

BACKGROUND GUIDE

THE INVISIBLE WAR

The Invisible war: Shadows of Proxy Armies – Dismantling State Sponsored Terrorism, Narco-Crypto Financing, and Intelligence Operations Fueling Middle East Chaos.

SPECPOL

Dismantling State-Sponsored Terrorism • Narco-Crypto Financing • Covert Intelligence Operations

Table of Contents

Table of Contents.....	2
1. Letter from the Executive Board.....	5
2. Introduction to the Committee.....	6
2.1 Powers and Procedure.....	6
3. Introduction to the Agenda	6
4. Key Terminology	7
4.1 Proxy Warfare and Terrorism	7
4.2 Financing	8
4.3 Intelligence and Covert Action.....	8
5. Historical Background	9
5.1 Origins of Proxy Warfare in the Modern Middle East	9
5.2 The 2003 Iraq War and the Militia Ecosystem.....	9
5.3 The Syrian Civil War (2011–2024).....	10
5.4 October 7, 2023 and Its Aftermath.....	10
5.5 The 2025–2026 Iran War	10
5.6 The Deeper Roots: Covert Action as a Regional Tradition.....	11
5.7 Yemen’s Civil War in Regional Context	11
6. State Sponsorship: A Comparative and Balanced Overview.....	12
6.1 The Iran-Centric Narrative	12
6.2 Iran and Allied Perspectives.....	12
6.3 Beyond Iran: Other State and Quasi-State Sponsorship.....	12
7. Key Proxy and Non-State Actors	13
7.1 Hezbollah (Lebanon)	13
7.2 Hamas and Palestinian Islamic Jihad (Gaza/West Bank).....	13
7.3 The Houthi Movement / Ansarallah (Yemen).....	14
7.4 Iraqi Militias and the Popular Mobilization Forces	14
7.5 Syrian Armed Actors in Transition	14
7.6 Islamic State (ISIS) Remnants.....	15
7.7 Private Military Companies and Mercenary Networks.....	15
8. Narco-Crypto Financing: Mechanisms and Case Studies.....	15
8.1 The Captagon Economy	15
8.2 Traditional Financing: Hawala, Trade-Based Laundering, and Smuggling	16
8.3 The Crypto and Stablecoin Shift.....	16

8.4 The Global Reach: Latin America and West Africa.....	16
8.5 The Human Cost of the Narco-Financing Economy	16
8.6 The Regulatory and Enforcement Response.....	17
9. Intelligence Operations Fuelling Regional Chaos.....	17
9.1 Targeted Killings and Decapitation Strategy.....	17
9.2 Sabotage and Supply-Chain Operations	17
9.3 Iranian and Proxy Intelligence Activity Abroad.....	18
9.4 Cyber Operations	18
9.5 Syria’s Intelligence Transition	18
9.6 The Debate Over Covert Action’s Net Effect	18
10. Case Studies	19
10.1 Lebanon: Hezbollah’s Post-War Reckoning	19
10.2 Yemen: Protracted Civil War and Humanitarian Catastrophe	19
10.3 Iraq: A State Struggling to Reassert Sovereignty	19
10.4 Syria: From Civil War to Fragile Transition.....	19
10.5 The 2025–2026 Iran War and Regional Spillover.....	20
10.6 Reconstruction, Sanctions Relief, and the Risk of Recidivism	20
11. Information Warfare and the Disinformation Dimension	21
12. International Legal and Normative Framework.....	21
12.1 The UN Charter and Use of Force	21
12.2 Counter-Terrorism Financing Framework.....	21
12.3 International Humanitarian Law and Proxy Conflict.....	22
13. Role of the United Nations and International Bodies.....	22
14. Bloc and Stakeholder Positions.....	23
13.1 United States and Israel	23
13.2 Iran	23
13.3 Gulf Arab States	23
13.4 Turkey	24
13.5 European Union and United Kingdom	24
13.6 Russia and China	24
13.7 Global South and Non-Aligned Perspectives	24
15. Questions a Resolution Should Address (QARMAs).....	24
16. Guidance for Research and Position Papers	Error! Bookmark not defined.
Annex C: Suggested Committee Roster	25
Core Regional Actors.....	25

Permanent Security Council Members and Key External Powers	25
Other Influential and Affected States	25
Relevant International and Regional Organizations (as observers or specialized invitees, conference-dependent)	26
Annex A: Selected Designations of Key Armed Groups	26
Annex B: Illustrative Timeline	27
17. Further Reading and Sources	28
18. A Final Note on Balance and Sensitivity.....	28

1. Letter from the Executive Board

Distinguished Delegates,

It is our privilege to welcome you to this committee's at SPECPOL on the agenda deliberation on "The Invisible War: Shadows of Proxy Armies Dismantling State-Sponsored Terrorism, Narco-Crypto Financing, and Intelligence Operations Fuelling Middle East Chaos." Few regions of the world illustrate as sharply as the Middle East how war has changed shape. Formal armies still matter, but much of the fighting, funding, and information warfare of the last two decades has moved into a grey zone — one populated by militias that answer to foreign patrons, financial networks that hide behind shell companies and stablecoins, and intelligence services that strike without ever declaring war.

This is a deliberately difficult topic, and we ask you to treat it with the seriousness it deserves. Proxy warfare, illicit financing, and covert intelligence operations are not abstractions in this region; they have cost hundreds of thousands of lives, displaced millions, and continue to shape the security of Lebanon, Syria, Iraq, Yemen, the Gulf, and Israel/Palestine today. At the same time, this is a subject on which reasonable states, scholars, and delegates disagree profoundly — about who bears responsibility, about where legitimate resistance ends and terrorism begins, and about whether covert action makes the region safer or more volatile. We expect this committee to reflect that plurality of views rather than flatten it.

This guide is a starting point, not a substitute for your own research. It is current as of July 2026, a period of extraordinary flux following the 2025–2026 Israel–Iran war, the fall of the Assad regime, and the continued fragmentation of Iran's "Axis of Resistance." We have tried to present the material in a balanced way: where a claim is contested, we have said so, and where it is attributed to a government, an intelligence assessment, or an NGO, we have tried to say that too. We encourage you to go further and to bring perspectives — including dissenting ones — that this guide does not fully capture.

We look forward to a committee defined by rigorous research, procedural discipline, and diplomatic respect, even — especially — when delegates disagree. Please do not hesitate to reach out to the Executive Board with questions.

Warm regards,

The Executive Board

2. Introduction to the Committee

This committee is convened as a specialized crisis and policy body tasked with examining the interlocking phenomena of state-sponsored proxy warfare, terrorism financing (including narcotics and cryptocurrency-based financing), and covert intelligence operations in the Middle East. Delegates should treat the committee as operating with the authority of a hybrid Security Council/specialized-agency format: it may draft binding-style resolutions in the manner of the UN Security Council on matters of international peace and security, while also being able to issue the kind of technical, normative, and monitoring recommendations associated with bodies such as the Counter-Terrorism Committee Executive Directorate (CTED), the Financial Action Task Force (FATF), and the UN Office on Drugs and Crime (UNODC).

Delegates will represent member states, not advocacy organizations, and are expected to research and articulate their assigned country's actual foreign policy positions — including where those positions are unpopular, ambiguous, or inconvenient. Because so much of this topic involves disputed facts (attribution of attacks, financing figures, casualty counts), delegates should become comfortable using qualified language ("Israel alleges," "independent monitors estimate," "Tehran denies") rather than presenting contested claims as settled fact.

2.1 Powers and Procedure

Consistent with its hybrid mandate, the committee may consider a wide range of measures within its resolutions, including but not limited to: recommending or imposing (in Security Council simulation) targeted sanctions on individuals, entities, and financial facilitators; calling for enhanced information-sharing and blockchain-monitoring cooperation among member states and the private sector; recommending peacekeeping, monitoring, or ceasefire-verification mechanisms; establishing or mandating investigative and fact-finding bodies; and issuing calls for humanitarian access, ceasefires, or negotiated disarmament and reintegration programs. Delegates should be mindful that, as in the real Security Council, any binding measure requires the concurrence (or at least the abstention) of the body's permanent, veto-holding members, and that even non-binding General Assembly-style resolutions carry political and normative weight that can shape subsequent state behavior, sanctions committees, and international opinion.

Given the crisis dimensions of this topic, the committee may also be expected to respond to breaking developments introduced by the Executive Board during the course of proceedings — reflecting the genuinely fluid, fast-moving character of the real-world situation this guide describes. Delegates should therefore prepare not only fixed policy positions but also a clear sense of their government's underlying strategic priorities and redlines, which will allow them to respond coherently to unexpected developments.

3. Introduction to the Agenda

The agenda item asks the committee to confront three intertwined phenomena that, together, sustain what many analysts term an "invisible war" across the Middle East:

- Proxy warfare and state-sponsored terrorism: the use of non-state armed groups — militias, insurgencies, and designated terrorist organizations — by states to project power, deniably, beyond their borders.
- Narco-crypto financing: the funding of these groups and their state sponsors through narcotics trafficking (notably the Captagon trade), trade-based money laundering, gold smuggling, and increasingly, cryptocurrency and stablecoin networks that allow value to move outside the traditional banking system.
- Intelligence operations: covert action, targeted killings, sabotage, cyberattacks, and espionage conducted by state and non-state intelligence services — sometimes to counter proxy networks, sometimes to build them, and sometimes in ways that themselves destabilize the region.

These three strands are not separate problems. Proxy groups depend on illicit finance to survive sanctions; intelligence services on both sides target financing networks and proxy commanders alike; and covert operations often provoke the very proxy escalation they are meant to deter. The committee's task is to propose a coherent, implementable, and politically realistic framework — or set of frameworks — that reduces the human cost of this shadow conflict system without pretending that any single resolution can resolve the underlying political disputes (Israeli–Palestinian and Israeli–Iranian conflict, Sunni–Shia regional competition, Gulf rivalries, great-power competition) that drive it.

Delegates are strongly encouraged to resist two temptations. The first is treating "proxy warfare" as a phenomenon unique to one state or bloc — historically and currently, Iran, the Gulf states, Turkey, Israel, Russia, and the United States have all at different times armed, funded, or directed non-state or quasi-state forces in the region. The second is treating the topic purely at the level of abstract policy without grappling with the immense human toll: civilian casualties in Gaza, Lebanon, Yemen, and Syria; the millions of refugees and internally displaced persons across the region; and the corrosive effects of Captagon addiction and militia rule on ordinary civilians.

4. Key Terminology

4.1 Proxy Warfare and Terrorism

- Proxy war: A conflict in which a third party (a state or coalition) supports and directs a combatant — financially, militarily, logistically, or through intelligence sharing — to pursue its strategic interests without direct, acknowledged engagement.
- State-sponsored terrorism: The deliberate use, financing, training, or harboring of non-state armed actors that employ terrorism (violence against civilians for political ends) as a tool of state policy. The term is politically contested: designations (for example, the U.S. State Department's State Sponsors of Terrorism list) are unilateral and not universally recognized, and states so

designated typically reject the label and describe the same groups as legitimate resistance or self-defense movements.

- **Non-state armed group (NSAG):** Any organized armed actor that is not part of the formal security forces of a state, ranging from militias and insurgencies to designated terrorist organizations and private military companies (PMCs).
- **"Axis of Resistance":** Tehran's own term for the informal network of allied and Iran-supported armed groups across the region, historically including Hezbollah (Lebanon), Hamas and Palestinian Islamic Jihad (Gaza/West Bank), several Iraqi militias organized under the Popular Mobilization Forces (PMF), the Houthi/Ansarallah movement (Yemen), and until its 2024 collapse, the Assad government in Syria.
- **Popular Mobilization Forces (PMF/Hashd al-Sha'abi):** An umbrella of mostly Shia militias formally integrated (at least on paper) into the Iraqi state security apparatus since 2016, encompassing both factions loyal to Iraqi state authority and factions more directly aligned with Iran's Islamic Revolutionary Guard Corps (IRGC).

4.2 Financing

- **Terrorism financing (TF):** As defined by the IMF, the financial support, in any form, of terrorism or those who encourage, plan, or engage in it.
- **Hawala:** An informal value-transfer system, common across the Middle East and South Asia, that moves money through networks of trust-based brokers without physically transferring cash across borders, making it difficult for regulators to trace.
- **Trade-based money laundering (TBML):** Disguising illicit financial flows through the falsification of trade transactions — over- or under-invoicing goods, phantom shipments, and similar schemes.
- **Captagon:** The street name for illicitly produced fenethylamine, an amphetamine-type stimulant. Syria became the world's dominant producer during the Assad era; the trade is estimated to have generated billions of dollars, some of which reportedly reached regime-linked and allied militia networks.
- **Stablecoin:** A cryptocurrency pegged to a stable asset (typically the U.S. dollar), such as Tether (USDT). Stablecoins are increasingly used in sanctions evasion because they combine the price stability needed for large transfers with the pseudonymity and speed of blockchain transactions.
- **Virtual Asset Service Provider (VASP):** A business (such as a cryptocurrency exchange) that facilitates the exchange, transfer, or safekeeping of virtual assets, and a key regulatory chokepoint identified by FATF for countering crypto-enabled terrorism financing.

4.3 Intelligence and Covert Action

- **Covert action:** Government activity to influence political, economic, or military conditions abroad in a manner designed to conceal the sponsor's role.

- Targeted killing: The deliberate, premeditated killing of a specific individual by a state or its agents, typically outside a conventional battlefield (e.g., the 2020 killing of Qassem Soleimani, or the 2024 killings of Ismail Haniyeh and Hassan Nasrallah).
- Attribution problem: The difficulty of definitively and publicly proving which state or actor is responsible for a covert or proxy action, which both enables plausible deniability and complicates any collective-security or legal response.
- Sabotage/supply-chain operations: Covert operations targeting an adversary's equipment or infrastructure before or during use, exemplified by the September 2024 detonation of explosives concealed in Hezbollah pager and radio devices, widely attributed to Israel.

5. Historical Background

5.1 Origins of Proxy Warfare in the Modern Middle East

Proxy warfare is not new to the region. During the Cold War, both the United States and the Soviet Union armed and financed regional clients — Washington backed the Shah's Iran, Israel, and later the Afghan mujahideen; Moscow backed Nasser's Egypt, Ba'athist Syria and Iraq, and the PLO. The 1979 Iranian Revolution transformed the landscape: the new Islamic Republic, isolated diplomatically and militarily outmatched by conventional adversaries, adopted asymmetric proxy warfare as a central pillar of its national security doctrine, formalized through the creation of the Islamic Revolutionary Guard Corps (IRGC) and its external operations wing, the Quds Force, in 1979–1980.

Hezbollah was formed in Lebanon in 1982 in the aftermath of Israel's invasion, with direct IRGC training, financing, and ideological guidance; it became the flagship of what Iranian officials would later call the "Axis of Resistance." Over the following four decades, Iran extended similar patronage — of varying intensity — to Palestinian Islamic Jihad, Hamas (a Sunni group with which Shia Iran built a pragmatic alliance based on shared opposition to Israel), an array of Iraqi Shia militias after the 2003 U.S. invasion, and the Houthi movement in Yemen from the 2000s onward. It is important to note, however, that Iran was never the only state sponsoring non-state armed actors in the region: Gulf states (particularly Saudi Arabia and Qatar) funded various Sunni Islamist and rebel factions in Syria, Libya, and elsewhere during and after the Arab Spring; Turkey has built, armed, and directed the Syrian National Army from Syrian opposition factions; Israel has at times cultivated relationships with Kurdish, Lebanese Christian (the South Lebanon Army, historically), and Druze militias; and Russia has deployed the Wagner Group and its successor, the Africa Corps, alongside state forces in Syria, Libya, and Sub-Saharan Africa.

5.2 The 2003 Iraq War and the Militia Ecosystem

The 2003 U.S.-led invasion of Iraq and the subsequent dismantling of Ba'athist state institutions created a power vacuum that both Iran and, later, Sunni jihadist networks moved to fill. Iranian-backed militias such as Kata'ib Hezbollah and Asa'ib Ahl al-Haq fought U.S. forces during the occupation; simultaneously, the sectarian civil war of 2006–2008 hardened Sunni–Shia militia identities that persist today. The rise of

al-Qaeda in Iraq, and later its transformation into the Islamic State (ISIS), which declared a "caliphate" across large parts of Iraq and Syria in 2014, prompted the formal creation of the Popular Mobilization Forces — a coalition mobilized partly on the authority of a 2014 fatwa by Grand Ayatollah Ali al-Sistani, but which came to include factions closely tied to Tehran.

5.3 The Syrian Civil War (2011–2024)

The Syrian uprising that began in 2011 rapidly internationalized into one of the most complex proxy battlefields in modern history. The Assad government survived largely because of direct Iranian and Hezbollah military support and, from 2015, Russian air power. Opposition and jihadist factions received support from a shifting patchwork of external sponsors: Gulf states and Turkey backed various rebel factions; the United States armed Kurdish-led Syrian Democratic Forces (SDF) to fight ISIS while simultaneously opposing Assad; and transnational jihadist financing flowed to al-Nusra Front (later Hay'at Tahrir al-Sham, HTS) and ISIS from private donors and captured oil revenue. Syria under Assad also became the world's largest producer of Captagon, with reporting linking the trade to regime-adjacent networks, including relatives of Bashar al-Assad — a claim Damascus long denied.

In late November and early December 2024, an HTS-led offensive, "Deterrence of Aggression," swept from Idlib to Damascus in under two weeks, ending 54 years of Assad family rule. Ahmed al-Sharaa, HTS's leader — a former al-Qaeda affiliate who has since sought to rebrand as a pragmatic statesman — was declared Syria's transitional president in January 2025. This is arguably the single most consequential shift in the regional proxy landscape in a generation: it severed Iran's land corridor to Hezbollah, dissolved Syria's Assad-era intelligence services, and left a security vacuum that ISIS remnants, escaped detainees, and competing armed factions (including Turkish-backed groups, the Kurdish-led SDF, and Israeli forces occupying an expanded buffer zone in the south) have all sought to exploit.

5.4 October 7, 2023 and Its Aftermath

On October 7, 2023, Hamas and allied factions launched a large-scale attack on southern Israel, killing over 1,200 people and taking more than 250 hostages — the deadliest single attack on Israeli civilians and soldiers in the country's history. Israel responded with a sustained military campaign in Gaza that has killed tens of thousands of Palestinians according to Gaza health authorities, displaced the great majority of the territory's population, and produced a humanitarian catastrophe that international bodies, including UN agencies, have repeatedly flagged as severe. The war rapidly widened: Hezbollah opened a "support front" from Lebanon, prompting an escalating exchange that culminated in a major Israeli air and ground campaign against Hezbollah in autumn 2024, including the killing of longtime Secretary-General Hassan Nasrallah; the Houthis began striking Israel and international shipping in the Red Sea in solidarity with Gaza, disrupting global trade; and Iraqi militias launched dozens of attacks on U.S. forces in Iraq and Syria.

5.5 The 2025–2026 Iran War

Tensions between Israel and Iran, long conducted through proxies and covert action, escalated into direct confrontation in June 2025, when Israel launched what became known as the "Twelve-Day War," striking Iranian nuclear and military facilities; the United States joined with strikes on Iranian nuclear sites before a ceasefire took hold. Direct confrontation resumed in early 2026 in a larger conflict sometimes referred to as the "2026 Iran War," "Operation Epic Fury," or the "Ramadan War," involving further Israeli and U.S. strikes on Iranian targets, renewed Hezbollah rocket fire and an Israeli ground response in Lebanon, Houthi ballistic missile launches at Israel and continued Red Sea attacks on shipping, and a U.S. strike on an Iraqi Popular Mobilization Forces position that killed Iraqi soldiers and provoked a diplomatic protest from Baghdad. By mid-2026, most assessments (including from Western think tanks such as the Belfer Center and the Soufan Center) suggested that Iran's proxy network had been significantly degraded in military capacity — particularly Hezbollah, which lost much of its senior command and its Syrian resupply corridor — even as some proxies, notably the Houthis, demonstrated growing self-sufficiency in weapons production and continued to disrupt Red Sea shipping into July 2026.

5.6 The Deeper Roots: Covert Action as a Regional Tradition

It is worth stressing that covert intervention in the Middle East long predates the current "Axis of Resistance" framework. The 1953 Anglo-American-backed coup that removed Iranian Prime Minister Mohammad Mosaddegh after his nationalization of the oil industry is frequently cited — including by Iranian officials — as a foundational grievance shaping Tehran's deep suspicion of Western intervention and its preference for asymmetric deterrence. Similarly, the CIA and Saudi- and Pakistani-backed arming of the Afghan mujahideen in the 1980s, intended to bleed Soviet forces, is widely (if imperfectly) credited with helping create the networks and ideological infrastructure from which al-Qaeda later emerged — an early and consequential lesson in the unpredictable, long-term consequences of proxy sponsorship. Delegates researching state responsibility should keep this longer arc in view: today's "proxy problem" is in part the product of yesterday's proxy relationships, a pattern with implications for how durable any current-day solution is likely to be.

5.7 Yemen's Civil War in Regional Context

Yemen's current conflict has roots in the 2011 Arab Spring uprising against President Ali Abdullah Saleh, whose eventual, chaotic transition of power created space for the Houthi movement — historically marginalized in Yemeni politics — to expand from its northern stronghold. The Houthis' 2014 seizure of Sana'a, in temporary and complicated alliance with forces loyal to their former enemy Saleh (who was later killed by the Houthis themselves in 2017 after the alliance collapsed), triggered the 2015 Saudi-led coalition intervention, framed by Riyadh as restoring the internationally recognized government and by critics as a reckless war that has killed and displaced enormous numbers of Yemeni civilians through both direct violence and coalition-enforced blockades contributing to famine conditions. This case illustrates how a domestic political crisis can be transformed, through external intervention on multiple sides, into a protracted proxy war with regional and global humanitarian consequences.

6. State Sponsorship: A Comparative and Balanced Overview

"State-sponsored terrorism" is a loaded and asymmetrically applied term. The United States maintains a formal "State Sponsors of Terrorism" list (currently including Iran, Syria under its pre-2024 designation status under review following the change of government, North Korea, and Cuba), but this list reflects U.S. foreign policy priorities rather than a neutral international standard, and no equivalent, universally accepted UN list exists. Delegates should understand — and be prepared to debate — multiple, sometimes conflicting perspectives on state sponsorship in the region:

6.1 The Iran-Centric Narrative

Israel, the United States, and most Gulf Arab governments describe Iran's support for Hezbollah, Hamas, Palestinian Islamic Jihad, Iraqi militias, and the Houthis as the central organizing threat in the region: a deliberate strategy, coordinated through the IRGC-Quds Force, to encircle Israel, deter direct attack by threatening multi-front retaliation, and expand Iranian influence through "hollowed-out" host states. Proponents of this view point to documented arms transfers, financing, training, and IRGC advisory personnel embedded with groups such as the Houthis, as well as explicit statements by Iranian officials describing these groups as strategic assets.

6.2 Iran and Allied Perspectives

Iran, its regional allies, and many Global South governments and commentators reject the "state-sponsored terrorism" framing, arguing instead that these are legitimate national liberation, resistance, or self-defense movements responding to occupation (in the Palestinian case), foreign intervention (in the Iraqi and Syrian cases), or externally backed war (in the Yemeni case, where a Saudi-led coalition intervened militarily from 2015). This perspective emphasizes that Western and Gulf states have themselves armed, trained, and funded non-state and quasi-state actors — from the Afghan mujahideen to various Syrian rebel factions to Gulf-backed forces in Yemen's civil war — and argues that "terrorism" is applied selectively to delegitimize adversaries while ignoring comparable conduct by allies.

6.3 Beyond Iran: Other State and Quasi-State Sponsorship

- Gulf states: Qatar has funded Hamas's governance of Gaza (with reported Israeli acquiescence for years, on the theory that it reduced pressure for a unified Palestinian negotiating position) while also hosting Hamas's political office and playing a lead international mediator role — a dual position frequently criticized from multiple directions. Saudi Arabia and the UAE backed rival factions in Yemen's civil war (the UAE notably supporting the secessionist Southern Transitional Council, which has at times clashed with the Saudi-backed government it nominally allies with) and funded a range of Syrian opposition factions during the civil war, with limited vetting that occasionally saw funds reach extremist-linked groups.
- Turkey: Ankara has built, armed, and directed the Syrian National Army (SNA) from Syrian opposition and allied Turkmen and Arab factions, using it against both the Assad government and

Kurdish-led forces it associates with the PKK, a group Turkey, the U.S., and the EU designate as terrorist.

- **Israel:** Beyond its conventional military, Israel has historically maintained ties to Lebanese Christian militias, Druze communities, and at times Kurdish groups, and its intelligence services (Mossad, Aman) run extensive covert and proxy operations, discussed further in Section 8.
- **Russia:** The Wagner Group and its successor formation, Africa Corps, alongside Russian state forces, supported the Assad government militarily and have maintained a presence in Libya, with implications for regional smuggling and mercenary networks that intersect with Middle Eastern conflict zones.
- **The United States:** Washington has armed and trained the Kurdish-led SDF against ISIS (a policy Turkey strongly opposes), supported Gulf-coalition operations in Yemen with intelligence and logistics, and has itself been accused by adversaries of using proxies — a charge U.S. officials typically reject by distinguishing between supporting recognized partner forces against a common threat (ISIS) and directing terrorism against civilians.

A balanced committee discussion should recognize that "proxy warfare" and "irregular support to armed non-state actors" are widespread regional practices, not the monopoly of any single state, even as the scale, ideology, and methods (including the deliberate targeting of civilians) used by different sponsors and their proxies vary enormously and matter greatly for how the international community should respond.

7. Key Proxy and Non-State Actors

7.1 Hezbollah (Lebanon)

Founded in 1982 with direct IRGC sponsorship, Hezbollah evolved from a militia into Lebanon's most powerful armed and political actor, holding parliamentary seats while maintaining an independent arsenal that long exceeded the capacity of the Lebanese Armed Forces. The group is designated a terrorist organization by the United States, the United Kingdom, the EU (its military wing), and several Arab states, while it describes itself as a resistance movement defending Lebanon against Israeli occupation and aggression, with a substantial domestic constituency, particularly within Lebanon's Shia community. Hezbollah suffered severe losses in the 2024 war with Israel, including the killing of Secretary-General Hassan Nasrallah and much of its senior military command, the September 2024 pager and radio device attack that injured thousands of its operatives, and the loss of its Syrian resupply corridor after Assad's fall. By 2026, most analysts assessed Hezbollah as significantly weakened militarily, facing new Lebanese constitutional and political pressure to disarm, though its political and social infrastructure (including its Al-Qard Al-Hassan financial network) remains substantially intact.

7.2 Hamas and Palestinian Islamic Jihad (Gaza/West Bank)

Hamas, founded in 1987 during the First Intifada, is a Sunni Islamist movement combining a political wing, a social-welfare apparatus, and an armed wing (the Izz ad-Din al-Qassam Brigades). It has governed Gaza since 2007 and receives financial, political, and some military support from Iran despite the Sunni–Shia sectarian divide, reflecting a shared strategic interest in confronting Israel. Palestinian Islamic Jihad is smaller, more overtly aligned with Iran ideologically, and has historically received more direct IRGC military support relative to its size. Both groups are designated terrorist organizations by the U.S., EU, and other states; both describe their armed activity as resistance to occupation. The October 7, 2023 attack and the subsequent Gaza war have devastated the territory and severely degraded Hamas’s military capacity, while questions about post-war governance, disarmament, and reconstruction remain unresolved as of mid-2026.

7.3 The Houthi Movement / Ansarallah (Yemen)

The Houthi movement, formally Ansarallah, emerged from a Zaidi Shia revivalist movement in northern Yemen and seized the capital, Sana’a, in 2014, triggering a Saudi-led military intervention in 2015 in support of the internationally recognized government. Iranian support — initially limited — expanded substantially over the following decade to include ballistic and cruise missile technology, drones, and advisory personnel, transforming the Houthis into a regional military actor capable of striking Saudi Arabia, the UAE, Israel, and international shipping. Since late 2023 the group has attacked commercial vessels and launched missiles toward Israel in stated solidarity with Gaza, disrupting Red Sea trade and prompting a U.S.–UK-led naval response. By 2026, the Houthis had developed significant indigenous weapons manufacturing capacity, reducing dependence on external supply, while consolidating authoritarian control over the roughly one-third of Yemen’s population under their rule — a domestic governance record, including allegations of child recruitment, repression of dissent, and diversion of humanitarian aid, that is itself a significant and under-discussed dimension of the group’s record.

7.4 Iraqi Militias and the Popular Mobilization Forces

The PMF encompasses dozens of factions with sharply differing degrees of loyalty to the Iraqi state versus Iran. Groups such as the Badr Organization have integrated substantially into Iraqi politics and security institutions and are more responsive to pressure from Baghdad; others, notably Kata’ib Hezbollah and Harakat Hezbollah al-Nujaba, remain closely aligned with the IRGC ideologically and operationally, and have been designated as terrorist organizations by the U.S. Tensions between these factions and the government of Prime Minister Mohammed Shia al-Sudani over disarmament and integration have intensified since late 2025, complicated further by the Trump administration’s explicit rejection of Iran-aligned militia participation in Iraq’s cabinet following the 2025 elections.

7.5 Syrian Armed Actors in Transition

Post-Assad Syria hosts a fragmented and evolving armed landscape: the new Syrian government forces built substantially from former HTS fighters and allied factions; the Turkish-backed Syrian National Army; the Kurdish-led SDF, which as of a January 2026 agreement is undergoing a contested integration into a single Syrian national force while ceding territorial control in some areas; resurgent ISIS cells exploiting

the post-Assad security vacuum, reportedly growing substantially in numbers through 2025–2026; and foreign fighter contingents who fought alongside HTS and now face uncertain status, with some reportedly alienated by the new government's pragmatic, internationally oriented turn. Israel has also expanded a military buffer zone in southern Syria beyond the 1974 disengagement line, and has continued airstrikes against targets it associates with residual Iranian or Hezbollah infrastructure.

7.6 Islamic State (ISIS) Remnants

Though it lost its territorial "caliphate" in 2019, ISIS never fully disappeared, and Syria's post-Assad instability — including the disruption of Kurdish-run detention facilities holding thousands of ISIS-linked detainees — has provided the group with what regional intelligence officials describe as its most significant opportunity to rebuild in years. This case is a reminder that proxy fragmentation and state collapse can benefit transnational jihadist groups with no state sponsor at all, distinct from the Iran-aligned "Axis of Resistance" network that dominates most policy discussion of the topic.

7.7 Private Military Companies and Mercenary Networks

Although the core of this topic concerns ideologically or religiously aligned militias, the committee should also account for the growing role of private military companies (PMCs) as a distinct category of proxy actor, driven by commercial rather than purely ideological incentives. Russia's Wagner Group, and its state-integrated successor, Africa Corps, operated extensively in Syria in support of the Assad government (including alleged involvement in guarding oil and gas infrastructure in exchange for resource concessions) and maintain a presence in Libya that has implications for Mediterranean and Sahel smuggling routes connected to the broader region. Some Gulf states have also employed foreign private security contractors, including in Yemen. PMCs complicate legal accountability further than state militias do, since their personnel typically lack combatant status under IHL, their corporate structures span multiple jurisdictions, and their loyalty is, at least formally, contractual rather than ideological — though in practice the line between mercenary and ideological motivation is often blurred.

8. Narco-Crypto Financing: Mechanisms and Case Studies

8.1 The Captagon Economy

Captagon (fenethylamine) production expanded enormously in Syria during the latter years of the Assad government, with estimates suggesting it became one of the country's largest export industries, dwarfing legal trade in value. Reporting by investigative journalists and Western governments linked significant portions of the trade to networks connected to the Assad family and allied militias, though Damascus consistently denied direct state involvement. The trade financed regime and militia activity, fueled addiction across the Gulf and broader region, and — according to reporting on captured fighters — was allegedly used by some combatants, including Hamas fighters, as a stimulant during combat operations. Since Assad's fall, the new Syrian government has publicly committed to dismantling Captagon production

infrastructure, though independent verification of the trade's actual disruption remains limited, and production networks may simply be relocating or adapting.

8.2 Traditional Financing: Hawala, Trade-Based Laundering, and Smuggling

Long before crypto-based financing emerged, Hezbollah and Iran-aligned networks relied heavily on hawala transfers, oil and LPG smuggling (with vessels using flags of convenience, falsified documentation, and disabled tracking transponders to disguise shipments), and trade-based laundering schemes, including a well-documented used-car-export scheme through West Africa in the 2000s. Reporting has also linked Hezbollah-affiliated actors to Venezuelan gold smuggling, purchased through local intermediaries and resold through Iran to buyers in Turkey and elsewhere.

8.3 The Crypto and Stablecoin Shift

Since the early 2020s, Iran, Hezbollah, the Houthis, and Hamas-linked networks have increasingly incorporated cryptocurrency — particularly the stablecoin Tether (USDT), moved via the TRON blockchain network — into their financing architecture, valued for combining dollar-equivalent stability with pseudonymity and speed. U.S. Treasury sanctions have designated numerous individual facilitators, including a Syria-based hawala operator whose digital wallets reportedly moved tens of millions of dollars in USDT for Hezbollah, and a Houthi financier, Sa'id al-Jamal, whose associated wallets are estimated by blockchain analytics firms to have moved close to a billion dollars in illicit funds, including proceeds from Iranian oil sales, weapons procurement from Russia, and — according to some reporting — the sale of stolen Ukrainian grain. Investigative reporting in late 2025 further alleged that major cryptocurrency exchanges, including Binance, had compliance gaps that allowed billions of dollars in transfers to reach networks connected to Iran, the IRGC, and the Houthis — allegations the companies involved have disputed or characterized as historical and since remediated.

8.4 The Global Reach: Latin America and West Africa

Hezbollah's financing networks extend well beyond the Middle East. In Latin America's Tri-Border Area (Argentina, Brazil, Paraguay) and in Venezuela, Hezbollah-linked actors have blended narcotics trafficking, gold smuggling, and cryptocurrency laundering, reportedly benefiting from the tolerance or complicity of some figures within the Maduro government. In 2025, reporting suggested a growing focus on narcotics trafficking and laundering through Latin American free trade zones. This transnational dimension complicates any purely Middle East-focused policy response and implicates a much wider set of states — including Latin American, West African, and European governments — in any effective counter-financing strategy.

8.5 The Human Cost of the Narco-Financing Economy

Discussions of terrorism financing can become abstract, framed entirely around dollar figures and blockchain addresses. Delegates should not lose sight of the human dimension: Captagon has fueled a significant public-health and addiction crisis across the Gulf and broader Levant, disproportionately affecting young people, and its production and trafficking have entrenched criminal-militia governance in

parts of Syria and Lebanon's Bekaa Valley, where illicit crop cultivation and drug production offer few alternative livelihoods to local populations. Similarly, cryptocurrency-facilitated financing does not exist in a vacuum — the same infrastructure often overlaps with sanctions evasion that deprives ordinary Iranian, Syrian, and Yemeni civilians of the economic benefits that might otherwise flow from oil and other legitimate trade, compounding the humanitarian toll of the conflicts this financing sustains.

8.6 The Regulatory and Enforcement Response

FATF has updated its 2025 guidance on virtual assets and terrorism-financing risk, and the U.S. Treasury (through OFAC and FinCEN) has issued a steady stream of sanctions designations and advisories targeting Hezbollah, Houthi, and IRGC-linked financial facilitators. Proposed countermeasures discussed by policy analysts include enhanced know-your-customer and anti-money-laundering requirements for virtual asset service providers, blockchain analytics partnerships between governments and firms such as Chainalysis and TRM Labs, and multilateral coordination given the cross-border and multi-jurisdictional nature of these networks. Critics note, however, that sanctions and designations have had limited success in fully disrupting these networks, which adapt quickly — a pattern some analysts describe as a "freelance survival" strategy in which proxy groups increasingly diversify their revenue streams independent of state sponsors.

9. Intelligence Operations Fuelling Regional Chaos

9.1 Targeted Killings and Decapitation Strategy

Israel has pursued a sustained campaign of targeted killings against senior figures in Hamas, Hezbollah, and Iran's military and nuclear establishment, including the 2020 killing of IRGC-Quds Force commander Qassem Soleimani (a U.S. operation), the 2024 killings of Hamas political leader Ismail Haniyeh in Tehran and Hezbollah Secretary-General Hassan Nasrallah in Beirut, and strikes on Iranian nuclear scientists and military commanders during the 2025 and 2026 conflicts. Proponents argue such operations degrade adversary command structures and deter attacks; critics — including many in the region — argue they escalate conflict, violate the sovereignty of third states (such as strikes conducted on Iranian soil or in Beirut and Damascus), and set precedents that could be invoked by other states conducting similar operations against their own adversaries.

9.2 Sabotage and Supply-Chain Operations

The September 2024 detonation of explosives concealed in thousands of Hezbollah pagers and radios — an operation widely attributed to Israeli intelligence, though not officially acknowledged by Israel — killed dozens and wounded thousands, including civilians in the vicinity of the devices, and represented an unprecedented supply-chain sabotage operation with few historical precedents at that scale. It has since become a widely studied case in discussions of the legal and ethical boundaries of covert action, given the difficulty of confining harm to combatants when weaponizing everyday communication devices.

9.3 Iranian and Proxy Intelligence Activity Abroad

Western intelligence and law-enforcement agencies report a rising number of Iran-linked plots and Hamas-affiliated financing and operational networks in Europe and North America, including arrests in Denmark, Sweden, Germany, and Italy connected to Hamas financing networks, and a series of 2026 attacks in the Netherlands, Belgium, and the United Kingdom claimed by a previously unknown group suspected — though not conclusively confirmed — of Iranian backing. Officials describe a broader shift toward decentralized, locally embedded cells operating with plausible deniability, a pattern that significantly complicates attribution and international legal response.

9.4 Cyber Operations

Beyond kinetic sabotage, cyber operations — including the historic Stuxnet operation against Iran's nuclear enrichment program (widely attributed to a U.S.–Israeli operation, though never officially confirmed by either government) and subsequent tit-for-tat cyberattacks on Iranian and Israeli infrastructure, financial systems, and industrial control systems — form a continuous, low-visibility layer of the broader intelligence contest, one that rarely receives the same public scrutiny as kinetic strikes but that can cause significant economic and infrastructural harm.

9.5 Syria's Intelligence Transition

The dissolution of Syria's Assad-era General Intelligence Directorate and Military Intelligence Directorate in December 2024 — services long modeled in part on East Germany's Stasi and responsible for extensive human rights abuses, including operation of the notorious Sednaya and Al-Khatib detention facilities — removed a major node of Iranian-aligned regional intelligence coordination. The new Syrian government under Anas Khattab has begun rebuilding security and intelligence institutions largely from scratch, a process complicated by the need to vet personnel (many drawn from HTS and allied factions with their own extremist pasts), the continued activity of foreign intelligence services (Israeli, Turkish, and others) inside Syrian territory, and at least one reported coup attempt by former regime loyalists in April 2026, underscoring the fragility of the new security architecture.

9.6 The Debate Over Covert Action's Net Effect

A central, genuinely contested question for this committee is whether aggressive intelligence and covert-action campaigns — targeted killings, sabotage, cyberattacks — net reduce or increase regional instability. Proponents argue these operations degrade terrorist and proxy capabilities with lower cost in blood and treasure than conventional war and can deter future attacks. Critics argue they frequently provoke escalatory retaliation, normalize extrajudicial killing and sovereignty violations as tools of statecraft, radicalize populations affected by strikes (including civilian casualties from strikes aimed at militants), and — because they operate outside declared war and clear legal frameworks — undermine the broader international norms against interstate use of force that the UN Charter was designed to protect. Delegates should engage seriously with both positions rather than assuming either is self-evidently correct.

10. Case Studies

10.1 Lebanon: Hezbollah's Post-War Reckoning

Lebanon in 2026 faces an unusual convergence: a Hezbollah severely weakened militarily, a Lebanese government that has moved to prohibit the group's independent military and security activities and revoke its informal political veto, and a new constitutional push toward a state monopoly on arms — long a demand of Lebanon's international partners and many domestic constituencies exhausted by repeated wars fought on Lebanese soil. Yet Hezbollah retains substantial political representation, a loyal social base, and financial infrastructure, and its March 2026 intervention against Israel (following threats over strikes on Iran) further set back, in the assessment of several analysts, its prospects for political rehabilitation. The core tension for the committee: can Hezbollah's disarmament be achieved through Lebanese state processes and international support without triggering renewed civil conflict in a country still recovering from its 1975–1990 civil war and 2019–present economic collapse?

10.2 Yemen: Protracted Civil War and Humanitarian Catastrophe

Yemen's civil war, now over a decade old, has produced one of the world's worst humanitarian crises, with hundreds of thousands of deaths (from violence, disease, and hunger) and millions displaced. The Houthi/Ansarallah movement controls the most populous areas of the country; the internationally recognized government, backed intermittently by Saudi Arabia, and the UAE-backed Southern Transitional Council control other regions, with periodic infighting even among nominally allied anti-Houthi factions. The Houthis' Red Sea campaign since late 2023 has internationalized the conflict further, drawing U.S. and UK naval responses, while a 2025 agreement in which the Houthis reportedly committed to the Trump administration to cease attacks on U.S. vessels has not ended attacks on other shipping or on Israel. Any committee response must grapple with the fact that Yemen is simultaneously a proxy battleground, a site of one of the world's most severe humanitarian emergencies, and a case where military pressure alone has manifestly failed to produce a political settlement after a decade of war.

10.3 Iraq: A State Struggling to Reassert Sovereignty

Iraq exemplifies the challenge of "domesticating" proxy forces after formal integration into state structures. Nominally part of Iraq's security forces since 2016, PMF factions retain wide variance in loyalty, with some Iran-aligned elements resisting both disarmament calls from Iraq's judiciary and pressure from Washington to exclude them from government formation after the 2025 elections. Prime Minister al-Sudani's government must balance sovereignty, security, and relations with both Washington and Tehran — an increasingly difficult balancing act as U.S.–Iran tensions have escalated into direct war.

10.4 Syria: From Civil War to Fragile Transition

Syria offers the most dramatic recent illustration of how proxy-sponsor relationships can collapse almost overnight, and of the new instability that can follow. The interim government under President al-Sharaa has pursued rapid international rehabilitation (including the lifting of most U.S. sanctions in 2025 and EU

financial assistance) while facing enormous internal challenges: a resurgent ISIS; unresolved integration of the Kurdish-led SDF; sectarian violence against Alawite and Druze communities in 2025, which monitors described as potentially amounting to war crimes; continued Israeli strikes and territorial occupation in the south; and the unresolved status of thousands of foreign fighters who helped bring the new government to power. This case underscores a broader theme for the committee: dismantling a proxy-sponsor relationship (Iran–Assad) does not automatically produce stability, and may create new openings for other destabilizing actors, including transnational terrorist groups with no state sponsor at all.

10.5 The 2025–2026 Iran War and Regional Spillover

The direct Israeli–Iranian war of 2025–2026 tested, in real time, the core assumption that has underpinned decades of Western and Israeli threat assessment: that a direct war with Iran would trigger a coordinated, multi-front response from its proxy network. The actual response was more fragmented than expected — Hezbollah entered the conflict but was severely constrained by its post-2024 losses; Iraqi militias largely avoided direct involvement, split between ideological alignment with Iran and integration into Iraqi state structures; and the Houthis, while active, focused increasingly on their own strategic position in Yemen. This "degradation of the proxy model," as some analysts term it, does not mean the network has been permanently dismantled — Iran retains both the intent and, potentially, the sanctions-relief-funded resources to rebuild it — but it does suggest the model's coordinated deterrent value has been significantly eroded, at least in its 2026 form.

10.6 Reconstruction, Sanctions Relief, and the Risk of Recidivism

A recurring theme across Lebanon, Syria, Gaza, and Yemen is the tension between reconstruction and the risk that reconstruction financing itself becomes a channel for re-arming or re-financing proxy actors. Analysts at the Soufan Center and elsewhere have warned that sanctions relief extended to Iran as part of any negotiated settlement could free resources — through oil, shipping, and construction revenue — that the IRGC could use to rebuild degraded proxy networks, even as the same relief is intended to stabilize Iran's economy and reduce incentives for further escalation. Similarly, reconstruction aid for Gaza and Lebanon raises difficult questions about vetting mechanisms, given the practical reality that Hamas and Hezbollah retain extensive social-service and reconstruction infrastructure that overlaps with, but is not identical to, their military wings. Any resolution addressing reconstruction financing should grapple honestly with this tension rather than assuming that economic reconstruction and demilitarization are automatically complementary goals.

Delegates from donor states, international financial institutions, and regional governments alike should also consider the reverse risk: that overly restrictive conditionality on reconstruction aid, intended to prevent diversion to armed groups, can delay humanitarian relief and economic recovery for millions of civilians who bear no responsibility for their government's or non-state armed groups' conduct, potentially deepening the grievances that fuel recruitment into militant and criminal networks in the first place.

11. Information Warfare and the Disinformation Dimension

No discussion of covert operations in the Middle East is complete without addressing the parallel contest over information itself. State and proxy actors on all sides of these conflicts run sophisticated information operations — amplifying casualty figures, disputing or denying responsibility for attacks, and circulating competing narratives through state media, social media influencer networks, and, increasingly, AI-generated content. Independent verification of claims in this space is often extremely difficult: attribution for cyberattacks, casualty figures in Gaza and Yemen, and responsibility for attacks claimed by obscure or newly emerged groups are all frequently contested in real time, with initial reporting sometimes later revised or retracted. This informational fog is not incidental to proxy warfare; it is one of its central features, since deniability and ambiguity are often precisely the strategic value that proxy relationships offer a sponsoring state.

The committee may wish to consider whether, and how, international mechanisms — independent fact-finding missions, UN human rights monitoring bodies, and cooperative arrangements with credible open-source investigative organizations — can improve the reliability of shared factual baselines in this space, recognizing that resolving informational disputes is a precondition for resolving many of the political and legal disputes discussed elsewhere in this guide. At the same time, delegates should be cautious about proposals that could be used to suppress legitimate journalism, human rights documentation, or dissenting political speech under the guise of "countering disinformation."

12. International Legal and Normative Framework

11.1 The UN Charter and Use of Force

The starting point for any legal analysis is the UN Charter's general prohibition on the use of force (Article 2(4)) and the narrow exceptions permitted: UN Security Council authorization (Chapter VII) and individual or collective self-defense against an "armed attack" (Article 51). Proxy warfare and covert action sit uneasily within this framework, because the Charter was designed primarily around interstate conflict. Key contested legal questions include: whether and when a state's support for a non-state armed group can be attributed to that state for purposes of triggering a right of self-defense against it (the International Court of Justice's "effective control" test from the Nicaragua case sets a high bar that many analysts consider poorly suited to modern proxy relationships); whether targeted killings of proxy commanders on the territory of a third state violate that state's sovereignty; and whether extended, low-intensity covert campaigns (sabotage, cyberattacks) constitute a "use of force" or "armed attack" under the Charter at all.

11.2 Counter-Terrorism Financing Framework

The primary treaty instrument is the 1999 International Convention for the Suppression of the Financing of Terrorism, which obligates states parties to criminalize terrorism financing and cooperate on investigation and asset freezing. Security Council Resolution 1373 (2001), adopted after the September 11 attacks, requires all UN member states to criminalize terrorism financing, freeze relevant assets, and

deny safe haven to those who finance terrorism, and established the Counter-Terrorism Committee to monitor implementation. Resolution 2462 (2019) further affirmed obligations regarding terrorism financing generally, while resolutions 1267 (1999) and its successors maintain a sanctions list (the "1267/ISIL and Al-Qaida Sanctions List") targeting designated individuals and entities. The Financial Action Task Force (FATF), though not a UN body, sets the de facto global standard for anti-money-laundering and counter-terrorism-financing regulation, including its evolving 2025 guidance on virtual assets.

A significant gap delegates should note: none of these frameworks squarely address state sponsorship of terrorism financing itself, nor do they provide a clear, agreed multilateral mechanism (short of Security Council action, which is subject to veto) for holding a sponsoring state accountable — a gap that is especially significant given that permanent Security Council members, or their close allies, are themselves frequently implicated in one side or another of these disputes.

11.3 International Humanitarian Law and Proxy Conflict

International Humanitarian Law (IHL) applies to non-international armed conflicts involving non-state armed groups, requiring distinction between combatants and civilians, proportionality, and precaution. Numerous credible allegations of IHL violations by multiple parties have been documented across this topic's case studies — Hamas's October 7 attack on civilians; Israeli strikes in Gaza and Lebanon with high reported civilian casualties; Houthi attacks on commercial shipping; sectarian killings of Alawite and Druze civilians in post-Assad Syria; and Saudi-led coalition and Houthi conduct in Yemen — and the committee should treat these as parallel, serious concerns rather than elevating one party's violations while minimizing another's.

13. Role of the United Nations and International Bodies

- UN Security Council: Retains primary responsibility for matters of international peace and security but has been frequently deadlocked on Middle East issues due to veto politics, particularly regarding Israel/Palestine and Syria.
- Counter-Terrorism Committee Executive Directorate (CTED): Assesses member state implementation of Resolution 1373 and related counter-terrorism-financing obligations, and provides technical assistance.
- UN Panel of Experts (Yemen, and historically on ISIS/Al-Qaida sanctions): Investigates and reports on sanctions violations, arms transfers, and financing networks, including cryptocurrency-facilitated financing of the Houthis.
- UN Office on Drugs and Crime (UNODC): Addresses the narcotics-trafficking dimension of the topic, including Captagon production and trafficking routes.
- Financial Action Task Force (FATF): The leading intergovernmental standard-setter on anti-money-laundering and counter-terrorism financing, including virtual-asset regulation; FATF "grey-listing"

of non-compliant jurisdictions is one of the few enforcement tools with genuine financial-market teeth.

- UN Human Rights bodies (Office of the High Commissioner for Human Rights, Independent International Commission of Inquiry on Syria): Document and report on human rights violations connected to this topic, including the 2025 findings on violations against civilians in coastal Syria.
- Regional bodies: The Arab League, the Gulf Cooperation Council, and the Organisation of Islamic Cooperation all engage with aspects of this topic, though frequently along lines reflecting member state political divisions rather than as unified blocs.

14. Bloc and Stakeholder Positions

Delegates should research their specific country's position in depth; the summaries below are necessarily generalized starting points.

13.1 United States and Israel

Generally frame Iran's proxy network as the region's central destabilizing force and prioritize sanctions, military pressure, targeted killings, and counter-financing enforcement (including aggressive use of OFAC designations and crypto-tracing tools) as primary tools. Both governments have supported normalization processes with Gulf and now post-Assad Syrian authorities as a means of isolating Iran, while facing criticism — including from allies — over civilian casualties in Gaza and Lebanon and the legal basis for extraterritorial strikes.

13.2 Iran

Frames its regional partnerships as legitimate support for resistance and self-defense movements responding to Israeli occupation and Western intervention, and its own weapons and nuclear programs as defensive necessities given repeated Israeli and U.S. strikes on its territory. Tehran has consistently denied direct operational control over allied groups' specific attacks while acknowledging political, financial, and military support, and rejects the "state sponsor of terrorism" designation as a politically motivated, unilateral U.S. label.

13.3 Gulf Arab States

Not a unified bloc: Saudi Arabia and the UAE have prioritized de-escalation with Iran since a 2023 China-brokered rapprochement and are wary of being drawn into a wider war, while remaining deeply concerned about Houthi capabilities on their borders and continuing counter-Iran security cooperation with the U.S. and Israel (including participation in air-defense coordination). Qatar occupies a distinctive mediating role, maintaining channels to Hamas, Iran, and the Taliban alongside a close U.S. security relationship, drawing both praise as an indispensable back-channel and criticism as insufficiently tough on groups it hosts.

13.4 Turkey

Positions itself as a rising regional power broker, particularly influential in post-Assad Syria given its support for the new government's allied factions and its long-standing opposition to Kurdish autonomy, which it links to the PKK insurgency on its own territory. Ankara generally frames its own support for Syrian and other armed factions as legitimate counterterrorism and border-security policy, distinct from what it characterizes as Iranian-sponsored terrorism.

13.5 European Union and United Kingdom

Generally align with a rules-based, multilateral approach emphasizing sanctions coordinated through FATF and UN mechanisms, support for UN humanitarian response in Gaza, Yemen, Lebanon, and Syria, and increasing domestic security concern over Iran-linked plots and Hamas financing networks uncovered within Europe itself, alongside continued, sometimes internally divided, engagement on Israeli–Palestinian diplomacy.

13.6 Russia and China

Both generally favor multipolar, sovereignty-emphasizing frameworks and are skeptical of unilateral sanctions regimes and targeted-killing campaigns as instruments of counterterrorism policy, while pursuing their own distinct interests: Russia through its residual military and mercenary presence and arms relationships in the region (including historically with Syria and Iran), and China through its economic relationships (including as the primary buyer of sanctioned Iranian oil) and its 2023 role brokering the Saudi–Iran rapprochement.

13.7 Global South and Non-Aligned Perspectives

Many states outside the region emphasize double standards in how "terrorism" and "proxy warfare" are applied, point to the humanitarian toll in Gaza and Yemen as demanding urgent Security Council action independent of the broader geopolitical contest, and generally favor strengthened multilateral counter-financing and arms-control mechanisms over unilateral sanctions or military action.

15. Questions a Resolution Should Address (QARMAs)

1. How should the committee define "state-sponsored terrorism" and "proxy warfare" for the purposes of any resolution, given the term's contested and asymmetrically applied history?
2. What concrete, verifiable mechanisms can strengthen international tracing and interdiction of narcotics-based (Captagon) and cryptocurrency/stablecoin-based terrorism financing, and how should responsibility be distributed between states, financial institutions, and virtual asset service providers?

3. What legal standards, if any, should govern the use of targeted killings, sabotage, and other covert operations against proxy commanders and financing networks, particularly when conducted on the territory of third states?
4. How can the international community support the disarmament or state-integration of non-state armed groups (Hezbollah, Iraqi militias, the Houthis) without triggering renewed civil conflict or leaving security vacuums exploitable by transnational jihadist groups such as ISIS?
5. What role should regional and international actors play in supporting Syria's fragile post-Assad transition, including security-sector reform, minority protection, and prevention of the country becoming either a renewed proxy battleground or a jihadist safe haven?
6. How should the humanitarian consequences of this "invisible war" — in Gaza, Yemen, Lebanon, and Syria — be addressed in parallel with, rather than subordinated to, its security dimensions?
7. What mechanisms can improve attribution and accountability for covert and proxy operations without escalating tensions between major powers on the Security Council?
8. How can counter-financing enforcement be made more consistent and less politically selective, given criticism that sanctions and designations are applied asymmetrically depending on the sponsor state's relationship with major powers?

Annex C: Suggested Committee Roster

The following illustrative roster reflects the range of perspectives a well-balanced committee on this topic should include. Conference organizers may adjust based on delegation size and specific pedagogical goals.

Core Regional Actors

- Islamic Republic of Iran; State of Israel; Lebanese Republic; Syrian Arab Republic (transitional government); Republic of Iraq; Republic of Yemen (internationally recognized government); Kingdom of Saudi Arabia; United Arab Emirates; State of Qatar; State of Kuwait; Kingdom of Bahrain; Sultanate of Oman; Republic of Türkiye; State of Palestine (observer).

Permanent Security Council Members and Key External Powers

- United States of America; United Kingdom; French Republic; Russian Federation; People's Republic of China.

Other Influential and Affected States

- Arab Republic of Egypt; Hashemite Kingdom of Jordan; Federal Republic of Germany; Italian Republic; Kingdom of Spain; Republic of India (major energy and diaspora interests in the Gulf); Federative Republic of Brazil and Bolivarian Republic of Venezuela (Latin American financing-

network dimension); Republic of Cyprus and Hellenic Republic (Eastern Mediterranean security); Republic of Korea and Japan (energy security via the Strait of Hormuz).

Relevant International and Regional Organizations (as observers or specialized invitees, conference-dependent)

- League of Arab States; Gulf Cooperation Council; Organisation of Islamic Cooperation; European Union; Financial Action Task Force Secretariat; International Committee of the Red Cross.

Delegates representing smaller or less directly involved states should not assume their role is peripheral: many of the states listed above have specific, concrete interests in this topic — as energy consumers reliant on Gulf shipping lanes, as hosts of refugee populations, as jurisdictions targeted by illicit financing networks, or as troop- or aid-contributing nations to relevant humanitarian and monitoring missions — and should research and advocate for those interests specifically rather than defaulting to generic statements of concern.

Annex A: Selected Designations of Key Armed Groups

The table below summarizes, in general terms, how several major governments and bodies have classified selected groups discussed in this guide as of mid-2026. Designations change over time and delegates should verify current status directly with the relevant authority (e.g., the U.S. State Department's Foreign Terrorist Organization list, the EU's consolidated terrorist list, or the UN 1267 Sanctions List) before citing them in committee.

- Hezbollah: Designated a terrorist organization (in whole or, for the EU, its military wing) by the United States, United Kingdom, European Union, and several Arab League states; not designated by Russia, China, or Iran, which characterize it as a legitimate Lebanese political and resistance movement.
- Hamas: Designated a terrorist organization by the United States, European Union, United Kingdom, and others; several states (including Qatar and Turkey) maintain diplomatic engagement with its political leadership without endorsing the designation, viewing engagement as necessary for mediation.
- Palestinian Islamic Jihad: Designated a terrorist organization by the United States, European Union, and others; generally considered more uniformly proscribed internationally than Hamas given its more overt embrace of armed struggle over political participation.
- Houthi movement / Ansarallah: Designated a Foreign Terrorist Organization by the United States in January 2021, redesignated shortly after by the incoming Biden administration to a narrower "Specially Designated Global Terrorist" category citing humanitarian concerns, and redesignated again as U.S. policy shifted in subsequent years; treated as a party to be engaged diplomatically (alongside sanctions) by the UN in the Yemen peace process.

- Kata'ib Hezbollah (Iraq): Designated a Foreign Terrorist Organization by the United States since 2009; formally, though contentiously, considered part of Iraq's state security architecture through the PMF framework.
- Islamic State (ISIS): Subject to a dedicated UN Security Council sanctions regime (the ISIL (Da'esh) and Al-Qaida Sanctions List) and universal proscription; unlike the other groups listed, ISIS has no state sponsor and is opposed by virtually all regional and international actors, including Iran and its allied groups.
- Hay'at Tahrir al-Sham (HTS) / Syrian transitional authorities: HTS itself remains formally designated as a terrorist organization and Specially Designated Global Terrorist entity by the United States even as Washington has engaged directly with the Syrian transitional government led by former HTS leader Ahmed al-Sharaa and lifted most other Syria-related sanctions — an unusual and widely discussed inconsistency that illustrates how designations can lag behind fast-moving political realities.

Annex B: Illustrative Timeline

- 1979 — Iranian Revolution; creation of the IRGC.
- 1982 — Israeli invasion of Lebanon; founding of Hezbollah.
- 2003 — U.S.-led invasion of Iraq; collapse of Ba'athist state institutions.
- 2011 — Arab Spring uprisings begin, including in Syria and Yemen.
- 2014 — ISIS declares a "caliphate"; Houthis seize Sana'a; PMF formally established in Iraq.
- 2015 — Saudi-led coalition intervenes in Yemen.
- 2020 — United States kills IRGC-Quds Force commander Qassem Soleimani.
- October 2023 — Hamas-led attack on southern Israel; Gaza war begins; Houthi Red Sea campaign begins.
- September–October 2024 — Pager/radio device attacks on Hezbollah; killing of Hassan Nasrallah; expanded Israeli operations in Lebanon.
- November–December 2024 — HTS-led offensive topples the Assad government; Syrian intelligence services dissolved.
- January 2025 — Ahmed al-Sharaa declared Syria's transitional president.
- June 2025 — Israeli and U.S. strikes on Iranian nuclear facilities ("Twelve-Day War").
- Late 2025 — Syrian transitional legislative elections; sectarian violence against Alawite and Druze communities reported earlier in the year.

- January 2026 — Clashes between Syrian government forces and the SDF; new SDF integration agreement; ISIS manpower reported to have grown substantially amid the security vacuum.
- March 2026 — Renewed direct Israel–Iran war; Hezbollah rocket attacks and Israeli response in Lebanon.
- July 2026 — Continued Houthi attacks on Red Sea shipping; ongoing negotiations over the future of Iran’s nuclear and regional posture.

17. Further Reading and Sources

This guide draws on and summarizes reporting and analysis from a range of sources, including: the Belfer Center for Science and International Affairs (Harvard Kennedy School); the Soufan Center; the Combating Terrorism Center at West Point; the Atlantic Council; the Congressional Research Service; the UK House of Commons Library; Foreign Policy magazine; the Middle East Media Research Institute (MEMRI); the American Jewish Committee (AJC); GNET (Global Network on Extremism and Technology); TRM Labs and Chainalysis blockchain-analytics research; the U.S. Treasury/FinCEN and OFAC public advisories and designations; the Financial Action Task Force; and contemporaneous reporting from Reuters, the Associated Press, and other wire services. Delegates are strongly encouraged to consult these and additional primary sources — including UN Security Council resolutions, UN Panel of Experts reports, and official government statements from the states discussed — directly, and to seek out sources representing a genuine diversity of regional and political perspectives rather than relying on any single tradition of reporting.

This guide reflects information available as of July 2026. Given the extraordinary pace of change in this region, delegates should conduct fresh research closer to the date of the conference to capture the most current developments.

18. A Final Note on Balance and Sensitivity

This topic touches directly on live, ongoing conflicts in which real people continue to be killed, displaced, and impoverished. It also touches on questions of religious and ethnic identity — Shia and Sunni Islam, Zaidism, the Druze and Alawite communities, Kurdish nationalism, and Jewish and Palestinian national narratives — that carry deep historical and personal weight for many people, including possibly some delegates in this very committee. The Executive Board asks all delegates to research and argue their assigned country’s position with rigor and conviction, as is expected in Model UN, while remaining conscious that debate exercises are, at bottom, an attempt to practice the kind of empathetic, evidence-based diplomacy that the real world sorely needs on this subject. Delegates should feel free to challenge one another’s arguments vigorously; they should not question one another’s good faith, dignity, or right to safety on the basis of the positions they are assigned to represent.

We look forward to seeing what this committee produces, and to a debate that reflects both the analytical rigor and the moral seriousness that this agenda item demands.