



RESEARCH PAPER

The Impact of the Strait of Hormuz on Pakistan's Oil Prices and Economic Stability: A Critical Analysis

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ABSTRACT

This paper examines the strategic and economic consequences of disruptions in the Strait of Hormuz on Pakistan's domestic oil prices and on the macroeconomic stability of the country. In Pakistan, where more than 85% of crude oil comes from abroad via the Strait of Hormuz, the price of gasoline has increased 20% as a result of the closure of the Strait of Hormuz. The detachment between supply and demand created by this situation has led to inflation, currency depreciation, and outages; therefore, it is obvious that more effective energy planning and improved economic policy must take place. This research study is based on qualitative methodology is utilized in which the researcher has been utilized on historical, descriptive and analytical methods with data collected from both Secondary and primary resources. The purpose of this research is to analyze the influence that the Straits of Hormuz has on oil prices and overall stability of the economy in Pakistan. There are many reasons for high gasoline prices in Pakistan create issues with the country's trade balance and contribute to rising inflation within industry and for low-income households alike. Waterways in the region, particularly the Strait of Hormuz, are targets of regional conflicts, which could disrupt the transportation of resources, hence, it is critical for Pakistan to have multiple forms of energy at their disposal; develop alternative forms of energy; create strategic petroleum reserves; establish diplomatic relations with Gulf region Governments; eliminate government subsidies on fuel; and expedite alternative forms of energy.

Keywords: Strait of Hormuz, Gulf States, Fuel Prices, Trade Balance, Gasoline, Economic Stability

Introduction

The Strait of Hormuz is an essential channel for transporting oil around the world. This is important for the energy needs of Pakistan since more than 20% of the oil consumed worldwide travels through this strait. Regional tensions can lead to increased transportation costs, which can drive domestic prices for fuel higher and create inflationary pressure in Pakistan and make economic decision-making more difficult for the Pakistani government. Internal factors like taxation rates, instability of currency, and the level of debt in the energy sector can exacerbate the relationship between interruptions in the Strait of Hormuz and the increase in prices due to the higher transportation costs that occur as a result of regional tensions.

The Strait of Hormuz is vital to worldwide energy security and also has a large economic impact on Pakistan. Since oil is more than 35% of Pakistan's total energy supply, any major disruptions to the strait have the potential to result in an increase in gas prices, inflation, and worries about its balance of payments. The proximity of Pakistan to the strait, together with a low level of domestic petroleum reserves and energy infrastructure, also

creates a higher degree of vulnerability for Pakistan. To create effective macroeconomic and energy policies, it is important to understand the level of the risk associated with each of these factors, as well as the distinction between external and internal policy-related challenges.

There is a lack of analysis in Pakistan's energy sector regarding the Strait of Hormuz, specifically its binary view as being either a threat or not. Additionally, risk premiums associated with the Strait of Hormuz are not differentiated from the general marketplace. Lastly, alternative transportation options such as Gwadar port or other pipelines have been overlooked. This paper examines how prices are transmitted between countries and provides policy recommendations for Pakistani decision-makers to reduce their vulnerability to external economic shocks that are the result of geopolitical tensions.

Literature Review

A strait is a narrow channel connecting two larger bodies of water, such as the Strait of Hormuz, which connects the Persian Gulf to the Oman Sea and lies between two countries Iran and Oman. Alternatively, a strait might divide two separate land masses, for example, the English Channel, also known as the Strait of Dover. The Strait of Hormuz is important to the relationship between Iran and Oman. Given the geopolitical realities surrounding the Strait of Hormuz, Iran and Oman rely on one another for their mutual security needs due to the closeness of both countries to each other. The historical ties between Iran and Oman continue to strengthen as both have a common appreciation for the regional geopolitical implications of the region (Youns & Muzaffar, 2025; Jafari, 2012).

The Strait of Hormuz is prominent transnational maritime channels roughly 20 percent of oil transported globally passes through the Strait of Hormuz, making it crucial to international oil movement (Khan, 2026).

While Iran has threatened to blockade this waterway owing to military conflicts with America and their allies, such actions have thus far not occurred due to many circumstances which differ between countries Iran and the United States and its confederates. As intimidation from both sides have increased, insurance costs for vessels increased therefore discouraging trade between nations; however, Iran continues to play an significant role in stabilizing the region of the Strait of Hormuz necessitating an urgent and careful approach to acting by the United States and their partners in this location (Esmaela, Abbas, & Hamzah, 2020).

Since February 28, 2026, the standoff between Iran over its nuclear-proliferation program has killed vast numbers of civilians and claims more military lives than the 1973 Arab oil embargo (Ishtiaq, 2026). While Pakistan faces its share of economic troubles, it will yet find opportunities to advance into better relations. Where thousands have died and millions have been displaced, catastrophic shortages of medical supplies have made Pakistan's role central in the mediation of humanitarian crises in West Asia and global peacekeeping and must be urgently taken in hand by global efforts (Ishtiaq, 2026).

The fluctuations of the price of oil affect inflation, industrial prices, and external stability in countries importing oil like Pakistan negatively. Elevated levels of the price of oil lead to shrunk income and demand for consumers, and therefore, affect the monetary policy. With the current tensions occurring in the Strait of Hormuz, The State Bank of Pakistan has projected an oil importation cost of \$15.9 billion for the FY2025 budget (Satti & Nawaz, 2026).

This equally increases a country's vulnerability to price volatility of oil and creates challenges to controlling inflation as inflation has increased in Pakistan, from 5.85% in

January 2026 to 6.98% in February 2026, with housing and food costs being the greatest contributors to the increase in inflation (Pakistan Bureau of Statistics, 2026).

The continuing tensions in the Middle East and its repercussion on global energy prices, the State Bank of Pakistan has decided to maintain its policy rate at 10.5% on March 9, 2026 (State Bank of Pakistan, 2026). The Government implemented emergency measures to conserve fuel because of rising gasoline prices. Econometric analysis indicates a strong long-term relationship between worldwide oil prices and monetary inflation at the local level (in Pakistan). There may be an initial tolerance for whereby rising prices, if not disrupted in the long term, will eventually or ultimately damage the wealth's traditional manufacturing and agricultural sectors (Satti & Nawaz, 2026).

Tensions within the Middle East have placed the energy transportation routes through the Strait of Hormuz at risk, while also creating uncertainty around Pakistan's economy since over 75% of the country is dependent on imported coal and crude oil. The disruptions caused by these tensions would result in higher costs associated with importing energy (\$15.9 billion currently) as increased shipping and insurance costs would be passed onto Pakistan. Numerous experts have suggested that transition efforts to develop renewable energy should occur as quickly as possible, allowing the country's economy to have increased resilience and security, reduce consumption, and provide long-term solutions that can be maintained (Tariq, 2026).

As Eid al-Fitr and harvest season approach, Pakistan faces a severe economic crisis due in large part to soaring oil prices exacerbated by ongoing conflict in the Persian Gulf. To exacerbate the problem for families and farmers whose livelihoods are dependent on the economy, oil and currency exchange rates have driven up the price of gas 20 percent after being forced into a situation where the Strait of Hormuz has been closed; Pakistan imports over 85 percent of its oil (and thus gas prices will continue to rise) and is putting tremendous strain on daily wage workers and farmers who are necessary components of economic stability (The New York Times, 2026).

Approximately 37 percent of the workforce is employed in agriculture, which represents more than 23 percent of GDP; thus, increased equipment costs and reduced purchasing power will severely impact harvests (The New York Times, 2026). Additionally, increased commuting costs for urban residents will further tighten financial circumstances for low-income families, although the government is pursuing alternative supplies of oil and local energy sources. Many families experiencing gasoline shortages will also find it difficult to transition to online schooling in light of the slowing economy; as a result, the reduction in retail activity during Eid will be due to customers focusing on need based items only (The New York Times, 2026).

The indirect trade between India and Pakistan has caused both countries problems economically; combined with the Strait of Hormuz closure that has caused disruptions to the energy supply and increased oil prices making informal trade much more expensive, it is also affecting the amount of fertiliser and remittance access due to ongoing conflicts. This reinforces the emphasis on infrastructure and economies of both nations being interdependent in order to help establish political stability. This situation has demonstrated both of the advantages of being mutually interdependent, and have highlighted the necessity for provisions such as the Iran-Pakistan-India gas pipeline and the China-Pakistan Economic Corridor (CPEC) for greater energy security, promote regional cooperation, build trust and reduce geopolitical tensions (Sheikh, 2026).

The Planning Commission of Pakistan is sounding the alarm on the economic consequences of the crisis in the Middle East, noting that both energy prices and pressures on remittances will be among the most important issues. The current disruption in the Strait of Hormuz will produce increased oil prices for the global market and therefore will increase

the total costs of imports into Pakistan. Presently, petroleum accounts for around 25 percent of Pakistan's total import value (Khan, 2026). Any increase in the costs of imported fuel will lead to an increase in inflation in Pakistan, as well as decrease Pakistan's capacity to export competitively priced goods, and will negatively impact the flow of remittances to Pakistan from workers in the Gulf region. The Planning Commission has recommended that Pakistan explore opportunities for diversifying its energy sources and increasing its ability to export. This research indicates that the economic outlook will be favorable for the fiscal years 2025-2026 owing to improvements in both the macroeconomic climate and infrastructure improvements (Khan, 2026). Planning Minister Ahsan Iqbal has encouraged the use of energy resources in a prudent fashion to lessen the impact of these anticipated challenges (Khan, 2026).

Material and Methods

In this Study a qualitative methodology is utilized in which the researcher has been utilized on historical, descriptive, analytical approaches to explore highly influential matter The Impact of the Strait of Hormuz on Pakistan's Oil Prices and Economic Stability: A Critical Analysis. This Study collect all content and also analysis from both Secondary and primary resources also with Published journals, Books, Policy reports, Online Websites, Working Papers, News articles, Internet and also Elicited credible information from institutions like IMF, State Bank of Pakistan (SBP), and Pakistan Bureau of Statistics (PBS).

Results and Discussions

A strait can be defined as an extremely narrow channel of water between and connecting two larger bodies of water. Straights can form due to tectonic activity and erosion. An obvious example would be the Strait of Gibraltar which connects the Mediterranean Sea to the Atlantic Ocean. An example of mankind building a strait is The Suez Canal, which was completed in 1869 and is a manmade canal. The Bosphorus, which connects the Black Sea with the Aegean Sea, was produced through a combination of land subsidence or erosion.

Strait of Hormuz

The Hormuz is a 30 mile wide canal joining the Persian Gulf to the Gulf of Oman that has great depth, especially off Musandam, and primarily serves commercial traffic through use of a Traffic Separation Scheme, (TSS), located north of Musandam, via the north-south route (Strauss Center for International Security and Law, 2026). The Inshore Traffic Zone (ITZ) south of Didimar Island is deep enough to accommodate large vessels and has become the preferred route of large vessels during times of peace prior to 1979 (Strauss Center for International Security and Law, 2026) .

Petroleum

An important oil export route connecting several Middle Eastern countries (Saudi Arabia, Iran) is the Strait of Hormuz; disruption would therefore have a significant impact on global oil supply, primarily from Saudi Arabia. Most of the crude oil that moves through the Strait goes to Asia (China, India, and Japan).

Global Economic Crisis Shutdown Strait of Hormuz

Reviewing Recent Events That May Affect Energy Supply & Factors Relevant To the Economy

The global shipping system relies heavily upon certain significant maritime chokepoints, which play an important role in shaping much of international trade. These

critical locations are inherently risky due to their geographical location and geopolitical conditions, creating dangers for larger economies. Recent disruptions (e.g. closure of the Strait of Hormuz) have indicated the increased interdependence among various supply chains and the increased vulnerability of pricing systems to disruption during crisis, and the importance of this relationship to the issue of energy security on a worldwide basis (Discovery Alert, 2026).

The Case Study of the Strait of Hormuz and Its Contribution to the Global Energy Security

The Strait of Hormuz connects the Persian Gulf with the Gulf of Oman. Its narrowest section is 21 miles long (Discovery Alert, 2026). This marine route plays an essential role in the global energy sector by providing a \$21 trillion market for about 21% of the world's petroleum liquids shipped through the Strait, as well as heavily contributing to the flow of crude oil from major exporting nations like Saudi Arabia, the UAE, Iraq, Kuwait and Iran (Discovery Alert, 2026).

Geographic Importance of the Strait of Hormuz from a Strategic Perspective

The aquatic highway is important for oil commerce due to its critical location. The price benchmark of Platts Dubai used to be about 18 million barrels daily, which is approximately 1/5th of worldwide crude oil supply. The volume that passes through this choke point can significantly influence the way prices are set in the energy market, but legal and political limitations may create potential areas of vulnerability as international maritime law collides with state sovereignty, especially during periods of international political crisis. This choke point is therefore at an extremely high risk of both interruption and causing increased volatility within the energy markets.

International Maritime Law and Its Jurisdictional Structure

Article 38 of UNCLOS states that all vessels have the right of transit passage through straits used for international navigation (Discovery Alert, 2026). Therefore, these rights exist in peace and hostilities; however, throughout history it has become increasingly hard for vessels and maritime nations to exercise these rights during hostilities (e.g., the Suez Canal closure during the Six-Day War, ongoing disputes in the Iran/Iraq Tanker Wars). The ongoing situation in the Strait of Hormuz presents an extremely precarious security situation and therefore illuminates the precarious nature of these rights in respect to regional hostilities. As such, while international law ensures freedom of navigation, the ability to implement such rights through maritime powers is an entirely different situation. Additionally, in relation to the impact on international markets (especially due to OPEC production restrictions when there are interruptions), the effect is astronomical (Discovery Alert, 2026).

The Impact of Maritime Blockades on the Price of Oil Globally

Important shipping routes have a direct and severe impact on the price volatility of the oil market due to supply disruptions. For example, the closure of the Strait of Hormuz caused the price of WTI Crude oil to increase by 7.17% to \$89.86 per barrel, while Brent Crude oil increased by 5.82% to \$95.64 per barrel (Discovery Alert, 2026). Additionally, the price of Murban Crude went down 9.80% to \$91.70 per barrel, indicating that there is a collapse in traditional pricing connections and that this has a detrimental effect on the Platts Dubai price discovery mechanism because of the congestion in shipping channels (Discovery Alert, 2026).

How Market Prices Change Due To Rapid Changes In Supply

The estimated risk premium for commodities trading is affected by supply interruptions, duration uncertainty, and availability of alternative supply sources. Price premiums can last long after the physical interruption or disruption has been fixed. The concentration of trade such as Total Energies' \$4 billion for partial cargoes in Dubai will create more volatility because there is less liquidity available to market participants to affect the price (Discovery Alert, 2026). The worsening supply scenarios have resulted in lower number of deliverable grades (Platts has gone from five to two grades) thus making the benchmark significantly more susceptible to price manipulation. As a result, there is a greater need for effective hedging strategies to protect against the volatility of the market during times of disruption.

Economics of Supply Chain Diversification

Costly additional costs for shipping via the Cape of Good Hope route to Asia, including longer delivery times that reduce tanker loads and fleet efficiency (hence increasing energy prices for consumers). Very few pipelines are available as alternatives due to limited capacities or existing contracts, preventing many Middle Eastern (ME) producers from fully bypassing major maritime (i.e., choke point) shipping routes i.e. the Strait of Hormuz; see USA studies related to worldwide economic slowdowns.

National Security versus International Law and Legal Reaction to Each

Blocking maritime chokepoints presents the international community with numerous issues related to jurisdiction, enforcement, and coordinated action. The need to secure national interests and ensure the continued stability of the global economy means that each country must analyze, based on their own nation, how best to approach those options diplomatically, legally, and militarily (Discovery Alert, 2026).

The Jurisdiction of the U.N. Security Council and Its Enforceable Authority

The United Nations Security Council, pursuant to Chapter VII of the UN Charter, has the authority to take action against threats to international peace and security through the protection of freedom of navigation in a chokepoint. However, for a resolution to be valid, there must be consensus among the five permanent members of the Security Council. The enforcement of sanctions associated with a maritime blockade is complicated by the fact that an economic sanction often depends on the threatened trade route. The current diplomatic initiatives, including the Iran related discussions, are more about trying to resolve access issues through diplomacy rather than military action (Discovery Alert, 2026).

General Information Regarding Strategic Oil Reserve Usage

The IEA assists member country governments when there is an outage in the supply of energy by providing an emergency response plan. The emergency response protocols include; decreasing energy consumption, swapping out fuels and releasing from the strategic petroleum reserves. Activation of reserves must be done with care, if this is done prematurely or later than necessary there will be an increase in market fear and damage to the economy. The thresholds for intervention also take into account both the level of severity of supply disruption and availability of substitutes (i.e. other sources or types of fuel). For example, the greater the level of severity such as in a major chokepoint closure, like the Strait of Hormuz, the more significant the response required (Discovery Alert, 2026).

Determining the Economic Contributions or Impacts of Events Upon Energy and Other Markets

Longer routes and increased fuel usage are driving up costs in the transport and logistics industries. Companies in these industries, such as airlines and transportation companies, are grappling with rising energy costs while maintaining service levels. Rising raw material and transportation prices are putting pressure on petrochemical-dependent manufacturing companies, notably those in the automotive, plastics, and pharmaceutical sectors. Direct energy costs and higher logistical charges have an influence on consumer products, resulting in delayed price increases that contribute to long-term inflation even after early supply chain disruptions are rectified (Discovery Alert, 2026).

Sectoral / Industrial Transactions Exposure

Asian refineries are struggling due to problems with their Middle Eastern supply lines primarily due to the fact that investments were made in systems to support specific crude grades which may now not be available. Chinese refineries are configured more optimally to convert heavier crudes into profitable light petroleum products, but as refiners need to change crude grades, refining capacity diminishes as well. The increasing trade tensions between the U.S. and China exacerbate these supply chain challenges. Rising energy transportation costs and an increase in dependency on alternative energy sources will make nations vulnerable with respect to energy security and place additional economic pressure on those nations which will either absorb those increased costs or devalue their currency in order to accommodate for higher costs of imported fuels (Discovery Alert, 2026).

Regional Trends of Economic Disruption

Energy infrastructure investment goals and global cooperation models are being transformed as a result of sustained chokepoint vulnerabilities. The present closure of the Strait of Hormuz has revived discussions regarding diversification strategies which had previously been deemed economically marginal.

Long-Term Implications of Policy

Pipeline construction is very important for energy companies that want to lessen dependence on marine choke points. Other ways to do this include development projects like Iraq, Jordan and East-Mediterranean pipelines. LNG terminals are being built with flexibility to help alleviate supply chain issues in case of supply interruptions, as these terminals have significant backing from international investors. Energising renewable energy sources at their original timelines needs the reliability of fossil fuels to create a stable economy while governments make changes to deadlines (Discovery Alert, 2026).

Diversification of Energy Infrastructure Assets

Chokepoint crisis management historical analysis reveals key takeaways for today's diplomacy, particularly those relating to rising hostilities, global engagement, and crisis resolution strategies that apply to the blockade of the Strait of Hormuz.

Historical Precedents and Mechanisms for Resolution of Disputes

Through its coordinated convoy operations (such as Operation Earnest Will) during the Tanker War of the 1980s, the U.S. Navy established key precedents for the use of international naval force to protect commercial shipping. The Suez Canal's prolonged closure (eight years) following the 1967 War illustrates the complicated relationship between commerce and security (Discovery Alert, 2026). Moreover, by participating in regional collaborative efforts to deter piracy (in the Malacca Strait), the UN is taking further

steps to enhance maritime security through naval patrols, interagency and international information sharing, and capacity building (Discovery Alert, 2026).

Historical Examples of Crisis Due to Bottlenecks in Supply Chain Management

As a result of their diplomatic ties to warring factions in the region, major regional actors, such as the government of Pakistan and Oman, assist in facilitating dialogue between conflicted parties. One of the obstacles to resolving international conflicts has been the competition for power between the United States, China, and the European Union because of their differing interests for regional influence and access to chokepoints. Therefore, for an agreement to be sustainable, it must include an economic incentive structure that addresses the underlying reasons for closing a chokepoint, including compensation, restructuring of trade relationships, and providing security guarantees (Discovery Alert, 2026).

The Strait of Hormuz and Pakistan

Currently, over 20% of the world's oil passing through the Strait of Hormuz. Because around 50% of the oil used globally is produced on land that borders it, it plays an important role in the regional economy, particularly for Saudi Arabia and the UAE. This has become especially significant now that tensions have increased between Israel and Iran, and because of the potential effects this will have on Pakistan. While both countries have alternative pipeline routes available to them, they won't be able to completely offset the blockage of the Strait (Muzaffar, et. al., 2017; Khan et. al 2019). Although the U.S. has reduced its imports of oil, the overall economic/trade relationship that exists between all three countries is being negatively impacted, which results in regional instability. Disrupting the flow of oil through the Strait will also negatively affect Pakistan's energy security and may contribute to increased fuel prices and inflation in Pakistan. This situation also shows how necessary it is for Pakistan to invest in alternative forms of energy and develop stronger bilateral relationships with other countries in the region (Mian, 2025).

Petrol costs spike in Pakistan

The hikes in petrol prices recently in Pakistan demonstrate many basic concerns beyond economics like instability of the Straits of Hormuz, dependence on imported energy sources, currency multi-national inflationary pressures, and lacklustre energy-security policies that can hinder energy security. The authors of the paper recommend that diversification and strategic long-term planning should be implemented in order to enhance resilience against volatility.

Crisis of Energy

The recent increase in fuel prices in Pakistan reveals far more than just economic pressures. Rather, it also reflects energy security issues caused by geopolitics and policy inaction, especially the instability of the Strait of Hormuz, which is critical to the supply of oil (Pakistan Today, 2026).

Chokepoint of Geopolitical Affairs

The Strait of Hormuz is a critical contributor to the transmission of energy around the world; therefore its volatility affects the transportation of oil around the globe and the dynamics of the global oil market. Although the recent conflict between Iran and the United States has not blocked the energy transportation corridor, it has caused commercial activity in the strait to decline, increased the cost of insurance for vessels that are moving through the strait, and restricted vessels operating within the strait. These factors lead to inefficiency in the supply of oil and uncertainty in the market, and thus higher prices for oil. In order to

reduce risk to energy supplies, Pakistan should consider energy a national security issue, and make proactive plans to address the challenges of energy supplies and develop institutional changes to improve resilience to global instability (Pakistan Today, 2026).

Vulnerability Of Pakistan

Pakistan's economy is highly vulnerable, due to its dependence on imported fuel sources, specifically from the Gulf area, but it is at risk of being disrupted due to its lack of both the multiple routes needed to supply its fuel and the strategic reserves available to larger countries, which is why the country suffers immensely due to the international energy market's instability (Pakistan Today, 2026).

Local and Global Effects

The global disruption has a predictable influence on the retail gasoline prices because of geopolitical tension causing uncertainty and rising transportation costs. Currency devaluation of Pakistan will make an impact on gasoline prices because importing oil is paid using foreign currency which makes imports more expensive to purchase, therefore causing an additional burden. Price increases globally on gasoline and depreciation of Pakistan's currency will therefore create a compounding effect together. The final burden to consumers is made larger from gasoline taxes or levies implemented by the government as well (Pakistan Today, 2026).

Policy Deficiencies

The problems caused by a weak and dysfunctional government in Pakistan have led to its present state of energy difficulty. Governments have continually chosen to support only quick and simple solutions with little to no long term vision; this has left the nation vulnerable to global risk with few resources available for investments or diversification into alternative forms of energy. Fiscal constraints due to limited sources of revenue, combined with commitments to international agreements on environmental protection make it very difficult for the government to establish long-term energy subsidies, providing evidence of the need for an overall comprehensive energy strategy for Pakistan (Pakistan Today, 2026).

Conclusion

Strait of Hormuz it will create a macroeconomic drawback for Pakistan by negatively impacting gasoline price structures, cost-effective logistics and inflation levels. Even smaller disruptive events may restrict an effective disinflationary policy while larger disruptive events may increase inflation due to increased transportation costs. Measures to help mitigate some of the negative consequences resulting from disruptions to the oil supply chain include implementing an effective adjustment policy framework to manage price reductions broadly; developing an effective track record of diesel inflation; creating and institutionalising an assurance of effective management of critical logistics; and linking fuel pricing with macroeconomic policy. Furthermore, due to Pakistan's reliance on oil (and its economic fragility); the speed at which external shocks will impact stability or weaken it are very high.

Recommendations

- Pakistan must make its electricity imports from various sources.
- It should be important of Oil from multiple origins is an alternative way to reduce dependence on Gulf route.
- Pakistan must use of many suppliers will likely lessen the influence of regional consternation as they relate to delivery delays.

- The government should build large amounts of underground oil storage.
- It must be Strategic oil reserves can help ensure consistent fuel deliveries during times of emergency.
- The government needs to increase funding for solar, wind and hydropower projects. Renewable energy sources will lessen our dependence on oil from other countries.
- Pakistan must make Affordable local public transportation can potentially save on fuel throughout the nation.
- Pakistan should be improving local public transportation such as electric buses and light rail allows fuel savings.
- The Government of Pakistan should invest in domestic oil and gas exploration projects. Developing Oil and Gas within the country will reduce our dependency on imported oil.
- Public Awareness Programs should be designed to encourage fuel conservation.
- Businesses should implement energy efficient technology.
- It should be implementing consistent Exchange Rate Policies helps to lessen the impact of higher world oil prices.
- Pakistan should be holding large Foreign Exchange Reserves provides a means to manage the cost of imports.

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