



THREAT TO THE HOMELAND

Iran's Extending Influence in the Western Hemisphere

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Chairman Duncan, Ranking Member Barber, distinguished members of the Subcommittee on Homeland Security Subcommittee on Oversight and Management Efficiency, it is an honor to be able to submit to you written testimony for this timely hearing on Iran's extending influence in the Western Hemisphere. I apologize for not being able to appear before you in person to provide oral testimony as well, but I had already committed to testifying today in Brussels before the Committee on Foreign Affairs of the European Parliament on the importance of an EU designation of Hezbollah. This committee's hearing here in Washington is equally important, however, so I am very grateful to the committee for generously allowing me the opportunity to submit this written testimony.

As Iran geared up for its June 14 presidential election, the activities of its powerful intelligence services were also kicking into high gear across the globe. The U.S. State Department's annual terrorism report, released May 30, headlined the "marked resurgence" of Iran's terrorist activities -- and with good reason. "Iran and Hizballah's terrorist activity has reached a tempo unseen since the 1990s, with attacks plotted in Southeast Asia, Europe, and Africa," the report reads.² Then there is Iran and Hezbollah's active support for Syrian president Bashar al-Assad's brutal crackdown against his own people.

But closer to the United States, Iran not only continues to expand its presence in and bilateral relationships with countries like Cuba, Ecuador, Nicaragua, and Venezuela, but it also maintains a network of intelligence agents specifically tasked with sponsoring and executing terrorist attacks in the western hemisphere. True, the unclassified annex to a recent State Department report on Iranian activity in the western hemisphere downplayed Iran's activities in the region; this material, however, appeared in an introductory section of the annex that listed the author's self-described "assumptions." While one assumption noted that "Iranian interest in Latin America is of concern," another stated that as a result of U.S. and allied efforts "Iranian influence in Latin America and the Caribbean is waning."³ The

¹ Author, *Hezbollah: the Global Footprint of Lebanon's Party of God* (Georgetown University Press and Hurst Publishers, 2013)

² U.S. State Department, "Country Reports on Terrorism," May 30, 2013, <http://www.state.gov/j/ct/rls/crt/2012/209978.htm>

³ "Annex A, Unclassified Summary of Policy Recommendations," Appended to press release "Duncan Releases Statement on the State Department's Report on Iranian Activity and Influence in the Western Hemisphere," June 26, 2013

reality is that Hezbollah and Iran have both worked long and hard over many years to build up their presence and influence in Latin America.

Hezbollah in Latin America

Hezbollah's presence in Latin America is nothing new. Together with Iran, the group was responsible for the 1992 bombing of the Israeli embassy and, two years later, the bombing of the AMIA Jewish community center, both in Buenos Aires. Hezbollah traces its origins in Latin America back to the mid-1980s, long before the Buenos Aires bombings, when its operatives set up shop in the tri-border area (TBA) of Brazil, Paraguay, and Argentina. At the height of the Lebanese civil war, Hezbollah clerics began "planting agents and recruiting sympathizers among Arab and Muslim immigrants in the TBA," according to a study conducted for U.S. Special Operations Command. A region routinely called the "United Nations of crime," a classic "terrorist safe haven" and a counterfeiting capital, the TBA made a natural home for operatives seeking to build financial and logistical Hezbollah support networks within existing Shia and Lebanese diaspora communities.⁴

Hezbollah has long benefited from the loosely regulated TBA, using the area to engage in illicit activity for profit and to solicit donations from the local Muslim communities. In its *2011 Country Reports on Terrorism*, the State Department noted that "ideological sympathizers in South America and the Caribbean continue to provide financial and moral support to these and other terrorist groups in the Middle East and South Asia."⁵ Similarly, in 2011, Gen. Douglas Fraser, then the Commander of United States Southern Command, told members of Congress, "Hezbollah supporters continue to raise funds within the region to finance their worldwide activities. Several entities affiliated with Islamic extremism are increasing efforts to recruit adherents in the region..."⁶ Criminal sympathizers of the group are involved in a long list of illicit activities, including arms and drug trafficking, document and currency fraud, money laundering, and counterfeiting. Since 2006, over a dozen individuals and several entities in the TBA have been sanctioned for providing financial support to Hezbollah leadership in Lebanon, according to the U.S. Treasury Department.⁷

The TBA's Crime Headquarters

The four-story Galeria Page shopping center in Ciudad del Este, Paraguay, was "locally considered the central headquarters for Hezbollah members" and served as a source of fundraising for Hezbollah in the TBA, the U.S. Treasury Department noted when the center was blacklisted in December 2006.⁸ Managed and co-owned by Hezbollah operatives, Treasury explained that Galeria Page businesses generated funds to support Hezbollah and

⁴ Sebastian Rotella, "Jungle Hub for World's Outlaws," Los Angeles Times, August 24, 1998; U.S. State Department, Office of the Coordinator for Counterterrorism, *Country Reports on Terrorism 2009*, August 5, 2010.

⁵ U.S. State Department, Office of the Coordinator for Counterterrorism, *Country Reports on Terrorism 2009*, August 5, 2010; U.S. State Department, Office of the Coordinator for Counterterrorism, *Country Reports on Terrorism 2011*, July 2012.

⁶ Southern Command Commander General Douglas Fraser, statement before the House Armed Services Committee, March 30, 2011, http://armedservices.house.gov/index.cfm/files/serve?File_id=fcc6b631-6b51-4bdb-b0a0-6b97ea36cb58

⁷ Assistant Treasury Secretary for Terrorist Financing Daniel L. Glaser, testimony before the House Committee on Foreign Affairs, October 13, 2011.

⁸ U.S. Treasury Department, "Treasury Targets Hizballah Fundraising Network in the Triple Frontier of Argentina, Brazil, and Paraguay," press release, December 6, 2006.

that some shops had been “involved in illicit activity, including the sale of counterfeit US dollars.”⁹

At the hub of Galeria Page activity was Assad Barakat, a known Hezbollah operative designated by the Treasury Department in 2004, who led a TBA-based network that served as “a major financial artery to Hezbollah in Lebanon.”¹⁰ Barakat had long been on the radar of law enforcement agencies, and international authorities had raided his Galeria Page shop twice in 2001. Barakat used his businesses as “front companies for Hezbollah activities and cells,” Treasury revealed, adding that the businesses provided “a way to transfer information to and from Hezbollah operatives.”¹¹ The extent of Barakat’s criminal activity in support of Hezbollah was staggering. From selling counterfeit U.S. currency to strong-arming donations from local businessmen, Barakat was accused by the Treasury Department of engaging in “every financial crime in the book” to generate funds for Hezbollah.¹²

Treasury also tied Sobhi Mahmoud Fayad, Barakat’s executive assistant, to the counterfeit currency scheme, in addition to other illicit activities involving drugs.¹³ Fayad, “a senior TBA Hezbollah official,” was no stranger to law enforcement. In 2001, Paraguayan police had searched his Ciudad del Este home and found receipts from the Martyrs Organization for donations Fayad had sent that totaled more than \$3.5 million. Authorities believe Fayad has sent more than \$50 million to Hezbollah since 1995.¹⁴

Hezbollah often uses charities and front organizations, like the Martyrs Organization, to conceal its fundraising activities. In July 2007, the Treasury Department blacklisted the Martyrs Foundation for its ties to the group. Beyond its work raising funds for Hezbollah, in several cases the foundation’s officials were found to be directly involved in supporting terrorism.¹⁵

Beyond the Tri-border

Hezbollah’s reach in Latin America extends beyond the borders of Brazil, Argentina, and Paraguay, however. The same day the State Department released its report, highly respected Argentine prosecutor Alberto Nisman, who served as special prosecutor for the investigation into the 1994 bombing of the AMIA Jewish community center in Buenos Aires, released a 500-page document laying out how the Iranian regime has, since the early 1980s, built and maintained “local clandestine intelligence stations designed to sponsor, foster and execute terrorist attacks” in the Western Hemisphere. Nisman found evidence that Iran is building intelligence networks identical to the one responsible for the bombings in

⁹ Ibid.

¹⁰ Ibid.

¹¹ U.S. Department of the Treasury, “Treasury Designates Islamic Extremist, Two Companies Supporting Hizballah in Tri-Border Area,” press release, June 10, 2004. <http://www.treasury.gov/press-center/press-releases/Pages/js1720.aspx>

¹² Ibid.

¹³ Ibid.

¹⁴ Mark S. Steinitz, “Middle East Terrorist Activity in Latin America,” Center for Strategic and International Studies, Policy Papers on the Americas, Vol. XIV, Study 7, July 2003.

¹⁵ U.S. Department of the Treasury, “Twin Treasury Actions Take Aim at Hizballah’s Support Network,” press release, July 24, 2007.

Argentina across the region -- from Brazil, Paraguay, Uruguay, Chile, and Colombia to Guyana, Trinidad and Tobago, and Suriname, in addition to a number of others.¹⁶

Nisman's earlier 2006 report on the AMIA bombing had already demonstrated how Iran established a robust intelligence network in South America in the early 1980s.¹⁷ One document, seized during a court-ordered raid of the residence of an Iranian diplomat north of Buenos Aires included a map denoting areas populated by Muslim communities and suggested an Iranian strategy to export Islam into South America -- and from there to North America. Highlighting areas densely populated by Muslims, the document informed that these "will be used from Argentina as [the] center of penetration of Islam and its ideology towards the North American continent."¹⁸

Nisman concluded that the driving force behind Iran's intelligence efforts in Argentina was Mohsen Rabbani, an Iranian who lived in Argentina for 11 years and played a key role in the Islamic Republic's intelligence operations in South America. Rabbani, the primary architect of the AMIA plot, reportedly had come from Iran for the express purpose of heading the state-owned al-Tawhid mosque in Buenos Aires, but he also served as a representative of the Iranian Ministry of Agriculture, which was tasked with ensuring the quality of Argentine meat exported to Iran. The Argentine prosecutor reported that Rabbani began laying the groundwork for his spy network after arriving in the country in 1983. Indeed, just prior to his departure for South America, Rabbani met Abolghasem Mesbahi, an Iranian intelligence official who would later defect, and explained to Mesbahi that he was being dispatched to Argentina "in order to create support groups for exporting the Islamic revolution," according to Nisman's 2006 report. Rabbani ultimately executed two large-scale attacks in Argentina. In 1992, Iran and Hezbollah bombed the Israeli Embassy in Buenos Aires, killing 29 people.¹⁹ Two years later, they targeted the AMIA Jewish community center, killing 85 people.

Rabbani's terrorist activities in South America, however, did not wane despite being indicted in Argentina. According to Nisman and U.S. District Court documents from the Eastern District of New York in Brooklyn, Rabbani helped four men who were plotting to bomb New York's John F. Kennedy International Airport in 2007 and who had sought technical and financial assistance for the operation, codenamed "Chicken Farm." All four men were ultimately convicted in federal court.²⁰

The four men first sought out Yasin Abu Bakr, leader of the Trinidadian militant group Jamaat al-Muslimeen, and Adnan el-Shukrijumah, an al-Qaeda operative who grew up in Brooklyn and South Florida and fled the United States for the Caribbean in the days before

¹⁶"AMIA Case," [http://www.defenddemocracy.org/stuff/uploads/documents/summary_\(31_pages\).pdf](http://www.defenddemocracy.org/stuff/uploads/documents/summary_(31_pages).pdf)

¹⁷ Alberto Nisman and Marcelo Martinez Burgos, "Office of Criminal Investigations AMIA Case," Investigations Unit of the Office of the Attorney General, October 25, 2006, p. 13, <http://www.peaceandtolerance.org/docs/nismanindict.pdf>

¹⁸ Buenos Aires, Argentina Judicial Branch, AMIA Indictment, Office of the National Federal Court No. 17, Criminal and Correctional Matters No. 9, Case No. 1156, March 5, 2003, p. 61.

¹⁹ Alberto Nisman and Marcelo Martinez Burgos, "Office of Criminal Investigations AMIA Case," Investigations Unit of the Office of the Attorney General, October 25, 2006, <http://www.peaceandtolerance.org/docs/nismanindict.pdf>

²⁰ Associated Press, "U.S.: 'Unthinkable' terror devastation prevented," *NBC News*, June 3, 2007, http://www.nbcnews.com/id/18999503/ns/us_news-security/t/us-unthinkable-terror-devastation-prevented/#.UdH4zTvVD_I

the 9/11 attacks.²¹ Unable to find Shukrijumah, the plotters "sent [co-conspirator] Abdul Kadir to meet with his contacts in the Iranian revolutionary leadership, including Mohsen Rabbani," according to a news release issued by the U.S. attorney's office for the Eastern District of New York.²²

One co-conspirator was Kareem Ibrahim, an imam and leader of the Shiite Muslim community in Trinidad and Tobago. During cross-examination at trial, Ibrahim admitted that he advised the plotters to approach Iranian leaders with the plot and to use operatives ready to engage in suicide attacks at the airport. In one of the recorded conversations entered into evidence, Ibrahim told Russell Defreitas -- a plotter who was a JFK baggage handler and a naturalized U.S. citizen -- that the attackers must be ready to "fight it out, kill who you could kill, and go back to Allah."

Documents seized from Kadir's house in Guyana demonstrated that he was a Rabbani disciple who built a Guyanese intelligence base for Iran much like his mentor had built in Argentina. In a letter written to Rabbani in 2006, Kadir agreed to perform a "mission" for Rabbani to determine whether a group of individuals in Guyana and Trinidad were up to some unidentified task.

In the 1990s and 2000s, Rabbani also oversaw the education and indoctrination of Guyanese and other South American Muslim youth, including Kadir's children, in Iran. Kadir was ultimately arrested in Trinidad aboard a plane headed to Venezuela en route to Iran.²³ He was carrying a computer drive with photographs featuring himself and his children posing with guns, which prosecutors suggested were intended as proof for Iranian officials of his intent and capability to carry out an attack.²⁴

In 2011, not long before the last defendant in the JFK airport bomb plot was convicted, evidence emerged suggesting Rabbani was still doing intelligence work in South America. In the words of one Brazilian official quoted by the magazine, "Without anybody noticing, a generation of Islamic extremists is appearing in Brazil."²⁵

In early September 2012, Mexican authorities, in a joint operation conducted by migration and state police, arrested three men suspected of operating a Hezbollah cell in the Yucatan area and Central America. Among them was Rafic Mohammad Labboun Allaboun, a dual U.S.-Lebanese citizen, whom Mexican authorities extradited to the United States. Before his trip to Mexico, Allaboun had served over two years in prison for participating in a credit card "bust-out" scheme that netted more than \$100,000. Authorities believed the credit card fraud was linked to a U.S.-based Hezbollah money laundering operation.²⁶ Allaboun's

²¹FBI, "Most Wanted Terrorists," http://www.fbi.gov/wanted/wanted_terrorists/adnan-g-el-shukrijumah

²²FBI, "Most Wanted Terrorists," http://www.fbi.gov/wanted/wanted_terrorists/adnan-g-el-shukrijumah

²³U.S. Attorney's Office, "Russell Defreitas Sentenced to Life in Prison for Conspiring to Commit Terrorist Attack at JFK Airport," press release, FBI, <http://www.fbi.gov/newyork/press-releases/2011/russell-defreitas-sentenced-to-life-in-prison-for-conspiring-to-commit-terrorist-attack-at-jfk-airport>

²⁴A. G. Sulzberger, "Trial Focuses on Iran Ties of Kennedy Plot Suspect," *New York Times*, July 24, 2010, http://www.nytimes.com/2010/07/22/nyregion/22kennedy.html?_r=0

²⁵Robin Yapp, "Brazil latest base for Islamic extremists," *The Telegraph*, April 3, 2011 <http://www.telegraph.co.uk/news/worldnews/southamerica/brazil/8424929/Brazil-latest-base-for-Islamic-extremists.html>

²⁶United States of America v. Rafic Labboun, Indictment, United States District Court, Northern District of California San Jose, Case No. CR.-09-0058, January 20, 2009; United States of America v. Rafic Labboun, Criminal

partners, George Abdalah Elders and Justin Yasser Safa, both Lebanese immigrants and naturalized Belizeans, “were participating in financing activities in an attempt to bail out incarcerated Hezbollah members jailed in the United States,” according to local media reports.²⁷

At the time of his arrest, Allaboun produced a fake passport identifying himself as Wilhelm Dyck, a citizen of Belize. The true Wilhelm Dyck had died in 1976, just two months after his birth. Investigators determined that over a three-day period in August, Allaboun fooled officials into issuing the passport, a valid birth certificate, and a driver’s license.²⁸ But the gaffe is not exclusive to Belize; eighteen Hezbollah members obtained passports by presenting fraudulent visa applications at an unnamed U.S. embassy, according to a 1994 FBI report.²⁹

The speed and ease with which Hezbollah operatives are able to secure false documentation in Latin America should not come as a surprise. According to Israeli intelligence, the use of such passports by Hezbollah operatives is widespread, and the documents are “used by the organization’s activists in their travels all over the world.”³⁰ At times well-placed sympathizers secure documents for operations in the region. In 2009, U.S. authorities accused Tarek el Aissami, then Venezuela’s Interior Minister, of issuing passports to members of Hamas and Hezbollah. El Aissami reportedly recruited young Venezuelan Arabs to train in Hezbollah camps in southern Lebanon.³¹

Narco-Terrorism/Criminal Connections

While massive fundraising and procurement schemes underscore the extent to which Hezbollah sympathizers, supporters, and operatives are active in Latin America, the connection between drugs and terror has grown particularly strong. According to the U.S. Drug Enforcement Administration (DEA), nineteen of the forty-three U.S.-designated Foreign Terrorist Organizations are definitively linked to the global drug trade, and up to 60 percent of terror organizations are suspected of having some ties with the illegal narcotics trade.³² Hezbollah is no exception, and in recent years it has increased its role in the production and trafficking of narcotics. In this effort, Hezbollah has leveraged the vast Lebanese Shi’a diaspora populations, mainly located in South America and Africa, to its advantage.³³

Complaint, January 9, 2009; “Mexico Extradites Suspected Hezbollah Member,” Fox News Latino, September 11, 2012.

²⁷ Shane Williams, “Hezbollah in Belize: Is JP Involved?” *Guardian* (Belize), September 12, 2012.

²⁸ Claire O’Neill McCleskey, “Hezbollah Suspect Obtained Fake Belize IDs in 72 Hours,” *InSight Crime*, September 13, 2012.

²⁹ Federal Bureau of Investigation, Terrorist Research and Analytical Center, “International Radical Fundamentalism: An Analytical Overview of Groups and Trends,” November 1994.

³⁰ Undated Israeli intelligence report, “Hizballah World Terrorism,” author’s personal files, received August 5, 2003

³¹ Robert Morgenthau, “The Link between Iran and Venezuela: A Crisis in the Making?” speech before the Brookings Institution, Washington DC, September 8, 2009.

³² “EXCLUSIVE: Hezbollah Uses Mexican Drug Routes into U.S.,” *Washington Times*, March 27, 2009.

³³ “Drug Trafficking and Middle Eastern Terrorist Groups: A Growing Nexus?” Washington Institute for Near East Policy, Policy Watch 1392, July 25, 2008.

Former Southern Command commander Admiral James Stavridis testified in early 2009 about regional counternarcotics takedowns, executed by SOUTHCOM and the DEA, in coordination with host nations, targeting Hezbollah drug trafficking. “We see a great deal of Hezbollah activity throughout South America, in particular. [The] tri-border of Brazil is a particular concern, as in Brazil, Paraguay and Argentina, as well as [other] parts of Brazil and in the Caribbean Basin,” Stavridis told lawmakers.³⁴ Most of these were only publicly identified as counterdrug operations, but a few, including drug rings busted in Ecuador in 2005, Colombia in 2008, and Curaçao in 2009, were explicitly tied to Hezbollah. Such revelations should not be surprising, given the long history of Lebanese criminal elements in the drug trade in South America in general—and in light of revelations by the U.S. Treasury Department three years earlier that Hezbollah operatives like Sobhi Fayad have engaged in all kinds of Hezbollah support activities, including “illicit activities involving drugs and counterfeit U.S. dollars.”³⁵

Hezbollah’s expanding criminal networks have led to closer cooperation with organized crime networks, especially Mexican drug cartels. In a March 2012 speech at the Washington Institute for Near East Policy, Michael Braun, former DEA chief of operations, detailed Hezbollah’s skill in identifying and exploiting existing smuggling and organized crime infrastructure in the region. Braun and other officials have noted that the terrain along the southern U.S. border, especially around San Diego, is similar to that on the Lebanese-Israeli border. Intelligence officials believe drug cartels, in an effort to improve their tunnels, have enlisted the help of Hezbollah, which is notorious for its tunnel construction along the Israeli border. In the relationship, both groups benefit, with the drug cartels receiving Hezbollah’s expertise and Hezbollah making money from its efforts.³⁶

In 2008, the Mexican newspaper *El Universal* published a story detailing how the Sinaloa drug cartel sent its members to Iran for weapons and explosives training. The article reported that the Sinaloa members traveled to Iran via Venezuela, that they used Venezuelan travel documents, and that some members of Arab extremist groups were marrying local Mexican and Venezuelan citizens in order to adopt Latino-sounding surnames and more easily enter the United States.³⁷

Also on the U.S. radar is the relationship between Hezbollah and the Revolutionary Armed Forces of Colombia (FARC). “One thing both Hezbollah and the FARC have in common is a demonstrated willingness to work with outside groups that do not share their same ideology or theology, but who share a common enemy,” notes Latin America expert Douglas Farah.³⁸ A July 2009 indictment exposed Jamal Youssef, a former member of the Syrian military and known international arms dealer, who attempted to make a weapons-for-cocaine trade with the FARC. Unbeknownst to him, Youssef negotiated the deal with an undercover DEA

³⁴ Southern Command Commander Admiral James G. Stavridis, statement before the Senate Armed Services Committee, March 17, 2009; “U.S. Warns of Iran-Hezbollah Influence in Latin America,” *voanews.com*, March 19, 2009.

³⁵ U.S. Department of the Treasury, “Treasury Targets Hizballah Fundraising Network in the Triple Frontier of Argentina, Brazil, and Paraguay,” press release, December 6, 2006.

³⁶ “Myrick Calls for Taskforce to Investigate Presence of Hezbollah on the US Southern Border,” letter from U.S. Congresswoman Sue Myrick to Secretary of the Department of Homeland Security Janet Napolitano, June 23, 2010.

³⁷ Doris Gomora, “Aprenden Narcoterror con Extrimistas: EU,” *El Universal* (Mexico City), July 17, 2008.

³⁸ Douglas Farah, testimony before the House Committee on Homeland Security, Subcommittee on Counterterrorism and Intelligence, July 7, 2011.

agent. The military-grade arms he agreed to provide had been stolen from Iraq and stored in Mexico by Youssef's cousin, who he claimed was a Hezbollah member.³⁹

Staging Ground and Safe Haven

Latin America is also strategically significant for Hezbollah and other terrorist organizations because of its location: the region provides an ideal point of infiltration into the United States. In at least one instance, a highly trained Hezbollah operative, Mahmaoud Youssef Kourani, succeeded in sneaking across the border into the U.S. through Mexico in the trunk of a car. Kourani paid the owner of a Lebanese café in Tijuana \$4,000 to smuggle him across the border in February 2001. The café owner, Salim Boughader Mucharrafilie, admitted to assisting more than 300 Lebanese sneak into the U.S. in similar fashion over a three-year period.⁴⁰

Over the past several years, U.S. criminal investigations also have revealed links between the group's illicit activities in the United States and criminal networks in Latin America. An attempt to establish a Hezbollah network in Central America, foiled by Mexican authorities in 2010, provides even more insight into Hezbollah's foothold in Mexico. Hezbollah operatives, led by Jameel Nasr, employed Mexican nationals who had family ties in Lebanon to set up a network targeting Western interests, the media reported. According to these reports, Nasr routinely traveled to Lebanon to receive directions from Hezbollah.⁴¹

Indeed, the growth of the Iranian extremist network in this region has immediate repercussions for U.S. security. The same day Nisman and State released their reports, an Iranian-American used-car salesman from Texas was sentenced to 25 years in prison for his role in an Iranian plot to assassinate Saudi Arabia's ambassador to the United States at a popular Washington restaurant.⁴² In the assessment by DNI James Clapper, this plot "shows that some Iranian officials -- probably including Khamenei -- have changed their calculus and are now more willing to conduct an attack in the United States in response to real or perceived U.S. actions that threaten the regime."⁴³

Prospects for Terrorism under Administration of New Iranian President

Hassan Rouhani's victory in Iran's presidential election has been widely heralded as a protest vote against the hardliners and a window of opportunity for diplomatic

³⁹ "A Line in the Sand: Countering Crimes, Violence and Terror at the Southwest Border," majority report by U.S. Congress, House Committee of Homeland Security, 112th Cong. 2nd sess., November 2012.

⁴⁰ *United States of America v. Mahmoud Youssef Kourani*, Indictment Crim. No. 03-81030, United States District Court, Eastern District of Michigan, Southern Division, November 19, 2003; *USA v. Mahmoud Youssef Kourani*, First Superseding Indictment, March 1, 2005; Pauline Arrillaga and Olga R. Rodriguez, "The Terror-Immigration Connection," MSNBC, July 3, 2005; Associated Press, "Hizballah Fundraiser Sentenced to Prison," *Los Angeles Times*, June 15, 2005.

⁴¹ Jack Khoury, "Mexico Thwarts Hezbollah Bid to Set Up South American Network," *Haaretz*, July 6, 2010.

⁴² Benjamin Weiser, "Man Sentenced in Plot to Kill Saudi Ambassador," *New York Times*, May 30, 2013, <http://www.nytimes.com/2013/05/31/nyregion/mansour-arbabsiar-sentenced-for-plot-to-kill-saudi-ambassador.html>

⁴³ Eric Schmitt, "Intelligence Report Lists Iran and Cyberattacks as Leading Concerns," *New York Times*, January 31, 2012, http://www.nytimes.com/2012/02/01/world/intelligence-chief-sees-al-qaeda-likely-to-continue-fragmenting.html?pagewanted=all&_r=0

breakthrough with Western powers.⁴⁴ But such assumptions beg the question: how much moderation can be expected from a "moderate" Iranian president, particularly with regard to state sponsorship of terrorism? The past suggests that expectations should be tempered.

Rouhani is not the first Iranian "moderate" to win the presidency. Akbar Hashemi Rafsanjani, elected in 1989, was frequently described as a moderate as well. According to U.S. intelligence, however, he oversaw a long string of terrorist plots during his eight years in office. The CIA linked Rafsanjani to terrorist plots as early as 1985, when he was serving as speaker of parliament. In a February 15, 1985 memo, the agency assessed that "Iranian-sponsored terrorism is the greatest threat to US personnel and facilities in the Middle East...Iranian-backed attacks increased by 30 percent in 1984, and the numbers killed in Iranian-sponsored attacks outpace fatalities in strikes by all other terrorist sponsors. Senior Iranian leaders such as Ayatollah Montazeri,...Prime Minister [Mir Hossein Mousavi], and Consultative Assembly speaker Rafsanjani are implicated in Iranian terrorism."

In August 1990, the CIA's Directorate of Intelligence authored a more in-depth assessment titled "Iranian Support for Terrorism: Rafsanjani's Report Card." According to the agency, the regime's sponsorship of terrorist activities had continued unabated since the death of Ayatollah Khomeini the previous June: "Although Rafsanjani has sought to improve relations with some Western nations since directly assuming the presidency last August, events of the past year prove that Tehran continues to view the selective use of terrorism as a legitimate tool."⁴⁵ Iranian terrorist attacks targeting "enemies of the regime" over the previous year "were probably approved in advance by President Rafsanjani and other senior leaders," the report assessed, but "the planning and implementation of these operations are...probably managed by other senior officials, most of whom are Rafsanjani's appointees or allies."⁴⁶ The CIA concluded that "Rafsanjani and [Supreme Leader] Khamenei would closely monitor and approve planning for an attack against the US or Western interests."⁴⁷

Looking forward, CIA analysts assessed in 1990 that "Rafsanjani and other Iranian leaders will continue selectively using terrorism as a foreign policy tool to intimidate regime opponents, punish enemies of Islam, and influence Western political decisions."⁴⁸ Two years later, such assessments appeared prescient. In 1992, the CIA recorded a long list of Iranian terrorist activities, from attacks targeting Israeli, Saudi, and American officials in Turkey, to plots targeting Jewish émigrés from the former Soviet Union and anti-regime dissidents abroad.⁴⁹ Additionally, in May 1997, Muhammad Khatami was elected as Iran's fifth

⁴⁴ Thomas Erdbrink, "Iran Moderate Wins Presidency by a Large Margin," *New York Times*, June 15, 2013, <http://www.nytimes.com/2013/06/16/world/middleeast/iran-election.html?pagewanted=all>; Jason Rezaian and Joby Warrick, "Moderate cleric Hassan Rouhani wins Iran's presidential vote," *Washington Post*, June 15, 2013, http://www.washingtonpost.com/world/iranians-await-presidential-election-results-following-extension-of-polling-hours/2013/06/15/3800c276-d593-11e2-a73e-826d299ff459_story.html

⁴⁵ US Central Intelligence Agency (CIA). Directorate of Intelligence. "Iranian Support for Terrorism: Rafsanjani's Report Card." *Terrorism Review*, August 9, 1990.

⁴⁶ US Central Intelligence Agency (CIA). Directorate of Intelligence. "Iranian Support for Terrorism: Rafsanjani's Report Card." *Terrorism Review*, August 9, 1990.

⁴⁷ US Central Intelligence Agency (CIA). Directorate of Intelligence. "Iranian Support for Terrorism: Rafsanjani's Report Card." *Terrorism Review*, August 9, 1990.

⁴⁸ US Central Intelligence Agency (CIA). Directorate of Intelligence. "Iranian Support for Terrorism: Rafsanjani's Report Card." *Terrorism Review*, August 9, 1990.

⁴⁹ US Central Intelligence Agency (CIA). Directorate of Intelligence. "Iran: Enhanced Terrorist Capabilities and Expanding Target Selection." April 1, 1992.

president after running on a distinctly reformist platform. Supporters of Iranian radicalism, including Hezbollah leader Hassan Nasrallah, had strongly supported Khatami's more overtly revolutionary opponent, Ali Akbar Nateq Nuri.⁵⁰

In a December 1997 memo, the CIA asserted that Hezbollah leaders were shocked by Khatami's victory and "scrambled to ensure that his election would not diminish Iran's support" for the group. Their concerns would prove unfounded, however -- when Nasrallah visited Tehran in October 1997, Khatami and other officials pledged their continued support, emphasizing that the regime had not changed its position regarding the group or its operations against Israel.⁵¹

According to the CIA memo, Khatami "probably joins other Iranian leaders who maintain that support to Hezbollah is an essential aspect of Tehran's effort to promote itself as leader of the Muslim world and champion of the oppressed."⁵²

More important, the CIA assessed that Khatami would have been unable to withdraw Iran's sponsorship of Hezbollah even if he had wanted to. As the memo put it, Khatami "probably does not have the authority to make such a change without the approval of Khamenei, who has long been one of the group's foremost supporters."⁵³

The fact that the least radical candidate won Iran's latest presidential election has many observers excited about the prospect of more moderate policymaking in Tehran. Yet regardless of how Rouhani's election might affect the nuclear impasse, the Islamic Republic's history indicates that "moderate" or "reformist" presidents do not translate into moderation of Iran's terrorism sponsorship. Even if Rouhani were inclined to curb such policies, there is no evidence that he has the authority to do so without the Supreme Leader's approval, which seems highly unlikely at present.

Conclusion

The State Department's report notes a "marked resurgence" of Iranian state sponsorship of terrorism over the past 18 months through the IRGC and its connections with Hezbollah. As the new Nisman report clearly indicates, however, Iran has run intelligence networks in the United States' backyard to "sponsor, foster and execute terrorist attacks" for decades.

Some in the region have yet to get serious about the threat Hezbollah and Iran pose. The need for attention is perhaps greater today than it has been in years past, since Hezbollah—as a result of both necessity and opportunity—appears to have renewed operational planning focused on South America. Confronting the threat this terrorist network poses will require close law enforcement, intelligence, and policy coordination throughout the Western Hemisphere. And with Hezbollah actively plotting terrorist attacks around the world, such cooperation should take shape as quickly as possible.

⁵⁰ US Central Intelligence Agency (CIA). Directorate of Intelligence. "Hezbollah's Reactions to Khatami's Election, December 22, 1997, http://www.foia.cia.gov/sites/default/files/document_conversions/89801/DOC_0001280265.pdf.

⁵¹ Ibid.

⁵² Ibid.

⁵³ Ibid.