

4 steps to face uncertainty: Reassess your strategy in light of the conflict in the Middle East

From managing inflation to accepting costly logistics, the U.S.-Iran war marks a major turning point for business leaders.



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Tensions between the United States and Iran date back decades. The 1953 coup against

Iranian Prime Minister Mohammad Mosaddegh, which was carried out with the assistance of the U.S. military; the seizure of the U.S. Embassy in Tehran in 1979, shortly after the founding of the Islamic Republic of Iran; and the accidental downing of an Iranian passenger plane by a U.S. warship in the Persian Gulf are some of the events that have intensified the Cold War between the two nations.

What does each nation seek to gain now? And, more important, how will the conflict affect the global economy? IESE's [Javier Diaz-Gimenez](#) and Javier Gil-Guerrero of the University of Navarra addressed these issues in an alumni event at IESE's Madrid campus.

Iran vs. the United States: What does each seek to achieve?

Simplifying greatly, two factions are vying for power in Iran: Principlists (hardliners), who view anti-U.S. sentiment as a central pillar; and Reformists, who argue for “heroic flexibility.”

With his recent incursion, Donald Trump ostensibly sought to overthrow the current Iranian regime. His goal now is to weaken Iran's military and nuclear capabilities to secure a negotiated settlement or force surrender. For its part, Iran seeks to deter attacks by Israel and the United States. Its two main assets are its possession of [440 kilograms of enriched uranium](#), which can be used to manufacture nuclear bombs, and its control over the Strait of Hormuz.

The Strait of Hormuz enters a new era

Twenty percent of the world's oil and gas [passes through the Strait of Hormuz](#), along with petrochemicals essential for agriculture and helium for the semiconductor industry.

“The strait will never reopen as it was before,” warns Diaz-Gimenez. Even if the conflict were to end today, current technology makes it possible to attack and close this strategic chokepoint with unprecedented ease.

This risk makes the route more expensive, forcing a global-scale logistical redesign. The Gulf monarchies are exploring the normalization of their relations with Israel to export their crude oil via more economical alternative routes, such as the pipelines crossing the Arabian Peninsula.

Impact on the Spanish economy: higher inflation, lower competitiveness

Diaz-Gimenez and Gil-Guerrero discussed the home context at their event in Madrid. Spain is not immune to the impact, with the national economy already showing [signs of strain](#) — after GDP growth of 2.8% in 2025, growth is expected to slow to 2.4% in 2026 and 2.0% in 2027.

The [greatest threat is inflation](#). In March 2026, it rose from 2.3% to 3.4%. Furthermore, speakers warned that it will exceed 6% in the summer, with energy markets under pressure.

This surge in prices not only affects consumption; it also undermines the competitiveness of Spanish companies in the eurozone. Not surprisingly, their production costs are rising faster than those of their European competitors.

Added to this is the United States' shift toward energy-and-trade self-sufficiency, which points to a paradigm shift: from interdependent free trade to a system of trade barriers that is more inefficient and costly.

How to adapt under these circumstances?

Given this climate of uncertainty and divergence, executives must reassess their business plans based on four key principles:

1. **Agility in planning.** Strategic planning is [no longer an annual process](#). Plans must be adjusted as frequently as geopolitical circumstances change.
2. **Accepting high-cost logistics.** The Strait of Hormuz is now a [permanently expensive route](#). It is imperative to seek out and secure alternative logistics routes for critical raw materials.
3. **Managing persistent inflation.** The current supply disruption is not a temporary spike. Budgets for 2026 and 2027 must account for high costs and margin erosion unless efficiency is improved.
4. **Monitoring “dollar privilege.”** The U.S. trend toward self-sufficiency could weaken the dollar's role as a global reserve currency. Assessing exposure to alternative currencies is an act of long-term financial prudence.

SOURCE: Session led by IESE Professor Javier Diaz-Gimenez and Javier Gil-Guerrero, a researcher at the University of Navarra, during the annual alumni meeting of the General

Management Program (PDG) held at the IESE campus in Madrid on April 16, 2026.

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