

OCCASIONAL

PAPER

APRIL 2026
ISSUE 19.04

IMPACT OF THE US-IRAN CONFLICT: LESSONS LEARNED AND A CAUTIONARY TALE FOR THE PHILIPPINES



IMPACT OF THE US-IRAN CONFLICT: LESSONS LEARNED AND A CAUTIONARY TALE FOR THE PHILIPPINES

This paper analyzes the US-Iran conflict's global impact, focusing on energy security, maritime stability, and strategic lessons for the Philippines, highlighting Iran's asymmetric tactics, the risks of supply chain disruptions, and the need for diversified energy sources. It urges the Philippines to adopt resilient defense strategies, build strategic reserves, and strengthen support for overseas workers amid evolving regional threats.

The Philippine Navy's (PN) capability plan, formulated ten years ago, partly drew inspiration from Iran's asymmetric naval tactics at the Strait of Hormuz. Iran has never physically closed the Strait in previous conflicts in the Persian Gulf. However, it leveraged geography, used fast boats and naval mines, and amplified threats through information operations, conveying fear among those who trade in oil and the leaders of economies impacted by its "closure." The conflict between the US and Iran shows how local disputes can shake up the whole world, especially when it comes to energy and keeping the seas safe. The Strait of Hormuz is important because it's a main route for oil and natural gas that powers economies everywhere (Cordesman, 2007). Iran's attack against oil tanker traffic and the mining of the Strait has sent shockwaves through the markets of the world.

Today, the Strait of Hormuz accounts for 20% of the world's oil supplies and a substantial share of liquefied natural gas (LNG), which makes it one of the global economy's critical maritime corridors (Cordesman, 2007). Following the attack by the US and Israel against Iran on February 28, 2026, the latter's asymmetric strategy has leveraged its limited strengths to offset its disadvantages. Operation Epic Fury and Operation Roaring Lion targeted the usual military objectives during the shaping phase of the offensive campaign,

as well as the Iranian regime's political elite and Islamic Revolutionary Guards Corps (IRGC) leadership. Iran responded by sending swarms of missiles and drones against military and civilian targets in Israel and surrounding Gulf States, particularly against known US bases, critical economic infrastructure, and oil refining and distribution facilities.

The situation in the Strait of Hormuz can also happen in the South China Sea if China doesn't dial down its excessive maritime claims and its regional ambition. Any conflict in the South China Sea would have a severe impact as well on world trade and regional stability; another key route for global trade. The region is also concerned that a distraction in the Middle East might trigger a shift in the power dynamics in the Pacific in favor of China. On the other hand, the ongoing conflict also serves as a lesson for the Philippines on how a middle power can go toe to toe against a global power, and to diversify its supply chain in order to avoid strategic vulnerabilities such as the sources of its oil import.

After a month of fighting, the US is in no position to claim victory, and President Trump seems to be struggling to find an off-ramp agreeable to both parties. Iran, as a country, has been devastated by the attack, but

DISCLAIMER: THE VIEWS AND OPINIONS EXPRESSED IN THIS PAPER ARE SOLELY THOSE OF THE AUTHOR. THE INFORMATION AND MATERIALS CONTAINED IN THE PAPER SIMPLY AIM TO PROVIDE GENERAL INFORMATION. AS SUCH, THE ARGUMENTS PRESENTED IN THE PAPER DO NOT REFLECT THE OFFICIAL POSITION OF THE STRATBASE ADR INSTITUTE AND THE INSTITUTE DOES NOT MAKE REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED ABOUT THE COMPLETENESS, ACCURACY, RELIABILITY, SUITABILITY, OR AVAILABILITY REGARDING THE INFORMATION PROVIDED.

the regime still stands despite the loss of its senior leaders. If Trump's endgame is to create the conditions to foment internal strife among the populace towards regime change, it seems to have faltered. Moreover, the continued shutdown of the Strait of Hormuz has affected not only Saudi Arabia, the United Arab Emirates, Kuwait, and Iraq, but also the economies of Asia dependent on Persian Gulf oil.

CURRENT FACTORS IN THE US-IRAN CONFLICT

There are at least five factors that account for Iran's resiliency in the current conflict. First off, the US is actually fighting against the so-called "CRINK Nexus," or the loose network of partners composed of China, Iran, Russia, and North Korea. They all benefit from their diplomatic, informational, military, and economic arrangements, and China appears to be the silent partner since the start of the conflict a month ago. Second, the nexus allowed Iran to achieve "supply chain resiliency." Iran was able to cushion the effects of sanctions on its economy with the help of China and Russia and allowed a viable domestic defense industrial base to thrive. Third is the "cost asymmetry" of the conflict, which will affect the US's ability to sustain the war it started, and in the long game, diminishes its capability to respond to a regional incident in the Indo-Pacific. The US is expending sophisticated and expensive munitions, as compared to the off-the-shelf and cheaper missiles and drones used by Iran to attack nearby US bases and the industrial facilities of Gulf states hosting them. Fourth is the clever use of geography and low-cost weapons platforms and systems in the maritime theater of operations. The efficacy of Iran's tactics rendered the US carrier battle group and superior airpower ineffective against Iran's selective blockade of the Strait of Hormuz. Lastly, in terms of information operations, Iran reportedly synchronizes the digital and physical domains of warfare. By mixing cyber and psychological operations with strategic communications, it amplified the effects of its military activities to intimidate the US and its allies in the Middle East.

IMPACT ON THE PHILIPPINES FROM A SECURITY LENS

The consequences of this conflict compel us to examine our strategic vulnerabilities and to discern the lessons it offers for our defense planners: how a middle power like Iran can fight the combined capabilities of the US and Israel, and still survive as a nation and state, to dictate the terms of a conflict. The lessons drawn would be useful when we revisit the strategies that the national government has in place to address threats from the Chinese Communist Party (CCP), and the operational design developed to counter its presence in the West Philippine Sea and along the Luzon Strait. At the end of the day, we need to face this question: how can an aspiring middle power like the Philippines resist a major power like China, without sleepwalking into a conflict we cannot afford to lose?

The Philippines remains at risk considering that 98% of its oil import comes from the Persian Gulf (International Energy Agency, 2023). Disruptions in oil shipment, such as the mining of the Strait of Hormuz and the deliberate attacks on merchant shipping, will definitely place the country in dire strait. This is why the country should mitigate against potential shortages by building up its strategic fuel reserve, by encouraging private sector to invest in the setting up of new refineries and storage facilities, and diversifying its source of imports. As Batongbacal (2021) points out, our location and the fact that we do not produce much oil ourselves make us especially vulnerable to problems in faraway places like the Middle East.

We can learn from the measures undertaken by other countries to ensure their resiliency against supply chain disruptions. For example, Japan has built up huge emergency oil reserves and uses a mix of energy sources like natural gas, renewables, and nuclear power, to avoid dependence on Middle Eastern oil. South Korea has set up government groups to lock in long-term deals with different suppliers and has plans ready to quickly switch fuels if needed. They also work closely with private companies and run practice drills to make sure

they are ready for any crisis (International Energy Agency, 2023). Besides energy, the Philippines also has to consider the safety of its many overseas workers, especially those in the Middle East. The government does have systems to keep track of, support, and evacuate Filipinos if things get dangerous, but recent events show these plans need to be even quicker and more focused on each region. Batongbacal (2021) opines that it is important to have resources ready ahead of time, clear communication, and good coordination with host countries and international groups to make sure evacuations go smoothly. The best solution would be to create more jobs at home, so people do not have to work abroad, but until then, the country needs a strong and flexible system to protect Filipinos working in risky areas.

The initial challenge is how to attain economic resiliency in the energy sector. We need to build strategic oil reserves in case of a similar supply shock in the future, as well as to set up a military war reserve. A public-private sector undertaking can consider setting up additional refineries and increasing fuel storage and delivery capacity. On the other hand, the government should take the lead in a purposive diversification of our oil supply to address our current dependence on the Persian Gulf for 98% of our requirements. Second, we need to be mindful of Chinese efforts to control our energy sector, which manifested in prior harassment of survey vessels at Reed Bank, the controversy surrounding the National Grid Corporation of the Philippines (NGCP), and their substantial investments in renewable energy domestically. More than anything else, we need to muster the political will to explore Reed Bank and secure it for the use of the future generations of Filipinos. Third is a review of the support mechanisms already in place to help Filipino migrant workers caught in the middle of any conflict. Of course, the optimal solution is to create jobs in the country and incentivize Filipinos to stay and work. Absent that, we need a robust system that allows Filipinos abroad to thrive in conflict areas, coupled with a region-specific evacuation protocol that can be activated in times of crisis.

The other challenge is how the Philippines navigated its national security needs in the face of China's coercive pressure in the West Philippine Sea (WPS) and the smell of interference and malign influence in its domestic politics.

The international support we garnered following the July 12, 2016, PCA ruling provided the runway to diversify our defense and security engagements beyond the PH-US alliance. At the latest count, we have established security cooperative arrangements with Australia, Japan, New Zealand, and, more recently, a SOVFA with France. Moreover, the PH-US-Japan trilateral engagements at the level of the militaries, the national security advisers, and the heads of state provided a venue for a more agile defense and security arrangement, which also included an economic resilience package. Another emerging minilateral arrangement is the so-called SQUAD, which involves the three countries and Australia. This came about during a meeting among defense ministers in Hawaii last May 2024 and a follow-up activity in California last September 2024. Beyond the optics, these discussions are intended to deepen defense engagements, enhance maritime security coordination, and set the foundation for a future Indo-Pacific defense mechanism.

On the other hand, asymmetric approaches to a military undertaking are not new. This was under the "asymmetric force package" of the aforementioned plan, which was developed by the Philippine Navy ten years ago. Back then, the PLA Navy surface fleet was considered the country's existential threat in the WPS. To deal with China's numerical advantage and technological superiority at sea, India's Brahmos anti-ship missile system was acquired for the Philippine Marine Corps (PMC) ASHM batteries as part of a "sea denial strategy." The other item in the package that did not materialize because of the debate over cost was the French Scorpene submarine. It was supposed to be the centerpiece of the PN's "cost-imposition strategy" directed against China's maritime-centric economic vulnerability.

The result of the PH-US Bilateral Strategic Dialogue last February

2026 also provides the blueprint for an economic resiliency package for the country. It covered the security of supplies of critical materials and products, the reduction of vulnerabilities arising from the South China Sea conflict, the protection of the country's digital economy and key infrastructure, technical assistance on renewable energy projects, and assistance in planning for a stable power supply during crises.

Lastly, much has been said about the new Self-Reliance Defense Program (SRDP) as a harbinger of a domestic defense industry. We have yet to see the road map for this undertaking and how the private sector will be tapped to ensure that future forays into this business venture do not fall by the wayside, like the original program after the EDSA Revolt of 1986.

TOWARDS AN ASYMMETRIC APPROACH IN DEFENSE AND SECURITY

It will take some time before our national security planners can develop a functional "asymmetric strategy." A revolution in thinking may be needed among its senior leadership to translate complex strategic concepts into an actionable campaign plan. This undertaking should ensure that the strategy is agile and responsive to the current and emerging multi-domain challenges, and supported by a feasible capability plan, a revised force structure, and a matching human resource development plan. At the outset, we need to understand the country's archipelagic terrain. These can be gleaned from a review of the Japanese Imperial Navy operations in the country during World War 2 (Ong, 2025b).

If we borrow a page from the Iranian Revolutionary Guard Corps' (IRGC) tactics along the Strait of Hormuz, our seven archipelagic straits and the island groups within these waterways should be similarly defended, namely Luzon, Mindoro, Balabac, Sibutu, Basilan, Surigao, and San Bernardino Straits. But this will require a larger fleet of Shaldag missile boats as well as surface and sub-surface drones deployed in swarms, and the introduction of naval mines in the

PN's munitions inventory, supported by anti-ship missile batteries and aerial surveillance drones from land. Iran's asymmetric tactics in the Strait of Hormuz, using fast boats, naval mines, and swarms of drones and missiles—shows how a smaller power can compete with a stronger conventional force. The PN's first iteration of its Active Archipelagic Defense Strategy (AADS) and the Naval Capability Plan it issued sometime in 2016 employed similar themes with regards to the sea control of our seven archipelagic straits. These documents supported the Navy's acquisition of the Bhamos anti-ship missile system and its lobby for the establishment of a submarine squadron and remains relevant in the current conversation involving the introduction of missile boats, naval mines, short-range anti-ship missile batteries, and a sovereign drone production capability. These will strengthen our capability to operationalize the current Comprehensive Archipelagic Defense Concept (CADC) of the DND (Alampay, Ong, Torres, & Engay, 2024; Ong 2025a).

Juxtaposing the lessons we are drawing from the Middle East conflict and the discussions in a recent forum hosted by the Canadian Embassy on building a defense industry in the country; we need to take a second look at the recently passed SRDP. A major criticism raised during the forum was the difficulty in proposing defense-related investments in the DTI. But if we look deeper, this might just be a tip of the proverbial iceberg.

First, we need to review the existing policies between the DND and DTI, and ensure that there is alignment. Second, we need a paradigm shift from a regulatory-bias towards providing a safe space for the private sector to actual make a profit and thrive in the defense industry we are aiming to create. Third, we need to take advantage of the economic resiliency package in the PH-US bilateral security discussions and use it as leverage to encourage start-ups among Filipino investors with a global or regional market in mind. Lastly, but more important – strategy should dictate our development of military capabilities. It is a strategy that understands the country's geopolitical circumstances and being mindful that cost alone does

not determine the effectiveness of the capabilities we acquire. How will this set-up affect China? For one, the PLA-Navy has previously transited the Basilan, Sibutu, Mindoro, and Balabac Straits to ingress and egress the Philippine archipelago before or after an overseas deployment. In a conflict, they will likely punch through these straits, either to maneuver within our archipelagic waters or as a transit corridor to another theater of operations. But more importantly, a substantial percentage of China's foreign trade by volume is being moved by sea. And the country sits astride the arterial trade lanes of the South China Sea, with Luzon and Mindanao serving as its gateways. In terms of trade flows going to Chinese international ports, the imports from Australia and South America pass through the Luzon Strait. At the same time, those originating from Indonesia and Malaysia had to go through the Basilan and Sibutu Straits.

In the case of the West Philippine Sea (WPS), we need weapons systems designed for sea denial against swarms of China's navy, coast guard, and militia forces. Again, borrowing a page from the Iranians, we need more Brahmos anti-ship missile batteries in the inventory and the introduction of various types of drones to deal with Beijing's numerically superior maritime forces encroaching on our EEZ. But to achieve "cost asymmetry" and break Beijing's escalation dominance, we need homegrown capabilities supportable by local industry (Ong, 2024a). This is considering that protocols of the Missile Technology Control Regime (MTCR) will prevent international arms vendors from selling us missiles or drones with an effective range beyond 300 kilometers. We have two options: either invest in the research and production of our own capabilities or work out an out-of-the-box arrangement with our US ally or Japan to obtain these capabilities. Developing a sovereign missile capability is an ambitious undertaking, but it has no guarantee of success. The stopgap solution is to extend the deployment of the US Army's Typhon missile battery for future training and military exercises. On a similar vein, we can explore a similar scheme for Japan Self-Defense Force's (JSDF) Type 12 anti-ship missile batteries under the ambit of the Reciprocal Access Agreement (RAA). Of course, once this



type of deployment transitions from exercise to operations, all parties would need to work out a functional joint command mechanism and agree on multilateral rules of engagement (ROE) early on.

On the other hand, cheap aerial, surface, and sub-surface drones will be the perfect foil for Chinese coast guard and militia vessels operating within our exclusive economic zone. Acquiring them from abroad will not be a sustainable proposition, given the high attrition rate observed during the current conflict in Ukraine and the Persian Gulf. A sovereign drone production capability, inclusive of a domestic research and development eco-system, is the key ingredient for a future drone warfare capability across the three services of the AFP. But these require a fully responsive SRDP, alignment of DND and DTI policies, a permissive regulatory environment, buy-in from the private sector through actual investment, and a well-defined and profitable market (Ong, 2024b).

Also, we should not forget the fate of the IRIS Dena, the Iranian Navy frigate sunk by a US Los Angeles-class attack submarine off the coast of Sri Lanka. The teaching point in this case is this: any lone surface combatant vessel deployed in the high seas is nothing more than a floating target. This was the PN's conclusion in its 2016 capability plan, and the IRIS Dena incident makes such an assessment still valid for 2026. It is for this reason that the Fleet should deploy its newer frigates, corvettes, and amphibious warfare vessels as "surface action groups." Not only does it provide for mutual protection, but it also enhances the deterrent value of the patrol along the WPS. More so, if it is conducted in tandem with the US Navy and other partner navies in the region.

The Philippine Coast Guard is expanding its squadron of offshore patrol vessels. Perhaps it shouldn't be shy about enhancing its onboard non-kinetic capabilities to counter persistent grayzone tactics employed by China. Instead of installing 30mm guns on its deck, it might be more appropriate to put water cannons and

acoustic devices. These systems offer parity when fending off harassment at sea, or while protecting our fisherfolk operating near Panatag or Escoda Shoals. As for any new construction, it might be prudent to adopt a reinforced hull design that allows its ships to absorb the impact of deliberate ramming by the other party. Enabling our fisherfolk operating in the WPS is a key to normalizing civilian activity within our exclusive economic zone. The best way to show China and the international community that we are exercising our sovereign rights is the continued presence of our fisherfolk despite the intimidation by the Chinese coast guard and militia vessels. However, our commercial fishing vessels are no match against China's steel-hulled and larger vessels. In response, perhaps the DA and BFAR can propose to Congress to subsidize the refueling of private commercial fishing companies. These companies will be compelled to adopt a more robust boat design that can match against the Chinese militia vessels. The BFAR should also invest in larger offshore support vessels that can serve as motherships to commercial fishing vessels in the WPS, by providing logistics, surveillance, and security assistance. Such a proposal would also benefit our local shipyards in Navotas and Cebu, which can benefit from a guaranteed revenue stream of government orders for new construction.

Lastly, we need to embrace information operations as a fighting doctrine and fix the structural and human resource gaps in our cyber warfare posture. On the other hand, while we are ahead of the curve in the narrative war with Beijing on its excessive maritime claims in the WPS, we could still do better. The seeming lack of strategic direction from the Commander in Chief compelled the various government agencies to operate in stovepipes. This is evidenced by the proliferation of spokespersons on WPS matters alone, which makes the job of the Chinese ambassador easier in sowing division in our bureaucracy. If the national government remains stymied from fixing the bureaucratic entanglements in the information lever of power, perhaps civil society can take up the cudgels in the interim.

“ THE SITUATION EMPHASIZES THE NEED FOR THE PHILIPPINES TO DEVELOP A SOVEREIGN DRONE PRODUCTION CAPABILITY AND ALIGN DEFENSE AND INDUSTRY POLICIES, HIGHLIGHTING THE LESSONS FROM RECENT CONFLICTS, ADVOCATING FOR RESILIENT, HOMEGROWN DEFENSE SOLUTIONS... ”

THE PATH FORWARD

As a way forward, we should be guided by the following principles: (1) employ calibrated escalation by imposing costs without crossing into open conflict, (2) diversify defense cooperation with an expanded set of strategic partners but maintain US support as the backbone of deterrence, (3) ensure discipline across agencies and civilian actors to avoid escalation, and (4) maintain credibility in messaging by sticking to facts to sustain international legitimacy. In essence, the Philippines must adopt a denial strategy and alternative defense posture to effectively counter threats in the West Philippine Sea (Ong, 2024a; Ong, 2025b; Ong, 2025a). As argued, making a Filipino theory of victory work requires retooling our defense and security posture to fit our unique strategic circumstances” (Ong, 2025c).

Iran’s approach shows that middle powers like the Philippines can resist a major power like China by refusing to play on its terms. For the Philippines, the next few years should be about building resilience, generating creativity, and mustering courage - so that we have a viable strategy, cost-effective capabilities, and the right leaders to provide direction and men and women standing up in the frontlines. China may have a superior military, but sovereignty is not measured in arms alone. It is measured in resolve. And the Philippines can prove that resolve is stronger than intimidation.



REFERENCES

- Alampay, R. B., Ong, R. J. G., Torres, J. M. R., Garcia, K. C. C., & Engay, D. L. D. (2024). Drones over the Horizon: Prospects and Constraints for a Domestic Capability. Unpublished manuscript, Ateneo Policy Center, Ateneo de Manila University & Konrad-Adenauer-Stiftung Philippines.
- Batongbacal, J. L. (2021, November 4). The Philippines' Conceptualization of Maritime Security. *Asia*
- International Energy Agency. (2023). *World Energy Outlook 2023*. Retrieved from <https://www.iea.org/reports/world-energy-outlook-2023>
- Maritime Transparency Initiative. Retrieved from <https://amti.csis.org/philippine-conceptualization-of-maritime-security/>
- Ong, R.J.D. (2024a, December 14). We need a denial strategy. Or lose the West Philippine Sea. *Rappler*. Retrieved from <https://www.rappler.com/voices/thought-leaders/opinion-denial-strategy-needed-west-philippine-sea/>
- Ong, R.J.D (2024b, August 2). Exploring Education, Research and Development for Defense Cooperation Between the Philippines and Europe. Retrieved from <https://www.factsasia.org/blog/exploring-education-research-and-development-for-defense-cooperation-between-the-philippines-and-europe?ARTICLE>
- Ong, R.J.D. (2025a, August 4). The Navy's submarine program: That sinking feeling. *Rappler*. Retrieved from <https://www.rappler.com/voices/thought-leaders/opinion-navy-submarine-program-challenges/>
- Ong, R.J.D. (2025b). Department of National Defense (DND) and Armed Forces of the Philippines (AFP): An Alternative Approach to a Defense Posture. *Spark by Stratbase* - October 21, 2025. Retrieved from <https://adrinstitute.org/spark-by-adri/>
- Ong, R.J.D. (2025c, June 5). Special Study: "Making a Filipino Theory of Victory Work: Retooling Our Defense and Security Posture". *Stratbase ADR Institute*. Retrieved from <https://adrinstitute.org/2025/06/05/special-study-making-a-filipino-theory-of-victory-work-retooling-our-defense-and-security-posture/>

Picture Credits:

- ¹ Cover page: stock.adobe.com/ph: AdobeStock_1968928444; indianexpress.com/article/business/economy/iran-israel-conflict-escalation-could-cast-shadow-on-indias-oil-trade-9272323
- ² Page 2: stock.adobe.com/ph: AdobeStock_1957530938
- ³ Page 5: stock.adobe.com/ph: AdobeStock_464808296_Editorial_Use_Only-2
- ⁴ Page 7: stock.adobe.com/ph: AdobeStock_799938348

ABOUT



RADM Rommel Jude G. Ong (Ret)

is a Professor of Praxis at the Ateneo School of Government and Program Director of the Masters in Public Management Twinning Program. A Senior Research Fellow at the Ateneo Policy Center, RADM Ong co-leads research on Chinese political warfare and Philippine defense spending. As former Vice Commander of the Philippine Navy, he led modernization projects and strategic initiatives in the West Philippine Sea. He has commanded multiple naval units, authored naval manuals, and contributed to academic works on security and governance. He holds advanced degrees from AIM and the National Defense College.



STRATBASE INSTITUTE

is an independent international and strategic research organization with the principal goal of addressing the issues affecting the Philippines, and IndoPacific

The Financial Tower
6794 Ayala Avenue, Makati City
Philippines 1226

V 7005.3779
V 7000.2748

www.stratbase.ph

