



A STRATEGY
TO WIN IN

Lebanon

Edited by Fadi Nicholas Nassar



A Strategy to Win in Lebanon

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Executive Summary

Lebanon stands to be America's next foreign policy win — if Washington chooses to claim it. The United States has committed significant resources, in war and diplomacy, to neutralize Iran's ability to project power and destabilize the Middle East. Lebanon is now the clearest opening to convert those investments into strategic gains and permanently dislodge the Islamic Republic from its most important regional foothold.

- Winning in Lebanon means securing a sovereign Lebanese state, ending the Israel-Lebanon conflict for good, and dismantling Iran's proxy model at its source.
- Achieving this would unlock the wider transformation of the Levant and consolidate a new regional order led by America's partners before Iran has a chance to reverse its losses.
- Doing so would be an irreversible loss for Tehran, weakening both the regime's regional threat and its domestic tyranny.

The conditions for success in Lebanon have never been more favorable.

- Washington has a willing partner in the Lebanese state and people, who have already taken courageous steps to outlaw Hizballah's military activities, deepen their partnership with the United States, and negotiate peace with Israel.
- America's regional allies share our interest in achieving a Lebanese state with exclusive authority over its territory.

Hizballah has never been weaker. It remains militarily degraded, its leadership decimated, and its legitimacy eroded after fighting Iran's wars at Lebanon's expense.

- Most Lebanese now see Hizballah as an Iranian occupation of Lebanon — not a Lebanese

resistance — and look to America to help them restore their sovereignty.

- If confronted by a determined Lebanese state with decisive US backing, Hizballah can be extirpated.

But the window to defeat it permanently will not last. Tehran is pouring resources into Lebanon to rebuild the crown jewel of its proxy network.

A Blueprint for Victory in Lebanon

Organize the effort as a single campaign focused on restoring Lebanese sovereignty. Because Hizballah casts every move against it as a foreign plot, only a campaign Lebanese recognize as their own can defeat it.

- Lebanese must own the campaign, with America as their backer in their fight, rather than the owner of it.
- It names Iran and Hizballah as the primary obstacle to reclaiming the country.
- It legitimizes the difficult but necessary steps sovereignty demands, transforming disarmament from a foreign demand into a national cause.
- And it reaches beyond Lebanon, offering a model for every state reclaiming sovereignty from Iran's proxies.

Increase US assistance to the Lebanese Armed Forces. Ensuring Lebanese state sovereignty requires the disarmament of Hizballah, and Hizballah will not give up its arsenal without a fight. If the Lebanese Armed Forces (LAF) are going to force or coerce Hizballah into doing so, it will require greater support from the United States than currently envisioned, albeit still very modest relative to the scale of other recent American military operations in the Middle East.

- While there is a range of options the US could employ, the optimal approach would entail

deploying American advisors and trainers to improve LAF capabilities, backed by intelligence, logistics, special forces, and fire support (air, artillery, and helicopters).

- This would replicate the model the US employed to help the Iraqi armed forces destroy ISIS in 2014-17 without the deployment of US combat troops.

Target Hizballah's finances and institutions. To prevent Hizballah reconstituting over time, Washington should:

- Sanction the exchange houses and facilitators moving Iranian funds to Hizballah and the compromised judges shielding the group from prosecution.
- Raise the cost for the allies who allow it to capture state institutions from within, and block any bargain trading disarmament for integration into the LAF or other state institutions.

Reform the Lebanese economy. Because Hizballah feeds off Lebanon's pervasive corruption, the United States and its allies must support Lebanese efforts to:

- Retake control of its ports, airport, and border crossings, shut down the illicit financing fueling the cartels, and reform the state so it enforces neutral rules on the market.
- Once those chokeholds are broken and the rule of law enforced, businesses can compete fairly, trade will reconnect Lebanon to the global economy, and competition can unlock the country's potential.

Ramp up external assistance. The United States and its allies need to pledge considerable assistance to Lebanon, both in cash and in kind to demonstrate the advantages of restoring Lebanon's sovereignty.

- However, such support should only be provided after Hizballah is disarmed and economic reforms have begun.
- Washington and its partners should further align behind a single recovery plan owned by the

Lebanese government and designed to finance reconstruction through Lebanese institutions.

- The plan should channel financing through a ring-fenced multi-donor trust fund with an independent board, civil society representation, and procurement rules stricter than Lebanese law requires.
- Funds should be disbursed only as milestones are met, measured against the International Monetary Fund's June 2026 Diagnostic.

Resolve Lebanon's border disputes. Because Hizballah justifies its arsenal by claiming that Israel continues to occupy Lebanese land, restoring Lebanese state sovereignty requires establishing the country's borders.

- Resolving the disputed Blue Line first would build the confidence to negotiate a final settlement of remaining territorial disputes with Israel and Syria.

Implement the verification mission established by the June 2026 Trilateral Framework Agreement.

Doing so will ensure that the Israel Defense Forces have withdrawn and that the LAF has prevented Hizballah from moving in.

- Fulfilling both conditions will build the confidence each side needs for disarmament and withdrawal to succeed, ensuring Lebanon's sovereignty and Israel's security.

Make peace between Israel and Lebanon. Build on the Trilateral Framework Agreement to engineer a permanent peace between the parties, guaranteed by the United States.

- The Trilateral Framework Agreement, signed by the US, Israel, and Lebanon, established that a durable peace requires a sovereign Lebanese state and American participation to achieve it.
- President Donald Trump has an opportunity to achieve what no American president has before: a lasting peace agreement between Israel and Lebanon.



Photo by Anwar AMRO/AFP via Getty Images.

KEY TAKEAWAYS

- Lebanon is where the contest over who writes the rules of the Middle East's future — Washington and its partners or Tehran and its proxies — will first be decided. Winning there means securing a sovereign Lebanon, ending the Israel-Lebanon conflict for good, dismantling Iran's proxy model at its source, and locking in a new regional order before Iran recovers enough to reverse its losses.
- The conditions for success have never been more favorable. Hizballah has been degraded and exposed as an instrument of Iranian occupation, a Lebanese government with popular legitimacy is ready to partner with Washington, the region is aligned behind the outcome, and the main adversary to stability in Lebanon has never been more vulnerable.
- Hizballah is the crown jewel Iran cannot afford to lose but can no longer preserve. A Lebanese state determined to restore its sovereignty, backed by a decisive US commitment to see it through to victory, can defeat Hizballah. The loss of the template for the Axis of Resistance will prove that Iran's project of exporting its revolution has failed, undermining the regime's regional threat and its domestic tyranny.
- Sovereignty First must be Washington's strategy to win in Lebanon. The US should organize Lebanese and regional partners around the principle of reclaiming Lebanon's sovereignty by keeping the Lebanon-Israel track separate, turning the Lebanese Armed Forces into a sovereignty-enforcing institution, and using sticks and carrots to shift the political calculus in Beirut so the state prevails.

Lebanon Is Washington's Next Win

Fadi Nicholas Nassar

A great prize lies unclaimed by the United States and its allies: Lebanon. Ever since Hizballah's deadly attack against the US Marine barracks in Beirut in 1983, which killed 241 American service members and drove America from Lebanon, Iran has built Hizballah into the instrument it uses to dominate the country and spread its malign influence across the Middle East.

One reason that the United States has not won more in its 2026 war against Iran is that it has yet to capitalize on the present but fleeting opportunity to secure a sovereign Lebanon and permanently dismantle the centerpiece of Iran's Axis of Resistance. And although Tehran is doubling down on restoring the crown jewel of its proxy empire, Hizballah remains militarily degraded, decapitated, and politically discredited after fighting Iran's wars at Lebanon's expense. Most Lebanese reject Hizballah's claim to be a national resistance and see it instead as an Iranian occupation by proxy. They now look to the Lebanese state to reclaim their country and recognize America as the indispensable partner that can help them succeed. A determined Lebanese state, backed by a decisive US commitment to see it prevail, can defeat Hizballah once and for all. Doing so now would require less of the United States and its allies than at any time since Hizballah's founding, and it would result in a crippling loss for Iran and a lasting victory for America that could translate into further gains against Iran's battered proxy network.

It was on the memory of America's withdrawal from Lebanon that Iran built the conviction of its regional ambition: that it could pay in blood what America was unwilling to spend in will. Lebanon is where Washington can now prove Tehran wrong and where the contest between a Middle East led by sovereign states and a Middle East held hostage by Iran's militias will first be decided.

What Is at Stake for Washington in Lebanon

Lebanon is not a file to be managed. It is a front in America's war with Iran — and it can be won or lost. The distinction matters more than it might seem because every US administration that had previously confronted the Lebanon problem eventually chose to contain it instead: brokering cease-fires that restored the status quo, deferring the hard choices in favor of temporary calm, and telling itself that managed erosion was preferable to the costs of restoration. Time and again, that choice neither preserved Lebanon nor served Washington. It only ensured the opposite: problems deferred returned harder to solve, cease-fires set the stage for deadlier wars, and concessions gave Iran the room to build the destabilizing proxy network the US now confronts.

The fleeting strategic opportunity in Lebanon, however, is one Washington cannot afford to squander by resorting once again to a failed

playbook. The June 2026 Trilateral Framework Agreement between the US, Israel, and Lebanon opens the door for Donald Trump to be the first American president to achieve a permanent end to the Israel-Lebanon conflict, stabilizing one of the region's most combustible front lines. The degradation of Hizballah, the fall of Bashar al-

“Dismantling the template for Tehran’s proxy model, if tied to a sustained strategy against the broader Axis of Resistance, will reverberate across every state Iran turned into a battlefield.”

Assad’s regime in neighboring Syria, and the strikes on Iran itself have created conditions that did not exist before and may not again: a Hizballah that can be defeated, a Lebanese state that wants to defeat it, and a region that will not mourn its passing.

Dismantling the template for Tehran’s proxy model, if tied to a sustained strategy against the broader Axis of Resistance, will reverberate across every state Iran turned into a battlefield. And as the US and its Gulf partners double down on Syria’s recovery as part of a strategy to roll back Iran’s regional footprint, a sovereign and prosperous Lebanon will become both the enabling condition for the transformation of the wider Levant and the defensive line that prevents Hizballah from spoiling it.

The US, alongside Israel, has already taken the fight to Iran and battered its proxies, but a sovereign Lebanese state integrated into the regional order is the win Washington needs to lock in a lasting strategic gain, before the next round of conflict returns at greater cost. This is an end goal America shares with its Lebanese and regional partners. While the parties may not agree on how to get there, they do not differ on the destination or on who the spoiler is. Only America’s adversaries, Iran

and Hizballah, want to prevent that outcome. What, then, did decades of accommodation deliver? Every arrangement that left Hizballah intact as an armed actor, every cease-fire that restored the line of fire rather than erasing it, every diplomatic process that granted it the standing of a legitimate interlocutor — each left the Lebanese state weaker and Hizballah stronger. When Hizballah marched its fighters into Beirut in 2008, the international community looked away, leaving the Lebanese state compelled to sign the Doha Agreement and hand its occupier a veto. Whatever the merits or shortcomings of the 2015 Joint Comprehensive Plan of Action (JCPOA) regarding Iran’s nuclear program, deliberately excluding its proxies and freeing up its funds gave Iran the resources and Hizballah the cover to build the Axis of Resistance into the multi-theater threat confronting America and its regional partners today. When Hamas attacked Israel on October 7, 2023, those concessions served Tehran, as they would again when Hizballah joined the fight for Iran after the assassination of Iranian Supreme Leader Ali Khamenei in late February 2026. Accommodation never managed the Lebanon problem — it *was* the Lebanon problem.

If accommodation proved, consistently and at enormous cost, to fail, confrontation demonstrated the opposite. It was American pressure in the aftermath of the 2003 invasion of Iraq and the 2005 assassination of former Lebanese Prime Minister Rafic Hariri that compelled Assad to withdraw Syrian forces from Lebanon, ending nearly three decades of occupation. It was Israel’s decimation of Hizballah and killing of its leader, Hassan Nasrallah, in September 2024 that broke open the political space Lebanon’s sovereign forces had been denied for a generation. Hizballah’s weakening also contributed to Assad’s fall that December and enabled more favorable conditions for Operations Midnight Hammer in June 2025 and Epic Fury this spring.

That said, the events following the November 2024 cease-fire between Israel and Lebanon show that

while confrontation creates the conditions for change, converting them into a durable win requires Washington to play a more direct and sustained role in securing Hizballah's full defeat. Israel's military campaigns wounded the militia, and a new Lebanese government undermined its local standing, but given time, an Iranian lifeline, and a state yet to fully enforce its authority, Hizballah is regrouping, rearming, and returning to destabilize the region at Tehran's direction. If confrontation is to produce lasting change, it must be seen through.

The latest verdict on accommodation versus confrontation was delivered in the span of a little more than a week. The US-Iran memorandum of understanding (MoU) that halted the fighting in May 2026 gave Iran a vote on the parallel conflict in Lebanon, but it was immediately rejected by the Lebanese and Israeli governments. Despite their disagreements, Israeli and Lebanese officials met under US auspices and signed the Trilateral Framework Agreement to supplant what the MoU seemed to imply vis-à-vis Lebanon. In a double win for Washington, both governments agreed that excluding Iran and partnering with the US was in their mutual interest and necessary to ending their conflict for good — proof that American leadership delivers what American withdrawal surrenders.

Lebanon Wants What America Is Selling

In Lebanon today, America's partners and adversaries agree on precisely one thing: that only Washington can decide what comes next. The Lebanese state has staked its future on the proposition that cooperation with Washington delivers and is the only viable path to both ending the war with Israel as well as restoring full sovereignty over Lebanese territory. In turn, Hizballah, having lost the ability to deter Israel on the battlefield, is banking on Iran's threat to weaponize the Strait of Hormuz to compel the US to force Israel's hand instead. For a moment, the MoU rewarded that bet. The Trilateral Framework

Agreement quickly reversed it. The choice Washington faces now is the same one it has always faced: whether American influence rewards those who cooperate with it or those who extort it.

The moment to reward cooperation is now. Lebanon's people, across its sects, are done with wars fought for Syria, for Gaza, or for Iran, none of which delivered what was promised and all of which were paid for by Lebanese who were never consulted. A Gallup poll in the summer of 2025 found that 86% of Lebanese did not support war with Israel on behalf of a foreign cause like Palestine. It also found that a majority of Lebanese (79%) support Hizballah's disarmament, including at high rates among Christians (92%), Druze (89%), and Sunnis (87%), as well as a notable minority among Shi'a (27%), Hizballah's core base. That was before Hizballah fought yet another foreign war for Iran that brought further destruction and Israeli occupation of Lebanese land, deepening domestic anger at the Tehran-backed group.

More telling than any poll is what Hizballah could not do. It could not mobilize popular resistance — among its Shi'a base or across other sects — against any of the steps the Lebanese state took to restore sovereignty, from outlawing Hizballah's military activities to signing the Trilateral Framework Agreement. Its familiar playbook of trying to intimidate the Lebanese public and project dominance over the capital by mobilizing large motorcycle convoys meant to provoke civil unrest came up short when a resolute Lebanese Armed Forces (LAF) stepped in and repeatedly dispersed them. It also failed to cow the Lebanese state and Lebanese people with its threats of civil war. Nor could the militia block the government from taking those decisions from within or delegitimize it by forcing a walkout; all Shi'a cabinet members, including Hizballah's and the Amal Movement's own, stayed in government and the government's decisions held. The combination of the Lebanese state's framing of these steps as necessary to restore sovereignty, the continuation of international backing, and the LAF's ability to



A yellow flag belonging to Hizballah flutters on top of the rubble of a building in the southern Lebanese coastal city of Tyre on June 23, 2026. Photo by Joseph EID/AFP via Getty Images.

protect Lebanese from intimidation did not lead to internal disintegration, as some accommodationists warned — rather, it pushed the country further down the path of consolidating statehood.

Domestic support for Hizballah's disarmament will only grow if the Lebanese state's wager on American backing is vindicated. But it will recede dramatically if Iran's bet on American ambivalence is proven right.

Washington cannot afford to misunderstand that Lebanese sovereignty today is not a sectarian cause. It is a Lebanese national interest, and it has a credible champion in the Lebanese state. Hizballah's cause, on the other hand, lacks that broad, cross-cutting appeal, and its ability to mobilize popular support, even among Lebanese Shi'a, has been hollowed out by fighting Iran's wars at Lebanon's expense. After years of crisis, war, and regional isolation, most Lebanese want what sovereignty delivers: the rule of law, a functioning economy, stable borders, peace, and a place in the regional order. For once, what most Lebanese want points in America's direction.

Hizballah has also never been more vulnerable. In the span of a few years, it has suffered consecutive defeats in undeniably costly wars. It spent more than a decade fighting in Syria, yet Assad fell. It attacked Israel in

support of Hamas the day after October 7, a decision that would cost Nasrallah his life. After the colossal losses its base and the country endured, it attacked Israel again this February to avenge the killing of Ali Khamenei — a figure most Lebanese feel apathetic about, if not antagonistic toward — leaving Hizballah's arsenal further diminished and more of Lebanon under occupation than in decades. The group's leadership has been decapitated and its subservience to Iran's Islamic Revolutionary Guard Corps (IRGC) increasingly exposed. While Hizballah remains a force that should not be underestimated, its weapons, Lebanese have learned at staggering cost, cannot achieve the militia's stated objectives — they invite rather than resist occupation. And its ability to regroup and rearm is significantly impeded by the loss of the Assad regime in Syria on the one hand and the presence of a more proactive Lebanese state on the other, which monitors its entry points and curbs its illicit infrastructure. All Hizballah has left is the threat of violence against those who move toward sovereignty and Iran's gamble that the US will grant it a lifeline at the negotiating table.

Iran's Gamble Can Be Made to Backfire

From the October 7 attack to Operations Midnight Hammer and Epic Fury to the MoU, the contest with

Iran has degraded some of its levers of power and enhanced others. Whether Iran emerges stronger or weaker will be decided by America's will to convert Tehran's material losses into lasting strategic gains.

The MoU was Iran's opening bid at that recovery. By including its red lines on Lebanon, Washington gifted Tehran at the negotiating table what it lost on the battlefield. Hizballah exploited this to reframe its catastrophic losses as the price of a war that ended with Iran securing better terms. The promise of a coming resource boom fed the narrative that Tehran could rebuild Hizballah to its former glory and outcompete its local rivals. And above all, Iran pressed the claim that in the battle of patrons, it forced America's surrender.

Washington corrected course, listened to its partners, and disconnected the two tracks through the Trilateral Framework Agreement. But the correction also revealed the mistake — one Washington must not repeat.

In its desperation to recover what it lost in Lebanon, however, Iran made a strategic error of its own. Tehran had previously sustained the influence of its proxy empire by claiming plausible deniability for the actions of its subordinates. But the MoU converted a line of fire maintained through proxy into a direct line of accountability. President Trump's warning that Tehran must "immediately stop their highly paid proxies in Lebanon from causing trouble" or the US would hit Iran "very hard again" was the logical response to an admission the Islamic Republic can no longer deny. When Mohammad Bagher Ghalibaf, speaker of the Parliament of Iran, announced that more Lebanese had died for Iran than Iranians, he confirmed what the Lebanese have always known: Iran linked the fronts to the Iranian heartland. Washington should hold it to that and compel Tehran to sever that link once and for all.

Iran has promised more than it can deliver and revealed more than it may have intended. The

MoU was a bet that in the pursuit of a bigger deal, Washington would trade away a sovereign Lebanon. But it was also an involuntary confession that Hizballah is irreplaceable — a strategic asset that Iran can neither afford to abandon nor preserve.

Since Nasrallah's assassination, no leader has emerged to define the future of the Axis of Resistance. Nasrallah could threaten those who opposed him and inspire those who followed him. The combination of the two allowed him to convince those who paid the highest price for the cause he personified to believe they were part of a greater project that was moving toward victory.

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His successor, Naim Qassem, can do neither. Iran's instinct is to resort to its tried and tested playbook by tightening IRGC control, replacing what appeared as a Lebanese cause with explicit Iranian direction, and betting that propaganda, insufficient American will, and a steady flow of money and arms can sufficiently deter Lebanese action and hold the line until America walks away. That desperate play has handed Washington a strategic opening to make common cause with a Lebanese public and government that increasingly view Hizballah as an instrument of Iranian occupation, not a Lebanese resistance.

No proxy has filled the gap Hizballah's weakening left behind, because none can. It offered Iran strategic depth against Israel and served as the trainer, strategist, and operational backbone that inspired every other franchise in the axis. Despite

their ambitions, the Houthis in Yemen have been unable to fill the void. In Iraq, where the Gulf states have made disarmament of Iran-backed militias a condition of regional reintegration after suffering direct attacks from them, the momentum toward sovereignty is building, as it is in Lebanon, though the outcome there is also not yet settled. The defeat of Hizballah will remove the critical node that inspired, connected, and sustained Iran's wider Axis of Resistance and shatter the perception of its inevitability. The triumph of the Lebanese state will signal to every capital seeking to break free from Iran's proxies that reclaiming sovereignty is not only necessary but achievable. The fall of Assad showed the region that Iran's order could be reversed; the fall of Hizballah will show that it cannot be rebuilt.

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Nor will that message be contained to Lebanon or just those Middle Eastern states struggling with their own Iranian proxy challenge. American success in securing a sovereign Lebanon will unmistakably demonstrate to the wider region that Iran could not hold on to what it was unwilling to give up. And inside the Islamic Republic itself, where the chant of “Neither Gaza, nor Lebanon” was already the sound of a public that refused to support a cause that had failed them at home and abroad, that irrefutable loss will register as a reckoning for the regime.

In contrast, conceding Lebanese sovereignty will not buy Washington progress elsewhere. It will only weaken American credibility among its partners and adversaries, give Iran leverage, and strengthen Tehran's conviction that holding firm to maximalist

positions will pay off in the end. Handing Lebanon back to Iran would restore the belief that Iranian resistance can outlast American will at precisely the moment it is within Washington's power to extinguish it.

Sovereignty First: A Strategy to Win in Lebanon

A strategy to win in Lebanon is a strategy to restore what Iran plundered: sovereignty. Only the Lebanese can reclaim their country. Washington can neutralize Iran's ability to deny them that right and empower them to win the fight only they can lead. The key to defeating Hizballah while holding Lebanon together is Lebanese mobilization: a country convinced that disarming Hizballah and dismantling its infrastructure of power serve its own interests. Because Hizballah frames every move against it as a foreign plot, the US should organize Lebanese and regional partners around a single campaign: Sovereignty First.

Sovereignty First is persuasive enough to rally the Lebanese behind the hard measures sovereignty demands and resonant enough with the broader struggle against Iran's proxy network to travel from Beirut to Baghdad. However, with Iran deepening its commitment to Hizballah, Beirut's moment hinges on whether America responds by supporting the Lebanese with the political, military, and economic backing they need to implement what they have already committed to.

Sovereignty First is that answer. It is a strategy Lebanese can own. It is realistic enough to fit America's approach of empowering those reclaiming their country rather than fighting on their behalf. And it is built on the mutually shared twin interests of Hizballah's defeat and the Lebanese state's triumph.

The timing has never been more opportune to put that strategy into action — because a sovereign Lebanon that has disarmed Hizballah is also the precondition for ending its conflict with Israel. The Trilateral Framework



Lebanese President Joseph Aoun attends an official ceremony in Sofia, Bulgaria, on November 10, 2025. Photo by STR/NurPhoto via Getty Images.

Agreement's real achievement has been establishing that the only durable path to peace runs through a sovereign Lebanese state. President Trump has today what no American president managed to assemble in decades: the leverage, the momentum, and governments in Beirut and Jerusalem that have run out of reasons not to take the difficult but necessary steps toward peace.¹ To seal the deal, Washington must keep the Lebanon-Israel track separate, refuse any arrangement that restores Iran's role or leaves Hizballah armed, and treat the Lebanese and Israeli governments as the only parties whose vote defines the outcome. The formula for lasting security ends with Hizballah disarmed, Israeli forces withdrawn, and Lebanon exerting full authority over its territory. Washington must hold that line and deny Iran the spoiling role it has always played.

But a deal on paper is only as good as its ability to be enforced, and enforcement requires both capability and will. If this effort is to end in success, where past agreements like United Nations Security Council Resolutions 1559 and 1701 or the November 2024

cease-fire did not, Washington must commit to turning the LAF into a sovereignty-enforcing institution with the leadership, intelligence, equipment, and American backing to finish the job.² The Lebanese state has taken steps it cannot walk back, outlawing Hizballah's military activities and signing the Trilateral Framework Agreement in Washington, steps that have already drawn direct threats from Hizballah. It is the LAF's credibility in implementing those commitments, rather than avoiding them, that makes these milestones survivable and irreversible. But, as the absence of meaningful implementation so far makes clear, that credibility will not materialize unless Washington makes a decisive commitment to ensure the LAF can win the fight it is being asked to undertake.³

Confrontation with Hizballah is likely unavoidable; what Washington can determine is on whose terms it occurs and ends. As a generation of assassinated Lebanese statesmen and Hizballah's military takeover of Beirut in 2008 made clear, a sovereign state and an armed militia loyal to Iran cannot coexist; each can only force the other's surrender. The Lebanese

1. For more on how to achieve lasting peace, see the paper in this report on "Achieving a Permanent End to the Israel-Lebanon Conflict." For a more in-depth discussion of how the US can mediate to resolve border issues to restore Lebanon's sovereignty and remove obstacles to peace, see "Lebanon-Israel Border Disputes: A Guide for American Mediation."

2. For a discussion of how to realistically do so, see the paper in this report on "Setting the Lebanese Armed Forces up for Success."

3. For more on how the US can enable the implementing and verifying of the framework, see the paper in this report on "Operationalizing the Trilateral Framework Agreement."



Vehicles drive pass Arabic-language "Lebanon first" billboards, one set on fire, on Beirut's airport road near a Hizballah stronghold, amid tensions following a Lebanon-Israel agreement, June 28, 2026. Photo by Ibrahim AMRO/AFP via Getty Images.

state has staked its legitimacy on disarming Hizballah; Hizballah has staked its survival on refusing to disarm. Peace in Lebanon is achieved through strength. A state confident it can win facing a Hizballah certain it will lose is what makes the outcome predictable, shifting the advantage decisively to the state.

Only the United States, the LAF's longstanding mentor, has the trust and capability to build the LAF into a force that can deter Hizballah from striking first, compel its disarmament and, if it comes to a fight, win it. There is no alternative to bolstering the LAF, because permanently defeating Hizballah and ensuring neither it nor any successor returns requires remedying the problem that made Hizballah possible in the first place: the absence of a sovereign state that can enforce its authority. While Israel has demonstrated it can significantly degrade Hizballah, it lacks the standing with the Lebanese public and the LAF to bring about the local cooperation and buy-in needed to fully eliminate the militia and prevent its resurgence. A Syrian intervention in Lebanon would be disastrous for both countries, especially given the haunting legacy of Damascus's past occupation and its own immense challenges, and risks igniting a range of unintended consequences. Washington is uniquely positioned to ensure that confrontation comes on the state's terms and secures its victory.

The US can also draw on broad regional support to give the Lebanese the economic, political, and military backing they need to overcome the challenges ahead. The Gulf states agree on the end state for Lebanon, as they did for Syria when Assad fell. Washington can leverage that convergence, managing the differences that exist beyond Lebanon around the shared interest they all have in restoring its sovereignty. Integrating Lebanon into the regional economy and rallying diplomatic support behind the state are incentives Iran cannot match; they would be the clearest demonstration that the state, not Hizballah, offers the best future for the country.

Through sticks and carrots, Washington can enable the Lebanese to keep taking the courageous steps sovereignty requires. Dismantling Hizballah's illicit financial network⁴ and exacting crushing costs on the cronies obstructing the state from within while rewarding those rebuilding its credibility would decisively shift the political calculus in Beirut toward the state. Sanctions on spoilers, matched with support for Lebanon's institutions, its economy, and the reforms needed to integrate

4. For more on dismantling Hizballah's ecosystem of power, see the paper in this report on "Hizballah's Deep State: The Real Challenge of Disarmament in Lebanon."

the country into the regional order, will make clear which side comes out on top.⁵

The Front That Will Decide the Others

As the tug-of-war over the regional order swings between the battlefield and the negotiating table, Lebanon has emerged as the front where it will first be settled — the place where either Washington's or Tehran's vision for the Middle East prevails.

The Berlin Wall stood as the most visible symbol of a similar contest, between two incompatible visions of how societies should be ordered. Yet by 1989, the memory of the Soviet Union's determination to pay any cost to maintain its empire — as exemplified by Soviet tanks rolling into Budapest in 1956 and Prague in 1968 — had long outlasted its capacity to honor it. The Soviets did not send in the tanks as Berliners tore down the wall that divided them, because by then the Kremlin had already concluded that a determined America made their empire too costly to maintain. Once the world saw the Soviet empire's iron grip falter, it gave way entirely. Most of the rest of the Eastern Bloc fell within weeks. The Soviet Union itself, undone by similar forces it could no longer suppress, followed within two years.

Iran has drawn its own lesson from that history — that loosening control, however incremental the intention, could set in motion a process of change it will not be able to arrest. The regime has demonstrated the atrocities it is willing to commit at home to retain power. The same logic, that stepping back inevitably leads to stepping down,

5. For more on how to reform the economy from within to integrate it into the regional economy, see the paper on "From Player to Referee: Dismantling the Culture of Entitlement and Cartelization in Lebanon." For an in-depth look at how international actors can support Lebanese-led reconstruction, see the paper in this report on "Owning the Recovery: Supporting Lebanese-Led Reconstruction Without Repeating the Past."

appears to now shape how Tehran calculates the cost of losing Hizballah abroad.

In the still undecided contest between Washington and Tehran, Lebanon is the most immediate front, the most winnable, and the one in which Iran is most deeply mired. The contest with the Islamic Republic will not end in Lebanon, but it can begin to turn there. And what turns in Lebanon turns everywhere Iran has used Hizballah to impose its will. It was on the memory of America's withdrawal from

"As the tug-of-war over the regional order swings between the battlefield and the negotiating table, Lebanon has emerged as the front where it will first be settled — the place where either Washington's or Tehran's vision for the Middle East prevails."

Lebanon, and on the conviction that the Islamic Republic's cause would inevitably force America out of the Middle East, that Iran built the foundation of its regional power. In Lebanon today, a competing idea is being tested: that sovereign states can supplant failed resistance franchises, and that America is the indispensable partner without which Iran's stranglehold cannot be broken. But ideas are proved by what is born of them.

The memory that built Iran's empire was made in Lebanon. The memory that ends it will be made there too — if Washington chooses to win.

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Photo by Fadel Itani/NurPhoto via Getty Images.

KEY TAKEAWAYS

- It is highly unlikely that the Lebanese Armed Forces will be able to disarm Hizballah on their own. Nor can the Israeli military provide the assistance that they need.
- Only the United States military can do so, but current levels of American assistance — and even currently envisioned increases in the US military role — are also likely to prove inadequate.
- There are, however, a range of options that the United States could employ, from combat troops to US advisors backed by fire support to lesser degrees of support without advisors that would improve the odds for the LAF at very low levels of cost and risk.
- Ultimately, the more support the US is willing to provide, the more likely it is that the LAF will succeed in disarming Hizballah.

Setting the Lebanese Armed Forces Up for Success

Kenneth M. Pollack

Perhaps the most immediate question that will determine the success or failure of any effort to help the Lebanese government gain full sovereignty over its territory is whether the Lebanese Armed Forces (LAF) can forcibly disarm Hizballah if it is called on to do so.

As if there were any doubt, Hizballah has made it clear that it will not disarm voluntarily, even by order of the Lebanese government. While it is conceivable that this might change through peaceful, political action, Lebanon's record points in the opposite direction. From United Nations Security Council Resolution (UNSCR) 1701 that ended the 2006 war to the 2024 US-backed cease-fire agreement, similar arrangements ended with Hizballah exploiting the Lebanese government's unwillingness to enforce disarmament to keep its guns, regroup, and prepare for the next war on its own or Iran's timeline.

That means that some external entity will almost certainly have to force Hizballah to disarm. Indeed, the most likely scenario in which Hizballah disarms without a fight is one in which it knows that it will lose such a fight because it cannot defeat the force sent to disarm it. This is especially true because Iran too will have a say in whether Hizballah disarms peacefully or is disarmed by force, and Tehran is even more likely to demand it fight, at least initially.

If Lebanon is to regain its full sovereignty, it is critical that the LAF play that role and disarm Hizballah

involuntarily or compel it to surrender its arms out of fear of a confrontation it will lose. Only then will it be incontrovertible that the Lebanese government to which the LAF reports is fully sovereign and able to exercise a monopoly of legitimate, large-scale violence within its borders — the hallmark of a sovereign state. The great unknown is who will help it play that role and there is only one good answer: the United States of America.

The Heart of the Matter

The ultimate problem that Lebanon faces in regaining its sovereignty is that there is widespread doubt that the LAF will be able to disarm Hizballah if ordered to do so. Many would argue that it has already failed to implement government orders and its own plans as they relate to Hizballah's arsenal and military operations. This may be a question of capability; it is doubtless a question of will.

Despite the losses it has sustained to Israel since October 2023, including severe decapitation in September-October 2024, Hizballah remains a formidable adversary for the LAF. It is still a large, reasonably able non-state military. It claims to have as many as 100,000 trained fighters and has fielded as many as 10,000 in recent years. Its personnel tend to be strongly committed to the organization, and many have combat experience from the Syrian civil war and/or operations against Israel itself. While it is primarily a light infantry force, it has

extensive infrastructure across southern Lebanon, although Israel and the LAF have eliminated much in the far south of the country. Hizballah has also lost numerous arms caches, but the LAF must assume that it still possesses many advanced anti-

“The ultimate problem that Lebanon faces in regaining sovereignty is that there is widespread doubt that the LAF will be able to disarm Hizballah if ordered to do so.”

tank weapons; a fast-expanding fleet of ever-more sophisticated drones; and an arsenal of rockets and missiles that probably still number in the tens of thousands. It is an army that the Israel Defense Forces (IDF) do not take lightly.

Against this large, Iran-armed adversary, the LAF can muster approximately 90,000 personnel, but few have any combat experience. The LAF has a wide range of artillery and armored vehicles, much of which is old and vulnerable to Hizballah anti-tank forces. It has a handful of military helicopters, virtually no fixed-wing aircraft, and very modest drone — and counter-drone — capabilities. The LAF does possess a number of elite combat formations with special forces training that, while small, demonstrated real capability in operations against the Islamic State (ISIS).

If the material balance is problematic, the human factors are worse. Lebanon is a famously heterogeneous society with a history of civil war. While the LAF does not reflect Lebanon’s demographics perfectly, it too is a polyglot force. Many Lebanese officers and politicians fear that if the LAF were committed to forcibly disarm Hizballah in circumstances in which the rank-and-file were not confident of victory, many of its Shi’a personnel would refuse orders and walk away from their units. Soldiers from other communities might follow suit for a wide variety of reasons, including the

fear that the desertion of the Shi’a soldiery would further reduce the odds of victory against Hizballah. In 1984, the LAF was ordered to try to quell the Lebanese civil war but instead collapsed in a flood of desertions. While those circumstances were quite different from the present, the specter of that calamitous event weighs on the minds of many Lebanese leaders.

Moreover, Hizballah has a history of assassinating Lebanese leaders (and/or their families) who challenge them. The group has even gone so far as to kill foreign peacekeepers, including in recent years to bend the UN Interim Force in Lebanon (UNIFIL) to its will. The threat of such a murderous response is a very real problem for the LAF, considering the impunity with which Hizballah has been able to act across the country for decades.

Bad Outcomes

Because of these reinforcing vulnerabilities, an effort by the LAF to forcibly disarm Hizballah under current circumstances seems likely to produce one of three scenarios, all of them bad for Lebanon.

A protracted insurgency. If Hizballah refuses to be disarmed and cannot be overcome quickly by the LAF, conventional and/or guerrilla combat could spread across the country.

The **disintegration of the LAF.** Because Hizballah might prove the more capable military and/or because so many LAF personnel may choose to desert, the LAF might not just lose but collapse.

Inaction by the LAF. Because the LAF leadership is well aware of its limitations, it may choose to violate civil-military norms and ignore orders to forcibly disarm Hizballah. There is considerable evidence that LAF operations against Hizballah since 2024 have involved complicated negotiations between the LAF leadership, the Lebanese government, and Hizballah itself to avoid triggering a large-scale fight with the militia.

Israel is Not the Answer ...

With Israeli forces firmly ensconced in southern Lebanon and showing no sign of withdrawing any time soon, some have suggested that the IDF could help the LAF overcome these hurdles. This proposal is unlikely to address the fundamental problems. As unpopular as Hizballah has become across Lebanese society, Israel has not gained proportionately among most Lebanese.

It would be extremely difficult for the LAF to work closely with the IDF to forcibly disarm Hizballah. As many soldiers and officers might desert to avoid fighting alongside Israel as would desert to avoid fighting against Hizballah. Moreover, even a successful fight against Hizballah will ultimately entail unconventional military operations to prevent it from resurrecting itself as an insurgency, and that will require winning the “hearts and minds” of the Shi’a community, which any reliance on the IDF would likely undermine. Indeed, resistance to Israeli occupation was Hizballah’s original *raison d’être* and the source of its enduring strength — an IDF presence to assist with counterinsurgency operations could itself constitute a popular grievance that helps Hizballah avoid defeat and eventually reemerge.

It is equally important to remember that Israel will not stand by while Lebanon summons the courage to deal with Hizballah. If the LAF is not willing to disarm the militia, the IDF will continue to try to do so themselves. And because Israel is likely to have the same problem eradicating Hizballah that it has had with Hamas in Gaza, that would not be a good outcome for Lebanon, Israel, America, or the other countries of the Middle East.

... America Is

Fortunately for Lebanon, there is another country with even greater capability and the stated inclination to help the LAF overcome these

problems: the United States. In recent remarks, Secretary of State Marco Rubio said the US “stands with Lebanon” and would work to achieve “security and stability” in the country by ensuring “the extension of state authority over all its territory” and by supporting Lebanon’s legitimate political, security, and military institutions, “foremost among them the army.” The US has not yet, however, demonstrated a willingness to provide Lebanon with the degree of tangible assistance it would need to do so.

The US military has more than adequate capabilities to defeat Hizballah in a conventional battle, and extensive experience in unconventional warfare to prevent it from reemerging as an insurgency. It would take a relatively modest commitment of US military power to enable the LAF to do the job — especially compared to recent US wars in Afghanistan, Iraq, Libya, and Iran — although even then, the larger the American commitment, the more certain the outcome.

American forces seem much less likely to engender the same kind of popular Lebanese animosity that the IDF does. Most Lebanese recognize that the US has no interest in occupying Lebanon, let alone annexing Lebanese territory as many (understandably) fear that Israel intends. The US has deployed military forces to Lebanon three times — in 1958, 1982, and 1983-84 — and has withdrawn after each one.

Indeed, many Lebanese appear favorably disposed toward the US and recognize that because they require outside assistance to end Hizballah’s parasitic control over their country, the US is the best (or least bad) option for doing so. The best evidence of this is that America’s slow-building military presence in the country since 2024 has been met overwhelmingly with approval, not opposition.

Finally, America’s recent experiences in the Middle East offer ready models for helping the LAF disarm Hizballah. The most recent Iran war, operations against Yemen’s Houthis, US participation in the

Syrian civil war, the campaign against ISIS, and even the Iraq War all provide analogues of varying utility.

In particular, it is critical that any determined effort to disarm Hizballah come with substantial political scaffolding and economic incentives to convince Lebanon's Shi'a population that it will not reduce them to second-class citizens. This too was something that the US did extremely successfully — if only briefly — in Iraq during the Surge. By securing and expanding the “Anbar Awakening” that had begun in 2006, the United States convinced Iraq's Sunni communities that siding with Washington would win them a seat at the political table, economic benefits, and protection from oppression.

Broadly speaking, American support for Lebanon encompasses three basic options.

Option 1. A Surge for Lebanon

The best course of action that the US could take would be to adopt a version of the Surge strategy it employed to such great success in Iraq in 2007-08. A key element of this, often overlooked, was how the US built new Iraqi security forces (ISF) — the army and police — competent and reliable enough to help crush both the Sunni and Shi'a militias that had dominated the country until then. This involved providing extensive training, building a functional security sector, and partnering Iraqi combat formations with American ones at all times.

The last was arguably the most important. American squads, platoons, and companies were married up with similar-sized Iraqi formations. They deployed to the field together, lived together, conducted patrols together, manned positions together, and assaulted militia strongholds together. For the Iraqis, this constant partnership meant that they got 24/7 on-the-job training. For the Americans, it meant the ability to watch the Iraqis at all times and in all circumstances to identify who was capable and should be promoted, and who was incompetent, corrupt, or working for the militias and needed to be

removed altogether. This partnering produced more effective and reliable Iraqi forces than had been the case in the past.

March-April of 2008 furnished a perfect test of this approach when Prime Minister Nouri al-Maliki ordered the ISF to force Muqtada al-Sadr's Jaysh al-Mahdi (JAM) militia from Basra. Initially, Maliki committed Iraqi Army formations trained by the British that lacked partnered UK (or US) units. These were stopped cold by JAM fighters and suffered massive desertions. Then, the US and Baghdad brought in two Iraqi Army brigades that had been partnered with US formations in extensive combat in Anbar, and these units smashed JAM and drove them from Iraq in less than 48 hours.

Replicating this approach in Lebanon would involve deploying several brigades of US ground troops there with accompanying command-and-control, fire support, intelligence, and logistical personnel — around 20,000-40,000 American troops in all. The squads, platoons, and companies would be paired up with LAF formations of comparable size and deployed initially to areas with little Hizballah activity so the two could train together, get to know one another, and establish workable command-and-control procedures. Once ready, probably after a period of months, they would begin to move into Hizballah-controlled areas, clearing and securing them before moving deeper into Hizballah lands. This process could happen quickly if Hizballah chose not to mount a conventional defense, more slowly if it did.

The extent of the American presence makes this option the most certain to result in an LAF victory over Hizballah. However, it represents a significant American military commitment, with not just “boots on the ground,” but US forces in combat against Hizballah. There could well be US casualties in such fights. Moreover, this option would require some level of US ground forces in Lebanon for several years. All unconventional warfare takes years to succeed, although the history of such wars is that if

they are prosecuted properly — with the right forces, strategy, and tactics — the numbers of foreign troops can be drawn down fairly quickly after the insurgents or militiamen are defeated. US ground troops could probably be significantly reduced after only a year or two, although ever-smaller numbers would likely need to remain to prevent Hizballah’s resurgence for as many as 5-10 years.

Option 2. Building Inherent Resolve in Lebanon

In August 2014 the US was pulled back into conflict in Iraq. The Obama administration did not want to go, but the ISIS invasion that June had reignited the Iraqi civil war that the Surge had doused in 2008. Washington refused, nevertheless, to send American ground combat troops back. Instead, the US military had to formulate a new method, different from the Surge, to enable the ISF to defeat ISIS, which, like Hizballah, posed both a conventional and unconventional threat.

The strategy that American commanders devised for Operation Inherent Resolve (OIR), the 2014-17 campaign to defeat ISIS, eventually became known as “by, with, and through” — or what Lt. Gen. Sean MacFarland, who devised and first executed it, used to call “punching with someone else’s fists.” At its peak it required about 6,000 US personnel in Iraq.

For OIR, this centered on American trainers and combat advisors for Iraqi formations eventually down to brigade, battalion, and at times even company level. The advisors were backed by American fire support in the form of artillery, helicopters, and fixed-wing aircraft. An American division headquarters directed the mission with the support of US logistics, intelligence, and special forces personnel. It also included a sizable “train-and-equip” program to give Iraqi units both the know-how and kit to take on experienced and often fanatical ISIS units.

This approach succeeded because it enabled US forces to stiffen the spines of the ISF, make them willing to engage a daunting adversary, and modestly improve their quality — especially that of the Counterterrorism Service, which became the primary Iraqi combat force. Once again, American trainers and advisors identified the good Iraqi soldiers and

“It is critical that any determined effort to disarm Hizballah come with substantial political scaffolding and economic incentives to convince Lebanon’s Shi’a population that it will not reduce them to second-class citizens.”

got them promoted, and got the bad ones transferred out. It enabled the US to employ its considerable military power to overcome ISIS capabilities that the ISF could not on its own. As it had during the Surge as well, the US presence on the ground enabled the Americans to help the Iraqis fight back against the efforts of the militiamen to target them and their families. In short, it accomplished most of what the Surge had, and with far fewer US casualties, albeit over four years rather than one.¹

In Lebanon, a corresponding version would entail the same array of American trainers, combat advisors, command-and-control, air power, artillery, helicopters, intelligence, logistics, and special forces personnel. It should incorporate both extensive drone and counter-drone capabilities. It should also include a train-and-equip program to improve the capabilities of the LAF itself, even if American firepower does most of the work of defeating Hizballah in conventional battles. Moreover, done right, such a campaign could

1. In addition, Washington forbade US forces from directly targeting the Iran-backed Hashd ash-Sha’bi militias in Iraq during OIR, insisting that they concentrate solely on ISIS. As a result, Iraqi forces prevailed in both conventional and unconventional warfare over the latter but effectively ceded the country to the former.

include American allies from Europe and the Middle East, easing the burden and expanding the political support for such a mission.

“The more willing the US is to commit resources ... and accept costs ... the faster any campaign will move, and the more likely it is that the LAF will be able to forcibly disarm Hizballah and prevent it from coming back from the dead.”

Likewise, as Gen. Joseph Votel, former commander of US Central Command, has argued, it would be helpful for the US to expand and refine the capabilities of Lebanese special forces units to turn them into the kind of capable light infantry force that could act as a spearhead against Hizballah resistance. This was the role that the US trained the Iraqi Counterterrorism Service to play during OIR. An upgraded aid package to Lebanon should also include considerable direct financial support to the LAF, paying salaries exactly as the US came to do for the Kurdish Peshmerga forces during OIR. As the US military learned from these hard-won experiences, “dollars are bullets,” especially when fighting by, with, and through an allied army.

Because Lebanon is so much smaller than Iraq, a corresponding campaign there would probably require no more than 2,000-4,000 US personnel in country. While this option would not have the same certainty of success as Option 1, it would almost certainly still get the job done, with lower risk of American casualties but over a longer duration.

Option 3. OIR Light

Of course, the US could always employ a lesser version of the support provided to the Iraqis during the war against ISIS. This could involve a flexible

mix of almost any of the capabilities deployed to Iraq then, with the clear recognition that the less provided, the less likely to have the desired effect and the longer it would take, creating more opportunities for spoilers or unforeseeable events to undermine the entire effort.

For instance, the aspect of the OIR package that might be most objectionable to the Trump administration would be the deployment of combat advisors, trainers, and special forces personnel to Lebanon. In that case, the US could limit its support to intelligence, logistics, and a train-and-equip program, possibly doing the training

elsewhere in the region. This would still be more than the Lebanese currently receive from the US because it would envision providing full equipment suites, including armor and artillery, for entire LAF units. Moreover, it too should include the same effort to develop LAF elite formations and provide direct financial support as in Option 2.

If Washington decided to make a greater effort on Lebanon’s behalf, the US could provide counter-drone capabilities, as well as air support from fixed- and rotary-wing aircraft based in Israel, Jordan, or carriers offshore. Indeed, for most of the past two years, the US has had a carrier off the coast of Lebanon. If the Trump administration proved unwilling to deploy advisors or special forces personnel on the ground, LAF personnel would have to be trained to act as forward fire support controllers, a difficult task to learn and perform properly.

The critical point embedded in this option is that even if the Trump administration does not want any US personnel anywhere near combat operations, there is still a range of assets, actions, and capabilities that the US could commit to Lebanon to enhance both the ability and the willingness of the LAF to forcibly disarm Hizballah beyond what has been provided so far. Much of it would be low cost — particularly when compared to the benefit



Lebanese President Joseph Aoun receives US Central Command Commander Admiral Brad Cooper and other US military officials at the Baabda Palace in Beirut on June 29, 2026. Photo by Lebanese Presidency/Handout/Anadolu via Getty Images.

of disarming Hizballah to Lebanon, Iran, the Middle East, and America's regional interests.

Don't Just Stand There, Do Something

The US government needs to recognize that, unless something significant changes, it is unlikely that the LAF will forcibly disarm Hizballah. While Israel can do tremendous damage to the militia, it cannot eliminate it entirely. Israel lacks the standing with Lebanon's soldiery and citizens to cooperate with the LAF to defeat Hizballah, and then to act as a legitimate partner in the unconventional campaign to prevent the group's resurrection that would inevitably follow. Only the US armed forces can play that role, and even as the administration creeps toward a wider military role in Lebanon, these still represent baby steps that will not get us to our destination in time.

The options enumerated above represent a spectrum of choices for Washington. The more willing the US is to commit resources — first among them ground personnel to assist the LAF in combat — and accept costs, including casualties, the faster any campaign will move, and the more likely it is that the LAF will be able to forcibly disarm Hizballah and

prevent it from coming back from the dead. In all of these options, American support would still fall well below a reasonable threshold to achieve those ends. Even if Washington were to turn the dial up to what for Lebanon would be an "11," that level of effort would still be far below what the US committed to Afghanistan, Iraq, Libya, or even the most recent war against Iran. Given the tremendous benefits the United States is likely to accrue from helping free Lebanon from the twin scourges of Hizballah and Iran, these would seem to be prudent investments and prices well worth paying.

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Photo by SAUL LOEB / AFP via Getty Images.

KEY TAKEAWAYS

- Keeping Iran — whose interest is instability, not peace — out of any Israeli-Lebanese agreement is critical. In this way alone, the Trilateral Framework Agreement is an improvement over the US-Iran memorandum of understanding.
- Under the agreement, Israeli forces will clear areas of southern Lebanon of Hizballah forces and infrastructure, after which vetted Lebanese forces will assume control and keep the group out. The agreement's success will largely depend on the creation of a US-led, third-party verification system to avoid the shortcomings the parties experienced trying to implement the November 2024 cease-fire agreement.
- Vetted Lebanese Armed Forces will require financial support from the international community, but the most critical support both Lebanese and Israeli forces will require is dedicated intelligence to verify implementation and prevent Hizballah attacks aimed at undermining the agreement.
- Beyond seizing weapons and destroying bunkers, the agreement calls on the Lebanese authorities to counter Hizballah financing and take legal measures against the group as part of the first phase of implementation. This too will require intelligence support, both to identify Hizballah illicit financing trends and to thwart the group's violent operations aimed at undermining such efforts.

Operationalizing the Trilateral Framework Agreement

Matthew Levitt

On June 26, 2026, after a series of five bilateral meetings hosted by the United States, representatives of the Israeli, Lebanese, and the US governments signed the Trilateral Framework Agreement, declaring their shared “ambition to end conflict between them, ensure the sovereignty and security of both countries, and establish peaceful neighborly relations between the two countries.” The problem is that while Israel and Lebanon are parties to the agreement, the conflict in question is not being driven by either country but by Hizballah, which initiated attacks against Israel in support of Hamas right after October 7, 2023, and then again in March 2026 in the context of the war with Iran. And since neither Hizballah nor its patrons in Tehran subscribe to the agreement’s goals — the group’s leader, Naim Qassem, said the agreement is “null and void” and crossed all of its “red lines” — they should be expected to vigorously challenge its implementation.

Indeed, the whole agreement essentially comes down to implementation and verification. It maps out a series of sequential actions aimed at disarming Hizballah, enabling the Lebanese Armed Forces (LAF) to restore “effective Lebanese sovereign authority over all Lebanese territory,” and ultimately — pending verified disarmament of non-state armed groups and the dismantlement of their infrastructure — redeployment of the Israel Defense Forces (IDF) out of Lebanese territory. While it is clear the mission is intended to be carried out by sequenced IDF

and LAF efforts, neither the agreement itself nor the leaked security annex provide much practical detail on the nuts and bolts of how the parties will implement it.

The agreement is clear on one key point, however: the US commits to work closely with both governments to monitor compliance and back implementation. Indeed, the US is itself effectively a partner to the agreement, not just its facilitator, as evidenced by the fact that it is officially a “Trilateral Framework between the United States of America, the State of Israel, and the Republic of Lebanon.” The agreement also commits Washington, along with Beirut, to combating the financing of Hizballah or other non-state armed groups in Lebanon. With this critically important US commitment in mind, it is useful to look to two US observation and verification missions, both in the Sinai, for ways in which Washington could make tangible contributions to the implementation of the agreement.

Walling Off the Arsonist From the Firefighters

The agreement is remarkable on several levels, first and foremost for the absence of one key actor: Iran. It was reached just days after Washington and Tehran signed a memorandum of understanding (MoU) aimed at ending hostilities and reopening the Strait of Hormuz. But Iran insisted that the MoU create an explicit linkage between the US-Israel

war with Iran and Hizballah's war against Israel, as well as demanded that Israel immediately withdraw from southern Lebanon with Hizballah intact. For unclear reasons, the US negotiating team led by Vice President JD Vance did not oppose such terms, and the MoU calls for "the immediate and permanent termination of military operations on all fronts, including Lebanon." This is despite the fact that neither Israel nor Lebanon is a party to the MoU. Hizballah was informally represented by Iran, which is more interested in seeing the group rebuild than disarm, as required under the preexisting November 2024 cease-fire agreement between Israel and Lebanon. Indeed, Hizballah immediately tested the limits of the MoU, launching rockets into Israel as it was about to go into effect and then firing on Israeli positions in southern Lebanon.

The agreement disposes of this linkage, including only Israel, Lebanon, and the US as parties and excluding Iran and Hizballah. Instead of the MoU's proposal for a deconfliction mechanism, which would see officials from US Central Command sitting together with officials from Iran's Islamic Revolutionary Guard Corps (a US- and EU-

"The expectations laid out in the agreement mark a significant departure from what the LAF did and did not do under the November 2024 cease-fire agreement, when the force worked hard, but still fell far short of disarming Hizballah."

designated terrorist organization) in Qatar, the security annex to the agreement calls for Israel and Lebanon to establish a Military Coordination Group for Lebanon (MCG4L) that will operate 24/7 to "manage deconfliction, verification, and overall implementation." Speaking to the press, a State Department official concluded that "Iran cannot wage wars through its proxy organizations and complain when the proxies are required to disarm."

And yet Iran should be expected to support its proxy and undermine the agreement, underscoring the need for a clear plan to verify the disarmament of Hizballah and other non-state armed groups in Lebanon.

Mission Roadmap: Disarmament, Dismantlement, Redeployment, Reconstruction

Under the Trilateral Framework Agreement, Israel and Lebanon "commit to a reciprocal, sequenced process, with clear conditions, whereby the LAF will restore effective sovereign authority over all Lebanese territory, pending the verified disarmament of non-state armed groups and dismantlement of associated infrastructure, enabling the Israel Defense Forces (IDF) to progressively redeploy out of the Lebanese territory."

In practice, under this sequenced process the IDF will continue to clear areas in southern Lebanon of Hizballah fighters as well as weapons, tunnels, bunkers, and other infrastructure, and then, after an agreed-upon third party verifies that they are clear of non-state armed groups, the areas will be handed over to vetted and "highly qualified" LAF forces, who will assume control and prevent any return or resurgence of Hizballah or other non-state armed activities.

Lebanon initially asked for initial pilot zones covering large swaths of territory along the Israeli border, with civilians allowed to return immediately to villages there. The parties settled instead on zones at the northeastern edge of Israel's so-called security zone in southern Lebanon — spanning north and south of the Litani River and east and west of the IDF's security zone line of June 18, 2026. This lets the LAF prove it can hold cleared territory and keep out Hizballah and other non-state armed groups before gradually expanding control to the south and the east, toward the Blue Line.

Identifying and preparing these zones is to follow a four-step process, according to the security annex to the agreement:

1. First is “clearance,” which involves disarming non-state armed groups and “destroy[ing] or render[ing] inoperable associated infrastructure, including but not limited to weapons, weapons caches, tunnels, and command centers.” This goes far beyond what the LAF has been able to do thus far and will require close intelligence cooperation between the parties and broader support from the US and others.
2. Second, the MCG4L will manage deconfliction, verification, and overall implementation. The MCG4L cell will report to Israeli and Lebanese political leaders through “indirect military-to-military channels,” meaning the role of third parties will be key. Verification of disarmament and dismantlement operations will take place simultaneously with other clearing operations.
3. Third, only once pilot zones have been verifiably cleared will “highly qualified LAF” forces assume and maintain sole operational control of pilot zones, where they will be responsible for preventing the resurgence of any non-state armed activity.
4. This leads to the fourth stage, when the Lebanese state — not Hizballah-affiliated companies or organizations, as occurred after the 2006 war — spearheads reconstruction efforts. The key to getting to this final stage, and to facilitate further Israeli withdrawals from Lebanese territory, is monitoring and verification, especially given the LAF’s mixed performance implementing the November 2024 cease-fire agreement.

The expectations laid out in the agreement mark a significant departure from what the LAF did and did not do under the November 2024 cease-fire agreement, when the force worked hard, but still fell

far short of disarming Hizballah. Israeli operations targeting Hizballah decimated the group in the fall of 2024, with exploding pagers, airstrikes that targeted key personnel and weapons systems, and ground forces that swept the Lebanese side of the border for tunnels and underground bunkers. But the LAF’s disarmament of Hizballah was limited and was far outpaced by the group’s determined rearmament. The LAF declared it had established “operational control” over southern Lebanon, but in fact it was more focused on deconflicting with Hizballah than disarming the group or dismantling its infrastructure.

For this experiment to work, key measures of effectiveness must address Hizballah’s weapons and infrastructure, including (1) its weapons stored in private homes and on private property; (2) its network of tunnels and underground bunkers, weapons depots, and command centers; and (3) its smuggling networks.

Private property: Hizballah’s documented track record of storing weapons in private homes is no secret; it was long reported by UN peacekeeping forces and confirmed when Israeli ground forces went into Lebanon and found weapons stored in private homes in villages all along the Blue Line. As Gen. Rodolphe Haykal, head of the LAF, prepared to visit Washington in November 2025, Israeli and US officials pressed the LAF to follow up on information shared through the US-led mechanism and inspect private property where Hizballah was suspected of storing weapons, but LAF commanders refused. In some cases, LAF officials coordinated with Hizballah to give the group time to remove weapons before homes were searched.

Underground facilities: With the exception of a single site raided near the Lebanese village of Kafra in December 2025, the LAF has done nothing to uncover or dismantle Hizballah’s tunnel network. Israeli authorities say they have identified dozens of underground Hizballah facilities — in the south and elsewhere in Lebanon — that have yet to be inspected and destroyed. The number rises, however, when one

includes the many cases in which Hizballah operatives return to areas hit by Israeli airstrikes to rebuild targeted infrastructure using large engineering vehicles.

Countering Hizballah smuggling via Syria: Tehran lost a key component of its “Axis of Resistance” when Bashar al-Assad’s regime fell in December 2024, but it continues to send weapons to Hizballah through Syria. The new leaders in Damascus are no friends of Hizballah and have seized multiple weapons shipments but cannot intercept them all; the LAF, however, has not matched that effort on the Lebanese side of the border.

“There is broad consensus, reflected in the agreement, that active American engagement — especially in the realms of intelligence and verification — will be key to the plan’s success.”

Countering Hizballah smuggling via Beirut: Lebanese authorities will need to tighten their civilian oversight of goods coming into ports of entry, including dual use items. In the wake of the tragic 2020 Beirut port explosion, the Port of Beirut underwent a security upgrade, including an artificial intelligence (AI) element intended to help inspectors scan cargo. But the system was not programmed to compare imported items over time, so as long as dual-use items Hizballah uses to assemble first-person-view attack drones (such as rotor blades, lithium batteries, and fiber optic cables) were shipped separately and days apart, it did not detect suspicious activity.

Monitoring and Verification: “Eyes and Ears of Peace”

It remains to be seen who will monitor or assess efforts to contain Hizballah, but the need for verification is clear — not only confirming that the LAF has moved into areas the IDF has cleared, but, more critically, that the LAF keeps Hizballah out. That will require substantial intelligence,

surveillance, and reconnaissance (ISR) to detect Hizballah movement into LAF-controlled areas, and signals intelligence (SIGINT) to surface plans and intentions, including communications between the IRGC and Hizballah.

After the November 2024 cease-fire, the LAF sought to be judged by metrics such as the number of patrols it conducted or sites it inspected, rather than measures of effectiveness like the number of seized and verifiably disposed weapons. This will no longer be the case. The current agreement explicitly calls for “the requisite measures, security arrangements, and verification

mechanisms” to be established in a security annex “developed with the full support of the United States.” The security annex is clear that “mutually-agreed-upon third-party entities” will verify the clearance of non-state armed groups, weapons, and infrastructure.

Still, it provides no further information on whether those third parties might be other governments, NGOs, civilian contractors, or some combination of these. It does make clear that the US will play a key role, though: “The United States intends to work closely with both countries to verify and support this process.” In practice, the US should take a leadership role in this effort.

So far, neither the agreement nor the security annex says anything about projected timelines, specific milestones, measures of effectiveness, or means of verification. Given the abject failure of the United Nations Interim Force in Lebanon (UNIFIL), resulting in the UN Security Council’s decision to end its mission as of December 31, 2026, none of the parties to the agreement has any appetite for — or faith in — another UN mission. Indeed, there is broad consensus, reflected in the agreement, that active American engagement — especially in the realms of intelligence and verification — will be key to the plan’s success. Two prior models of US-led verification after an interim agreement each offer something to officials now fleshing out the agreement.

The first is the Multinational Force and Observers (MFO) in and around the Sinai Peninsula, established as a peacekeeping mechanism following Israel's withdrawal from the area. The MFO is tasked with monitoring military activities in the peninsula, conducting observation missions, and securing freedom of passage in the Strait of Tiran. The force is largely made up of two groups, military personnel and civilian observers, and operates within the four zones established in the 1979 Egypt-Israel Treaty of Peace. US citizens hold key leadership positions, including the director-general in Rome and the deputy directors-general in Cairo and Tel Aviv.

The MFO monitors compliance with the voluntary demilitarization of Egyptian and Israeli forces according to the terms of a peace treaty, whereas Lebanon needs a force to verify implementation of an active and coercive disarmament campaign. Nevertheless, elements of the MFO model are still highly relevant. The MFO is a third-party entity, not a UN force; it operates with the consent of the parties; its mission is focused on monitoring, verification, and reporting; and it benefits from significant US leadership. Though the MFO covers a far larger territory than southern Lebanon, the basic concept could still apply. That said, an approach based on the MFO model would still require a strong US-led intelligence component capable of receiving sensitive intelligence from Israel, independently verifying information, and cueing operational responses.

Another model worth considering is the US Sinai Field Mission, which was established in 1975 to collect intelligence beyond Egyptian and Israeli surveillance, and intended to sound the alarm in the case of a violation of Israeli-Egyptian peace treaty terms. The success and expedience of the mission, which transferred its responsibilities to the MFO in 1982, was only possible due to the willing assistance and confidence of Egypt, Israel, and the UN. The US utilized private government

contractors for the majority of the mission. The parties valued the involvement of the US as an intermediary, to verify compliance with the agreement and ultimately facilitate the withdrawal of the Israeli military.

“The need for verification is clear — not only confirming that the LAF has moved into areas the IDF has cleared, but, more critically, that the LAF keeps Hizballah out.”

The verification model for the agreement could borrow elements from each of these models, but whatever the specifics, it will require hands-on American leadership and engagement along with the participation of other allied actors.

Support for the LAF

The LAF will only be able to fulfill its end of the agreement if it receives significant support, but even the Lebanese government understands — and stipulated in the agreement — that “any new US assistance will be strictly conditioned on verifiable milestones, full transparency, demonstrated results, and ongoing oversight.”¹ This must start with the vetting of LAF units deployed to the south and key LAF elements such as military intelligence, which have long been penetrated by Hizballah. Washington has expressed concern about “Hizballah influence,” leading it to suspend \$100 million in military aid to the force over the past several years. In addition, vetted LAF units must get salary support. At any given time, about half the 8,000 or so Lebanese soldiers assigned to the south after the November 2024 cease-fire were out of uniform, working second jobs to put food on the table for their families.

1. For a fuller discussion of how the US could provide such support to the LAF, see Essay 2, “Setting the Lebanese Armed Forces Up for Success.”

Beyond Weapons and Bunkers: Countering Hizballah Finance

The agreement also commits Lebanon — and the US — to “preventing funds from flowing to any entity, organization, or individual affiliated with non-state armed groups” and “to take available legal measures to proscribe the activity of any such entity, organization or individual.” This is supposed to commence in the first phase of pilot zone activity, alongside coercive clearance operations.

“Lebanon stands to gain a lot from this agreement. ... But leaders in Beirut are assuming massive responsibility and risk and should be incentivized to press forward.”

Given the speed at which Hizballah has regrouped since the initial shock of the Israeli campaign against it, this is critically important. It is also significant that the agreement does not limit the commitment to counter non-state armed groups’ financing only to their expressly militant activities, but to any entity tied to such groups. For starters, the Lebanese government could take further concrete steps against Hizballah’s de facto bank, al-Qard al-Hassan (AQAH), and the money exchange houses through which Iran transfers funds to the group. AQAH is licensed to operate as a charity in Lebanon but not as a financial institution and is therefore not subject to financial regulatory oversight.

However, in July 2025, the Lebanese Central Bank banned financial institutions from dealing with AQAH, and the US did the same in 2007. In late June 2026, the Terrorist Financing Targeting Center (TFTC) — a joint US-Gulf Cooperation Council effort — designated five entities and 16 persons tied to AQAH. The Lebanese government would benefit from additional actions by the TFTC, its member states, and other Arab states in support of its efforts to assert control not only over non-state armed groups’ weapons but their illicit financing as well.

Beyond AQAH, the US should help Lebanon crack down on exchange houses traditionally used by Iran to skirt the formal financial system while funneling money to Hizballah — a practice that increased after Lebanon’s 2019 financial crisis. Given the generous financial terms the MoU granted Iran, Tehran could have plenty of funds available to support Hizballah; though the US-Iran MoU appeared to fall apart in early July, Tehran is sure to remain committed to finding ways to fund Hizballah through the sale of sanctioned oil, as it has for years. The Lebanese

government should take additional steps against Hizballah’s abuse of Lebanon’s cash economy, its use of virtual currencies to receive funds from Iran, and its ability to run a shadow economy within the country. Shutting down AQAH and Hizballah exchange houses would be a strong first step.

Lebanon also commits, under the agreement, to prevent reconstruction funds from flowing to non-state armed groups or entities connected to them. In line with its commitment to take legal measures to proscribe the activities of persons or entities trying to fund Hizballah or other non-state armed groups, Lebanon will need to exclude Hizballah members from key positions involved in reconstruction. For example, President Joseph Aoun’s advisor for reconstruction, Ali Hamieh, reportedly served as a Hizballah-appointed minister in the previous Lebanese government.

The Long Road Ahead

This landmark agreement aims to kick off a process through which the two countries “end conflict between them, ensure sovereignty and security of both countries, and establish peaceful neighborly relations between the two countries.” It should therefore be no surprise that Hizballah officials have already pledged to defeat the agreement, threatening to fight both Israelis and Lebanese. “We did not leave the battlefield in the most difficult circumstances,” Hizballah leader Naim Qassem warned, “and we will not leave it.” Hizballah



Men sit and stand near a large mural, featuring Hassan Nasrallah and other Hizballah members, during a mourning procession in the southern suburbs of Beirut on June 26, 2026. Photo by Nael Chahine/Middle East Images / AFP via Getty Images.

officials have previously threatened civil war should Lebanese forces try to disarm them, pledging to fight until there is “no life” left in Lebanon.

Like Israel, Lebanon stands to gain a lot from this agreement. Beyond sovereign control over decisions of war and peace, the agreement offers Lebanon the opportunity to fully integrate into the regional economy, attract foreign direct investment, and become a hub for trade and business between Europe and the Middle East. But leaders in Beirut are assuming massive responsibility and risk and should be incentivized to press forward. That means going beyond promises of eventual reconstruction and assistance to near-term reconstruction in verifiably cleared areas and long-term investment in key sectors such as energy and infrastructure. Western and Arab states have a significant role to play here, but so does Israel. Lebanon’s success is in Israel’s interest, and Israel should see supporting Lebanon in timely and tangible ways as a wise investment in the future peace and prosperity of both countries.

For all the challenges that lie ahead, there is one very strong reason to believe this Trilateral Framework Agreement could work: it was reached “with the full support of the United States under President Donald J. Trump.” So long as Washington sees this effort

as a viable and functioning path toward the parties’ shared goal of achieving lasting peace and security, and so long as other countries share the burden of any military, intelligence, and financial support mechanism, it just might work.

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Photo by JOSEPH EID/AFP via Getty Images.

KEY TAKEAWAYS

- Hizballah's enduring power stems from its financial, political, and institutional ecosystem — not its weapons alone.
- As long as this ecosystem remains intact, Hizballah will retain the resources and state access needed to rearm despite sanctions or military setbacks.
- US policy should pair disarmament with a sustained strategy to dismantle Hizballah's financial networks, political influence, and parallel institutions.
- Hizballah's impunity rests on judicial infiltration and a weaponized military court; sanctioning complicit judges and reforming that court would erode its greatest political asset.
- Efforts to strengthen the Lebanese state, accelerate economic recovery, and permanently reduce Iran's influence through Hizballah would reinforce the creation of a credible path toward peace between Lebanon and Israel.

Hizballah's Deep State: The Real Challenge of Disarmament in Lebanon

Hanin Ghaddar

In June, the United States signed two documents bearing on Lebanon: a memorandum of understanding with Iran, and a Trilateral Framework Agreement with Israel and Lebanon. Both included a cease-fire commitment between Israel and Lebanon, but the first emboldened the Iranian regime, while the second empowered the Lebanese state. Only one of these initiatives can prevail. The chances of Lebanon's sovereignty triumphing over Iranian hegemony have increased with the signing of the June 26 framework agreement; however, the Lebanese state has a long fight ahead, and the Trump administration needs to help.

To successfully weaken Iran in Lebanon, all of Hizballah's pillars of power must be targeted. The framework agreement largely focused on its weapons and military infrastructure — which present an immediate threat to the security of both countries — by establishing pilot zones and linking Israeli withdrawal to the disarmament of the Iran-backed group.

But Hizballah is not just a military structure. It survives because of a strong and sustainable financial and political ecosystem embedded deep within state institutions that ensures cash flow from Iran and, if left unchecked, will support the rebuilding of its arsenal and military infrastructure. Even in the best-case scenario, one in which Hizballah surrenders all its arms, the group will still have the capacity to rebuild because of its power

system within the state. Dismantling Hizballah's economic ecosystem is the key to sustainable disarmament and the establishment of an enduring peace — the strategic goal of the agreement. Achieving it would consolidate the end of the Iranian militia.

On this issue, point 11 of the 14-point framework agreement states that “Lebanon and the United States commit to preventing funds from flowing to any entity, organization, or individual affiliated with non-state armed groups and to take available legal measures to proscribe the activity of any such entity, organization or individual.”

Despite its military losses since October 2023, Hizballah has still managed to protect its cash flow and power structure within state institutions. According to the US Treasury, Iran's Islamic Revolutionary Guard Corps (IRGC) managed to transfer over \$1 billion to Hizballah in 2025, mostly through money exchange companies. The group used this money to import military materiel, produce more missiles and cheap drones, recruit more fighters, and pay salaries to its existing fighters and staff.

According to sources in Lebanon, it was Hizballah's access to security and financial institutions that enabled these imports — and as long as Iran sells oil, Hizballah will use its institutional power to keep the cash flowing.

Disarmament vs. Dismantlement

The framework agreement conditions Israeli withdrawal from southern Lebanon on the Lebanese Armed Forces (LAF) deploying throughout the country and verifiably disarming Hizballah, an effort that will require a political decision by the Lebanese government that could lead to confrontation with the group. The US would oversee and support implementation, with future assistance to Lebanon tied to measurable progress, transparency, verified milestones, and ongoing oversight.¹ Lebanon must fulfill its commitment to disarm the militia, and US assistance should translate into more effective LAF operations.² This is not a small task. It requires more than just a robust assistance program or a verification mechanism; it calls for institutional reform of the LAF, including the demotion and removal of officers who coordinate with the militia and help protect its interests. Currently, the LAF is infiltrated by Hizballah operatives, who share intelligence with the group and hinder the process of disarmament.

“Impunity is Hizballah’s greatest political asset, and the militia’s deep reach into the state is protected by a thorough infiltration of the judicial system.”

To make sure the group does not regenerate and rearm, Hizballah must be purged from the deep state — the institutions it inherited when Syria withdrew from Lebanon in 2005, and which are still run by its allies. The Trump administration could condition assistance to the LAF on benchmarks related to this process.

1. For more on US support for implementation and verification, see the paper in this report on “Operationalizing the Trilateral Agreement.”

2. For more on assistance and support for LAF reform, see the paper in this report on “Setting the Lebanese Armed Forces up for Success.”

Beirut, in turn, must implement the framework agreement in coordination with Washington, and most importantly, cooperate closely with the US and Israel to dismantle the IRGC’s ecosystem of military, financial, and political power in Lebanon.

Hizballah’s Non-Kinetic Pillars of Power

In addition to infiltrating the LAF and exploiting its capabilities, Hizballah has sustained its power and control through state financial, security, and judicial institutions:

Lebanon’s Cash Economy: Since the country’s financial crisis in 2020, the banking sector has been replaced by an unregulated, cash-based financial system, dominated by money service businesses (MSBs), exchange houses, and informal transfer networks.³ This transformation has been extremely useful to terrorist networks and has made counterterrorism efforts more difficult. Cash is harder to trace and regulate than the formal banking system and much easier to launder and circulate.

Hizballah has been exploiting this new system to move cash from Iranian oil sales through front companies and private networks in Lebanon and elsewhere in the region. The currency exchange network used by the group and its allies has helped circulate money in Lebanon without effective financial oversight, which collapsed along with the banking sector in 2019.

This cash system is protected by Hizballah’s allies in the state’s financial institutions, from the Ministry of Finance to the Council of the South to customs and public spending. Even as weapons were being collected and destroyed, cash to Hizballah was still flowing.

3. For more on dismantling illicit networks and the current predatory economic system, see the paper in this report on “From Player to Referee: Dismantling the Culture of Entitlement and Cartelization in Lebanon.”

Lebanon committed to obstruct this flow by signing the framework agreement.

To counter Hizballah's capture of the cash economy, the US should treat Lebanon's economy as a national security battlefield. Escalating Treasury advisories and sanctions should be imposed on individuals and businesses facilitating the flow of cash to the group, and more pressure should be exerted on Lebanon to limit these illicit activities.

Bayt al-Mal and al-Qard al-Hassan (AQAH) are Hizballah's core financial institutions — both sanctioned — but the group has been making extensive use of the MSB sector, such as Whish Money and OMT (Western Union). Whish Money transactions are mostly unregulated but operate under an informal agreement with Lebanese authorities, enabling it to act as a collection agent for various public sector dues, such as tax payments and utility bills, settled in Lebanese pounds (LBP). The collected LBP funds are exchanged for dollars on the black market on behalf of Hizballah or affiliated networks. The group also relies on individuals operating outside the formal financial system to conduct currency exchange and transfers. This system helps Hizballah to circulate cash to its members and institutions without hindrances.

The Judicial Sector: Impunity is Hizballah's greatest political asset, and the militia's deep reach into the state is protected by a thorough infiltration of the judicial system. Since its inception, Hizballah has enjoyed immunity from prosecution for every one of its crimes, including the assassination of opponents. The military court plays a significant role in targeting anti-Hizballah activists and journalists, with no oversight or legal protection for victims. A recent example is the prosecution of journalist Maria Maalouf and anti-Hizballah activists Joumana Gebara and Ahmad Yassine.

Since 1982, Hizballah has killed opponents, threatened adversaries, and used street violence

to coerce political outcomes it could not achieve democratically. Most notably, it launched a military takeover of Beirut in May 2008 to defy the government's decision to dismantle its communication network, forcing it to sign the Doha Agreement. This document, tantamount to a surrender, granted Hizballah minority veto rights within the Lebanese government, effectively handing over the state's power to the militia. In 2019, the group again mobilized street violence to suppress widespread protests against economic mismanagement and to protect its corrupt allies.

“To counter Hizballah's capture of the cash economy, the US should treat Lebanon's economy as a national security battlefield.”

Today, as Hizballah fights for its survival, many Lebanese fear the return of violence. Without judicial reform, Hizballah will keep calculating that it can coerce Lebanese and get away with crime and terror.

Sanctioning judges who are complicit in protecting the group and attacking its opponents can help change this dynamic, especially if it occurs in parallel with efforts by the Lebanese state to remove these judges and reform the military court to end civilian prosecutions. Once freed from the grip of the military court and the oppressive judiciary, Lebanese — and especially the Shi'a — will speak out openly against the group.

The Security System: Hizballah inherited the Assad regime's capture of state institutions and the collusion of their allies when Syrian forces withdrew from Lebanon in 2005. Despite changes in government and parliament, these state institutions were never cleansed. Even after the formation of the new government in February 2025, Speaker of Parliament Nabih Berri, a key political ally of the group, managed to secure many vital appointments in security institutions.

The Lebanese General Directorate of General Security has historically been linked to Hizballah, and its close coordination with the group on domestic security, borders, and points of entry was underscored in May 2026 when the US Treasury Department sanctioned Brig. Gen. Khattar Nasser Eldin, a top security official, for sharing vital intelligence with the militia.

The Shi'a Community: Hizballah would have no fighters, no voters, and no political representation without the support of the Shi'a community. That backing has eroded sharply as it became clear that the "resistance" has failed to liberate their land or protect them — dragging them instead into repeated wars with Israel, most recently in March 2026, that have brought destruction, displacement, and occupation.

"It is vital to empower the Lebanese state in its efforts to regain its sovereignty and agency over decisions of war and peace."

Reconstruction is not guaranteed, and Iran failed to save them. Not only was their father figure, Hizballah Secretary-General Hassan Nasrallah, killed, but much of the Shi'a community now realizes that the group cannot protect them. Yet dissent is still discreet and gradual, because there is no political force offering an economic and political alternative to Hizballah. Shi'a opposition groups are still politically immature and divided, and the state remains too weak to constitute an alternative.

That being said, the opportunity to support an economic alternative that would encourage and empower independent Shi'a businesspeople to invest in their communities is stronger today. Economic development in the south will require dismantling the Hizballah-Amal control of the Shi'a private sector and guaranteeing stability and peace between Lebanon and Israel.

The Hizballah-Amal Alliance

The Amal movement, headed by Speaker Nabih Berri, has been Hizballah's main strategic ally since the end of the civil war in Lebanon. Without Amal, Hizballah would not have had sufficient access to state institutions, and without Hizballah, Amal would lose municipal and parliamentary elections and have limited access to Hizballah's financial networks.

The speaker of parliament since 1992, Berri gives Hizballah critical political cover — blocking appointments and parliamentary decisions it opposes, securing ones it benefits from, and lending it institutional legitimacy.

However, Berri has presented himself to the international community as a mediator and an intermediary, a role he has used to empower his and Hizballah's interests. For example, in 2025, he blocked efforts in parliament to address the group's weapons and helped, via Amal ministers (such as Minister of Finance Yassine Jaber), to earmark \$130 million for the Council of the South — a corrupt organization well-known for being controlled by Amal and Hizballah.

Following the 2020 Beirut port explosion, Berri publicly criticized and stymied the investigation into responsibility for the disaster. He also supported efforts to replace the supervising judge, Tarek Bitar, directing Amal to demand his removal. Amal politicians filed legal complaints that suspended Bitar's investigation for more than a year.

Berri's role grew exponentially after Nasrallah was killed. Militarily, the IRGC took over Hizballah's command, but politically and financially, Berri was given a higher-profile leadership role, gaining many benefits in return. He is the only Lebanese figure who communicates with Iranian leadership, and therefore, he is the leader orchestrating

Hizballah's campaign to abolish or counter the framework agreement and help Iran take over the Lebanon file.

Speaking to the pro-Hizballah newspaper *al-Akhbar*, Berri said that the US-Iran talks are the only realistic opportunity to secure an Israeli withdrawal from the country and that any bid to separate Lebanon from the US-Iran track would sustain Israeli occupation. This followed a phone call with Iranian Parliament Speaker Mohammad Bagher Ghalibaf, who told Berri that "a cease-fire in Lebanon is of the same importance to us as a cease-fire in Iran."

Hizballah-IRGC Tools

Without Berri and the IRGC, there is not much left of Hizballah today in Lebanon. Israel destroyed much of its military infrastructure and degraded its command structure significantly.

Hizballah has always been a de facto arm of the IRGC, in part because Iranian military leaders regard Lebanon as a central component of their strategic depth in the region. Yet the IRGC dramatically tightened the leash after Israel killed Nasrallah. According to sources close to the group, the IRGC began deploying hundreds of commanders to Lebanon in November 2024 to rebuild and restructure Hizballah. Israel has released the names of dozens of IRGC officers killed in action throughout Lebanon, and social media obituaries reveal various Syrian and Iraqi fighters killed there while operating in Hizballah units.

Meanwhile, the Iranian regime is trying to regain control of the Lebanese file and keep it on the negotiating table in the talks with the US in Switzerland — part of its strategy to empower Hizballah, its allies, and other regional proxies. Iran wants to ensure that Lebanon does not disarm its leading proxy and that Hizballah does not lose its financial, political,

and security power. It is trying to regenerate the organization quickly to maintain a critical level of threat against Israel.

For now, the IRGC's main priority is to ensure Hizballah's survival and its financial capacity to rearm; that is, having sufficient funds to import material to rebuild its infrastructure, produce drones and missiles, pay fighters' salaries, provide some social services, and resume compensations to those who lost homes and properties. For the Iranian regime, Hizballah's financial infrastructure, 90% of which comes from Iranian oil sales, is of utmost importance.

The challenge — besides disarmament — is to stop this cash flow. Without it, Hizballah cannot rebuild, rearm, or regain the support of the Shi'a community.

Lebanon-United States Tools

The Trump administration must look beyond the issue of disarmament and address the group's broader ability to restore itself. Several steps will be crucial to this effort:

Diplomatically, it will be important to maintain the separate diplomatic tracks between Lebanon and Iran. The Iranian regime may try to jeopardize the Lebanon-Israel framework agreement and put the Lebanese file back on the table as a condition to

“The challenge — besides disarmament — is to stop this cash flow. Without it, Hizballah cannot rebuild, rearm, or regain the support of the Shi'a community.”

continue the talks to keep the Strait of Hormuz open. However, it is vital to empower the Lebanese state in its efforts to regain its sovereignty and agency over decisions of war and peace. Iran has always viewed Lebanon as its regional battlefield, but this

agreement is the best chance to achieve lasting peace between Lebanon and Israel.

Financially, Lebanon should do more to rein in Hizballah's control of the cash economy, restore trust in the banking sector, implement overarching financial and economic reforms, and cut its access to funds. The US Treasury Department could issue warnings or advisories — backed up by the threat of sanctions — to the companies facilitating Hizballah's shadow economy and illicit finance network.

Sanctions should target the officials and individuals helping the group raise, move, and store funds. It should be communicated clearly to the Lebanese government that reforms must be comprehensive, directed at all state entities (such as the Council of the South), the judicial system (to preserve financial accountability), and the Customs Administration (to limit smuggling). Meanwhile, Washington should ensure all actors implicated in the financial collapse are held accountable.

“Ultimately, lasting disarmament depends on dismantling Hizballah's entire ecosystem of power — not only its weapons, but also its financial networks, parallel institutions, political leverage, and illicit economic infrastructure that sustain its military capabilities.”

Washington should also target Hizballah's allies. Berri, in particular, should be made to understand that the risks of supporting Hizballah outweigh the benefits. The Trump administration's most effective tool for swaying Berri and his circle is targeted sanctions — progressing from Amal officials to their family members and including personal financial assets.

Politically, Washington and its allies should find ways to empower the Shi'a community by

supporting economic alternatives to dependency on Hizballah and encouraging independent Shi'a businesspeople to invest in Lebanon. This is important because Hizballah is already starting to prepare for the parliamentary elections in May 2028, and without a strong alternative, it (along with Amal) could regain a monopoly on Shi'a seats in parliament and maintain their ecosystem of political and financial power.

In addition, Washington should thwart plans to integrate Hizballah within Lebanese state institutions or provide it with more political power in return for disarmament. This kind of Faustian bargain would only strengthen its position and allow the group to rearm in the future.

To prevent Hizballah's reconstitution, the group's commanders and fighters should not be integrated into the LAF, and its social organizations should not be absorbed into state institutions, as militias were after the civil war. Iraq shows the cost: absorbing Shi'a militias into the army failed, and disarming them has only grown harder as the line between militias and state forces blurred. Integrating the IRGC within state institutions would only empower Iran and weaken the state. Hizballah must not be allowed to win politically what it failed to achieve militarily, thereby strengthening Iran's control of Lebanon's institutions.

Both Amal and Hizballah leaders have argued that the Shi'a community, widely considered Lebanon's largest sect, is underrepresented in the political system. Over the years, they managed to increase Shi'a institutional sway by expanding the power of the speaker of parliament, putting the position on an equal footing with the president and the prime minister, and securing greater influence over government decision-making and major state appointments. This institutional power should not be unduly increased, as it would only solidify Iranian control of Lebanon.



A money transfer company office in Beirut on November 14, 2025. Photo by JOSEPH EID/AFP via Getty Images.

Finally, **reaching a peace deal** is in the interest of both Lebanon and Israel, but it would also align with the Trump administration's policy objectives. The framework agreement stresses peace as the ultimate goal and therefore confirms that an end to the conflict between Lebanon and Israel should not be separate from disarmament efforts.

Dismantling Hizballah's economic ecosystem is the key to sustainable disarmament — and peace will consolidate the end of this Iranian militia. Lebanon is closer to achieving that objective, but will succeed only if US policy is firm, comprehensive, and willing to raise the cost of obstruction.

Ultimately, lasting disarmament depends on dismantling Hizballah's entire ecosystem of power — not only its weapons, but also its financial networks, parallel institutions, political leverage, and illicit economic infrastructure that sustain its military capabilities. A credible path toward peace between Lebanon and Israel would reinforce these efforts by strengthening the state, supporting economic recovery, and making disarmament politically and strategically sustainable.

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Photo by Roudy Doumit/Getty Images.

KEY TAKEAWAYS

- Lebanon's economic crisis is a deliberate outcome of a predatory Player State that actively crowds out competition to sustain internal monopolies and state-sanctioned cartels.
- The state must transition from a market participant to a neutral Referee, strictly enforcing competition and the rule of law across both the public and private sectors.
- The international community must stop underwriting this broken system with unconditional aid and instead focus on helping Lebanon physically secure its economy and build independent regulatory institutions.
- Economic empowerment must shift to the Lebanese individual rather than sectarian groups, effectively starving illicit networks and breaking the mafia-militia alliance from within.

From Player to Referee: Dismantling the Culture of Entitlement and Cartelization in Lebanon

Walid Marrouch

For decades, the romanticized myth of Lebanese *laissez-faire* has masked the stark reality of a state-managed oligopolistic economy. The current Lebanese regime does not govern; it operates as a Player that actively picks winners and losers to sustain an economic system best described as a deeply entrenched mafia-militia alliance.

To understand this, one must look at the historical distortion of the Lebanese state. In the 1960s, under President Fouad Chehab, Lebanon attempted to build a modern welfare state with robust public institutions and civil infrastructure. However, this nascent institutionalism was hijacked by sectarian militias during the 1975-90 civil war. The turning point came in the 1980s with militia capture that decisively fractured the state's authority, subjecting the national economy to the whims of warlords. The Taif Accord in 1989, which ended the war, did not resurrect the Chehabist state; rather, it institutionalized the militias, transforming warlords into politicians and permanently fusing the mafia with the militia. This setup manifests as a systemic protection racket: an armed faction like Hizballah provides the militant muscle to shield elements of the political establishment from accountability, while allied crony capitalists exploit control over state ministries to monopolize essential sectors and siphon off public funds.

This alliance operates on an extortionist model, using the perpetual threat of state collapse and regional spillover — for example, leveraging security threats

or refugee crises — to extract “stability” funds from the international community. Consequently, meaningful macroeconomic reform, such as adhering to International Monetary Fund (IMF) conditions, is fiercely resisted by the ruling class because transparency poses a direct, existential threat to their rent-seeking mechanisms. Instead of initiating reform, these cronies rely on financial sleight-of-hand and the cynical exploitation of the Lebanese diaspora, treating their remittances as a permanent subsidy for a comprehensively failed domestic model.

However, the era of financial ruses is over. The regional geopolitical umbrella that protected this system has collapsed. The fall of Bashar al-Assad's regime in Syria in December 2024 dealt a fatal blow to the political architecture that had sustained this mafia-militia model in Lebanon since the 1980s. The regional paradigm has deeply changed, yet many Lebanese pundits and political elites refuse to see the new reality, clinging to the old rules at their own peril. Today, this denial is most visible in how political blocs continue to systematically paralyze IMF-mandated banking reforms and obstruct independent appointments to regulatory boards, preferring to protect the monopolies of their cartel allies rather than surrender their patronage networks to open competition. The economic gravity of a modernizing, integrating Middle East is going to impose itself. The Lebanese government must prepare the country to benefit from this new reality, and the only viable path forward is establishing

a regulatory Referee State capable of fostering a modern competitive economy.

In fact, the election of President Joseph Aoun in 2025, alongside the subsequent appointment of Prime Minister Nawaf Salam, provided a distinct glimmer of hope for a pivot toward institutional accountability and the rule of law. Their arrival at the executive helm signaled a potential willingness to finally reassert state sovereignty and break from the paralyzing gridlock of the past. Yet the “entrenched state,” which is an

“Unless the structural monopolies are systematically dismantled by a regulatory state, this alliance of rent-seekers and gatekeepers will simply wait out the reformists and suffocate any top-down efforts.”

intricate web of bureaucratic rent-seekers, sectarian gatekeepers, and cartel bosses, remains fiercely ingrained in the public administration. This ongoing resistance proves that simply changing the faces at the top is insufficient; unless the structural monopolies are systematically dismantled by a regulatory state, this alliance of rent-seekers and gatekeepers will simply wait out the reformists and suffocate any top-down efforts.

The Bloated Player and the Sanctioned Cartels

The culture of cartelization begins within the state itself. The Lebanese public sector functions almost entirely as an instrument for political patronage and loyalty rather than a mechanism for service delivery, creating a bloated bureaucracy that drains fiscal resources and crowds out private enterprise.

This state failure is deliberately maintained in essential sectors. For instance, the state electricity company, Électricité du Liban (EDL), vehemently resists decentralization and regional grid integration to preserve its central monopoly. Because EDL only

provides power for a few hours per day, the result is a total systemic failure where Lebanese citizens pay some of the highest effective electricity costs in the world, forced to rely on a clique of private diesel generator operators who earn outsized profits while state inefficiencies incur billions of dollars in annual losses. This manufactured dependency effectively acts as a regressive household energy tax that perpetually keeps Lebanon reliant on emergency assistance and foreign aid from actors like the European Union, Arab Gulf states, and the United States, cementing

Washington's interest in reforming this sector.

Similarly, the telecommunications sector (managed by state-owned networks Alfa and Touch) acts as a regressive tax on the digital economy. Historically ranking among the most expensive in the world relative to purchasing power, Lebanon's telecom sector delivers low-quality service while serving as a cash cow for political elites. This deficit-driven cycle necessitates a perpetual “governance

of beggars” posture toward international donors. However, these traditional donors, primarily Arab Gulf states and France, grew exhausted by this model and ceased financing Lebanese governments that were effectively appointed by Syria and Iran from 2011 until the collapse of the Assad regime.

This entitlement culture is perfectly mirrored in the private sector. Professional associations and private sector guilds, spanning engineers, physicians, lawyers, pharmacists, and strictly capped professions like notaries public and customs clearing agents, weaponize arbitrary constraints and licensing requirements to construct dense barriers to entry. Even more damaging are the commercial monopolies enshrined in Lebanon's exclusive-agency laws. Relics of the mid-20th century, these laws grant single families or conglomerates the exclusive right to import critical goods, ranging from pharmaceuticals and automobiles to basic food commodities. For example, exclusive import monopolies on some essential goods mean Lebanese families often pay exorbitant markups simply to secure life-saving medicines. This “sanctioned cartel” model artificially inflates the cost of living and

prevents genuine market competition, guaranteeing that innovation is stifled and national wealth remains concentrated within a narrow, unaccountable elite.

Physical Isolation and Starving the Beast

To maintain these monopolies, cartel networks rely on physical isolation and infrastructure bottlenecks. Essential infrastructure functions as a gatekeeping mechanism: the country's reliance on a single airport and a handful of ports effectively creates physical “toll booths” controlled by the elite.

For decades, the aviation monopoly of Middle East Airlines (MEA) and the state's stubborn refusal to adopt true Open Skies policies actively isolated Lebanon from global and regional tourism. However, the formal termination of MEA's 57-year monopoly in mid-June 2026 represents a watershed moment for potential market liberalization. This shift coincides with recent encouraging signs regarding the opening of a second commercial hub in the north — the René Mouawad Airport in Qleiat. Following the award of the operating contract to Sky Lounge Services, Prime Minister Salam formally launched the airport's redevelopment on June 6, 2026, with full commercial service targeted for November 2026. Yet the true test of a newly established Referee State will be in the execution. While independent startups like Mada Airways are preparing to enter scheduled commercial service from Qleiat, the deeply entrenched system will undoubtedly attempt to protect legacy interests. As MEA prepares to launch a low-cost subsidiary, Fly Beirut, in 2027 to defend its market share, the state must ensure that genuine competition is rigorously protected, preventing incumbent actors from using subtle regulatory capture to sabotage new entrants and artificially inflate passenger and freight costs.

Similarly, the protection of domestic fuel import cartels has caused a total failure to integrate Lebanon into regional oil and gas pipelines. History proves this isolation is a choice, not a geographic destiny. In the mid-20th century, the Trans-Arabian Pipeline (Tapline)

connected Saudi oil fields directly to the Zahrani terminal in southwestern Lebanon, and more recently, the Arab Gas Pipeline was designed to supply the Deir Ammar power plant in the north. Yet these physical integrations have been left to rot or actively sabotaged. Why? Because connecting to regional pipelines and power grids would bypass the local maritime fuel-importing cartels and trucking businesses that reap artificially high profits.

Compounding this physical isolation is the collapse of the banking sector since 2019, the product of a massive state-sponsored Ponzi scheme. Because the economy had relied heavily on physical US dollars since the early 1990s, that collapse pushed Lebanon into a primitive, almost purely cash-based economy. This outcome is not a mere byproduct of the crisis; it is a feature that actively facilitates money laundering, tax evasion, and the consolidation of the informal power of paramilitary groups and corrupt elites. Today, largely unregulated financial “boutiques” and money transfer shops have replaced banks and operate largely outside the scope of international anti-money laundering (AML) compliance. This deliberate regulatory vacuum recently culminated in Lebanon being downgraded to the Financial Action Task Force (FATF) “gray list,” which is a punitive designation that further isolates the country from the global financial system, and one that the current paralyzed governance structure is struggling to reverse. To genuinely assist Lebanon in escaping this designation, the United States must pivot from relying solely on punitive sanctions to providing robust, targeted technical assistance from the Treasury Department. By actively empowering Lebanon's Financial Intelligence Unit (the Special Investigation Commission, SIC) to aggressively audit these unregulated money transfer shops and prosecute illicit cash flows, Washington can directly help Lebanese authorities dismantle the financial networks of paramilitary groups while helping Lebanon restore its standing in the global financial system.

To dismantle this economic system, the state must “starve the beast” by reasserting absolute control over its physical and financial entry points. Militiamen and

cartel bosses cannot survive under the harsh sunlight of public scrutiny. Implementing a comprehensive digital government (e-gov) framework will eliminate the petty bureaucratic bottlenecks that allow public servants and political overlords to extract ransoms from the populace just to do basic paperwork or pay fees.

Physically, this necessitates the aggressive deployment of automated scanners, sophisticated camera networks, and digitized customs protocols at all seaports and the airports in Beirut and Qleiat. Furthermore, the sprawling network of illegal land crossings into Syria must be systematically closed. The United Kingdom has previously provided valuable military aid to the Lebanese Armed Forces (LAF) to build border watchtowers; this model must be taken seriously, scaled up, and fully integrated with advanced surveillance technology. For US policymakers, assisting in securing these borders is not just a logistical upgrade; it would directly advance American national security interests by choking off the very smuggling routes used to finance and arm regional proxy networks and historic drug trafficking routes. Financially, Banque du Liban (BdL), Lebanon's central bank, and its SIC must allow the entry of new, compliant foreign banks to restore clean capitalization, while bringing every informal money boutique under strict, unyielding central bank surveillance. Eliminating illicit financial flows and ending the cash economy is the non-negotiable prerequisite for economic survival in the 21st century.

Restoring Trust and the US Policy Imperative

Trust is the ultimate currency of economic recovery, and in Lebanon, it has been depleted. Financial capital, whether domestic diaspora wealth or foreign direct investment, will not return to a black hole of cash transactions and unregulated borders. Once the state begins to starve the illicit economy and secure its physical infrastructure, the foundational trust required to invest in Lebanon can be restored. This restoration must be anchored in transparent, internationally standardized mechanisms, such as rigorous public-

private partnerships (PPPs). Lebanon requires a massive injection of financial capital to rehabilitate its basic infrastructure — including electricity, water, transport, airports, ports, and telecommunications — which has been devastated by years of conflict and intentional state neglect. By utilizing PPPs and strictly enforcing the Lebanese Public Procurement Law, the state can ensure that this monumental redevelopment is insulated from the patronage networks of the past.

To fully restore monetary trust, Lebanon must fundamentally rethink its currency. Given that the Lebanese lira, which has been governed by the outdated Code of Money and Credit since 1963, has been debased twice, first in the 1980s and again in 2019, there is a strong argument that the state lacks the fiscal discipline necessary to maintain its own currency. The government has historically exploited the BdL as its own bank of last resort to finance structural deficits. Moving forward, the state must either fully dollarize or explicitly abandon the lira and issue an entirely new currency to completely strip the government of its ability to artificially finance its patronage systems.

Nonetheless, it is vital to have a nuanced understanding of Lebanon's current gray or parallel economy. The informal economy is not inherently bad; rather, it is a rational response by enterprising workers and businesspeople to a predatory state. The state must draw the informal economy back into the formal sector not through punishment, but by making formalization the more individually rational choice — making participating in the formal sector genuinely more attractive than staying outside it. The state must abandon its historical approach of acting solely as the taxman, arriving to eat into profits. Instead, making paperwork automated, cheap, and easy must become the default for conducting business.

Only a fair, flexible Referee government, supported by an improved and well-paid justice system, can achieve this “economic regime shift.” Judicial reform is the linchpin. The government must clean up the justice system, protect it from political interference, and vastly

improve compensation for judges so they are immune to bribery. Furthermore, judges require constant, specialized training on modern economic laws, anti-trust enforcement, and human rights. This is a highly actionable recommendation where US and foreign aid money can, and should, be spent to yield tangible structural results.

For skeptical US policymakers, the strategy must pivot from reactive crisis management to proactive state-consolidation. The United States can help the Lebanese state, as a whole, become a strict, uncompromising Referee. There is historical precedent for this approach: much like the institutional and technical assistance provided to South Korea in its formative economic years, US diplomatic and technical support should be rigidly conditioned on structural empowerment. This does not mean replicating a model of the state picking market winners, but rather providing the rigorous developmental scaffolding necessary for robust institution-building. The cornerstone of this roadmap must be the establishment of a fully independent, internationally aligned Competition Authority (or Bureau). This body must possess extensive prosecutorial freedom, operating with the institutional independence of a central bank, with the explicit mandate to break up private guilds, dismantle legislative exclusive agencies, and enforce anti-trust laws across the nation.

Regional Integration and Breaking the Cycle

By dismantling these cartels, Lebanon can transition from a culture of entitlement to a genuine meritocracy, removing the barriers to entry that currently block startups, small and medium-sized enterprises (SMEs), and the nation's highly educated youth. The government must incentivize formalization by choice, creating tax frameworks and legal protections that make the formal sector vastly more attractive than the parallel economy.

When the Lebanese state acts as a reliable referee, it establishes institutional credibility and legal predictability, which naturally opens the door to regional

integration. The strategic priority must be reconnecting the country to the Arab Mashreq and the Gulf. This means prioritizing integration into the regional electric grid, developing modern highway and rail links to lower transit costs, and expanding market reach. A powerful, recent indicator of this potential is the Saudi government's June 2026 decision to once again allow Lebanese exports into the kingdom. This diplomatic opening, alongside visionary regional infrastructure discussions like the revival of a modern Hejaz railway network connecting the Levant to the Gulf, signals that regional markets are ready and willing to engage with a normalized, competitive Lebanese economy, provided the internal governance structures are sound.

Lebanon's potential is not *permanently* locked inside international donor vaults; rather, its future is being held back by artificial barriers imposed by cartel bosses and sectarian gatekeepers. These enablers of the status quo must be dislodged. The transition to a Referee government is the only sustainable mechanism to break this cycle, transforming the economy from a captive, survivalist enclave, which is often used by regional actors as a theater to settle scores, into a thriving regional hub.

Ultimately, this is about empowering the Lebanese individual over the Lebanese sect, clan, or militia. An economically empowered, legally protected citizen no longer needs the patronage of a warlord or mafia don to secure a livelihood. By leveling the playing field and instituting the rule of law, the state can break the mafia-militia alliance from within by sheer socioeconomic knockout. It is time for the Lebanese state to stop playing the game and start refereeing it.

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Photo by Lebanese Presidency/Handout/Anadolu via Getty Images.

KEY TAKEAWAYS

- Lebanon's reconstruction failures have been political, not technical. Three Paris conferences mobilized billions against reform conditions both donors and recipients understood would not be implemented. Future engagement must treat this record as its baseline, not a footnote.
- State ownership is both a governance principle and an anti-capture mechanism. Channeling reconstruction through parallel structures — donor-managed agencies, non-governmental organization delivery networks, project enclaves — erodes the institutional capacity Lebanon needs to sustain recovery. But ownership without accountability is a license for leakage. Both must be enforced together.
- The comparative record — Iraq, Lebanon's own 2006 experience, and Ukraine — points to specific instruments: a government-owned national recovery plan; a ring-fenced multi-donor trust fund with independent oversight; civil society embedded in accountability design, not decorating it; and conditionality tied to disbursement milestones rather than entry pledges.
- The current Lebanese government under President Joseph Aoun and Prime Minister Nawaf Salam, paired with the International Monetary Fund's June 2026 Governance and Corruption Diagnostic, represents Lebanon's most credible opportunity for reform in a generation. The key question is whether Washington and its Gulf partners will consistently use their leverage to secure implementation or revert to a familiar cycle of financing commitments that are unlikely to be fulfilled.

Owning the Recovery: Supporting Lebanese-Led Reconstruction Without Repeating the Past

Ferid Belhaj

For more than three decades, international engagement with Lebanon has revolved around the wrong question. Donor conferences and international financial institutions have focused chiefly on how much money the country needs. However, the more consequential question has always been how external financing can strengthen institutions rather than substitute for them — and how it can reinforce Lebanese ownership without reinforcing the patterns of elite capture that have repeatedly undermined reform.

The historical record complicates the conventional narrative. Lebanon's central failure was not a shortage of resources: billions were pledged and, in many cases, disbursed. Nor was it an absence of reform conditions, which accompanied virtually every major donor initiative. The deeper problem was the international community's attachment to two flawed paradigms — money before reform and reform before money — neither of which delivered sustainable change.

The Paris I, II, and III (2001-07) donor conferences disbursed financing first, on the expectation that fiscal and governance reforms would follow. Between them, the three conferences mobilized more than \$12 billion — roughly \$500 million under Paris I, \$4.4 billion under Paris II at a moment of acute fiscal distress, and over \$7.5 billion under Paris III after the 2006 war. They succeeded in stabilizing public

finances, financing reconstruction, and postponing crises that might have otherwise arisen sooner. But by the time Paris III convened, it was already apparent that many reforms promised under Paris II had not materialized; nevertheless, new pledges were made and new reform matrices negotiated. Reform conditionality became less an instrument of accountability than a diplomatic ritual — politically useful because it justified continued support, but rarely capable of altering the incentives of the system it was meant to change. The 2018 Economic Conference for Development through Reforms and with the Private Sector (CEDRE, by its French acronym) inverted the model, conditioning the bulk of the \$11 billion in pledges on governance, procurement, fiscal, and electricity-sector reforms enacted in advance. The logic was compelling: if disbursement before reform had failed, reform before disbursement might succeed. But political paralysis, the October 2019 uprising, the banking collapse, sovereign default, and the Beirut port explosion combined to destroy the conditions under which reforms could be implemented, and the pledged financing never flowed. CEDRE became the mirror image of Paris III: where Paris delivered money without reform, CEDRE delivered neither reform nor money.

The result is a paradox that defines Lebanon's reconstruction challenge today: under one model, money arrived but reform did not; under the other, reform did not arrive, so neither did the money.

The task is not to choose between generosity and severity. It is to design an architecture that simultaneously strengthens Lebanese institutions,

“One of the most persistent misconceptions in post-conflict recovery is the belief that there exists a clean ‘day after’ — a clear transition from war to peace, from crisis to stability, after which reconstruction can proceed in an orderly sequence. History suggests otherwise.”

creates credible accountability, and resists capture by the structures that contributed to the country's collapse in the first place.

This pattern was never a matter of donor naivety or Lebanese bad faith. It reflected a structural contradiction within the aid relationship itself. Donors, operating in a fragile regional environment, remained reluctant to suspend support when reforms stalled, fearing that withdrawal would accelerate the instability they were trying to prevent. Lebanese political elites, for their part, correctly read this reluctance: they understood that geopolitical considerations would ultimately outweigh conditionality and structured their own behavior accordingly. The tacit bargain that emerged — continued financing in exchange for continued promises — survived three donor conferences because it served the short-term interests of everyone party to it, even as it eroded the institutions on which long-term stability depended.

One of the most persistent misconceptions in post-conflict recovery is the belief that there exists a clean “day after” — a clear transition from war to peace, from crisis to stability, after which reconstruction can proceed in an orderly sequence. History suggests otherwise. Germany's recovery after 1945 did not result from external financing alone; the Marshall Plan mattered

enormously, but it succeeded because resources were deployed into an environment where courts functioned, administrations operated, and citizens gradually regained confidence in the state. Iraq, Afghanistan, and Bosnia each absorbed extraordinary volumes of international assistance in the decades since, and in each case physical reconstruction outpaced political and institutional reconstruction: roads were rebuilt and buildings restored, while governance remained contested or incomplete. The outcome in each case was not outright failure, but it also was not durable success. Lebanon's recovery will face the same risk unless its architecture treats institutional consolidation as the primary objective rather than a byproduct of financing.

From Capacity Building to Capacity Substitution

One of reconstruction's most persistent assumptions is that weak institutions can be safely bypassed until they grow stronger. Lebanon's experience suggests the opposite: institutions that are bypassed do not strengthen — they atrophy. The Council for Development and Reconstruction (CDR), created in 1977, became Lebanon's principal interface with international donors after the Taif Agreement, the accord that formally ended the bulk of the Lebanese Civil War (1975-90). As it accumulated procurement authority, donor relationships, and technical expertise, line ministries lost the same functions in parallel — project preparation, contracting, and donor liaison all migrated to the CDR rather than building capacity within permanent government structures. The model performed well in the short run: projects moved, financing flowed. However, it substituted for state capacity rather than building it. By the late 2000s the CDR itself had become entangled in the same political economy it was designed to circumvent with politicized appointments, contested contracting, and eroding donor confidence.

This is not unique to Lebanon. In the 1990s, the Palestinian Economic Council for Development and Reconstruction (PECDAR) efficiently managed donor funds but was criticized for weakening public institutions by operating in parallel.

Similar patterns appear in Afghanistan, Bosnia, and Iraq, where donor-created units speed up projects but often leave ministries weaker by drawing away talent and authority.

Lebanon's own experience shows the same problem: donor-funded consultants and project units delivered results but created isolated pockets of expertise rather than strengthening institutions.

The result is a familiar paradox — heavily supported ministries that remain weak, fragmented expertise, and reforms that fail to last. The key distinction is between building capacity within institutions and substituting for them. Lebanon's experience shows the cost of substitution: ministries that are both over-supported and ineffective. Parallel mechanisms can be necessary in crises, but they risk becoming permanent. Lebanon's next reconstruction must focus on strengthening state institutions, ensuring that external support builds lasting capacity rather than replacing it.

Comparative Lessons: Iraq 2003, Lebanon 2006, and Ukraine 2022

Iraq after 2003 demonstrates the cost of bypassing the state altogether. The US reconstruction program there was, by appropriation, the largest in American history — more than \$60 billion channeled through a labyrinth of government agencies, private contractors, and international organizations. The Special Inspector General for Iraq Reconstruction (SIGIR), in its final assessment, attributed the program's disappointing results to insufficient pre-war planning, interagency fragmentation, cost-plus contracting that rewarded expenditure over outcomes, and security conditions that made implementation and oversight persistently

dangerous. But the structural cause, documented repeatedly across SIGIR's audit record, was the systematic bypassing of Iraqi institutions: reconstruction was designed and implemented by Americans for Iraqis rather than with them. Infrastructure was built that Iraqi institutions had not been involved in planning and lacked the capacity to operate; healthcare facilities were equipped with technology that local staff were never trained to use; water treatment systems were handed to municipalities that could not manage them. The program generated physical assets without the institutional capacity to sustain them, and the assets degraded accordingly. In an environment with active elite-capture dynamics, the gap between asset and institution also created new opportunities for politically connected actors to extract value from the reconstruction process itself — weakening the very state institutions the program was meant to benefit.

Lebanon's 2006 post-war reconstruction is the most instructive cautionary case precisely because it is domestic. International support was mobilized rapidly: the Stockholm Conference in August 2006 generated pledges exceeding \$900 million within weeks of the cease-fire, channeled mainly through the CDR, and physical reconstruction in the south proceeded with notable speed in some areas. But Hizballah's Jihad al-Bina construction arm moved faster and more visibly, using reconstruction as an instrument of political consolidation and reinforcing the group's standing as the de facto provider of public goods in areas where the Lebanese state — working through an institution with limited independence and credibility — was comparatively invisible. The lesson is not that speed is undesirable; it usually is. It is that reconstruction without a deliberate state-building strategy strengthens whichever actor controls delivery — and in Lebanon's fragmented political landscape, that actor is rarely the state.

Ukraine's post-2022 architecture is the most sophisticated contemporary attempt to correct

this pattern. Its central structural innovation is the insistence on Ukrainian government ownership of recovery planning and tracking. The Multi-Agency Donor Coordination Platform, established by G7 decision in late 2022, was explicitly designed to work with — not around — Ukrainian authorities, coordinating donor resources behind a Ukrainian-owned national recovery plan rather than a parallel donor-designed framework. Ukraine's DREAM system, a digital reconstruction and project-management platform linked to donor systems, provides transparent, real-time tracking of projects, procurement, and expenditure. It is a government-owned accountability architecture rather than a donor-imposed oversight mechanism. The distinction matters: it positions the Ukrainian state as the accountable actor, builds domestic public financial management capacity, and creates the evidentiary basis for the parliamentary and civil-society oversight that is the ultimate check on elite capture. The model has limits — corruption risk in a wartime environment remains substantial, and a 2024 US Government Accountability Office (GAO) review found accountability systems under strain despite strong institutional effort — but its foundational architecture of government-owned planning, coordinated donors, transparent tracking, and milestone-based conditionality represents a clear advance over both the Iraq experience and Lebanon's own Paris cycle.

Designing for State Ownership Without Capture

Lebanon is not Ukraine: its political economy is more fragmented, its institutions more comprehensively captured, and its security environment more complex. But the architectural principles are transferable, and the 2026 Governance and Corruption Diagnostic conducted by the International Monetary Fund (IMF) now gives them unusual specificity. Four design choices follow directly.

First, a single Lebanese-owned national recovery plan should serve as the reference document for

all donor engagement, with the current Lebanese government under President Joseph Aoun and Prime Minister Nawaf Salam supported — and expected — to produce costed sectoral priorities and measurable milestones, with World Bank and United Nations technical assistance. Donor alignment behind this plan, rather than behind separate bilateral portfolios, should be an explicit condition of coordinated support.

Second, financing should flow through a purpose-built multi-donor trust fund with governance designed to resist capture: an independent board including Lebanese civil society alongside government and donor representatives, procurement rules exceeding Lebanese legal minimums, public disclosure of contracts above a defined threshold, and reporting obligations to the Lebanese Parliament, not only to donor capitals. Civil society's role here is operational, not symbolic — organizations that have tracked elite capture for decades hold institutional knowledge of how leakage occurs that no external technical team can replicate.

Third, disbursement should be tied to demonstrated institutional milestones rather than front-loaded pledges. The Paris cycle's defining flaw was rewarding commitment rather than performance. The IMF Diagnostic's benchmarks — on rule of law, central bank governance, public financial management, and anti-money-laundering compliance — are specified precisely enough to serve as disbursement triggers. This is harder to sell at a donor conference than a headline pledge, and it demands more patience than political cycles naturally allow, but it is the only model with a demonstrated record of effectiveness.

Fourth, the CDR question must be confronted directly rather than deferred again. The choice is binary: reform the institution with genuine independence, transparent procurement, and parliamentary oversight, or replace it with a new body whose governance is designed from inception to resist the pressures that captured its predecessor.

Either path requires sustained donor pressure. Donors should commission — and make public — an independent governance assessment of the CDR before deciding which path to take.

None of this displaces the IMF's existing program with Lebanon itself, which remains the single most consequential near-term institutional process in the country. Washington, as the IMF's largest shareholder, should use its influence to protect the integrity of loss-allocation negotiations against political pressure for a diluted financial gap law, and to ensure that progress against the Diagnostic's benchmarks is tracked and reported publicly. Transparency about progress — or its absence — is itself an accountability mechanism.

Some observers have periodically proposed a currency board as part of Lebanon's financial stabilization strategy. Under the right institutional circumstances, the idea deserves serious consideration, though not as a substitute for broader reform. Currency boards have historically been most effective where political authorities seek to make a highly credible commitment to monetary discipline and where supporting fiscal, banking, and governance institutions are sufficiently robust to sustain that commitment. Experiences in places as diverse as Hong Kong, Bulgaria, Estonia, and post-war Bosnia and Herzegovina demonstrate that a currency board can help restore confidence, stabilize expectations, and constrain politically motivated monetary financing when public trust in domestic institutions has been severely damaged. In Lebanon, however, any consideration of such an arrangement would need to follow — not precede — agreement on banking-sector loss allocation, recapitalization of the financial system, strengthened central bank governance, and a sustainable fiscal framework.

Without these foundations, a currency board risks becoming another technical mechanism burdened with solving fundamentally political problems.

With them, however, it could provide a powerful credibility-enhancing commitment device, helping restore confidence in the monetary system while broader governance reforms take hold.

What Donors Must Avoid

Three recurring failure modes deserve explicit attention, because each has already undermined a previous Lebanese reconstruction cycle.

1. Financing parallel delivery structures as a default response to governance weakness. Routing development assistance through non-governmental organizations or foreign-managed project teams produces short-term efficiency but signals to Lebanese citizens that the state is irrelevant to their welfare — reinforcing patronage over performance. Emergency humanitarian response is the appropriate exception; development reconstruction is not.
2. Allowing bilateral visibility concerns to fragment donor coordination. Separate, nationally branded projects create duplication and gaps that politically connected actors exploit. Ukraine's Donor Platform works because it subordinates visibility to programmatic coherence behind a single government-owned plan; Lebanon requires the same discipline.
3. Conflating reform intention with reform performance. The Paris cycle collapsed because donors accepted promises as proof. The current government's commitments are credible — they should be met with respect and patience, but held to demonstrated

“None of this displaces the IMF's existing program with Lebanon itself, which remains the single most consequential near-term institutional process in the country.”

outcomes, not the benefit of the doubt that earlier governments exhausted.

The Strategic Stakes

Lebanon enters this moment with a government of uncommon credibility, an IMF Diagnostic that provides an unusually detailed accountability roadmap, and a donor community with more reason than ever — after decades of recycled pledges — to demand structural change as a condition of structural support. The Lebanese diaspora, several million strong and highly educated, is watching for the institutional signals that would justify return and reinvestment; that human capital, not physical infrastructure, is Lebanon's most strategic asset.

What has been missing from every previous cycle is not goodwill, which has been abundant on all sides, but the architectural discipline to convert intentions into durable institutions. That discipline means aligning behind a Lebanese-owned plan rather than donor portfolios, disbursing against demonstrated milestones rather than stated commitments, treating civil society oversight as a requirement rather than a courtesy, and sustaining accountability pressure through political cycles that reward gesture over substance.

“Lebanon enters this moment with a government of uncommon credibility, an IMF Diagnostic that provides an unusually detailed accountability roadmap, and a donor community with more reason than ever ... to demand structural change as a condition of structural support.”

Underneath the financing question sits a more fundamental one: can Lebanon move from a system whose legitimacy rests on communal representation

toward one whose legitimacy rests on performance? That transition, more than any single reconstruction tranche, will determine whether the country's recovery proves durable or merely postpones its next collapse. Roads can be rebuilt within a single budget cycle. Institutional trust takes generations — which is precisely why the design of this recovery matters more than its size.

Recommendations

A. For US and Donor Governments

1. Condition coordinated support on alignment behind a single Lebanese-owned national recovery plan; decline to support bilateral projects that operate outside it.
2. Channel financing through a ring-fenced multi-donor trust fund with an independent board, civil society representation, and procurement rules that exceed Lebanese legal minimums.
3. Structure all disbursement around post-implementation milestones drawn from the IMF's June 2026 Diagnostic, not pre-implementation pledges.
4. Leverage World Bank and IMF shareholder influence to protect the integrity of the banking sector loss-allocation framework against political dilution.
5. Publicly commission and release an independent governance assessment of the CDR as a prerequisite for determining its future role.

B. For Multilateral Institutions and Gulf Partners

1. Track and publicly report Lebanese reform progress against the Diagnostic's specific benchmarks, making transparency itself an accountability tool.



French President Emmanuel Macron speaks next to Lebanon's then-prime minister, Najib Mikati, during an international conference in support of Lebanon in Paris on October 24, 2024. Photo by ALAIN JOCARD/POOL/AFP via Getty Images.

2. Reward demonstrated transparency and performance in future engagement, rather than reinforcing existing patterns of political patronage.
3. Support the technical capacity of Lebanese ministries directly, resisting the reflex to default to parallel implementation units.

C. For the Government of Lebanon

1. Produce a costed, milestone-based national recovery plan with World Bank and UN technical support and treat it as the binding reference for all external engagement.
2. Embed civil society organizations in the design — not just the monitoring — of recovery governance structures from the outset.
3. Decide and act on whether the CDR will be structurally reformed or superseded, rather than allowing the question to lapse again.
4. Sustain implementation of World Bank- and IMF-defined governance benchmarks independent of the disbursement calendar, to rebuild credibility with both donors and citizens.

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Photo by Jalaa MAREY / AFP via Getty Images.

KEY TAKEAWAYS

- Having taken on the role of facilitating a Lebanon-Israel cease-fire and hosting direct talks aimed at reconciling Israeli security with Lebanese sovereignty, the United States should also take the lead in helping to resolve outstanding territorial disputes between the parties.
- Differences between Lebanon and Israel on border matters include the Shebaa Farms and Kfar Chouba Hills, the village of Ghajar, and several points along the Line of Israeli Withdrawal (Blue Line) involving the disputed trace of the 1949 armistice demarcation line.
- Lebanon needs a mutually agreed boundary with its southern neighbor to enjoy full sovereignty, to end permanently the possibility of Israeli claims on Lebanese territory, and to fulfill its security responsibilities up to the line dividing Lebanon and Israel.
- Border-related mediation efforts should focus first on resolving Blue Line differences involving the disputed trace of the 1949 armistice demarcation line. Doing so would avoid complications involving Syrian interests.

Lebanon-Israel Border Disputes: A Guide for American Mediation

Frederic C. Hof

This paper examines how the United States might mediate the settlement of Israel-Lebanon differences over the line that divides them into separate jurisdictions. The absence of such an agreed line could produce misunderstandings and even armed clashes, undermining security coordination and cooperation. Indeed, it has done so in the past.

American mediation is essential. The United States has assumed the role of overseeing the reconciliation of Israeli security demands and Lebanese demands concerning sovereignty. The departments of State and Defense have already hosted several rounds of Israel-Lebanon direct talks. On June 26, 2026, a “Trilateral Framework” was signed in Washington by the United States, Israel, and Lebanon.

Washington hopes to see a genuine cease-fire in Lebanon, one that stops Hizballah attacks on Israel while permitting the Lebanese Armed Forces (LAF) to gradually replace units of the Israel Defense Forces (IDF) currently occupying much of southern Lebanon. But an agreement ending Hizballah’s threat to Israel and permitting over a million displaced Lebanese to return to their homes must include a territorial dimension if Lebanon-Israel cooperation focused on securing their common border is envisioned.

In Lebanon, concerns persist that Israel has designs on Lebanese territory. Some are framed in

the context of history, often citing alleged Israeli claims on Lebanon’s Litani River. Others cite statements by current Israeli officials that Israel requires “security zones” on Lebanese territory from which Lebanese residents would be excluded. Still others cite calls from Israel’s far right that Jewish settlements be introduced into southern Lebanon. These concerns must be resolved if security cooperation is to become a feature of Lebanon-Israel relations. The concluding sentence in Article 5 of the recently signed Trilateral Framework is helpful in this regard: “Pursuant to the above, the Government of Israel declares that it has no territorial ambitions in Lebanon.”

Two of the disputes at issue — the Shebaa Farms and Kfar Chouba Hills and the village of Ghajar — involve the interests of a third party: Syria. Both places were occupied by Israel when it seized the Golan Heights in 1967. Syria considers both to be occupied Syrian territory. The third issue involves several points of dispute concerning the exact trace of the 1949 armistice line separating Israel and Lebanon, a line that was supposed to be replicated by the 2000 “Blue Line” confirming Israel’s withdrawal from Lebanon. This issue is strictly bilateral (Lebanon-Israel) in nature.

Background

Lebanon and Israel have been in a legal state of war since May 1948. When a United Nations-mediated



Tens of thousands of displaced Lebanese have started returning to their homes after being forced to flee due to Israeli strikes, following the implementation of a cease-fire between Israel and Lebanon in April 18, 2026. Photo by Elif Ozturk/Anadolu via Getty Images.

armistice was signed in March 1949, the two neighbors agreed that their armistice demarcation line would coincide with the 1923 Palestine-Lebanon international boundary created by British and French surveyors.

The armistice line was re-demarcated under the authority of the United Nations in 1950, except for its last three miles at the eastern end, where Israel lodged a dispute. Notwithstanding this disagreement, the line remained unfenced and violence-free for nearly 20 years.

In June 1967, Israel terminated its armistices with Egypt, Jordan, and Syria after occupying significant territories in each of the three. Israel also renounced its armistice with Lebanon, even though Lebanon had not participated in the June 1967 War. Still, the armistice demarcation line continued to mark where Israel ended and Lebanon began. Yet one line-related change emerged when Israel occupied the Golan Heights. The border dividing Lebanon and Syria in the Golan Heights now separated Lebanon from an area occupied by the IDF.

Soon after Israel's renunciation of the 1949 armistice, Lebanon began to lose control of its southern districts to non-state actors. From 1982

until 2000, the Iran-created Hizballah resisted the Israeli occupation of significant parts of Lebanon south of the Litani River. In May 2000, the IDF withdrew from Lebanon under fire.

The United Nations directed its chief cartographer, Miklos Pinther, to oversee drawing a line to verify the completeness of Israel's withdrawal in accordance with Security Council Resolution 425. In principle, all that should have been required was to confirm the trace of the 1949 armistice demarcation line. But no record of the 1950 re-demarcation project could initially be found.

Pinther tried instead to use the survey that had produced the 1923 international boundary, but it proved overly vague. It was not until late in the Blue Line creation process that a document seemingly reflecting the 1950 re-demarcation of the armistice line emerged. And even that document — regarded by Pinther as genuine — contained discrepancies between written descriptions of boundary pillar locations and accompanying map coordinates.

With most of the pillars long gone, Pinther, for the sake of consistency, relied on the written descriptions because they — as opposed to accompanying map coordinates — enabled him to

avoid drawing a line that would have left the western edge of Kibbutz Misgav Am inside Lebanon. Indeed, the line drawn adjacent to Misgav Am left a small piece of a Lebanese village (Addaissah) on the Israeli side, an inconvenience offset by the IDF security fence being located just to the east of the affected Lebanese houses.

In the end, Pinther pieced together what he called “a practical line,” one officially designated “The Line of Israeli Withdrawal,” or (less officially) “The Blue Line.” Lebanon objected to 13 Blue Line points where it claimed the trace of the 1949 armistice line was being violated, including where it spared Misgav Am from partition. The area covered by the 13 points amounted to about two square miles, a seemingly inconsequential amount. Clearly, however, some of the disputed points raised sensitive issues.

There were, to be sure, instances where the Blue Line required the IDF to withdraw several meters from its forward positions. But in his quest to create “a practical line,” Pinther avoided putting Israel in difficult situations wherever possible. Faced with strong Israeli objections to the Blue Line placing two-thirds of the Israeli-occupied village of Ghajar in Lebanon, Pinther did what he could to avoid creating inconveniences for Israel elsewhere.

Indeed, Ghajar — an Alawite village of some 2,500 souls — still accounts for Israel’s strongest objection to the Blue Line. Lying at the base of the Golan Heights next to the Hasbani River, Ghajar was administered by Syria until June 1967. Using what he considered the best available cartography, Pinther decided he could not avoid bisecting the village on paper. Still, the entire village remained under Israeli control, and it does so today. There is no Lebanese presence in Ghajar north of the Blue Line and, by all accounts, the residents of Ghajar support Israeli rule. Indeed, Lebanon has never administered the village. In 2000, after the Blue Line came into effect, Syria objected to the

partition and asserted that the entire village was occupied Syrian territory.

Scholars disagree about the history behind Ghajar’s paper partition, one that is invisible on the ground. Some say that Pinther relied on faulty French and British cartography produced before and during World War II. Others maintain that the village crept northward into Lebanon, beginning as early as the 1960s.

The Ghajar situation presents a vexatious riddle over how a village invisibly divided on a map should be governed. Israel has permitted no Lebanese presence in northern Ghajar. The people of the village move about the jurisdiction freely. And yet, every time the Blue Line is crossed south to north, the line is violated. Moreover, from the point of view of Syria, Ghajar remains Syrian territory occupied by Israel.

“Never did Lebanon demand, until June 2000, that the Shebaa Farms and Kfar Chouba Hills be folded into the area of operations of UNIFIL, created in 1978.”

But it was farther to the east where the most significant objection to the Blue Line was lodged, initially by a third party. Iran’s Lebanese proxy, Hizballah, with the verbal support of Syria, declared in 2000 that a small (fewer than 10 square miles) strip of the Golan Heights adjacent to Lebanon — the Shebaa Farms and Kfar Chouba Hills — was, in fact, Lebanese territory occupied by Israel. According to Hizballah, Israeli occupation continued, thus justifying its self-proclaimed right to bear arms as “The Lebanese Resistance.” Quickly, the Government of Lebanon (GOL) fell into line with Hizballah’s claim.

The United Nations rejected the claim, pointing out that Lebanon had never, from June 1967 until June 2000, disputed that the area was occupied

Syrian territory. Never did Lebanon demand, until June 2000, that the Shebaa Farms and Kfar Chouba Hills be folded into the area of operations of the United Nations Interim Force in Lebanon (UNIFIL), created in 1978. Never did Lebanon dispute that the area was, in fact, under the operational purview of the Golan Heights-based United Nations Disengagement Observer Force (UNDOF).

When Lebanon first made its claim, Syrian Foreign Minister Farouq al-Shara telephoned United Nations Secretary-General Kofi Annan to endorse it, an endorsement flatly contradicted by Syrian President Bashar al-Assad (in a conversation with the author of this paper) in 2011. Assad insisted that the farms and hills were Syrian. The current Syrian government (like its predecessor) considers the Golan Heights (presumably including the area in question) as Syrian territory occupied by Israel.

Israel considers the tiny strip to be part of the Golan Heights, and the Golan Heights to be part of Israel. Washington, during President Donald Trump's first term, recognized Israel's

“The immediate task of American mediation between Lebanon and Israel is to halt violence and to assist the parties in establishing procedures leading to the full evacuation of the IDF from Lebanon under enabling security conditions.”

sovereignty in the Golan Heights. The current GOL has not formally revoked Lebanon's claim to the Shebaa Farms and Kfar Chouba Hills, but, as a practical matter, has refrained from addressing the issue. Faced with the challenges of Iranian intervention in its internal affairs, Hizballah's arms, and Israel's displacement of over a million Lebanese civilians, the GOL has had higher priorities to address.

The Way Forward

The immediate task of American mediation between Lebanon and Israel is to halt violence and to assist the parties in establishing procedures leading to the full evacuation of the IDF from Lebanon under enabling security conditions. The recently signed Trilateral Framework may prove to be a significant step in that direction. That process could emerge from Israel-Lebanon direct talks hosted by and in Washington. American mediation of border issues, which took place in 2025 under the auspices of the cease-fire mechanism established in November 2024, can resume in Lebanon-Israel direct talks. Indeed, Article 12 of the Trilateral Framework states that Lebanon and Israel “will work to establish working groups to draft the full comprehensive peace and security agreement.” No doubt one of these working groups would focus on resolving border issues.

This resumption should begin where it left off: by seeking to resolve disputed Blue Line points from the Mediterranean Sea to southeast of Metulla.

The advantage of focusing initially on this portion of the Blue Line is that it involves no parties other than Israel, Lebanon, and the American mediator. There are no complications arising from Golan Heights-related Syrian interests.

Indeed, there are reports that seven of the 13 Lebanese objections alluded to above were resolved informally by Lebanon and Israel under the auspices of the UNIFIL Tripartite Mechanism, an entity replaced by the US-France-led cease-fire mechanism in November 2024. There have, however, been no formal announcements of agreement on the seven agreed-upon points. Among the Blue Line points reportedly still under dispute are Misgav Am, the beginning of the line at Ras al-Naqoura/Rosh Hanikra, and the final three miles southeast of Metulla.



An Israeli military sign sits on the Israel-Lebanon border backdropped by the Lebanese village of Blida, on February 17, 2025.
Photo by JALAA MAREY/AFP via Getty Images.

American mediation of whatever disputes remain might do well to incorporate what seems to have been Pinther's guiding principle: wherever possible, draw a line that does the least practical harm. In Ghajar, Pinther felt compelled by cartographic evidence to draw a line right through the place. Elsewhere, he found ways to avoid impacting people.

In 2022, the US brokered a Lebanon-Israel accommodation in the Mediterranean Sea, one permitting each country to exploit petroleum resources in its own exclusive economic zone. Perhaps that agreement could be amended to compensate Lebanon for concessions on Blue Line points, particularly those affecting Israeli civilians. Perhaps Israel could also relax its traditional objections to greater Lebanese exploitation of the Hasbani River. Perhaps the longstanding dispute over the armistice line's final three miles could be settled in Lebanon's favor.

As noted above, the dispute over the sovereignty of the Shebaa Farms and Kfar Chouba Hills involves a third party: Syria.

Lebanon, for the first time in its history as an independent state, is dealing with a government in Damascus that explicitly recognizes its sovereignty.

It would, therefore, be strongly disinclined, absent a Syrian green light, to arrive at a strictly bilateral agreement with Israel over the Shebaa Farms and Kfar Chouba Hills, whether directly or through American mediation.

There is, therefore, a question as to the utility of American mediation between Israel and Lebanon in the Shebaa Farms and Kfar Chouba Hills matter. Yet surely there is a creative role to be played by American diplomacy in the Lebanon-Syria context.

The two Arab neighbors formed, in 2025, a Joint Boundary Commission. The principal work of the Commission is to delineate and demarcate the Syria-Lebanon boundary adjoining the Beqaa Valley. But there is no reason why that commission, with American encouragement, could not produce a useful exchange of statements on the issue in question.

Syria, for example, could reaffirm the pertinent facts of the matter: the area in question was administered by Syria ever since its independence in 1946; there had been inconclusive Syria-Lebanon talks about a potential boundary adjustment before 1967; Israel occupied the area in June 1967; Syria considers the Shebaa



UNIFIL vehicles are stationed along the main road near Naqoura in southern Lebanon, close to the border with Israel, on May 4, 2021. Photo by MAHMOUD ZAYYAT/AFP via Getty Images.

Farms and Kfar Chouba Hills to be occupied Syrian territory; and once the occupation ends Syria would resume discussions with Lebanon about a potential transfer.

Lebanon, without renouncing its claim to sovereignty over the farms and hills, could recognize that Syria administered the area from 1946 until 1967 and would welcome resuming negotiations for a potential formal transfer once the occupation cited by Syria ends.

Even in the absence of Syria's cooperation, Lebanon and Israel could agree to defer addressing the issue until the onset of formal peace talks, pledging in the interim to respect the inviolability of the Blue Line as it is. But a Syrian assertion of sovereignty would make it easier domestically for the GOL to drop a bogus Hizballah claim that, sadly, over the past quarter-century has been internalized as valid by many Lebanese.

The second issue containing a Syrian dimension is the village of Ghajar. As noted above, in 2000, Syria objected to the Blue Line dissection and claimed the entire village as occupied Syrian territory.

Again, it might be possible for catalytic American diplomacy to help bring about a Lebanon-Syria

understanding on the status of Ghajar and how Lebanon might reach an accommodation with Israel.

If the issue of Ghajar were tabled at the Syria-Lebanon Joint Boundary Commission, Syria might acknowledge the two-thirds of the village north of the Blue Line to be Lebanese territory. Then, either at the same meeting or separately, Syria — citing the practical and humanitarian needs of Ghajar's inhabitants on both sides of the line for adequate, well-run municipal services — might authorize Lebanon to arrive at practical arrangements with Israel preserving the unified governance of the village.

If Lebanon were armed with such flexibility, American mediators might explore the possibility of the United Nations adjusting the Blue Line northward to place the entire jurisdiction under Israeli control. If critics of the cartography can make a persuasive case, the US could press for a United Nations resurvey of the Blue Line vis-à-vis Ghajar. Alternatively, Washington might suggest a mutually agreed adjustment of the Blue Line at Lebanon's expense, perhaps compensating Lebanon through concessions by Israel elsewhere along the Blue Line or in the Mediterranean Sea. Such an adjustment would be complicated, however, by the requirement

for Lebanon's parliament to approve any transfer of sovereign Lebanese territory.

Alternatively, Washington might suggest that Lebanon and Israel agree to keep the Blue Line in place, but that unified local governance and the services associated with it be preserved for the entire jurisdiction. The Blue Line would remain free of physical obstacles and villagers would be entitled to move throughout the village. Israel and Lebanon would respect the Blue Line in Ghajar as inviolable militarily. The Parties could form a "Ghajar Coordination Committee" consisting of Lebanese and Israeli military and police personnel whose mission would be to ensure the smooth functioning of a municipality bisected invisibly by the Blue Line.

Conclusion

Settling Lebanon-Israel territorial disputes will not require diplomacy rising to the skills exhibited at the Congress of Vienna. But these disputes must be resolved if the two states are to arrive at stable, peaceful relations and ultimately peace itself.

Both parties and their American facilitator have other, more pressing priorities now. Military violence must cease. The parties must engage intensively in direct talks aimed at reconciling Israel's security with Lebanon's sovereignty. That reconciliation ultimately must feature an inviolable Blue Line, with northern Israelis living in peace and security, southern Lebanese returning to rebuild their lives and their homes, and two militaries cooperating closely to keep the peace.

American mediation will be required to address the pressing priorities and achieve the requisite results. That mediation and associated diplomacy could, sooner rather than later, also resume addressing the territorial issues discussed in this paper.

Indeed, an expeditious resolution of the disputed Blue Line points related to the 1949 armistice demarcation line could establish attitudes of

cooperation and compromise very useful elsewhere, and not just on territorial issues. Perhaps tackling the more difficult territorial issues — Shebaa Farms and the Kfar Chouba Hills and Ghajar — could be deferred. In the end, however, a bilateral agreement on where Lebanon ends is a precondition for entering the promised land of peace and normalization. Effective American mediation will be essential for getting there.

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Image by Yuichiro Chino/ Moment via Getty Images..

KEY TAKEAWAYS

- The Trilateral Framework signed by Lebanon, Israel, and the United States is a remarkable breakthrough toward peace, but much work remains ahead.
- If the restoration of Lebanese state sovereignty by disarming Hizballah continues, obstacles to peace between Israel and Lebanon will recede further.
- Israel seeks security, not territory; Lebanon seeks sovereignty and peace. Their common problem is Iran and its proxy, Hizballah. Without sovereignty, Lebanon cannot attain peace; without peace, Lebanon is unlikely to sustain restored sovereignty or revive its economy. And only a peace treaty — not a cease-fire or armistice — offers durable protection against renewed violence.
- Iran and Hizballah will use every opportunity, including negotiations with the US over the Strait of Hormuz and Iran's nuclear program, as well as violence, to torpedo the Trilateral Framework. They want to dominate Lebanon, not protect it, and to keep an active front against Israel. Without external enemies, the revolutionary regime loses its organizing principle at home.
- If Iran's reversal of fortunes since 2023 continues through the US-Iran negotiations, peace between Lebanon and Israel can be achieved. But it will take more than just negotiations: sustained pressure on Hizballah and Iran, internal reforms in Lebanon, Arab state help, and more proactive American support — not just money, but advice — for the Lebanese army.

Achieving a Permanent End to the Israel-Lebanon Conflict

David Hale

Although Lebanon and Israel have been in a state of war since 1948, the Israel Defense Forces (IDF) and Lebanese Armed Forces (LAF) rarely have been in direct conflict as protagonists. The wars Israel has fought in Lebanon have been regional conflicts conducted between Israel and Palestinians, Syrians, Iranians, and their non-state Lebanese allies. Lebanon became the landscape for and victim of these clashes because of the rapacity of its neighbors, geography, sectarian demographics, and absence of sovereign control over its territory. This point is not to minimize the horrific losses and damage, including to the integrity of the Lebanese state; but the two governments have not, in fact, been fighting each other.

Two broad conclusions can be drawn from this history: a) Lebanon cannot attain peace until it reclaims state sovereignty, and b) achieving that peace requires neutralizing Iran's ability to manufacture crises there. Conversely, if the Lebanese government restores sovereignty and Iran can no longer use Lebanon for its own purposes, it is hard to argue against an Israeli-Lebanese peace. The heavy weight of emotion, human and material losses, and the absence of imagination, creativity, desire, and risk-taking are real factors, but they are not exactly serious arguments. Yet, if not overcome, that backward-looking, limited view will perpetuate a status quo that guarantees continuation of the cycles of violence that have existed for over 50 years.

To the dismay of Lebanon's sovereign president, Joseph Aoun, the country suddenly became a "bargaining

chip" in the June 2026 US-Iran memorandum of understanding (MoU). However, that problem was not only swiftly rectified by the June 26 Trilateral Framework; strong strides were made to advance toward a shared Lebanese and Israeli ambition to end their conflict, ensure their mutual sovereignty and security, and establish peaceful neighborly relations.

This rare act of statesmanship in the Middle East should be implemented quickly to maintain momentum. The opportunities and risks have real geostrategic significance.

Here are some key considerations:

First Things First: Withdrawal Linked to Disarmament

Washington seems to have had a momentary case of amnesia about Lebanon when signing the MoU with Iran. The document contains scattered and ambiguous references to the country, including calls for a cease-fire between Israel and Hizballah and language about territorial integrity that Tehran tried to twist into a requirement for a unilateral IDF withdrawal. Iran's approach was meant to conceal two realities. First, over 100 Islamic Revolutionary Guard Corps (IRGC) fighters are in Lebanon, training their proxy, Hizballah, which serves Tehran, not Beirut. Second, just two weeks earlier, America had brokered a well-conceived cease-fire between two states, Lebanon and Israel, that conditioned a phased IDF withdrawal on the phased

disarming of Hizballah, the shared objective of both. Statesmen soon came to the rescue to jog memories and clarify facts. Not only did the June 26 framework codify a planned, agreed, and phased approach to IDF withdrawal and LAF deployment in pilot areas as Hizballah is disarmed, it opened a horizon to resolve the issues hindering peaceful relations. Even as working groups assemble to tackle those longer-term issues, the immediate starting point must be successful transitions from IDF to LAF control in the pilot areas and beyond.

“Some Lebanese think they can just freshen up the 1949 Armistice mediated by the United Nations, but that approach is obsolete.”

This opportunity must not be eclipsed in pursuit of a larger deal with Iran. Tehran is trying to use America’s eagerness for a resolution of the standoff in the Persian Gulf as leverage to save its struggling proxy and resume the domination of Lebanon it had until 2023. The stakes are fundamental if we want to see a true shift away from Iran’s former power to make decisions of war and peace, life or death over Lebanese and Israelis alike. Tehran’s immediate instinct to reassert illegitimate influence in Lebanon should be a warning sign of its true intentions. Anyone familiar with Iran’s treatment of Lebanon will recognize the MoU’s language as classic Iranian weasel words. When Iran’s government talks of a “cease-fire” and “sovereignty and territorial integrity,” we know from experience they seek the opposite. They are deeply threatened by the Trilateral Framework. The solution to Lebanon’s predicament is to get Iran out, not bring it back in. And one lesson of the past year is that the LAF needs much more help than anticipated to achieve a monopoly of arms. A deeper non-combat, advisory role — not just monitoring — by American military officers can help the Lebanese army with intelligence and operational advice as well as stiffen its resolve for the effort ahead.¹

1. For more on military support for the LAF, see the paper in this report on “Setting the Lebanese Armed Forces up for Success.”

Making the Argument: It Is About Restoring Sovereignty

Attributes of sovereignty include not just regaining control of a nation’s territory but also conducting relations with neighbors. Lebanon’s two neighbors, Israel and Syria, undertook long-term occupations because of their perceptions of insecurity arising from a stateless Lebanon. Both eventually withdrew, the former after 22 years, the latter after 30; although Syria and its Iranian ally retained in place Hizballah — a proxy able to shape Lebanon’s politics and attack Israel without exposing themselves to the inevitable reaction. With the Lebanese finally able to exercise sovereignty, they will face a basic question about their future relations with their neighbors. The urgent task is Israel because of the state of war that exists and the ever-present risk of reignited conflict. Without a durable new framework for relations, Lebanon will always be at risk of getting sucked into the whirlwind of regional conflict — as we saw again in June 2026. But relations like those Egypt and Jordan established with Israel put strong guardrails in place against a resumption of conflict. Despite upheaval in the region and even inside Egypt, those agreements stood the test of time; however heated public opinion became, leaders and societies understood the value of peace and the costs of war, having lived through both.

Do Not Get Caught up in Labels

The taboo in Lebanon against talking about something more positive than the status quo relationship with Israel has eroded in the last 18 months, but many Lebanese can still get hung up on labels. The May 17, 1983, US-brokered agreement between Israel and Lebanon was not called a peace treaty, even though that is what it was, and was discredited not long after it was signed. The term “Abraham Accords,” rightly much embraced in Washington, grates on Lebanese ears. It is hard to identify an Emirati or Bahraini who was killed in combat with Israel; as visionary and transformational as the accords were, that model does not quite apply to



US Secretary of State Marco Rubio speaks as he hosts a signing ceremony with Israeli Ambassador to the US Yechiel Leiter, State Department Chief of Staff Daniel Holzer, and Lebanese Ambassador to the US Nada Hamadeh in Washington, DC, on June 26, 2026. Photo by SAUL LOEB / AFP via Getty Images.

this case, given the losses Lebanese and Israelis have suffered. Some Lebanese think they can just freshen up the 1949 Armistice Agreement mediated by the United Nations, but that approach is obsolete. Lebanese and Israeli negotiators have moved past an armistice to affirm an ambition to end their conflict and establish peaceful, neighborly relations based on mutual sovereignty and security. Returning to the status quo ante of the armistice – which failed to prevent the cycles of violence that have consumed Lebanon and Israel since the 1960s – seems quixotic. What to call it can be the last step; it should not be a distracting bone of contention at the start.

The Issues Are Primarily Psychological and Emotional, Not Substantive

The two populations are deeply traumatized by their history and experience of war, and strategies must be devised to overcome the resulting barriers to peace. This outcome will be impossible so long as Hizballah can use Lebanon to threaten Israel, and Israel identifies a need to act in self-defense in proactive and expansive ways. But with the June 26 framework agreed, negotiators will begin to explore from behind the scenes what peaceful relations will look like. The issues confronting

Israeli and Lebanese leaders are in essence mutual security for mutual recognition. Contrast that equation with what faces Israeli and Syrian and Israeli and Palestinian leaders. On the Syria front, the territorial dispute stymied the Clinton administration's eight-year effort to achieve an Israeli-Syrian peace. As for Palestinians and Israel, the issues are not just territorial but existential. With the case of Lebanon, my own interaction with Israeli leaders over 40 years has convinced me they have no territorial ambitions in Lebanon; their issue is security. Leftover border anomalies from colonial maps are trivial and can be easily managed with good will.² There are issues about claims for losses on both sides as well as regarding transfers of remains and prisoners. Beyond that, it will be up to the states of Lebanon and Israel to decide how far to go in normalization of contact, transportation, commerce, and diplomacy. Mutual recognition will be an Israeli requirement, but a wide spectrum exists for its manifestation, which may in the end reflect the diversity of Lebanon itself. Some communities may be prepared for higher levels of unofficial interaction with Israelis than others. Why should a lowest common denominator rule?

2. For more on how to realistically resolve the border issue, see the paper in this report on "Lebanon-Israel Border Disputes: A Guide for American Mediation."

The Economic Case

Economic considerations may not change minds in the Middle East when it comes to achieving peace, but they can help stabilize an existing peace. Because the bonanza days of never-ending US aid in exchange for Middle East peace are behind us, the Trump administration is more likely to emphasize private-sector opportunities. If Lebanon and Israel can go no further than a cease-fire or cessation of hostilities, the remaining uncertainty about the future will dampen private-sector enthusiasm to help rebuild Lebanon. However, an enduring agreement can awaken the private sector to the opportunities there, chiefly through the diaspora. A special economic or free trade zone for southern Lebanon might be appealing as a way to overcome concerns about Lebanese bureaucracy and corruption but should be carefully presented so as to avoid accusations of foreign occupation of the south under another guise.

Reform the Lebanese State

Polling data shows strong support among non-Shi'a communities in Lebanon for disarming Hizballah. Opposition among the Shi'a appears to be not so much a reflection of support for Hizballah but rather distrust of a state viewed as distant and corrupt. Reaching a condition of perfection overnight is unrealistic, but greater effort to address the dysfunctional and corrupt ways of Lebanese governance will be an essential component to gaining support for bold decisions on the future with Israel. With parliamentary elections postponed for two years until mid-2028, deputies no longer have the excuse of an imminent electoral contest to avoid tough but necessary decisions. Alongside economic reform,³ Lebanese should consider how to structure a new social contract with the Shi'a that reassures them of respect for their democratic voice in the state's power-sharing formula that does not rely on

3. For more on supporting Lebanon's economic reform, see the paper in this report on "Owning the Recovery: Supporting Lebanese-Led Reconstruction Without Repeating the Past."

arms. That means revenge for Hizballah's past sins should not be inflicted on a whole community.

Enlist Arab State Support

Events in the region are moving rapidly and not always in a straight line. The bandwidth of decision-makers is being strained. One lesson from decades of American peace-making in the Middle East is the valuable commodity of Arab state support. Without it, we saw how Camp David agreements faced severe headwinds; with it, we saw how a Madrid process can help sustain efforts that have inherent risks. America should be encouraging the Gulf states, Egypt, and Jordan to do more now to rally around President Aoun and his colleagues. They all have friends and followers in Lebanon, and well-timed leadership visits to Beirut now can help demonstrate that Aoun's path is the right one.

Educate American Decision-Makers

After initial confusion about the implications for Lebanon of the US-Iran MoU, Secretary of State Marco Rubio's statements have shown an accurate perception of the realities, opportunities, and risks at this moment for Lebanon and its fledgling sovereignty. President Donald Trump has an affinity for Lebanon and the Lebanese, but no American president should be expected to understand the country's intricacies. Others in the US Congress and the executive branch need to be sure that negotiators working with Iran are well aware of the traps and Iran's real intentions in Lebanon, which are not benign.

Brace for the Worst

The reaction of Hizballah's leaders to the Trilateral Framework has revealed their true colors. Naim Qassem's declaration that it was "null and void" suggests this person, never elected to any role, thinks he is above the president of the republic. He and Member of Parliament Hassan Fadlallah have threatened to use arms and are inciting civil strife. This was to be expected but must be challenged. Parliament will have its day to review and approve whatever comes

of the negotiations with Israel; that is the valid arena to express differences and take positions. Rhetoric that resorts instantly to threats of arms just underscores the problem Hizballah poses to the state.

Iran has shown yet again it has a hand on the spigot of violence in southern Lebanon and knows exactly how to use it to prompt an Israeli response and generate tension between America and Israel. Iran will do so whenever it wants to gain leverage, divert attention, or avoid pressure in the negotiations with the US. More of these episodes will come, despite the creation of a deconfliction mechanism with the Qataris. The American side should be prepared for it, not let the Iranians play that game, and avoid any appearance that Lebanon is trade bait with Tehran.

It Is All About Power

While the Lebanon-Israel and US-Iran negotiating tracks should be kept separate, the objective linkage of power trends in the Middle East to events in Lebanon is undeniable. Widening the aperture, we can see a significant change in the regional power balance against Iran since 2023. It can no longer use its tactics of violence and intimidation to set the agenda and timetable for the region every day. It no longer holds sway as it did before in Beirut, Damascus, and Gaza. How US-Iran negotiations unfold will determine whether or not the momentum continues in a direction unfavorable to Iran. Of course, Tehran will do all it can to reverse the trend, delay agreements, and wear down American patience. Iran's revolutionary, clerical leaders — both of them — learned to outwait all eight American presidents they had to contend with.

President Trump has done more than any other American president to degrade Iran's ability to project power. Secretary Rubio has shown a sophisticated understanding of the realities in Lebanon. However, continued success will require several things: persistence, retention of a credible threat of military action, adherence to results and performance-linked

use of economic inducements or pressure, attention to detail, and keen awareness of the interconnectivity of the various theaters in the Middle East, which Iran will try to exploit. With or without a nuclear deal, it is

“Lebanon is a primary test case for American, Lebanese, and Israeli leaders to show they can stay the course and secure the benefits of freedom from Iranian domination.”

essential that America continue to manage the threats posed by Iran and instill confidence in regional partners who have shown readiness to take risks to contain Tehran. However, they seek reassurance Washington will not leave the job half done, abandoning them to deal with the consequences.

Lebanon is a primary test case for American, Lebanese, and Israeli leaders to show they can stay the course and secure the benefits of freedom from Iranian domination. With wisdom, they can open the door to lasting peace. If not, we will have lost a rare opportunity for all concerned.

Ambassador David Hale is a Distinguished Diplomatic Fellow at the Middle East Institute. He was the Under Secretary of State for Political Affairs from August 2018 to May 2021 and served as Ambassador to Pakistan (2015-18), Ambassador to Lebanon (2013-15), Special Envoy for Middle East Peace (2011-13), Deputy Special Envoy (2009-11), Deputy Assistant Secretary of State covering Egypt, Israel, Jordan, Syria, Lebanon, and the Palestinians (2008-09), Ambassador to Jordan (2005-08), and Director for Israeli-Palestinian Affairs (2001-03). He is the author of American Diplomacy toward Lebanon: Lessons in Foreign Policy and the Middle East, and his bi-weekly column appears on the Lebanese online news and opinion outlet This is Beirut.



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