More than three months into the Israel-Hamas war, the prospect of a wider regional conflagration in the Middle East is growing. As Israel continues its military response in Gaza to the October 7 Hamas massacre, violence is surging on the Israel-Lebanon border, in the Red Sea, Iraq, Syria, Iran, and in the occupied West Bank. While there has been a significant risk of regional escalation since the start of the Israel-Hamas war, developments in recent weeks – including assassinations of a top Hamas official in Beirut and senior Hizballah commanders in southern Lebanon; increased Houthi attacks on global shipping in the Red Sea, followed by a US-led military response; and a spate of attacks in Iraq and Syria, including against US forces – have led experts to warn that the likelihood of a regional war is increasing significantly. Such a war would further pit Israel against groups linked to and supported by Iran, with further impact on the US and countries in the Middle East that are already drawn into the conflict. The Biden Administration will need to combine active, skillful diplomacy with carefully calibrated deterrence and strategic, limited, and targeted military actions – while avoiding pressure from right-wing hawks to enter a catastrophic war with Tehran.

The following issue brief addresses five key theaters and developments to date, assessing the motivations and capabilities of the major actors and the likelihood and potential consequences of further escalation:

1. Israel’s Northern Front with Hizballah in Lebanon:

- Hizballah, an Iran-backed Lebanese Shi’ite Muslim political party and US-designated Foreign Terrorist Organization, has fired over 1,700 rockets from Lebanon into Israel since the start of the Israel-Hamas war in “solidarity” with Hamas. Over 80,000 Israelis from more than 40 communities have been evacuated, 15 Israelis have been killed, and about 150 others have been injured. On the Lebanese side, approximately 74,500 people have been displaced and nearly 160 people have been killed in Israeli strikes.

- Likely due to its domestic position in Lebanon, where political chaos and deteriorating economic circumstances have emboldened anti-Hizballah forces and many Lebanese strongly oppose the spreading of war to southern Lebanon, Hizballah had refrained from major escalation in the initial months of this conflict.

- The assassination of senior Hamas leader Saleh Arouri – the linchpin of relations between Hamas, Iran, and Hizballah – in an alleged Israeli drone strike in Beirut on January 2, 2024 marked the first time a Hamas official was killed outside the occupied Palestinian territory. Hizballah responded with a warning that “this crime will never pass without response and punishment.” It subsequently launched 62 rockets toward an Israeli air surveillance base on Mount Meron. Hizballah leader Hassan Nasrallah warned that “a war with us will be very costly.” Israel later killed a senior Hizballah commander in south Lebanon.
Unlike Hamas, Hizballah is a regional power with significant urban warfare experience in several conflicts across the Middle East. It is believed to have as many as 150,000 missiles aimed at Israel – including precise antitank missiles that have targeted Israeli homes and civilian infrastructure – and to have trained its Radwan special operation forces for a cross-border invasion of Israel.

According to the State Department, Hizballah is closely aligned with Iran and typically follows religious guidance from Iran’s Supreme Leader, but also acts independently. Iran provides most of Hizballah’s funding, training, weapons, political support, and organizational aid. Given its tens of thousands of supporters and members worldwide and capacity to attack Israel and the US, it has been referred to as a “potential insurance policy...for the Iranian regime” if the latter “were imperiled in a substantial way” including through military action targeting Iran’s nuclear facilities.

According to US intelligence estimates, Israel would have difficulty winning a simultaneous war against Hamas and Hizballah. Israeli Defense Minister Yoav Gallant has stated that Israel prefers a diplomatic resolution but could “copy-paste” its Gaza strategy to Lebanon, and Prime Minister Netanyahu reportedly told US envoy Amos Hochstein there is a “short window” to avoid all-out war between the parties.

Ahead of his visit to Beirut last week, Hochstein shared the US assessment that a full IDF transition to low-intensity operations in Gaza would assist in de-escalating the conflict with Hizballah. Hochstein visited Lebanon as part of important Biden Administration efforts to ease tensions along the border with Israel. This could lay the groundwork for talks on drawing the Israel-Lebanon land border, following Hochstein's brokering of a maritime border agreement between the two countries in 2022.

2. Yemeni Houthis in the Red Sea:

Protesting Israeli attacks on Gaza, the Iran-backed Houthis in Yemen have been attacking what they characterize as “ships linked to Israel” in the Red Sea and the Bab el-Mandeb strait, disrupting global shipping and causing economic damage, including an 85 percent reduction in shipping activity at the Israeli port of Eilat. The Houthis have also attacked ships without ties to Israel; the US government claims that most ships targeted by the Houthis are not connected to Israel.

The US responded to the Houthi maritime attacks by launching Operation Prosperity Guardian, a multinational coalition with over 20 members, and warning of “consequences for the Houthis’ actions.” When the Houthis continued their attacks, the US, UK, and other allies carried out military strikes against more than a dozen Houthi-controlled targets in Yemen, in a significant escalation of the conflict. The Houthis vowed to retaliate, and subsequently, Houthi attacks and US strikes have continued.

Houthis, trained and armed by Iran, have indicated they are “comfortable with a direct confrontation with the Americans” and intend to continue their attacks until Israel stops its
“aggression against Gaza.” Given the strength of pro-Palestinian and anti-Israeli sentiment in Yemen, the maritime attacks may be geared to improve the group’s standing at home, while signaling Houthi support for Hamas, Hizballah, and Iran.

- The Houthis and other warring parties in Yemen's catastrophic civil war, which began in 2014 and produced one of the world’s largest humanitarian crises, were close to agreeing to a UN-brokered road map for peace. That has been scuttled by events in the Red Sea, and US Special Envoy for Yemen Tim Lenderking has warned that two years of “joint progress” toward peace in Yemen are at stake. The Houthis’ ongoing maritime attacks give them leverage in negotiations with impacted nations and raise their international profile.

3. Iran-Linked Groups in Iraq and Syria:

- As regional tensions increase amid the Israel-Hamas war, Israel and Iran have been fighting a shadow war in Iraq and Syria. This includes an Israeli airstrike outside the Syrian capital, which killed a senior adviser in Iran’s Revolutionary Guard Corps (IRGC) who was reportedly responsible for coordinating the Iran-Syria military alliance. On January 16, the IRGC retaliated against Israel by striking what it claimed was a headquarters of the Mossad located near the US consulate in Erbil.

- Several US troops stationed in Iraq and Syria have been injured, at least one critically, in more than 118 attacks by Iran-linked groups since October 7, prompting six retaliatory US airstrikes. On December 8, for the first time in over a year, the US Embassy in Baghdad was attacked by mortar rounds, causing minor damage.

- On December 25, the US struck three facilities inside Iraq used by Iranian proxy group Kataib Hizballah and killed several of the militants. This followed an attack by the group on the US air base in Erbil, which injured three US service members, one critically.

- On January 4, a rare US missile strike in Baghdad killed Mushtaq Jawad Kazim al-Jawari, the former deputy commander of Iranian proxy group Harakat Hizballah al-Nujaba. The Pentagon claimed he was “actively involved in planning and carrying out attacks against American personnel.”

4. Iran:

- Aside from Iranian regional proxy activity including support for Hamas, Iran proper has not been a focal point of violence since October 7 – with the exception of a pair of bombings on January 3 near the Iranian city of Kerman that killed 94 and wounded 280 others. While ISIS has claimed responsibility and Iran has predictably blamed Israel and the US, it remains unclear whether this attack on a memorial for the former IRGC chief Qassim Suleimani was directly connected to the Israel-Hamas war.

- While Iran has provided significant material and financial support to Hamas, the US, Israel, and regional partners have found no evidence that Iran directed or was behind Hamas’
attack on October 7. Initial US intelligence reports even indicated that some Iranian leaders were caught by surprise. Though Iran has supported proxy attacks from Lebanon to the Red Sea in its attempt to open multiple fronts against Israel, it has thus far avoided direct confrontation with Israel or its allies.

- While right-wing hawks at home have called on the Biden Administration to employ “direct military force, applied against critical targets inside Iran” and exact “massive retaliation”, the Biden Administration has aimed to prevent a disastrous war with Iran through diplomacy and calculated deterrence.

5. West Bank:

- In addition to escalating violence with groups linked to Iran, an urgent situation in the West Bank threatens to open yet another front. Taking advantage of the war in Gaza, Israeli settlers in the West Bank – aided and abetted by Israeli forces – are exploiting an atmosphere of impunity following the Hamas massacre to forcibly displace Palestinians from their homes. This situation is compounded by economic devastation wrought by revocation of visas for West Bank Palestinians who worked in Israel. The average number of settler attacks has skyrocketed to an unprecedented rate of 7 per day – up from 3 per day earlier in 2023 (before Hamas’ attack). In the three months following October 7, over 1,200 Palestinians have been displaced due to settler violence and access restrictions.

- Pre-war dynamics, including the breaking down and absence of the security forces of the Palestinian Authority – deliberately marginalized by the Netanyahu government – permitted the rise of a new generation of militants. In the midst of the war in Gaza, support for Hamas in the West Bank has spiked. The rate of attacks, including those directed by Hamas, against Israeli settlers has grown significantly.

- A record-high 300 Palestinians have been killed in the West Bank since October 7. Eight were killed by Israeli settlers and the remainder by Israeli forces during IDF operations in the areas ostensibly under PA control. According to the UN, this made 2023 the “the deadliest year [on record] for Palestinians in the West Bank.”

- See “As Israel-Hamas War Rages, Urgent Situation in the West Bank Also Requires US Action” for policy recommendations and further details and analysis.

For additional analysis, see the J Street Policy Center webinar with experts Mona Yacoubian of the US Institute of Peace and Dr. Gil Murciano of Mitvim, recorded on January 16, 2024.