



CENTRE for AEROSPACE & SECURITY STUDIES

The Economic Fallout of Israel-Iran Conflict

Analysis Report



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INTRODUCTION

The recent military escalation between Israel and Iran amid Israeli aggression reignited fears of major disruptions in global energy markets. With key oil and gas infrastructure in Iran and Israel coming under attack and risk of disruption in the Strait of Hormuz – a critical chokepoint for 20% of the world's oil supply – investors and policymakers were increasingly concerned about the economic ripple effects of regional instability. A significant drop in oil and gas supply, combined with limited spare capacity among Organization of the Petroleum Exporting Countries (OPEC)+ members, could have pushed oil prices to unsustainable highs and strain already fragile economies.

In view of this, the Centre for Aerospace & Security Studies (CASS) organised a Webinar on 25 June 2025 on **'The Economic Fallout of Israel-Iran Conflict.'** This webinar aimed to provide timely, multi-perspective analysis of how the conflict could reshape global energy dynamics, increase market volatility, and impact inflation and trade flows. It also aimed to explore the readiness of OPEC+ to respond, vulnerabilities of energy-importing nations, and the long-term risks to global energy security.

The distinguished subject matter experts who spoke at the webinar included:

-  Dr Einar Tangen, Senior Fellow, Taihe Institute, Beijing
-  Dr Manzoor Ahmad, Senior Fellow, Pakistan Institute of Development Economics (PIDE), Islamabad
-  Dr Usman W. Chohan, Advisor, Economic Affairs and National Development, Centre for Aerospace & Security Studies (CASS), Islamabad

The discussion was moderated by Zahra Niazi, Research Associate at CASS with Concluding Remarks by President CASS Air Marshal Javaid Ahmed (Retd).



EXECUTIVE SUMMARY

President CASS, Air Marshal Javaid Ahmed (Retd), welcomed a panel of esteemed experts and acknowledged the significance of the recently established ceasefire between Iran and Israel, emphasising that the situation could have escalated dramatically without it. He noted that the decision to cease hostilities was a prudent one, given the volatility on ground. The President also highlighted the involvement of the United States (US) in the conflict and the potential economic ramifications, particularly concerning the strategic Strait of Hormuz.

Dr Einar Tangen condemned the US military attack on Iran during negotiations, characterising the US as a 'rogue state.' He argued that the move violated both international law, specifically the UN Charter and US domestic law under the War Powers Resolution, as it bypassed Congress and disregarded assessments from the President's own National Security Advisor and the International Atomic Energy Agency (IAEA), both of which found no imminent threat from Iran's nuclear programme. Dr Tangen contended that launching the attack based solely on distrust, without concrete evidence, and prematurely declaring victory was reckless. It predictably risked provoking Iranian retaliation, such as the closure of the Strait of Hormuz, which could have drawn the US into an expensive, open-ended conflict, directly contradicting President Trump's campaign promises to avoid 'forever wars' and prevent rising consumer prices. Dr Tangen warned that this attack demonstrated how powerful states operated on 'might makes right,' eroding trust in international law and inevitably forcing smaller states to pursue nuclear weapons as the only viable deterrent to protect their sovereignty. He attributed this attack to a leadership pattern of US President Donald Trump lacking any strategic endgame, exemplified by 18 years of him criticising healthcare policy without ever producing a concrete replacement plan beyond a 'framework of concepts,' focusing instead on short-term transactional gains over long-term consequences.

Dr Manzoor Ahmad discussed how global conflicts could impact Pakistan even if the country was not directly involved. He focused on the recent ceasefire in the Middle East and highlighted what could have happened if the conflict had continued. Drawing lessons from the Russia-Ukraine war, Dr Ahmad explained how rising oil prices could shake Pakistan's economy and political stability. He pointed out the repeated mistakes Pakistan had made in responding to global shocks, especially by closing down trade. His main message was that long-term planning, not panic, was essential for handling international crises without inflicting harm on the domestic economy.











Drawing parallels between the current Israel-Iran tensions and earlier geopolitical oil shocks, particularly those of the 1970s and 2020s, **Dr Usman W. Chohan**, highlighted the recurring economic vulnerabilities triggered by conflict in the region. Focusing on the cost of war for Israel, he stated that Israel reportedly incurred military



expenditures of approximately USD 1 billion per day, primarily due to the use of air defence systems. Discussing broader energy implications, he noted that if the Strait of Hormuz were blocked, global economic fallout could have reached hundreds of billions of dollars. While the recent ceasefire was a welcome relief, Dr Chohan emphasised that it remained fragile. If conflict escalated again, not only the Middle East but also South Asia, East Asia, and global shipping routes (including the Suez Canal) would be affected. Pakistan was uniquely vulnerable due to its energy import dependency, high inflation–interest rate mismatch, and strong economic links to the Gulf Cooperation Council (GCC).

In his *Concluding Remarks*, **Air Marshal Javaid Ahmed (Retd)** expressed gratitude to the speakers for their insightful contributions, acknowledging the inseparability of economic and geopolitical dimensions in contemporary affairs. He emphasised the value of the session for CASS researchers. The President concluded by expressing eagerness for continued engagement with the distinguished speakers in the future.

KEY TAKEAWAYS

-  Global affairs are increasingly shaped by the intersection of economics and geopolitics, making economic strategy a critical component of foreign policy.
-  The United States (US) conducted an unprovoked attack on Iran during negotiations, violating international law (UN Charter - no existential threat) and domestic law (War Powers Act - bypassing Congress).
-  The decision to attack Iran was driven by unfounded distrust, undermining the foundation of diplomacy, which fundamentally relies on mutual trust in international relations. A key consequence is the acceleration of nuclear proliferation, as smaller states, lacking trust in major powers, may increasingly view nuclear weapons as the only credible means of safeguarding their sovereignty.
-  Potential Iranian retaliation could have drawn the US into a costly, open-ended conflict, contradicting the current administration's pledges to avoid 'forever wars' and lacking broad public support.
-  US involvement in the conflict and rising tensions around the Strait of Hormuz could have triggered major economic repercussions globally.
-  Wars, especially around chokepoints like the Strait of Hormuz, can lead to widespread disruptions in global oil supply chains and ripple effects on inflation, energy prices, and trade flows worldwide.
-  Pakistan's heavy reliance on imported energy, especially oil, makes it particularly sensitive to global conflicts and price volatility. Even distant wars (like Ukraine-Russia) have had a severe impact on essential commodity prices and domestic political stability.
-  Pakistan was uniquely vulnerable to the Israel-Iran conflict due to its dependence on energy imports, mismatch between high inflation and interest rates, and its strong economic ties with the Gulf Cooperation Council.
-  Gulf economies like Qatar, Saudi Arabia, and the United Arab Emirates (UAE), despite benefiting from high oil prices, are fiscally at risk if oil transport is blocked. East Asian importers, especially China, which buys 70 per cent of Iranian oil, would also suffer from higher energy costs.
-  Pakistan's reactive measures to global crises, like import bans and trade curbs, offer short-term relief but undermine productivity, exports, and jobs, compared to regional peers who manage similar crises more strategically.



PROPOSED WAY FORWARD

-  Powerful states, especially the United States (US), must recommit to the United Nations Charter and rule-based international order.
-  Diplomatic engagement should be re-established on the basis of verified intelligence and mutual trust, with a clear rejection of unilateral actions driven by unfounded suspicion.
-  The US must ensure strict adherence to its domestic laws governing the use of military force, such as the War Powers Resolution, to uphold democratic oversight and legal accountability.
-  The international community must find credible ways to assure smaller nations of their security without nuclear weapons, countering the 'might makes right' perception incentivising proliferation. This requires major powers to consistently uphold non-proliferation treaties through lawful, transparent, and non-coercive behaviour.
-  Regional actors must develop mechanisms to insulate energy and trade routes from conflict spillovers to prevent cascading economic shocks.
-  During international disruptions, Pakistan needs forward-looking contingency plans, economic buffers, and coordinated policy responses. A more measured, resilient approach is essential to mitigate long-term damage and avoid repeating past mistakes.
-  Pakistan must adopt smarter trade strategies that balance export promotion with pragmatic import policies to support industrial growth and economic resilience.

SUMMARY OF PROCEEDINGS

Air Marshal Javaid Ahmed (Retd),

President, Centre for Aerospace & Security Studies, Islamabad

In his *Welcome Remarks*, the President extended a warm welcome to the distinguished panelists, recognising their deep expertise across relevant domains. He reflected on the gravity of the Israel-Iran conflict, stating that failure to achieve a ceasefire could have placed the region in an entirely different, and far more dangerous, situation. The President described the recent decision to opt for a ceasefire as both timely and wise, given the volatile circumstances on the ground. Furthermore, he raised concerns about the involvement of the US in the conflict and the implications it could have had on regional stability. He specifically pointed to the Strait of Hormuz, a vital global oil transit route, noting that any disruption in this area could have led to severe economic consequences not just for the region, but globally.

Dr Einar Tangen,

Senior Fellow, Taihe Institute, Beijing

Dr Einar Tangen presented a rigorous critique of the recent US bombings against Iran, framing it as an unprovoked attack conducted by the world's preeminent nuclear power against a state engaged in negotiations. He emphasised that the operation was executed in coordination with a nuclear-armed proxy state that operates outside IAEA oversight. Based on this action, Dr Tangen asserted the US itself now met the definition of a 'rogue' state, arguing it deliberately operated outside established legal frameworks. He contended this characterisation reflected an uncomfortable truth about US foreign policy conduct.

Dr Tangen addressed details regarding specific legal violations underpinning his claim. He stated the attack constituted a direct breach of the UN Charter due to the absence of any existential threat to the US, rendering it an illegal act of aggression under international law. Furthermore, he highlighted violation of US domestic law, specifically the 1973 War Powers Resolution, noting that the executive branch bypassed the legally required consultation with Congress. Dr Tangen then scrutinised the decision-making process, noting that the President disregarded factual assessments from both his own National Security Advisor and the International Atomic Energy Agency (IAEA), which had confirmed the absence of any imminent Iranian nuclear weapons capability. Instead, the decision was driven solely by asserted distrust, without supporting evidence or clear rationale. Dr Tangen argued that this approach fundamentally undermined the trust essential to effective diplomacy and the functioning of international relations.

The speaker underscored deploying B-2 bombers and declaring victory as strategically reckless. He posited that the predictable Iranian response, such as closing or threatening to close the Strait of Hormuz, would have triggered a severe escalation.



This retaliation, he explained, would have necessitated a massive, sustained US military response involving costly naval operations and ground forces, escalating into an open-ended conflict requiring significant mobilisation. He contended that President Trump only belatedly recognised the consequences of his decision, realising it contradicted key promises to his electoral base, namely, avoiding 'forever wars' and preventing consumer price hikes, such as rising fuel costs. The subsequent withdrawal and reassertion of victory was characterised by Dr Tangen as a cynical attempt to recast a potentially disastrous miscalculation as a successful peacemaking endeavour, reflecting a pattern of inverting defeats into claimed victories and projecting blame.

The major international security implication of the US attack on Iran, according to Dr Tangen, was severe erosion of trust in the international legal order and the principle that powerful states would abide by established rules. He argued that the US bombings demonstrated a 'might makes right' approach, compelling smaller states to pursue nuclear weapons as the only credible deterrent to protect their sovereignty. He asserted that the acceleration of potential nuclear proliferation was a direct and destabilising consequence of the US military action and the leadership style that drove it.

Finally, Dr Tangen attributed this pattern to a fundamental lack of strategic foresight or 'end game' planning. He illustrated this deficiency using the example of US healthcare policy: despite 18 years of vehement criticism of the Affordable Care Act, including four years as President, Donald Trump failed to develop a substantive, actionable replacement plan, offering only a vague 'framework of concepts' when pressed. Dr Tangen concluded that this exemplified a purely transactional, short-term approach focused on immediate gain, i.e., 'the art of the deal' while disregarding long-term consequences, a trait he believed permeated President Trump's decision-making that led to the dangerous situation he described in his address.

Dr Manzoor Ahmad,

Senior Fellow, Pakistan Institute of Development Economics (PIDE), Islamabad

Dr Manzoor Ahmad spoke on the possible economic effects of prolonged international conflicts on Pakistan. He referred to the recent ceasefire in the Middle East and said that if the conflict had continued, it could have led to a rise in crude oil prices. He explained that such a rise would have increased Pakistan's import bill, raised inflation, and worsened the Balance of Payments (BoP).

Dr Ahmad noted that Pakistan relies heavily on energy imports, with oil and gas accounting for approximately 30 per cent of total imports. With annual oil imports valued at around USD 20 billion, any sharp rise in global oil prices would exert significant financial pressure. Citing estimates from research groups such as Oxford Analytica, he warned that in the event of a prolonged conflict, oil prices could surge to USD 130 per barrel.



To illustrate the potential impact, Dr Ahmad referred to the Russia-Ukraine war that began in February 2022. Despite Pakistan having less than 1 per cent of its trade with the two countries, the domestic fallout was immediate: oil, wheat, and edible oil prices surged, and by April 2022, the political turbulence contributed to a change in government.

Dr Ahmad also discussed the link between external shocks and internal political instability was not new. He cited previous episodes in 2008, 2012, and 2013, when oil price spikes triggered inflation and energy shortages. He explained that import restrictions imposed during these periods reduced exports and contributed to long-term economic stagnation. Pakistan, he argued, has struggled to regain pre-crisis export growth since then. Highlighting the reliance of industrial production on imported inputs, he warned that such restrictions cripple factory output, fail to meet domestic and export demand, lead to job losses, and further fuel inflation. He observed that Pakistan's typical response to international economic stress, blocking imports or imposing duties, had consistently failed to support rapid recovery from external shocks. In contrast, he noted that countries like India and Bangladesh adopted more adaptive strategies, maintaining trade flows and sustaining industrial activity.

As a way forward, Dr Ahmad emphasised the need for Pakistan to prepare proactively for external economic shocks. He recommended building strategic reserves, formulating flexible trade policies, and developing long-term contingency plans that allow the economy to absorb global price fluctuations without halting industrial activity. He also advised studying the responses of regional countries to similar crises, noting that learning from their experiences could strengthen policy decisions and help avoid repeating past mistakes.

Dr Ahmad concluded that external economic shocks are inevitable, but their impact depends on how Pakistan chooses to respond. He cautioned that ad hoc measures like import bans often worsen underlying vulnerabilities. Instead, he advocated for a data-driven, experience-informed approach to manage such crises more effectively and support long-term economic stability.

Dr Usman W. Chohan,

*Advisor (Economic Affairs & National Development),
Centre for Aerospace & Security Studies, Islamabad*

Dr Usman W. Chohan began by drawing parallels between the current Israel-Iran tensions and previous geopolitical oil shocks, particularly those in the 1970s and 2020s. In historical terms, the 1970s oil shock, largely sparked by Israeli-Arab hostilities, marked a shift in the global economy from state-led Keynesianism to neoliberalism. Similarly, the Russia-Ukraine conflict in the 2020s triggered global energy and economic disruptions, echoing structural vulnerabilities exposed during previous crises.



Focusing on Israel, he underscored the enormous financial toll of its recent military engagements. During what is now referred to as the 12-day war, Israel reportedly incurred military expenditures of approximately USD 1 billion per day, primarily due to the operation of air defence systems. The cost of individual interceptor missiles alone ranged from USD 700,000 to USD 4 million, and many were deployed even against ineffective threats.

Despite its apparent technological superiority, Israel's economic situation had deteriorated significantly since October 2023. Blanket censorship had obscured the extent of infrastructure damage, particularly to refineries and urban centres. However, fiscal indicators revealed rising budget deficits, labour shortages due to military mobilisation, and capital flight, with citizens even fleeing the country during airspace closures. Consumer demand and technological exports had weakened, exposing Israel's growing dependence on external subsidies and highlighting the fragility of its wartime economy.

On the other hand, Iran had managed to maintain oil exports despite severe constraints, primarily through its 'shadow fleet.' However, Iranian energy infrastructure had sustained considerable damage during the 12-day war, particularly in the South. A worsening electricity and gas crisis had compounded longstanding structural issues like inflation and unemployment. Neither Iran nor Israel had the long-term economic stamina to sustain a prolonged conflict.

Dr Chohan then discussed the broader energy market implications, noting that if the Strait of Hormuz were blocked, global economic fallout could have reached hundreds of billions of dollars. Diesel and petroleum prices would have spiked, and refining margins would have worsened. Importantly, the repercussions of such a crisis would have extended beyond the immediate belligerents. Countries in the GCC, including Qatar, Saudi Arabia, and the UAE, would have suffered immensely. Even with rising oil prices, they would have been unable to export if maritime chokepoints were compromised.

This regional instability would have directly affected Pakistan, particularly due to its economic and labour links with the GCC. Pakistan received over USD 36 billion in annual remittances, much of it from Pakistani workers in Gulf states. From a macroeconomic standpoint, the crisis could have completely derailed Pakistan's current economic trajectory. Although inflation had recently fallen, interest rates remained high, leading to a 10-percentage-point real interest rate gap. Any oil shock would have reignited inflation, unravelled the monetary easing cycle, and further devalued the Pakistani rupee.

While the recent ceasefire was a welcome relief, Dr Chohan emphasised that it remained fragile. If conflict escalated again, not only the Middle East but also South Asia, East Asia, and global shipping routes (including the Suez Canal) would be



affected. Key sectors such as transport, energy, shipping, tourism, and insurance would all face significant disruptions.

Finally, the Chinese perspective was noted. With 15 per cent of China's crude oil imports coming from Iran, and a larger portion transiting through the Hormuz region, any escalation would be strategically critical for Beijing. While China may not get directly involved, it would absorb the cost, especially since 70 per cent of Iranian oil exports went to China at discounted prices due to US sanctions. Japan and South Korea would face similar risks.

Air Marshal Javaid Ahmed (Retd),

President, Centre for Aerospace & Security Studies, Islamabad

Concluding Remarks and Vote of Thanks

The President extended heartfelt thanks to all the speakers for their valuable insights and thoughtful contributions to the session. He highlighted the complexity of modern global affairs, noting that economic factors were deeply intertwined with geopolitical developments, making it challenging to view either in isolation. The President particularly appreciated the benefits of the session for CASS researchers who could build on these ideas further. He concluded by stating his interest to have more similar interactions with the esteemed speakers in the future.

ANNEXURES

Profile of Speakers



Dr Einar Tangen

Senior Fellow, Taihe Institute, Beijing

Dr Einar Tangen is a Senior Fellow at the Taihe Institute, a Beijing-based think tank affiliated with the University of International Business and Economics, where he provides in-depth commentary on China's political and economic landscape. He is also the founder of *Asia Narratives*, a platform focused on strategic analysis of Asia-Pacific affairs. Based in Beijing's Chaoyang District, Dr Tangen is a prominent English-language commentator known for his expertise in China-US relations, multilateral diplomacy, and regional geopolitics. He regularly appears on international media and think-tank panels, contributing insights into global policy shifts and China's role in world affairs.



Dr Manzoor Ahmad

Senior Fellow, Pakistan Institute of Development Economics (PIDE), Islamabad

Dr Manzoor Ahmad is an expert in international trade policy and currently serves as a Senior Fellow at PIDE. Previously, he was Pakistan's Ambassador to the World Trade Organization, where he continues to serve as an arbitrator for trade disputes. He has also represented the Food and Agriculture Organization at the United Nations.



Dr Usman W. Chohan

Advisor Economic Affairs & National Development, Centre for Aerospace & Security Studies, Islamabad

Dr Usman W. Chohan is an international economist and academic, currently serving as Advisor to the President of CASS on Economic Affairs & National Development. He is recognised as one of the top 100 authors on the Social Science Research Network (SSRN), the world's largest open repository of knowledge, out of over 1.2 million authors. In the past six years, he has authored or edited eight books published by Routledge. Dr Chohan holds a PhD in economics from the University of New South Wales, Australia, where his research pioneered a multidisciplinary synthesis of independent legislative fiscal institutions, and an MBA

from McGill University, with additional coursework at MIT-Tsinghua. His professional background includes roles at the National Bank of Canada and the World Bank.



Air Marshal Javaid Ahmed (Retd)

President, Centre for Aerospace and Security Studies, Islamabad

Air Marshal Javaid Ahmed (Retd) was appointed President of the Centre for Aerospace & Security Studies, Islamabad on 29 April 2024. Previously, he served as Vice Chancellor of Air University. With a distinguished career spanning approximately 40 years in the Pakistan Air Force (PAF), he has held several critical positions. His roles have included Chairman of the Pakistan Aeronautical Complex (PAC) Kamra, Officer Commanding of the Combat Commanders School, and Chief Project Director of the JF-17 Fighter Aircraft Production Program. He is recognised for his expertise in aerospace development policies, as well as doctrine formulation and implementation strategies. Air Marshal Ahmed is an alumnus of the Air War College, where he graduated in Defence & Strategic Studies. He also holds Master's degree in War Studies from the National Defence University. His skills in command and management are complemented by his advanced knowledge in emerging academic fields. Previously, he also served as Director of Policy and Doctrine at CASS, Islamabad. In recognition of his significant contributions to the Pakistan Air Force, he awarded Tamgha-i-Imtiaz, Sitara-i-Imtiaz, and Hilal-i-Imtiaz (Military).

Press Release

'Neither Iran nor Israel can sustain a protracted conflict, and any deeper US involvement would have risked spiralling costs'



This was the consensus at the webinar on '*The Economic Fallout of Israel-Iran Conflict*' organised by the Centre for Aerospace & Security Studies (CASS), Islamabad. The distinguished panel of experts, including Dr Einar Tangen, Senior Fellow at the Taihe Institute, Beijing; Dr Manzoor Ahmad, Senior Fellow at the Pakistan Institute of Development Economics (PIDE), Islamabad; and Dr Usman W. Chohan, Advisor at CASS, Islamabad, analysed the far-reaching economic consequences of the Israel-Iran conflict, offering critical insights into global market disruptions, energy security, and regional stability. The webinar was moderated by Research Associate Zahra Niazi, with introductory and concluding remarks by Air Marshal Javaid Ahmed (Retd), President of CASS, Islamabad.



The panel welcomed the Iran-Israel ceasefire as a timely measure that averted serious global and regional energy and security repercussions, especially in light of the threat of a Strait of Hormuz closure. **Dr Einar Tangen** was of the view that the world was very near the edge of a precipice, not by accident, but propelled by the reckless blindness of powerful actors, most notably the United States and Israel. He said that their unilateral actions in Iran and 'disregard for established norms had shattered the fragile foundations of global security', forcing vulnerable nations towards the desperate, catastrophic 'solution' of nuclear weapons. He further stressed that the zero-sum path in which security was seen as terror and strength through the deliberate insecurity of others, only offered perpetual fear and the certainty of eventual global catastrophe. Dr Tangen hoped that instead of Western short-sightedness, aggression, and self-interest, middle powers like Pakistan, would

embrace the path of mutual security, collaborative development, and respect for sovereignty best articulated by China's vision.

Dr Manzoor Ahmad discussed the potential economic impact of a prolonged Iran-Israel conflict on Pakistan. Reflecting on how Pakistan has tackled similar crises before, he pointed out that knee-jerk reactions tend to make things worse, drive up inflation, unemployment, and trade gaps. 'When international crises hit,' he said, 'we've got to learn how to deal with them proactively.' He argued for forward-thinking domestic policy changes to build stronger resilience against outside shocks.



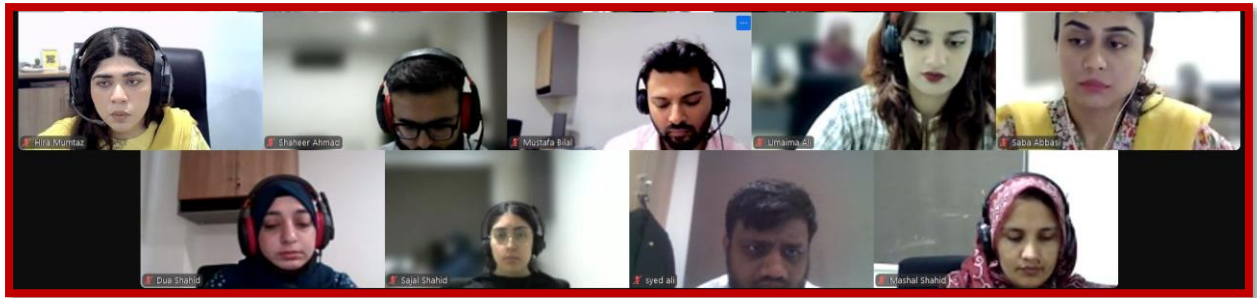
Dr Usman W. Chohan provided a comprehensive analysis of both the direct economic costs of the Israel-Iran conflict, indirect costs and regional spillovers and specific impacts on Pakistan. On the direct costs, he noted that Israel had spent about USD 0.7-1 billion per day on military operations and rebuilding, so its deficits had widened, labour shortages emerged, and civilian spending and tech exports were now suffering. Meanwhile, Iran's 1.7-2.2mbpd 'shadow' exports were persisting, but strikes on energy assets would now deepen its power crises, drive inflation to 40%, and channel funds into fuel smuggling and IRGC proxies. Pakistan, he shared, had felt the Iran-Israel tensions acutely through a surge in fuel smuggling and broader macroeconomic pressures. He pointed out that fuel already accounts for about 30% of Pakistan's import bill, and with 70% of oil transiting the Strait of Hormuz, Brent crude at USD 90–100 per barrel could have ballooned the current-account deficit, weakened the rupee, stoked inflation further, and shaved an estimated 0.5-1.5 percentage points off the GDP.

The session was followed by an interactive question and answer session from participants from the UK and Pakistan.

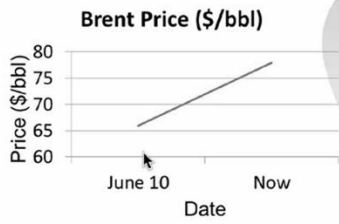




Concluding the session, President CASS, Air Marshal Javaid Ahmed (Retd.), reiterated the urgency of securing Pakistan's energy infrastructure and diversifying strategic partnerships to mitigate external shocks since *separating economic and geopolitical aspects in conflict situations was becoming increasingly difficult.*



Energy market implications



- Scenario Impacts:
- Strait of Hormuz delay → +\$8–31/bbl
 - Full closure → \$100–130/bbl
 - Diesel prices: +15% since conflict start
 - EU refining margins: 14-month high
 - Tanker rerouting underway

Active

Other Considerations

- Middle East economies (Gulf states, Lebanon, Jordan) affected by trade routes and investor risk
- Suez Canal traffic and insurance costs spike
- Global supply chains hit, especially energy-intensive and transport-reliant sectors
- Investor flight from emerging markets

Active



ABOUT CASS

Established in 2018, the Centre for Aerospace & Security Studies (CASS) in Islamabad is a non-partisan think tank offering future-centric analysis on aerospace and security issues. CASS engages with thought leaders and informs the public through evidence-based research, aiming to influence discussions and policies at the national, regional, and global level, especially concerning airpower, emerging technologies, traditional and non-traditional security.

VISION

To serve as a thought leader in the aerospace and security domains globally, providing thinkers and policymakers with independent, comprehensive and multifaceted insight on aerospace and security issues.

MISSION

To provide independent insight and analysis on aerospace and international security issues, of both an immediate and long-term concern; and to inform the discourse of policymakers, academics, and practitioners through a diverse range of detailed research outputs disseminated through both direct and indirect engagement on a regular basis.

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