

THE FALL OF THE UNITED KINGDOM?

Key Facts at a Glance — Compound Cascade Risk Model, 2026-2035

Jonathan Kelly · UK Oil Watch / Euro Oil Watch / Americas Oil Watch · May 2026 · UK Oil Watch analysis cited by The Times

THE CENTRAL FINDING

Compound assessment: 40-70% probability of Accelerated Decline or worse by 2035

Additive assessment (current institutional approach): 10-20% · Same data sources (ONS, OBR, IFS, BoE, OECD) — different model structure.

Auditable structured judgement, not a statistical forecast.

ENERGY PRECONDITION: Global oil scarcity + UK-specific vulnerability (North Sea terminal decline, ~2% gas storage vs Germany's 25%, highest electricity prices globally) is the structural precondition that elevates all other risks. Energy scarcity hits food, industry, fiscal, NHS, and political stability simultaneously within days — the UK has removed its own buffers. Fixable in 5-7 years with sustained policy; probability of that happening assessed as extremely low (Chain 10).

18 STRUCTURAL DECLINE CHAINS

1 Productivity Collapse 18-yr stagnation	2 Energy Crisis Highest prices globally	3 Regional Inequality London 2.5× Wales	4 Food Vulnerability 46% imported (DEFRA)	5 Fiscal Trap Debt 94.5% GDP (OBR)	6 Cost of Living Wages below 2008
7 Devolution Pressure Scot. indy 45-55%	8 Brain Drain £250k per junior doctor	9 Infrastructure Decay HS2 curtailed	10 Political Failure FPTP meta-chain	11 Social Cohesion Birth rate 1.44	12 NHS Collapse 7.22M cases (Jan 2026)
13 Mass Migration Hormuz famine cascade	14 Defence Erosion Hollowed force posture	15 Climate Vulnerability Oldest housing stock	16 Education Decline Funding -9% real	17 Media Degradation Info environment fracturing	18 Financial Dependency City = 21% tax receipts

100 significant interactions · of 306 possible (excluding diagonal) · 38 Strong / 62 Moderate

9 CRITICAL FEEDBACK LOOPS

1 Productivity-Fiscal Trap Active since 2008	2 Housing-Brain Drain Spiral Self-reinforcing	3 Political Paralysis Loop FPTP blocks reform
4 NHS Death Spiral Underfund → leave → worse	5 Cost-of-Living Doom Loop Energy → wages → fiscal	6 Migration-Cohesion Spiral External shock pathway
7 Devolution Ratchet Decline → independence	8 Media-Democracy Erosion Info failure → bad policy	9 Sovereign-Financial Doom Loop Fastest collapse (weeks)

5 SCENARIOS

Renewal	10-20%
Managed Decline	25-35%
Accelerated Decline	25-35%
Fragmentation	10-20%
Systemic Collapse	5-15%

4 SCENARIO SELECTORS

Chain 13: Hormuz famine / mass migration
Chain 18: Financial shock / Doom Loop (weeks)
Chain 15: Climate events (probability rising)
Chain 2: Energy scarcity (fastest multi-chain trigger)

Domestic cascade stands alone — even removing Hormuz, financial shock, and climate assumptions.

THE INSTITUTIONAL ASSESSMENT GAP

WHAT INSTITUTIONS ASSESS	WHAT THEY DON'T ASSESS	WHAT HAPPENS WHEN CONNECTED
Fiscal position (OBR)	Fiscal ↔ NHS ↔ brain drain interaction	9 self-reinforcing feedback loops activate
NHS waiting lists (NHS England)	Housing → emigration → workforce feedback	Resilience factors degrade under compound stress
Productivity data (ONS)	Energy costs → productivity → fiscal loop	Individual 5-15% risks compound to 40-70%
Migration statistics (ONS)	Political failure propagating across all chains	Crisis pathways measured in weeks not years
Energy prices (DESNZ)	Devolution pressure compounding with decline	Reform becomes harder as decline accelerates
Housing supply (DLUHC)	Media degradation → policy quality erosion	Positive intervention windows narrow over time
Education outcomes (Ofsted/DfE)	AI disrupting graduate pipeline → debt trap	External shocks hit an already-fragile system
Defence capability (MoD)	Social cohesion breakdown → political failure	Territorial integrity enters probability range
Food security (DEFRA)	Climate → food → fiscal compound stress	Human cost: 25,000-155,000 excess deaths/year
Financial stability (BoE/FCA)	Financial concentration → sovereign risk	Historical parallels (Italy, Argentina) fit pattern

THE GAP IS THE FINDING

The data is not new. The methodology is. No UK institution currently models these interactions as a single system.

Companion documents: The Fall of the United Kingdom? — Full Technical Report & Policy Brief · **Methodology:** Kelly (2026), Compound Cascade Systems Modelling Framework

SSRN: papers.ssrn.com/abstract_id=6695618 · Contact: jon@ukoilwatch.com