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POLICY BRIEF

PIECES IN MOTION: REBALANCING POWER IN A NEW LEVANTINE ORDER

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SUMMARY

- The October 7th 2023 attacks on Israel led by Hamas shook the Middle Eastern kaleidoscope. The pieces are still in flux. The fall of Assad in Syria, Hizbullah's decline in Lebanon, and new efforts by Iraq's government to curb Iran-backed militias create an opening in these three fragile Levantine states.

- Regional powers are trying to exploit Iran's weakening to gain advantage. But long-term stability in the Levant, a vital European interest, depends on the establishment of a new balance of power that can support independent governments free from external hegemony.

- European policymakers should use their continent's diplomatic and economic weight to help achieve a regional balance: by partnering with potential stabilisers (Turkey, Saudi Arabia and Qatar), containing destabilisers (Iran and Israel), and doing more to strengthen governance in Damascus, Beirut and Baghdad.

The new Levant

“The statesman’s task is to hear God’s footsteps marching through history, and to try and catch on to his coattails as he marches past.” So spoke Otto von Bismarck, the chancellor who in 1871 unified Germany. The old Prussian *Junker* believed in seizing the moment. He also believed in balanced power as the foundation of peace and stability on the European continent. Both credos apply to today’s Middle East.

The thundering of divine feet has been particularly loud there lately. On October 7th 2023 Hamas attacked Israel. The country’s military response has pushed back Iranian power across the region, especially in Lebanon, Syria and (albeit to a lesser extent) Iraq. Those three fragile states—which this report will describe as the “Levant”—now have a window for lasting renewal. But if a new balance does not emerge, they will be plunged back into chaos. And Europe will be among the first to experience the terrorism, irregular migration and other forms of disruption this would unleash.

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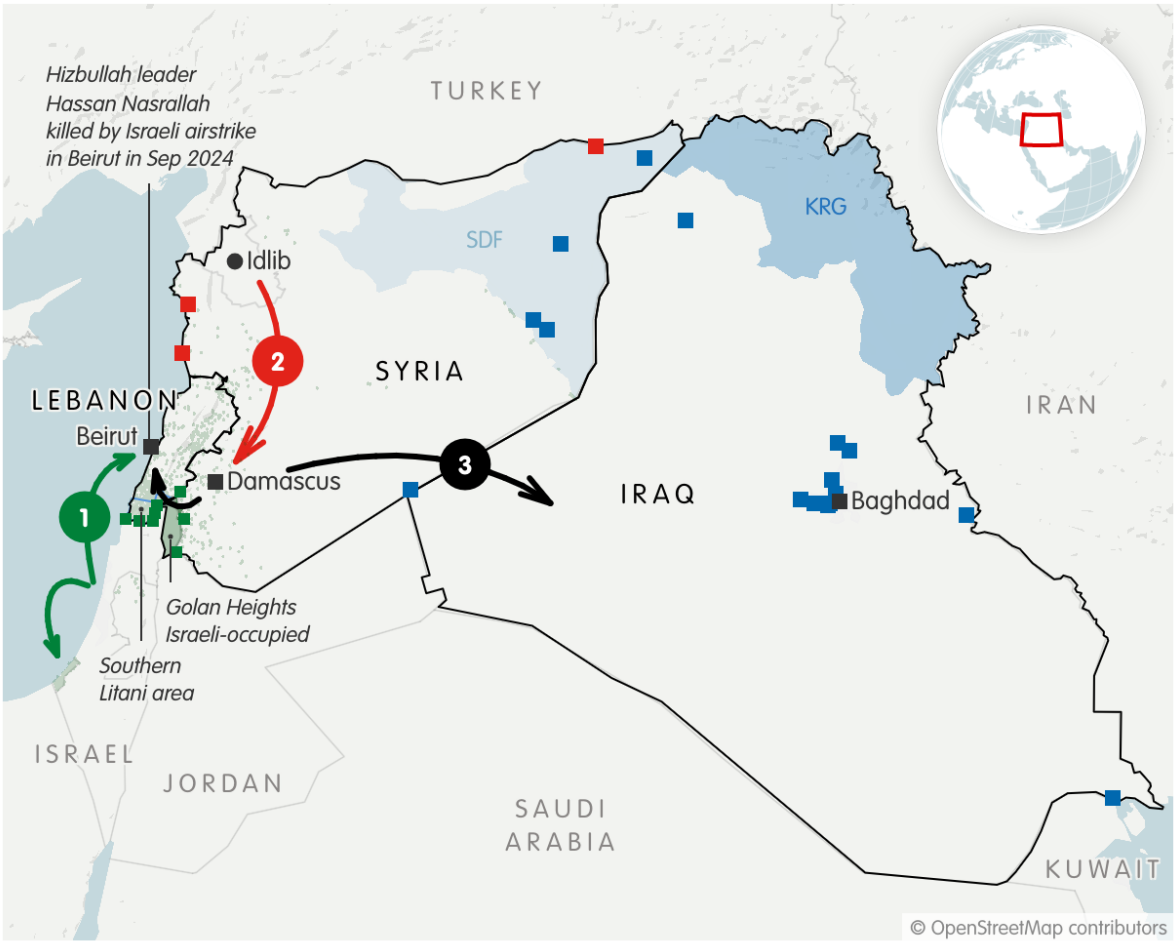
Israel’s military response to the Hamas-led attacks not only targeted Gaza and its Islamist rulers but also the Lebanese Hizbullah group and Iran’s other regional allies. Under the Israeli onslaught, Hizbullah lost its leadership command, political dominance inside Lebanon, and ability to project power into Syria. This contributed to a rapid shift in Syria in December 2024. Bashar al-Assad’s regime collapsed after an unexpected offensive by Hayat Tahrir al-Sham (HTS), an opposition group with former links to al-Qaeda. The shockwaves also reached Iraq, where the threat of Israeli and US strikes is creating some space for the government and its partners to try and curb Iran-backed militias that have long operated beyond state control.

A reordering of the Levant

1. Israel's military response targeted Hamas, Lebanese Hizbullah and Iran's regional allies
2. Unexpected HTS offensive in Dec 2024 led to collapse of Assad's regime
3. Shia armed groups fled to Iraq, Hizbullah to Lebanon and Assad to Russia



Areas of control: Kurdish-led SDF Kurdistan Regional Government (KRG) Israeli-occupied Golan Heights

Military bases: US Russia New Israeli bases in Syria since December 2024 and residual Israeli Defence Forces (IDF) presence in southern Lebanon Main areas of Israeli strikes since October 7th 2023 attacks

Source: Institute for the Study of War; ACLED; ALMA; Liveuamap.
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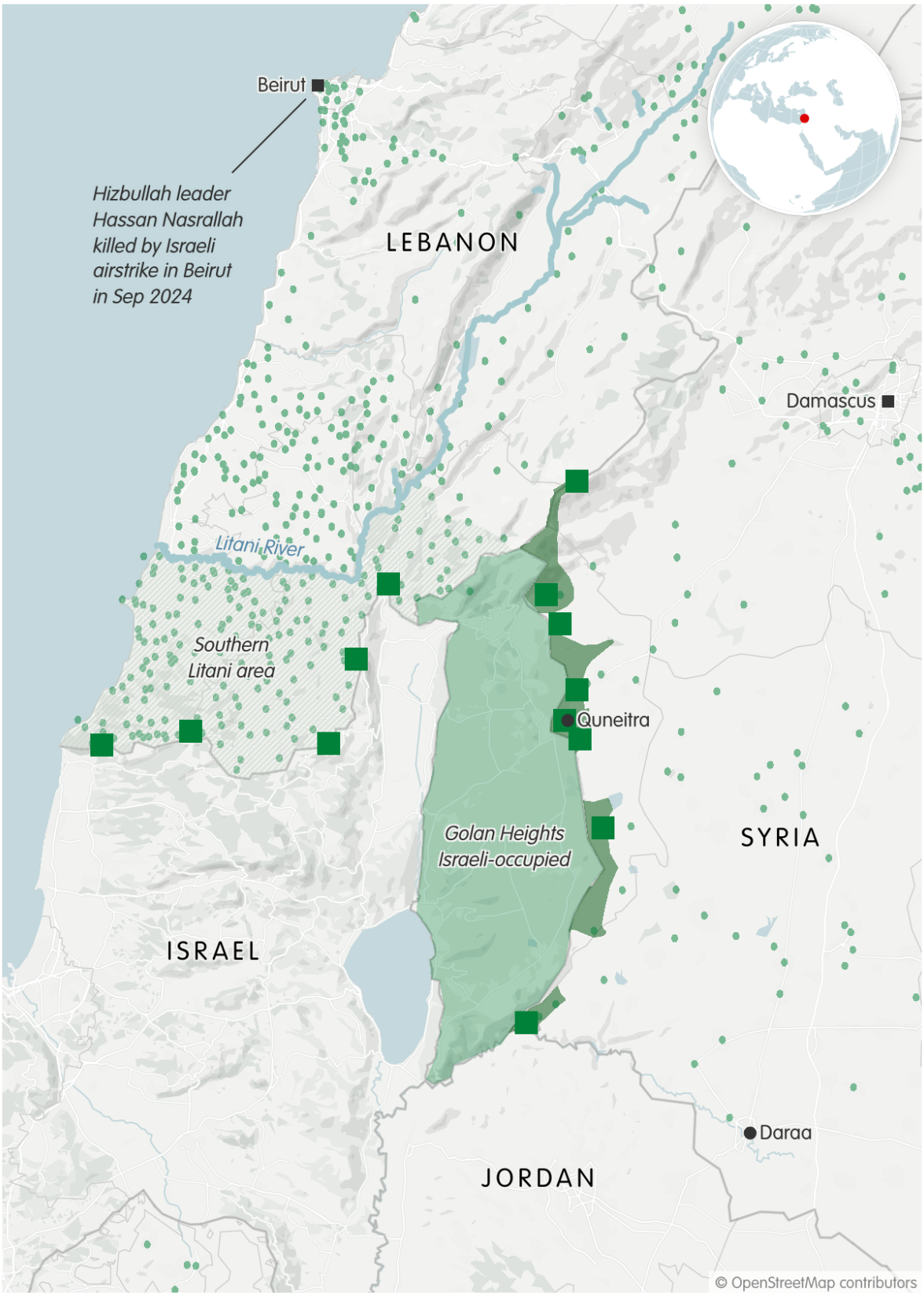
As Iran's influence wanes, other regional powers are moving in. Turkey, which is closely linked to Syria's new rulers, aims to shape the country according to Ankara's own version of political Islam. Syria and Lebanon have both witnessed a surge of new engagement by Arab

countries, spearheaded by Saudi Arabia. Meanwhile, Israel has exploited Assad's fall, striking weapons stockpiles and other targets in Syria and expanding its territorial control over parts of the country—while opposing Turkish inroads there, reflecting a new deepening rivalry. Israel also holds a dominant position in Lebanon and continues to bomb the country in violation of the November 2024 ceasefire agreement. Much will also depend on the future shape of US policy as the Trump administration balances strong support for Israel against Iran with its longstanding desire to reduce America's regional commitments.

While these regional shifts remain uncertain and at times dangerous, they nonetheless present Europe with an opportunity to help shape a more stable regional order. To do so, European governments should intensify efforts to counter two key drivers of chaos: destabilising external interventions and the poor governance that has left all three countries teetering on the brink. With governments in Lebanon, Syria and Iraq showing cautious openness to reform, European support can reinforce this positive trajectory. In doing so, Europeans can reduce these states' reliance on—or vulnerability to—the hegemonic ambitions of external actors and in so doing help to balance power in the region.

Israel's current position in Lebanon and Syria

New Israeli bases in Syria since December 2024 and IDF residual force positions in southern Lebanon · Main areas of Israeli strikes since October 7th 2023 attacks



Source: Institute for the Study of War; ACLED; ALMA.
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The dangers are manifold. While Israel and Turkey are competing to consolidate their gains, Iran could attempt to spoil progress or make a resurgence. This could in turn escalate into a broader regional confrontation, exacerbated by the Trump administration's maximum-pressure campaign on Tehran and potential strikes against Iranian nuclear facilities. Internal political and sectarian violence could also erupt in all three states amid new competition for dominance. A region plunged into renewed conflict would once again threaten European interests: managing migration flows, stopping terrorism and protecting maritime trade routes.

To help the Levant states edge towards a better future, European governments need to find ways to both cooperate and compete with regional powers through inclusive partnerships. Working with Turkey and Saudi Arabia, which this paper argues are more committed to stabilising the Levant than other regional powers, will be key.

Europeans will also need to press Israel and Iran to respect the sovereignty of Levantine states, ending destabilising military strikes and support for non-state armed groups. They should work with local and regional powers to ensure Iran is unable to support groups that challenge state sovereignty. And they should push back against Israel's destabilising actions more openly. Ongoing Israeli attacks in Lebanon risk destroying the fragile ceasefire and once again plunging the Levant into all-out conflict. Supporting US-Iran nuclear diplomacy also remains an important brake on regional escalation, and could help bring about a more constructive Iranian approach that sustainably curbs tensions in the Levant.

What Europe lacks in hard power in the Middle East, it makes up for, in part, in economic and diplomatic power. But the European approach should be pragmatic, focused on fostering "good enough" governance and economic revival rather than seeking dramatic transformation. Western actors need to accept that the Levant will not suddenly become a beacon of democracy, and that Iranian allies such as Hizbullah will retain influence and need to be incorporated into new structures of power and order. Pushing for their immediate and complete demise would be counterproductive. But the emergence of better-functioning centralised governments is an attainable goal and an essential step to stabilising the region.

Despite Europe's limited resources amid Russia's war in Ukraine, the Levant should remain a European strategic priority. Over the past decade, regional turmoil and manoeuvring by external powers such as the US and Russia have marginalised European states. Now more than ever, they need to move out of the US slipstream and take advantage of this brief moment of opportunity to support a more favourable regional order aligned with their own, independent interests. Based on extensive discussions throughout the region and research visits to Lebanon and post-Assad Syria, this policy brief sets out that strategy.

The Levantine order that was

From the US invasion of Iraq in 2003 until recently, the Levant was characterised by two mutually reinforcing, destabilising dynamics: the rise of Iran's regional network and the ongoing weakening of Levantine governance structures.

Tehran rules

Iran sought to use its network of state and non-state allies, the so-called axis of resistance, to deter direct Israeli and US strikes or regime change plans.

In Iraq, the US invasion ushered in a new Shia leadership aligned with Tehran, with Iran further consolidating its position through close ties to the country's dominant armed groups. In Syria, Tehran's influence deepened significantly due to Assad's reliance on Iranian support to fight the civil war that began in 2011. Syria also acted as a crucial conduit for Iran's military support to Hizbullah, a non-state armed group created with Tehran's backing. Since its 2006 war with Israel, the group had become Lebanon's dominant political and military force, symbolised by its deployment of fighters to the streets of Beirut in May 2008.

This consolidation of an Iranian axis largely shut out other regional powers. Saudi Arabia slashed its support to Lebanon, deciding to cut its losses given Hizbullah's ascendancy. Riyadh and other Gulf states disengaged from Iraq in the face of Tehran's dominance after 2003. And in Syria, Arab Gulf states, which initially supported anti-Assad rebels, also pulled back following the regime's perceived Iranian- and Russian-backed military victory.

For Israel, this was a highly hostile regional environment. Israeli security officials believed a new war on their country's northern border, possibly extending into Syria—given the presence of Iranian-backed groups along the Golan Heights—to be only a matter of time. Although Israel expanded its air strikes against Iranian-linked groups in Syria as part of its campaign "between the wars", it was constrained by concerns that Hizbullah could fire its arsenal of rockets, estimated to number as many as 150,000, deep into Israel.

Turkey too found itself in a tight corner. Assad's survival posed long-term problems, exacerbated by his refusal, despite Russian pressure, to negotiate a settlement. Turkey assumed a key role in Idlib on its own southern border, where it sought to prevent escalation between HTS and the regime, which could have provoked a surge of new refugees into Turkey. Ankara was also focused on the threat posed by the Kurdish-run autonomous region in north-eastern Syria, run by the US-backed Syrian Democratic Forces (SDF), which has ties to the Kurdistan Workers' Party (PKK), a group Turkey considers a terrorist organisation.

Weakness in Damascus, Beirut and Baghdad

The second overlapping dynamic in the Levant has been the failure of governance structures and central states. Over the past decade, conflict, corruption and mismanagement have devastated state institutions and eroded public-service delivery. These conditions created fertile ground for non-state armed groups.

Lebanon witnessed a severe economic crisis in 2019 and a devastating port explosion in 2020–both largely caused by chronic corruption and mismanagement. In Syria, the Assad regime's brutal and corrupt rule, compounded by international sanctions, hollowed out state institutions, turning the country into a broken narco-state. In Iraq, meanwhile, deep layers of corruption have seen the country's significant oil resources squandered at the expense of state institutions and public services.

In all three cases, entrenched elites resisted reforms that might have stabilised the countries at the expense of their own power and economic gains. This resistance to reform emanated not just from Iranian-backed elites, but also those backed by the West, including important financial figures in Lebanon. By the end of 2024, 90% of Syrians, 60% of Lebanese and 17.5% of Iraqis lived below the poverty line, reflecting widespread state collapse. Worsening economic conditions and rising violence drove migration to Europe, including 1.3 million Syrians.

As states weakened, non-state actors filled the vacuum. The Islamic State of Iraq and Syria (ISIS) took root, while the Kurdish-led SDF harnessed US support (ostensibly given to fight ISIS) to consolidate its semi-autonomous rule in northeastern Syria. Iranian-backed militias in Iraq, collectively known as the Popular Mobilisation Units (PMU), cemented their dominance thanks to their decisive role in defeating ISIS in 2014. Today, the PMU has an estimated 200,000 fighters and a budget of approximately $2.6bn. In Lebanon, Hizbullah expanded its security capabilities and became a primary provider of essential services, effectively running a parallel state.

This rapid erosion of state capabilities resulted in instability, migration and terrorism. Mainland Europe experienced this directly, suffering dozens of ISIS-related terrorist attacks between 2014 and 2021 and a deepening domestic political crisis caused by the arrival of over one million Syrian refugees. Then came the Gaza war, whose regional reverberations upended the positions of both state and non-state actors across the Levant.

Regional reordering after October 7th

The regional edifice that existed in the Levant has been transformed by events since October 7th 2023.

In Lebanon, Hizbullah has lost its dominant role, devastated by Israeli attacks and the assassination of its leader, Hassan Nasrallah. As part of the 2024 ceasefire agreement the group is expected to withdraw north of the Litani river, some 30km north of the Israeli border, in accordance with UN Security Council resolution 1701 which put an end to the 2006 Israel-Hizbullah war. The ceasefire also calls for the removal of Hizbullah's military infrastructure and the disarmament of all non-state armed groups in Lebanon.

The group's military weakening led to a major political breakthrough at its expense. After two years of deadlock, often due to the power of Hizbullah's "blocking third" in the Lebanese parliament, Joseph Aoun was elected president and a new government was formed under prime minister Nawaf Salam. This happened despite the movement's preference for a different candidate.

While Hizbullah retains a significant role, including in post-conflict reconstruction in areas battered by Israel's attacks, the new Lebanese government has clearly made efforts to re-orientate the country away from Iran, and towards Arab states and the West. Upon assuming office, Salam committed to a "government of reform and salvation". This includes working to reestablish central security control and ending Iran's ability to transport weapons to Hizbullah.

In Syria, Assad's collapse was the direct consequence of the hollowing out of the Syrian state and the efficiency of the surprise offensive by HTS. But Israel's weakening of Hizbullah, and Iran's inability to support the Assad regime amid wider regional setbacks, were important contributing factors. Tehran must now contend with a Syria that is staunchly anti-Iranian, [1] and which is cracking down on Hizbullah's border access to reduce weapons and narcotics smuggling while also reportedly detaining senior members of Palestinian Islamic Jihad, another Iranian-backed group.

In Iraq, change has been slower but there are signs of a reorientation. Baghdad is seeking greater autonomy from Iran and is cautiously working to loosen Tehran's overt hold over Iraqi militias. Following the Gaza war, these groups targeted Israel with missile attacks, prompting US counter-strikes and the threat of Israeli attacks. In response, Iraq's prime minister Mohammed al-Sudani has sought to dissolve Iranian-backed groups and integrate all

forces into the Iraqi state, to prevent them from dragging the country into regional war. Having seen the destruction wrought on Hizbullah, these groups are anxious to avoid such an outcome. While this is making them more cooperative compared with previous integration efforts, they remain unlikely to cede decision-making authority to the state, even within new government structures. As such, it is uncertain whether political accommodation can be channelled into meaningful reform.

Today, some Iraqi leaders and even militant groups see the continuation of a US military presence in the country as a valuable deterrent against future Israeli attacks, as well as the perceived new threat posed from Syria given HTS's former ties to al-Qaeda, which long waged a brutal campaign of violence in Iraq and gave birth to ISIS. [2] This shift runs counter to the long-standing desire of hard-line factions aligned with Iran to expel US forces, and reflects the perceived lack of support afforded by Iran. As one Iraqi expert puts it, the militias in Iraq thought "if Iran didn't even attempt to rescue Hizbullah, who would they save?" [3] This sentiment has been amplified by Iran's willingness to support a de facto truce between its armed allies in Iraq and the US, reflecting Tehran's desire to avoid conflict, especially while nuclear talks with the Trump administration are ongoing.

The new scramble for the Levant

Regional powers are now scrambling to reshape the Levant. On one side are potential destabilisers, notably Israel and Iran, which may see a weakened and fragmented Levant as more conducive to their interests. In Syria, there is an unusual convergence of Iranian and Israeli interests in making sure the new regime in Damascus remains weak and vulnerable to pressure. On the other side are potential stabilisers, led by Turkey, Saudi Arabia and Qatar. These countries have embraced destabilising policies in the recent past, like Saudi Arabia's military intervention Yemen in 2015 and brief kidnapping of Lebanese prime minister Saad Hariri in November 2017, or Turkey's interventions in northern Syria. Yet in the new Levantine order, they consider the preservation of existing state structures and better functioning Levantine states as the best way to advance their interests.

Destabilisers

Iran: Down but not out

Outgunned by Israel in the Levant over the past 18 months, Iran now finds itself on the back foot, and more vulnerable to direct Israeli and US military strikes than ever before. But it still has the capacity to be a leading destabiliser. For now, a deep Iranian strategic rethink is

underway. Having been unable or unwilling to use the axis of resistance to deter Israel since 7 October, Tehran is focusing on strengthening its conventional military (including a new "missiles city" underground arms store), and nuclear capabilities.

According to one senior Tehran-based expert, Iran is in "wait and see" mode in the Levant. [4] Hardline factions in the country's leadership have been weakened as result of regional dynamics and growing domestic pressures. This has given more moderate voices the upper hand and they are pushing for Iran to accelerate its reconciliation with the Arab world and reach a nuclear deal with Trump.

Having at least temporarily moved away from its focus on regional deterrence, Iran now seemingly considers rebooting the axis of resistance less of an immediate priority. Instead, some Iranian officials are advocating a more cooperative approach with Gulf Cooperation Council (GCC) states to keep the Levant aligned with its interests. [5] This is more likely to bear fruit if Iran and the US reach a nuclear deal that lowers the risk of war. This altered threat perception could allow Tehran to reduce its reliance on regional armed networks as a deterrent tool, and focus more on benefiting from these groups' political positioning inside Lebanon and Iraq.

In Syria, Iran may in time also seek opportunities to engage with the new authorities. This may be driven by overlapping interests in evading US sanctions and by ongoing Israeli military strikes that might eventually push Damascus back towards Iran (though Syria is much more likely to rely on Turkish support).

However, if its regional outreach fails or diplomacy with Trump collapses into conflict, Iran is likely to refocus resources on rebuilding Hizbullah and other regional allies. These local actors could act as spoilers of domestic transitions that exclude Iran or its regional constituents. Either way, Iran will exploit domestic chaos to try and reassert itself.

Hizbullah, in particular, retains a powerful base in Lebanon that could be remobilised over time. Meanwhile Syrian Alawites and Kurds could also emerge as recipients of Iranian support. The cross-border attacks from Lebanon on HTS forces in March 2025 illustrate how Iran could seek to benefit from security weaknesses in Syria to its advantage.

Iran also still holds significant sway in Iraq. Despite Levantine attempts to curtail the power of Iranian-backed armed groups, Tehran's allies remain influential—and Iran can also expect to exert influence from within Iraqi state structures. Since October 7th, the Islamic Resistance in Iraq—made up of several Iran-affiliated armed groups, including Kataib Hizbullah and Harakat Hizbullah al-Nujaba—has launched a series of strikes into Israel. These groups could support Tehran if the US and Israel carry out military strikes inside Iran, including by launching new attacks against Israel and US troops in Iraq.

While Baghdad's ability to assert greater control over the PMUs will have a significant bearing on Iran's manoeuvrability, Sudani is seeking to advance this agenda in cooperation with, rather than opposition to, Iran. Tehran's influence in Iraq is unlikely to be as significantly diluted as in Lebanon and Syria. Potential new US sanctions on Iraq's banking and oil sectors (following the end of American energy-sector sanctions waivers permitting electricity purchases from Iran) may also push Baghdad into greater dependence on Tehran. Conversely, if new negotiations between Tehran and Washington progress, Iraq is less likely to become a launchpad for Iranian military strikes against US forces or Israel.

Israel: The spectre of hubris

Israel is currently a key driver of instability in the Levant. Having been taken by surprise by the 7th October attacks, it has since emerged as a regional winner following its extensive campaign of strikes on Iran and its regional allies. Israel's government believes these developments vindicate Israeli prime minister Binyamin Netanyahu's assertion that the country is remaking the Middle East for the better.

Direct Israeli strikes on Iran have exposed Tehran's air defence vulnerabilities and Israel is now pressing the Trump administration to launch strikes against Iran's nuclear facilities. Israel has also received US backing to maintain a military presence in southern Lebanon despite the ceasefire agreement calling for its withdrawal, while continuing to strike Hizbullah targets.

A more Western-friendly government in Lebanon has raised Israeli hopes that it will take direct action against Hizbullah. However, Israel's continued occupation of Lebanese territory and its expanding strikes are already undermining the new government in Beirut. This is providing Hizbullah with the impetus to remobilise as it presents itself as the sole defender of Lebanese sovereignty. The group has made clear it will not disarm as long as Israel remains in Lebanon.

The situation in Syria is more complex. While Israel has welcomed Iran's significant setbacks in the country, Syria's potential reemergence as a Sunni-Islamist actor (that could be more assertive that Assad ever was) is causing it alarm. Israel continues to strike Syrian military targets to prevent the new government or armed groups from threatening it. And it has expanded its control over Mount Hermon and the Quneitra area, creating an expanded security buffer along the Golan Heights which it occupied in 1967. Israel is also trying to cultivate ties with Syria's non-Arab minorities, especially the Druze, as a check against HTS.

On May 2nd Israel struck Damascus close to the presidential palace to signal, as Netanyahu put it, its opposition to "the deployment of forces south of Damascus or any threat to the Druze community". Ultimately, Israel prefers a weakened and fragmented neighbour, and has reportedly lobbied Washington against sanctions relief.

With Iran's expulsion from Syria, Israel is increasingly preoccupied by Turkey's growing influence, including the prospect of Turkish military bases, which it worries could pose a direct threat and constrain its freedom of operation in the country. While once friendly, Israel-Turkey relations have become increasingly acrimonious due to the war in Gaza. One Israeli former official described the thinking in the Netanyahu government as "if we let Turkey take root in Syria, we will miss Iran."[6] Israeli military attacks across Syria in April were intended as a clear warning against any move by Ankara to establish a military base there or otherwise interfere with Israeli activities. As a counter-weight to Ankara's presence, Israel also reportedly supports maintaining Russian military bases in the country.

However, as with Lebanon, Israel's aggressive military strategy inside Syria risks backfiring. Its strikes will likely push Damascus further into Turkish arms in search of greater security assistance. They are also stoking Syrian nationalism and anti-Israeli sentiment, potentially reversing what has, until now, been a largely ambivalent HTS position towards Israel. [7]

Stabilisers

Turkey: Syria's new guarantor

Ankara has emerged as a key regional power pushing for Syrian stabilisation and the emergence of a strong central state. Turkey is harnessing its ties with HTS, based on relationships established with its senior cadres when the Islamist group's rule was confined to Syria's Idlib province, to strengthen its interests in the country and create a launchpad for wider regional influence.

Turkey has swiftly moved to recognise the legitimacy of the new regime and dispatched senior ministers, as well as security and economic figures, to support Damascus. While Ankara is pressing HTS for an inclusive political transition that will provide stability, it has not gone so far as to hold the group to specific benchmarks. Turkey also wants to see Damascus facilitate refugee returns, but understands that to be a more realistic option if sanctions are lifted. According to Turkish officials HTS's leadership style is rooted in pragmatism, and Turkey's governance model under Recep Tayyip Erdogan's conservative Justice and Development Party could inspire HTS as it evolves from jihadist group into a more mainstream Islamist political force.[8] For Ankara, that means a Sunni-dominated

conservative landscape with minorities present in governance structures but not threatening the overall ideological direction or decision-making ability of the new regime.

Both HTS and the Turkish government aspire to a security partnership that would include a defence pact, with Turkish military bases, defence industrial exports and training of the country's new security bodies. Members of Turkey-backed Syrian opposition groups, as well as Turkish nationals, are now reported to occupy key Syrian security posts. Ankara is also working to help integrate the Syrian National Army (SNA)—a Turkish-backed umbrella of armed militia groups in northern Syria—into the new Syrian army.

Ankara wants to use HTS's gains to address perceived security threats posed by Syrian Kurds and ISIS remnants—but also as a useful instrument in its own negotiations with Kurds. Turkey has recently resumed talks with imprisoned PKK leader Abdullah Ocalan. The exact nature of the relationship between Damascus and Syrian Kurds is a major focus of the deliberations. Ankara would like to see a more centralised rule than currently exists in Syria but is willing to tolerate some level of administrative autonomy that can extend to Kurdish areas and other parts of the country. As part of a recent agreement with the interim administration in Damascus, the SDF has agreed to limit its regional autonomy, share control of the country's oil and water resources with the central government, integrate its forces into the Syrian army and expel foreign fighters linked to the PKK.

But the agreement is only a set of principles and negotiations are under way over the details. Syria's Kurds approach negotiations with Damascus (and Ankara) with caution and remain sceptical of Syria's new rulers, but also understand that the prospect of a US withdrawal from Syria under the Trump administration puts the SDF in a weaker position and opens the threat of Turkish military force. If negotiations fail, a wider Turkish campaign against Syria's Kurds could be hugely destabilising.

Ankara is also reaching out to Jordan and Iraq in the hope of forging a new regional anti-ISIS alliance to compensate for the likely US departure.

Economically, Ankara aims to benefit from Syria's reconstruction, hoping Arab Gulf states will fund Turkish construction companies. Additionally, Turkey wants to establish itself as an energy and logistics hub. To the concern of Greece and Cyprus, Turkey's transport minister has indicated that his country is working to secure an Exclusive Economic Zone agreement with Damascus to permit oil and gas exploration—a move that would likely conflict with rival claims in the contested Eastern Mediterranean.

Ankara may also use Syria to connect Turkey to the Arab Gas Pipeline (running from Egypt north through the Levant states) or build a pipeline from Qatar to compete with the Eastern

Mediterranean Gas Forum, which excludes Turkey. These efforts could complement stronger energy ties with Iraq where oil flows to Turkey could resume after a longstanding dispute over payment revenues. With the Kurdish-Turkish conflict possibly moving towards settlement, this could enable Ankara to further deepen its sway in Iraq.

However, Ankara fears that Iran and Israel may undermine its ambitions by intervening in Syria and bolstering Kurdish forces. This has significantly motivated the Turkish government to resume negotiations with the PKK. Turkish competition with both states is likely to be shaped by the degree to which they attempt to keep Syria weak and fragmented.

Saudi Arabia and the Arab Gulf monarchies: The money

In both Syria and Lebanon, hopes for post-conflict stabilisation and reconstruction depend heavily on Arab Gulf financial support. This gives the GCC states significant influence to shape the emergence of a regional order aligned with their interests. Riyadh, in particular, is intent on deploying its influence to re-establish its regional leadership, create the wider stability required for its own security needs and economic transformation, and reverse the Levant's drift into Iran's orbit over the past two decades. [9]

While Saudi Arabia is maintaining strong diplomatic engagement with Tehran to ensure that it is not targeted by Iran in the event of regional escalation, it likely welcomes Iran's regional setbacks and sees an opportunity to bring the Levant back into the Arab fold (while also working to ensure that Turkey cannot fill the void).

This has resulted in increased Arab Gulf engagement in Lebanon and Syria over recent months, particularly by Saudi Arabia and Qatar. Doha is taking advantage of its longstanding support for the Syrian opposition to be a first mover in Syria. It is now providing the country with natural gas supplies via Jordan and has offered, though not yet delivered, financial support to help the new government pay salaries.

Riyadh is also pursuing new engagement with Damascus, pushing for increased international support and signalling its own willingness to provide significant assistance. In April, Riyadh and Doha paid off Syria's arrears to the World Bank to allow the institution to re-engage with Damascus. Saudi Arabia also supported negotiations for a new border demarcation deal between Lebanon and Syria in March, a key step in defusing longstanding tensions between the two countries and supporting effective border management to block illicit weapons and drugs flows, much of which has benefited Hizbullah.

In Lebanon, the kingdom supported US- and French-led negotiations to secure the November 2024 ceasefire and efforts to form a new government, forging renewed ties with Beirut after a

long period of non-engagement. This was followed by President Aoun's March visit to Riyadh, the first by a Lebanese head of state in eight years. The visit aimed to renew economic ties and reactivate a $3 billion support package for the Lebanese army (suspended in 2016 due to Lebanon's unwillingness to side with Saudi Arabia in condemning Iranian regional behaviour).

These efforts come against the backdrop of Iraq's re-engagement with the GCC over recent years with Baghdad presenting itself as a platform for regional mediation rather than competition and intensifying its outreach to Arab Gulf capitals in pursuit of much-need investments. GCC states see this as an opportunity to draw Iraq back into the Arab camp, as symbolised by Saudi-led efforts to connect Iraq to a GCC energy network to reduce its reliance on Iranian supplies.

But Israel's military strikes in Syria and Lebanon and Washington's refusal to lift sanctions could limit the ability of these GCC actors to deliver on their ambitions. Qatar and Saudi Arabia , along with Turkey, are now calling for international sanctions relief to help stabilise Syria by enabling the new government to provide basic services and pay salaries. [10] Although Qatar's offer of financial support to Damascus has been blocked by US measures, Doha has been able to secure a US green light to provide gas supplies.

The Trump wild card

Looming over the Levant, and the positioning of regional powers, is the Trump wild card. The US administration has yet to adopt a coherent policy due to Trump's ever-shifting positions, competing "MAGA" impulses and the lack of priority the administration accords to the Levant.

On one side are "restrainers" like vice-president J.D. Vance who want to reduce US involvement in the Middle East, including withdrawing American troops from Syria and Iraq. This position risks provoking instability, because a rapid and uncoordinated US military exit could amplify the tug-of-war between SDF forces and Damascus, and possibly provoke a Turkish military inclusion against the Kurds. This could jeopardise the security of Kurdish-controlled prisons housing thousands of ISIS members and rekindle the terrorism threat emanating from Syria and Iraq.

But there is an even more destabilising approach being pushed by "primacists" in the administration such as secretary of state Marco Rubio and former national security adviser Mike Waltz. They want continued strong US engagement in the Middle East to weaken Iran. They are more supportive of maintaining American troops in the region and vocal in backing unrestrained Israeli military action, both of which risk undermining newly empowered central governments and recreating the state weakness that Iran is so adept at exploiting.

Without a clear guiding policy, the US is for now sustaining—or even increasing its regional sanctions. This is partly a reflection of a new maximum pressure campaign against Iran, which US officials want to extend across the Middle East. A new round of US sanctions against Lebanon and Iraq could be forthcoming, reflecting the Trump administration's unwillingness, unlike its predecessors, to factor the economic concerns of local populations into its strategic calculations.[11] However, reflective of the uncertain Trump policy, this maximum-pressure approach could be reversed if there is progress in new US-Iranian negotiations

US policy towards Syria also reflects an ongoing distrust of Islamist group such as HTS, which White House figures still essentially view as unreformed jihadists. In March, the US welcomed the new transitional government in Syria but warned that it would not provide sanctions relief until Syria took verifiable steps, including to "fully renounce terrorism, exclude foreign fighters from any official roles" and prevent Iran and Hizbullah from using Syrian territory. US sanctions are likely to continue for the foreseeable future, blocking critical inward financial support.

This extensive use of US sanctions will exacerbate domestic fragilities and compound the vast economic challenges in the Levant. Added to this is the brutal impact of US aid cuts. The US has long represented the largest single donor to regional humanitarian and development efforts—including at least 25% of total international aid support to Syria in 2024—and the loss of this support will further undermine these states.

The new Levantine order on the horizon

Against the backdrop of dramatic change, the Levant is at a moment of sharp reckoning, caught between the new hope of a more stable future and the old danger of further state collapse and conflict. What plays out there will shape the prospects of war and peace in the broader Middle East, notably as it concerns the ongoing conflict between Israel and Iran.

Opportunities for Levantine states

The prospect of a more stable Levant, regional power opportunistically balanced in the Bismarckian sense, is emerging in two clear ways.

First, governments are doing more to prioritise national interests and avoid being drawn into geopolitical struggles between Turkey, Israel and Iran.

Central authorities are now actively seeking to balance their relations with regional powers to improve prospects for stability. As one Lebanese official noted, this approach aims to "neutralise" Lebanon amid regional conflicts. Despite maintaining close ties with Iran, Iraq has significantly improved relations with Saudi Arabia after a long period of broken ties. It has positioned itself as a model for this regional balancing effort, having used the French-backed Baghdad process to pivot from being a battleground for regional powers to a platform for Gulf-Iran détente.

Damascus is likewise seeking to build out wider ties to meet the country's economic needs and avoid being sucked into destabilising polarisation. While it is focusing on regional support, it is simultaneously widening its engagement with Europeans and negotiating with Russia as a means of legitimising the new government and securing economic support.

Authorities in all three countries are also seeking to insulate themselves from regional conflict by diminishing the role of regionally backed non-state armed groups through difficult processes of disarmament, demobilisation and reintegration.

In Iraq, Sudani is cautiously seeking to continue the attempts of prior Iraqi prime ministers to more fully integrate armed groups into the state security apparatus. He will undoubtedly face significant obstacles wresting central control from Iran and its wide networks of allies in Iraq. However, Sudani may have more success than his predecessors, given the weakening of other members of the axis of resistance, as well as the growing appetite among Iraqi armed groups and Iran to avoid a major clash with the US or Israel.

In Lebanon, the situation is similar, with the new government committing to asserting central control over the use of force, indicating a willingness to work toward demobilising Hizbullah. But as in Iraq it lacks the power to compel the Shiite armed group to fully stand down. In both countries coercive efforts to assert full state authority risk provoking conflict. The Lebanese president has acknowledged that disarming Hizbullah is a "delicate" task that will require a collaborative rather than confrontational approach. This appears to align with Hizbullah's reported willingness to discuss disarmament within the context of a national defence strategy, providing Israel withdraws from southern Lebanon.

For its part, Damascus is also focused on integrating militias groups and struck a deal in March with the SDF to bring its armed wing into the national army, though it remains to be seen whether this will be implemented given the SDF's desire to protect its autonomy.

Damascus is also seeking to assert control over the south of the country by integrating former opposition armed groups into the Syrian army. But given its lack of significant armed capabilities, the presence of competing militias, the government's meagre economic resources and questions over its nationwide legitimacy, the new authorities face a daunting task in establishing central security control.

Other militias, such as those of Druze groups that border Jordan and Israel, have so far refused to give up their arms, and they clashed with government backed forces in late April. This followed widespread violence by armed groups associated with the government in the predominantly Alawite coastal areas in early March, a confrontation initially provoked by fighters affiliated with the old regime who may now be seeking to mobilise against Damascus. The scale of the violence has raised fears about the sectarian intentions of armed groups associated with HTS.

Pressing non-state armed groups to put down their guns will be a crucial means of strengthening central states across the Levant, and limiting the ability of regional powers—or other hostile actors such as ISIS—to exert destabilising influence. Success on this front will require the new governments to secure the political legitimacy, economic resources and coercive powers needed to cement reinvigorated state authority. Importantly, it will also require giving these non-state groups a political off-ramp, convincing them that integrating into an inclusive political process and claiming a seat at the national table will better serve their interests.

The second key dynamic is the focus of these governments on improving governance. The language of reform, with a big focus on steps needed to unleash economic development, is being promoted by Levantine leaders who recognise that reversing state collapse is essential for long-term stability.

To secure Western sanctions relief and funding support from Saudi Arabia and Qatar, the new Syrian government is promising inclusion, reform and economic liberalisation. Damascus has also reportedly hinted at a willingness to consider normalising relations with Israel in exchange for an end to US sanctions–though Syrian officials stress this would also require Israel's withdrawal from Syrian territory, including the Golan Heights.

An important step in the government's efforts was the appointment of a new transitional government in March with technocratic ministers representing the spectrum of Syria's social make-up. The group has also shown a willingness to withdraw certain measures in the face of public opposition—such as over the nature of the school curriculum—and committed to a transparent investigation and accountability after widespread violence in Syria's coastal

regions in early March. The country has also been granted an opening to secure World Bank support through Saudi and Qatari financial backing and widening western sanctions relief (though the more limited and time-bound nature of US relief still acts as a significant economic obstacle).

Still, many Syrians, especially minorities, remain doubtful about HTS's ultimate intentions. While HTS has technically dissolved itself, the leadership nucleus of the group remains in control of the core levers of a strongly presidential state, while the new temporary constitution now makes Islamic law "the main source" of legislation, a development that worries many Syrians given the group's past and the perceived sectarian violence committed by some state affiliated actors over recent months. There are still significant concerns about the new government's real commitment to inclusive reform. [12]

Similarly, the new government in Lebanon is aiming to attract much needed reconstruction aid by advancing reform. In March, Nawaf pledged "reforms on all levels [...] to rebuild state institutions and [...] attract investments". This includes a new openness to financial reforms, such as the April passage of a vital banking secrecy law that allows independent auditors access to key records, needed to finalise an IMF agreement. These steps could also provide the basis for new Saudi investment.

In Iraq, the Sudani government has focused on reform since taking office in 2022, including actively cooperating with the US Treasury to clamp down on corruption and money laundering to restrict the access of Iranian-backed armed groups to Iraq's financial sector, as well as rolling out a new digital platform for government services, aimed at reducing corruption. However, to date there have only been minimal improvements to governance, as measured in international rankings.

Despite the profound challenges this evident appetite to advance reform and strengthen state capacities, combined with wider regional geopolitical shifts, could inch the Levant region towards establishing "good enough" governance. That could help reduce the regional competition hanging over them by managing rivalries through stronger state systems. A more functional landscape would in turn help address European interests by providing the conditions that prevent, and roll back, the state collapse that has fed migration flows, security threats and regional conflict.

Risks of Levantine state collapse

While there is support for reform and a concerted effort to protect these countries from external interventions, the possibility of the alternative outcome, a continued slide towards

deepening crisis is equally possible. The most immediate trigger for this remains the ongoing trajectory of economic and state collapse and the lack of urgently needed external support, exacerbated by ongoing US sanctions. Tightening US measures, such as over Iraq's electricity sector, will only worsen conditions in an area that is key for prospects of development and domestic stability.

Compounding this crisis is the risk that central governments fail to establish a monopoly on power. While all three Levantine governments hold a wide mandate for reform, they remain constrained by the sway of powerful domestic stakeholders who will resist steps that threaten their interests and economic patronage networks. This opposition could push new leaders to abandon their reformist ambitions to focus on preserving their positions. Neither the Lebanese nor Iraqi leaders hold parliamentary majorities—making them vulnerable to political pressures. For its part, HTS lacks broad-based support, especially outside its core Sunni constituency, and is still viewed with scepticism by many Syrians. [13]

All this is further compounded by the powerful role of non-state actors, including those linked to Iran which retain the ability to act as spoilers in any transitional processes that excludes them. While HTS has begun to crack down on Hizbullah's access to Lebanon, the porous 300km-long border will be difficult to control, especially given the entrenched interests of smuggling networks and the limits of the Syrian security forces. A recent incident in Qusayr, a Syrian city near the Lebanese border, triggered deadly cross-border clashes. Syria also faces possible threats from Iraq, where Iranian-backed factions are deeply hostile to the new government in Damascus.

Even inside Syria, where Iran's rout has been the most complete, violence in the coastal areas in early March highlighted the profound dangers posed by both disenfranchised domestic constituencies (who could seek external support) and armed groups that nominally come under the new government's authority. These governments will only have the ability and legitimacy to rein these groups in if they can establish functioning state institutions, pay security sector salaries and provide key public services (including the reconstruction of homes destroyed during the war). At present, these states face continued state collapse, which is acting as a multiplier of discord and fragmentation, providing space for non-state actors to unilaterally pursue their own illicit interests, and allowing them to maintain powerful roles as alternative vehicles of local power and governance.

This febrile environment could be tipped further over the edge by Israel's continued aggressive positioning in Lebanon and Syria—coupled with the regional ramifications of its ongoing military campaign in Gaza and Trump's maximum pressure campaign against Iran. This could provoke a worst-case scenario that involves direct conflict between Iran and the

US, Israel or both, provoking wider instability across the Middle East as Tehran activates its remaining military assets in Lebanon and Iraq against Israel. Such a scenario would reverse the fragile prospects for new stability and stoke further state implosion that would again challenge Europe's vital interests and further polarise domestic politics, which remain sensitive to the interlinked questions of migration and security.

A European strategy for a more stable Levant

Europeans have a time-limited opportunity to help steer the Levant towards a more stable future by increasing support for functioning state institutions that deliver for their people and act to prevent external meddling. While Europe lacks the military muscle of other actors, particularly the US, or the financial power of the Arab Gulf states, it brings important political weight, economic resources as well as extensive technical know-how to the table.

This strategy should prioritise the following measures.

Top-down: Partnering with stabilisers and containing destabilisers

Europeans should implement an energised political and economic strategy bringing together like-minded regional powers behind a common stabilising aim that supports the independence and sovereignty of Levantine states. This should include the extension of the French-led Baghdad process on regional stability, which has promoted dialogue protecting Iraq from regional rivalries, to Lebanon and Syria as a means of enhancing regional cooperation. A critical element of this will be supporting intra-Levantine diplomacy, such as border demarcation efforts between Lebanon and Syria, and new political engagement between Baghdad and Damascus. But Europeans should also act to ensure that no one external country can impose its destabilising hegemony across the Levant, working instead to create a balanced multipolar order. Building an independent European role and working with a wide range of regional partners is one means of achieving this.

Strengthened European partnerships with Saudi Arabia and Qatar

Saudi Arabia and Qatar have emerged as the most natural allies for Europe in this endeavour. This should be a core area of strategic cooperation between the EU and the GCC. These states would welcome the added economic, financial and technical tools that come with European partnerships. On post-conflict stabilisation and reconstruction efforts, Europeans should work to promote a shared EU-GCC economic, political and technical support package for both Lebanon and Syria along the lines outlined later in this paper.

Europe and the Gulf Arab monarchies should also cooperate to enlist Trump behind their joint efforts, or at least manoeuvre the US administration into a position where it is not an active blocker. Saudi Arabia and Qatar, with their strong ties to Trump's circle, hold more influence in Washington than Europe does. To secure US backing, this effort should be framed as a means of facilitating an orderly American military withdrawal from the region (in contrast to the 2021 Afghanistan debacle) while diluting Iranian influence. This effort will require joint European and GCC messaging countering the Israeli government's preference for a weakened and sectarianised Levant—asserting to US interlocuters that this would risk embroiling America in another Middle Eastern war.

Rather than seeking additional US financial or political support, the EU and the GCC should lead and fund regional stabilisation efforts (which could provide opportunities for US companies). This, however, will be hampered by excessive sanctions. So immediate priorities should include pressing Washington to renew and widen the Syria General License (set to expire in July), avoiding new sectoral sanctions on Iraq and Lebanon, and easing long-term sanctions where local governments implement governance reforms.

Constructively drawing in Turkey

Europeans need to find pragmatic ways to cooperate with their NATO ally on Syria stabilisation efforts. This includes jointly pressing HTS to advance an inclusive political transition, integrating the SDF under a unified military command, supporting security sector reform and managing future US troop withdrawals while shutting Russia out of the region. European countries should also urge Ankara to avoid destabilising actions against Syrian Kurds such as launching further ground invasions of SDF-held territory.

Given Turkey's economic interests in Syria's reconstruction—and the need to align Turkish-Gulf efforts to prevent wider regional rivalries—Europeans should work to integrate Ankara into the shared EU-GCC regional approach. A key Turkish demand is to lift sanctions on Syria, and Europe could work with Turkey to create benchmarks for further sanctions relief.

As part of the ongoing anti-ISIS effort and preparations for an anticipated US military withdrawal, Europeans should continue their engagement with SDF but also offer operational support to a new Turkish-supported regional coalition. This should include repatriating European foreign fighters and their families currently housed in prison camps in northeastern Syria. Those fighters should be tried in European courts.

Opposing Israel's destabilising ambitions

Europe's position towards the Netanyahu government must be clear: Israel needs to fully withdraw from Lebanon as per the ceasefire agreement, and to its pre-December 2024 position in Syria. This should be underpinned by an absolute and substantive commitment to preserving the Lebanese-Israeli ceasefire, the collapse of which could spark a wider unravelling.

Though European governments hesitate to confront Israel directly, they do possess real leverage through the EU's Association Agreement (the linchpin of the Israel's economic relations with the bloc) and continued provision of European military support. Attaching greater conditionality to these benefits would allow Europe to take a firmer stance against Israel's destabilising interventions in Syria and Lebanon, which exceed its self-defence needs and hinder long-term stability.

To be taken seriously, Europeans will also need to step up their political and security contributions, including a strengthened commitment to bolstering the capabilities of the United Nations Interim Force in Lebanon (UNIFIL), including to support a French proposal to deploy peacekeepers to areas vacated by Israel in Lebanon to facilitate its withdrawal.

European governments should ally with Saudi Arabia and Qatar to highlight to the Israeli population that the current aggressive actions of the Netanyahu coalition are undermining potential constructive relations with the new governments in Lebanon and Syria. Working with the Syrian government, they should also lay out an alternative, positive offer: averting Turkey's consolidating control over Syria by providing the country with credible alternative partnerships and ensuring Israel's withdrawal to its pre-December 2024 positions, outside of the UN buffer zone in the Golan Heights. This should be combined with diplomatic support for "technical" talks between Israel and Turkey to avoid conflict in Syria.

Simultaneously, Europe needs to work with regional actors, including Syria and Lebanon, to ensure that Iran is unable to rebuild its powerful networks and rein in Hizbullah's presence on Israel's northern border. Europeans will also need to press both Israel and the Iraqi government to avoid military escalation, which requires Baghdad to prevent militias from resuming attacks on Israel. Without progress on these fronts, Israel will continue its military actions, risking a broader Israeli-Iranian confrontation.

Limiting Iran's spoiler role

Europeans should work with regional partners to limit Iran's destabilising activities in the

Levant. While Tehran's influence has diminished, it still holds sway over major local actors that could obstruct stabilisation.

Security sector reform can enhance Levantine state control in blocking Iranian smuggling routes and the activities of its non-state allies. Progress here will depend, in part, on increased external support to strengthen the armed capabilities of legitimate state structures such as the Lebanese armed forces, as well as necessary integration efforts in Syria and Iraq. But it will also involve making clear to Iran's local allies that they are not facing an existential threat and that there is space for them in the emerging new political systems. A zero-sum approach aimed at fully eradicating Iran's allies such as Hizbullah will be counterproductive and potentially feed conflict, prompting them to resort to violence to safeguard their positions. This outcome will also depend on defanging the conflicts that they exploit to legitimise their positions, such as that provided by Israel's continued occupation of parts of southern Lebanon and Syria.

A diplomatic track with Iran is also required to prevent escalation and provide Tehran with incentive to take a more constructive approach. Tehran should be cautioned against revamping Hizbullah's supply routes through Syria or using Iraqi militias to attack US and Israeli targets. Europeans should align this messaging with Ankara and Riyadh, which have higher-level access to the Iranian military and security establishment. At a time when Tehran knows it is more vulnerable than ever, Saudi Arabia can deliver a strong warning that Iranian meddling would damage the fragile normalisation between Riyadh and Tehran.

Success depends on turning Iran away from any perceived need to reconstitute its regional deterrence capabilities. A nuclear deal between the US and Iran could lessen Tehran's own sense of vulnerability by removing the spectre of US and Israeli military intervention. Europeans should offer their full political and technical support to the Trump administration's effort to reach a deal and avoid acting as a spoiler. It would be a dangerous mistake for Europe to reimpose sanctions this summer by invoking the snapback mechanism contained in the 2015 nuclear deal. Such a move has potential to derail ongoing US-Iran talks and trigger a new escalatory cycle given Iran's pledge to respond—by withdrawing from the Non-Proliferation Treaty. However, if a US-Iran deal is reached, European countries should work with the GCC states on a common approach that makes clear to Iran that any potential economic gains will be severely compromised by destabilising Iranian activities in the Levant.

Europeans should welcome a potential US-Iran deal for creating greater political space for regional security dialogues, involving Iran, with the goal of curtailing the power of non-state armed groups across the Levant. This could be predicated on a twin-track approach whereby European actors support US-Iran negotiations, while pressing Iran and Saudi Arabia to build a

cooperative regional framework across the Levant. This process could involve enticing Iran into further regional de-escalation in exchange for GCC states receiving US approval for increased economic engagement with Iran.

Bottom-up: Helping to establish functional states

A major source of Europe's influence in the Levant comes from its ability to offer direct support. This should be used to incentivise the state authorities in Syria, Lebanon and Iraq to make essential reforms and provide "good enough" governance that helps stabilise these states and, in time, draw back refugees.

European governments should approach this with urgency; not just because of the immense pressures facing these countries, but also to counter global competitors. Russia, for instance, is building out ties with the new rulers in Damascus by offering direct support such as oil supplies that Western states are not providing. China has meanwhile stepped up its trade with Iraq, reaching over $50bn in 2024 (compared to a total EU-Iraq trade of €24.3bn in 2023), and has secured major contracts in Iraq's construction and energy sectors.

Offer immediate economic support

European governments should offer increased support packages to Syria and Lebanon, given their post-conflict fragility. This should include immediate, unconditional support such as direct aid and ongoing sanctions relief. Amid sharp cuts in international aid funding, local governments need a surge of humanitarian, early recovery and stabilisation support.

European leadership in convening international donor conferences, while sometimes criticised, remains a vital means to mobilise attention and resources to these crises. Rebuilding Syria is estimated to cost between $240bn and $400 bn, while Lebanon's reconstruction could require $11bn. The EU's pledge to contribute €2.5bn in 2025 and 2026 to supporting Syria and neighbouring states is a positive start—but it will need to be delivered with speed, and then augmented with further aid. A failure to support the Lebanese central government in rebuilding Lebanon after Israel's military campaign would feed resentment from the country's Shia population. It would also represent a missed strategic opportunity to expand the influence and legitimacy of the central government given Hizbullah's and Iran's current inability to provide significant financial support.

In Syria this effort needs to be facilitated by wider European sanctions relief but also a recognition of the need and a willingness to develop means of facilitating economic inflows to sidestep possibly enduring US sanctions. This could include increased support—both directly

and through UN channels, government guarantees for private sector engagement in sectors such as electricity regeneration, and the possible creation of new special purpose vehicle modelled on the Instrument in Support of Trade Exchanges, established in 2019. In cooperation with the GCC states, Europe could also launch a new reconstruction collaboration between the European Bank for Reconstruction and Development (EBRD) and the Islamic Development Bank.

Drive reforms in political, banking, security and energy sectors

Sustainable stability in the Levant requires structural governance, economic and security sector reform. Progress will depend on strong European pressure, positive conditional incentives, and technical support (especially in Syria, where HTS lacks governance expertise). This engagement will be fundamental to assessing whether local parties are committed to reform and getting them to deliver.

Progress will be slow and incremental, and needs to be locally owned, but prospects of success will be greater if this approach builds on an internationally coordinated strategy. Europeans need to work closely with key stabiliser partners in the GCC states and Turkey to press this case on local elites.

To this end, a short-term injection of unconditional economic support should not distract from a more conditional approach to wider assistance. A shared international incentive package should condition reconstruction aid, favourable trade agreements and increased support from international financial institutions such as the IMF and the EBRD on progress towards a meaningful inclusive political order and deeper reform. The central focus should be inclusive governance systems and anti-corruption measures. Maintaining a strong focus on these outcomes will be essential to securing meaningful regional stability even as Europeans simultaneously support immediate needs.

Europeans can complement this wider effort with a focus on three specific areas where they can add particular value. The first is advancing the **financial sector reforms** needed to allow IMF support and facilitate increased private sector engagement, such as restructuring and reforming the banking system and, in the case of Lebanon, conducting a forensic audit of the Banque du Liban, the country's central bank. The new anti-secrecy banking law passed by the Lebanese parliament in April is an important step in this direction. European governments can further support the Levant's banking sector with necessary regulatory reforms and anti-corruption measures to meet the guidelines set by the G7-created Financial Action Task Force which are necessary to attract global investment.

The second is **security sector support** to empower central governments in demobilising non-state armed groups, integrating local militia actors into state security forces, and addressing threats like ISIS or cross-border smuggling. European states such as France, Italy and the UK are particularly well-placed to support these efforts in Lebanon and Iraq, including though their important contributions to UNIFIL and the European Union Advisory Mission in Iraq. They could also assist Turkey with security sector reform in Syria. This should involve increased support to the Lebanese armed forces as they look to replace Hizbullah in southern Lebanon and secure control of its border. It should also encompass assistance to the Iraqi army, in the face of a possible freezing of US security assistance.

The third area is **energy sector reform** to address mounting local needs that are essential for domestic stability and economic regeneration. This should include a focus on infrastructure upgrades and the switch to green energy given the significant regional potential in this area. Increased support in the energy sector will also strengthen Europe's economic influence amid competition from Russia and China. Europe started work on this front in Iraq, with the EU and the World Bank launching a 2019 joint project to help Baghdad modernise the energy sector. In 2023 Iraq and the EU also agreed to improve regional electricity connectivity.

In Syria, the EU should back the rapid rehabilitation of the electricity network, given that much of it is based on European infrastructure. European companies such as Siemens and Ansaldo Energi,[14] which have previously worked in these countries, are well placed to lead this engagement if they can secure European government backing amid sanctions obstacles. In Lebanon, meanwhile, European companies can support plans to connect Lebanon to regional energy networks such as the Arab Gas Pipeline, while also backing infrastructure upgrades and international financing.

Expand support to civil society

Amid new geopolitical turmoil and Europe's increasingly transactional foreign policy, there is little appetite among Europeans to press for a broader democratisation agenda across the Levant. Europeans understandably need to be pragmatic. They should nonetheless hike their financial support for local NGOs and other civil society organisations—which are now struggling to survive following major US aid cuts—to help them play a necessary role as an internal check pressing the central authorities to deliver necessary reform. Western support for organisations pressing for government accountability has always been limited in impact, but these actors must remain active as a source of constructive pressure at a moment when there is greater space for reform.

A more pro-active European strategy should also embrace the role of the Levantine diaspora living in countries such as Germany and Sweden. Facilitating their travel to the Levant and expanding banking ties would help channel important financial and technical support into rebuilding efforts—while also creating the foundations that would allow for the incremental return of refugees to their home countries. This also represents an important means of increasing private sector engagement in longer-term economic revitalisation given the extent of the diaspora business community.

The art of the possible

Can a Bismarckian moment be forged from the flux in the Levant, and the wider Middle East, over the coming months and years? One in which leaders and constructive external partners seize opportunities, forge stabilising alliances, and seek to prevent any one power (or group of powers) from dominating? One that eschews all-or-nothing thinking in favour of the art of the possible?

The comparison is of course imperfect. Bismarck was a single visionary leader. Today's Levant and its web of partners are a cacophony of different leaders, ideologies, and interests. Bismarck's quest for European balance would ultimately see Germany under Wilhelm II bring down that balance in the early 20th century—events that, as it happens, are part of the deep history of the instability and injustices of today's Levant. The law of unintended consequences applies there just as it did in late-19th century Europe. And, for the purposes of this paper, Bismarck had almost incomparably more power and agency than today's Europeans do in the contemporary Levant.

Almost. Because Europeans are also not powerless. They have diplomatic and economic leverage, and a sometimes-underestimated convening power in the region. And the lesson they and their partners can take from Bismarck is to use whatever agency one has, great or small, in a wise, timely and sober fashion. Wisdom, timeliness and sobriety of thought should all steer Europeans to taking the region—and its present moment of change and upheaval—seriously indeed. This is Europe's near-abroad, connected to it by a tapestry of threads: trade and diasporas, migration and finance, arms and drugs. For it to collapse into renewed violence and disorder, amid new hegemonic projects and other acts of disruption, would be felt soon on European shores. The continent's leaders would live to regret missing their chance to help prevent this.

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[1] Meetings with Syrian government officials and civil society groups, Damascus, February 2025.

[2] Online interview with former senior Iraqi official, March 2025.

[3] Online interview with Hamzeh Hadad, ECFR alumni visiting fellow, March 2025.

[4] Meeting with Tehran based security expert, European capital, February 2025.

[5] Meeting with Tehran based Middle East expert, European capital, February 2025.

[6] Online interview with former senior Israeli security official, March 2025.

[7] Meetings with Syrian government officials and civil society groups, Damascus, February 2025.

[8] Online interview with Asli Aydıntaşbaş, ECFR associate senior policy fellow, March 2025.

[9] Meeting with Arab Gulf official, European capital, February 2025.

[10] Meeting with Washington based Syria experts, European capital, March 2025.

[11] Online interview with former senior Iraqi official, March 2025.

[12] Interviews with Syrian civil society groups, Damascus, February 2025.

[13] Interviews with Syrian civil society, Damascus, February 2025.

[14] Siemens was a donor to ECFR's geoeconomics research in 2023.

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