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No Victory, No Collapse: The Iran Conflict and Its Strategic Implications

Implications for Geopolitical Risk, Energy Markets, and Strategic Exposure

Iran is highly likely to remain structurally resilient and avoid systemic collapse. The United States is likely to pursue limited objectives, with a high probability of a sudden halt in operations once thresholds are met. Israel can likely achieve partial degradation of threats but is unlikely to sustain high-intensity operations without U.S. support. Internal unrest in Iran is likely to persist but is unlikely to produce regime change in the short term.

Executive Summary

- The Iran - Israel - U.S. confrontation represents a multi-domain strategic contest rather than a conventional war, defined by the interaction of military pressure, economic constraints, internal dynamics, and information control.
- Iran operates as a distributed strategic system, combining state capabilities with non-state actors and layered deterrence, allowing it to absorb pressure without systemic collapse.
- Military escalation has expanded to include dual-use infrastructure and increasingly operates across interconnected maritime choke-points.
- Economic pressure degrades but does not break the system, as Iran's economy is structured for survivability rather than efficiency.

- Internal unrest remains persistent but structurally constrained, lacking alignment with elite fracture and security force division.
- Information control has become a decisive factor, preventing coordination of dissent and reinforcing regime stability.
- The conflict is evolving into a prolonged equilibrium characterised by systemic resilience, distributed pressure, and global economic spillover.

Context

The ongoing confrontation involving Iran, Israel, and the United States represents a complex, multi-layered strategic contest rather than a conventional war. It is defined not by a clear battlefield or a singular decisive moment, but by the interaction of military pressure, economic constraints, political calculations, internal social dynamics, and increasingly, control over information.

Unlike traditional interstate wars characterised by territorial objectives and decisive engagements, this confrontation operates across overlapping domains that include kinetic operations, covert action, cyber and information warfare, economic sanctions, and indirect regional influence. Each of these domains interacts with the others, creating a system in which pressure is not linear but redistributed. Military pressure may translate into economic strain, which may increase internal dissatisfaction, which in turn may be suppressed through information control. The system behaves dynamically, absorbing shocks rather than collapsing under them.

A critical analytical shift is required to understand this environment. Iran is not merely acting as a conventional state actor responding to external pressure. It operates as the centre of a distributed strategic system, combining state capabilities with non-state actors, indirect influence mechanisms, and layered deterrence structures. This model increases resilience by ensuring that pressure applied to one node does not produce systemic failure but is instead diffused across multiple channels.

The central question underlying this conflict is therefore not who will “win,” but whether cumulative pressure - military, economic, informational, and societal - can reach a threshold where it disrupts the internal equilibrium of the Iranian system. Closely tied to this is the temporal dimension: how long such pressure can be sustained, and whether external actors possess the political and economic endurance required to maintain it.

A second-order question emerges from this: whether internal dissatisfaction, which has manifested repeatedly over the past four decades, can evolve into coordinated, systemic opposition. This depends not only on the level of dissatisfaction but on the structural conditions that allow dissatisfaction to translate into action. As will be demonstrated, those conditions are increasingly constrained.

This report integrates all relevant dimensions and concludes that while Iran can be weakened across multiple axes, it is structurally positioned to survive. The most probable outcome is not collapse or decisive victory, but the emergence of a prolonged, managed confrontation characterised by cyclical escalation, persistent tension, and controlled instability.

Core Analysis

1. Military Dynamics and Structural Constraints

Iran's military doctrine is built on asymmetry, survivability, and distributed deterrence rather than conventional superiority. Its objective is not to defeat adversaries such as Israel or the United States in direct confrontation, but to ensure that any attempt to impose decisive military outcomes becomes prohibitively costly and operationally complex.

This doctrine manifests in a layered system that integrates ballistic missile forces, drone capabilities, underground infrastructure, decentralised command structures, and regional proxy networks. Each layer serves a specific function, but their combined effect is to create a resilient architecture capable of absorbing sustained attack.

Ballistic missile capabilities form the backbone of Iran's deterrence posture. These systems are not centralised but distributed across multiple locations, often mounted on mobile launch platforms. This mobility significantly reduces vulnerability to pre-emptive strikes, as launchers can be relocated, concealed, and redeployed within short time frames. The use of hardened underground facilities further enhances survivability, allowing storage, maintenance, and launch preparation to occur in protected environments.

Drone capabilities add a complementary dimension. Unlike ballistic missiles, drones offer flexibility, scalability, and lower cost. They can be deployed in large numbers, used for reconnaissance, or employed in swarm tactics to overwhelm defences. Their relatively low cost allows sustained use without imposing the same resource burden associated with high-end military systems.

The integration of these capabilities into a broader networked strategy is critical. Iran does not rely solely on domestic military assets but extends its operational reach through aligned non-state actors. These actors function as force multipliers, enabling Iran to project influence and apply pressure across multiple theatres without exposing itself to direct retaliation. This distributed approach reflects a strategic logic in which deterrence is achieved not through centralised strength but through the ability to impose costs indirectly and unpredictably.

Even under continuous air campaigns conducted by Israel and supported by the United States, this system cannot be fully neutralised. Precision strikes can degrade specific targets, including production facilities and command nodes, but they cannot eliminate the underlying structure. Mobile assets, redundant systems, and decentralised operations ensure continuity. The result is degradation without decisive suppression.

Ground invasion introduces an entirely different level of complexity. Iran's geographic scale, population density, and terrain create an operational environment that would require an unprecedented level of commitment. Urban centres such as Tehran present particular challenges due to their size and density. Controlling such environments would require massive troop deployments, sustained logistical support, and acceptance of high casualty rates. These requirements exceed the political tolerance of external actors.

Special operations forces play a critical role within this framework but remain limited in scope. They enhance intelligence, enable targeting, and conduct high-value operations, but they cannot substitute for large-scale ground control or produce systemic collapse. Their impact is tactical and operational, not strategic.

The cumulative effect of these factors is the creation of a military equilibrium in which neither side can achieve decisive victory. Iran cannot defeat its adversaries in conventional terms, but its adversaries cannot eliminate Iran's capacity to resist or retaliate. This equilibrium stabilises the conflict into a pattern of sustained pressure without resolution, reinforcing the transition from war to long-term strategic competition.

A further evolution in the military dimension is the emerging expansion of what constitutes a legitimate target set. Recent signalling by United States Central Command indicates a growing willingness to treat civilian infrastructure as target able when it is used for military purposes. Specifically, port facilities where Iranian naval forces, including elements of the Islamic Revolutionary Guard Corps Navy, are operating may be considered legitimate military objectives under the logic of dual-use infrastructure.

This represents a significant shift in the operational framework of the conflict. Traditionally, targeting has focused on clearly identifiable military assets such as bases, storage facilities, and command centres. The extension of targeting criteria to include civilian port infrastructure reflects a recognition that Iran's military

strategy increasingly relies on blending military operations within civilian environments, particularly in maritime and logistical domains.

The strategic implication of this shift is twofold. First, it expands the range of potential targets, increasing the operational pressure that can be applied without requiring escalation to full-scale war. Second, it introduces a higher level of risk to critical infrastructure that supports both military and economic functions. Ports are not only logistical nodes for military activity but also central to trade, imports, and energy flows.

This development aligns with the broader pattern of asymmetric conflict, in which the boundary between civilian and military domains becomes increasingly blurred. Iran's use of distributed and dual-use infrastructure enhances survivability, but it also creates vulnerabilities if adversaries choose to reinterpret those spaces as legitimate targets.

At the same time, this shift does not fundamentally alter the structural military equilibrium. While it increases the intensity and scope of potential strikes, it does not provide a pathway to decisive victory. Instead, it reinforces the pattern of degradation without resolution, while increasing the potential for broader economic and strategic consequences.

An additional layer of Iran's military posture becomes visible when considering its ability to operate not only within its immediate battlespace, but across a broader system of interconnected maritime choke-points. This reflects a transition from localised asymmetric warfare to a more complex form of systemic leverage, in which pressure can be applied across multiple nodes of global energy and trade infrastructure.

Iran's strategic reach extends beyond the Persian Gulf through a network of indirect capabilities and aligned actors, enabling influence across a corridor that includes the Strait of Hormuz, the Red Sea, and the approaches to the Suez system. These maritime pathways are not independent routes but interlinked segments of a continuous flow system that connects Gulf energy production to global markets.

Within this structure, disruption does not require full closure of any single choke-point to be effective. Limited interference - whether through maritime harassment, proxy activity, or precision disruption - can alter traffic patterns, increase insurance costs, and force re-routing decisions. This transforms the objective from physical denial to risk manipulation, where the perception of threat produces real economic and logistical consequences.

This capability reinforces Iran's broader networked strategy. Pressure is not concentrated in a single theatre but distributed across multiple points, complicating response options and increasing the cost of containment. The operational environment becomes not a linear battlefield but a network of interdependent vulnerabilities.

At the same time, this expanded reach does not change the fundamental military balance. It does not enable decisive victory, but it increases the scope through which pressure can be applied, reinforcing the pattern of sustained, system-wide stress without resolution.

2. Economic Structure and Constraints

Iran’s economy is often characterised as vulnerable due to its reliance on oil exports. However, this characterisation is incomplete. In practice, Iran’s economic system has evolved under sustained sanctions into a structure optimised not for growth or efficiency, but for survivability under constraint. This distinction is critical. The system is not designed to perform well - it is designed to endure.

At the centre of this system lies the oil sector, which remains the primary source of external revenue. Under current conditions, Iran exports approximately one to one and a half million barrels per day, with fluctuations depending on enforcement of sanctions and market conditions. The overwhelming majority of this oil is directed toward China, which has effectively become the anchor of Iran’s external economic interface.

This concentration of demand creates a dual dynamic. On one hand, it introduces dependency. A disruption in Chinese purchasing would produce immediate and severe economic consequences. On the other hand, as long as China continues to buy, Iran retains a minimum viable economic base that prevents systemic collapse. This creates a stabilising feedback loop in which geopolitical interests override purely economic constraints.

Sanctions have not eliminated Iran’s oil exports but have transformed their structure. Oil is sold at discounted rates, often significantly below market price. Payments are frequently delayed, routed through indirect channels, or held in restricted accounts. Logistics are conducted through complex networks involving re-flagged vessels, ship-to-ship transfers, and opaque intermediaries. The result is a system in which nominal export volume does not translate directly into effective revenue.

This leads to a critical distinction between gross output and usable income. Iran may export significant quantities of oil, but the actual financial value captured by the state is reduced by multiple layers of inefficiency. Nevertheless, the system remains functional because it operates above a minimum threshold required to sustain core functions.

These thresholds are central to understanding the limits of economic pressure. At higher export levels, typically above one to one and a half million barrels per day, the system maintains relative stability. As exports decline toward lower ranges, stress becomes visible in macroeconomic indicators such as inflation, currency depreciation, and declining purchasing power. When exports fall below critical levels - generally

understood as the range where the state struggles to fully fund its obligations - systemic pressure intensifies. However, even at this stage, collapse is not automatic.

The regime's prioritisation model ensures continuity. Resources are allocated in a hierarchy that places security forces and core state functions above all else. The Islamic Revolutionary Guard Corps and associated institutions are insulated from economic decline, ensuring that the instruments of control remain fully operational. Essential imports, including food and basic goods, are maintained to prevent acute shortages. The burden of adjustment falls on the broader population, which experiences declining living standards, increased costs, and reduced economic opportunity.

This model transforms economic pressure into a controlled degradation process rather than a destabilising shock. The economy weakens, but the system adapts. Informal markets expand, alternative trade networks develop, and domestic production adjusts to constraints. The system becomes less efficient but more resilient.

The most significant external variable in this equation is China. A hypothetical scenario in which China ceases to purchase Iranian oil for a sustained period would produce a rapid and severe contraction. Export volumes would drop sharply, effective revenue would decline dramatically, and macroeconomic indicators would deteriorate quickly. Inflation would accelerate, the currency would weaken further, and public pressure would increase.

However, even in this scenario, the regime would not automatically collapse. It would respond by intensifying internal control, reallocating resources, and seeking alternative channels, even if less efficient. The system would enter a critical stress zone, but survival would remain possible.

This leads to a fundamental conclusion. Economic pressure is a necessary component of any strategy aimed at influencing Iran, but it is not sufficient on its own. It acts as a force multiplier, increasing the intensity of internal dissatisfaction, but it does not determine outcomes. For economic pressure to become decisive, it must align with internal political dynamics that are currently absent.

3. Internal Dynamics and Regime Stability

Over the past four decades, Iran has experienced repeated cycles of unrest that reflect deep and persistent dissatisfaction within its society. These cycles are not isolated events but part of a recurring pattern in which economic stress, political frustration, and social tensions converge to produce periods of mass mobilisation.

Major protest movements have occurred at regular intervals, including the student protests of 1999, the Green Movement of 2009, the economically driven protests of 2017-2019, the nationwide demonstrations following the death of Mahsa Amini in 2022, and the more recent unrest in 2025-2026. Each of these movements differed in composition and immediate triggers, but they share underlying structural characteristics.

Public anger is consistently present. Economic conditions, particularly inflation, unemployment, and inequality, act as catalysts. Social grievances, including restrictions on personal freedoms and political expression, contribute to the intensity of mobilisation. In several instances, protests have reached nationwide scale, involving diverse segments of the population.

Despite this, none of these movements has resulted in systemic change. The reason lies not in the absence of dissatisfaction, but in the absence of alignment between critical structural variables.

For regime change to occur, four elements must converge: sustained mass mobilisation., severe economic crisis, fragmentation within the elite, and hesitation or division within the security apparatus. In Iran, the first two elements have appeared repeatedly. The latter two have not.

Elite cohesion has remained largely intact. While internal disagreements exist, they have not escalated into visible fractures that undermine the system’s stability. More importantly, the security apparatus has remained cohesive and loyal. The Islamic Revolutionary Guard Corps and the Basij militia are not neutral actors; they are deeply embedded within the political and economic structure of the regime. Their institutional interests are directly tied to the system’s survival.

This creates a powerful stabilising mechanism. Even large-scale protests can be contained if the security forces remain unified and willing to act. The decentralised structure of these forces allows for rapid and flexible responses, preventing localised unrest from scaling into systemic crisis.

Opposition fragmentation further limits the potential for transformation. While dissatisfaction is widespread, it is not organised. Different groups advocate for different outcomes, ranging from reform within the system to complete regime change, including monarchy or democratic governance. The absence of a unified leadership or coherent transition plan prevents the consolidation of these movements into a single political force.

This fragmentation is compounded by a disconnect between internal and external actors. Diaspora communities often articulate clear political visions, but these do not necessarily align with conditions inside Iran. The result is a gap between aspiration and operational capacity.

The cumulative effect is a system that can absorb repeated shocks without collapsing. Protests may recur and even intensify over time, but without alignment with elite fracture and security force division, they remain insufficient to produce systemic change.

This structural reality is critical. It means that internal dissatisfaction, while necessary for transformation, is not sufficient. It must intersect with changes in the behaviour of key institutions. Without that intersection, the system remains stable even under significant pressure.

4. Information Control and Internet Suppression

A critical addition to the regime's resilience - arguably the most decisive evolution in the current phase of the conflict - is its systematic and increasingly sophisticated control over information. During the ongoing confrontation, Iran has implemented one of the most extensive digital suppression environments observed in a modern state under conflict conditions, reducing connectivity to near-zero levels and fundamentally restructuring the internal information ecosystem.

This is not a temporary or reactive measure, but a deliberate and strategic shift toward persistent information dominance as a pillar of regime survival.

At the most visible level, internet connectivity inside Iran has been reduced to minimal operational levels, effectively isolating the population from the global information environment. This reduction is not limited to specific platforms or services but extends across the entire digital stack, including messaging applications, social media, communication protocols, and even elements of financial and commercial infrastructure. The result is a near-total informational blackout affecting tens of millions of users.

However, the true significance of this system lies not only in its scale but in its architecture.

The regime has moved beyond earlier models of censorship - based primarily on filtering and blocking - toward a multi-layered system that integrates infrastructure control, protocol disruption, device-level restrictions, and legal enforcement. This layered approach ensures that suppression is not easily bypassed and can be maintained over extended periods.

One of the most important developments is the systematic degradation of VPN access. For years, VPNs functioned as the primary method by which Iranian citizens accessed the global internet. While imperfect, they allowed for the formation of communication networks that could support protest coordination and information sharing. In the current environment, these tools have been heavily targeted through a combination of technical blocking, deep packet inspection, and disruption of known circumvention protocols.

As a result, VPN effectiveness has been significantly reduced, limiting the ability of users to reconnect to external networks.

Parallel to this, satellite-based internet systems - previously viewed as a potential workaround to state-controlled infrastructure - have also been actively targeted. This targeting operates through multiple mechanisms, including signal interference, regulatory restrictions, and enforcement actions against possession or use. The cumulative effect is the closure of alternative pathways that could otherwise bypass national-level controls.

The consequence of these measures is not simply reduced connectivity but the creation of a structurally closed information environment.

Within this environment, a dual system of access has emerged. The general population experiences near-total disconnection from global networks, while select actors - primarily government institutions, state-linked entities, and approved organisations - retain controlled access. This creates a form of informational stratification, in which access to external information is not universal but restricted and managed.

This stratification has several implications. First, it allows the regime to maintain necessary external communications, including diplomatic, economic, and strategic interactions, without exposing the broader population to uncontrolled information flows. Second, it reinforces internal hierarchy, as access to information becomes a tool of power and privilege. Third, it ensures that any information entering the domestic space can be filtered, delayed, or shaped before reaching the public.

At the narrative level, this system enables near-total control over the internal information environment. With external sources largely inaccessible, state-controlled media becomes the dominant, and often the only, source of information. This allows the regime to frame events in ways that reinforce its strategic objectives, emphasising external threats, minimising internal weaknesses, and shaping public perception of the conflict.

This narrative control is particularly significant in wartime conditions. By limiting exposure to alternative accounts, the regime can amplify the perception of external aggression and encourage national cohesion. This reduces the likelihood of dissent during critical periods and strengthens the regime’s legitimacy in the eyes of segments of the population.

At the same time, the suppression of real-time information prevents the documentation and dissemination of events that could otherwise generate internal or international pressure. This includes not only military developments but also civilian impacts, economic hardship, and acts of repression. The absence of visibility reduces the ability of external actors to influence internal dynamics through information operations.

Perhaps the most important effect of this system is its impact on collective action.

Modern protest movements depend on communication, coordination, and visibility. Communication allows individuals to share information and organise. Coordination allows local actions to scale into national movements. Visibility creates momentum and legitimacy, encouraging broader participation. By disrupting all three elements simultaneously, the regime effectively prevents the formation of large-scale, sustained protest movements.

This does not eliminate dissatisfaction. On the contrary, economic strain, social restrictions, and political grievances continue to generate significant levels of public frustration. However, without the ability to communicate and coordinate, this frustration remains localised and fragmented. Individuals may be aware of their own conditions but lack visibility into the broader national context, reducing the likelihood of collective mobilisation.

This creates a structural shift in the internal dynamics of the system. In previous protest cycles, connectivity allowed dissatisfaction to scale. Information spread rapidly, enabling synchronisation across cities and regions. In the current environment, this scaling mechanism is largely absent. The system does not need to suppress dissent completely; it only needs to prevent its aggregation.

The economic and social costs of this approach are significant. Internet shutdowns disrupt business activity, financial transactions, and everyday communication. They reduce productivity, hinder economic growth, and increase public frustration. Over time, these effects contribute to broader economic inefficiency and social strain.

However, within the regime’s prioritisation model, these costs are secondary to political control. The system is designed to absorb economic inefficiency in exchange for stability. As long as the core functions of the state remain operational, the broader economic impact is considered manageable.

This trade-off reflects a fundamental principle of the system: control is prioritised over performance.

The longer-term implication of this shift is the potential emergence of a semi-permanent controlled internet model. Rather than temporary shutdowns during periods of unrest, the regime may institutionalise a system in which global connectivity is permanently restricted and mediated through controlled gateways. This would represent a structural transformation in the relationship between the state and society, embedding information control as a permanent feature of governance.

Such a model would further reduce the likelihood of coordinated dissent, but it would also increase the regime’s reliance on coercive mechanisms and deepen the gap between state and society. It would create a

more stable but also more rigid system, with reduced capacity for adaptation and increased long-term tension.

In the context of the current conflict, the integration of information control into the broader strategic framework significantly enhances regime resilience. Military pressure can degrade capabilities, economic pressure can increase dissatisfaction, but information control prevents these pressures from converging into coordinated political action.

This introduces a critical structural equation:

External pressure plus internal dissatisfaction does not produce systemic instability if communication and coordination are suppressed.

In this sense, information control acts as a force multiplier for resilience, extending the time horizon over which the regime can absorb shocks and reducing the effectiveness of external strategies aimed at inducing internal change.

War Duration and Cost Dynamics

The duration of the conflict is not determined by military capability alone, nor by the balance of forces in a conventional sense. Instead, it is governed by the interaction of cost, risk, political tolerance, and systemic endurance across all actors involved. In this framework, time becomes a strategic variable shaped by asymmetry rather than parity.

For the United States and Israel, the cost of sustained engagement is structurally high. Modern military operations rely on precision-guided munitions, advanced intelligence systems, logistical networks, and technological superiority. These capabilities are effective but expensive. Each strike carries not only operational cost but also political implications, particularly in democratic systems where prolonged engagements are subject to domestic scrutiny and shifting public opinion.

Israel, in particular, faces a unique cost structure. While it possesses advanced military capabilities and high operational readiness, it operates within a geographically constrained environment and under constant security pressure. Sustained operations impose economic strain, disrupt civilian life, and create long-term strategic fatigue. The need to maintain readiness across multiple fronts further amplifies these pressures.

The United States, while possessing significantly greater resources, operates under global commitments. Any prolonged engagement in this conflict must be balanced against other strategic priorities. The willingness to sustain high-cost operations is therefore constrained not by capability but by political

calculation. Extended involvement increases exposure, financial burden, and geopolitical risk, particularly if escalation leads to broader regional instability.

In contrast, Iran operates within a fundamentally different cost structure. Its military strategy emphasises low-cost, asymmetric methods, including missile deployments, drone operations, and indirect engagement through networked actors. These methods allow Iran to sustain pressure at a fraction of the cost incurred by its adversaries. This asymmetry creates a structural advantage in terms of endurance.

Time, therefore, favours the actor that can sustain operations at lower cost and with higher tolerance for prolonged engagement.

United States Strategic Objectives and Decision Dynamics

The strategic posture of the United States under Donald Trump is best understood as limited, transactional, and time-sensitive rather than transformational. The primary objective is not regime change in Iran, but the degradation of key strategic capabilities combined with the restoration of deterrence and the creation of leverage for future negotiation.

This includes the reduction of missile and drone capacity, the delay or disruption of nuclear threshold capabilities, and the demonstration of military credibility both regionally and domestically. The operational model aligns with a “shock-degrade-declare success-exit” approach rather than sustained escalation.

Within this framework, the probability of a sudden interruption or rapid tapering of operations is structurally high. The absence of strong allied backing, combined with rising economic sensitivity and global market exposure, limits the viability of prolonged engagement. Decision-making volatility further increases the likelihood of abrupt strategic shifts once minimum objectives are perceived to be achieved.

Probability estimates indicate an 80-90% likelihood that U.S. objectives remain limited rather than transformational, a 50-65% probability of abrupt operational halt following perceived success, and only a 20-30% probability of sustained long-term engagement beyond one year.

Israel Strategic Objectives and Operational Dependency

For Israel, the strategic calculus is centred on threat reduction rather than symbolic demonstration. The primary objective is the degradation of Iran’s capacity to project force, including missile systems, drone capabilities, and broader regional pressure mechanisms.

Success is defined in relative terms. Israel does not require the elimination of Iranian capabilities, but rather a sufficient level of degradation to reduce immediate threat levels and restore deterrence credibility.

However, Israel's operational capacity is closely linked to the level of U.S. support. In the event of a sudden reduction or halt in U.S. involvement, Israel's ability to sustain high-intensity operations would be significantly constrained. This would force a transition toward a more defensive posture, prioritising containment and internal resilience over continued strategic initiative.

Under such conditions, Israel would face increased exposure to sustained asymmetric pressure while operating with reduced flexibility. Probability estimates suggest a 60-75% likelihood of achieving partial strategic objectives, but only a 25-35% probability of sustaining high-intensity operations independently. The probability of a shift toward defensive containment in the absence of U.S. support is estimated at 65-80%.

Global Strategic Environment and Termination Drivers

The broader international environment imposes structural constraints on escalation. Major actors, including China, Russia, and the European Union, have strong incentives to avoid prolonged instability.

China prioritises the continuity of energy flows and economic stability, making it structurally aligned with de-escalation. Europe remains economically exposed and politically risk-averse, while Russia benefits from strategic distraction but avoids direct involvement. NATO's capacity is already constrained by commitments elsewhere.

Within this framework, the most significant variable remains U.S. decision-making volatility. The interaction between cost sensitivity, geopolitical risk, and domestic considerations increases the likelihood that the conflict will not follow a linear trajectory.

The probability of a sudden or rapid halt in hostilities is therefore elevated. Current estimates indicate a 55-70% probability of abrupt or accelerated de-escalation, a 60-75% probability of controlled reduction in intensity within three to nine months, and a 25-35% probability of prolonged attrition. The likelihood of major escalation followed by forced settlement remains lower, in the range of 10-15%.

The most probable time frame for a halt or significant de-escalation falls within one to six months, with a secondary window extending up to twelve months under prolonged conditions.

5. Maritime System and Choke-point Escalation

The conflict is increasingly shaped not by a single geographic battlespace, but by a system of interconnected maritime choke-points. that collectively define the flow of global energy and trade. This represents a structural shift from localised confrontation to systemic competition across a distributed network of critical infrastructure.

At the centre of this system lies the Strait of Hormuz, the primary artery for Gulf energy exports. However, its strategic significance cannot be understood in isolation. It is functionally linked to a broader corridor extending through the Gulf of Oman, the Arabian Sea, the Bab al-Mandeb, the Red Sea, and ultimately the Suez Canal and Mediterranean markets. These are not independent routes but interdependent segments of a continuous logistical chain.

Recent developments indicate that this system is already undergoing real-time adaptation under pressure. The clustering and re-routing of tankers, alongside increased utilisation of alternative corridors such as Saudi Arabia's East-West pipeline linking the Gulf to the Red Sea, reflect an attempt to mitigate exposure to the Strait of Hormuz. However, these adaptations do not eliminate risk; they redistribute it.

The East-West corridor functions as a pressure valve rather than a replacement. Its capacity is limited relative to the volume that typically transits Hormuz. As flows shift westward, they become concentrated around alternative nodes, including Yanbu and downstream choke-points. such as Bab al-Mandeb. This produces a cascading redistribution of vulnerability rather than a reduction of systemic exposure.

The result is the emergence of an interdependent corridor of risk. Disruption at any single node does not remain localised but propagates across the system, affecting shipping patterns, insurance costs, transit times, and market stability. The system behaves as a network rather than a series of isolated routes.

Within this environment, Iran retains multiple levers of influence. These range from indirect pressure through proxy activity and maritime harassment to more direct forms of disruption targeting infrastructure or transit nodes. The flexibility to operate across multiple points allows Iran to calibrate escalation, applying pressure without committing to full-scale confrontation.

This introduces a critical shift in strategic logic. The objective is no longer the physical closure of a choke-point, but the manipulation of perceived risk. Even limited actions can alter global behaviour, forcing re-routing decisions and increasing costs. The perception of instability becomes a tool of strategic influence.

At the same time, this system increases the complexity of response for external actors. Securing one node does not eliminate vulnerability, as pressure can shift to another. The defence of the system requires a distributed approach, increasing operational and financial burden.

The broader implication is that the conflict now operates at a system level. Escalation is no longer confined to direct military exchanges but extends into the global economic infrastructure. The intersection of military action and economic systems creates non-linear effects, where limited actions can produce disproportionate consequences.

This transformation reinforces the central dynamic of the conflict: pressure is diffused across multiple nodes, increasing overall volatility while preventing concentration into a decisive point of failure.

Long-Term Outlook

System Trajectory

Over a longer horizon of five to ten years, the most probable trajectory is one of continuity under pressure. Iran remains in power, adapting to constraints while maintaining internal cohesion. The system evolves incrementally, adjusting its strategies and structures in response to external and internal pressures without undergoing fundamental transformation.

Economic conditions are likely to remain constrained. Sanctions, structural inefficiencies, and external dependencies will continue to limit growth. Periods of relative stabilisation may occur, particularly if external pressures fluctuate, but the overall trajectory will remain one of constrained performance rather than expansion. The system will continue to prioritise survival over efficiency.

Internal dynamics will likely continue to follow established patterns. Periodic unrest will emerge in response to economic or social triggers. These episodes may vary in intensity and scope, but without alignment with elite fracture and security force division, they will remain contained. The underlying dissatisfaction will persist, but its ability to translate into systemic change will remain limited.

Internal Stability and Political Trajectory

Internal political dynamics remain structurally unchanged. The expansion of information control mechanisms will reinforce this pattern. As digital suppression becomes more sophisticated and potentially institutionalised, the regime’s ability to manage internal dynamics will increase. The transition toward a controlled or semi-

permanent national information environment will reduce the likelihood of coordinated large-scale mobilisation, even as dissatisfaction grows.

Within Iran, the population remains characterised by persistent dissatisfaction driven by economic strain, political restriction, and social pressure. However, structural constraints continue to prevent the translation of this dissatisfaction into coordinated systemic action.

Information suppression limits communication and coordination, while elite cohesion and the loyalty of the security apparatus remain intact. As a result, unrest remains fragmented and insufficient to produce regime-threatening conditions.

The Iranian diaspora presents a contrasting perspective, often reflecting higher expectations of regime change and political transition. However, these expectations are not aligned with internal structural realities, creating a divergence between external perception and internal capability.

At the same time, the interaction between internal conditions and diaspora activity introduces an additional layer of risk for individuals inside Iran. Iranian nationals currently face a narrowing but still viable window for exit, shaped by both internal dynamics and external migration realities. While standard asylum procedures in Europe and elsewhere require physical presence in the destination country, limiting the ability of diaspora communities to initiate protection claims on behalf of relatives still inside Iran, alternative pathways - such as family reunification (where legal protection status already exists), limited humanitarian visa schemes, and select sponsorship programs - remain available but constrained.

Concurrently, the present context suggests a temporary easing of outbound control, as state attention is directed toward external priorities. This condition is unlikely to persist. In a post-conflict environment, a shift toward internal consolidation is expected, including heightened scrutiny of individuals with links to politically active diaspora networks and those perceived as having expressed dissent or support for adversarial actors. Under such conditions, exit routes may become more restricted, both formally and informally, reinforcing the strategic importance of the current period as a comparatively more permissive - if still complex - window for departure.

The role of Reza Pahlavi must be understood within this context. While he retains symbolic legitimacy and international visibility, he lacks an internal power base and institutional support. There is no current mechanism through which a transition to monarchy or alternative governance structure could be implemented.

A transition scenario would require the convergence of regime collapse, elite fragmentation, security force defection, and external stabilisation. These conditions are not currently present.

Probability estimates indicate a 10-20% likelihood of uprising leading to regime change in the short term, a 60-75% likelihood of continued unrest without systemic transformation, and only a 5-10% probability of monarchy restoration. Longer-term gradual evolution remains possible within a 25-35% range.

At the same time, increased control introduces new long-term dynamics. A more tightly controlled system may achieve higher short-term stability but at the cost of increased rigidity. Reduced information flow can limit innovation, adaptability, and responsiveness. Over extended periods, this may create structural vulnerabilities, although these are unlikely to produce immediate instability.

External Environment and Conflict Evolution

Externally, the relationship between Iran and its adversaries will likely remain adversarial but managed. Periods of escalation and de-escalation will alternate, reflecting changes in strategic priorities, leadership decisions, and external conditions. The conflict will persist as a long-term condition rather than a discrete event.

Alternative scenarios remain possible but less probable. Gradual internal transformation could occur if changes within the elite lead to shifts in policy or governance. This would likely be incremental rather than abrupt. Conversely, increased external pressure could lead to further consolidation of authoritarian control, strengthening the regime's internal mechanisms while increasing external tension.

A sudden collapse scenario remains the least likely. Such an outcome would require the convergence of multiple conditions: sustained and coordinated mass mobilisation, severe economic crisis, fragmentation within the elite, and division within the security forces. The historical record indicates that these conditions have not aligned, and current structural dynamics suggest that alignment remains unlikely in the near term.

Over the longer term, the normalisation of targeting dual-use infrastructure may contribute to a structural shift in the conflict environment. The increasing overlap between civilian and military domains introduces persistent uncertainty into economic and logistical systems, particularly in maritime regions. While this does not fundamentally alter the resilience of the Iranian regime, it raises the baseline level of risk and volatility, reinforcing the likelihood that future confrontations will remain contained but economically disruptive.

Strategic Assessment

The Iranian system is fundamentally designed for resilience across multiple domains. Its military structure prioritises survivability and distributed deterrence. Its economic system is adapted to function under constraint, prioritising core state functions over efficiency. Its internal political structure maintains cohesion through integrated security institutions. Its information environment is increasingly controlled, limiting the capacity for coordinated dissent.

Each of these domains interacts with the others, creating a system in which pressure is absorbed rather than translated into collapse. Military action can degrade capabilities but cannot eliminate them. Economic pressure can strain the system but does not break it. Internal dissatisfaction can challenge legitimacy but remains fragmented. Information control prevents the aggregation of that dissatisfaction into coordinated action.

The integration of these elements produces a form of systemic resilience that is difficult to disrupt. External strategies that focus on a single domain are unlikely to produce decisive outcomes. Only the alignment of pressures across all domains, combined with internal structural shifts, could create conditions for transformation.

The critical pathway to regime change requires the convergence of sustained internal revolt, severe economic crisis, fragmentation within the elite, and division within the security apparatus. These conditions have not aligned historically and remain unlikely in the current environment.

Therefore, the most probable outcome is endurance. Iran is likely to remain weakened in certain capacities but structurally stable. Its adversaries may achieve partial objectives, but not systemic transformation.

The conflict will evolve rather than conclude. High-intensity phases will give way to lower-intensity confrontation characterised by intermittent escalation, indirect engagement, and persistent strategic tension. The system will stabilise not through resolution but through equilibrium.

This equilibrium is reinforced by the distribution of pressure across both domains and geography. Military, economic, informational, and infrastructural pressures are dispersed across multiple layers and regions, preventing convergence into systemic collapse. The structure of the conflict mirrors the structure of the Iranian system: decentralised, adaptive, and resistant to decisive disruption.

The expansion into interconnected maritime choke-points. further reinforces this dynamic. While it increases global impact and volatility, it diffuses pressure across a broader system, preserving the underlying balance.

The conflict will not end with victory or collapse, but with endurance, adaptation, systemic resilience, controlled information, and long-term strategic tension.

Conclusion

Iran is highly likely to remain structurally resilient and avoid systemic collapse. The United States is likely to pursue limited objectives, with a high probability of a sudden halt in operations once thresholds are met. Israel can likely achieve partial degradation of threats but is unlikely to sustain high-intensity operations without U.S. support. Internal unrest in Iran is likely to persist but is unlikely to produce regime change in the short term.

This brief summarizes selected observations from ongoing monitoring of developments and their geopolitical implications. Further analysis is available upon request.