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ENERGY MARKETS BRIEFING NOTE

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Built on Three Levels of Strategic Logic





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WHY NOW? for Trump Attack on Iran Built on Three Levels of Strategic Logic

By Sean Evers, Managing Partner, Gulf Intelligence

Five days into the U.S. strikes on Iran, the central question dominating diplomacy, energy markets and investors alike remains simple: WHY NOW? The answer has been difficult to pin down partly because the Trump administration itself has offered shifting explanations. The campaign was initially framed as an effort to destroy Iran's nuclear programme, yet in the days since the rationale has broadened through a mixture of White House remarks, social media posts and improvised interviews that have left Washington's ultimate objectives deliberately ambiguous.

This ambiguity has forced analysts to look beyond the administration's official messaging in search of the deeper strategic logic behind the timing of the conflict, so here is my take on the WHY and the NOW -- when viewed through a wider geopolitical lens, the decision to act now begins to make more sense when understood across three different levels of the Trump administration's thinking: 10,000 foot view, the global U.S.-China strategic competition; 5,000 foot view, delivering for Israel while Trump still dominates Washington; and 100 foot view, future-proofing the Gulf's rise as the next major platform for global capital and technology.

10,000 FOOT VIEW: Trump Building Energy Leverage Over China Ahead of Xi Summit

At the highest strategic level, "why now" may be closely tied to President Donald Trump's approaching summit with Chinese President Xi Jinping in Beijing. Trump recently suggested the war could end within roughly four weeks, a timeline that would bring the conflict to a close just days before the planned meeting between the two leaders. The summit is expected to focus heavily on trade, but the underlying contest is much broader: the balance of economic and strategic power between the United States and China.

In that rivalry Beijing holds one of the most powerful structural advantages in the global economy: dominance over rare earth minerals and the supply chains that process them. These materials underpin everything from advanced electronics and artificial intelligence hardware to modern

weapons systems. China's near-monopoly in processing rare earths gives it enormous leverage over the industries that will define the coming decades.

Trump's counter-move may be to reinforce America's leverage in another foundational pillar of the global economy: energy. Iran has become an important supplier of discounted crude to China's refining sector, helping sustain Beijing's energy security under Western sanctions. By escalating pressure on Iran ahead of the Beijing summit, Washington raises the perceived vulnerability of China's energy supply chain and signals that the United States and its allies still retain enormous influence over the global oil system.

This dynamic is amplified by China's own strategic posture. Despite its growing military capabilities, Beijing has shown little willingness to project military power into the Middle East or act as a security guarantor in unstable regions. Its primary strategic focus remains in Asia, particularly around Taiwan and the South China Sea. Once U.S. and Israeli hard power is in motion in the Gulf, China's ability to shape events becomes limited to diplomatic protests and economic hedging rather than meaningful deterrence.

Seen from this perspective, the timing of the Iran campaign may not simply be about the Middle East itself. It may also be about arriving in Beijing with leverage. If China enters negotiations holding the critical minerals card, Trump may be attempting to remind Xi that the United States and its allies still hold the oil card.

5,000 FOOT VIEW: Trump Delivering Israel's Wishlist while He's Still King of Washington

At the regional level, the timing of the confrontation with Iran can also be understood through the lens of Washington's political calendar. For President Donald Trump, the window to pursue bold foreign policy moves may be narrower than it appears. Recent polling shows Trump's disapproval rating reaching a new high during his second term, leaving the president significantly underwater nationally and raising concerns among Republican strategists that the administration could face a difficult midterm election cycle.

If Republicans were to lose control of Congress, the administration's freedom of action on foreign policy, particularly military operations, could narrow significantly. Under the U.S. Constitution, Congress holds the authority to declare war, not the president. While modern presidents frequently initiate military operations without formal declarations of war, sustained campaigns typically depend on congressional political backing, funding approvals and legal authorization.

A Congress controlled by political opponents could therefore impose far stronger constraints on military escalation through oversight hearings, budgetary restrictions or legislative efforts designed to limit the scope of the conflict. Acting now allows Trump to pursue major strategic objectives before the domestic political environment in Washington potentially tightens after the midterm elections.

For Israel, that timing is critical. Trump's presidency has already delivered some of the most consequential pro-Israel decisions by a U.S. administration in decades. During his first term he recognized Jerusalem as Israel's capital and relocated the U.S. embassy there, reshaping the diplomatic landscape around the Israeli-Palestinian conflict.

In his second term the stakes have escalated from symbolism to strategy. Weakening Iran aligns directly with Israel's long-standing objective of dismantling the country that remains its most formidable regional rival.

Over the past four decades several Arab powers that once posed existential military threats to Israel have either reconciled with Israel or been dramatically weakened. Egypt signed peace with Israel in 1979, Iraq's military power collapsed following the Gulf Wars, and Syria has been severely diminished by more than a decade of civil war. With those traditional rivals sidelined, Iran looks like the only regional power capable of acting as a counterweight to Israeli dominance, particularly through its missile capabilities, nuclear ambitions and network of proxy forces across Lebanon, Iraq, Syria and Yemen.

From Israel's perspective the present moment represents a rare strategic alignment. Trump's White House has historically taken a far more confrontational stance toward Iran than previous administrations, creating a window for decisive action. But that alignment may not last indefinitely. If the political balance in Washington shifts after the midterm elections, Israel could find itself facing a far more constrained American administration. For Israeli policymakers the logic is therefore straightforward: act while Trump still dominates Washington's political landscape, rather than risk losing the strategic opportunity if the domestic balance of power in the United States changes.

100 FOOT VIEW: Trump Future Proofing Gulf's Rise for his Wall Street & Silicon Valley Backers

At ground level, the logic behind Trump's "why now" is also tied to the economic transformation taking place across the Gulf. The region is no longer positioning itself simply as a hydrocarbon exporter but increasingly as a global platform for finance, technology and next-generation digital infrastructure.

Wall Street and Silicon Valley are investing heavily in the Gulf seeking to tap into rapid AI development, massive sovereign wealth capital and expanding digital infrastructure. Major financial institutions including BlackRock, KKR, Millennium, Point72 and Chris Rokos' hedge fund are expanding their regional presence, opening offices in Abu Dhabi and Dubai to position themselves closer to sovereign wealth funds that collectively manage more than \$3 trillion in capital.

At the same time the Gulf is emerging as a major global hub for artificial intelligence. Technology leaders including OpenAI, Nvidia, Microsoft and Google are partnering with regional players to build massive data centers and AI infrastructure across the UAE and Saudi Arabia. Abu Dhabi's technology investment platform MGX alone plans to deploy up to \$10 billion per year into AI and advanced technologies, while Microsoft has invested \$1.5 billion in the UAE-based AI firm G42 and Saudi Arabia has announced a \$10 billion partnership with Google Cloud aimed at creating a global AI hub in the Kingdom.

Together these investments are laying the foundations for what investors increasingly describe as "Silicon Dunes", a Gulf-based ecosystem combining Western technology, Middle Eastern sovereign capital, and global talent to build the next generation of computing infrastructure.

For this transformation to fully blossom, however, Trump's backers need him to reduce the geopolitical risk premium that has historically hung over Gulf markets. Missile exchanges, proxy conflicts and threats to shipping lanes have disrupted the region for decades since the founding of the Islamic revolution in 1979, and they are incompatible with Silicon Valley and Wall Street's vision of the Gulf as a platform for global finance, AI Data farms and infrastructure for 21st century frontier technology.

From this perspective, the Trump administration sees weakening, or even removing, Iran's revolutionary regime as a way to eliminate one of the region's largest sources of instability, at a moment when the Gulf is cementing its position as a neutral high-tech hub linking Western capital, Middle Eastern sovereign wealth, and global technology development. In investor terms, the calculation is straightforward: the faster geopolitical volatility declines, the faster the Gulf's emerging ecosystem of finance, AI, and digital infrastructure can scale.

The Strategic Convergence

Seen together, the three layers point to a broader explanation for why Trump may have chosen to act now. At 10,000 feet, escalation strengthens U.S. leverage in its strategic rivalry with China ahead of high-stakes negotiations. At 5,000 feet, it aligns with Israel's objective of weakening its most powerful regional rival while Trump's political dominance in Washington remains intact. At one hundred feet, it supports a longer-term vision of stabilizing the Gulf so it can emerge as a major hub for finance, artificial intelligence and next-generation technology. In this sense, Trump's confrontation with Iran may not simply be about the immediate military campaign. It may reflect a moment where global strategy, regional security and economic transformation converge, making this the moment Washington chose to act. ■



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