

How a NUCLEAR IRAN

Would Impact Global Oil Prices

A nuclear Iran would further destabilize the Persian Gulf. Just the expectation of future disruptions it could cause, even if none actually occur, will have a significant impact on the price of oil - driving up U.S. gasoline prices, inflation and unemployment, while causing GDP to decline.



THE PERSIAN GULF

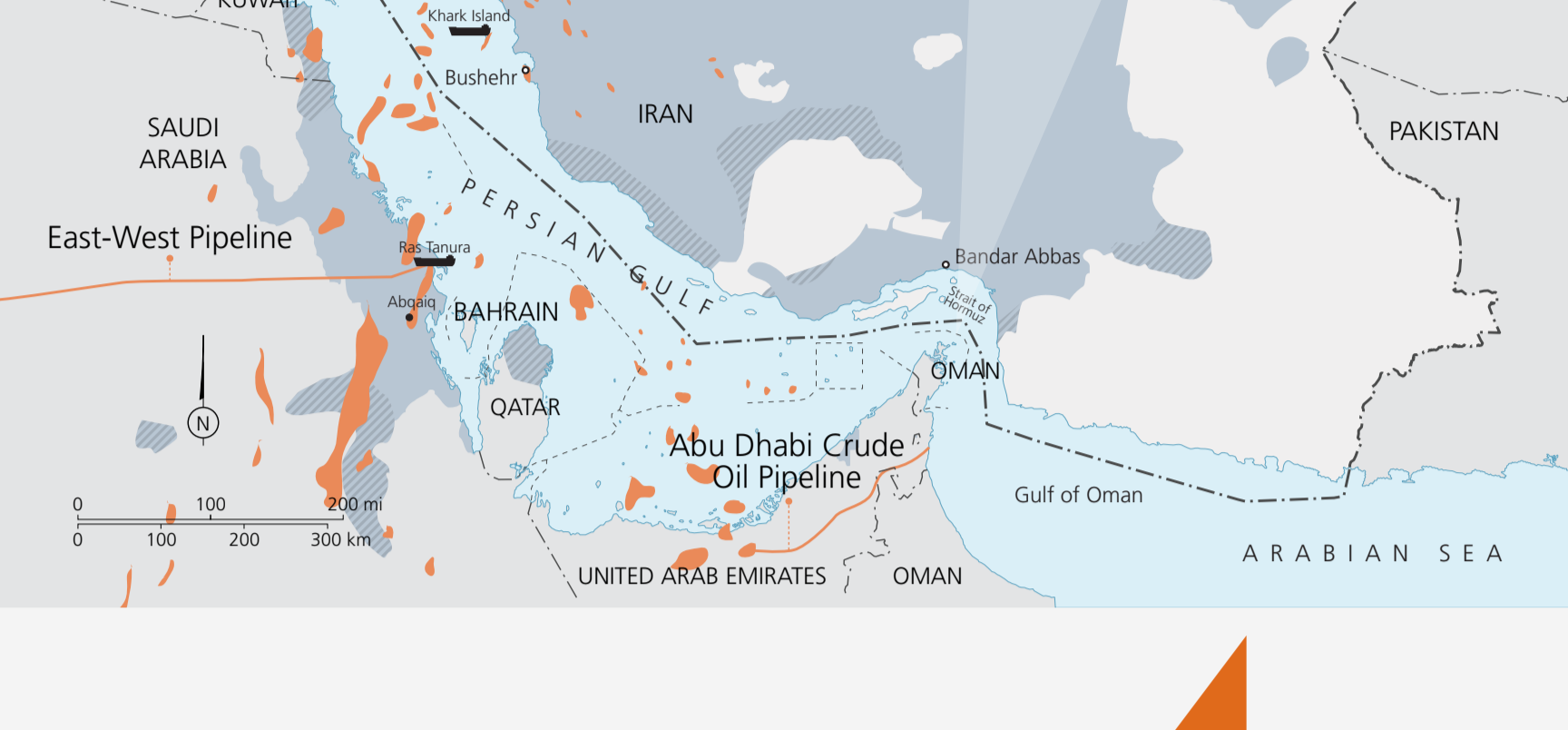
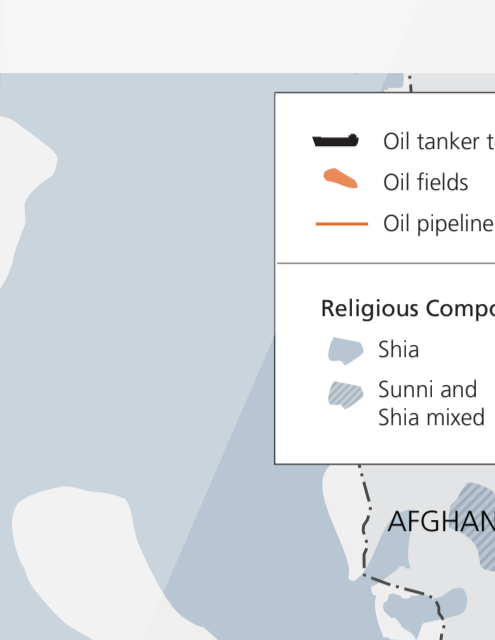
The World's Most Important Oil-Producing Region

16 MILLION BARRELS per day come from the Persian Gulf.



18%

of global daily oil demand comes from the Middle East - most of it through the Strait of Hormuz. And all of the world's spare production capacity is in the Persian Gulf.

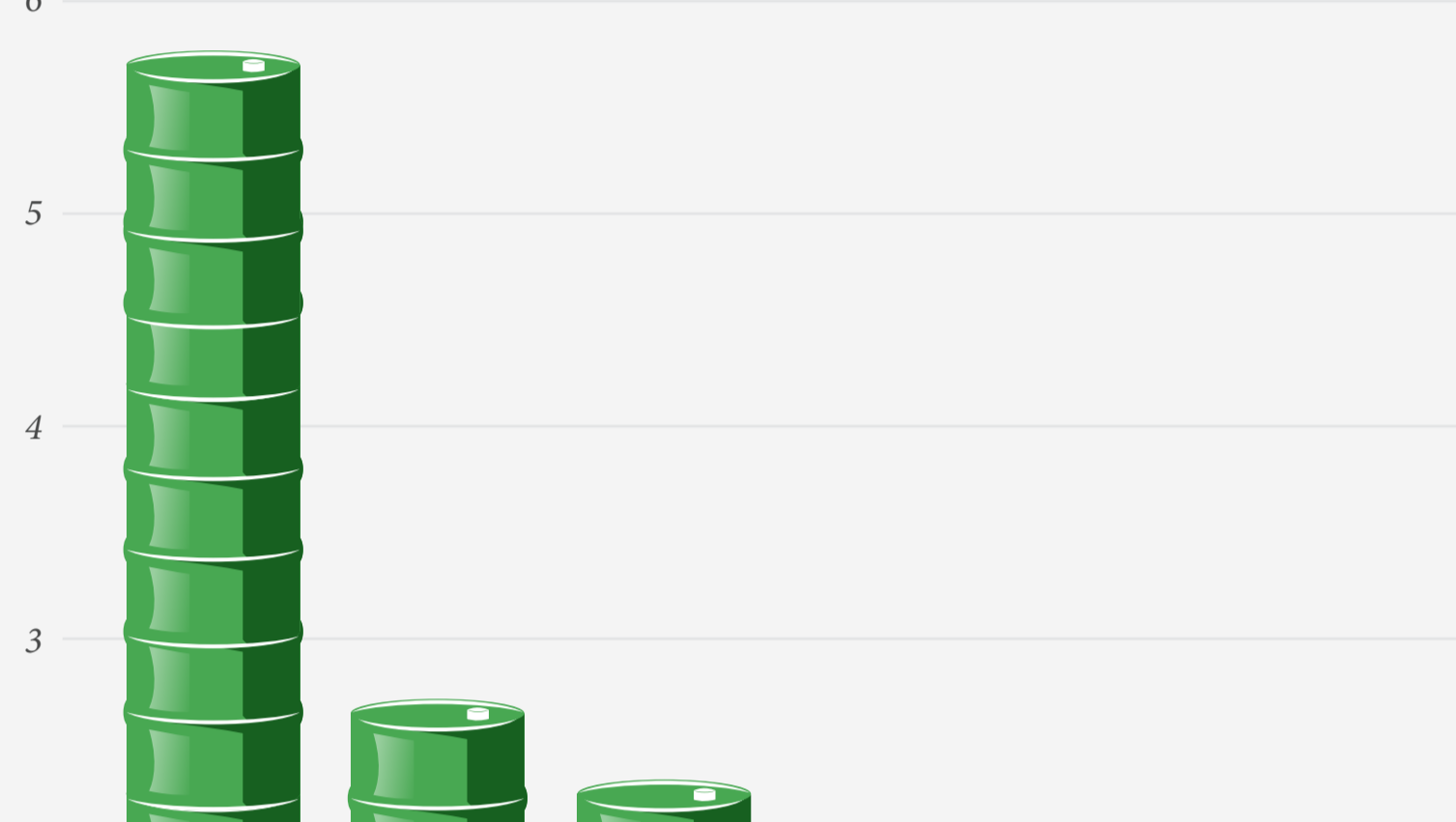


IRAN'S REGIONAL AMBITIONS

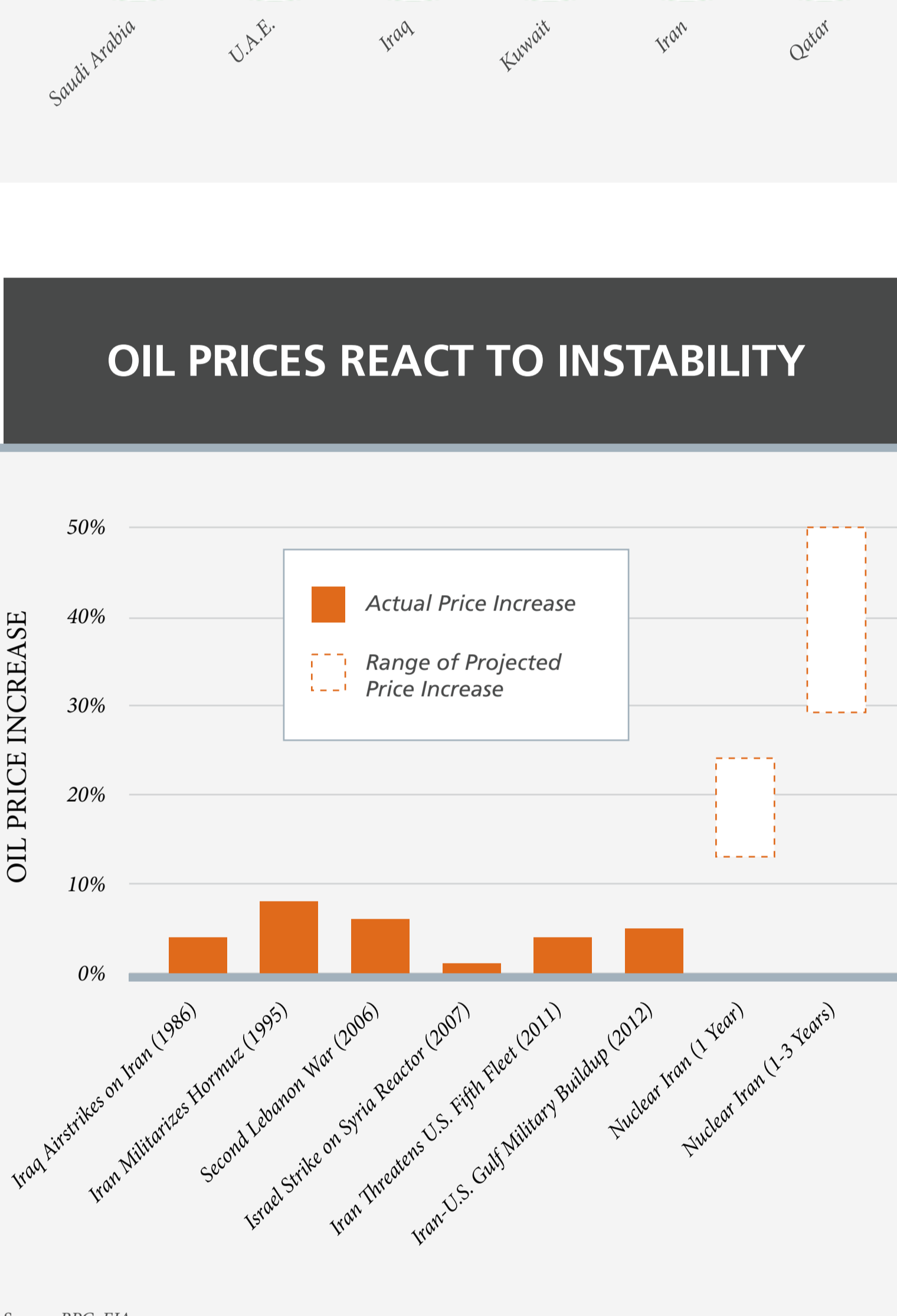
A Shia Persian Iran already clashes with its Sunni Arab neighbors. A nuclear Iran will feel emboldened to further undermine its Arab rivals, intensify sectarian tensions, and sponsor terrorist groups.

OIL FLOWS FROM PERSIAN GULF COUNTRIES THROUGH STRAIT OF HORMUZ

Million Barrels per Day



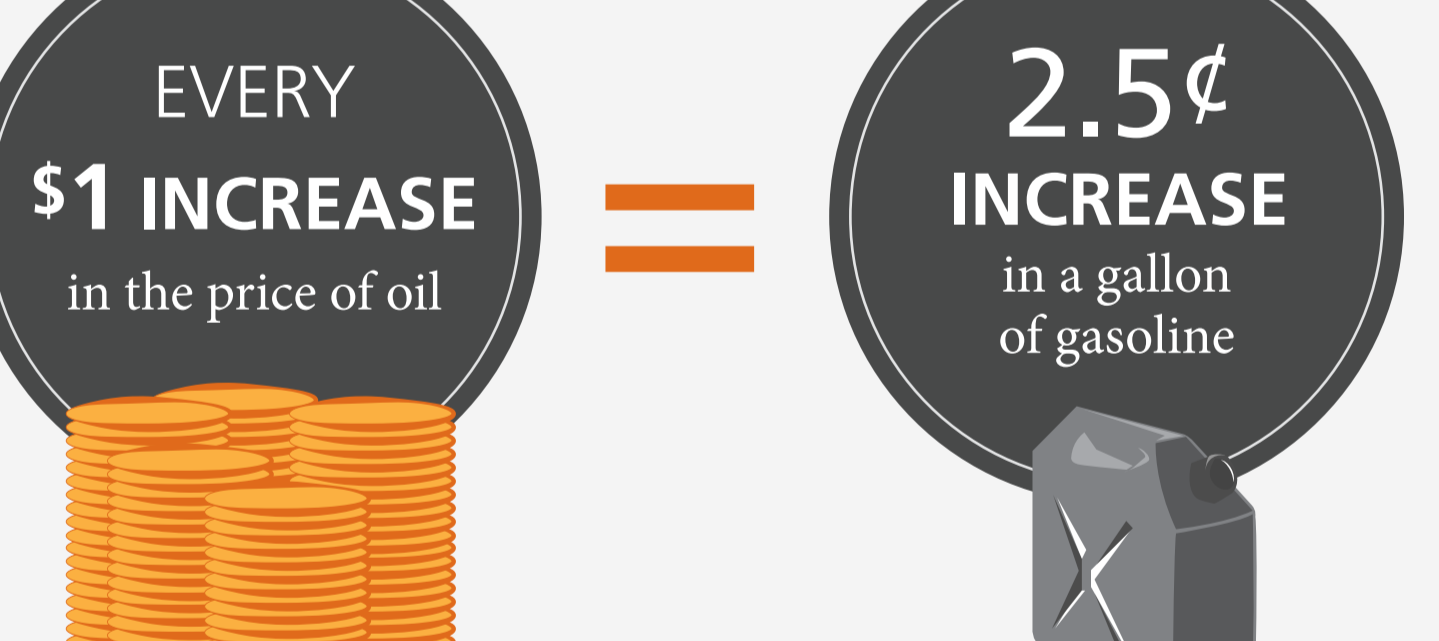
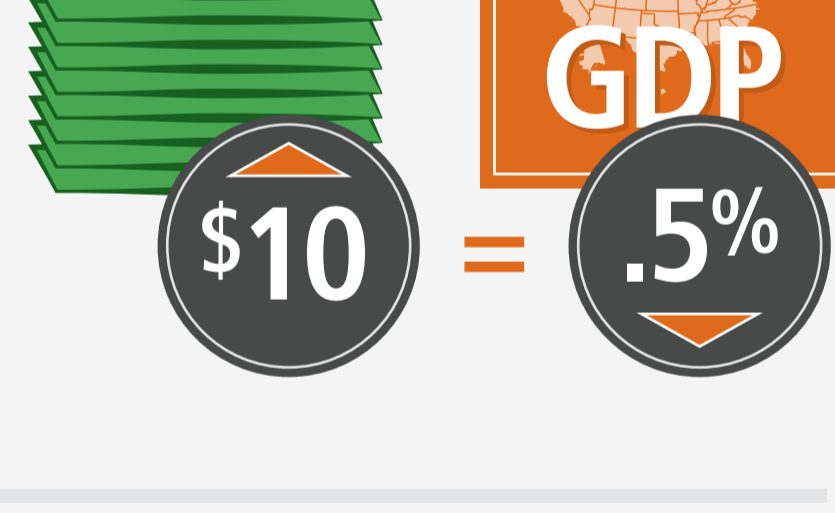
OIL PRICES REACT TO INSTABILITY



Source: BPC, EIA

WHAT OIL PRICE INCREASE COSTS THE UNITED STATES

FOR EVERY **\$10 INCREASE** in the price of a barrel of oil, U.S. GDP declines by **.5%**.



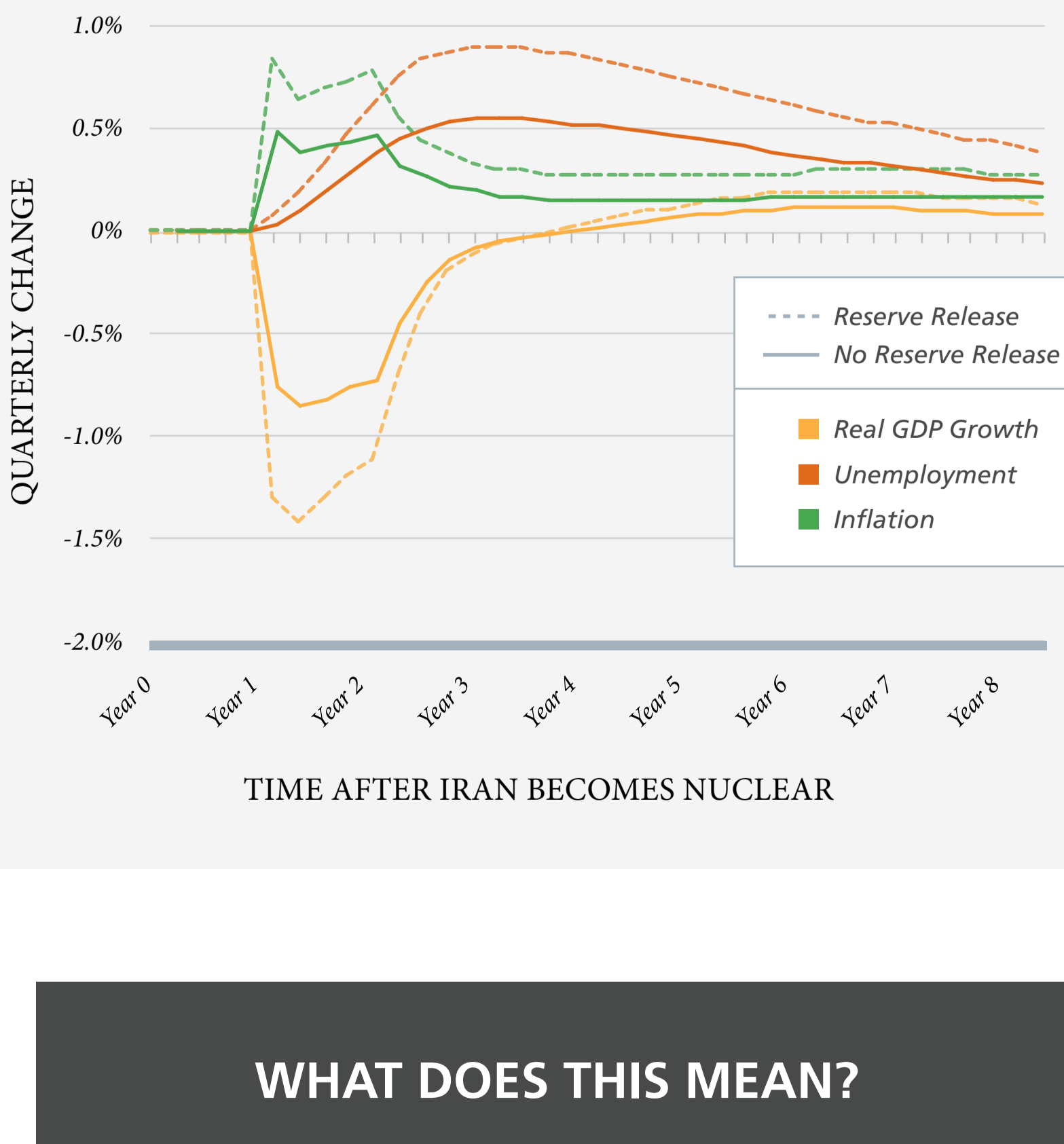
A nuclear Iran could lead to a:

\$20 INCREASE in the price of a barrel of oil

50¢ MORE per gallon of gasoline



HIGHER OIL PRICES CONSTRAIN GDP GROWTH, INCREASE INFLATION AND UNEMPLOYMENT



WHAT DOES THIS MEAN?

A NUCLEAR IRAN COULD DRIVE UP THE PRICE OF OIL AS MUCH AS 25% IN THE FIRST YEAR, COSTING THE U.S. ECONOMY \$200 BILLION AND 700,000 JOBS.

Read more about the economic impacts of a Nuclear Iran: bipartisanpolicy.org/library/report/price-of-inaction