Kingdom Vision Special Report

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Special Reports Part 2
THE FOUR-WEEK COUNTDOWN

Why the Closure of the Strait of Hormuz Threatens Global Economic Catastrophe

> *"This will bring down economies of the world."*
> — Saad Sherida al-Kaabi, Qatari Energy Minister, 6 March 2026

Introduction

Introduction : A Watchman on the Wall Reports

In Ezekiel 33:2-7 God call Ezekiel to be a watchman for Israel in an approaching war and warn them of what he sees.

In this report I wish to do that role with regard to the Iran-Israel America Gulf war but in a very limited way.

Specifiically 4 weeks of closure of the Straights of Hormuz. This Saturday already 2 weeks have passed. If this closure lasts another 2 weeks into April the world enters into irreversible economic damages that can't be fixed. Decades of globalism has created economic supply chains that we cannot conceive the first, second and third order effects of one breakage. But I will try to give an idea.

I am not going togive a theological analyisis here. Nor a geo-political analysis. As once long ago it was warned in a national election in America "It's the economy, stupid".

However of geo-politics I will say this: For Iran and Israel after 4 weeks of war it is existential: One will die the other will be mortally wounded. of America the other combatant I will say this:

I have a different answer to the question of "But how stupid could Trump have been to launch this war on Iran, could he not see the devastating effects pf the Straights of Hormuz closed? My answer....of course Trump and his Deep State knew all the

effects beforehand, they are not stupid as many like to think. And they are not doing this for Israel primarily as many others will justifiably say.

America is in an existential war with China for the future. Ion 2 weeks Trump flies to China for a Summit with Xi. When he sits at the negotiating table. Xi holds the rare earth threats. Now Trump holds the oil threats having taken away China's Venezuelan and Guldf oil supplies.

For the Christians of Southern Africa the Watchman report is this: There is new world economic order coming out of this emerging world economic crisis. It is time to wake up South Africa "It's the economy srtupid!" There are no more "international investors" coming to bail out our bond markets. No BRICS rescue. We have to stop the childish political posturing and games. We need a true non-racial nation united agianst a world where there are no friends but only nations with interests. BEE, cadre deployment, failing government service, centralized Pretoria control, indolence, free hand outs, blaiming the past, fighting over dwindling resources....it has to stop!

We need a real government of national unity, a strong independent central bank, power devolved to the provinces, rule of law, protection of property rights and we Christians better make sure we get it regardless of race. And then we sit around the table and together as a nation plot our way through the closed straights of Hormuz world economy.

The next weeks of closure or open of the Straights of Hormuz will determine the fate of nations and the world economy.

A World Sleepwalking Toward Disaster

As this report is written on 13 March 2026, the world is entering the fourteenth day of a conflict that most citizens in the West still regard as a distant military engagement. The joint American-Israeli strikes on Iran that began on 28 February under Operation Epic Fury, and the ferocious Iranian retaliation that followed, have produced a cascade of consequences that extend far beyond the battlefield. The most dangerous of these consequences is one that barely registers in most evening news bulletins: the effective closure of the Strait of Hormuz, the twenty-one-mile-wide channel through which roughly one-fifth of the world's daily oil supply and a vast proportion of global liquefied natural gas, fertilizer, sulfur, and other essential commodities must pass to reach international markets.

The purpose of this article is to sound an alarm. The Strait of Hormuz has now been functionally closed for nearly two weeks. If it remains closed for a total of four weeks or more, the economic damage will not merely be painful—it will be structural, cascading, and in some cases irreversible. The consequences will be measured not only in dollars per barrel of oil but in hospital MRI machines that fall silent, in copper mines that grind to a halt in Africa and Latin America, in spring crops across

the Northern Hemisphere that never receive the fertilizer they need, and in the slow suffocation of fragile economies that import every calorie their populations consume. The world has approximately two weeks of buffer remaining before temporary disruption hardens into systemic collapse. The clock is ticking, and far too few people are watching it.

Many readers may recall the economic turmoil that followed Russia's invasion of Ukraine in 2022, when energy and fertilizer prices spiked and inflation surged across the developed world. That crisis, while severe, affected a smaller share of global commodity flows than the current one. Russia's share of global oil and gas trade, while significant, is substantially smaller than the combined share of the Gulf producers whose exports must transit the Strait of Hormuz. Moreover, Russia's energy exports were never physically blockaded—they were constrained by sanctions, which allowed for gradual adaptation and rerouting. The current crisis involves a physical blockade enforced by military force, leaving virtually no scope for workarounds at scale. Analysts at the North Dakota State University Center for Agricultural Policy and Trade Studies have noted that the Persian Gulf accounts for a larger share of global fertiliser trade than Russia, and that the 2022 crisis offered farmers compensating grain price increases that may not materialize this time. In short, this crisis has the potential to be materially worse than 2022, and the world has far less institutional capacity to respond.

The Anatomy of the Crisis

The conflict began in the early hours of 28 February 2026 when American and Israeli forces launched coordinated airstrikes against Iranian military facilities, nuclear installations, and leadership targets. Iran's supreme leader, Ayatollah Ali Khamenei, was killed in the initial wave. Iran's response was swift and wide-ranging: missile and drone attacks struck American bases, Israeli territory, and several Gulf states including the United Arab Emirates, Qatar, Bahrain, and Kuwait. On 2 March, the Islamic Revolutionary Guard Corps officially declared the Strait of Hormuz closed, threatening any vessel that attempted to transit the channel. This was not an idle threat. By 13 March, at least ten ships had been attacked, five crew members killed, and the United Kingdom Maritime Trade Operations centre had recorded more than a dozen separate incidents in and around the Strait.

The effect on shipping was immediate. Tanker traffic through the Strait initially dropped by approximately seventy per cent, with more than one hundred and fifty vessels anchoring outside the channel to avoid the danger. Within days, traffic fell to near zero. As of this writing, approximately five hundred oil tankers remain trapped in the Persian Gulf, with only a handful of ships under flags of convenience managing to slip through. Protection and indemnity insurance—the essential war-risk coverage that ship owners must carry—was withdrawn for transits of the Strait on 5 March, making the economic risk prohibitive even for the most daring operators. The IRGC's new leader, Mojtaba Khamenei, issued his first public statement on 12 March vowing

to keep the Strait closed as a tool of pressure, and the IRGC has declared that it will not allow “a litre of oil” to pass through.

The International Energy Agency has described this as the largest supply disruption in the history of the global oil market, estimating a loss of eight million barrels per day of crude and oil products flowing through the Strait. In response, IEA member countries agreed on 11 March to release a record four hundred million barrels of oil from emergency stockpiles, with the United States contributing one hundred and seventy-two million barrels from its Strategic Petroleum Reserve. But analysts warn that stockpile releases can only partially offset a prolonged disruption, and the market appears to agree: on 13 March, Brent crude settled above one hundred dollars per barrel for the first time since 2022, and the IRGC has warned the world to expect oil at two hundred dollars.

Oil and Gas: The Primary Shockwave

To understand why the Strait of Hormuz matters so profoundly, consider a single statistic: in 2024, approximately twenty million barrels of crude oil transited the Strait every day, representing roughly five hundred billion dollars in annual global energy trade. The crude originates from Iran, Iraq, Kuwait, Qatar, Saudi Arabia, and the UAE. Eighty-four per cent of the crude and condensate flowing through the Strait in 2024 was destined for Asian markets, with China, India, Japan, and South Korea together accounting for sixty-nine per cent of all flows. A similar pattern holds for LNG, with eighty-three per cent of volumes moving through the Strait bound for Asian destinations.

The closure has effectively severed this artery. Qatar, one of the world’s largest LNG exporters, halted production at its seventy-seven-million-ton-per-annum Ras Laffan facility on 2 March and declared force majeure on gas contracts on 4 March. Iraq’s oil ports have subsequently halted operations entirely after Iranian attacks set two foreign tankers ablaze in Iraqi waters. Saudi Arabia retains some flexibility through its pipelines to Red Sea terminals, and Aramco has demonstrated its ability to deliver oil through these alternative routes. But pipelines have limited capacity, and the volumes that can bypass the Strait are a fraction of normal throughput.

Japan has already begun releasing oil stockpiles, recognising that approximately seventy per cent of its Middle Eastern oil arrives via the Strait. Japanese refiners, who source roughly ninety-five per cent of their crude from Gulf producers, have formally requested government assistance. The implications for the rest of Asia are equally severe. India’s crude imports from Russian sources have surged by fifty per cent in the first eleven days of March to compensate for lost Gulf supply, but at much higher prices. South Korea and Taiwan, both critically dependent on Gulf energy for their semiconductor fabrication industries, face the prospect of power shortages if LNG deliveries do not resume.

The price effects are already cascading through the global economy. Brent crude has risen roughly twenty per cent since the conflict began. Gas station prices are climbing in every major economy. Jet fuel prices hit all-time highs in Singapore. The S&P 500 fell 1.4 per cent on 13 March alone, with the Dow Jones Industrial Average dropping nearly seven hundred points. Every additional week of closure compounds these pressures, and the market has shown little confidence that the emergency reserve releases will be sufficient.

The Oil Well Time Bomb: Why Four Weeks Is the Red Line

There is a dimension of this crisis that almost no mainstream commentary has addressed, and it may be the most consequential of all: what happens to the oil wells themselves when they stop pumping. The public tends to imagine oil production as something that can be switched off and on like a tap. The reality is far more complex and far more frightening.

When an oil well is shut in—that is, when production is halted and the wellhead is closed—a cascade of physical and chemical processes begins underground. Fluids in the wellbore separate by density: gas rises, water and heavier hydrocarbons sink. In wells that penetrate multiple geological layers with different pressures, a phenomenon called crossflow begins, in which fluids migrate from high-pressure zones to low-pressure zones. This mixing of different grades of oil, gas, and water from different geological strata can create organic precipitates, sludges, and emulsions that clog the porous rock through which oil must flow to reach the well. Paraffin waxes can solidify as the well cools, blocking flow channels. Asphaltenes—heavy, tar-like compounds—can precipitate out of solution and form solid masses in the wellbore or, far worse, within the rock formation itself.

Industry data from previous shut-in events is sobering. Analysis of wells in New Mexico, Wyoming, Colorado, and North Dakota that were shut in for between six and twenty-four months showed, on average, a twenty-five per cent decrease in oil production rates, a thirty-one per cent decrease in gas rates, and a twenty-two per cent increase in unwanted water production when the wells were restarted. Approximately one-third of wells shut in during the 2008–2009 and 2014–2016 downturns never returned to significant production at all. The risk of permanent damage escalates sharply after the first few weeks, as the destructive processes of fluid separation, crossflow, and organic precipitation have time to progress deeper into the formation.

The Gulf's offshore wells face particular dangers. Subsea pipelines that carry oil to shore processing facilities are vulnerable to methane hydrate formation—crystalline structures that can block pipelines completely—when flow ceases. Restarting offshore production after a prolonged shut-in is considered an absolute last resort by the industry. The Alberta oil sands present similar challenges: the steam-injection

process used to extract bitumen must maintain constant heat and pressure, and interruptions can cause the bitumen to re-solidify in the reservoir and collection pipes. Resuming production can take months of remedial work, and throughput may be permanently diminished.

For the vast fields of Saudi Arabia, Kuwait, Iraq, and the UAE, the implications of a prolonged shut-in are grave. Many of these fields have been producing for decades and have complex multi-zone completion designs. The longer they remain shut in, the greater the probability of formation damage that will permanently reduce their output. If the Strait remains closed beyond four weeks and Gulf producers are forced into extended shut-ins because they have nowhere to store or export their oil, the world could lose not just the temporary production that was interrupted but a meaningful fraction of the long-term productive capacity of the most important oil fields on earth. The economic consequences of that scenario are almost too large to calculate.

Fertilizer and Food Security: The Silent Catastrophe

Oil prices dominate the headlines, but the disruption to global fertilizer supply chains may ultimately cause greater human suffering. The timing of this crisis could scarcely be worse: farmers across the entire Northern Hemisphere are currently purchasing fertilizer and preparing their fields for spring planting. Fertilizer is applied early in the crop cycle and is the single most important determinant of yields later in the year. If supply tightens during this narrow window, the consequences will be felt at supermarket checkouts for the next twelve months.

The Persian Gulf is the beating heart of the global nitrogen fertilizer industry. Countries in the region account for nearly forty-nine per cent of global urea exports and approximately thirty per cent of ammonia exports. Major exporters include Iran, Qatar, Saudi Arabia, and Egypt. About one-third of all globally traded fertilizer passes through the Strait of Hormuz. When Qatar Energy halted gas production on 2 March, it also ceased production of urea, polymers, methanol, and other chemical products derived from natural gas. As of mid-March, shipping analytics firm Kepler has counted twenty-three vessels loaded with fertilizer stuck in the Gulf, with only one having managed to transit the Strait since the beginning of March.

The price response has been immediate and severe. Urea prices at the port of New Orleans have risen more than thirty per cent since late February. The North American fertilizer price index reached eight hundred and ten dollars per short ton as of 9 March, surpassing its previous twelve-month peak. Urea is up approximately one hundred and forty dollars per ton, while anhydrous ammonia has risen one hundred dollars per ton. For American corn farmers, who account for ninety-five per cent of total grain and feed production in the United States, these increases strike at the foundation of their economics. Analysts on U.S. Farm Report have warned that

higher input costs could shift between one and one-and-a-half million acres from corn to soybeans this spring, as soybeans require less added nitrogen.

But it is not just that Gulf fertilizer cannot reach export markets. The second-order effects are equally destructive. Fertilizer plants in India, Bangladesh, and Pakistan that depend on Qatari natural gas as feedstock have been forced to shut down. Egypt, another important nitrogen fertilizer producer, has lost gas imports from Israel and must now source far more expensive LNG on the spot market. Brazil, which depends on the Middle East for roughly forty per cent of its nitrogen fertilizer needs, is scrambling for alternatives at a time when China has restricted its own fertilizer exports to protect domestic supply. The compounding effect of these disruptions is creating a global scramble for nitrogen that will drive prices higher still.

The consequences for global food security are alarming. The Carnegie Endowment for International Peace has noted that the ratio of urea prices to corn prices is approaching record levels—meaning that the cost of growing food is rising faster than the price farmers receive for it. In developing nations, where food expenditure already consumes a much larger share of household income, the impact will be devastating. During the 2022 fertilizer price spike caused by Russia's invasion of Ukraine, countries including Côte d'Ivoire, Kenya, Nigeria, and South Africa experienced sharp declines in fertilizer use and crop yields. This crisis threatens a repeat or worse, and with USAID effectively shuttered, the international safety net that helped cushion the blow in 2022 may no longer be available.

Helium: When Hospitals and Microchips Go Dark

Among the least understood but most consequential casualties of the Strait closure is the global helium supply. Qatar produces approximately one-third of the world's helium—about sixty-three million cubic metres out of a global total of roughly one hundred and ninety million cubic metres annually. Helium is extracted as a byproduct of natural gas processing; when Qatar Energy's Ras Laffan facility ceased LNG production, helium output stopped simultaneously.

Helium is not a commodity that most people think about, yet it is irreplaceable in some of the most critical technologies of modern civilization. As a cryogenic liquid, it cools the superconducting magnets inside MRI machines in every hospital in the developed world. Without a continuous supply of liquid helium, these magnets gradually warm, lose their superconducting state, and the MRI scanners become inoperable. Helium is also essential for semiconductor fabrication, where it is used to cool silicon wafers during production and to purge fabrication chambers. Qatar is home to one of only two plants in the world that produce semiconductor-grade helium. South Korea imported nearly sixty-five per cent of its helium from Qatar in 2025, and the South Korean semiconductor industry—which accounts for eighteen per cent of global chip production capacity—has issued urgent warnings about potential production disruptions.

In a prolonged shortage, triage becomes inevitable. MRI machines and rocket propulsion systems would receive priority allocations, while semiconductor manufacturers, scientific research laboratories, fibre-optic producers, and quantum computing facilities would face rationing. The implications for the global technology industry—already the engine of economic growth in most developed economies—are profound. A helium shortage lasting sixty to ninety days could push prices up by twenty-five to fifty per cent for buyers without long-term contracts, and the cascading effects on chip production would ripple through every industry that depends on semiconductors, from automotive to artificial intelligence.

Sulfur, Sulfuric Acid, and the Mining Supply Chain

Perhaps the most insidious of the hidden supply chain vulnerabilities exposed by this crisis involves sulfur—a commodity so unglamorous that it rarely warrants a headline, yet so fundamental to modern industry that its absence can paralyze mining operations on three continents within weeks.

Sulfur is predominantly a byproduct of processing “sour” crude oil and natural gas. The Middle East accounts for approximately twenty-four per cent of global sulfur production, and roughly half of all seaborne sulfur trade passes through the Strait of Hormuz. Sulfur is the feedstock for sulfuric acid—the most widely produced chemical in the world—which is used across a vast range of industrial processes. Most critically for the current crisis, sulfuric acid is the essential reagent in the hydrometallurgical leaching process used to extract copper, nickel, cobalt, and uranium from their ores.

The numbers are stark. Without sulfuric acid, approximately thirty per cent of global nickel processing, fifty per cent of copper processing, and seventy per cent of cobalt processing would come to a standstill. Indonesia, which produces more than half of the world’s nickel, imports roughly seventy-five per cent of its sulfur from the Middle East. Sulfur inventories at Indonesian nickel refineries using high-pressure acid leaching technology typically cover only one to two months of consumption. Robert Friedland, the founder of Ivanhoe Mines, which operates major copper projects in the Democratic Republic of the Congo, has warned bluntly that if the disruption lasts longer than three weeks, copper oxide operations will have to close as they run out of acid. Southern Africa’s sulfur stockpiles of approximately nine hundred thousand tonnes are expected to last only a few more weeks.

The strategic implications extend well beyond mining economics. The Modern War Institute at West Point has published analysis arguing that the sulfur supply chain is fundamentally broken from a defence perspective. Sulfur cannot be scaled independently in an emergency because its production is tied to hydrocarbon refining. This means that wartime demand for copper—needed for radar systems, communications equipment, electrical infrastructure, and weapons systems—cannot drive increased sulfur supply. The Institute estimates that replacing just the two major American radar systems destroyed in Bahrain and Qatar during this conflict

will require over thirty thousand kilograms of copper, and far more will be needed to repair or replace other damaged military equipment across the Gulf.

Copper prices have already surged past thirteen thousand dollars per tonne on the London Metal Exchange, and analysts describe the market as being in a state of systemic shock. If sulfur supply is not restored within weeks, the crisis will metastasize into a broader metals emergency affecting the energy transition, defence readiness, and the construction industry simultaneously. The competition between miners and fertilizer producers for scarce sulfuric acid supplies adds yet another layer of pressure on an already strained global food system.

International Aviation and Shipping in Crisis

The physical conflict has produced an aviation crisis of unprecedented scope. At least eight countries declared their airspace closed when the conflict erupted on 28 February, including Iran, Israel, Iraq, Jordan, Qatar, Bahrain, Kuwait, and the United Arab Emirates. Large sections of Middle Eastern airspace remain closed or severely restricted as of mid-March. The central corridor between Europe and Asia—the normal route for the majority of long-haul flights connecting the two continents—is effectively unavailable.

The consequences are enormous. Airlines including British Airways, Lufthansa, Air France, KLM, Cathay Pacific, United Airlines, and Delta Air Lines have cancelled or suspended flights to multiple Middle Eastern destinations. Major Gulf carriers—Emirates, Qatar Airways, and Etihad—have operated only limited relief and repatriation flights since the conflict began. Thousands of international flights have been cancelled each day, and tens of thousands of passengers have been stranded. Governments from the United States to the United Kingdom, Canada, and multiple European countries have organised evacuation flights for their citizens, many of them operating from Oman or Saudi Arabia where airspace is partially available.

With Russian airspace already closed to most Western carriers due to the Ukraine war, the routing options are extremely constrained. Airlines are funnelling through either a northern bypass via the Caucasus and Afghanistan—where there is no air traffic control service and aircraft must follow contingency routes in Class G airspace—or a southern route via Egypt, Saudi Arabia, and Oman. Both options add significant fuel burn, crew costs, and schedule disruption. Jet fuel prices have soared, and analysts project air fares will increase globally. Smaller carriers face existential financial pressure from the combination of cancellations, rerouting costs, and reduced revenue.

The shipping industry faces parallel difficulties. Beyond the Strait of Hormuz itself, the broader Persian Gulf has become a danger zone. The Joint War Committee of the London insurance market has expanded its list of high-risk maritime areas to include waters around Oman. Most shipping companies have chosen to reroute around the southern tip of Africa, adding weeks to delivery times for goods that would normally

transit the Strait. Container vessels, bulk carriers, and LPG tankers that previously made routine passages are now making calculations about whether the additional time and fuel costs are economically viable. For perishable goods and time-sensitive cargo, the alternatives are prohibitively expensive.

A further dimension of the shipping crisis deserves attention: the LNG tanker fleet. Modern LNG carriers are among the most expensive and specialized vessels afloat, costing upwards of two hundred million dollars each. Approximately half of the world's available LNG tankers are now effectively trapped in or near the Persian Gulf, unable to transit the Strait. These vessels represent billions of dollars in stranded assets and, more importantly, they represent carrying capacity that is unavailable to serve LNG trade routes elsewhere in the world. Even after the Strait reopens, it will take weeks to reposition the tanker fleet and clear the backlog of delayed cargoes. The insurance industry faces potential claims running into hundreds of millions of dollars for delayed voyages, damaged vessels, and lost cargo, costs that will ultimately be passed through to consumers in the form of higher energy and goods prices.

Food Imports and the Vulnerability of the Gulf States

The Gulf states themselves face a vulnerability that is easy to overlook in the broader global analysis: they import the vast majority of their food. The arid nations of the Persian Gulf have limited agricultural capacity, and countries like the UAE, Qatar, Kuwait, and Bahrain depend on maritime shipments for essential food supplies. The closure of the Strait does not merely prevent oil from leaving the Gulf—it also prevents food, medicine, and consumer goods from entering.

Before the conflict, Dubai functioned as one of the world's most important logistics hubs, with the World Health Organization maintaining a global emergency logistics hub there. The disruption to shipping routes, combined with Iranian attacks on port infrastructure—including fuel storage tanks at Oman's port of Duqm, facilities in Bahrain, and damage to Kuwait's international airport—has severely degraded the region's ability to receive and distribute supplies. The United Nations refugee agency has reported that as many as 3.2 million Iranians have been displaced by the conflict, creating additional demand on humanitarian supply chains at precisely the moment those chains are breaking down.

Gulf states with substantial sovereign wealth funds can absorb financial shocks that would destroy smaller economies, but money alone cannot solve a logistics crisis. If the Strait remains closed and port operations continue to be degraded by military action, the Gulf states may face genuine food security challenges within weeks. The irony is bitter: the nations sitting atop the world's most valuable energy reserves could find themselves short of bread while their oil sits unsold in tankers anchored offshore.

LPG, Petrochemicals, and the Ripple Effects

The list of commodities affected by the Strait closure extends well beyond crude oil and the categories already discussed. Liquefied petroleum gas, the fuel used by billions of people in developing nations for cooking and heating, is a major Gulf export. Disruptions to LPG supply will hit hardest in South Asia and sub-Saharan Africa, where it is the primary cooking fuel for hundreds of millions of households.

The petrochemical industry, which converts oil and gas into the plastics, synthetic fibres, and industrial chemicals that underpin modern manufacturing, is also severely disrupted. QatarEnergy's shutdown includes polymer and methanol production. The Middle East is a major global hub for petrochemical exports, and the loss of these supplies will create shortages in packaging materials, automotive components, medical supplies, and construction materials. Polyethylene and polypropylene prices are already rising, with downstream effects on everything from food packaging to medical devices. Methanol, which serves as a precursor for formaldehyde and acetic acid used in plywood, paints, and adhesives, is another casualty of the Qatari shutdown. The pharmaceutical industry, which depends on petrochemical intermediates for drug manufacturing, faces potential production delays for essential medications.

Aluminium production, which is energy-intensive and concentrated in the Gulf, is another casualty. The UAE is one of the world's largest aluminium producers, and if its power supplies or raw material imports are disrupted, the effect will be felt in the beverage, automotive, aerospace, and construction industries globally. The interconnectedness of these supply chains means that each disruption creates cascading secondary effects. A shortage of aluminium affects beverage cans but also aircraft components. A shortage of polymers affects food packaging but also hospital equipment. The modern industrial economy is a web, and the Strait of Hormuz is one of its most critical nodes.

There is a further category of goods that transits the Strait which is almost never discussed: the reverse flow of manufactured goods and consumer products into the Gulf states from Asia and Europe. The Gulf states are not merely exporters of energy; they are voracious importers of everything else. Electronics, machinery, vehicles, pharmaceuticals, and textiles all flow into the region through the same shipping lanes that are now closed. The disruption to these inbound supply chains is already creating shortages of spare parts for industrial equipment, medical supplies, and consumer goods across the Gulf. Construction projects—a mainstay of Gulf economies—are stalling as building materials and heavy equipment fail to arrive. The economic damage within the Gulf states themselves, though often overlooked in Western-centric analysis, is enormous and growing daily.

The Four-Week Threshold: From Disruption to Collapse

The evidence assembled in this report points to a clear conclusion: the world can absorb approximately four weeks of Strait closure before temporary disruption transforms into structural economic damage. The four-week mark is significant for multiple converging reasons.

First, oil wells: The risk of permanent formation damage to shut-in Gulf oil wells escalates sharply after the first few weeks, as chemical and physical degradation processes progress deeper into geological formations. Recovery after four weeks becomes significantly more expensive, slower, and less complete.

Second, fertilizer and food: Northern Hemisphere farmers are making planting decisions now. Fertilizer that is not delivered by mid-April will miss the spring application window entirely. The consequences will not be felt until harvest time, but they are locked in the moment the application window closes.

Third, helium: Helium transit times from Qatar to end users take approximately three weeks. High inventory levels at distribution points provide a buffer of roughly two to three weeks from the date production halted. Once that buffer is exhausted, MRI machines will begin losing coolant, and semiconductor fabrication facilities will face production interruptions.

Fourth, sulfur and metals: Sulfur stockpiles at mining operations across Africa and Indonesia are measured in weeks, not months. Beyond the four-week mark, copper and nickel mines that depend on Gulf sulfur will be forced to curtail or halt production, with immediate effects on commodity prices and downstream manufacturing.

Fifth, desalination and water supply: Gulf states rely almost entirely on energy-intensive seawater desalination for their fresh water supply. Saudi Arabia, the UAE, Kuwait, and Qatar operate some of the largest desalination networks on earth. If power generation is degraded by attacks on energy infrastructure or by the inability to source fuel, the fresh water supply for tens of millions of people comes under immediate threat. Desalination plants cannot be switched off and on without risk of membrane fouling and equipment damage, adding yet another irreversibility to the cascade of consequences.

Taken together, these converging timelines create a four-week window of manageable—though painful—disruption, beyond which the damage becomes self-reinforcing and potentially irreversible. The world is now roughly halfway through that window. Every day of inaction narrows the corridor for recovery. Every day of continued closure makes the eventual cost of restoration higher and the timeline longer. The economic physics of this crisis are unforgiving: damage accumulates on exponential curves, not linear ones, because each broken link in the supply chain creates additional stress on the links that remain.

The Desalination and Water Crisis Within the Crisis

A dimension of this conflict that has received almost no international coverage is the threat to fresh water supplies across the Arabian Peninsula. The Gulf states are among the most water-scarce nations on earth. Saudi Arabia, the UAE, Kuwait, Bahrain, and Qatar depend on seawater desalination for between seventy and ninety per cent of their municipal water supply. These desalination plants are enormous consumers of energy—typically fuelled by natural gas or, in some cases, associated petroleum gas. In normal times, the energy supply is abundant and the water flows freely. In wartime, with gas production halted in Qatar, energy infrastructure under attack across the Gulf, and fuel imports unable to enter the region, the equation changes dramatically.

Modern reverse-osmosis and multi-stage flash desalination plants are sophisticated industrial facilities that require continuous operation. Unplanned shutdowns risk fouling the delicate membrane systems in reverse-osmosis plants, a type of damage that can take weeks to remediate and millions of dollars to repair. Multi-stage flash plants, while more robust, depend on consistent energy supply to maintain the thermal processes that separate salt from water. If Gulf states are forced to curtail desalination output because of energy shortages or infrastructure damage, the consequences for their civilian populations could be severe within days, not weeks. Water storage capacity in most Gulf cities is measured in hours to a few days at most, reflecting the assumption that desalination output will be continuous.

The humanitarian implications are profound. The combined population of the Gulf Cooperation Council states exceeds sixteen million people, many of them foreign workers with limited personal reserves and no ability to evacuate. Iran's missile and drone attacks have already struck fuel storage facilities in Bahrain and Oman, and have damaged infrastructure in Kuwait and the UAE. If desalination plants themselves become targets, or if their energy supplies are cut, the resulting water crisis would dwarf any previous humanitarian emergency in the region. International organisations are not positioned to deliver water at the scale that would be required, and the very shipping routes that would need to carry emergency supplies are the ones currently under blockade.

Inflation, Economic Fragility, and the Collapse of Weak Economies

The macroeconomic implications of a prolonged Strait closure are almost too vast to summarise, but several consequences deserve particular emphasis. The world economy in early 2026 was already under strain from the accumulated effects of trade tensions, tariff disputes, and the lingering aftermath of the post-pandemic inflation cycle. Central banks in the United States, Europe, Japan, and the United Kingdom had spent the better part of three years fighting to bring inflation under control. That hard-won progress is now in jeopardy.

Global inflation will surge if oil remains above one hundred dollars per barrel and fertilizer costs remain elevated. Energy costs feed into the price of virtually every good and service in a modern economy. The financial markets are already pricing in significant pain. Global stock indices have experienced sharp declines since the conflict began. Bond yields are volatile as investors struggle to assess the balance between inflationary pressure and recession risk. Currency markets in emerging economies are under intense strain, with capital flowing toward perceived safe havens such as the US dollar, Swiss franc, and gold. For countries with dollar-denominated debt—which includes much of the developing world—a strengthening dollar simultaneously makes their imports more expensive and their debt repayments more onerous. This is the classic emerging-market squeeze that has precipitated financial crises from Mexico in 1994 to Argentina in 2001 to Sri Lanka in 2022.

Consider the position of countries in South Asia and sub-Saharan Africa. India imports more than forty per cent of its urea and phosphate fertilisers from the Middle East. Pakistan's fertiliser plants have already shut down due to lost gas supply. African nations that depend on imported fertiliser—including Kenya, Nigeria, Tanzania, and South Africa—face the prospect of sharply reduced crop yields in a region where food insecurity is already endemic. Rising fuel prices will increase the cost of transporting whatever food is available, placing it further beyond the reach of the poorest households.

Sri Lanka's 2022 collapse, triggered in part by a misguided ban on synthetic fertiliser imports, provides a chilling template for what can happen when a developing nation's agricultural system is suddenly deprived of the inputs it needs. That crisis produced economic collapse, mass protests, and the flight of the president. Multiple countries in South Asia and Africa now face the risk of a similar unravelling, and the international institutions that might have provided a safety net—most notably USAID, which has been effectively dismantled—are no longer available.

The global financial architecture is ill-prepared for the scale of the crisis that a prolonged Strait closure would precipitate. The International Monetary Fund's emergency lending facilities, while substantial, were not designed to simultaneously bail out dozens of countries experiencing the same external shock. The World Bank's ability to provide rapid-disbursement financing is constrained by its capital structure and governance processes. Bilateral aid programmes have been cut in many donor countries, and the political appetite for large-scale financial rescue packages is limited in an era of fiscal consolidation and populist scepticism about foreign assistance. If a wave of sovereign debt crises sweeps through the developing world, the contagion effects on global financial markets would compound the direct economic damage from the commodity disruptions, creating a self-reinforcing cycle of financial instability and real-economy contraction.

History offers instructive parallels. The oil shocks of 1973 and 1979 triggered recessions across the industrialized world, double-digit inflation, and a cascade of

debt crises in Latin America that took a decade to resolve. The current crisis has the potential to be more severe because the modern global economy is far more interconnected, supply chains are far more extended and specialized, and the range of commodities affected is far wider than crude oil alone. In 1973, the world did not depend on Gulf helium to run its hospitals, Gulf sulfur to mine its copper, or Gulf gas to fabricate its semiconductors. Today it does, and the concentration of risk in a single twenty-one-mile-wide channel is a vulnerability that the international community has been warned about for decades but has done nothing to mitigate.

Conclusion: The Strait Must Reopen

This report has attempted to lay bare the full scope of the consequences flowing from the closure of the Strait of Hormuz. The picture that emerges is not one of a single commodity shock but of an interconnected crisis affecting oil, gas, fertiliser, food, helium, sulfur, copper, nickel, cobalt, aluminium, petrochemicals, LPG, semiconductors, aviation, shipping, and the broader financial system simultaneously. Each of these disruptions reinforces the others, creating feedback loops that accelerate economic damage with each passing day.

The political and military dimensions of the conflict between the United States, Israel, and Iran are beyond the scope of this report. But the economic reality is unambiguous: the Strait of Hormuz must not remain closed for more than four weeks in total. Beyond that threshold, the world faces not a temporary energy price spike but a cascading series of supply chain failures, agricultural disruptions, industrial shutdowns, and financial crises that will take years to repair.

The consequences will fall most heavily on the poorest and most vulnerable nations, but no country will be immune. Advanced economies will experience resurgent inflation, financial market turmoil, and a sharp deceleration of economic growth. Developing economies will face food shortages, fuel crises, currency collapses, and potential political instability. The global energy transition, which depends on copper, nickel, cobalt, and semiconductors, will be set back by years.

Decision-makers in Washington, Tehran, Jerusalem, Riyadh, Beijing, Brussels, and every other capital with a stake in global stability must understand that the clock is no longer theoretical.. The IRGC's advisor Ali Fadavi's warning that Iran is prepared for a long war of attrition that will destroy the American and world economies should be taken at face value—not as mere rhetoric, but as a description of the economic weapon that a closed Strait represents. Iran may not be able to match American and Israeli military power on the battlefield, but the economic leverage of the Strait closure gives it asymmetric influence that extends far beyond its conventional military capabilities.

We are approximately two weeks into a crisis that becomes structural at the four-week mark. The remaining window of opportunity is narrow and closing rapidly.

Whatever diplomatic, military, or economic mechanisms can be brought to bear to reopen the Strait must be deployed with the same urgency that nations summon in response to a natural disaster of continental scale—because that is precisely what this crisis will become if it is allowed to continue. . The world cannot afford to discover the consequences of crossing that threshold through experience. The Strait of Hormuz must reopen, and it must reopen soon.