



The Strait of Hormuz is a narrow water passage between Iran to the north and Oman to the south. It connects the Persian Gulf to the Gulf of Oman and then out to the Arabian Sea. A strait simply means a narrow stretch of water that connects two larger bodies of water. So, in plain language, Hormuz is the sea doorway out of the Persian Gulf.

The easiest way to understand why it matters is to picture a huge building with only one main exit. Inside that “building” are major oil- and gas-exporting countries around the Persian Gulf. To get much of that energy to the rest of the world by sea, ships have to pass through this one narrow exit. That is why people call Hormuz a chokepoint—a narrow route where trouble in one small place can squeeze a very large amount of trade. In 2024, about 20 million barrels per day of oil moved through the strait. That was about one-fifth of global petroleum liquids consumption and more than one-quarter of total global seaborne oil trade. Around one-fifth of global liquefied natural gas trade also passed through it, mostly from Qatar. Liquefied natural gas, or LNG, means natural gas that has been chilled into liquid form so it can be shipped by tanker.

Here is another part people often miss: the strait may be 35 to 60 miles wide, but ships do not just wander across all that water however they want. Large tanker traffic moves through set shipping lanes. The inbound lane is about 2 miles wide, the outbound lane is about 2 miles wide, and a 2-mile buffer zone separates them. So even though the whole body of water sounds wide on paper, the actual traffic pattern is more like a carefully controlled highway at sea.

It also helps to know that Hormuz is not just narrow; it is strategically placed. On the Iranian side sits Bandar Abbas, one of Iran’s most important port areas, and nearby are islands such as Qeshm, Hormuz, and Larak. On the southern side is Oman’s Musandam Peninsula. This means the strait sits right beside territory that matters militarily, economically, and politically. That is one reason it shows up so often in world news.

A lot of people ask, “So who owns it?” The cleanest answer is: no single country simply owns the whole shipping route the way a homeowner owns a driveway. The shipping lanes lie mostly in Omani territorial waters and partly in Iranian territorial waters, but passage is also shaped by international maritime law, which is the law that governs navigation at sea between countries. That is why Hormuz is not just a geography question. It is also a law and power question.

Now for the big economic point. The world cares about Hormuz because oil prices are global. Even if a country does not buy most of its oil directly through the strait, a serious disruption there can still push prices upward across the wider market. That is because so much oil and gas passes through one place, and there are very few practical alternatives if traffic is badly interrupted. The EIA notes that threats to traffic there can create supply delays, raise shipping costs, and increase world energy prices.

There are some workarounds, but they are limited. Saudi Arabia and the United Arab Emirates have pipelines that can bypass the strait, which means move some oil by land to ports outside Hormuz. But those alternatives do not come close to replacing everything that normally moves through the waterway. The EIA estimates about 2.6 million barrels per day of pipeline capacity could be available to bypass the strait in a disruption, which is far below the roughly 20 million barrels per day that moved through Hormuz in 2024. That gap helps explain why the strait is so important.

Another important nuance is this: fully sealing the strait for a long time is harder than people sometimes imagine, because much of it is deep enough for the world’s largest crude tankers and broad enough that prolonged total blockage would be difficult. But seriously disrupting it is easier than fully sealing it. In other words, a country or conflict does not have to “slam the door shut” completely to cause trouble. Threats, attacks, mines, seizures, or even fear can scare ships, raise insurance costs, and shake markets.

One more thing matters: most of the oil and gas moving through Hormuz goes to Asia, especially countries such as China, India, Japan, and South Korea. The EIA estimates that in 2024, 84% of the crude oil and condensate and 83% of the LNG moving through the strait went to Asian markets. So if Hormuz is disrupted, Asia often feels the direct supply pressure first, even though the price effects spread much wider.

So if you strip it down to the core truth, the Strait of Hormuz is not just a narrow piece of water. It is a global pressure point. A pressure point means a small place with outsized power over something much bigger. Hormuz is that for world energy: a short sea passage that helps determine how smoothly oil and gas leave the Persian Gulf, how nervous markets become, and how quickly energy prices can move around the world. That is why a place that looks tiny on the map carries such enormous weight in global politics and economics.