

U.S. Conflict with Iran

Updated September 18, 2026

Congressional Research Service

<https://crsreports.congress.gov>

R48887



U.S. Conflict with Iran

U.S. and Israeli strikes on Iran beginning on February 28, 2026, sparked a wide-reaching regional conflict. Iran launched retaliatory attacks on a range of targets throughout the Middle East and attempted to assert control over the Strait of Hormuz via threatened and actual attacks on commercial shipping and naval vessels. The United States and Iran agreed to an April ceasefire and signed a June 2026 Memorandum of Understanding (MoU) to end the conflict and negotiate a broader settlement, but the MoU collapsed weeks later amid renewed fighting and formally expired in August 2026. As of September 2026, the United States and Iran are again trading limited strikes amid a redoubled U.S. sanctions campaign and efforts by regional countries to restart diplomatic engagement.

The Congressional Budget Office (CBO) estimated in September 2026 that U.S. military operations have cost \$38 billion as of August 1, 2026. A September 2026 Lead Inspector General report relayed a Pentagon assessment that U.S. forces' munitions expenditure "has resulted in strategic inventory shortfalls and revealed industrial base bottlenecks for munition resupply."

In announcing the onset of U.S. strikes in February, President Donald J. Trump said that the U.S. goal was to "eliminate imminent threats from the Iranian regime." U.S. officials articulated specific military objectives, including destroying Iran's ballistic missile arsenal and program; destroying Iran's navy; and ensuring that Iran does not acquire a nuclear weapon. President Trump also framed U.S. and Israeli military action as potentially serving to weaken the regime enough to facilitate its collapse or overthrow by a popular revolt. Iran's Islamic Republic (led by Supreme Leader Mojtaba Khamenei, whose predecessor and father Ali Khamenei was killed on February 28) has faced unprecedented leadership and material losses but remains in power despite the country's deteriorating economic situation. Mojtaba Khamenei has not made a public appearance either in person or via media recording since taking office.

As of September 2026, much of the conflict has come to center on the Strait of Hormuz, where Iranian threats and attacks on commercial shipping effectively halted traffic in the earliest days of the conflict, leading to large and potentially compounding disruptions to the global markets for oil, natural gas, and other commodities that transit the Strait. Traffic levels have since ebbed and flowed as the United States and Iran have cycled through periods of conflict and diplomacy.

The conflict raises longer-term questions about the future of U.S. policy in the Middle East, with the United States reportedly considering changes to its military force posture across the region. The conflict is already reshaping regional security dynamics, as governments reassess their defense ties (including the formation of new multilateral arrangements) and weigh the potential benefits of continued or enhanced cooperation with the United States against the potential for retaliation, economic disruption, and domestic uncertainty that may be associated with continued confrontations with Iran.

Potential developments in the conflict include the following possible scenarios, which are not necessarily mutually exclusive:

- **Prolonged Low-level Conflict.** The status quo of low-level recurring conflict could persist for as long as the United States and Iran each assess that they can bear its economic, military, and political costs longer than the other.
- **Uneasy Ceasefire.** Because of economic or other pressures, U.S. and Iranian leaders could conclude that the cost of continuing military action bears diminishing returns and decide to cease hostilities without a broader agreement.
- **Expanded Military Action.** U.S. or Iranian leaders (or other actors) could expand military operations. The nature, scope, and implications of such a scenario could vary depending on whether U.S. or Iranian leaders decide to extend or expand the volume of strikes or types of targets selected, or if the United States chose to introduce ground forces in Iran's territory. Iran's escalation options are limited but could include damaging strikes on critical infrastructure and globally important energy facilities in Arab Gulf states.
- **Negotiated Settlement.** Both sides could assess that their interests are better served by a formal agreement; given previous U.S.-Iranian diplomacy, the viability of such a settlement would likely depend on each side's perception of the agreement's terms and their implementation.
- **Fall of Iranian Government.** Military action, plus a redoubled U.S. sanctions effort and naval blockade, could create conditions more favorable to the weakening or collapse of the Islamic Republic. The fall of the Islamic Republic could lead to multiple outcomes, including a new government and/or a more chaotic situation.

R48887

September 18, 2026

Clayton Thomas,
Coordinator

Specialist in Middle
Eastern Affairs

Christopher M. Blanchard
Specialist in Middle

Eastern Affairs

Jeremy M. Sharp
Specialist in Middle
Eastern Affairs

Jim Zanotti
Specialist in Middle
Eastern Affairs

Depending on developments, Congress may assess U.S. priorities and deploy various legislative and oversight tools to support, reject, or seek to modify the Administration's approach to Iran and the region. Present and potential future issues for Congress include proposed U.S. arms sales to regional partners; supplemental appropriations; the restriction or authorization of the use of U.S. military force; oversight of possible negotiations and resulting agreements; and U.S. sanctions.

Contents

Overview	1
Major Developments Since February 2026	1
Other Theaters	5
Lebanon	5
Yemen	6
Iraq	6
U.S. Objectives.....	7
Iranian Strategy and Objectives.....	9
Selected International Perspectives	10
Outlook: Potential Scenarios	11
Issues for Congress.....	14

Contacts

Author Information.....	16
-------------------------	----

Overview

U.S. and Israeli strikes on Iran beginning on February 28, 2026, sparked a wide-reaching regional conflict, with Iran launching retaliatory attacks on a range of targets throughout the Middle East and attempting to assert control over the Strait of Hormuz via threatened and actual attacks on commercial shipping. The United States and Iran agreed to an April ceasefire and signed a June 2026 Memorandum of Understanding (MoU) to end the conflict and negotiate a broader settlement, but the MoU collapsed weeks later amid renewed fighting and formally expired in August 2026. As of September 2026, the conflict appears to have become a war of attrition. On one hand, Iran may have limited abilities to continue attacks and appears to face an increasingly perilous economic situation. On the other, the United States and its partners in the Gulf and Israel may have finite capacity to counter Iranian attacks and bear associated military, social, economic, and political costs.

Going forward, the United States may assess the costs, benefits, and risks of various options, including (1) maintaining indefinitely the status quo of intermittent U.S. military action attempting to counter and degrade Iranian capabilities; (2) concluding or suspending hostilities as part of an uneasy, informal, or temporary ceasefire; (3) escalating U.S. military action; and (4) negotiating a deal that includes an end to hostilities and potential policy concessions by Iran, the United States, or others. While the Iranian regime does not appear, as of September 2026, at risk of imminent collapse, that possibility remains; the weakening or fall of the regime could yield differing advantages and challenges for the United States and its regional partners.

Major Developments Since February 2026

President Trump directed a buildup of U.S. military forces near Iran from late December 2025 through late February 2026. On February 28, 2026, U.S. and Israeli forces began striking targets in Iran, initiating Operation Epic Fury (United States) and Operation Roaring Lion (Israel).

February-April: Active hostilities. The conflict initiated by the United States and Israel against Iran proceeded on two parallel but related tracks. On the U.S. and Israeli side, the two countries launched thousands of missiles and airstrikes against Iranian targets. U.S. targets included missile and drone sites, air defense systems, Iranian naval assets, Iran's military industrial base, and command and control centers associated with the Iranian military and the Islamic Revolutionary Guard Corps (IRGC).¹ Israeli strikes appeared to focus largely on the Iranian regime: Israel killed Supreme Leader Ali Khamenei (in office since 1989) and dozens of other senior Iranian military and political leaders, and hit a range of targets associated with the Iranian regime's military infrastructure, including those belonging to the IRGC, Basij paramilitary forces, and other security branches.²

On the Iranian side, Iran launched hundreds of missiles and thousands of drones across the region, with two apparent main lines of effort. For most of the period of active hostilities, most Iranian attacks were on sites in Israel and the Gulf Cooperation Council (GCC) states, including military bases where U.S. forces were present, U.S. diplomatic facilities, energy production facilities, and critical infrastructure. Iran also launched attacks on commercial shipping, which led to a massive decrease in shipping traffic through the Strait of Hormuz and increases in global oil

¹ U.S. CENTCOM, "Operation Epic Fury Fact Sheet," April 6, 2026.

² Emanuel Fabian, "IDF Carries Out 'Extensive' Strikes on Regime Targets; Iran Fires Missiles at Israeli Towns," *Times of Israel*, March 4, 2026; Neri Zilber and James Shotter, "Israel Expects Weeks-Long War Against Iran," *Financial Times*, March 4, 2026.

and natural gas prices.³ There have been civilian casualties reported in Iranian, U.S., and Israeli attacks.

U.S.-Iran Conflict: By the Numbers

U.S. military casualties: 18 killed, 824 wounded as of September 15, 2026⁴

Iranian casualties: 3,636 killed (as of April 7), including 1701 civilians⁵

Cost of U.S. military operations: \$33.4 billion as of June 29, including \$22.3 billion in expended munitions, \$7.4 billion in incremental costs (“expenses incurred for the contingency operation that exceed ... normal operations”), and \$3.7 billion in equipment losses; does not include infrastructure damage.⁶ See also September 15 Congressional Budget Office (CBO) estimate of \$38 billion as of August 1, 2026.⁷

U.S. State Department costs: \$113 million, including evacuation-related expenses for personnel and U.S. citizens, as well as \$184 million in damage to U.S. diplomatic facilities (mostly in Iraq, \$157 million, and Kuwait, \$15 million)

Price of barrel of Brent Crude oil (prompt-month futures): \$60.85 (January 1, 2026); \$72.48 (February 27); \$118.35 (March 31); \$94.74 (April 8); \$118.03 (April 29); \$71.57 (July 1); \$107.63 (September 10)

April: Two-week U.S.-Iran ceasefire and initial negotiations.⁸ On April 7, the United States and Iran agreed to a two-week ceasefire; no text was released, but President Trump said the ceasefire was “subject to ... Iran agreeing to the COMPLETE, IMMEDIATE, and SAFE OPENING of the Strait of Hormuz.”⁹ Some ships transited the Strait, but Iran halted traffic in response to Israeli attacks in Lebanon. Days after the ceasefire, Vice President JD Vance engaged in talks with Iranian officials in Islamabad, but the two sides did not reach a broader agreement.

April-June: U.S. blockade and ceasefire extension. After the failure of the Islamabad talks, President Trump announced the imposition of a U.S. blockade on all shipping going to or from Iranian ports starting on April 13. Despite rising tensions, the ceasefire largely held and President Trump announced its indefinite extension on April 21. On May 3, President Trump announced Project Freedom, a U.S. campaign to use “best efforts to get [other countries’] Ships and Crews safely out of the Strait” which was then “paused” on May 5, reportedly due to Saudi Arabia’s denial of the use of its territory and airspace.¹⁰ This period also saw sporadic Iranian attacks on regional states and commercial shipping and U.S. strikes on Iranian targets, as well as fitful signs of diplomatic progress facilitated by Pakistan, Qatar, and other interlocutors.

June: U.S.-Iran Memorandum of Understanding (MoU).¹¹ President Trump announced a U.S.-Iran agreement on June 14; he and Iranian President Masoud Pezeshkian signed the MoU on June 17. The MoU included:

³ CRS Report R45281, *The Strait of Hormuz: Security Developments and Impacts on Oil, Gas, and Other Commodities*, by Michael Ratner, Liana W. Rosen, and Clayton Thomas.

⁴ See “Operation Epic Fury (OEFU)” and “Overseas Operations (OO)” tabs at <https://dcas.dmdc.osd.mil/dcas/conflictCasualties>. The former lists 14 deaths and 418 wounded in action; the latter (which accounts for “casualties starting July 7, 2026”) lists 4 deaths and 406 wounded in action.

⁵ “U.S.-Israeli Military Operations in Iran,” Human Rights Activists News Agency, May 18, 2026. HRANA is a U.S.-based agency that reports on human rights abuses and other developments in Iran.

⁶ Lead Inspector General Report to the United States Congress, Operation Epic Fury, September 14, 2026.

⁷ View letter at <https://www.cbo.gov/system/files/2026-09/62756-Iran.pdf>.

⁸ CRS Insight IN12678, *U.S.-Iran Ceasefire and Negotiations: Assessment and Issues for Congress*, coordinated by Clayton Thomas.

⁹ Donald J. Trump (@realDonaldTrump), Truth Social post, April 7, 2026, 6:32 p.m., <https://truthsocial.com/@realDonaldTrump/posts/116365796713313030>.

¹⁰ Michael Crowley et al., “Trump Reversed Hormuz Plan After Saudis Denied Airspace Access,” *New York Times*, May 7, 2026.

¹¹ Text of the MoU is available at <https://foia.state.gov/FOIALIBRARY/QNI2.aspx> (July 2026).

- A mutual declaration of “the immediate and permanent termination of military operations on all fronts, including in Lebanon”;
- U.S. commitments to immediately end the U.S. naval blockade; immediately issue sanctions waivers for the “export of Iranian crude oil, petroleum products and derivatives, and all associated services”; and “make fully available for use, the frozen or restricted funds and assets of ... Iran upon the implementation of this MOU”;
- An Iranian commitment to “make arrangements using its best efforts for the safe passage of commercial vessels, with no charge for 60 days only,” through the Strait of Hormuz, and to subsequently work with Oman and other Gulf states “to define the future administration and maritime services in the Strait”;
- A U.S. commitment to “terminate all types of sanctions” against Iran, including “all unilateral U.S. sanctions, primary and secondary,” and to develop a \$300 billion regional plan “for the reconstruction and economic development” of Iran, both as part of a “Final Deal” to be negotiated within 60 days; and
- Iran’s reaffirmation that it “shall not procure or develop nuclear weapons” and a mutual agreement to discuss “Iran’s nuclear needs,” including enrichment and “the disposition of stockpiled enriched material.”

The United States ended its naval blockade on June 18 and issued General License X to authorize transactions related to Iranian crude oil and petroleum products on June 21.¹²

June-August: Return to conflict as MoU fades. After commercial tankers began using a southern route to transit the Strait close to Omani territorial waters, Iran began attacking commercial vessels. In response, the United States launched its first post-MoU strikes on Iran on June 26. Further Iranian attacks on shipping prompted the United States to rescind General License X and launch extensive U.S. airstrikes on targets in Iran on July 7; President Trump declared the MoU “over” the next day. The United States reinstated the naval blockade of Iran on July 14 as the two sides traded attacks (including an Iranian strike that killed three U.S. troops in Jordan on July 17) through July 23. President Trump on August 1 said he decided to “cancel” a planned attack on Iran because the “perimeters of a deal has been agreed to”; Iran days later denied participating in talks toward such a deal. The MoU’s 60-day timeline for a “Final Deal” ended on August 17.

August: U.S. redoubles sanctions efforts. With diplomacy evidently at a standstill and periodic attacks attributed to Iran continuing, President Trump on August 19 announced “ECONOMIC D-DAY” against Iran, which he described as “the MOST CRUSHING ECONOMIC OPERATION EVER TAKEN AGAINST ANY COUNTRY!”¹³ Days later, Secretary of the Treasury Scott Bessent announced “Operation Economic Outcast” to “sever every economic lifeline that sustains this tyrannical regime until Tehran stands alone,” promising that “Those who tether themselves to Tehran should expect to share in the isolation of a withering regime.”¹⁴ Measures announced since August 24 include the designation of dozens of additional individuals and entities for sanctions; the designation of additional economic sectors (including aviation) for potential

¹² General License X is available at <https://ofac.treasury.gov/media/936206/download?inline>.

¹³ President Donald J. Trump (@realDonaldTrump), *Truth Social*, August 19, 2026, <https://truthsocial.com/@realDonaldTrump/posts/117124650907675461>.

¹⁴ U.S. Department of the Treasury, “Treasury Launches Unprecedented Campaign Against Iranian Regime on Economic D-Day,” August 24, 2026.

sanctions; and the suspension of several general licenses that had authorized certain remittances, academic and amateur sports exchanges, and educational activities.

September: Strikes resume. In early September, the United States and Iran again exchanged attacks at levels approaching that of mid-July. In response to Iranian attacks against U.S. naval vessels, including attempted missile strikes on a U.S. aircraft carrier and Navy destroyers, the United States launched attacks on several Iranian oil tankers.¹⁵

Impacts on Iranian and U.S. Military Capabilities

Iranian forces have suffered major losses, though estimates of how U.S. military operations have degraded Iranian capabilities (in quantitative and/or qualitative terms) have varied.

- **Missiles.** According to May 2026 media reports, citing unnamed sources “familiar with” and “with knowledge of” intelligence assessments, Iran retained as much as 75% of its mobile missile launchers and 70% of “its prewar missile stockpile.”¹⁶ A September 2026 media report indicated that Iran had restarted its missile production “in underground facilities.”¹⁷
- **Drones.** One September 2026 analysis concluded that “Tehran’s decentralized drone ecosystem can regenerate more rapidly than its missile production capabilities” and that “Iran may regain drone mass within months” despite U.S. success in bringing about “the severe suppression of Iranian drone output.”¹⁸
- **Navy.** The United States has apparently destroyed most of Iran’s conventional navy, but Iran maintains Islamic Revolutionary Guard Corps Navy (IRGCN) capabilities, including smaller vessels and mine-laying ships.¹⁹

With U.S. forces to date having reported relatively few casualties in the 2026 conflict with Iran, much domestic public attention has focused on the resources expended by the U.S. military, including:

- **Munitions.**²⁰ An April 2026 think tank analysis estimated that the United States had used around a third of its prewar inventory of Tomahawk missiles, a quarter of its Joint Air-to-Surface Standoff Missiles (JASSMs), and over half of its Patriot and Terminal High Altitude Area Defense (THAAD) interceptors.²¹ President Trump wrote in September that the United States has “virtually unlimited amounts of Mid to High Grade Ammunition, far more than we could ever use for this, or for any other War.”²² The September 2026 Lead Inspector General for Operation Epic Fury (OEF) report relayed a Department of Defense assessment that “the munitions expenditure in OEF has resulted in strategic inventory shortfalls and revealed industrial base bottlenecks for munition resupply.”²³
- **Aircraft.** The United States has lost several aircraft during Operation Epic Fury, including around 25% of its fleet of MQ-9 Reaper drones, per one August 2026 media report.²⁴

¹⁵ Shelby Holliday and Costas Paris, “U.S. Strikes Iranian Oil Tankers in Response to Tehran’s Attacks on Navy Ships,” *Wall Street Journal*, September 8, 2026.

¹⁶ “U.S. Intelligence Shows Iran Retains Substantial Missile Capabilities,” *New York Times*, May 12, 2026; “U.S. Intelligence Says Iran Can Outlast Trump’s Hormuz Blockade for Months,” *Washington Post*, May 7, 2026.

¹⁷ Anat Peled et al., “Iran Is Producing Ballistic Missiles Again,” *Wall Street Journal*, September 10, 2026.

¹⁸ Can Kasapoglu, “Between Attrition and Adaptation: Assessing Iran’s Missile- and Drone Warfare Capabilities,” Hudson Institute, September 4, 2026.

¹⁹ “Iran’s Asymmetric Naval Threat Debilitated, not Annihilated,” Gulf International Forum, March 23, 2026.

²⁰ For more, see CRS Insight IN12668, *U.S. Military Operations Against Iran: Munitions and Missile Defense*, by Hannah D. Dennis and Daniel M. Gettner.

²¹ Mark Cancian and Chris Park, “Last Rounds? Status of Key Munitions at the Iran War Ceasefire,” Center for Strategic and International Studies, April 21, 2026.

²² Donald J. Trump (@realDonaldTrump), Truth Social post, September 3, 2026, <https://truthsocial.com/@realDonaldTrump/posts/117207687594983323>.

²³ Lead Inspector General Report to the United States Congress, Operation Epic Fury, September 14, 2026. Since September 5, 2025, DOD has been “using a secondary Department of War designation,” under Executive Order 14347.

²⁴ “US Military Has Lost Roughly 25% of Its Reaper Drones as Iran War Depletes Arsenal,” *Washington Post*, August 13, 2026. See CRS Insight IN12692, *U.S. Aircraft Combat Losses in Operation Epic Fury: Considerations for Congress*, by Jennifer DiMascio, Joshua Korzilius, and Daniel M. Gettner.

- **Naval logistics.** Extended deployments have reportedly strained U.S. Navy logistics, as well as living conditions for the thousands of U.S. personnel aboard Navy vessels supporting operations as part of Operation Epic Fury and successor missions.²⁵ Additionally, Iran's reported destruction of "much of" U.S. Naval Support Activity in Bahrain (NSA-Bahrain) has forced the Navy to shift its supply routes through the Indian Ocean island of Diego Garcia, over 2,000 miles to the south.²⁶

Iranian strikes have "damaged or destroyed hundreds of buildings and structures at U.S. bases" throughout the Middle East, reportedly prompting U.S. policymakers to consider changes to U.S. force posture in the region.²⁷ Specifically, the Department of Defense is reportedly evaluating plans to move some bases or base functions westward, to reduce the overall U.S. footprint in the region, and/or to seek additional contributions from host nations toward rebuilding and maintaining U.S. bases.²⁸

Other Theaters

The ongoing U.S.-Iran conflict is the latest episode in a long series of confrontations between the United States, Iran, and their partners that goes back decades, including the October 7, 2023, attack on Israel by Hamas (an Iran-backed U.S.-designated Foreign Terrorist Organization) and subsequent regional conflict involving Israel and Iran-backed groups throughout the region. Post-February 2026 U.S.-Iran conflict has had implications for those groups, which have involved themselves in the conflict in different ways.

Lebanon²⁹

On March 2, 2026, the Iran-backed group Lebanese Hezbollah began firing into northern Israel, prompting large-scale Israeli military operations in the country. Hezbollah suffered major losses in fighting with Israel between October 2023 and a November 2024 ceasefire, after which some Israeli military operations in Lebanon continued in parallel with a debate over ceasefire compliance. Citing those operations as well as Khamenei's death, Hezbollah restarted its attacks against Israel in March 2026. The United States brokered a June 2026 "Trilateral Framework" involving Israel and Lebanon, which envisioned the restoration of Lebanese government sovereignty over its territory and the progressive redeployment of Israeli forces out of Lebanon "pending the verified disarmament of non-state armed groups" starting in designated pilot zones. As of September 2026, Israeli operations in southern Lebanon (which reportedly displaced more than 1 million people, or about 20% of the country's population—with about 360,000 still displaced as of August) are ongoing.³⁰ Israeli objectives may include the creation of a buffer zone in southern Lebanon (it has occupied about 5% of Lebanon's territory since fighting resumed there in March) to reduce Hezbollah threats to Israel, and the exertion of pressure on Lebanon's government and military to marginalize Hezbollah—both politically and militarily—and disrupt

²⁵ Mackenzie Eaglen and Nicholas Carl, "The US Navy Is Officially Stretched Beyond Its Limits," *National Interest*, July 27, 2026; Alison Bath, "USS Abraham Lincoln Families Press Navy Leaders over Sailors' Mental Health," *Stars and Stripes*, August 11, 2026.

²⁶ Simon Ducroquet and John Ismay, "The Logistics Nightmare Facing U.S. Warships," *New York Times*, September 2, 2026.

²⁷ Lead Inspector General Report to the United States Congress, Operation Epic Fury, September 14, 2026.

²⁸ "How Iran Devastated an American Naval Base—And Caused a U.S. Recalculation," *Wall Street Journal*, June 25, 2026; "Pentagon Weighing Smaller U.S. Military Presence in Gulf Once Iran War Ends," *Washington Post*, August 18, 2026; "Military and Intelligence Officials Discuss Smaller Presence in the Middle East as US Looks for Another Post-9/11 Strategy," CNN, September 8, 2026.

²⁹ CRS In Focus IF11617, *Lebanon*, by Clayton Thomas and Jim Zanotti.

³⁰ "Lebanon: Over 860,000 Displaced People Have Returned Home, but Humanitarian Crisis Remains 'Immense,'" United Nations, August 18, 2026.

the group's sources of weapons and funding. The history of Israeli involvement in Lebanon over several decades suggests that any short-term gains for Israeli security could engender popular domestic resistance in Lebanon to a prolonged Israeli presence and/or any Lebanese political decisions deemed to be driven by Israeli demands.

Yemen

Yemen remains politically, economically, and militarily divided, and multi-sided confrontations between regional and global actors have helped reignite the country's internal conflicts. In July 2026, the Iran-backed Ansarallah/Houthi movement that controls northwest Yemen resumed attacks on Saudi Arabia and Saudi-linked vessels in the Red Sea after airstrikes attributed to Saudi Arabia diverted a flight carrying Houthi personnel (and reportedly Iranian personnel and weapons) to Yemen from Iran.³¹ The Houthis subsequently launched attacks on energy infrastructure in Saudi Arabia and forces affiliated with the Saudi Arabia-based, internationally recognized government of Yemen (referred to by the acronym IRG) that nominally administers non-Houthi-held areas. The violence has ended a period of cross-border calm that had prevailed since 2022 based on a UN-mediated truce.

Intensifying conflict in September 2026 saw Houthi forces seize the coastal areas of southwestern Yemen adjacent to the Bab al Mandeb strait. The Houthis' closure of the Bab al Mandeb to Saudi-linked shipping highlights the global economic importance that Red Sea energy transit has gained because of maritime disruption in the Strait of Hormuz. Until early September, Saudi oil cargoes from Yanbu, where oil transported by the kingdom's East-West pipeline terminates, were being diverted northward through the Suez Canal and through a canal-adjacent pipeline for loading on Egypt's Mediterranean coast. The combined Hormuz and Red Sea disruptions were further lengthening the distance and time for Saudi oil cargoes to reach buyers in Asia. September attacks on the kingdom's East-West oil pipeline resulted in its closure. The attacks have been attributed to Iran-backed Iraq-based groups; Houthi operatives are known to operate alongside Iran-supported groups in Iraq.³² With other Iran-backed forces in the region degraded and not in control of territory, the Houthis appear unique in their capabilities and posture. U.S. officials reportedly met in Oman for mediated talks with the Houthis, and the Houthis reportedly agreed not to attack U.S. ships or otherwise use their new influence over the Bab al Mandeb to close the waterway to shipping other than for ships linked to Saudi Arabia.³³

Iraq

Iraq has found itself in a familiar predicament, caught between warring parties and serving as both a venue for and source of attacks at what was already a sensitive domestic political moment. During the conflict, Iraq has seen strikes attributed to Iran or Iran-backed groups on bases housing U.S. and coalition personnel in the Kurdistan Region of northern Iraq, U.S. diplomatic facilities in and around Baghdad, and oil tankers in Iraqi waters, as well as U.S. and partner country strikes on locations and personnel associated with Iranian-aligned groups in Iraq, including sites associated with Iraq's state Popular Mobilization Force. Armed groups based in

³¹ Reuters, "Iran Flew IRGC Commanders, Missile Gear to Yemen's Houthis, Sources Say," Reuters, July 23, 2026.

³² Mina Aldroubi, "Houthis' Growing Presence in Iraq Linked to Attack on Saudi Arabia," *The National*, July 31, 2026; Timour Azhari, Mohammed Ghobari, "Yemen's Houthis Are Attacking Saudi Arabia from Iraq, Sources Say," Reuters, July 30, 2026; and, Sary Mumayiz, Michael Knights, and Hamdi Malik, "Update on Houthi Involvement in Iraq," Washington Institute for Near East Policy, February 26, 2025.

³³ Timour Azhari, Alexander Cornwell, Gram Slattery and Humeysra Pamuk, "US Officials Met Iran-Backed Houthis in Oman over the Weekend, Sources Say," Reuters, September 16, 2026.

Iraq also have attacked neighboring countries.³⁴ In May, Iraqis formed a partial government following Iraq's November 2025 elections, but the strains of conflict have posed immediate challenges to Prime Minister Ali Al Zaidi and his cabinet. In July, Saudi Arabia said it intercepted attempted attacks on oil facilities in the Eastern Province and Riyadh originating in Iraq. In response, joint U.S.-Saudi airstrikes targeted facilities in Iraq associated with Iran-backed militias and the Popular Mobilization Forces, an Iraqi state entity. Iraq's government protested the strikes but subsequently deployed military forces to help secure areas adjacent to Saudi Arabia. Saudi Arabia attributed September strikes on its vital East-West oil pipeline to Iraq-based groups and said it would refrain from responding directly in order to give the Iraqi government an opportunity to act against the entities responsible. Iraq dismissed a security commander and ordered an investigation.³⁵

U.S. forces have continued their drawdown from Iraq during 2026 under a bilateral agreement and Al Zaidi's government has insisted that all armed groups place themselves under state authority in conjunction with the September 30, 2026, timeline for U.S. withdrawal, but several Iran-aligned groups have refused and have revised their demands to include the expulsion of Turkish forces from Iraq and fuller assertions of Iraqi national government sovereignty over Iraq's territory, borders, and air space.³⁶ Meanwhile, fiscal pressures on Iraq have increased, as disruptions to maritime transit in the Strait of Hormuz limit Iraqi oil exports.³⁷

U.S. Objectives

When President Trump announced the onset of U.S. strikes on February 28, he cited the long history of antagonism and hostility between the United States and Iran going back to the 1979 Iranian Revolution, which overthrew the U.S.-backed Pahlavi family monarchy and replaced it with the theocratic system of today's Islamic Republic. Referencing Iran's support for terrorist groups, its missile and nuclear programs, and other long-standing issues of U.S. concern, President Trump said, "we're not going to put up with it any longer" and said that the U.S. goal was to "eliminate imminent threats from the Iranian regime."³⁸ It remains unclear whether the United States might deem key threats from the regime to have been eliminated even if the regime itself remains in place in some form.

As of September 2026, with the United States and Iran engaged in something between all-out hostilities and diplomacy, there appear to be a number of somewhat interrelated U.S. objectives.

Iran's Nuclear Program. President Trump wrote in mid-August, "The number one Goal is, and always will be, that Iran cannot have, in any way, shape, or form, a Nuclear Weapon."³⁹ Vice President Vance reiterated that priority on September 3, saying, "We have to remember why we

³⁴ Reuters, "Iran's Revolutionary Guards Set Up Covert Iraqi Cells to Attack Gulf Neighbors, Sources Say," June 19, 2026.

³⁵ Reuters, "Iraqi Military Commander Dismissed After Drone Attacks Against Saudi Arabia, Prime Minister's Office Says," September 11, 2026.

³⁶ See, for example, the Kata'ib Hezbollah statement reported on March 22; Tammuz Intel (@Tammuz_Intel), X post, March 22, 2026, https://x.com/Tammuz_Intel/status/2035868050218467399.

³⁷ Fadhel al-Nashmi, "The High Cost of Hormuz: \$37 Billion Shock Exposes Iraq's Economic Vulnerability," *Al Sharq Al Awsat*, June 22, 2026; and, Cathrin Schaer and Ismael Adnan, "Iran War Leaves Iraq Running Out of Money," *Deutsche Welle*, August 12, 2026.

³⁸ White House, "President Donald J. Trump on the United States Military Major Combat Operations in Iran," video, February 28, 2026.

³⁹ President Donald J. Trump (@realDonaldTrump), *Truth Social*, August 17, 2026, <https://truthsocial.com/@realDonaldTrump/posts/117110334410901963>

are doing this. Number one, it's so that Iran never has a nuclear weapon."⁴⁰ He elaborated that while the United States had "destroyed [Iran's] nuclear enrichment capacity" in June 2025's Operation Midnight Hammer (in the context of the Israel-Iran 12 Day War), U.S. efforts are now focused on "denying them the economic resources to rebuild their nuclear program if they tried to do so." Iran's nuclear facilities do not appear to have been a primary target of U.S. military strikes in 2026: an April 6 CENTCOM list of 13 target categories did not include Iran's nuclear facilities. The International Atomic Energy Agency (IAEA) has not been able to conduct safeguards on Iranian nuclear facilities struck during the 12 Day War.

Beyond its nuclear program, Trump Administration officials said that initial U.S. operations were aimed at eliminating Iranian military capabilities, specifically Iran's ballistic missile program and its navy.⁴¹ For more on those capabilities, see textbox above.

Strait of Hormuz. Perhaps the most prominent short term U.S. objective is denying Iran's ability to enforce its asserted claim of control over the Strait of Hormuz; Iran's attacks in the Strait have caused large and potentially compounding disruptions to the global markets for oil, natural gas, and other commodities that transit the Strait. As part of its blockade, the United States has for months continuously deployed around 20 Navy vessels which have turned away hundreds of commercial ships and "disabled" around 10; the United States has also sought to provide protection to commercial vessels. Continued Iranian attacks as of September 2026 indicate that Iran retains some asymmetrical warfare capabilities; President Trump wrote on March 14 "it's easy for [Iran] to send a drone or two, drop a mine, or deliver a close range missile somewhere along, or in, this Waterway, no matter how badly defeated they are."⁴² While President Trump initially discounted the importance of the Strait to U.S. interests, he subsequently mused about the possibility that the United States might levy its own toll for passage through the Strait, as he wrote on June 20, "for services rendered [by the United States] as the Guardian Angel to the countries of the Middle East for purposes of both past, present, and future reimbursement of costs."⁴³ In July 2026, he predicted that rather than pay a fee, Gulf countries would make "MASSIVE" investments in the United States.⁴⁴

Negotiations. Beyond the various policy issues noted above, Administration officials have sent mixed messages regarding whether the United States is pursuing a negotiated agreement in the aftermath of the June 2026 MoU, including with respect to the goal of U.S. sanctions actions. Treasury Secretary Scott Bessent said on August 31 that "Operation Economic Outcast is going to make them want to make a deal" and that "the goal here is to create the conditions that they will want to come to the table"; President Trump wrote the next day, "I'm not trying to force Iran to the bargaining table" and that he "couldn't care less if they [the Iranians] sign a worthless, to them, agreement."⁴⁵

Regime Change? President Trump has at times posited the objective of regime change, including by weakening the Islamic Republic so much so that the Iranian people are able to "take over your

⁴⁰ CQ Newsmaker Transcripts, "White House Holds Regular News Briefing," September 3, 2026.

⁴¹ White House, "Operation Epic Fury: Decisive American Power to Crush Iran's Terror Regime," March 12, 2026.

⁴² President Donald J. Trump (@realDonaldTrump), *Truth Social*, March 14, 2026, <https://truthsocial.com/@realDonaldTrump/posts/116227904143399817>.

⁴³ Donald J. Trump (@realDonaldTrump), *Truth Social*, June 20, 2026, <https://truthsocial.com/@realDonaldTrump/posts/116784032456610294>.

⁴⁴ Donald J. Trump (@realDonaldTrump), *Truth Social*, July 14, 2026., <https://truthsocial.com/@realDonaldTrump/posts/116918941071241802>.

⁴⁵ "Transcript: U.S. Treasury Secretary Scott Bessent Speaks with CNBC's Sara Eisen on 'Squawk on the Street' Today," CNBC, August 31, 2026; Donald J. Trump (@realDonaldTrump), *Truth Social*, September 1, 2026, <https://truthsocial.com/@realDonaldTrump/posts/117198788283772326>.

government,” as he said on February 28. Early in the conflict, Israeli Prime Minister Benjamin Netanyahu repeatedly called on the Iranian people to rise up and topple the Islamic Republic.⁴⁶ While that specific goal appears to have diminished in U.S. and Israeli messaging, President Trump in September asked on social media, “When are the Iranian people going to rise up and fight?”⁴⁷ Meanwhile, President Trump has continued to speak of a future where the Islamic Republic “will no longer exist!” and of a U.S. attack “waiting in the wings and, when it is over, there will be very little left of the Islamic Republic of Iran!” as he posted in June and September, respectively.⁴⁸

Iranian Strategy and Objectives

The Iranian regime likely sees this conflict as an existential threat that it has, for the time being, successfully overcome. Despite the considerable damage inflicted on its overall power projection capabilities by the United States and Israel, the Islamic Republic’s internal security appears unchallenged by organized threats and Iran retains some ability to impose external costs. Because Iran’s ability to directly threaten U.S. and Israeli targets is relatively constrained, Iranian leaders have apparently decided to attempt to put pressure on the United States via attacks on longtime U.S. partners in the Gulf and via the global economic disruptions caused by those attacks and threats to maritime transit in the Strait of Hormuz. Iranian missile and drone attacks have caused Gulf energy producers to halt some oil and gas production and exports. Iran’s continued ability to launch small, low-cost drones and to threaten Gulf shipping via mines and/or small seacraft may have a greater impact on energy resources, and be harder for U.S. forces to eliminate, than Iranian capabilities the United States has already degraded, such as Iran’s naval surface fleet. The possibility of coherent and serious attacks on major Gulf water and energy infrastructure may persist.

Iran remains in a period of transition, with Mojtaba Khamenei selected on March 8 to succeed his father as Supreme Leader. Mojtaba Khamenei was reportedly severely injured in the strike that killed his father, has not made a public appearance either in person or via media recording since taking office (including during his father’s July 2026 funeral), and reportedly remains in hiding, communicating via hand-written orders delivered by couriers.⁴⁹ The regime could assess that an end to conflict would give it necessary space to begin reconstruction and solidify itself at home; alternatively, it could conclude that a continued war of national defense or some form of continued low-level conflict would buttress its domestic standing.

Experts debate the extent to which apparent rhetorical divides among leaders within Iran’s opaque decisionmaking apparatus reflect deep-seated policy differences or could even be signs of regime weakness, particularly in light of Mojtaba Khamenei’s continued public absence.⁵⁰ Some Iranian leaders, such as President Pezeshkian and Speaker of Parliament Mohammed Baqer Qalibaf, still embrace negotiations; Pezeshkian in August reportedly said that “You cannot fight forever” and

⁴⁶ Anat Peled, “Netanyahu Urges Iranians to Rise Up,” *Wall Street Journal*, February 28, 2026.

⁴⁷ Donald J. Trump (@realDonaldTrump), *Truth Social*, September 1, 2026.

⁴⁸ Donald J. Trump (@realDonaldTrump), *Truth Social*, June 27, 2026, <https://truthsocial.com/@realDonaldTrump/posts/116824603632739697>, and September 1, 2026, <https://truthsocial.com/@realDonaldTrump/posts/117197478170575070>.

⁴⁹ Farnaz Fassihi, “A New Era and New Leadership: The Generals Who Are Running Iran,” *New York Times*, April 23, 2026.

⁵⁰ Nahal Toosi, “The Iranian Regime’s Dynamics Are Fooling Trump,” *Politico*, September 2, 2026.

that it would “be better that we bring the war to an end now as we are in a position of power.”⁵¹ Others, generally regarded as more hardline, criticized the June 2026 MoU, oppose compromising on Iran’s enrichment program or its asserted control over the Strait, and advocate for escalating confrontations with the United States.⁵² Iran’s state news agency in September 2026 described a “new doctrine” by which Iranian forces, if they detect signs of “imminent threat or attack,” will preemptively “raise the cost of that threat before it escalates into a full-scale attack.”⁵³

Selected International Perspectives

The conflict has focused some attention on the potential involvement of **Russia** and **China**. In some ways, Iran’s relations with these U.S. rivals have advanced in recent years, underpinned by Iran’s provision of drones to Russia for use in Ukraine and increased Iranian oil exports to China. Both countries have provided some support to Iran in 2026.

- According to media and think tank accounts, Russia has delivered a wide range of military materiel to Iran in the context of the 2026 conflict, including explosives, drone components, and ammunition via the Caspian Sea.⁵⁴ Perhaps more significantly, Russia has reportedly provided Iranian forces with target intelligence and advice on drone tactics; has proposed further drone transfers and training to Iran; and has continued to help Iran develop its own “advanced supersonic cruise missiles.”⁵⁵ President Trump has rejected this premise and wrote in July that Russian President Vladimir Putin “told me that he would not sell Weapons to Iran”; President Trump also wrote of Russia and China (more below) more generally, saying that they are “in my opinion, not participating” in the conflict.⁵⁶ Ukraine has offered its expertise in counter-drone defense to the GCC states and has signed unspecified long term security cooperation agreements with Saudi Arabia, Qatar, and the United Arab Emirates.
- **The People’s Republic of China (PRC)** reportedly continued to receive oil from Iran in the early days of the conflict before the United States imposed a naval blockade. President Trump said that potential U.S. action to reestablish free movement of energy through the Strait of Hormuz would be a “gift from the

⁵¹ “Pezeshkian Calls US ‘Untrustworthy’ but Says Now Is Best Time to Reach a Deal,” *Iran International*, August 8, 2026; “Iran President Says Time to End War While in Position of Strength,” *France 24*, August 21, 2026. In August 2026, Supreme National Security Council head Mohammad Baqer Zolqadr (who held office for just five months, having replaced Ali Larijani, killed in an Israeli strike in March 2026) was replaced by former IRGC Commander Mohsen Rezaei, a possible indication of Qalibaf’s waning influence. Ali Hashem, “Inside Story: An Old New Man in Iran’s War Room,” *Amwaj.media*, August 10, 2026.

⁵² Maryam Sinaiee, “Iran’s New War Strategy Seeks to Turn Blockade into Broader Economic Confrontation,” *Iran International*, September 8, 2026; Ata Mohamed Tabriz, “How Will the War End? Iran’s Political Elite Debate the Country’s Options,” *IranWire*, September 9, 2026.

⁵³ “Iran on Path of Active Deterrence: A New Defense Doctrine with New Tools,” IRNA, September 8, 2026.

⁵⁴ “Long Overlooked, Caspian Sea Provides Strategic Trade Route for Iran,” *New York Times*, May 9, 2026; Julia Joja, “Russia’s Wartime Support for Iran,” Middle East Institute, June 3, 2026; Dan De Luce, “Russia Is Shipping Explosives to Iran to Bolster Its Missile and Drone Arsenal in U.S. War,” NBC News, August 17, 2026.

⁵⁵ “Russia Is Helping Iran with Intel to Target and Kill Americans, Says Top EU Diplomat,” CBS News, March 26, 2026; “Secret Document Reveals Russia’s Plan to Aid Iran,” *Economist*, May 7, 2026; “Russia Secretly Helping Iran Develop Supersonic Cruise Missiles,” *Financial Times*, September 1, 2026.

⁵⁶ Donald J. Trump (@realDonaldTrump), *Truth Social*, <https://truthsocial.com/@realDonaldTrump/posts/116975606621428184>.

United States of America to China.”⁵⁷ PRC companies have reportedly provided some material support to Iran, including “satellite imagery that enables Iran’s military strikes against U.S. forces” (for which four entities were sanctioned in May 2026) and shipments of missile propellant precursor which arrived in April 2026.⁵⁸ President Trump wrote in June 2026, “President Xi ... told me that he would not, under any circumstances, give or sell Weapons” to Iran, including from “Chinese Companies,” and “I take him at his word.”⁵⁹

The role of **Israel** in the conflict has evolved considerably: Israeli and U.S. forces coordinated closely during active hostilities starting February 28, 2026, and Israel was actively targeted by Iranian forces (though likely not as much as Gulf states like Bahrain, Kuwait, and the UAE); and 20 Israeli civilians reportedly died in Iranian attacks before the April 7 ceasefire. After the first week of the war, Israel appeared to update its messaging on regime change in Iran, perhaps preparing for the possibility that an Iranian domestic uprising—if one occurs—could take place over a longer timeframe or at some point after U.S.-Israel military operations cease.⁶⁰ Israel and Iran again exchanged attacks on June 7-8, as Iran launched missiles against Israel in retaliation for Israeli attacks in Lebanon, but that appears to be the last direct exchange of fire between the two countries as of September 2026, even as U.S.-Iran confrontations have continued. Israel’s focus has shifted to Lebanon, where, as noted above, it has occupied around 5% of Lebanon’s territory as part of its campaign against Hezbollah.

Outlook: Potential Scenarios

The following section explores some, but not all, of the scenarios that may arise based on potential developments. These scenarios are not mutually exclusive.

Prolonged Low-Level Conflict. As of September, intermittent U.S. and Iranian attacks that do not rise to the level of all-out hostilities have arguably persisted since April and could continue for as long as the United States and Iran each assess that they can bear the economic, military, and political costs of the fighting longer than the other.

The United States appears to be calculating that its escalated sanctions campaign and naval blockade, along with continued military action, could force the Iranian government to relent, either by choice or because it is too weakened to continue attacks. Iran’s economic situation does appear to have deteriorated significantly during the conflict: year-on-year inflation hit 84% in August and the value of Iran’s currency, the rial, hit a record low of 2.25 million to the dollar in September 2026.⁶¹ One analyst has asserted that these developments are the result of the Iranian government’s decision to pursue “demand destruction ... as a form of rationing,” a choice to “use monetary tightening and austerity measures to suppress import demand,” thereby “pushing the

⁵⁷ President Donald J. Trump (@realDonaldTrump), Truth Social, March 9, 2026, <https://truthsocial.com/@realDonaldTrump/posts/116202054617775180>.

⁵⁸ “Disrupting Iran’s Overseas Military Procurement Networks,” State Department, May 8, 2026; Sophia Yan, “China Fueling Iran’s Ballistic Missiles,” *Telegraph*, April 3, 2026; “Enabling Iran: A Timeline of China’s Role During and After Operation Epic Fury,” U.S.-China Economic and Security Review Commission, September 1, 2026.

⁵⁹ Donald J. Trump (@realDonaldTrump), Truth Social, June 24, <https://truthsocial.com/@realDonaldTrump/posts/116975606621428184>.

⁶⁰ Mark Mazzetti et al., “Israel Planned to Ignite Mass Uprising in Iran, but It Failed to Emerge,” *New York Times*, March 23, 2026; Nava Freiberg, “Israeli Ministers, Security Officials Reportedly Say Iranian Regime Collapse Could Take a Year, Amid ‘Fog’ over War’s Length,” *Times of Israel*, March 10, 2026.

⁶¹ The rial’s decline to 1.4 million to the dollar in December 2025, then a record, was seen as contributing to nationwide unrest that broke out that month and lasted until a violent government crackdown in January.

pain of the sanctions away from the government and onto households and firms.”⁶² On the other hand, one former U.S. official has argued that the current conflict level is “relatively affordable” for the United States, is “more palatable ... than any of the alternative options” like withdrawing from the Gulf or escalating military action, and that “Tehran’s position is likely to weaken faster than Washington’s.”⁶³ That former official acknowledges the risk that Iran itself might seek to escalate in an attempt to break out of the current pattern and deter the United States from pursuing what has been described as a “mow the lawn” approach of periodic attacks.⁶⁴

Uneasy Ceasefire. Because of economic or other pressures, as well as the considerable damage already inflicted on Iran and throughout the region, U.S. and Iranian leaders could again conclude that the cost of continuing military action bears diminishing returns and decide to cease or suspend active hostilities without broader agreement, as they did temporarily in April 2026.

Under such a scenario, for the United States, Iranian capabilities might be sufficiently degraded that they are deemed no longer an imminent threat to U.S. forces or partners; for Iran, the demonstration of its abilities to endure and to disrupt the global economy may be deemed more valuable than continued or expanded attacks, especially if those attacks were to further alienate or antagonize Iran’s Gulf neighbors and global energy consumers.

In an uneasy or temporary ceasefire scenario, U.S. partners may weigh the potential benefits of continued or enhanced cooperation with the United States (including to contain and combat Iran) against the potential of retaliation, economic disruption, and domestic uncertainty that may be associated with possible future U.S.-Israel confrontations with Iran.⁶⁵ An uneasy or temporary ceasefire could motivate GCC states to deepen their mutual ties and their ties to the United States or others. On the other hand, the August 2026 Mecca Joint Defense Agreement between Saudi Arabia, Turkey, and Pakistan could be interpreted as “an attempt by three regional powers to prevent the reemergence of a security vacuum in the Gulf” amid a “collapsing U.S.-led security order,” though one analyst cautions that the parties may struggle to “develop and sustain a credible deterrent posture without direct U.S. involvement.”⁶⁶ As of early September, the agreement had not been publicly invoked in the context of renewed conflict between Saudi Arabia and the Houthis in Yemen.

Expanded Military Action. U.S. leaders could seek to expand military operations against Iran. The nature and implications of such a scenario could vary depending on whether U.S. or other forces decided to extend or expand the volume of strikes or types of targets selected, or whether the United States introduced ground forces or attempted to displace and occupy some portions of Iran’s territory. Potential targets for expanded military operations may include Iran’s stockpile of highly enriched uranium (HEU), Kharg Island (through which 90% of Iran’s oil exports have transited), and Iranian coastal areas along the Strait of Hormuz.⁶⁷

Expanded military operations could trigger new Iranian responses, given that Iranian leaders have acted on promises to follow the United States and Israel up the so-called “escalation ladder,”

⁶² Esfandiyar Batmanghelidj, “Why America Can’t Strangle Iran,” *Foreign Affairs*, September 8, 2026.

⁶³ James F. Jeffrey, “The case for a Stalemate with Iran,” *Foreign Affairs*, September 3, 2026.

⁶⁴ Barak Ravid, “Trump Weighing Limited Strikes Against Iran to Curb Hormuz Attacks,” *Axios*, August 31, 2026.

⁶⁵ For more, see CRS Report R48971, *The Arab Gulf States, the Iran Conflict, and U.S. Relations: In Brief*, by Christopher M. Blanchard and Jeremy M. Sharp.

⁶⁶ Azeema Cheema and Mohanad Hage Ali, “The Mecca Agreement Unpacked,” Carnegie Middle East Center, August 13, 2026; Doga Eralp, “The Mecca Pact’s credibility gap,” *War on the Rocks*, September 9, 2026.

⁶⁷ Emily Clark, “Kharg Island Could Be Iran’s Weak Spot as Washington Reportedly Considers Ground Invasion Options,” ABC News, March 11, 2026; Michael Gordon and Laurence Norman, “If Seizing Iran’s Nuclear Material Is the Endgame, Here’s What It Would Take,” *Wall Street Journal*, March 15, 2026.

matching attacks on Iran with Iranian attacks on what they regard as analogous targets abroad. Iranian forces may be more able (and motivated) than they have been to date to successfully strike closer targets, such as U.S. ground forces within Iran or U.S. vessels immediately off Iran's coast. Iran-backed groups in Lebanon, Iraq, and Yemen also could respond differently or more forcefully to expanded military operations against the Islamic Republic. Gulf states could decide to encourage or support extended or more aggressive U.S. operations but presumably would weigh potential retaliation costs before doing so.

Expanded military action intended to force or facilitate the removal of Iran's regime could entail costs that impose tradeoffs relative to potential U.S. security needs in other global contingencies and increase perceived risk among some U.S. strategic planners of coordinated or opportunistic conflicts in other theaters. The enduring military defeat or removal of the Islamic Republic as a longtime U.S. adversary similarly could allow the United States and its partners greater freedom of action in the Middle East and beyond.

Negotiated Settlement. U.S. and Iranian leaders had previously supported efforts to reach a negotiated settlement on issues of long-standing U.S.-Iran dispute, engaging in negotiations in spring 2025 and early 2026; in both cases, diplomatic efforts were ended by U.S. and/or Israeli military action against Iran. It is possible that both sides could assess at a certain point that their interests are better served by a formal agreement, rather than by continued military action, as may have been reflected by the June 2026 MoU. However, the evident failure of that agreement points to some of the challenges for potential future diplomatic efforts.

If the Iranian government concluded that it was unable to sustain itself under continued or expanded military pressure, then Iranian leaders could be prepared to make concessions, including with respect to nuclear, missile, and regional activities. The prospect of additional or more coordinated pressure from other parties, either economic or military, might also motivate a more conciliatory Iranian approach to some issues. At the same time, the United States might also be prepared to negotiate some of its stated goals with respect to Iran and its military capabilities in order to secure the free flow of energy resources through the Strait of Hormuz or achieve other goals. Under such conditions, Iran could seek sanctions relief and/or restitution for damages caused to Iranian infrastructure during the conflict.

The sustainability of such an accord is likely to be shaped by multiple factors. Perhaps most important is the degree to which the two sides have a shared understanding of their own, and the other side's, commitments and responsibilities. The June 2026 MoU appeared to have failed, in part, because Iran interpreted that Article 5 ("Iran will conduct dialogue with the Sultanate of Oman, to define the future administration and maritime services in the Strait of Hormuz") as having given it the right to control traffic through the Strait, a position at odds with the policy preferences of the United States (and its Gulf partners). A future accord's viability may also be shaped by the extent to which it includes or considers the interests of other countries in the region, especially the Arab Gulf states, Israel, and Turkey.

Fall of Iranian Government. U.S. military action, including the killing of senior Iranian leaders and the destruction of some infrastructure associated with the regime's domestic security apparatus, or further economic pressure on Iran could create conditions more favorable to the collapse of the Islamic Republic. The fall of the Islamic Republic could lead to multiple outcomes, including a new government, which may or may not be more favorably disposed to the United States than the Islamic Republic.

The rise of a new government in Iran could yield strategic benefits for the United States and its partners: the removal of a decades-long adversary could free up U.S. and partner resources for

use elsewhere that have been long dedicated to countering the Islamic Republic. The nature and posture of a post-Islamic Republic Iran would largely determine the extent of such benefits.

The fall of the current government could result in broader dysfunction, to include the collapse of central authority in Iran. Under such a scenario, whether or not the Islamic Republic continues its nominal rule, neither it nor another entity would be capable in the short term of extending its writ across the country. IRGC remnants, regime opponents, ethnic minority-oriented groups, and other powerbrokers could all struggle for control, perhaps with the involvement of outside powers or other entities. An Iran deprived of the ability to project power throughout the region could satisfy Israeli goals and result in Israel—which has faced political and economic challenges from mobilizing military reserve forces for multiple combat areas since the Hamas-led attacks of October 7, 2023—considerably reducing the level of personnel and resources it has committed to forward positions near its borders. However, such a scenario could pose potential risks for the United States, Israel, and some regional partners such as the GCC states, Iraq, Turkey, and Pakistan, including mass displacement and migration flows, the proliferation of weapons and nuclear material, and extremism in ungoverned spaces.

To date, there does not appear to be organized, broad-based political and/or armed opposition inside Iran presenting an identifiably clear threat to the regime. The apparent dissatisfaction many Iranians have with the regime and economic suffering have not resulted in widespread anti-regime protests during the current conflict, and regime forces appear to retain the will and ability to deter and confront domestic opponents. However, if U.S. and Israeli military action limits the ability of regime members to mount an organized repression campaign, then groups opposed to the Islamic Republic may be more likely to pursue opportunities to challenge its authority. Under such circumstances, underlying social and political conditions in Iran and the experiences of other regional countries in recent years suggest that questions of leadership, organization, and political competition would shape the prospects of any movement to displace the regime. Contenders for power may arise from within the country or from components of the Iranian diaspora. Civil conflict could result from resistance to the regime or because of opposition rivalries. Covert or public U.S. support, whether rhetorical and/or material, to certain regime-opposed Iranians could empower them vis-à-vis the regime or could discredit them in the eyes of other Iranians.

Issues for Congress

Depending on the course of the conflict, including the scenarios outlined above, Congress may assess U.S. national security priorities and deploy various legislative and oversight tools to support, reject, or seek to modify the Administration’s approach to Iran and the region.

Arms Sales. Since February 28, 2026, the Trump Administration has notified Congress of its intent to sell more than \$64 billion in arms to Israel, Kuwait, Jordan, Qatar, the United Arab Emirates, Saudi Arabia, and Oman; \$25.3 billion have been in emergency arms sales that bypass the standard congressional review process. The Senate in April 2026 voted to reject a measure (S.J.Res. 138) that would have blocked one of the emergency arms sales to Israel (the Senate also rejected a measure that month, S.J.Res. 32, that would have blocked an earlier proposed arms sale to Israel notified in March 2025). Going forward, Congress could consider whether to authorize, prohibit, or condition additional arms sales to replenish or expand Gulf state, Israeli, or other partner capabilities (including interceptors and other air defense components) against a depleted but still threatening Iranian government. Proposed arms sales could also focus attention on the broader issue of industrial base capacity.

Appropriations. The White House in June 2026 submitted to Congress a request for supplemental FY2026 funding to address “operational costs” related to Operation Epic Fury,

including \$21 billion for “Munitions” and \$17.3 billion for “Operational Costs.”⁶⁸ The House in July 2026 passed a budget resolution via reconciliation that included the funds identified in the supplemental request. Work on FY2027 appropriations presents Congress with additional opportunities to shape U.S. action toward Iran: Congress could enable, condition, or prohibit the use of funds for various purposes, or could appropriate additional funds to cover the cost of ongoing operations and/or in anticipation of future operations.

Authorization for Use of Military Force. Congress has considered, via the War Powers Resolution (P.L. 93-148) or other legislative vehicles, whether or not to authorize, prohibit, or condition the greater application of U.S. military force. The House has voted six times on concurrent resolutions directing the removal of U.S. Armed Forces from hostilities with Iran, of which three were approved (H.Con.Res. 86, H.Con.Res. 89, and H.Con.Res. 93 on June 3, July 23, and September 15, respectively); the Senate has voted on 11 joint resolutions, of which one was approved (S.J.Res. 185, on May 19). The Senate also agreed to H.Con.Res. 86 on June 23.

Civilian casualties. On February 28, a U.S. Tomahawk missile reportedly hit a school in Minab, Iran, and killed over 150 people, mostly children. In March 2026, 46 U.S. Senators and 120 Representatives wrote to the Pentagon requesting answers about the bombing, rules of engagement, possible use of artificial intelligence, and other information about civilian harm mitigation measures.⁶⁹ A preliminary U.S. military investigation reportedly determined that the United States was responsible and had used outdated targeting information.⁷⁰ Some Senators wrote again on July 13, requesting the prompt finalization of the investigation.⁷¹

Oversight of negotiations and agreements. Implementation of the June 2026 U.S.-Iran MoU was halting, disputed, and ultimately abandoned, but some actors on both sides have expressed openness to diplomacy or even seeking to reimplement the MoU. A U.S. agreement related to Iran’s nuclear program would trigger congressional review requirements under the 2015 Iran Nuclear Agreement Review Act (INARA, P.L. 114-7). The MoU did, and any future agreement could, include U.S. commitments with respect to sanctions on Iran; Congress could act to support, negate, or otherwise counter an accord with Iran by lifting or imposing new sanctions, or by acting with respect to Administration moves to do so.⁷²

Sanctions. Sanctions have been a central component of congressional action toward Iran, including during the current conflict. In March, the House passed H.R. 1422, which would expand sanctions authorities related to Iranian petroleum or petrochemical products, and in May passed H.R. 1800, which would eliminate the sunset clause in the Iran Sanctions Act of 1996 (P.L. 104-172), which currently expires in 2026. Section 201 of the Lindsey O. Graham Sanctioning Russia and Iran Act of 2026 (H.R. 5334, passed by the Senate in August 2026 and House in September 2026) would extend the sunset through 2031.

⁶⁸ CRS Insight IN12700, *FY2026 Supplemental Budget Request: Department of Defense-Military Programs*, by Cameron M. Keys.

⁶⁹ Letter from Senator Chris Van Hollen et al. to Pete Hegseth, Secretary of Defense, March 11, 2026, https://www.vanhollen.senate.gov/imo/media/doc/letter_to_hegseth_on_minab_bombing_civcas_iran.pdf; Letter from Representative Jason Crow et al. to Pete Hegseth, Secretary of Defense, March 13, 2026, <https://crow.house.gov/media/press-releases/crow-120-members-demand-answers-on-school-strike-in-iran>.

⁷⁰ Julian Barnes et al., “U.S. at Fault in Strike on School in Iran, Preliminary Inquiry Says,” *New York Times*, March 11, 2026.

⁷¹ See letter at <https://www.rosen.senate.gov/wp-content/uploads/2026/07/Sen-Gillibrand-Letter-re-Minab-7.13.26.pdf>.

⁷² For more, see CRS Report R43311, *Iran: U.S. Economic Sanctions and the Authority to Lift Restrictions*, by Liana W. Rosen and Clayton Thomas.

Basing, Posture, Burden Sharing, and Global Priorities. Congress may reflect on the vulnerability of U.S. and partner military facilities and other critical infrastructure demonstrated in the conflict with Iran and consider options for hardening, adapting, or reconsidering current and planned approaches. Similarly, Congress may examine the strategic, economic, and diplomatic implications of enduring disruptions to critical maritime chokepoints and related maritime commerce and debate measures and means to provide for greater U.S. and partner cooperation in ensuring maritime security. Lastly, Congress may assess what lessons the conflict with Iran presents for U.S. military investment and presence in the Middle East region in light of other global strategic priorities and possible military contingencies.

Author Information

Clayton Thomas, Coordinator
Specialist in Middle Eastern Affairs

Jeremy M. Sharp
Specialist in Middle Eastern Affairs

Christopher M. Blanchard
Specialist in Middle Eastern Affairs

Jim Zanotti
Specialist in Middle Eastern Affairs

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.