia, and Ethiopia, Gulf actors align with different political forces and institutional levels, often in incompatible ways. Support is not evenly distributed. It is targeted and strategic, reinforcing some actors while marginalising others. These alignments shape the internal configuration of conflicts and political orders. The result is a persistent fragmentation of external engagement, limiting the scope for coordinated action even where interests overlap.

Geopolitical dynamics feed directly into economic and social pressures across the region. The Iran war affects the wider Horn less through direct confrontation and more through markets and logistics. Rising uncertainty in the Red Sea and Gulf corridors translates into higher costs, delays, and increased volatility in supply chains. The effects are uneven but broadly felt.
Fuel prices are the most immediate channel. Most countries substantially depend on imports, making them highly exposed to fluctuations in global energy markets. Price increases translate quickly into fiscal pressure, especially where subsidies are in place or where governments rely on fuel taxation. Transport costs rise, affecting both urban consumption and rural supply chains. This has knock-on effects across sectors, from food distribution to basic services.

Food security is closely linked to these dynamics. Higher fuel costs increase the price of imports and transport, while fertiliser prices and availability are also affected by global market shifts. The fertiliser crisis caused by the disruption of Gulf-based fertiliser production and the blockage of

the Strait of Hormuz, a key transit route for roughly one-third of global fertiliser trade is currently perhaps the biggest risk to sustainable agricultural production in the wider region.[8] For countries with structural food crises, such as Sudan, South Sudan, but also Ethiopia and Somalia, this creates additional strain on already fragile systems. Household vulnerability increases, particularly in urban areas where food prices are most sensitive to market fluctuations.

Trade and logistics amplify these pressures. Disruptions in the Red Sea – whether through direct attacks, heightened insurance premiums, or precautionary rerouting – extend transport times and raise costs. Shipping becomes less predictable. For landlocked or corridor-dependent countries, this has direct economic implications. Delays affect not only imports but also exports, undermining revenue streams and economic stability.

Kenya and Uganda illustrate these spillover effects. Both function as regional hubs, linking inland economies to global markets. Kenya's role as a logistics and aviation centre exposes it to disruptions in shipping and air travel, while Uganda's dependence on regional corridors – especially Dar es Salaam in Tanzania, where its forthcoming oil production is planned to hit the global market – makes it sensitive to cost increases and delays. Neither country is a central arena of Gulf competition, but both are deeply affected by its consequences.

Economic pressure translates into political risk. Rising costs, fiscal constraints, and supply disruptions place governments under strain. In already fragile settings, this can exacerbate existing tensions, increase dissatisfaction, and create openings for instability. The effects are not uniform, but they reinforce underlying vulnerabilities across the region.

The Iran war thus operates through two interconnected dynamics. It sharpens the need for strategic coordination among Gulf actors, particularly around security, while leaving operational competition intact. At the same time, it transmits economic pressures across the wider Horn, amplifying existing fragilities. The result is a more constrained regional environment in which geopolitical rivalry and economic stress reinforce each other without producing a coherent stabilising framework.

CONCLUSIONS

The Iran war has reinforced the extent to which the wider Horn of Africa is embedded in a broader Gulf-Red Sea geopolitical arena. It has intensified existing dynamics and tightened their interconnections. What emerges is a more closely coupled regional system in which developments in the Gulf translate rapidly into political, diplomatic, security, and economic effects across the Horn. The crisis has heightened the salience of security concerns and exposed the depth of external involvement in shaping regional outcomes.

8 The Horn podcast, with Hafsa Halawa, "How the Iran War is Reshaping the Region", 2 April 2026, https://www.crisisgroup.org/pod/africa/horn-africa/how-iran-war-reshaping-region

At the core of this development lies a dual dynamic. At the strategic level, the Iran war has produced a degree of convergence among Gulf actors. Shared concerns over maritime security, escalation risks, and the protection of trade and investment have created incentives for coordination. This is visible in efforts to stabilise the Red Sea corridor and to maintain diplomatic channels in conflict settings such as Sudan. On the ground, however, competition persists. Engagement remains structured by divergent priorities and incompatible local alignments. The cases of Sudan, Somalia, and Ethiopia, in different ways, demonstrate how this plays out across distinct arenas, where external actors pursue overlapping but not converging agendas.

This combination reduces the space for manoeuvring for actors. Gulf actors are more constrained than ever in their recent histories. Escalation risks and interdependencies limit unilateral action. In parallel, the importance of maintaining influence across regional files has increased. This reinforces patterns of selective engagement, where actors double down on existing partnerships rather than moving towards coordinated approaches. The result is not stabilisation, but a more tightly managed fragmentation.

Economic spillovers further deepen these dynamics. Rising fuel and transport costs, disruptions to trade routes, and pressures on food systems translate geopolitical tensions into everyday vulnerabilities. Across the region, economic stress amplifies political fragility, creating additional layers of risk that interact with existing conflict dynamics.

The Iran war thus sharpens an already established pattern. It brings Gulf actors closer together at the level of strategic concern, while leaving the structure of competition intact. The outcome is not alignment but a more constrained and volatile regional order, shaped by overlapping crises and persistent competitive regionalism.

For countries in Central Europe, the complex conflict setting in the Wider Horn implies a position of high exposure with limited influence at diplomatic, diplomatic and military level. Developments in the Gulf-Red Sea arena translate directly into economic effects for Europe. These include raising energy prices, trade disruptions, and supply chain volatility, without corresponding leverage to shape outcomes. In light of these consequences, a more consistent strategic engagement in the region, not only in relation to migration, but as a matter of economic and security policy affecting core European interests. Of specific interest should be an engagement in mediation efforts in the region, and a closer exchange with multilateral organisations in the Horn, which could be used strategically to also generate more substantive relations with the Gulf.

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