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Flash Report

Lebanon Conflict Scenario

November 2026

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The Lebanon Crisis Analytics Team (LCAT) provides reactive and in-depth context analysis to inform the aid community in Lebanon. The information and analysis contained in this report is therefore strictly to inform humanitarian and development actors and associated policymaking on Lebanon.

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Situation:

Since October 8, 2023, Lebanon has become increasingly exposed to the regional confrontation between the US and Israel on one side, and Iran and its allies on the other. Two rounds of heavy fighting between Hezbollah and Israel have precipitated mass displacement and extensive property damage, and Israeli forces now occupy Lebanon's southern border regions. Lebanon is again facing the possibility of renewed regional conflict.

The US is deploying significant military assets to the region,[1] while at the same time engaging in diplomacy mediated by regional interlocutors to avoid a full-scale war.[2] US President Donald Trump's administration is reportedly divided between pursuing a diplomatic deal, maintaining coercive pressure through its economic pressure campaign, and launching major military operations.[3] It remains unclear whether the Republican Party's losses in the November 3 midterm elections will influence Trump's decision-making.

Iran, meanwhile, has largely avoided military action against US forces since early September, and has instead focused on imposing economic costs on Washington by hindering traffic through the Strait of Hormuz. Further afield, Tehran's Houthi allies in Yemen have targeted Saudi Arabia, including the Kingdom's key energy installations. Iran has warned that it could inflict severe damage on key civilian infrastructure throughout the region if the US launches a new war.[4]

As it did prior to the start of the US-Israeli campaign against Iran on February 28, 2026, Tel Aviv has threatened Beirut with large-scale military action if Hezbollah enters a potential regional conflict.[5] On October 14, Israeli Defense Minister Israel Katz warned that Israel would forcibly displace Shia Muslim residents of southern Lebanon and strike Beirut's southern suburbs if Hezbollah joined Iran in attacking Israel.[6]

Hezbollah, meanwhile, has remained publicly ambiguous about whether it would open a front in support of Tehran.[7] Hezbollah did not conduct any military operations against Israel in support of Iran during the June

[1] The US is deploying three aircraft carriers to the Middle East, a rare show of force last seen in April 2026 and, before that, in 2003 during the Iraq War. The US is also deploying a Marine Expeditionary Unit and air defense batteries to the region. Meanwhile, open source intelligence spotters noted a surge of US military cargo flights to Israel in the final days of October.
Fox News chief national security correspondent Jennifer Griffin via X, @JenGriffinFNC October 20, 2026
The Wall Street Journal, U.S. Warns Gulf of Possible Short, Intense Renewal of Iran War After Midterms October 28, 2026
Breaking Defense, Three carriers operate in Middle East for first time since 2003: CENTCOM April 24, 2026
Haaretz OSINT reporter Avi Scharf via X, @avischarf October 29, 2026
[2] CNN, US and Iran are quietly negotiating as Middle East remains on edge. Here's what to know November 10, 2026
Reuters, Trump says Qatar, Saudi prefer peace in Iran conflict November 9, 2026
[3] Axios, Trump swung between war and diplomacy — then chose a third way November 11, 2026
The Wall Street Journal, Trump's Clashing Advisers Press Him to Make Iran War Decision November 10, 2026
[4] The Guardian, Iran threatens to strike oil and AI facilities across Gulf if US and Israel renew attacks October 22, 2026
[5] L'Orient Today, Tampa meeting: One key condition — direct military coordination between Beirut and Tel Aviv October 19, 2026
Nida al-Watan, لبنان أمام رسم المنطقة: هل يختار "حزب الله" اللبننة قبل فوات الأوان؟ October 27, 2026
[6] Times of Israel, Katz says IDF will capture more of south Lebanon if Hezbollah 'joins Iran in an attack on Israel' October 14, 2026
Naharnet, Katz threatens Hezbollah with 'severe blow' if it joins any Iran attack on Israel October 14, 2026
[7] On October 26, 2026, Hezbollah MP Hassan Fadlallah denied that Hezbollah made its decisions based on "foreign requests," adding that "Iran has not asked us in the past, nor does it ask us today, to support it in confronting the American-Israeli aggression." In July 2026, Hezbollah military figures sent a letter to Mojtaba Khamenei reaffirming their loyalty to Iran's new supreme leader.
National News Agency, النائب فضل الله: قرار المقاومة لبناني نابع من ارادتها وايران لم تطلب منا مساندتها October 26, 2026
Al-Mayadeen, السيد مجتبى لمجاهدي حزب الله: أنتم روّاد فصائل الجهاد.. وصون سيادة لبنان شرط أوّل لإيران July 26, 2026

13-24, 2025 conflict, arguing that Tehran was capable of confronting Tel Aviv on its own.[8] In the event of a major campaign against Iran, however, it may choose to act militarily, as it did on March 2, 2026.

Lebanon's economy has yet to recover from the devastating effects of the 2019 financial crisis. Double-digit inflation continues to erode purchasing power, while wages lag far behind rising prices. Heavy dependence on imports leaves the country vulnerable to external shocks – particularly rising oil prices – while extensive destruction in southern Lebanon further constrains economic activity.

Whether rising regional tensions will give way to renewed conflict, and how that would affect Lebanon, remains uncertain. This report examines three possible trajectories:

- A regional status quo of US military buildup amid a continued embargo on Iran
- A deteriorating status quo consisting of limited waves of US military action against Iran, but no escalation in Lebanon
- A high-intensity regional war

Each examines the policy positions of the various stakeholders and considers their potential effects on Lebanon.

> *Note: An escalation in Lebanon amid the prevailing regional status quo or limited waves of US military strikes has been assessed as **unlikely in the near term** since Washington has pressured Israel to rein in its military activities in Lebanon while it pursues a regional deal. Limited Israeli escalations remain possible under Scenario 2.*

[8] National News Agency, الشيخ قاسم: العدوان الاسرائيلي على ايران لن يمر دون رد وعقاب June 13, 2025

Scenario Overview:

Scenario	Regional Status Quo	Limited US Military Action Against Iran	Regional, High-Intensity War
Likelihood	• Ongoing, highly likely to continue in the immediate term • High chance that escalations will trigger one of the other two scenarios	• Highly likely in the near term • This scenario could play out quickly, with a return to Regional Status Quo or escalate to a wide-scale US-Israeli military campaign against Iran • Variations could play out multiple times amid the ongoing regional standoff	• Possible in the near term • Similar possibility of abrupt US announcement that it is backing down from military escalation and returning to status quo
US policy toward Iran	• Either no strikes on Iran or localized small-scale strikes along the Strait of Hormuz • Continued diplomatic engagement and economic pressure campaign	• Limited waves of strikes on Iranian military infrastructure along the Strait of Hormuz, similar to intermittent strikes since the June 17, 2026 Memorandum of Understanding • Possible symbolic strikes against non-critical civilian facilities	• Heavy waves of strikes targeting the Iranian military, similar to the February 28-April 8, 2026 War • Assassinations of Iranian political and security figures • Strikes on critical Iranian infrastructure, such as power plants, bridges, refineries, and telecommunication systems
Iranian policy	• Continued attempts to hinder oil transit through the Strait of Hormuz • Missile tests and other demonstrations of military capacities • Continued indirect diplomatic engagement with the US, no nuclear concessions, and demands for upfront release of frozen assets as a condition for a deal • Continued support to proxies	• Retaliatory missile barrages and drone attacks against US bases in the region calibrated to avoid further escalation while attempting to establish deterrence • No strikes on Israel • Increase in direct and indirect military actions via proxies against Gulf countries	• Retaliatory strikes against US bases in the Middle East • Missile and drone barrages strike Israel, including civilian infrastructure • Missile and drone barrages target regional energy infrastructure • General mobilization of regional proxies • Escalation against Gulf countries, including against civilian infrastructure in the Gulf, as previously witnessed against desalination facilities, etc.
Israeli policy toward Iran	• Covert actions not publicly claimed • Demonstrations of military capacities, including flights along Iraq-Iran border • No overt military attacks	*See "Regional Status Quo" scenario*	• Heavy waves of strikes against Iranian military targets, similar to the February 28-April 8, 2026 War • Assassinations of Iranian political and security figures • Strikes on critical Iranian infrastructure, such as power plants, bridges, refineries, and telecommunication systems

Scenario	Regional Status Quo	Limited US Military Action Against Iran	Regional, High-Intensity War
Israeli policy in Lebanon	• Continued airstrikes, artillery fire, and demolitions within the Yellow Line • No new ground campaign • Infrequent military actions beyond the Yellow Line	As in "Regional Status Quo" scenario, plus possible limited waves of strikes beyond the Yellow Line, including preemptive strikes if Israel perceives an imminent Hezbollah-Iranian attack	• Heavy strikes in southern Lebanon, southern Beirut suburbs, and Bekaa Valley • Mass evacuation notices up to the Awwali River and for the southern Beirut suburbs • Frequent strikes in IDP destination areas, including the Chouf and Saida • Intermittent strikes in the municipal Beirut area • Possibility of an aerial and naval blockade of Lebanon; US likely to pressure against such an escalation • Possibility of a ground invasion toward the southern cities of Sour and Nabatieh
Hezbollah policy toward Israel	• Infrequent attacks against Israeli soldiers in southern Lebanon, not publicly acknowledged • No attacks on targets within Israel	*See "Regional Status Quo" scenario*	• Rocket and drone barrages target Israeli troops in southern Lebanon • Strikes on Israeli military positions and civilian infrastructure in northern Israel • Attempted barrages targeting central Israel, including the Tel Aviv metropolitan area

Scenarios Fleshed Out:

1 SCENARIO 1 Regional Status Quo

Key Dynamics:

Under this scenario, tensions periodically escalate or ease, but stop short of a major regional or Lebanese war. The US sees no immediate need to resolve the standoff. Instead, Washington continues to enforce its blockade of Iranian oil exports while expanding sanctions to undermine the Iranian regime through economic pressure. Iran refrains from striking US military positions in the region or Israel, limiting its military actions to disrupting oil transit through the Strait of Hormuz. Iran continues to support its regional proxies while pressuring them to refrain from attacking the US, Israel, or Gulf states, with the exception of the ongoing conflict between the Houthi movement and Saudi Arabia.

Barriers to Regional Escalation:

- The US believes that its embargo on Iranian oil exports and Operation Economic Fury, which aims to cut off Tehran's revenue streams, will suffice to compel Iran to reach a deal.
- Mediators such as Qatar and Pakistan prevent escalation between the US and Iran while engaging representatives of both countries in a series of open-ended diplomatic meetings, which help avert US strikes.
- Regional states lobby the US against military action against Iran.
- The US continues to pressure Israel to avoid escalating in Lebanon to facilitate regional diplomacy with Iran and advance the Trilateral Framework.

Impacts in Lebanon:

- Under this scenario, Israel continues its daily military operations, including artillery fire, airstrikes, and controlled demolitions, within and along the Yellow Line. Hezbollah, meanwhile, conducts either no attacks or limited ones against Israeli troops in southern Lebanon.
- Israel, for its part, avoids military actions in Lebanon that would likely trigger Iranian retaliation, such as airstrikes targeting Beirut. Tel Aviv refrains from striking alleged Hezbollah weapons infrastructure or conducting targeted assassinations of the group's operatives outside southern Lebanon. Also, it does not expand its ground campaign, with no new surge in displacement.
- Displacement remains steady at around 330,000 people, as residents remain unable to return home because of property damage and Israeli occupation of Lebanese territory and military operations along the Yellow Line.
- Political tensions over Hezbollah's disarmament persist, but the Lebanese cabinet remains intact, and Hezbollah does not organize any major protests. The US presses Beirut for tangible progress on Hezbollah's disarmament but refrains from punitive measures – such as broad sanctions against political

and security figures or cuts to financial support for the Lebanese Armed Forces and security agencies – that could heighten domestic political tensions.

- US and European travel advisories, coupled with media reports of possible military escalation, lead to a decline of up to 15% in tourist arrivals to Lebanon during the upcoming Christmas and New Year holiday season, a key source of revenue.[9]

Economic Repercussions:

- Year-on-year inflation hovers around 16.3%, in line with its average over the first nine months of 2026. Rising global commodity prices drive inflation; price increases are most pronounced in rents and services.
- Some 330,000 people remain displaced, most of whom – amid falling purchasing power – will draw on savings to cover basic needs as they struggle to regain their livelihoods.
- Declining international humanitarian funding and limited fiscal resources restrict the support available for affected populations.
- The labor supply in host areas increases as internally displaced persons (IDPs) seek employment and alternative sources of income.
- Supply shortages do not materialize given steady imports.
- Current gross domestic product (GDP) growth estimates hold, with the World Bank projecting that Lebanon's GDP will contract by 6.4% in 2026.

[9] Between December 2022 and December 2023, tourist arrivals to Lebanon fell by 13.6% year-on-year in the wake of the outbreak of the Israel-Gaza war on October 7, 2023, and subsequent Israeli military operations in Lebanon. Arrivals remained depressed in December in subsequent years until December 2025, when they increased substantially amid improved security conditions following a year of relative stabilization after the November 27, 2024 cessation of hostilities.
Banque du Liban, Flow of Passengers B.I.A. – Arrival November 2, 2026

SCENARIO 2

2 Limited US Military Action Against Iran

Key Dynamics:

This scenario reflects a deteriorating status quo, with escalating tensions, limited regional military actions, but no high-intensity regional war spilling over into Lebanon. The US prioritizes its economic pressure campaign and continues to pursue a diplomatic resolution to the regional standoff; it also conducts strikes – limited in duration and scope – against Iranian military sites and potentially political targets and infrastructure. Precedents for such a campaign include Washington's one-off strike on Iranian nuclear facilities on June 22, 2025, its bombardment of Iranian military infrastructure along the Strait of Hormuz since the April 8, 2026 truce, and its retaliatory strikes against Iranian oil tankers. Under this scenario, the US seeks to contain military exchanges and pursue de-escalation through regional partners while limiting Israeli involvement, if any. Iran, meanwhile, retaliates with missile and drone attacks against US bases in the region, calibrated to reestablish deterrence while avoiding a wider regional war and limiting Israeli involvement. Tehran also encourages its regional proxies to step up attacks against Gulf states, including through Iraqi-based militia attacks against US interests or escalated Houthi operations against Saudi Arabia.

Trigger Factors:

- US-Iran diplomatic efforts stall or deteriorate amid mutual distrust.
- The US perceives that its economic pressure campaign against Iran is not delivering results quickly or effectively enough to compel Tehran to reach a deal.
- Iran escalates its efforts to hinder shipping through the Strait of Hormuz, prompting US retaliation that expands to include non-military targets along the waterway.

Barriers to Escalation in Lebanon:

- The US presses Israel to avoid escalatory action, both to facilitate a potential deal with Iran and to advance the Trilateral Framework diplomatic track.
- Israel seeks to avoid provoking Hezbollah attacks to preserve its air defense and offensive military capabilities for a potential conflict with Iran.
- Iran aims to avoid a new conflict to preserve Hezbollah's military capabilities for a future confrontation with the US and Israel that poses a serious threat to the regime's hold on power in Tehran.

Impacts in Lebanon:

- A deteriorating regional status quo carries the risk of sudden military escalation in Lebanon. Under this scenario, if Israel perceives an imminent joint Hezbollah-Iranian attack, it could launch pre-emptive waves of strikes against alleged Hezbollah targets, similar to those conducted in August 2024.
- Since June 20, 2026, Israel has largely refrained from conducting strikes against alleged Hezbollah military infrastructure and operatives beyond the Yellow Line. In this scenario, Tel Aviv might receive a US green light to resume such strikes, even if only for a limited period, as part of its longstanding strategy of managing conflict through periodic military attrition.

- Sharp and sudden escalations lead to temporary surges in displacement, in which potentially tens of thousands of residents flee southern Lebanon and the southern suburbs of Beirut. These surges could resemble the June 19–20, 2026 escalation, when Israel carried out heavy bombardment in the districts of Bint Jbeil and Sour in southern Lebanon.
- Political tensions over Hezbollah's disarmament persist, but the Lebanese cabinet remains intact, and Hezbollah does not organize major protests.
- Periodic military escalations across the region and in Lebanon lead to intermittent airspace closures and flight cancellations, severely disrupting tourist arrivals during the country's upcoming December holiday season.

Economic Repercussions:

- Limited escalation leads to global oil price hikes, driving up domestic fuel costs and inflation to 19-20% in just a few months' time. Inflation is also driven by price gouging and hoarding; prices of goods are affected differently, based on supply constraints.
- Similar to Scenario 1, some 330,000 people remain displaced, with concerns mounting that they will remain so for an extended period. IDP households draw on savings faster than in Scenario 1 amid higher inflation.
- Displaced households increasingly rely on assistance to offset rising living costs, including emergency support and multipurpose cash assistance (MPCA), and pressure on local services increases in host communities.
- The risk of supply shocks grows, driven by supply constraints and higher shipping costs, and GDP contracts by more than 6.4%. Residual disruptions continue to be felt in the coming years.

SCENARIO 3

3 Regional, High-Intensity War

In this scenario, the US and Israel launch large-scale military operations against Iran, resembling the February 28–April 8, 2026 war. The campaign targets political and military leaders and expands to include critical Iranian infrastructure, such as power plants, communications networks, and transportation systems.[10] Iran retaliates with attacks on key infrastructure in the region, including in Israel,[11] and may direct Hezbollah to join the conflict, similar to the March-June 2026 War, in an attempt to divert Israeli military resources from the Iranian front.[12] At the time, Iran coordinated its missile attacks on Israel with Hezbollah's rocket fire to overwhelm Israeli air defenses.[13] In this scenario, Tehran could also mobilize other proxies to intensify military operations against regional countries, including targeting civilian infrastructure in retaliation for US and Israeli attacks on Iran. Depending on the severity of the conflict, targets could include desalination plants, telecommunications networks, and public electricity utilities.

Trigger Factors:

- US-Iran diplomatic efforts stall or deteriorate amid mutual distrust.
- The US perceives that its economic pressure campaign against Iran is not delivering results quickly or effectively enough to compel Tehran to reach a deal.
- Iran perceives an imminent US and/or Israeli attack and launches direct or indirect preemptive strikes of its own on US nationals or military installations in the region or elsewhere.

Impacts in Lebanon:

> *Note: Israel's military posture in Lebanon would depend on Hezbollah's involvement in any conflict with Iran. If Hezbollah refrains from opening fire on Israel, Tel Aviv would likely seek to keep its military operations in Lebanon to a minimum to preserve resources for the front against Iran. If Hezbollah opens a front against Israel, as it did on March 2, 2026, Israel would likely launch a wide-scale military campaign, as described below.*

- In this scenario, Israel carries out a sustained air campaign that targets Hezbollah's political and military leadership, as well as its military infrastructure, possibly surpassing the intensity of its bombardment of Lebanon in the 2024 and 2026 wars.
- Israel reprises tactics from its recent campaigns in Lebanon, issuing evacuation notices for Beirut's southern suburbs and areas of southern Lebanon located south of the Awwali River. Combined with heavy bombardment, these measures displace more than 1 million people.
- Israel again conducts targeted assassinations in IDP destination areas, including the Chouf, Saida, and Beirut, among others. Such strikes heighten

[10] Center for Strategic and International Studies, What Are U.S. Military Options in Iran? November 2, 2026
CNN, US has plans for major Iran strikes if Trump chooses October 26, 2026
[11] Reuters, Trump's Iran threat renews Gulf fears of a war it didn't choose November 2, 2026
The Guardian, Iran threatens to strike oil and AI facilities across Gulf if US and Israel renew attacks October 22, 2026
[12] Financial Times, Israel expects Lebanon offensive to outlast Iran conflict March 10, 2026
[13] YNet, Iran and Hezbollah launched coordinated missile attack to overwhelm Israeli air defenses, IDF says March 6, 2026
Times of Israel, Hezbollah fires 200 rockets at north, Iran launches missiles in 'integrated operation' March 2, 2026

fears in host communities, fuel intercommunal tensions, and potentially prompt efforts to evict IDPs.

- On April 8, 2026, Israel launched a series of strikes on Lebanon's capital, claiming that Hezbollah operatives had relocated from Beirut's southern suburbs to areas within the city's municipal boundaries.[14] Although US President Donald Trump has repeatedly criticized these strikes as excessive,[15] it is unlikely Washington has established a red line against future Israeli strikes on municipal Beirut, particularly if Hezbollah decides to support Iran militarily.
- In this scenario, Israel again strikes bridges along the Litani River, as it did earlier in 2026, further restricting humanitarian access to the border region. Tel Aviv could also restart its ground campaign, seeking to advance north of the Litani River, including toward the Iqlim al-Tuffah area north of Nabatieh, to counter Hezbollah's reported presence there.[16]
- Israeli and Lebanese media reports suggest that Tel Aviv is considering major escalations in response to a Hezbollah attack, including expanding its ground campaign to the cities of Sour and Saida and imposing an aerial and naval blockade.[17] These leaks may be intended to deter Hezbollah and Iran. During the 2024 and 2026 wars, Israel refrained from striking Beirut's Rafik Hariri International Airport at Washington's request to spare key civilian infrastructure.[18]
- Humanitarian actors should not rule out a worst-case scenario, which would have catastrophic economic and humanitarian impacts. A prolonged siege of Lebanon would cause shortages of essential goods such as fuel, food, and medicine in the heavily import-dependent country. In the 2006 War, Israel struck Lebanon's sole remaining supply route with Syria, and critical shortages of fuel were reported near the end of the 33-day conflict.[19]

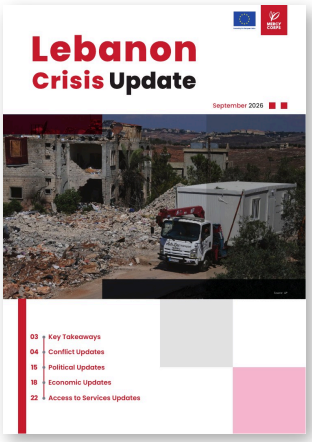
Economic Repercussions:

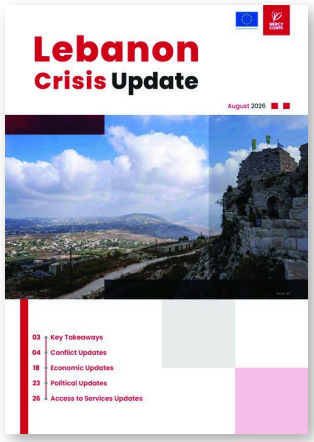
- Year-on-year inflation exceeds the rates observed under Scenarios 1 and 2 due to heavy import disruptions – in the event of an aerial and sea embargo, official imports would effectively cease – forcing domestic markets to rely almost entirely on existing stocks of essential goods.
- Food security is threatened by inflation and supply constraints.
- Parallel energy markets emerge, with prices varying considerably depending on the severity of damage to Lebanese infrastructure and supply chains.
- The value of the Lebanese pound deteriorates as the conflict persists and the Central Bank effectively loses the ability to defend the currency.
- GDP contraction far exceeds current estimates, reaching double digits in 2026 and 2027, depending on the scale of damage and the duration of the conflict.

[14] Israeli military spokesperson Avichay Adraee via X, @AvichayAdraee April 8, 2026
[15] Reuters, Trump criticizes Israel's tactics in Lebanon, says it is killing civilians June 17, 2026
[16] AFP, Where does Israel's destruction of underground Hezbollah base leave the group? September 14, 2026
Asharq Alawsat, Attention Shifts to Lebanon's Iqlim al-Tuffah amid Israeli Military Moves September 28, 2026
[17] Maariv, איראן בטוחה שיצרה מאזן אימה - בצה"ל נערכים לתרחיש של כיבוש שלוש ערים November 1, 2026
Nida al-Watan, سيناريو إسرائيلي تصعيدي: اجتياح الجنوب ومحو الضاحية November 2, 2026
[18] Nida al-Watan, التفاوض متعثر... ولبنان يُحصّل 3 ضمانات من واشنطن March 23, 2026
[19] DPA, Israel jets raid Lebanon's sole remaining supply route with Syria August 9, 2006
The New York Times, As Lebanon's Fuel Runs Out, Fears of a Doomsday Moment August 9, 2006

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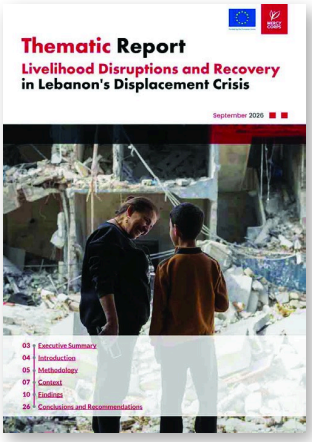






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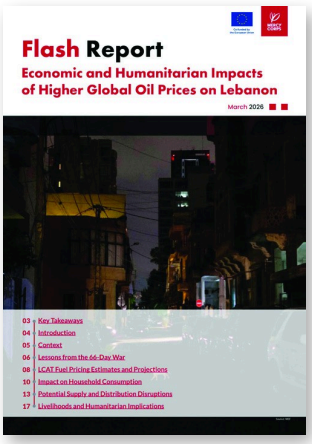






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