

Economic Chokepoints

and the Geography of Pressure

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Introduction

Economic chokepoints are one of those things people ignore until they close. Most days, they sit quietly in the background of global life. Oil moves, grain moves, containers move, ships line up in narrow waters and artificial canals, and the world pretends the system is normal because the shelves are stocked and fuel still arrives. But the truth is less comfortable. The global economy depends on a handful of narrow passages that were never designed for the political pressure now placed upon them.

These chokepoints are not just geography. They are leverage. They are pressure points where governments, insurgents, militias, pirates, and even weather can remind the world how fragile modern commerce really is. From an irregular warfare perspective, chokepoints matter because they allow weaker actors to create effects far beyond their size. You do not need to control the global economy to disrupt it. You only need to threaten the place where it narrows.

The Energy Gate

The Strait of Hormuz is the classic chokepoint. It links the Persian Gulf to the Gulf of Oman and the wider Indian Ocean, and it remains one of the world's most important energy corridors. The governments that physically frame it are Iran to the north and Oman and the United Arab Emirates to the south, but the political reality is more complicated. Iran cannot "own" the strait in a legal sense, but it has the military and irregular capability to threaten it.

That distinction matters. We have all seen this in recent weeks. Control in chokepoints is often less about sovereignty and more about the ability to impose risk. Hormuz is where conventional state power and irregular pressure overlap. Iran is using their naval forces, missiles, mines, drones, proxies, and harassment to raise costs. For global markets, the fear of disruption can be enough. Insurance rates rise. Shipping pauses. Energy prices move. The weapon is not always closure. Sometimes it is uncertainty.

CSIS has recently emphasized that Hormuz remains a critical conduit for global energy flows, especially because traffic moving in and out of the Persian Gulf has few easy alternatives when disruptions occur. And more importantly, we are seeing how this chokepoint is breaking alliances, affecting economies, and showing the world the relevance of chokepoints.

The Red Sea Trapdoor

The Bab el-Mandeb Strait and the Suez Canal form a single strategic corridor, though they are governed by different realities. Egypt controls the Suez Canal. Djibouti, Eritrea, and Yemen sit around Bab el-Mandeb. On paper, states hold the geography. In practice, Yemen's Houthi movement has shown how a non-state actor can threaten one of the world's most

important trade arteries.

This is the clearest contemporary example of irregular warfare applied against global commerce. The Houthis do not control global shipping. They do not need to. By threatening vessels in the Red Sea, they forced major carriers to reroute around the Cape of Good Hope, lengthening voyages and raising costs. UNCTAD noted that attacks on Red Sea shipping drove many companies to divert around southern Africa, and ship tonnage entering the Gulf of Aden declined by more than 70 percent in the early phase of the crisis.

Egypt paid a price as well. Suez Canal revenue fell sharply in 2024, dropping from a record \$10.25 billion in 2023 to about \$3.99 billion, while ship traffic through the canal was roughly halved. That is the economic signature of irregular warfare, a militia in one theater can damage the fiscal position of a state in another.





Asia's Commercial Throat

The Strait of Malacca is perhaps the most important commercial passage that many Americans rarely think about. It runs between Malaysia, Indonesia, Singapore, and the wider approaches near Thailand, linking the Indian Ocean with the Pacific. It is one of the busiest maritime routes in the world, and recent reporting describes it as carrying nearly 22 percent of global trade and 29 percent of maritime oil.

More than 102,500 ships reportedly passed through it in 2025. Government control here is distributed. Singapore, Malaysia, Indonesia, and Thailand all play roles in keeping the route open. But the irregular warfare angle sits in the shadows, piracy, maritime crime, terrorist threats, coercive pressure, and the possibility of conflict spilling over from the South China Sea or Taiwan Strait.

China's dependence on Malacca has long been known as the "Malacca dilemma." A state can be powerful, but if its energy and trade depend on a narrow waterway outside its direct control, that power has a vulnerability built into it. Malacca is not just a shipping lane. It is a reminder that great powers can be strategically exposed by geography.

The Semiconductor Artery

The Taiwan Strait is different from Hormuz or Malacca because its value is not only in energy or shipping volume. It is tied to the world's most sensitive technology supply chains, especially semiconductors, and to the political question of Taiwan itself. China claims Taiwan. Taiwan governs itself. The United States and regional allies depend on stability there. So do Japan, South Korea, and much of the global economy. CSIS estimates that roughly \$2.45 trillion in goods, more than one-fifth of global maritime trade, transited the Taiwan Strait in 2022. Japan and South Korea are particularly exposed, with large shares of their imports and exports moving through the strait.

From an irregular warfare perspective, the Taiwan Strait is a pressure laboratory. China does not need to invade Taiwan to create economic effects. Military exercises, maritime militia activity, cyber operations, legal pressure, and insurance uncertainty can all create friction. A quarantine, partial blockade, or persistent gray-zone maritime campaign could reshape global trade without immediately resembling traditional war. This is exactly why chokepoints matter. They allow coercion to masquerade as enforcement, safety, or sovereignty.

Climate, Commerce, and Sovereignty

Panama owns and operates the Panama Canal through the Panama Canal Authority, and it is still among the critical artificial chokepoints today. The canal connects the Atlantic and the Pacific and accommodates about 6 percent of international trade, per recent sources.

Contrary to Hormuz or Bab el-Mandeb, the last pressure faced by the Panama Canal was not missile strikes or militia attacks, but rather water shortages. In 2023 and 2024, water scarcity resulted in draft and traffic

limitations that led to congestion and alternative routes. A Nature study on maritime chokepoints notes that these restrictions caused major vessel delays and detours, illustrating how climate itself can behave like a strategic disruptor.

However, there is an economic dimension to it, too. Slot allocation, payments, and priorities become tools of coercion when demands increase, especially in times of crisis somewhere else, putting pressure on Panama. Chokepoints are interconnected; when one gets congested, another takes the load.

Old Gates, New Relevance

The Bosphorus and Dardanelles, controlled by Turkey, connect the Black Sea to the Mediterranean. Their importance became obvious again after Russia's war in Ukraine. Grain, energy, naval access, and regional military balance all pass through that geography.

Turkey's position under the Montreux Convention gives Ankara unusual leverage. It is a NATO member, but also an independent gatekeeper. The Strait of Gibraltar, controlled on one side by Spain and on the other by Morocco, with the British territory of Gibraltar sitting at the western entrance to the Mediterranean, is another old chokepoint that still matters.

It is less volatile than Hormuz or Bab el-Mandeb, but it remains a gateway between the Atlantic and Mediterranean. Its irregular risks are different, migration pressure, criminal smuggling, undersea infrastructure vulnerability, and political friction.

Who Really Controls a Chokepoint?

The easy answer is that governments control chokepoints. Iran and Oman frame Hormuz. Egypt controls Suez. Panama controls its canal. Turkey controls the Turkish Straits. Singapore, Malaysia, Indonesia, and Thailand help steward Malacca. But that answer is incomplete.

In the real world, control belongs not only to those who hold sovereignty, but to those who can impose cost. That is where irregular warfare enters. The Houthis do not govern the Red Sea, but they changed shipping patterns. Pirates do not control Malacca, but they affect risk. China does not control the Taiwan Strait in practice, but it can raise pressure there. Climate does not have a flag, but it restricted Panama.

Economic chokepoints are the hidden joints of globalization. They show us that the world economy is not flat or frictionless. It is narrow, exposed, and deeply political. The next crisis may not begin with an invasion. It may begin with a delayed ship, a rerouted tanker, a spiking insurance rate, or a single narrow passage suddenly feeling unsafe.



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