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The Complex and Interwoven Impacts of the "Strait of Hormuz Crisis" on Major Countries

Ken Koyama, PhD
Chief Economist, Senior Managing Director
The Institute of Energy Economics, Japan

The ongoing Strait of Hormuz crisis has already resulted in sharp increases in the prices of crude oil, petroleum products, and liquefied natural gas (LNG), while the prolonged disruption of large-scale supply has heightened concerns over potential supply shortages in the global energy market. The conflict that began at the end of February remains highly uncertain in its trajectory, and prospects for its resolution are exceedingly uncertain. Under such uncertainty, a widely held view has emerged that the genuine normalization of navigation through the Strait of Hormuz may require a considerable period of time.

Naturally, the situation may not merely remain stalemated; there also exists the "worst-case scenario" of renewed escalation and intensification of hostilities, as well as the "best-case scenario" of an unexpectedly rapid agreement toward ending the war and the early initiation of a process to restore normal passage through the Strait. In any event, however, it has become clear that control over navigation in the Strait of Hormuz has emerged as an entirely new and critically important component of "petro-dominance." This reality constitutes an indispensable perspective in analyzing future developments in global energy geopolitics.

Against this backdrop, this paper seeks to examine how the ongoing Strait of Hormuz crisis is affecting key players that shape global energy geopolitics, including the United States, the Middle East, China, Russia, Europe, and Asia. These impacts are complex and multifaceted, encompassing both positive and negative dimensions. From among them, the author selectively extracts and organizes what are considered to be particularly significant points, albeit from a subjective standpoint.

First, with respect to the United States, the crisis has had a positive effect insofar as it has significantly increased the value of domestically produced oil and LNG. As the supply of Middle Eastern oil and LNG is disrupted and the global market seeks alternative sources, the presence of the United States—as the world's largest producer of oil and gas and still the largest exporter of LNG—has been greatly enhanced. From a medium- to long-term perspective as well, the emerging trend toward greater emphasis on non-Middle Eastern energy supplies in global markets is favorable to the United States. This development may serve as a tailwind for the Trump administration's pursuit of "energy dominance" in oil and gas.

On the other hand, the Strait of Hormuz crisis has also driven up gasoline prices even within the United States, which is largely self-sufficient in oil, and, combined with growing public discontent to the war against Iran, has created significant negative political implications for the Trump administration as it approaches midterm elections. Furthermore, from a broader perspective, the geopolitical upheavals triggered by the conflict with Iran and the closure of the Strait have raised questions globally regarding the United States' role as the guardian of the international energy order—an issue that merits close attention.

Turning to the Middle East, it is necessary to distinguish between Iran and the Gulf oil-producing states. Iran has suffered enormous human, economic, and social damage as a result of intense attacks and containment measures by the United States and Israel. The scale of these losses has been immense. Nevertheless, Iran has managed to sustain its regime thus far by employing the closure of the Strait of Hormuz as a critical strategic lever. Should an agreement with the United States be reached in the future and the regime remain intact, Iran could gain a significant advantage in demonstrating that it did not suffer defeat at the hands of the United States. The Gulf oil-producing countries, meanwhile, have also incurred substantial losses. In the short term, the closure of the Strait has deprived these countries of critical export revenues while also inflicting direct damage on energy infrastructure. Equally significant, however, is the potential longer-term impact: namely, the possibility that the global community, in pursuit of enhanced energy security, may decisively shift toward reducing dependence on the Middle East. Moreover, the perception of "security," which has been central to business development in the region, has been seriously undermined. The strategies that Gulf producers will adopt in the post–Strait of Hormuz crisis era thus warrant careful scrutiny.

As for China, the crisis presents clear challenges in the form of rising energy prices and difficulties in securing the supply of imported energy sources. In 2024, oil accounted for 20% of China's primary energy consumption, second only to coal (58%). In the same year, China's dependence on net oil imports reached 74%, while 57% of its crude imports originated from the Middle East. Disruptions to this vital supply source, coupled with surging oil prices, have introduced new pressures on the Chinese economy, which is already grappling with issues such as a prolonged real estate downturn.

Conversely, the global move—triggered by the crisis—toward reducing reliance on the Middle East and accelerating the adoption of electric vehicles (EVs) and renewable energy, has further strengthened China's dominant position in the clean energy sector. Although concerns about excessive dependence on China are also increasing, it may be said that, at present, the conflict between the United States and Iran is, paradoxically, reinforcing China's clean energy dominance and its pursuit of an "electro state" model centered on electricity.

In the case of Russia, the surge in energy prices and the increased strategic value of non-Middle Eastern supplies have worked to its advantage. As energy exports constitute the backbone of Russian export revenues, particularly oil exports, the rise in crude and petroleum product prices has undeniably resulted in substantial gains. That said, these gains have not fundamentally resolved the structural challenges facing the Russian economy. Rather, they may be characterized as a form of "pain relief," without which the economic situation could have deteriorated further.

Additionally, there appears to be a shift in global perceptions of Russia as an alternative supplier to Middle Eastern oil and gas. This is particularly evident in Asia, where dependence on Middle Eastern energy is high and strategic reserves remain underdeveloped, leading to heightened interest in Russian crude. In Europe, which continues to support Ukraine, policy shifts away from its stringent stance on Russian energy are unlikely to occur easily. However, Europe—which had turned to the Middle East as an alternative source following the Ukraine war—now finds itself equally affected by the closure of the Strait, thereby facing an additional layer of complexity.

Amid sluggish economic conditions, Europe has been particularly burdened by soaring energy prices and supply uncertainties, which weigh heavily on industrial activity, employment, and competitiveness. At the same time, it is noteworthy that the transition toward clean energy—somewhat decelerating in recent years—has begun to accelerate once again, as evidenced by such a move as a sharp increase in EV sales.

Finally, Asia stands out as one of the regions most severely impacted by the crisis. With high dependence on Middle Eastern oil and LNG and relatively underdeveloped strategic reserves, many developing economies in Asia have been forced to adopt stringent energy-saving measures, effectively entering a crisis-response mode. Should the closure persist, countries with greater vulnerabilities may even face physical shortages. The energy security vulnerabilities of Asia are directly linked to those of Japan, given the deep integration of supply chains within the region. It will also be important to monitor how the rapid expansion of EVs, renewable energy, and even coal utilization—accelerated under crisis conditions—will shape the future energy mix of Asia.

Contact: report@tky.ieej.or.jp
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