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Lebanon: Background and U.S. Relations

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SUMMARY

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Lebanon: Background and U.S. Relations

Lebanon, the second-smallest country in the Middle East by size, has at times attracted U.S. and international attention as an arena for regional competition and conflict involving Israel and Iran. Lebanon's diverse and complex religious demographics have fueled domestic political contention and foreign military interventions. The Iran-backed Shia Islamist group Hezbollah, a powerful Lebanese militia and political party and U.S.-designated foreign terrorist organization, has for decades been one of the most prominent concerns of U.S. policy.

Clashes between Israel and Hezbollah since 2023 have impacted Lebanon's society and its U.S.-supported government. That government took office in 2025 after Hezbollah suffered losses in armed clashes with Israel. U.S. officials have hailed some of the Lebanese government's actions while pressing it to move more quickly and decisively to disarm Hezbollah. Hezbollah evidently retains some military capabilities and popular support, and it has refused to disarm as demanded by the Lebanese government.

In June 2026, Lebanon and Israel signed a U.S.-brokered Trilateral Framework in which they agreed to restore Lebanese government sovereignty "pending the verified disarmament of non-state armed groups … enabling the Israel Defense Forces (IDF) to progressively redeploy out of the Lebanese territory" beginning in designated pilot zones. As of late October 2026, the process appears to be at something of a standstill: implementation of the Framework has not expanded beyond the initial pilot zones, and an eighth round of Lebanon-Israel talks in October 2026 ended inconclusively.

Hezbollah's refusal to disarm and its characterization of its weapons as necessary to defend Lebanon's interests against Israel raise the prospect of further civil conflict and foreign intervention in Lebanon. Lebanon's history has been marred by conflict, as it has struggled to define its national identity since its separation from Greater Syria and establishment as a French-controlled territory after the First World War. At that time, Lebanon's population included Christian and Muslim communities of roughly comparable size with competing visions for the country. Seeking to avoid sectarian conflict, Lebanese leaders created a confessional system that allocated power among the country's religious sects according to their percentages of the population. Since then, Lebanon's demographics and political dynamics have shifted, exacerbating tensions among groups. Sectarian divisions have sometimes stoked violence, such as during the 1975-1990 civil war, as well as periods of stalemate regarding government formation and action. Lebanon's divisive political dynamics have intensified with Iranian backing for Hezbollah and multiple Israeli military interventions.

Congress has, at times, helped to shape U.S. policy toward Lebanon, including through the authorization of sanctions and the appropriation of various forms of assistance. For two decades, the United States has sought to bolster the Lebanese Armed Forces (LAF), providing more than $3 billion in military assistance since 2006 with the aim of creating a national force strong enough to counter nonstate actors such as Hezbollah and to secure the country's borders. The United States has sanctioned Hezbollah and its supporters, as well as other Lebanese actors (including several former Lebanese officials) engaged in activities deemed inimical to U.S. interests such as corruption and drug trafficking. Beyond sanctions and security assistance, the United States has also provided development and humanitarian assistance. Since 2019, Lebanon has undergone the worst economic crisis in its history, with a severe contraction in gross domestic product (GDP) and subsequent rise in poverty rates. Political paralysis after 2022 and recurrent conflict since 2023 have impaired economic recovery. The country's post-2025 government has undertaken some financial reforms in efforts to secure international assistance, but progress on other International Monetary Fund–sought measures has been uneven.

While U.S. officials have hailed direct Israel-Lebanon engagement, fundamental problems persist related to the sequencing and means of possibly disarming Hezbollah, which is weakened but apparently still formidable. Lebanese actors across the political spectrum, including some vociferously opposed to Hezbollah and supportive of its disarmament, have called for Israeli forces to cease operations and withdraw from the country. Those Lebanese actors charge that Israeli operations undermine the Lebanese government and bolster Hezbollah's resistance narrative. Lebanese policymakers, however, appear to have less clarity on the specific actions, if any, the Lebanese government would take to disarm Hezbollah if Israeli forces were to withdraw, particularly given apparently widespread determination to avoid the civil strife that could be triggered by militarily confronting Hezbollah.

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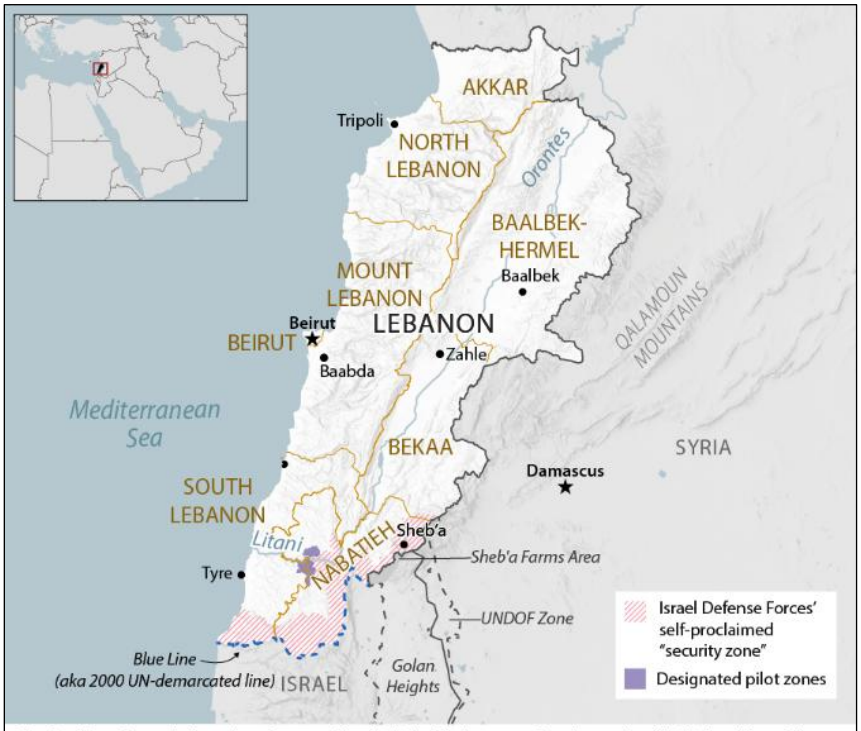
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Overview

Lebanon, the second-smallest country in the Middle East by size, has at times attracted U.S. and international attention as an arena for regional competition and conflict involving Israel and Iran. Lebanon is among the most religiously diverse countries in the Middle East, and its complex religious demographics have fueled domestic political contention and foreign military intervention (including by the United States during the 1975-1990 Lebanese Civil War).

Figure 1. Lebanon at-a-Glance



The Blue Line refers to the boundary demarcated by the United Nations to confirm the 2000 Israeli withdrawal from Lebanon; the Blue Line largely, but not entirely, conforms with the boundary established in 1923 (between France and Great Britain) and reaffirmed in the March 1949 Israeli-Lebanese General Armistice Agreement. The United States recognized the Golan Heights as part of Israel in 2019. UN Security Council Resolution 497, adopted on December 17, 1981, held that the area of the Golan Heights controlled by Israel's military is occupied territory belonging to Syria.

Map created from CRS using data from the U.S. Department of State, Database of Global Administrative Areas (GADM), ESRI, the Israel Defense Forces, and the Institute for the Study of War and American Enterprise Institute's Critical Threats Project. Names, boundary representation, and other areas denoted are approximate depictions and not necessarily authoritative. Date of map: 06/29/2026.

CRS

Area	10,230 sq. km (slightly larger than Vermont)
People	*Population:* ~5.3 million (2024 est.) *Religions:* Muslim 69.3 (32.2% Shia, 31.2% Sunni, with smaller numbers of Alawites and Ismailis); Christian 30.5% (Maronites the largest denomination, with others including Greek Orthodox); Druze 5.5% (2023 est.)
Economy	*Gross Domestic Product (GDP):* $34.5 billion in current prices (2025) *GDP per capita:* $5,897 in current prices (2025) *Top exports / partners:* cars, gold/jewelry, scrap iron / UAE, Egypt, United States, Turkey (2024) *Unemployment rate:* 11.5% (2025) *Annual inflation rate:* 14.6% (2025) *GDP Growth Rate*: 4.2% (2025), -6.4% (2026, projected)

Sources: Graphic created by CRS using data from U.S. State Department and Esri. At-a-glance information from *Economist Intelligence Unit*, International Monetary Fund, Observatory for Economic Complexity, and World Bank.

In 2026, U.S. policy toward Lebanon has largely developed in response to the resumption of fighting between Israel and the Shia Islamist group Hezbollah (an Iran-backed U.S.-designated foreign terrorist organization, or FTO, and major political actor in Lebanon) in the context of the U.S./Israel-Iran conflict. Fighting between Israel and Hezbollah after October 2023 has resulted in the deaths of thousands of Lebanese and the displacement of hundreds of thousands, straining Lebanon's already fragile social and political institutions.[1]

Congress has, at times, helped to shape U.S. policy toward Lebanon, including through the authorization of sanctions and the appropriation of various forms of assistance, some with conditions attached. Some Members have followed—and made public statements about—developments in the country in 2026. Issues of active or potential congressional engagement include U.S. assistance for the Lebanese Armed Forces (LAF); sanctions on Hezbollah or other Lebanese actors; and Lebanese government policies, including relations with Israel, Hezbollah disarmament, and putative or proposed economic reforms.

Background: History and Political System

Lebanon's diverse population of 5.3 million people includes Christian, Sunni Muslim, and Shia Muslim communities of roughly comparable size.[2] Political posts are divided among the country's various religious groups, or "confessions," to reflect each group's share of the population—although no formal census has been conducted in the country since 1932.[3] Per the 1943 National Pact, Lebanon's unwritten governing agreement, the presidency is reserved for a Maronite Christian, the prime minister post for a Sunni Muslim, and the Parliament speakership for a Shia Muslim.

Since its independence from France in 1943, Lebanon has been frequently wracked by upheaval, including a devastating and complex civil war from 1975 to 1990, and military interventions by Syria (which occupied parts of Lebanon from 1976 to 2005) and Israel (which invaded in 1978 and again in 1982, ultimately withdrawing from southern Lebanon in 2000). The United States deployed troops at the request of different Lebanese governments in 1958 and 1982-1984 in efforts to bring greater stability to the country.

Since 2019, when Lebanon's current economic crisis began (see "**Economy**" below), Lebanese politics have undergone a series of shifts. A protest movement that began in 2019 in response to tax hikes forced the resignation of the prime minister; his successor resigned following an August 2020 explosion at Beirut's port (reportedly caused by the ignition of a large volume of improperly stored ammonium nitrate) that killed over 200 people and caused massive damage. Parliamentary elections in 2022 did not result in a clear majority for any political faction, contributing to

[1] Ramzi Kaiss, "Israeli Displacement and Killings of Civilians in Lebanon Rage On," Human Rights Watch, June 11, 2026.

[2] Central Intelligence Agency, World Factbook, "Lebanon" (2024 estimate, accessed August 2025).

[3] The State Department's *International Religious Freedom Report for 2023* (most recent) relays an estimate from Statistics Lebanon, a Beirut-based research firm, that Lebanon's population was 69.3% Muslim (31.2% Sunni, 32.2% Shia), 30.5% Christian (with Maronite Catholics being the largest Christian group, followed by Greek Orthodox), and 5.5% Druze. The 1932 census found that Christians comprised 58% of the population. Some studies argue that the rules that determined who could be counted in the census were designed to produce a Christian majority. See Rania Maktabi, "The Lebanese Census of 1932 Revisited. Who Are the Lebanese?," *British Journal of Middle Eastern Studies*, 1999. See also Amos Barshad, "The World's Most Dangerous Census," *The Nation*, October 17, 2019; and *The Economist*, "Lebanon: Census and Sensibility," November 5, 2016.

paralysis on government formation. Then-President Michel Aoun's term ended in October 2022, leaving the government in a caretaker capacity and the presidency vacant until January 2025.

2025 Presidential Election and Government Formation

After over two years of deadlock, and in the wake of the November 2024 ceasefire that halted fighting between Israel and Hezbollah (see below), Lebanon's Parliament elected LAF chief Joseph Aoun (no relation to Michel) as president in January 2025. During his leadership of the LAF from 2017 until his election as president, Aoun generally garnered commendations from U.S. officials.[4] Aoun is the fourth consecutive Lebanese president to have previously served as head of the LAF. Aoun's election was seen as buttressing the influence of countries that reportedly supported him, including the United States, France, and Saudi Arabia.[5]

President Aoun appointed Nawaf Salam (formerly Lebanon's ambassador to the United Nations and president of the International Court of Justice) to serve as prime minister after a majority of members of Parliament endorsed Salam; Hezbollah had backed another candidate. On February 8, 2025, Prime Minister Salam formed a cabinet, the first supported by an electoral mandate since 2022. For the first time in over a decade, Hezbollah does not appear to have the ability to block government decisions, a development that may reportedly be at least partly due to U.S. insistence.[6] Nevertheless, some analysts speculate that Hezbollah could retain some "influence on major security and political decisions" through ministers (including the finance minister) that are associated with Hezbollah or Amal, a Shia party that has often allied with Hezbollah.[7] In March 2026, as conflict between Israel and Hezbollah resumed (below), Parliament voted to postpone national elections scheduled for May 2026 until 2028.

Hezbollah

Since its establishment in the 1980s, Hezbollah has been one of the most powerful actors in Lebanon, operating as a militia force, a political party, and a social services provider. It also remains a terrorist organization (designated as such by the United States since 1997) with transnational reach. Hezbollah involvement has been suspected in various political assassinations—notably that of former prime minister Rafik Hariri in 2005 and more recently in the death of civil society activist and Hezbollah critic Lokman Slim in 2021.

Domestic politics. Hezbollah has participated in Lebanese elections since 1992; it currently holds 13 of 128 seats in Parliament.[8] The group first entered the cabinet in 2005 and has held posts in each subsequent Lebanese government. Hezbollah has at times withdrawn its ministers from the cabinet to protest steps taken by the government, twice causing the government to collapse. Politically, Hezbollah appears to have lost some political influence within Lebanon since 2025, no longer having either the "blocking third" in the cabinet that it formerly used to block government decisions or its previous alliance with a prominent Maronite Christian party.[9]

Iranian support. Hezbollah, ideologically aligned with Iran's government, long appeared to be the strongest of the armed groups Tehran supports to bolster Iranian strategic objectives, with tens of thousands of fighters and an

[4] See, for example, Joseph Haboush, "Top US Military General Meets Lebanese Army Commander, Pentagon Reaffirms Support," *Al Arabiya*, November 4, 2021.

[5] Sean Mathews, "US Dangles Saudi Arabia's Cash to Push Candidate for Lebanon's Presidency," *Middle East Eye*, January 7, 2025.

[6] Reuters, "Lebanon's Prime Minster Forms New Government After Unusual US Intervention," February 8, 2025.

[7] Hanin Ghaddar, "Lebanon's New Government May Walk a Thin Line Between Promises and Compromises," Washington Institute for Near East Policy, February 12, 2025; Jeanine Jalkh, "Yassin Jaber, an 'Amalite' Unlike the Others?," *L'Orient Today*, February 8, 2025.

[8] Timour Azhari and Laila Bassam, "What Is the Make-Up of Lebanon's New Parliament?," Reuters, May 17, 2022.

[9] *Times of Israel*, "Lebanon Forms First Government Since 2022; Hezbollah Won't Have 'Blocking Third' Veto," February 8, 2025; Beatrice Ferhat, "Christian Party in Lebanon Says Alliance with Hezbollah Over: What to Know," *Al-Monitor*, January 27, 2026.

arsenal once estimated at over 100,000 rockets and missiles.[10] The State Department's most recent *Country Reports on Terrorism* (released December 2024) says Iran provided Hezbollah with "most of its funding, training, weapons, and explosives, as well as political, diplomatic, monetary, and organizational aid." Hezbollah has had relationships with and provided support to other Iran-backed groups such as the Houthis and Hamas.[11] The Israeli military reportedly estimated in late March 2026 that the group had fewer than 13,000 rockets and missiles and in May 2026 that over 10,000 Hezbollah fighters had been killed since 2023.[12] Iranian efforts to finance the group's rearmament have reportedly continued in 2026.[13]

Hezbollah-Israel Conflict

The escalation of the decades-old conflict between Hezbollah and Israel in 2026 has resulted in the deaths of thousands of Lebanese and displacement of hundreds of thousands, mostly from the predominantly Shia south of the country, straining Lebanon's already fragile social and political institutions.[14] Major combat operations largely ended in summer 2026, when Israel and Lebanon signed an agreement that envisioned the eventual withdrawal of Israeli forces from the country after the verified disarmament of all non-state armed groups, including Hezbollah. As of November 2026, progress toward implementation of the agreement has stalled.

Background

Opposition to Israel is a core tenet of Hezbollah's founding ideology, and Hezbollah has regularly acted against Israel in solidarity with Palestinian militant groups in Lebanon.[15] For nearly two decades, Hezbollah's stated objective was to drive the Israel Defense Forces (IDF) from areas in southern Lebanon in which they operated after the 1982 Israeli invasion. In May 2000, Israel withdrew its forces from southern Lebanon, but Hezbollah used the remaining Israeli presence in disputed areas in the Lebanon-Syria-Israel tri-border region to justify its ongoing violence against Israel and its existence as a non-state armed militia.[16]

Hezbollah has repeatedly threatened and engaged in combat with Israel, including a 34-day war in 2006 in which at least 1,200 people in Lebanon and 158 in Israel were reportedly killed.[17] Following that war, UN Security Council Resolution 1701 expanded the mandate of the UN Interim Force in Lebanon (UNIFIL, created in 1978 to confirm the withdrawal of Israeli forces after an earlier incursion into southern Lebanon and slated to cease operations at the end of 2026). UNIFIL's mandate has included assisting the Lebanese government in establishing "an area free of any armed personnel, assets and weapons other than those of the Government of Lebanon and

[10] Matthew Mpoke Bigg, "What We Know About Hezbollah's Military Capability," *New York Times*, October 1, 2024.

[11] Farea Al-Muslimi, "Inside Hezbollah's Two-Decade Project to Shape the Houthis," *New Lines*, May 28, 2026; Maren Koss, "Flexible Resistance: How Hezbollah and Hamas Are Mending Ties," Carnegie Endowment for International Peace, July 11, 2018.

[12] Feliz Solomon, "Hezbollah's Missile Arsenal Sharply Degraded, Israeli Military Says," *Wall Street Journal*, March 24, 2026; Yonah Jeremy Bob, "IDF Says One-Third of Hezbollah's Prewar Force Has Been Killed Since October 2023," *Jerusalem Post*, May 28, 2026.

[13] Laila Bassam and Maya Gebeily, "Hezbollah Readies for New Regional War with Funds from Iran, Sources Say," Reuters, October 26, 2026.

[14] Kaiss, "Israeli Displacement and Killings of Civilians in Lebanon Rage On."

[15] Wilson Center, "Doctrine of Hezbollah," October 20, 2023.

[16] Sunniva Rose, "Shebaa Farms: Why Hezbollah Uses Israel's Occupation of a Tiny Strip of Land to Justify Its Arsenal," *The National*, May 6, 2019.

[17] Associated Press, "One Year After War, Hezbollah Gains Strength," October 3, 2007.

UNIFIL" between the Blue Line (the UN-demarcated Israel-Lebanon border, which the two countries have not formalized) and the Litani River.[18]

Nevertheless, Hezbollah continued to operate in this area of southern Lebanon after 2006 amid debates over UNIFIL's effectiveness: the first Trump Administration argued that the force was "for years … overresourced given the limits on its freedom of movement and access" by Hezbollah, whereas the Biden Administration argued that UNIFIL's "most effective functions, including its liaison mechanism and patrols along the Blue Line, will provide value even as Hizballah impedes the mission's freedom of movement and restricts access, preventing full implementation of UNIFIL's mandate."[19]

Post-2023 Conflict and 2024 Ceasefire

In October 2023, Hezbollah began firing into Israel in stated solidarity with Hamas after Hamas led attacks on Israel.[20] Hezbollah and Israeli exchanges of fire killed dozens and displaced tens of thousands in Israel and Lebanon.[21] In September and October 2024, Israel's cabinet added a goal of returning evacuated Israelis living in the north to its official war objectives, which had previously focused solely on Gaza; Israeli military activities in Lebanon then escalated significantly. Israeli air operations reportedly killed most of Hezbollah's leadership, including longtime leader Hassan Nasrallah.[22] Israel also orchestrated the explosion of thousands of electronic devices used by Hezbollah members and initiated ground operations in southern Lebanon, and Israeli forces destroyed many Hezbollah weapons caches and tunnel networks.[23] Israeli military maneuvers and airstrikes displaced over a million people in Lebanon and left over 4,000 dead as of December 2024, according to Lebanon's health minister.[24] More than 100 Israelis died during the 2023-2024 conflict.[25]

In November 2024, President Joe Biden announced a ceasefire agreement, including commitments from the Lebanese government to prevent Hezbollah from carrying out attacks against Israel and to deploy 10,000 LAF soldiers in southern Lebanon; a commitment from the Israeli government to halt attacks on targets in Lebanon and withdraw forces from Lebanon within 60 days; and the establishment of a multilateral mechanism to monitor ceasefire implementation.[26] A reported U.S. "side letter" to Israel may have expressed U.S. support for Israeli reconnaissance flights over Lebanon and Israeli military action in response to possible

[18] United Nations Security Council Resolution 1701 (2006), S/RES/1701, August 11, 2006.

[19] "Statement by the Permanent Representative of the United States of America to the United Nations, Kelly Craft," S/2020/857, September 1, 2020, https://docs.un.org/en/S/2020/857; U.S. Department of State, "Congressional Budget Justification: Department of State, Foreign Operations, and Related Programs, Fiscal Year 2023."

[20] *Al Jazeera*, "'All Scenarios Open': Hezbollah Chief in First Speech Since Israel-Gaza War," November 3, 2023.

[21] Maayan Lubell and Dan Williams, "How Hezbollah Attacks Displace 60,000 Israelis, Six Months On," Reuters, April 4, 2024.

[22] Aaron Boxerman and Lauren Leatherby, "Here Are the Hezbollah Leaders Israel Has Targeted," *New York Times*, October 23, 2024.

[23] Sheera Frenkel et al., "How Israel Built a Modern-Day Trojan Horse: Exploding Pagers," *New York Times*, September 20, 2026.

[24] Sami Halabi, "Left Unchecked, Lebanon's Displacement Crisis Could Tear the Country Apart," *Al Jazeera*, October 19, 2024; Nayera Abdallah, "Israeli Attacks Have Killed 4,047 People in Lebanon, Lebanese Minister Says," Reuters, December 4, 2024.

[25] Julia Frankel and Abby Sewell, "The Israel-Hezbollah War by the Numbers," Associated Press, November 27, 2024.

[26] *Times of Israel*, "Full Text: The Israel-Hezbollah Ceasefire Agreement," November 27, 2024.

ceasefire breaches.[27] While Hezbollah fire largely halted after November 2024, Israeli airstrikes and other military operations in Lebanon continued in parallel with a multisided debate over ceasefire compliance, while Israeli forces continued to hold five areas across the Lebanese border.

Even as Israeli operations continued, Lebanese and Israeli military officials convened regularly with U.S., French, and UNIFIL counterparts in "pentalateral" meetings throughout 2025 to review LAF "progress on maintaining the cessation of hostilities arrangements, and the advancing of disarmament efforts."[28]

Lebanese officials insisted throughout 2025 that the Lebanese government would "hold the monopoly over weapons in the country."[29] In August 2025, the Lebanese cabinet ordered the LAF to present a plan to bring all arms under state control by the end of the year and endorsed various U.S.-proposed objectives, including "the gradual end of the armed presence of all non-governmental entities, including Hezbollah, in all Lebanese territory."[30] On January 8, 2026, the LAF announced that it had completed the first phase of its plan to bring all arms under state control by controlling all territory from the Litani to the Israeli border "with the exception of territory and positions still occupied by Israel."[31] Israeli Prime Minister Benjamin Netanyahu reacted by calling LAF disarmament efforts "an encouraging beginning, but … far from sufficient" given what he characterized as Hezbollah attempts to rearm.[32] UNIFIL reported in December 2025 that it had not seen evidence of Hezbollah's rearmament.[33]

Conflict Resumption and June 2026 Trilateral Framework

Citing the February 2026 onset of U.S and Israeli attacks on Iran as well as continued Israeli operations in Lebanon, Hezbollah restarted firing into Israel in early March 2026. In response, Israel launched a large-scale ground offensive that displaced over a million people—around 20% of the country's population—mostly from the south and other predominantly Shia areas.[34] As of October 2026, Lebanon's health ministry reports over 4,300 people killed since March 2026.[35]

Days after Hezbollah restarted the conflict, the Lebanese government took the unprecedented step of banning Hezbollah's military activities, though the LAF chief's reported inability and/or unwillingness to enforce the decision sparked political contention both within Lebanon and between Lebanon and the United States.[36] In early April, the United States and Iran agreed to a ceasefire but made contradictory public statements about its application to Lebanon. Prime

[27] *Times of Israel*, "Report: US 'Side Letter' to Israel Pledges to Share Intelligence on Hezbollah Activity After Ceasefire, Cooperate Against Iranian Threat," November 27, 2024.

[28] U.S. Embassy in Lebanon, "Pentalateral Members Convene for 12th Meeting; LAF Operations Ongoing in Lebanon," October 29, 2025.

[29] *Naharnet*, "Aoun: Decision of Arms Monopoly Has Been Taken and Won't Be Reversed," July 11, 2025.

[30] *Le Monde* with Agence France-Presse, "Lebanon Cabinet Holds Second Meeting on Hezbollah Disarmament," August 7, 2025.

[31] *Al Jazeera*, "Lebanon Army Says Phase One of Disarming Non-State Groups in South Complete," January 8, 2026.

[32] Sam Halpern and Miriam Sela-Eitam, "Lebanon Not Doing Enough to Disarm Hezbollah Despite Army's 'Operation Control,' Israel Says," *Jerusalem Post*, January 8, 2026.

[33] *Daily Sabah*, "No Proof Hezbollah Rearming in Southern Lebanon: UNIFIL," December 19, 2025.

[34] UN OCHA, "Lebanon: Flash Update #17," April 15, 2026.

[35] Christina Goldbaum et al., "Israel's Destruction of Southern Lebanon Intensified After the Cease-Fire," *New York Times*, October 12, 2026.

[36] Adam Chamseddine, "Lebanon's Prime Minister Mulls Sacking Army Chief over Hezbollah Disagreements," *Middle East Eye*, March 11, 2026.

Minister Netanyahu authorized direct negotiations with Lebanon days later; they began in Washington on April 14, led by the two countries' ambassadors to the United States.

In mid-June 2026, the United States and Iran agreed to a memorandum of understanding which included a mutual commitment to ensure "the territorial integrity and sovereignty of Lebanon."[37] Apparently wary of Iran's assertion of influence in Lebanon, the Lebanese government on June 26 signed a "Trilateral Framework" with Israel and the United States. In that agreement, Lebanon and Israel agreed to a "reciprocal, sequenced process, with clear conditions" to restore Lebanese government sovereignty "pending the verified disarmament of non-state armed groups … enabling the [IDF] to progressively redeploy out of the Lebanese territory" beginning in designated pilot zones; for its part, the United States committed to "rally international partners to actively support the Government of Lebanon in rebuilding the country, repairing infrastructure, restoring the economy, and creating opportunities for prosperity."[38] The first "pilot zone" operations began on July 20 in two areas that encompassed the villages of Froun, Srifa, and Zawtar al-Gharbiya. (The IDF had occupied neither Froun nor Srifa, and the LAF was reportedly already present there[39].) Some residents began returning to Zawtar al-Gharbiya on July 24, but with around 85% of the town's homes destroyed, only 16% of the town's pre-war population of around 5,000 had resettled as of early September.[40]

An August 2026 Israel-Lebanon meeting in Rome ended without agreement on the future of pilot zones: Lebanon pressed to expand the pilot zones to new areas, while Israel reportedly insisted on the completion of unspecified verification measures in the initial zones.[41] It remains unclear who could verify Hezbollah's disarmament in the pilot zones (reportedly Britain, Italy, Switzerland, and Indonesia have been identified as potential contributors to a verification mechanism) and how they will do so amid disagreements over access to private homes.[42]

As of October 2026, the process appears to be at something of a standstill: implementation of the framework has not expanded beyond the two initial pilot zones, and the eighth round of talks in October ended inconclusively. U.S. and Israeli officials reportedly view Lebanese government actions as of September 2026 as "insufficient."[43]

Current Assessment

As of November 2026, Israeli forces have continued to conduct operations throughout southern Lebanon and have established three new fortified positions there during 2026 fighting.[44] Israeli objectives in the 2026 conflict apparently included the creation of a buffer zone in southern Lebanon to reduce Hezbollah threats to Israel (including cross-border anti-tank fire) and the exertion of pressure on Lebanon's government and military to marginalize Hezbollah—both

[37] For text of the memorandum, see https://www.politico.com/f/?id=0000019e-db5d-d1ed-a59f-ff5da65a0000.

[38] U.S. Department of State, "Trilateral Framework Between the United States of America, the State of Israel, and the Republic of Lebanon," June 26, 2026.

[39] Marie Jo Sader, "In Southern Lebanon, Complex Hezbollah Disarmament and Israeli Strikes Leave Residents Desperate," *Le Monde*, September 2, 2026.

[40] Soubhi Amhaz, "Prefabricated Homes Arrive in Destroyed South Lebanon Town," *Asharq Al-Awsat*, September 25, 2026.

[41] LBCI, "LBCI Sources: Lebanon Pushes for New Pilot Zones as Talks Set to Continue September 1," August 6, 2026.

[42] Alexander Cornwell and Maya Gebeily, "UK, Italy Among States Considered to Verify Hezbollah Disarmament, Sources Say," Reuters, August 12, 2026.

[43] Rita El Jammal, "US Tells Lebanon Hezbollah Disarmament Efforts 'Not Enough,'" *New Arab*, September 29, 2026.

[44] Nada Homsi, "Unifil Counts Eight Fortified Bases Among 30 Israeli Military Positions in South Lebanon," *The National*, September 22, 2026.

politically and militarily—and disrupt the group's sources of weapons and funding. To date, the Israeli buffer zone comprises around 5% of Lebanon's territory.[45] Israeli Defense Minister Israel Katz claimed in October 2026 that the IDF had destroyed roughly 60 villages and 23,000 homes in southern Lebanon;[46] the IDF reportedly discovered weapons caches in some homes.[47] Following allusions by Katz in August to the razing of southern Lebanese villages and preparations for a "long-term" IDF presence in the area, Lebanese Prime Minister Salam termed Israeli actions "systematic destruction" that violates international law. At the same time, an unnamed State Department official was quoted as saying that a permanent Israeli military presence in southern Lebanon "is not consistent with the commitments made in the framework or the long-term peace and security of both states."[48]

Hezbollah remains entrenched in parts of Lebanon and may be more capable in some respects than the LAF.[49] It remains unclear how, if at all, the conflict has impacted the level of support for Hezbollah within the Shia community. During the 2026 conflict, a sign of Hezbollah's resilience has been its use of drones featuring fiber optic cables resistant to electronic countermeasures, which have presented security challenges for Israeli troops and areas of Israel a few miles over the border.[50] In early October 2026, Lebanese authorities seized hundreds of kilograms of explosives that a Hezbollah MP said belonged to the group and detained two of the group's members while bringing charges against several more. In a November 5 joint statement, the several countries' embassies in Beirut, including the United States, encouraged "a swift, independent judicial process, free from political interference."[51]

Economy and Potential Reforms

Lebanon was once a relative economic success story, boasting a higher per capita gross domestic product (GDP) than any other non-oil-exporting Arab state in the Middle East as recently as 2019. That year, long periods of high government borrowing, slowing remittances from abroad, and a decline in foreign financial support culminated in a financial collapse as banks shuttered, the currency lost most of its value, and Lebanon defaulted on its foreign debt.[52] A study by a UN special rapporteur stated, "The collapse of the Lebanese economy was avoidable.… [E]conomists and financial experts had warned about the impending crisis since at least 2015. Such warnings were willfully ignored by the political leadership."[53]

[45] Hugo Bachega, "BBC Travels Inside Occupied Lebanon as Officials Say Israel Expanding Positions," *BBC News*, September 2, 2026.

[46] *New Arab*, "Israel Katz Boasts About Wiping Out More Than 60 Villages in South Lebanon," October 19, 2026.

[47] *Jerusalem Post*, "Watch: Hezbollah RPG, Missile Launchers Found in Civilian Home in Southern Lebanon, IDF Says," July 7, 2026.

[48] *Times of Israel*, "Lebanese PM Says Israel Breaching International Law as Katz Boasts of 'Destroying All Houses,'" August 13, 2026.

[49] Orna Mizrahi and Moran Levanoni, "The Lebanese Army—The Challenge for Israel Given the Gap Between Vision and Reality," Institute for National Security Studies (Israel), March 15, 2026.

[50] Daniel Hilton and Adam Chamseddine, "The Resurrection of Hezbollah," *Middle East Eye*, August 5, 2026; Isabel Kershner et al., "Slyer Drones Give Hezbollah an Edge over Israel," *New York Times*, May 3, 2026.

[51] U.S. Embassy in Lebanon, "Friends of Lebanon Statement Affirming Support for Lebanese Sovereignty and State Monopoly on Arms," November 5, 2026.

[52] Edmund Blair, "Explainer: Lebanon's Financial Crisis and How It Happened," Reuters, January 23, 2022.

[53] UN Human Rights Council, *Visit to Lebanon: Report of the Special Rapporteur on Extreme Poverty and Human Rights, Olivier De Schutter*, A/HRC/50/38/Add.1, April 11, 2022.

Compounded by the COVID-19 pandemic, the crisis shrank nominal GDP from nearly $55 billion in 2018 to less than $20 billion in 2021, with a slight recovery in subsequent years. The government responded by reducing or eliminating subsidies on essential goods, and a lack of foreign exchange to finance imports triggered shortages of medicine, water, and fuel. According to the World Bank, the percentage of Lebanese experiencing multidimensional poverty (an index that includes non-monetary indicators such as access to clean water and electricity) increased from 42% in 2018/2019 to 73% in 2022/2023.[54]

The pressures associated with conflict and resulting displacement have exacerbated these conditions for many Lebanese since 2023. The World Bank estimates that GDP contracted by 7.1% in 2024, with Lebanon suffering $7.2 billion in economic losses and $6.8 billion in physical damage from conflict since October 2023.[55] The economy rebounded by around 4% in 2025 but is again projected to contract by 6.4% in 2026 due to the resumption of conflict.[56]

Lebanon signed a staff-level agreement with the International Monetary Fund (IMF) in April 2022 to obtain $3 billion in support in exchange for certain reforms. Parliament pursued some reforms, but efforts largely stalled after the presidency went vacant in October 2022, leaving the government in a caretaker capacity until 2025. Lebanon's current government has renewed work to obtain IMF assistance, with a focus on the following three pieces of legislation:

1. **Bank secrecy law.** Passed by Parliament and signed by President Aoun in April 2025, this law reverses Lebanon's previously expansive bank secrecy law, which had prohibited the release of banking information (including customer account names and transactions) to government authorities.[57] This law is arguably the least controversial of the IMF-mandated reforms, with 87 of 128 legislators voting in favor and 13 against.[58]
2. **Bank restructuring (or resolution) law.** In August 2026, Parliament approved an amended bank restructuring law after adopting IMF-approved changes; President Aoun signed it into law in September but later filed an appeal challenging some of its provisions. The law reportedly "sets the legal framework for restructuring Lebanon's banking sector and sets up the body in charge of making it happen," namely the Higher Banking Authority.[59] Disagreements between the central bank governor and the finance minister surfaced during Parliament's consideration of the amended bill.[60] Both the IMF and the U.S. embassy in Beirut welcomed passage of the law.[61] An October 2026 judicial ruling upheld the president's challenge, annulling part of the law and throwing its future into doubt.[62]

[54] World Bank, *Lebanon: Poverty and Equity Assessment 2024*, May 2024.

[55] World Bank, *Lebanon: Rapid Damage and Needs Assessment (RDNA)*, March 2025.

[56] World Bank, "Lebanon Economic Monitor: A Conflict-Torn Economy," August 21, 2026.

[57] Ali Noureddeen, "Lifting Bank Secrecy: A Major Shift in Lebanon's Financial System," Tahrir Institute for Middle East Policy, July 9, 2025.

[58] Malaika Kanaaneh Tapper, "Lebanon Amends Banking Secrecy Rules in Victory for New Government," *Financial Times*, April 24, 2025.

[59] Stephanie Bechara, "Hacking Lebanese Politics #20: Lebanon's New Bank Resolution Law," *L'Orient Today*, August 20, 2025.

[60] Ali Noureddeen, "Battle over Powers in Lebanon's Bank Resolution Law," *Al Modon*, July 14, 2026.

[61] *L'Orient Today*, "IMF, US 'Welcome' Amendments to Lebanon's Banking Resolution Law," August 20, 2026.

[62] Mounir Younes, "Banking Reform: Constitutional Council Ruling Leaves Power Struggle Unresolved," *L'Orient Today*, October 21, 2026.

3. **Financial gap law.** Also known as the Financial Stabilization and Deposits Recovery Law, this measure is the most important and sensitive of the potential reforms, as it determines how to apportion the tens of billions of dollars in losses among depositors, commercial banks, the central bank, and the government given the reported "'gap' between what is owed by Lebanese banks to depositors and what the Lebanese financial system can pay out."[63] In December 2025, the cabinet approved a draft gap law and submitted it to Parliament, where it remains under consideration. The draft law would ensure repayment of up to $100,000 (over four years) per person to depositors who lost funds in the 2019 collapse. In a statement after a September 2026 visit to Lebanon, IMF staff wrote that the proposed gap law needs to "align … with international standards" to ensure "that the hierarchy of claims is respected and no depositors absorb losses before shareholder and junior creditors."[64]

U.S. Policy and Issues for Congress

Congressional action regarding Lebanon over the past decade has sought to counter Iranian and violent extremist influence in the country through a variety of military and economic assistance programs and related certification requirements. Some Members have also sought to expand or refine U.S. sanctions related to Lebanon with a focus on Hezbollah.

U.S. Assistance to Lebanon

Most U.S. bilateral assistance to Lebanon has been in **Foreign Military Financing (FMF)**. The United States has provided $3 billion in assistance to the LAF since 2006.[65] Specific Trump Administration actions related to security assistance include:

- the reported approval in March 2025 of the reallocation of $95 million in FMF from Egypt to Lebanon (announced by the Biden Administration in January 2025)[66] and
- a September 2025 Presidential Drawdown Authority package valued at $14 million, including demolition charges and other materiel to remove and dispose of unexploded ordnance.[67]

For years, U.S. aid for the LAF has generated debate in Congress between those who support it and those who have argued that U.S. assistance to the LAF is either insufficiently effective or risks falling into the hands of U.S. adversaries.[68] Successive appropriations bills[69] have stated that

[63] *Al Jazeera*, "What Is Lebanon's 'Gap Law' That Attempts to End the Financial Crisis?," December 30, 2025.

[64] IMF, "IMF Staff Concludes Visit to Lebanon," press release, September 18, 2026.

[65] U.S. Department of State, "U.S. Security Cooperation with Lebanon," January 20, 2025.

[66] Agnes Helou, "US Unfreezes $95M in Military Aid to Lebanese Armed Forces," *Breaking Defense*, March 5, 2025. See also Department of State, "United States Announces Expanded Security Assistance to Support Lebanon's Implementation of Cessation of Hostilities," January 18, 2025 (announcing more than $117 million in "new, expanded" U.S. security assistance for the LAF and Lebanon's Internal Security Forces).

[67] Department of Defense, "Trump Administration Announces Security Assistance Package for Lebanon," September 10, 2025. The Department of Defense is "using a secondary Department of War designation," under Executive Order 14347, 90 *Federal Register* 43893, September 5, 2025.

[68] See debate over Amendment No. 61 to H.R. 8771 (in the 118th Congress) at https://www.congress.gov/congressional-record/volume-170/issue-108/house-section/article/H4326-5.

[69] See Section 7041(e)(1), Division F, of P.L. 119-75.

funding for the Lebanese Internal Security Forces and the LAF may not be appropriated if either body is controlled by a U.S.-designated FTO. FMF assistance to the LAF may not be obligated until the Secretary of State submits to the appropriations committees a spend plan, including actions to be taken to ensure that equipment provided to the LAF is used only for intended purposes. Beyond State Department–funded FMF, Section 8034 of the Department of Defense Appropriations Act, 2026 (Division A of P.L. 119-75), makes available $50 million for the Secretary of Defense to assist the LAF. In the 119th Congress, H.R. 1844 would prohibit the appropriation of any funds for the LAF until the Secretary of State certifies that Hezbollah "no longer maintains any presence in Lebanon," among other conditions. In July 2025, the House voted 76-355 not to agree to an amendment to the Department of Defense Appropriations Act, 2026 (H.R. 4016) that would have prohibited all assistance to the LAF.[70]

The United States has also provided assistance to Lebanon under the **Economic Support Fund (ESF)** account (whose function appears to have been replaced during the 119th Congress by the National Security Investment Programs account).[71] The Trump Administration's suspension in 2025 of most U.S. foreign assistance and the termination of some programs apparently affected the implementation of some U.S.-funded activities in Lebanon, according to 2025 media reports.[72] The Trump Administration, in its FY2026 budget request, did not include country-specific funding levels. The explanatory statement accompanying the House-passed National Security, Department of State, and Related Programs Appropriations Act, 2026 (Division B of H.R. 7006), provides for $112.5 million for assistance to Lebanon, which is roughly even with past years. Successive appropriations bills[73] have made economic assistance for Lebanon available notwithstanding Section 1224 of the FY2003 Foreign Relations Authorization Act (P.L. 107-228), which states that ESF funds for Lebanon may not be obligated until the President certifies to the appropriate congressional committees that the LAF has been deployed to the Israeli-Lebanese border and that the government of Lebanon is effectively asserting its authority in the area in which the LAF is deployed.

The United States has been the largest single donor of **humanitarian assistance** to Lebanon in recent years: as of 2022, the United States had provided more than $3 billion in humanitarian assistance for Lebanon since 2012.[74] Through January 2025, the United States had provided over $70 million in humanitarian funding for Lebanon in FY2025, implemented through nongovernmental organizations and UN bodies.[75] Lebanon was not included on the list of 17 countries to which the United States committed $2 billion in humanitarian assistance in a December 2025 agreement with the United Nations.

Sanctions

Though Lebanon is not subject to any state- or government-level sanctions, the United States has designated for sanctions over 300 individuals and entities in Lebanon. The vast majority are

[70] The House voted not to agree to similar amendments in June 2024 (103-308 on H.Amdt. 1059 to H.R. 8771) and September 2023 (120-309 on H.Amdt. 455 to H.R. 4665).

[71] U.S. Department of State, "Integrated Country Strategy: Lebanon," updated May 14, 2024.

[72] Laure Delacloche, "Explainer: Why Donald Trump's USAID Freeze Is Shaking Lebanon's Aid and Development Sector," *New Arab*, March 11, 2025; Zachary Davis Cuyler and Camillo Stubenberg, "What Trump's USAID Cuts to Lebanese Solar Projects Reveal About American Foreign Assistance," Century Foundation, July 14, 2025.

[73] See Section 7041(e)(3), Division F, of P.L. 119-75.

[74] U.S. Embassy in Lebanon, "The United States Announces More Than $72 Million in Additional Humanitarian Assistance for Lebanon," November 9, 2022.

[75] USAID, "Lebanon—Complex Emergency," January 13, 2025.

designated under Executive Order (EO) 13224 as specially designated global terrorist entities (SDGTs), generally for ties to Hezbollah. Hezbollah itself is designated as an SDGT as well as an FTO. Congress enacted additional measures in 2015 and 2018 (the Hizballah International Financing Prevention Act, P.L. 114-102, and the Hizballah International Financing Prevention Amendments Act, P.L. 115-272) to authorize sanctions on foreign financial institutions that conduct or facilitate significant transactions for Hezbollah. Other persons are designated under different authorities, including EO 13441, which provides for sanctions on persons determined to be undermining Lebanon's democracy or sovereignty. In January 2026, the Administration designated the Lebanese Muslim Brotherhood as an FTO and SDGT.

The United States has on occasion designated Lebanese politicians and officials, including:

- Gibran Bassil (leader of the Free Patriotic Movement), pursuant to EO 13818, which implements the Global Magnitsky Human Rights Accountability Act;
- two former cabinet ministers (Ali Hassan Khalil of Amal and Youssef Fenianos of the Marada Movement), pursuant to EO 13224, for providing material support to Hezbollah and engaging in corruption; and
- Former Central Bank Governor Riad Salameh, pursuant to EO 13441, for corruption.

For years, some Members of Congress have called on successive Administrations to expand sanctions to target additional Lebanese officials they view as obstructing reform and/or Lebanon's electoral process. Specifically, some Members have advocated for the designation of Nabih Berri, the speaker of Parliament since 1992 and the chairman of Amal.[76]

In the 119th Congress, S. 842 would direct the Administration to review whether any Latin American jurisdictions meet the definition of *terrorist sanctuary* under Title 22, Section 2656f, of the *U.S. Code* with respect to Hezbollah.

Outlook

Conflict between Israel and Hezbollah since 2023 has had economic and human costs and consequences in Lebanon. The Lebanese government's tentative steps toward Hezbollah's disarmament and its attempts at financial reforms could facilitate greater political stability and economic strength in Lebanon. Reform obstacles remain, along with the risk of internal conflict and potential escalation related to U.S./Israel-Iran confrontations.

Events in Lebanon have been a factor in conflict between the United States/Israel and Iran since 2023. In turn, this U.S./Israel-Iran conflict has contributed to additional fighting in Lebanon. Lebanon's government has publicly rejected what President Aoun characterized as Iran's strategy of using Lebanon as a "bargaining chip."

Within Lebanon, the June 2026 Trilateral Framework appears subject to the same challenges that undermined the November 2024 ceasefire agreement, which was arguably fraying even before the resumption of major combat in March 2026. The most immediate obstacle remains how to sequence the potential withdrawal of Israel from Lebanese territory, the possible dismantlement of Hezbollah infrastructure, and prospective LAF movements into previous Hezbollah

[76] In November 2025, Reps. Darin LaHood and Darrell Issa called for the Administration to "be prepared to use all tools available to review and sanction … those who continue to hinder democratic processes and reforms in Lebanon." Text of the letter available at https://s2.nidaalwatan.com/storage/attachments/351/LebanonLetter_209926_14ac2720f30a33e5d7781ef393f608cf.pdf.

strongholds. The experience of the pilot zones since July 2026 suggests that those processes, if they move forward at all, are likely to be lengthy and difficult.

Israel has apparently sought to maintain a buffer zone in southern Lebanon to reduce Hezbollah threats to Israel and to pressure Lebanon's government and military to marginalize Hezbollah politically and militarily. Continued Israeli military operations in Lebanon might impede Hezbollah's recovery; they could also fuel domestic political support for the group and its calls to resist or oppose Israel. The history of Israeli involvement in Lebanon over several decades suggests that short-term gains for Israeli security could be followed by popular domestic resistance to prolonged Israeli presence in Lebanon and/or Lebanese political decisions deemed to be driven by Israeli demands.

More fundamentally, while U.S. officials hail direct Israel-Lebanon engagement, the problem of how to bring about the disarmament of Hezbollah persists, as does the sequencing question. The Iran-backed group is weakened but apparently still maintains some capabilities and popular support and refuses to discuss disarmament until Israel's withdrawal. Lebanese actors from across the political spectrum, including some vociferously opposed to Hezbollah and supportive of its disarmament, have called for Israeli forces to cease operations and withdraw from the country.[77] Those Lebanese actors charge that Israeli operations undermine the Lebanese government and bolster Hezbollah's resistance narrative. However, Lebanese policymakers appear to have less clarity when it comes to the specific actions, if any, the Lebanese government would take to disarm Hezbollah if Israeli forces were to withdraw, particularly given apparently widespread determination to avoid the civil strife that could be triggered by militarily confronting Hezbollah.

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[77] Author conversations with Lebanese officials and political stakeholders, August 2026.