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The 2026 Iran War

What's Next?

Executive Summary

The war which began on 28th February 2026 between the State of Israel, the United States of America and the Islamic Republic of Iran, represents a major escalation. Commencing following the fragile ceasefire negotiated in 2025 between Iran and Israel, ongoing operations have significantly impacted Iran's conventional military capabilities while eliminating key members of its leadership. Remarkable resilience has nevertheless been displayed by Iran's security forces, who continue widening the geographic area of the conflict, the consequences of which are reverberating globally.

Tactical superiority by the U.S. and Israel has not guaranteed their capacity to bring this war to a swift close. With Tehran possessing a decentralised security apparatus, alongside firm ideological cohesion among its professional cadres, leadership assassinations have proven to be insufficient to hasten the regime's collapse. The deepening of the frustration of Gulf countries with the U.S. and Israel, and increasing global energy insecurity are slowly showing the emergence of lines of fragmentation among the parties involved.

Our assessment views three broad scenarios which may lie ahead: (1) War of attrition, in which neither side proves capable of decisive victory and while engaging in cyclical rounds of violence that increase systemic costs; (2) A strategic stalemate between the actors defined by relatively short phases of intense armed conflict followed by a managed but high-risk deadlock; and (3) Disorderly collapse, the scenario with the potential to lead to the most significant long-term instability. This may be defined by several factors including militia fighting, sustained military pressure, economic collapse and even regime breakdown.



Tactical superiority by the U.S. and Israel has not guaranteed their capacity to bring this war to a swift close.

Key takeaways:

Iran demonstrates resilience in both institutional and ideological terms, which cannot easily be undone by strikes alone.

Asymmetric capabilities, including missiles, drones, proxies, and maritime control, extend Tehran's strategic reach.

Ideological cohesion can prolong the war, rendering it a political as well as military struggle.

Gulf energy disruptions increase global costs and pressure the US-Israel alliance.

Without a **credible post-war plan**, Iran faces governmental fragmentation, internal security disorder, and instability in the long term.

Secondary actors, including GCC states, Turkey, and Iran's proxies, increase the risk of escalation that must be accounted for.

Global powers shape the outcomes of war indirectly – their energy, economic, and diplomatic levers matter more than their military forces.

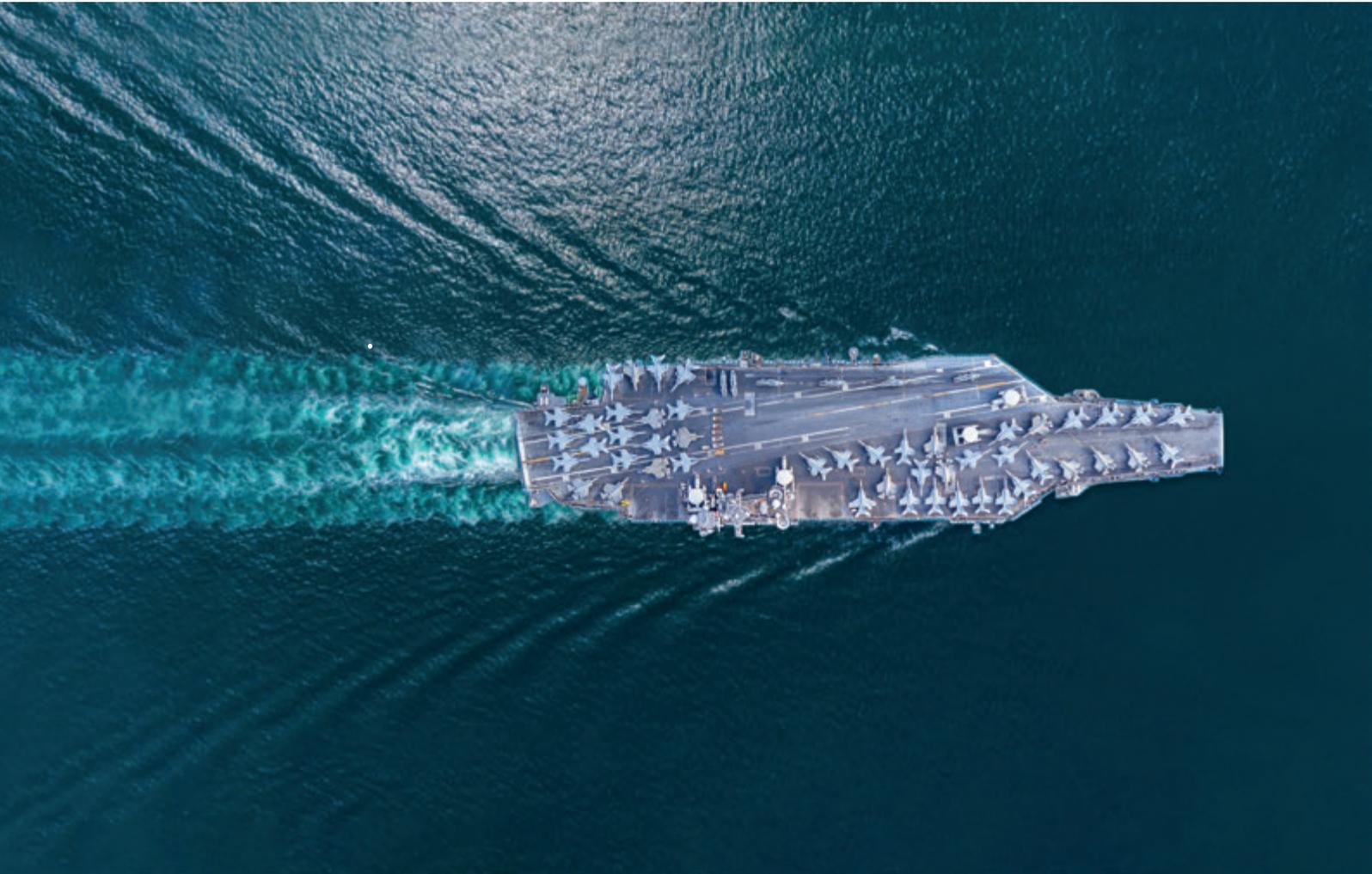




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Overview of Recent Developments



Why the 2025 ceasefire failed

The June 2025 12-Day War involved Israeli aerial attacks and U.S. intervention in support of Jerusalem, and aimed to destroy Iran's nuclear enrichment and ballistic missile production capabilities. Despite carrying out strikes on the Fordow, Natanz and Isfahan facilities with the use of GBU-57 ordnance penetrator 'bunker-buster' bombs, U.S.-Israeli operations have likely been unable to fully destroy Iran's centrifuges while nearly 410 kilograms of 60% enriched uranium, poten-

tially enough to make 10 nuclear warheads, has been successfully relocated and hidden by the Iranian regime [for more information, please see Cambridge MENAF's September 2025 Policy Insight titled "Iran, the U.S. and Europe after the 12-Day War"]].

” Tehran's willingness to renew negotiations was shaped by mounting domestic unrest.

Towards the end of 2025 and following the 23rd June ceasefire between Iran and Israel that the U.S. and Qatar negotiated, Iranian officials and their intermediaries signalled Tehran's willingness to re-engage in negotiations with the U.S. on nuclear matters, should certain preconditions be met. These included a halt to military attacks by the U.S., additional security guarantees, and respect for Iran's right to enrich uranium for peaceful purposes. In turn, the U.S. demanded that Iran curb its ballistic missile programme and conventional defence capabilities.

Tehran's willingness to renew

negotiations was shaped by mounting domestic unrest. Between late 2025 and early 2026, waves of protests flooded Iranian cities, with people voicing anger toward the regime for the intensifying economic hardships they suffered as a result of international isolation and renewed UN sanctions. While Iran's leadership became more open to indirect talks with the U.S., its brutal crackdown on protesters, including mass arrests and entailing a significant death toll, heightened Washington's concerns and highlighted the need for a potential intervention.



The persistence of the 'missing' enriched uranium stockpile preserved Iran's nuclear latency and highlighted the operational failures of the June 2025 attacks.

Despite persisting mistrust, in early February 2026, Oman hosted indirect and mediated talks between the U.S. and Iran in Muscat. Two more rounds of negotiations followed in Geneva, Switzerland under Omani mediation in the second half of February. Both sides left without concluding an agreement or reconciling their opposing preconditions. The talks took place against the backdrop of the U.S.' concurrent build-up of its forces in the Gulf. Simultaneously, the UK and other NATO partners shifted capabilities to nearby

bases to increase readiness for a potential re-escalation of the conflict.

The persistence of the 'missing' enriched uranium stockpile preserved Iran's nuclear latency and effectively highlighted the operational failures of the June 2025 attacks of Israel and the U.S., leaving threat perceptions in Jerusalem and Washington acute. With the activation of the 'snapback' mechanism and the full restoration of UN sanctions in September 2025, the economic pressure on Iran increased even further, rendering the rebuilding of its deterrence power lost in the 12-Day War more difficult. As anticipated under 'Option 1' of our preceding Policy Insight paper, once the E3 group (comprising the United Kingdom, France and Germany) reintroduced UN sanctions and closed the door to potential European-led negotiations, tensions rapidly escalated. A key factor in the following breakdown of Oman-led negotiations was the fundamental disagreement between Tehran and Washington about what level of conventional deterrence power Iran may retain. Once GCC-led diplomatic efforts in mediating a settlement between the U.S. and Iran also proved fruitless, the road to war became extremely short. As the 2025 ceasefire institutionalised ambiguity, February 2026 marked the collapse of an already unstable equilibrium.

The 2026 Iran war

The State of Israel and the United States of America's joint attacks on the Islamic Republic of Iran on 28th February served as an immediate catalyst for a

full-scale war. Israel's 'Operation Lion's Roar' and the U.S.' 'Operation Epic Fury' began with joint long-range airstrikes into Iranian territory, focusing on key military installations, government sites and Iran's leadership. The Israel Defense Forces (IDF) deployed 200 fighter jets, missiles, and precision-guided bombs while the U.S. used its A-10 'Warthog' attack aircraft, fighter aircraft, long-range bombers, and naval cruise missiles to combinedly destroy or damage Iran's command-and-control facilities, missile launchers, air defence systems, and naval vessels. The strikes resulted in the killing of Iran's Supreme Leader, Ayatollah Ali Khamenei, in addition to Commander-in-Chief of Iran's Islamic Revolutionary Guard Corps (IRGC) Mohammad Pakpour, Secretary of the Supreme National Security Council and advisor to the Supreme Leader Ali Shamkhani, the Minister of Defence and the Chief of Staff of Iran's armed forces. Over 5,000 targets have been hit during the first ten days of the war, including nuclear facilities, IRGC bases, 50 naval vessels, as well as oil depots and energy facilities. Approximately 75% of Iran's ballistic missile launchers have been destroyed.

Iran swiftly retaliated by launching its own aerial campaign on the same day, including missile and drone attacks aimed at Israel, in addition to U.S. military bases, U.S., Israeli and allied diplomatic posts as well as civilian and energy infrastructure in the United Arab Emirates, Saudi Arabia, Oman, Qatar, Bahrain, Kuwait, and Iraq. Iran has also been successful in significantly disrupting the Strait of Hormuz to oil and gas exports from the

Gulf. Iran launched over 500 ballistic missiles and c. 2,000 drones in the conflict's first ten days. The strikes resulted in casualties and damage to the cities of Tel Aviv and Haifa in Israel. The attacks also hit multiple U.S.-linked military sites, such as the U.S. Fifth Fleet Headquarters in Bahrain, the Al Udeid Air Base in Qatar, the Ali Al Salem Air Base in Kuwait, and the Al Dhafra Air Base in the UAE. Diplomatic, civilian and industrial targets included the Israeli embassy in Bahrain, the U.S. embassy in Baghdad, the UAE consulate in Erbil, the ports of Duqm and Salalah in Oman, Kuwait International Airport and Dubai International Airport, Saudi Aramco's Ras Tanura oil refinery, and Qatar's Ras Laffan and Mesaieed gas facilities. Israeli air defences and Gulf states' own or U.S.-supplied air defences successfully intercepted over 90% of missiles and drones launched by Iran.

” Iran increased its deterrence through horizontal escalation.

The conflict expanded to Lebanon after Iran-backed Hezbollah fired rockets at Israel on 2nd March and the IDF retaliated. Iran and remaining militias in its 'Axis of Resistance' also launched missiles and drones at Turkey, Cyprus, and Azerbaijan, while a U.S. submarine attack sank an Iranian frigate near Sri Lanka on 4th March. These events signalled the widening of the geographical area of the conflict. This calculated expansion served Iran by increasing its deterrence through horizontal escalation, transforming a trilateral

war into systemic regional risk and raising costs for secondary actors.

Iran's 'Axis of Resistance' – its regionwide network of proxy militias long central to the regime's struggle against its adversaries – finds itself at a critical juncture, hampered by the absence of central coordination and Iran's material weakening. While isolated actions have taken place by groups such as Hezbollah and the 'Islamic Resistance of Iraq', no coordinated offensive has taken place by major 'Axis' groups so far.

After the IRGC issued a warning against vessels transiting the Strait of Hormuz and four tanker ships were struck by Iranian drones, commercial shipping essentially came to a halt in early March. This was less the result of an Iranian naval blockade than the voluntary ceasing of operations due to a dramatic increase in shipping insurance premiums. While maritime disruptions last, a fifth of global oil and gas exports hang in the balance, which has already raised the price of crude above \$100 barrel for the first time since 2022, and promises further volatility, inflationary pressures, and increasing the costs of food and energy imports across the Middle East and beyond. These disruptions echo earlier projections regarding the systemic risks inherent in Iran's maritime leverage and confirm our previous assessment that, as its conventional defence capabilities are degraded, Iran is unlikely to refrain from exercising this leverage, despite its own reliance on oil exports. This significantly increases Iran's asymmetric position against its adversaries.





Strategic Implications of the War

Why military success does not solve the political problem

U.S. and Israeli officials have listed several reasons for and strategic goals of their joint military operation in Iran. These included definitively destroying Iran's nuclear and ballistic missile production capabilities, reducing its conventional military power, securing its natural resources, helping the Iranian people fight back against repression, and, eventually, inducing regime change. Despite President Donald Trump's earlier insistence during the 12-Day War on sparing the Ayatollah, the U.S. has effectively acquiesced to Israel's strategy of seeking to effect change by targeting opponents' leadership – a tactic that, to some extent, proved effective during its operations against Hamas and Hezbollah.

The Iranian regime, however, responded with notable organizational resilience and ideological tenacity to U.S.-Israeli attacks. This has been facilitated by the Islamic Republic's networked power structure, spanning the state, its security services, and ideological institutions. Shortly after Ayatollah Khamenei's death, and in line with Article 111 of the constitution, a three-member interim leadership council was formed, which governed Iran until the Assembly of Experts elected the

new Supreme Leader on 8th March. Mojtaba Khamenei, the late Ayatollah's son, rose to the top as the favoured candidate backed by the IRGC already before the war broke out, reinforcing the dominance of hard-liner political influence over Iran.

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The Islamic Republic's ideological framework recognizes material disadvantages and places greater value on the moral legitimacy of defiance.

Even more significant has been the resilience of Iran's security apparatus during this interim period of governance, which took charge of war-time decision-making. The IRGC has led Iran's counter-offensive alongside other armed groups, such as Artesh, the Islamic Republic's regular army. The IRGC's independent funding streams relying on a domestic economic empire, its geographically dispersed structure, reinforced underground command centres and missile sites, mobile capabilities, and number of troops assisted them in sustaining counterattacks even in the face of greater U.S.-Israeli firepower and air superiority.

The ideological narrative buttressing Iranian security forces is a significant factor in determining the course of the war going forward, and represents a strategic risk U.S. and Israeli forces may not have encountered in the same form while fighting members of Iran's 'Axis'. The Islamic Republic's ideological framework recognizes material disadvantages and places greater value on the moral legitimacy of defiance. This aligns with historical precedents in which the security apparatus strengthens rather than fragments during periods of external confrontation. Albeit some internal fractures are visible with irregular forces acting independently, such elements fit into Iran's doctrine of asymmetric warfare.

This doctrine prescribes general strategic goals such as dragging out the war and the use of low-cost weapons – for example, Shahed drones valued at tens of thousands of dollars – against U.S. interceptors that cost millions. As hard-liner elements dominate the battlefield, war can become a mechanism of identity reproduction, rendering compromise a politically costlier option than escalation, which can considerably prolong the conflict, presenting significant risks for the U.S.–Israel coalition (detailed in the section below on “Actors, Constraints & Strategic Considerations”). With consideration for the above, the U.S. and Israel have to contend with the prospect that military degradation in Iran will not automatically translate into political collapse.

The lack of U.S. and Israeli ground force deployments has been cited as a constraint on achieving the goal of regime change. However, if the ideological cohesion of Iran's secu-

rity forces persists, the more pressing question is how many troops could realistically confront the combined strength of Artesh, the IRGC and Basij reserves, whose manpower exceeds one million.

In an effort to compensate against the lack of ground presence, President Trump approached Kurdish opposition groups in Iran and Iraq. While leaders in the Kurdistan Region of Iraq signalled their desire to stay out of the war in Iran, a Coalition of Political Forces of Iranian Kurdistan – formed in February and made up of six opposition groups numbering in excess of 6,000 – appears ready to fight.

This potential marriage of convenience, however, carries risks for both sides, especially with regard to the day after the war. On the one hand, the recent abandonment of the Autonomous Administration of North and East Syria (AANES) and the Kurdish-led Syrian Democratic Forces (SDF) by the U.S. in favour of Syrian President Ahmed al-Sharaa's unification efforts following years of joint counterterrorism operations in Syria raises questions about the extent to which Iranian Kurds can trust the U.S. and vice versa. On the other hand, while a Kurdish coalition could further President Trump's goals of disarming the Iranian regime's remaining forces, its rival factions could plunge the north of Iran into a state of armed competition for power after the war.

Kurdish autonomy in Iran directly clashes with recent U.S. foreign policy vis-à-vis Syria, and might put Turkey on high alert too (see more information on this in the sub-section on “regional spill-over & secondary actors' interests” below).

” The endurance of the conflict limits citizens' opportunities to bring about political change organically.

Unlike in 2025, the question of what comes after the war can no longer be deferred. As our previous Policy Insight paper emphasized, behind the forefront of military strategy, popular support and a political alternative are necessary preconditions for orderly regime change in Iran. The Iranian people have struggled against repression in several waves of protests over the years, facing immense threats to their personal security, however, an active war leaves virtually no space for public expressions of disagreement. The endurance of the conflict limits citizens' opportunities to bring about political change organically while simultaneously strengthens the tenacity of hard-liner, regime-affiliated forces.

The forceful removal of the current regime without replacement planning – however difficult this may prove in practice – would likely fragment authority across IRGC factions, militias, ethnic peripheries, and other competing networks. There is currently no coherent alternative political force capable of absorbing a potential state collapse in Iran. The scale of potential disorder in such a scenario exceeds the Iraqi precedent due to Iran's demographic size, institutional penetration, and regional integration. Absent a unified alternative,

regime erosion is also more likely to produce chaos than orderly transition.

Regional spill-over & secondary actors' interests

The war is unlikely to remain confined to its primary parties as it directly affects critical energy production and trade, as well as regional security dynamics through the ethno-religious and ideological links between Iran and the countries neighbouring it, giving secondary actors strong incentives to influence its trajectory.

GCC states are arguably the most vulnerable secondary actors due to their hosting of U.S. bases combined with their geographical proximity to Iranian strike capabilities. In addition to this, their reliance on maritime energy exports through the Strait of Hormuz poses notable economic risks. While Iran has already struck their energy infrastructure, Gulf countries continue to prefer de-escalation and relying on U.S. security guarantees, avoiding being drawn into the war as primary participants. This logic could be changed by either an increase in the intensity of Iranian barrage on critical energy infrastructure or sustained disruption at the Strait of Hormuz threatening economic paralysis. Either pressure could force GCC countries to engage in limited escalation against Iran by means of participating in joint air defence and naval operations with the U.S., allowing expanded U.S. basing on their territory, or potentially conducting strikes of their own against Iranian

missile infrastructure.

While a weakened Iran opens up opportunities for Turkey's regional ambitions and Ankara considers Israel to be its foremost competitor in this arena, the Kurdish issue remains its primary concern with regard to the ongoing war. Kurdish ethno-national ties that span across northwest Iran, northern Iraq, northeast Syria, Azerbaijan and Armenia, and eastern and central Turkey pose a heightened level of risk to Ankara's decades-long endeavour to curb movements aimed at building up Kurdish autonomy. While Turkey is unlikely to directly engage in the war, mobilization among Iran's Kurdish groups may prompt it to place pressure on Iraqi Kurdistan and northeast Syria in order to prevent potential cross-border spill-over effects. Careful monitoring of Kurdistan Workers' Party (PKK)-affiliated networks will take place, which multiple members of the Coalition of Political Forces of Iranian Kurdistan are a part of.

China's core interest lies in de-escalating the conflict to ensure the resumption of stable energy supplies from the Gulf, on which Beijing depends for approximately 50% of its total oil imports and over 30% of its gas imports. China benefits from some strategic buffer in the form of energy stockpiles and diversified supplies, but the large portion of Middle Eastern oil and gas would still be difficult to replace. As the prolongation of the war would only increase its energy insecurity, Beijing is unlikely to prop up the Iranian regime with military or financial support.

Russia can position itself rather opportunistically thanks to higher and increasing prices in

the current energy landscape. Disrupted Gulf exports raised demand for Russian energy, which Moscow will use to ease the economic hardship it has suffered as a result of its war in Ukraine and Western sanctions imposed because of it. While Russia could step in and increase oil deliveries to China in temporary lieu of Iranian exports, the rest of China's Middle Eastern imports are more difficult to substitute. While Russia is unlikely to become operationally involved in the war either, it does not have the same risks in seeing it prolonged. A materially weakened and militarily preoccupied U.S. in the Middle East could grant Moscow opportunities to further its long-stagnant war effort in the Ukrainian strategic arena.

European actors (primarily the UK and France, which represent the only countries with meaningful power-projection capabilities and military bases in the region) have an interest in containing the conflict and minimizing its effects on the energy market. While Europe has diversified its sources of oil and gas since the outbreak of the Russia-Ukraine war and Gulf exports only make up c. 10-15% of its energy needs, the large volumes of global energy imports the continent relies on expose it to volatilities in pricing. Similar to the *raison d'être* of Gulf countries, Europe's interests in stabilizing energy flows could prompt the UK and France to support U.S. naval and aerial defence operations in a limited capacity, or potentially assist U.S. efforts indirectly, by assisting in the replenishing of weapons stockpiles, should the war stretch out.

Actors, Constraints & St

Iran

Iran's security apparatus finds itself significantly weakened after U.S.-Israeli strikes, having lost both leadership, missile launching and naval capabilities. Notwithstanding, the IRGC-led counter-offensive remains operationally and ideologically resilient thanks to decentralized command and reinforced or mobile assets. Despite its constraints in financing long-term conventional military operations, Iran retains significant asymmetric leverage by means of disrupting energy trade through the Strait of Hormuz, increasing its adversaries' military costs, and prolonging the conflict.

U.S.

The U.S. holds overwhelming conventional military power in the war, reinforced by its coordination with Israel, but finds its political goals in Iran harder to achieve. The Iranian regime's political resilience demonstrated by the Ayatollah's swift succession combined with the IRGC's sustained counter-offensive could entail the costly prolongation of the war – in both material and political terms. The U.S. and Israel risk depleting their weapons stockpiles and depending on allies' support, especially in a scenario involving regional escalation. The U.S. faces constraints in achieving a credible political end state, which the removal of the regime cannot guarantee on its own.

Israel

Israel's tactical superiority lies in its aerial operations and precision targeting capabilities, in addition to its coordination with the U.S. Similar to the U.S.' constraints, asymmetric retaliation and the absence of a popular political alternative could prevent a meaningful strategic closure of the war for Jerusalem. The persistence of Islamic Republic ideology could continue to threaten Israel in the forms of nuclear latency and spill-over risks, most notably posed by Hezbollah.

Strategic Considerations

China and Russia

China's urgent need for the resumption of energy exports from the Gulf cannot be alleviated by its existing reserves or fully substituted by deliveries from Russia. Any support lent to Iran would likely prolong the conflict and the energy insecurity inherent in it. Beijing's leverage lies in further economic pressure and diplomatic initiatives to seek de-escalation. Beijing will continue to prioritize energy stability over Iranian victory.

Russia is a beneficiary of current production and consequent price volatilities in the region, profiting from the increased demand for its own crude, including by China. Moscow has fewer incentives for rapid de-escalation, and it can leverage the war to resist Western pressure on Iran and weaken the U.S.' attention paid to the Ukraine conflict.

GCC

Gulf states are highly exposed to direct Iranian strikes and disruptions to maritime energy exports via the Strait of Hormuz, which a significant portion of their economies continue to depend on. Their reliance on U.S. security guarantees may not suffice amidst war dynamics they have no strategic control over. While containment and non-interference are their preferred course of action, intensifying attacks on their infrastructure or the prospect of sustained export paralysis could convince them to take up an offensive posture.

Turkey

Turkey's primary concern remains the Kurdish issue, as Iranian Kurdish mobilization could lead to spill-over effects in Iraq, Syria and beyond. Ankara is unlikely to directly engage militarily against Iran but may intervene politically or covertly to prevent Kurdish territorial consolidation or cross-border militant activity. Balancing its relations with the U.S. and Israel in this context will prove difficult.

Europe

The UK and France have strategic interests in the containment of the conflict and the stabilization of the energy market due to price volatility pressures. While they possess meaningful power projection, their limited appetite for large-scale engagement and political sensitivities will constrain their potential involvement to limited military assistance provided to the U.S. and Gulf partners in even the most ambitious scenarios.

Strengths

Weaknesses

Iran

- Decentralized military command
- IRGC resilience
- Asymmetric capabilities

- Conventional military degradation
- Economic sanctions
- Leadership losses

U.S.

- Conventional military superiority
- Precision strike capability
- Alliance support

- Lack of credible political end-state
- Limited ground forces
- Regional overextension

Israel

- Air superiority
- Precision strike capability
- Strong intelligence

- Strategic closure not guaranteed
- Regional spillover risks

China

- Large energy reserves
- Diversified supply sources
- Diplomatic leverage

- Reliant on Gulf energy for imports
- Cannot rapidly replace disrupted barrels

Russia

- Energy export leverage
- Limited direct exposure
- Strategic flexibility

- Limited operational role
- Dependence on external markets

Turkey

- Regional influence
- Intelligence capabilities
- NATO membership

- Sensitive to Kurdish spillover
- Constrained by alliances

Europe

- Power projection
- Alliance coordination
- Low Gulf energy dependency

- Limited incentive for direct engagement

Opportunities

- Leverage over Strait of Hormuz
- Regional proxies (to limited extent)

- Shape post-war settlement
- Support allies
- Degrade Iran's capabilities

- Neutralize nuclear threat
- Disrupt proxies

- Influence de-escalation
- Maintain stable markets

- Exploit U.S. distraction
- Gain energy revenue
- Increase regional influence
- Benefit in Ukraine arena

- Limit Kurdish autonomy
- Regional mediator and regional influence

- Support U.S. containment
- Stabilize markets
- Intelligence and/or logistics

Threats

- Prolonged war fatigue
- Internal fractures
- Escalation against civilians

- Prolonged entanglement
- Stockpile exhaustion
- Proxy escalation
- Domestic political costs

- Prolonged entanglement
- Stockpile exhaustion
- Iranian asymmetric retaliation
- Hezbollah escalation

- Prolonged disruption increases energy insecurity
- Indirect economic impact

- Prolonged conflict could destabilize markets
- Unexpected escalation

- Iranian/Kurdish conflict spillover
- Domestic instability

- Energy price volatility
- Prolonged engagement pressure
- Regional instability

Strategic Options & Projections

Option 1: War of attrition

War of attrition over the next 12 months with cyclical escalation in which neither side can impose decisive defeat, but both can increase systemic costs

Israel and the United States will retain their conventional military superiority. Unable to match this dominance, Iran will shift its strategy toward economic coercion and horizontal escalation via missile strikes, proxy warfare, cyber operations, and maritime disruptions. As its conventional deterrence power further erodes, maritime disruption becomes Iran's final scalable strategic lever. Even limited disruptions create global economic shockwaves, raising oil prices and placing sustained pressure on Gulf and Western economies as well as domestic political cohesion in the United States. Coordinated releases from the U.S. Strategic Petroleum Reserve and other International Energy Agency (IEA) members could temporarily dampen price spikes. However, this strategic tool will primarily function as a time-buying mechanism rather than an instrument of conflict resolution.

The ideological framing of the war will likely entrench the conflict further. Trigger events in this scenario include renewed IRGC missile campaigns, the mobilization of Kurdish groups beyond Iran, or a new offensive against Israel by Hezbollah. Over time, this trajectory will produce material and political fatigue on all sides, but without a clear mechanism for settlement. China could exert pres-

sure for de-escalation but likely find itself unable to enforce it. Proxy theatres could expand across Lebanon, Iraq, Syria and the Gulf, while maritime insecurity persists. The continued exposure of Gulf states to missile attacks and maritime disruption would intensify their frustration with Washington's escalatory strategy and management of the war. Over time, this could push GCC governments to demand stronger U.S. security guarantees or pursue deeper strategic hedging with powers such as China.

Under this trajectory, a central policy challenge becomes sustaining alliance cohesion under prolonged military and economic strain.

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Even limited disruptions create global economic shockwaves, raising oil prices and placing sustained pressure on Gulf and Western economies as well as domestic political cohesion in the United States.

Option 2: Contained war with strategic stalemate

A short phase of intense military conflict followed by a managed but high-risk deadlock over the next 6-12 months

Armed conflict will peak before external economic pressures force the primary parties to seek a degree of stabilization. Secondary actors, including Gulf states, China, and European powers, would exert political pressure for de-escalation due to the severe economic consequences they face as a result of disrupted energy flows. Limited diplomatic openings could restore partial access to the Strait of Hormuz and reduce the intensity of direct attacks between US-Israeli forces and Iran. China could become a key informal stabilizing actor in this process.

However, conflict management does not offer a decisive resolution of the war. Iran's preserved nuclear capabilities, enabled by the survival of enriched uranium stockpiles, could leave a major strategic risk unresolved. At the same time, the Iranian regime's leadership would become more militarized under IRGC dominance, which could solidify the stalemate.

Instead of a stable peace, the region will enter a longer period of managed instability, marked by intermittent missile exchanges, proxy confrontations, covert cyber and intelligence operations, and maritime incidents.

This trajectory does not restore the deterrence equilibrium sought by Israel and the U.S.; it merely freezes instability at a lower intensity. The risk under this scenario is mistaking reduced intensity for a durable resolution.



Instead of a stable peace, the region enters a prolonged period of managed instability.

Option 3: Disorderly collapse

Sustained military conflict, economic collapse, regime breakdown, militia fighting and expanded regional risks producing instability in the long term

The more significant erosion of Iran's conventional military capabilities will be combined with the fracturing of the regime's cohesion. The breakdown of the Iranian state could take place without producing a viable successor authority to take charge. The ensuing power vacuum could plunge competing actors, including IRGC factions, local militias, ethnic movements in peripheral regions, and rival exile networks into a prolonged struggle for power. Given Iran's demographic size, institutional penetration, and geopolitical weight, such fragmentation would likely produce instability across multiple theatres simultaneously.

As demonstrated in Iraq after 2003 and Libya after 2011, the rapid collapse of central authority tends to empower militias rather than grassroots democratic forces. Iran could be divided into de facto zones of authority, presenting security risks across the Persian Gulf, the Caucasus, Iraq and Central Asia.

This status quo would also sustain maritime insecurity in the Strait of Hormuz. Gulf states could seek to secure Iran's energy infrastructure in its southern provinces, while Turkey could assert itself to contain Kurdish territorial consolidation, transforming the war into a multi-actor regional intervention.

Under this trajectory, the war shifts from interstate conflict to systemic disorder, producing long-term instability across the Middle East.

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Given Iran's demographic size, institutional penetration, and geopolitical weight, fragmentation would likely produce instability across multiple theatres simultaneously.

Key Points

Military success does not equal political resolution – Even decisive U.S.-Israeli strikes and the targeting of leadership may not produce regime collapse due to Iran's decentralized, resilient security architecture.

Iran's asymmetric leverage persists – Missile, drone, proxy networks, and maritime control over the Strait of Hormuz allow Iran to impose systemic costs despite conventional military degradation.

Ideological cohesion prolongs conflict – Hard-line dominance and the IRGC's institutional strength enable sustained resistance, making compromise politically costly.

Regional spill-over is highly probable – GCC states, Kurdish actors, Hezbollah, and other proxies introduce multiple flashpoints, increasing escalation risk.

Economic disruption amplifies strategic stakes – Maritime insecurity and energy market volatility create global repercussions, influencing both secondary actors' behaviour and primary alliance cohesion.

Planning for post-conflict governance is crucial – The absence of credible political alternatives or stabilization mechanisms risk disorderly collapse, fragmentation, and long-term regional instability.

External actors shape conflict dynamics – China, Russia, and European powers influence the war's trajectory through energy diplomacy, indirect support, or economic pressure, even without direct military involvement.

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