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The Impact of Middle Eastern Regional Conflicts on Oil Supply Chains and Global Business Operations

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Abstract:

Regional conflicts in the Middle East can generate exogenous shocks to global energy markets and trigger cascading disruptions across international oil and logistics supply chains. Although the macroeconomic consequences of oil-price volatility are well documented, less is known about how such shocks affect the operational costs and strategic decisions of multinational corporations (MNCs). This proposed study will examine how regional conflicts influence oil supply, price volatility, freight and manufacturing costs, and global business operations. It will employ a convergent parallel mixed-methods design based entirely on secondary data. The quantitative strand will use time-series econometric analysis of geopolitical risk indices, crude-oil prices, freight-cost indicators, and manufacturing-cost measures from January 2014 to June 2026. In parallel, the qualitative strand will use thematic analysis of academic studies, industry reports, and corporate case evidence to identify how MNCs have responded to recent conflict-related energy and supply-chain disruptions. Guided by Dynamic Capabilities Theory and Supply Chain Resilience Theory, the study will investigate the transmission of geopolitical shocks into operational costs, the drivers of volatility, the consequences for supply-chain efficiency, investment, and profitability, and the effectiveness of mitigation strategies. The integrated analysis is expected to identify resilient practices such as supplier diversification, strategic inventory buffering, nearshoring, and financial hedging. By connecting macro-level geopolitical risk with micro-level corporate responses, the study aims to provide evidence-based recommendations for supply-chain managers, senior executives, and policymakers seeking to strengthen organizational resilience in increasingly fragmented and uncertain global energy markets.

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1. Introduction & Problem Statement:

1.1. Background and context of the study:

Crude oil has been considered the world's most important energy source since the mid-1950s. It has been the motor and lifeline of the developed world and a crucial source of economic growth for many nations (Mehmood et al., 20 21). In international politics, it is also regarded as a vital strategic resource (Shao and Hua, 2022). One of the industries crucial to the global economy and with a significant impact on international relations is the oil and gas sector. Natural resources, such as oil and gas, are the primary source of energy. This sector is crucial to the production of energy and several chemical goods, including plastics, containers, and synthetic materials. These materials cover a wide range of applications in industry, transportation, chemistry, and energy. Furthermore, oil and gas-derived products play a significant role in the global economy, making them a primary driver of national economic growth (Salimovna, 2024).

Human civilizations depend on oil as their primary energy source since it is necessary for many daily tasks, from mundane domestic chores to industrial processes. Both exporting and importing nations may be significantly affected by macroeconomic fluctuations in oil prices. Additionally, it affects heating bills, transportation, and manufacturing costs, all of which contribute to global economic uncertainty (Ahmad et al., 2022). One of the most crucial factors in both domestic and global economic development is the unpredictability of oil prices, which is a key part of the international economic system. As a result, both the supply and demand for crude oil have a significant impact on the world economy. Global energy markets are highly susceptible to geopolitical events, particularly conflicts in oil-producing nations. Since the Gulf region accounts for a sizable share of global petroleum production, it is also a strategic source of oil. Because of geopolitical unrest in this region, oil prices have increased significantly globally (Ahmad et al., 2022).

There is growing evidence that changes in geopolitical risk affect oil market prices and volatility. For instance, uncertainty about the consequences of the Iranian Revolution in 1979 and the result of the invasion of Kuwait in 1990 have historically been linked to spikes in oil price risk. In addition, worries that Russia would decline to sell oil to Europe following the invasion of Ukraine caused a surge in uncertainty in March 2022. Oil prices rise when a war breaks out in an oil-producing nation. It is among the most anticipated changes in the market. Two significant geopolitical developments could have an immediate and detrimental effect on the price of oil in the near future: a worsening of the Middle East crisis and an intensification of the conflict between Russia and Ukraine, which might interfere with Russian gas and oil supplies to the European Union (Bilal et al., 2023). Concerns of an Israeli and Iranian conflict affecting international oil exports, modifications to OPEC production restrictions, and the capacity of U.S. shale oil producers to sustain their production gains have been additional recent causes of oil price volatility (Kilian et al., 2026).

The price of oil products is more erratic and unpredictable than that of any other kind of commodity because of its enormous significance. Crude oil prices directly affect investment, international trade, industrial output, and other forms of production. Because of demand inelasticity, they can even lower household spending power. Additionally, consumer goods and services are directly affected by the high price of crude oil, raising questions about the future. Additionally, because it diverts funds from capital goods and expensive purchases, it has a negative effect on economic outcomes (Ahmad et al., 2022). There are three main ways that a dispute in an oil-producing region can have an impact. One, increased prices for commodities like food and energy would drive up inflation even further, lowering purchasing power and affecting demand. In addition to an extraordinary increase in refugee movement, two economies, especially those adjacent to one another, will experience disruptions to business, logistics, and remittances. Third, declining business confidence and growing investor anxiety would drive down asset prices, constricting the economy and encouraging capital flight from emerging countries (Bilal et al., 2024).

The impact of oil price volatility on importing and exporting nations varies. Oil revenue plays a significant role in the economies of exporting nations (Ahmad et al., 2022). More funds were available for development initiatives due to rising oil prices. Therefore, the effectiveness of monetary and fiscal policy is impacted by fluctuations in oil prices. An essential component of industrial products is crude oil. Its volatility has a significant impact on investment, unemployment, and the exchange rate. Additionally, increases in crude oil prices affect consumer spending and interest rates, leading to inflation. Higher consumer expenditure reduces savings, which affects capital formation. As a result, manufacturing costs rise, and company output falls, drastically reducing overall output and slowing economic growth. Therefore, all company operations, both domestic and foreign, are impacted by changes in oil prices (Ahmad et al., 2022). Therefore, this study analyses the regional conflict in the oil-producing region of the Middle East and its impact on oil market volatility and the resulting global business disruptions.

1.2. Significance of the topic:

This study is of critical importance since it connects the macro level geopolitical risk to the micro level corporate operational strategy in an age of persistent energy volatility. Although the existing literature contains numerous studies on the impact of Middle East wars on the prices of oil and inflation, there is still a lack of literature that provides a detailed study of how these exogenous factors result in real tangible increases in manufacturing and transportation costs for energy-intensive industries. The transmission mechanism of crude oil is crucial in understanding business continuity as it directly impacts investment and international trade, industrial output, and other vital economic activities (Ahmad et al., 2022). Moreover, maritime chokepoints, such as Strait of Hormuz, are still exposed to security threats, making this study timely and valuable in providing insights to multinational corporations facing the threats of supply chain fragility. Theoretically, this study makes an original contribution by using secondary data from mixed methods from which empirical evidence on the phenomena of reconfiguration of competencies in the process of realized, as opposed to only potential, geopolitical acts is drawn, with the use of DCT (Czech & Wielechowski, 2026). In a practical sense, the findings will help to inform

supply chain managers and C-suite decision makers with proven frameworks for resilience - shifting beyond a reactive crisis management approach to an initiative-taking strategic adaptation. Overall, the findings of this research can help ensure economic stability on a global scale by providing actionable strategies for sectors that rely on energy to ensure profitability and operational efficiency are not negatively impacted by regional instability (Patidar et al., 2024; Qianyu, 2025).

1.3. Research problem:

While there is sufficient literature on oil market volatility after conflicts in the regions, the existing literature tends to focus mainly on macroeconomic indicators like GDP contraction, inflation, or the effectiveness of national fiscal policies (Ahmad et al., 2022; Bilal et al., 2024).

The research gap needs to be addressed by examining the micro-level workings of Middle Eastern geopolitics that impact global MNCs and their supply chains, to establish the impact on corporate risk management decisions (Czech & Wielechowski, 2026; Gaffor et al., 2026). In addition, while there have been theoretical frameworks developed on how to achieve resilience in a supply chain (Czech & Wielechowski, 2026), there is a lack of contemporary study of the effectiveness of which specific risk mitigation strategies are the best suited for coping with the risks of prolonged conflicts in the Middle East, including nearshoring, strategic buffering, and financial hedging. This research tackles this issue by combining quantitative time-series analysis of oil volatility with qualitative case studies of companies' responses, thus revealing not only the economic size but also managerial adjustments needed to cope with oil volatility shocks due to regional conflicts in oil supply chains.

2. Literature Review & Conceptual Framework

2.1. Regional conflicts and oil market volatility:

Global commodity markets, especially those for crude oil, are crucial to the global economy and remain highly vulnerable to external macroeconomic and geopolitical shocks (Czech & Wielechowski, 2026). Strong volatility clustering and persistence are well-known characteristics of oil prices. The dynamics of crude oil prices are also nonlinear and asymmetric, as it is more typical that more stable periods last for longer, followed by more volatile periods (Piłatowska & Geise, 2025). As geopolitical risk becomes an increasingly large factor in oil prices, the Middle East could see a more forceful reaction in oil prices, particularly if market participants become concerned about supply disruptions or threats to critical transportation infrastructure. The literature suggests that the impact of geopolitical shocks on oil markets is dependent on the event itself (nature, intensity and duration). More specifically, geopolitical shocks associated with war and realized geopolitical shocks can be more powerful and persistent on the oil price dynamics than geopolitical threats alone. Additionally, it has been shown that when markets come to think that the risk of supply disruption is higher, the higher the geopolitical risk, the higher the oil price volatility and the faster the downward pressure on the price of oil (Mignon & Saadaoui, 2024).

For years, it has been known that geopolitical events are a major contributor to oil prices, especially if they take place in oil-producing areas of the world. In this context, empirical literature shows growing evidence of geopolitics having an impact on the magnitude of oil prices as well as on the intensity and length of the volatility in the oil market (Patidar et al., 2024). Even in the absence of an actual disruption, geopolitical issues and market dynamics could trigger unpredictable price swings, as crude oil trading happens in a highly volatile environment deeply influenced by expectations regarding supply security and transportation conditions (Mignon & Saadaoui, 2024). A major development in this area was the launch of the news-based Geopolitical Risk Index (GRI), which allowed for the more systematic measurement of geopolitical tensions and a more detailed investigation into the ways they are transmitted to the oil

markets. Despite the varied sizes of the response that can be observed in different periods, across different model specifications and for different types of shocks, subsequent empirical work has shown that changes in geopolitical risk hold essential information for explaining and predicting oil price behavior and volatility (Czech & Wielechowski, 2026).

But the impact of these events is different in the different sorts of incidents, and in the broader market context. Czech & Wielechowski (2026) found that geopolitical risks might be linked to oil price volatility and quicker price-taking by the market. This provides a good jumping-off point for studying if recent geopolitical escalations are associated with changes in oil price volatility and actions. It is important to differentiate between geopolitical threats, geopolitical acts and policy shocks when analyzing the movements in the oil market. Threats can be more of a problem of uncertainty and anticipation than actual military operations in terms of supply interruptions. Policy-related shocks, in the form of trade policy statements or oil supply policy shifts, can also influence volatility by altering expectations with respect to global demand, supply and macroeconomic stability. This leads to different reactions of volatility regimes to different shocks, depending on whether the shock is perceived as an ambiguity shock, a supply risk shock or a more general macro-policy shock (Czech & Wielechowski, 2026).

Geopolitical shocks can impact commodity and financial markets through a variety of ways, including changes in market expectations, uncertainty, and changes in market perceptions of disruption risk. The degree of the reaction is dependent on the structurally exposed market to the origin of the shock. There is some evidence that the volatility of oil prices is correlated with periods of heightened geopolitical tensions, but that the reactions of the markets are more intense in these periods, depending on the type of geopolitical event and the overall market context. This provides a good basis on which to study and explore the relationship between recent geopolitical intensifications to changes in oil price volatility and behavioral changes. A key factor when discussing oil market developments is to distinguish between geopolitical threats, geopolitical acts and policy related shocks. Threats might be more through uncertainty and anticipation and less through actual military operations, as might occur in the case of

supply interruptions. Policy-related shocks, like changes in trade policy announcements or oil supply policy, can alter the expectations for global demand, supply and macroeconomic stability, and thus volatility. As a result, the responses of volatility regimes to the shocks differ depending on how these shocks are perceived by the market as primarily an uncertainty shock, a supply risk shock or a macro-policy shock (Mignon & Saadaoui, 2024; Czech & Wielechowski, 2026).

2.2. Oil market geopolitics and supply chain disruptions:

The world oil market is central to maintaining prosperity, promoting industry and increasing international trade. But in the present unstable geopolitical situation the oil and the stamina supply and demand can be regarded as pressing issues. Some 85-90 percent of world trade is transported by sea, and key shipping lanes are often the site of geopolitical conflict. In recent years, there has been an increase in geopolitical conflicts, including the Ukraine-Russia conflict, the trade war between the United States and China, and the Middle East unrest. All these events have had a substantial effect on the global economy, energy markets and the maritime markets. Trade, movement of goods and oil supply disruptions often follow geopolitical conflicts, causing insurance premiums to spike, shipping routes to be obstructed, and transport expenses to rise. All of these are related, and they have a domino effect on the energy and shipping economies. These conflicts are not just causing the energy supply to be at risk but also having repercussions on international trade, stabilization of the supply chains and chaos in the financial market among interdependent markets (Chi et al., 2025).

As far as its location, the Strait of Hormuz is a sea "choke point" for the ships that go in and out the ports of the region and thus are very vulnerable to disruptions caused by geopolitical, military and security factors. Reliability of oil transportation by major sea lanes is a crucial component of the stability of the world's energy markets. Oil plays a vital role in global economic systems and any disruption in oil supply lines, particularly in key chokepoints such as the Strait of Hormuz, can have major effects on energy markets and on the stability of the global economy (Gaffor et al., 2026). Beyond the costs of

military expenditure and destruction, war and geopolitical tension impact economies in a variety of ways, including uncertainty, sanctions, global power shifts, and disruption to strategic markets (Streeck, 2025). According to this viewpoint, crude oil markets are especially significant because they spread the risks associated with conflict across economies via energy prices, inflation projections, production costs, and supply security concerns (Czech & Wielechowski, 2026).

2.3. Impact on global businesses of oil and supply chain disruptions:

The industrial growth of nations that import oil is adversely affected by oil price volatility. For nations that depend on oil as their primary energy source, production costs will continue to rise as oil prices rise. As a result, businesses will have to keep raising prices, which would make them less competitive in the global market. As a result, both the demand for and the value of exports will diminish, thereby lowering these businesses' earnings. Some emerging sectors suffer greatly from this, as they are unable to grow by entering new markets. Changes in oil prices will negatively impact the economic development of these oil-dependent nations (Patidar et al., 2024).

People's confidence will drop due to price volatility, making businesses reluctant to invest, diminishing investment, and making consumers reluctant to consume, all of which will worsen the reduction in real GDP. Therefore, it may be inferred that countries with broad import channels and substantial domestic oil reserves are comparatively less affected by changes in oil prices resulting from political crises in the Middle East, but energy import-dependent countries still face a significant risk of adverse impacts on economic growth and stability (Qianyu, 2025).

2.4. Theoretical framework:

This study is based on a combination of two related theoretical lenses to analyze oil market volatility stemming from conflicts, the resulting impacts, and MNCs' reactions. First, the Dynamic Capabilities Theory will be used to analyze the capabilities of MNCs in times of crisis to oversee supply

chain disruptions arising from oil market volatility (Shiferaw and Amentie-Kero, 2024; Czech & Wielechowski, 2026). Second, the Supply Chain Resilience Framework (Suthumdilok et al., 2026) provides an understanding of the structural mechanisms of propagation and absorption of disruptions. It outlines specific capacities for a supply chain to be resilient such as redundancy, flexibility and collaboration that make the difference between collapse and recovery in the event of an exogenous shock such as a Middle Eastern conflict. All these theories collectively provide a unified picture; Dynamic Capabilities Theory helps to understand how firms strategically adjust, and Supply Chain Resilience helps to understand what structural adjustments allow the firm to keep going. This dual-theory approach is compatible with the convergent parallel mixed-methods design that simultaneously captures the size of the disruption (resilience outcomes) and the managerial processes that facilitate adaptation (dynamic capabilities), thereby providing both strands with theoretical grounding and reinforcing each other.

3. Research Questions

3.1. Research questions:

1. How do disruptions in Middle Eastern energy supply regions impact the global manufacturing and transportation costs across energy-import-dependent industries?
2. How do geopolitical instabilities and regional conflicts in the Middle East influence global oil volatility and subsequent supply chain disruptions?
3. What strategies do multinational companies adopt to mitigate the risks associated with disruptions in oil supply chains?
4. How do disruptions in oil supply chains affect global business operations, including supply chain efficiency, investment decisions, and profitability?

4. Methodology

4.1. Research philosophy approach:

This study is conducted in a pragmatic research philosophy best suited to investigating the complex interweaving of geopolitical conflict and global business operations. The choice between positivism and interpretivism is not required in pragmatism; rather, it is about what works well to solve the research questions (Creswell & Plano Clark, 2018). This research aims to not only quantify the measurable economic effects of volatility in oil prices, but also to thoroughly explore the strategic responses of multinational corporations in the context in which they operate, which means one philosophical approach would not be adequate. A single perspective of positivism is unable to account for managerial nuances and a single perspective of interpretivism is unable to establish causal relationships between the conflict indices and manufacturing costs. Pragmatism permits an abductive reasoning process in which one swings back and forth between empirical data and theory. This philosophy supports the application of secondary mixed methods as objective data on markets and subjective narratives on industry knowledge as complementary evidence required to give a comprehensive view of the resilience of the supply chains in a volatile region.

4.2. Research design:

This study uses mixed-method research design employing secondary data for qualitative and quantitative research. This was chosen as a strategy over primary data collection since there is a wealth of authoritative financial institutions and industry sources that have already extensively documented higher level corporate risk strategies and macroeconomic impacts that were rigorous and could be accomplished within the six-month period (Creswell & Plano Clark, 2018; Creswell & Poth, 2018). The quantitative strand aims to answer both RQ1 and RQ2 by employing time-series econometrics to quantify statistical correlations between geopolitical risk indices and oil price volatility. At the same time, the qualitative

strand will investigate RQ3 and RQ4 by exploring the themes of case studies, industry reports and academic articles about MNC resilience strategies via thematic analysis. The research aims to reduce the shortcoming of either data source by cross-checking the two data streams, thereby providing a more robust statistical analysis of the cost impact and empirical evidence to back up identified mitigation strategies in a context relevant to the managerial decision maker.

4.3. Data sources and collection methods:

The data collection for this study is completely based on trusted secondary sources that can be divided into quantitative and qualitative data collection, without the need for primary data collection in the field (Plano-Clark & Ivankova, 2016). The quantitative component will use time-series data from authoritative financial and energy databases such as “Bloomberg Terminal, Refinitiv Eikon, the U.S. Energy Information Administration and the World Bank Open Data platform”. The daily prices of “West Texas Intermediate (WTI) and Brent crude oil, the Geopolitical Risk Index (GRI) by Caldara and Iacoviello, as well as global freight shipping indexes like the Baltic Dry Index, are all key variables”, along with producer price indices for energy-intensive manufacturing sectors for the period from January 2014 to June 2026. At the same time, qualitative data will be collected by systematically analyzing peer-reviewed academic journals, official publications of the International Energy Agency and OPEC, strategic consulting reports produced by companies such as McKinsey and Deloitte and in-depth case studies detailing how companies have reacted to the various Middle Eastern conflicts, such as the Russia-Ukraine war and the Red Sea shipping crises. Materials will be gathered from the university library databases and verified institutional repositories to ensure credibility with emphasis on materials published in the past 10 years that are relevant to oil supply chain disruptions and organizational resilience mechanisms.

4.4. Sampling strategy:

With quantitative and qualitative data, a purposive sampling approach is used to ensure that the data gathered are relevant and have analytical rigor (Creswell & Plano-Clark, 2018). The sample is a

purposively selected period, January 2014 to June 2026, that includes a variety of regional conflict episodes (Yemen, Iran-Israel, recent Middle Eastern conflicts), etc., to offer enough variation to model this data as a time series. In qualitative analysis, theoretical sampling guides the choice of documents, with a focus on finding those that provide detailed descriptions of MNC risk mitigation strategies in times of active conflict rather than on breadth. The inclusion criteria set is that all qualitative sources are published in the last decade by credible academic, governmental, or top-tier industry institutions and explicitly address the issue of the resilience of oil supply chains. This dual purposive approach would ensure that both the quantitative data set would contain meaningful geopolitical shocks while the qualitative data set would give depth and context to the manager's adaptation process, thus resonating perfectly with the secondary mixed methods approach and research questions of this study (Creswell & Plano-Clark, 2018).

4.5. Data analysis techniques:

The quantitative data will be analyzed in a multi-stage analytical process of analysis using econometric software STATA. Base-line descriptive statistics and unit root tests will be performed on the series of oil prices and geopolitical risk to capture baseline trends and stationary properties of the series. Dynamic interrelationships between geopolitical risk indices and volatility of oil prices will then be analyzed using Vector Autoregression models, and volatility clustering and persistence features identified in the literature will be captured using GARCH-family models. Directional relationships between conflict events and subsequent indicators of supply chain costs will be identified through granger causality tests. Qualitative data will be analyzed systematically through thematic analysis, in line with the six steps of Braun and Clarke's (2006) NVivo software. Documents will be imported, coded inductively to uncover emerging themes, and themed providing a canvas for MNC resilience strategies including supplier diversification, inventory buffering, nearshoring and financial hedging. Strategic responses will be compared across the various conflict scenarios to determine what could be transferred; this process will be called cross-case synthesis. Finally, the integration takes place by means of interactive display tables

that integrate quantitative results on cost impacts with qualitative results on the corresponding managerial responses, thus providing direct triangulation where statistical correlations are explained through reported managerial adaptations and answering all the four research questions within the convergent parallel design.

4.6. Reliability and Validity:

Methodological triangulation and clear methodological and analytical steps are used to ensure reliability and validity of the data. The quantitative reliability of the study is ensured by robustness tests such as alternative models, sensitivity tests with various time periods and tests for diagnostic purposes for autocorrelation and heteroskedasticity in econometric models. Construct validity is enhanced by having several widely accepted indexes: Geopolitical Risk Index and validated in the extensive previous literature, Brent crude prices. Consistent patterns found in the findings from the independent quantitative and qualitative strands offer the greatest validity evidence; the numerical data and documentary analysis, showing consistent patterns, demonstrate that these relationships are real and not due to methodological considerations or artifacts, meeting the pragmatic research criteria for secondary mixed-methods inquiry.

4.7. Ethical considerations:

This study involves only publicly available secondary data and does not involve human subjects and does not require approval from the Institutional Review Board. However, there are strict academic standards for the handling and reporting of data. In-depth APA 7th Edition references for all quantitative datasets, industry reports, case studies, and scholarly articles ensure proper attribution and respect for intellectual property rights, avoiding plagiarism. Data is maintained with integrity by conveying the results of the statistical analysis without any selective reporting of data or manipulation of the data that could lead to a predetermined conclusion. To protect proprietary corporate information, the results from industry reports are analyzed at the aggregate level and not at the level of individual organizations.

5. Expected Managerial Implications

5.1. Potential impact on business strategy and decision-making:

This research study provides empirical evidence of a direct correlation between Middle East geopolitical insecurity and operational cost structures and volatility of supply chains. It will change business strategy from crisis response to planning for business resilience for the large MNCs around the globe. The results of this study will provide an assessment of risk management. Executives can back the investments in their value chain that include redundancies, nearshoring, and energy transition programs. This can enable them to justify them as cost centers by quantifying the effects of specific regional conflicts on manufacturing and transportation costs. In addition, it helps to better prepare financial forecasts and make financial hedges against volatility in oil prices. This study provides a tool for decision-makers to consider the cost efficiencies with geopolitical risks in order to sustain their organizations in a world of ever-present uncertainty and divided energy markets.

5.2. Implications of the study:

For multinational corporations:

The political volatility in the oil-producing region of the Middle East MNCs to adapt throughout the world. This effort requires a more diversified energy supply mix and a more flexible investment framework that accounts for the volatility of conflict. The study can provide key insights for MNCs to develop an established scenario-planning process to reallocate resources to new markets and protect profitability and shareholder value from unanticipated exogenous shocks.

For supply chain management:

Both leaders of the supply chain need to shift from a lean approach to a just in time model to a resilient and buffered supply chain, especially for energy dependent logistics. It includes smart buffering of critical

fuel supplies, diversifying transportation companies to prevent chokepoint risks such as Strait of Hormuz, and real-time geopolitical intelligence into procurement processes. Managers should also review supplier contracts to add in a force majeure clause specific to regional conflict so that there is continuity if traditional routes are cut or made too costly because of security premiums.

For risk management:

There is a need to develop quantitative models that more accurately reflect the nonlinear link between geopolitical events and oil market volatility. This research serves as a justification for stress scenarios for Middle Eastern conflicts with historical conflicts data, as traditional Value-at-Risk frameworks tend to undervalue such risks. Furthermore, risk functions must not just be financial but also operational, and expanded dashboards which link geopolitical risk indices with supply chain KPIs to provide early warning signals and more effective deployment of resources for risk mitigation.

For oil supply-based energy-dependent industries:

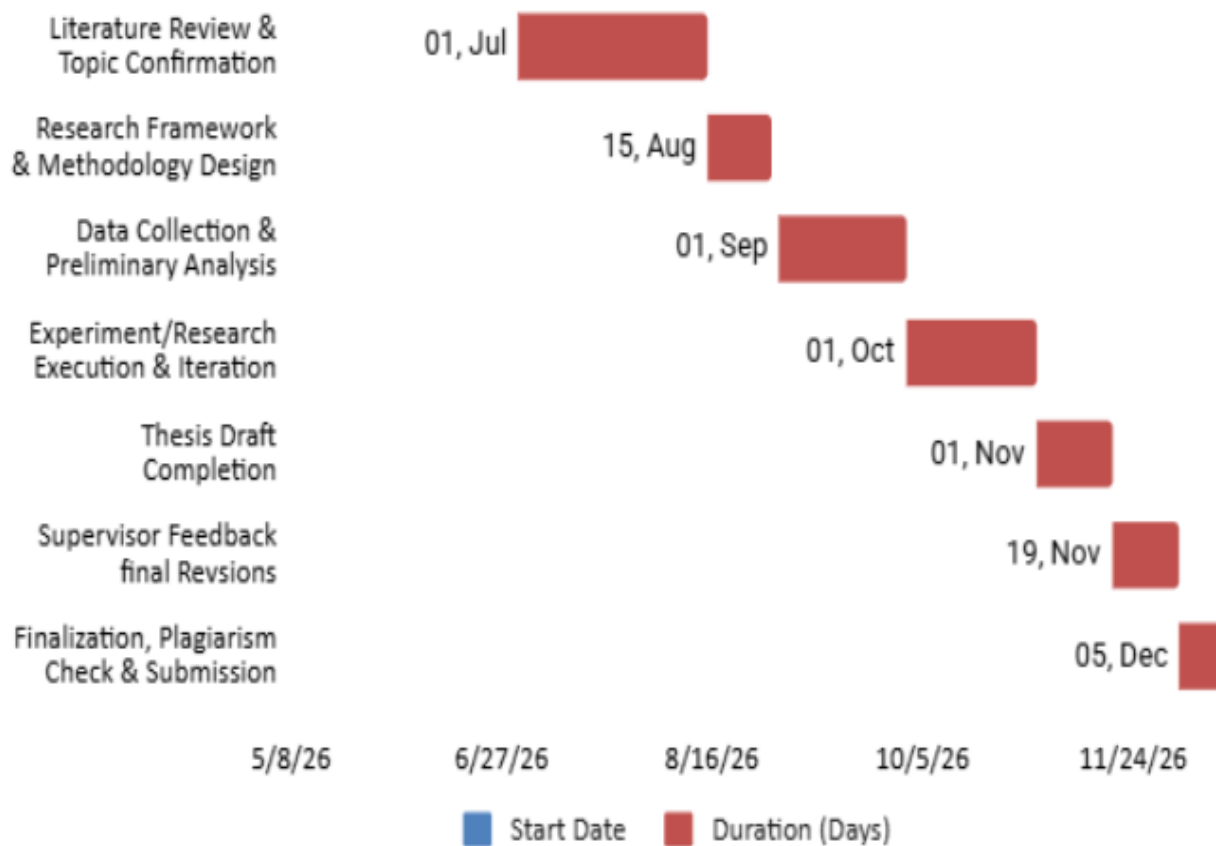
Oil supply unrest poses an existential threat to manufacturing, aviation, and heavy transport and these industries need to push their energy transition roadmap even faster as a risk mitigation measure. These industries should invest in fuel switching and process electrification to lower exposure to baseline volatility of crude oil in addition to short-term cost pass-through options. Industry associations must collectively push for the establishment of a coordinated SPR policy and, for their sector, resilience standards that guide their smaller members to be resilient against geopolitical shocks without disruption of their operations or loss of competitiveness against less affected industry members.

6. Timeline & Resource Requirements

6.1. Research schedule:

The research project will be completed from July 2026 to December 2026 in a period of 6 months. The detailed research schedule is as follows:

Thesis project Schedule Chart



6.2. Required resources:

Databases:

Peer-reviewed research published in the research area over the past 10 years will be accessed through the university library.

Open-source data from Bloomberg, IMF, US Gov., and World Bank databases.

Software:

STATA, or EViews will be used for quantitative data analysis.

NVivo will be used for qualitative data analysis.

Research materials and funding:

The research will be fully self-funded by the researcher. No external financial resources will be used for the thesis project. The research material will be based on journal articles, books, and premier financial data research reports.

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