



THE
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BREAKING HEZBOLLAH'S GOLDEN RULE

Episode 4: Hezbollah Support Networks in America

Script

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Matthew Levitt:

Hi, I'm Matthew Levitt, and this is 'Breaking Hezbollah's Golden Rule,' a podcast that shines a bright spotlight on the criminal, militant, and terrorist activities of Lebanese Hezbollah.

Hezbollah is an organization that engages in everything from overt social and political activities in Lebanon to covert militant, criminal, and terrorist activities around the world.

One Hezbollah operative was taught by his commander that the golden rule of the group's terrorist unit is this, quote: "The less you know, the better."

In this podcast we set out to break this rule.

In our last episode, we followed Hezbollah across the Atlantic to South America where the group carried out two devastating attacks in Buenos Aires and plotted several more in places like Bolivia, Chile, and Panama. We also investigated some of Hezbollah's criminal enterprises in places like the Tri-Border Area and other free trade zones.

Over time, Hezbollah operatives came up with increasingly sophisticated schemes to move money and stolen or counterfeit goods around the world. Some of the profits from these crimes went toward the procurement of weapons and funding Hezbollah's global terrorist operations. But some of the most surprising of these money-making and weapons procurement schemes took place right here... in the United States.

Today, we'll dive headfirst into two U.S.-based Hezbollah criminal networks. We'll get an up-close-and-personal look, by talking with some of the case agents who investigated these networks—and ultimately, brought them to justice.

Let's start with Operation Smokescreen. It was an FBI investigation into a Hezbollah network operating out of Charlotte, North Carolina. The suspects in this case were primarily involved in illicit financial activities, but authorities worried the operatives—some of whom had militant training—could carry out a terrorist attack here in the United States as well.

Robert Clifford:

I was very concerned that either one of these cells could go operational at a moment's notice.

Levitt:

You might remember former FBI agent Bob Clifford from our previous episode. In the early 90's, Bob was sent to South America on an FBI counterterrorism mission unrelated to Hezbollah. By 1994, Bob was back in the states, working as the Iran-Hezbollah Unit Chief at FBI Headquarters.

Clifford:

In 1995, we received information from an American embassy that a Hezbollah member who had run afoul of the organization had walked in, and he reported that there was a dangerous and well-trained Hezbollah operative in, of all places, Charlotte, North Carolina. That resulted in me providing information on this individual by the name of Mohamad Hammoud to the field office. And as the investigation progressed, the Charlotte office was able to determine that Mohamad Hammoud was not alone, but rather that he seemed to have around him several, apparently, relatives and close friends into what appeared to be a cell.

Levitt:

Back in June 1992, Mohamad Hammoud and two of his cousins arrived at JFK international airport in New York City with cheap fake visas. They were coming from Margarita Island off the coast of Venezuela, a known hotbed of Hezbollah supporters.

Clifford:

Upon arrival, it's clear to the immigration officials that these visas are false. And what do the three claim? Asylum. They claim, of all things, that they are being "hunted" by Hezbollah.

Levitt:

But the men were not, in fact, fleeing from Hezbollah. They were actually well-trained Hezbollah operatives sent to the United States by a senior Hezbollah commander with instructions to build a support network that would raise funds and procure materials for the organization back in Lebanon.

Clifford:

From there, they make their way down to Charlotte, where they engage in fraudulent marriages, and eventually Mohamad Hammoud gains his green card in 1998 through another sham marriage.

Levitt:

All told, seven individuals from Hezbollah's cell in Charlotte were involved in twelve phony marriages. It took Hammoud three tries before a marriage got him a green card.

But why did Hammoud and his associates settle in North Carolina in the first place?

Clifford:

The FBI was well aware of Hezbollah cells in the major cities—New York, Houston, Detroit, Los Angeles, Boston. But Hezbollah made a conscious decision, because of that federal oversight in these larger areas and because members were starting to be arrested, there was indications that they were aware that their cells had been penetrated. Hezbollah started placing operatives in areas such as Portland, Oregon; Louisville, Kentucky; and these operatives were to blend into the community and establish, essentially, sleeper cells to be activated, to conduct whatever activities Hezbollah may want of them.

Levitt:

So working out of places like Oregon, Kentucky, and North Carolina allowed Hezbollah to operate under the radar. No one expected Hezbollah to show up in Charlotte—including the FBI.

At least, until early 1995, when Detective Robert Fromme saw a group of men enter a store in sleepy Statesville, North Carolina. They had plastic grocery bags stuffed with tens of thousands of dollars. That's not something you see every day.

Clifford:

Their activity was not violent, which would attract the attention of the local police, nor was it of such an amount that would cross the threshold to attract the FBI's attention. What was it? Cigarette smuggling.

Levitt:

Detective Fromme watched as the men bought huge quantities of cigarettes almost daily, walking off with between 1,000 and 4,500 cartons at a time. Then they loaded their cars, vans, and trucks and got on the highway heading towards Virginia or Tennessee.

There is a huge disparity between the cigarette taxes across states. And so they would buy cigarettes for cheap in North Carolina, and then sell them for much more in Michigan. Each minivan load had the potential to generate \$13,000 worth of profit. At the height of the operation, three to four minivans were running to Michigan each week.

But how was Hezbollah's Charlotte cell able to purchase these massive amounts of cigarettes? Where did the money come from?

Clifford:

The mastermind of this criminal activity was Said Harb. He had been in Charlotte since 1988 and was a wheeler, dealer, charismatic, full-time criminal. One time someone called him a one-person crime wave. The way this scheme would work is that Said Harb would either purchase or obtain identities of other Lebanese who had been to the United States and had driver's licenses and other identities but had returned to Lebanon. And so with these identities, Said Harb was able to apply for and get credit cards in these names. And with these credit cards, he was able to purchase thousands and thousands of dollars of tobacco, of other types of material for credit card bust out schemes.

Levitt:

That's what Said Harb's strategy is called – a credit card 'bust out scheme.' He would apply for credit cards under false identities, initially paying off the balances as usual, and then members of the Hezbollah cell would max out the cards—buying cigarettes or other goods with no intention of paying them off. Credit card bust-out schemes are pretty low risk—they're difficult to investigate and prosecute—but they're high reward, yielding thousands of dollars quickly and efficiently.

Clifford:

And he was sophisticated to the extent that in each one of these identities--and again he assumed the identities of each one of these individuals who had already left the United States--he had ringtones on his phone that would let him know when the specific individual that he was portraying to be would be called. And so he essentially was eight different individuals and was able to conduct business and communicate in each one of these identities.

Levitt:

So in Charlotte, operatives like Said Harb would assume false identities to buy huge amounts of cigarettes. Then drivers would transport the cigarettes to states with high taxes, where they stamped each box with a counterfeit tax stamp and sold them for a hefty profit. Investigators calculated the Charlotte Hezbollah cell bought and sold more than \$8.5 million worth of cigarettes, making about \$2 million in profits through this one illegal enterprise alone. But now they held all this dirty money.

Clifford:

When you have illegal funds, what do you do with it? You've got to launder it, you've got to make it legal. And so the cell purchased cash-intensive businesses, which are easy to launder funds through--a painting business, a used car lot, a BP gas station, a pizza restaurant. And in this manner they were able to launder significant amounts of money in order to have legitimate bank accounts. At one time, we were able to determine that there were 500 credit card and bank accounts that were being operated by this cell. Five hundred.

Levitt:

The Charlotte cell knew what it was doing. Several hundred thousand dollars of the cell's profits remain unaccounted for, even today. But the evidence shows that significant amounts of money went to Hezbollah in Lebanon. That evidence came in many forms: witness statements, donation receipts, physical surveillance, and telephone wiretaps obtained under FISA (that's the Foreign Intelligence Surveillance Act).

Clifford:

We know that significant amounts of money went directly to Hezbollah in Lebanon from funds raised in North Carolina. We know this because of receipts we've found.

We also know from time and time and time again of reading the FISA cuts, the gratefulness that Hezbollah was explaining--it was thanking the Charlotte cell for the money and support that they had provided to Hezbollah over a long period of time.

Levitt:

These receipts include at least two donations of \$1,300 each from Mohamad Hammoud directly, as well as another receipt for a \$6,600 donation from one Charlotte cell member to the office of a Shia cleric tied to Hezbollah.

Still more money was sent to Hezbollah in Lebanon via cash couriers. As people from the community went home to visit family in Lebanon, members of the Hezbollah cell would ask them to carry cash for Hezbollah back to Lebanon.

According to Said Harb, Hammoud gave him an envelope containing \$3,500 to deliver to a Hezbollah commander named Sheikh Abbas Harake. Harb later testified that "pretty much any money" Hammoud made in the U.S. went to Harake.

What ensued was an elaborate FBI investigation, including extensive physical surveillance.

Clifford:

The location where Hammoud's home was located was very difficult to conduct a physical surveillance, and so the decision was made at the earliest possible moment to rent a home on his street.

Every Thursday night, there was a meeting in Hammoud's home. And during these meetings, videos of Hezbollah military actions in Lebanon and around the world were shown. There was almost--a visceral enthusiasm for what they were seeing on these combat films. As one said: I know Mohamad Hammoud, and he's actually a very quiet, very respectful, very courteous individual. But what I saw and what I heard from these Thursday night meetings is, as they say, he's almost Dr. Jekyll / Mr. Hyde.

At the end of these professional, well-produced videos showing Hezbollah attacks around the world, often would come the words “produced by Mohamad Dbouk.”

Levitt:

Dbouk was an Iranian-trained Hezbollah operative. Together with his brother-in-law, he ran the Canadian portion of Hezbollah’s funding and procurement network, serving directly under Hezbollah chief military procurement officer Hajj Hassan Hilu Laqis.

Clifford:

For a long time, we were monitoring this cell. What are they doing? Who are they speaking with? And we saw that they had made road trips, from Charlotte sometimes, to Vancouver, Canada. And that is where we were able to determine that there was a nexus between the Charlotte cell and in fact a Hezbollah cell in Canada. And what was being asked of this cell? Mohamad Dbouk, the producer of these videos, was providing what I call ‘shopping lists,’ to the cell in Charlotte.

Levitt:

The shopping lists focused on dual-use equipment—stuff that has both civilian and military purposes, and so isn’t illegal to buy: night-vision devices, GPS equipment, mine detection technology, cameras, aircraft analysis software, and a variety of computer equipment.

Dbouk reached out to his longtime friend, Said Harb, to fund his procurement efforts through Said’s credit card bust-out schemes. Soon, the Canadian cell turned down an offer from Hezbollah to send them counterfeit \$100 bills from Lebanon—they already had all the money they needed from those credit card fraud schemes.

According to an inside source, Dbouk was such a major player in the organization that on five different occasions, Hezbollah rejected his application to carry out a martyrdom operation. Dbouk was just too valuable to lose.

At last, the time came for the FBI to shut down the cell. Eighteen arrest warrants were executed, and U.S. authorities raided homes and businesses tied to members of the Hezbollah cell in July 2000.

Said Harb was at the center of nearly all the Charlotte network’s criminal enterprises, from credit card and bank fraud, to cigarette smuggling, to internet pornography, and more. He was also the critical link between the Charlotte cigarette smuggling ring and the Canadian dual-use procurement ring.

Clifford:

Said Harb, the mastermind, was interviewed by the criminal case agent. And Said Harb made the comment—‘Hey, why the SWAT team? I’m not a terrorist or something,’ to which the agent said ‘We’re gonna talk about that,’ and they talked for a long time, for hours. And Said Harb talked about the criminal activity, talked about what’s going on, being very general. And then he told the agent “Put down your pen, I know what you want. You want Dbouk. You want Hezbollah.”

Levitt:

Said Harb provided a treasure trove of information on Hezbollah and its operations. In exchange, Harb was given a lighter sentence, and his family was relocated to the United States.

But the case wasn’t over. During his trial, Mohamad Hammoud, the Charlotte cell ringleader, wrote a letter from jail, ordering a hit on the lead prosecutor and encouraging Hezbollah to blow up the courthouse to destroy the evidence.

I was an expert witness in the Hammoud trial, explaining the basics about Hezbollah and providing context to the jury. The morning of my first court appearance, before I took the stand, the chief U.S. Marshall at the court approached me and asked if I thought there was any chance Hezbollah might attack the courthouse. I didn’t know about Hammoud’s last-ditch, jailhouse plot and explained why I thought it was very unlikely. But in retrospect, it’s clear that law enforcement officers were taking no chances.

Clifford:

When you look at the Charlotte cell, outwardly, it looks like a support cell obtaining finances, equipment, etc. But when the cell leader, Mohamad Hammoud, has a direct nexus to the military commander of Hezbollah in Lebanon, Sheikh Abbas Hereke, that is a very, very worrisome nexus.

These eight core cell members were all veterans of battle, they were well trained, they were disciplined, and, for a long time, we were observing them conducting training in small arms, practice, long rifle target practice on the outskirts of Charlotte. And so having been in Latin America, having seen that Hezbollah can conduct an attack anywhere in the world in retribution, in retaliation for an attack on Hezbollah, I was very concerned that this cell could become operational and strike at a target in the United States.

Levitt:

Not all Hezbollah cases are connected. In fact, back in the early 2000s, the FBI reported following at least a dozen other

Hezbollah cells across the country. But a few years later, and over 500 miles away, the FBI would uncover a Hezbollah criminal network in the Philadelphia area and the first clue came from a connection to the Charlotte cell. The investigation quickly grew into what the FBI calls a “major case,” dubbed Operation Phone Flash or Major Case 251.

Fred Fife:

It ended up being April of '06, there was a guardian lead that came in, and the guardian lead was, like many others...Middle Eastern males coming and going at all hours of the night. They're parked in a Philadelphia row home, but yet this white, suspicious van has Michigan tags. You know, some US citizen that probably wasn't used to seeing Middle Eastern men in a white, blue-collar area of Philadelphia thought that to be suspicious. I don't know if we did, but it was worth taking a look at.

Levitt:

This is Fred Fife. Fred is a former FBI special agent and currently a Major in the New Jersey State Police, where he oversees state-wide investigations. During Operation Phone Flash, Fred was detailed to the Philadelphia JTTF, or Joint Terrorism Task Force.

Fred followed up on the lead. It came in through the Bureau's Guardian system, which is the FBI's system to intake citizen's reports of suspicious activities and assess threats.

Fife:

So, I think my naivety, the fact that I probably needed more to do at work, and the fact that I was curious and, for lack of a better word, hungry, I dug into it. Who is the owner of the tag? Who was stopped in the car? Who was paying utilities at this row home?

Levitt:

After the concerned citizen called in the tip about strange men moving carpets in the middle of the night, Fred ran the plates of the suspicious van. He discovered that the owner had previously been detained for visa fraud, but had never shown up for his court date. He also found that one of the individuals moving carpets was Moussa Ali Hamdan.

Fife:

What we found was Moussa Hamdan was married to a woman by the name of Loretta. It so happened that Loretta was also married to one of the individuals arrested in Operation Smokescreen.

Levitt:

Hamdan's wife was one of the people arrested as part of the Charlotte cell. Her new husband, Hamdan, operated out of suburban Philadelphia, trafficking in stolen goods.

The Philadelphia JTTF was eager to infiltrate Hamdan's cell, and after a couple of tries, successfully introduced one of the cell members, Sadek Koumaiha, to an undercover agent posing as a member of the Philadelphia mob.

Sadek took the bait, and together he and the undercover began trafficking in stolen goods.

Then, out of the blue, Sadek's uncle in Detroit, Hassan Koumaiha, reached out to the undercover officer.

Fife:

And I'll never forget this. We were at a retirement function one day for an FBI boss from Philly, and the undercover agent was frantically trying to contact me. So, I stepped out of the lunch, and I called him and I said 'Hey, what do we got?' He said, 'You're never gonna believe this, that guy that we're interested in, Hassan Koumaiha, Sadek's uncle, just reached out to me cold. What should I do?' And I said, 'I'd like you to call him back.'

Hassan Koumaiha said, 'Hey my nephew doesn't know that I'm calling you. I pay his cell phone bill, so I knew he was dealing with a mafia figure in the Philadelphia area. He has, you know, illegal business dealings with you. I want you to deal with me.'

Levitt:

With that, a massive Hezbollah criminal fundraising and weapons procurement case was basically delivered to investigators on a silver platter. Hassan began buying what he thought were stolen goods from someone he believed to be a Philadelphia mobster. Meanwhile, authorities watched as he sent his illicit merchandise to places as diverse as Michigan, California, Paraguay, Brazil, Slovakia, Belgium, Bahrain, Lebanon, Syria, and Iran.

Fife:

When our undercover had a now an in-person relationship with a very significant domestic Hezbollah target Hassan Koumaiha. Hassan Koumaiha, he wanted everything. He wanted all quality, quantities of what he believed to be stolen cell phones. He wanted game units, Sony PlayStation game units. He wanted stolen vehicles. He said that he had an interest in counterfeit documents. He had the ability to move money globally.

Levitt:

At one point, the undercover agent gave him a McDonald's paper bag stuffed with more than \$50,000 cash, which Kou-maiha then laundered.

Fife:

Hassan Koumaiha was looking for stolen vehicles. And we said 'Yeah, that's no problem, we can facilitate that. It's going to cost you. It's going to cost you less than going to the dealership, but they're stolen and they have to leave the country. Tell us where to ship them to.' And for many of these stolen goods, he gave us the name of who we later identified as Dani Tarraf.

Levitt:

So the money for the stolen goods came from a Hezbollah financier and procurement officer named Dani Tarraf, a dual Lebanese-German citizen who ran an import-export company called Power Express out of Slovakia. Still unaware he was talking to an undercover officer, Hassan Koumaiha made it clear that Dani Tarraf was a serious player.

Fife:

Hassan Koumaiha was very, very animated in letting us know, letting the U.S. government know, that Dani Tarraf was a big deal. He was connected to the Resistance, he was part of the group, he was an influential person in the jihad, in the struggle. And the undercover was pushed to set up a meeting with Dani Tarraf, which wasn't all that difficult.

Levitt:

What investigators were about to learn, however, was that much of the illicit funds the network was raising were being used to purchase weapons for Hezbollah.

The undercover agent met with Dani Tarraf in Slovakia twice, in May and September 2008. Tarraf wasted little time before asking whether the Philadelphia mob could supply him with guided missiles and 10,000 commando machine guns. He told the undercover agent that Hezbollah needed both simple things—like compasses and ballistic vests—but also sophisticated weapons for urban fighting.

Fife:

The things that Dani asked for during these meetings – It grew very quickly. It began with very specific protected U.S. technologies and quickly morphed into really techno weapons and high-tech weapons systems.

Levitt:

The relationship between Dani Tarraf and the undercover agent continued. Tarraf visited the U.S. in March 2009, and the undercover agent gave him a tour of his fake criminal network. A few months later, in July, Tarraf visited again.

Fife:

We took him to New York to see Times Square. We took him to gentlemen's clubs in Philadelphia. We took him to very Western things that he appreciated very much. One of the things that I will never forget, is driving to Philadelphia, the undercover is driving and Dani's in the passenger seat.

As they're passing the airport with a plane overhead, Dani turns to the undercover and asks for a stinger missile that can take down an airplane. This guy was business, he was about getting weaponry in the hands of his partners and his team that could kill Americans, kill our Israeli allies, or any other allies in the region.

Levitt:

Tarraf pulled up the exact weapons specifications on the internet to show the undercover agent. He didn't know the FBI was taping the conversations and capturing the computer search records. Within weeks, Tarraf and the undercover agent met in Philadelphia again, where Tarraf paid the agent a \$20,000 deposit toward the purchase of Stinger missiles and 10,000 Colt M4 machine guns.

Tarraf insisted that the weapons be shipped to the port of Latakia in Syria where, he explained, Hezbollah controlled the port. Secrecy could be guaranteed there, he assured the undercover agent, because Hezbollah could shut down all the security cameras when the shipment arrived and no shipping paperwork would be required once the items reach Syria.

Fife:

The port of Latakia in Syria is a cesspool. That was the end destination for all these weapons that were meant to kill and maim, and he gave us complete assurances that they were gonna arrive there. Camera systems and any, any security function that would keep those things out of play were going to be negated by him and his group, and from there they were going to be transported to Iran.

Levitt:

In November 2009, Tarraf came to the United States one last time to inspect the missiles and machine guns the undercover agent procured for him.

The FBI filmed Tarraf posing with a machine gun, looking down its sight as if he were about to shoot it, and then again a few minutes later holding a missile launcher on his shoulder. His sunglasses are perched on the top of his shaved head. Tarraf looks like a man who's held weapons before.

Tarraf was arrested on terrorism and other charges on November 21, 2009, and quickly gave a full confession. He admitted to being a Hezbollah member, receiving military training from the group, and to working with others to acquire massive quantities of weapons for the benefit of Hezbollah. Fred made the arrest at Tarraf's hotel room. Here's how that went:

Fife:

After careful consideration, a decision was made to not use a SWAT team, to not have pistols drawn, not to throw him to the ground and handcuff him. It was simply me dressed in business attire, a couple small raps on his hotel room door. A very upscale hotel in Center City, Philadelphia, and very sheepishly, he said 'Who is this, how can I help you?' I said, 'Hello Dani, my name is Fred. I think it's important that we talk.'

Levitt:

That was the end of Dani Tarraf's Hezbollah career. But it wasn't the end of Operation Phone Flash. In fact, there were several distinct branches to this overall Major Case.

The case started with Moussa Hamdan, one of the men loading carpets into a van late at night. As it happens, Hamdan also had friends in high places, and in mid-2008, he introduced an FBI source to a Beirut-based Hezbollah official, Dib Hani Harb. Hamdan vouched for the source as someone who could help Hezbollah sell counterfeit currency and things took off from there.

Fife:

So, Moussa Ali Hamdan introduced our undercover to Dib Hani Harb, and what we quickly realized about Dib Hani Harb was, he was a physical therapist by trade. In his own words, that was a front for his true activity, which was as a Hezbollah operative. And what made him a really interesting target to our team in Philadelphia, was that he was the son-in-law of a man by the name of Hassan Hodroj.

Levitt:

Hassan Hodroj was a member of Hezbollah's Political Council, a senior official with personal ties to Hezbollah Secretary General Hassan Nasrallah, and a senior Hezbollah procurement official.

And that's not all, Dib Hani Harb worked closely with a senior Hezbollah militant named Hasan Karaki. This was a relationship the FBI was keen to cultivate. Over time, this developed into a tremendously successful penetration of Hezbollah's inner circle.

Dib Hani Harb explained to the FBI source that Iran oversees the production of high-quality counterfeit U.S. and other currencies. This happens in facilities located in Hezbollah's stronghold in Baalbek, Lebanon where machines run 18 hours a day to crank out fake bills for Hezbollah's use.

Hezbollah officials would need to get Iranian approval to sell this particular type of high-quality counterfeit currency to the FBI source. They apparently got the necessary approvals, because two months later Hamdan and the source were hashing out the details of a deal for \$1 million in counterfeit U.S. currency to be sold at around 40 cents to the dollar. But when Hezbollah officials in Lebanon sent sample counterfeit notes to the FBI source for inspection, something strange happened.

Dib Harb sent a photo album in the mail and secreted sample counterfeit bills within the album's front cover. The FBI source passed these onto his handlers on the Joint Terrorism Task Force, who shared them with the U.S. Secret Service, who determined the bills were not counterfeit at all—this was real money.

Why was Hezbollah trying to pass real US currency as counterfeit, and why was it trying to get rid of this cash for less than half its value?

The FBI had the source go back to Hezbollah to find out what was going on.

Fife:

We went back to Harb and Karaki and said, 'Hey this is real money, we have an expert, what's the deal? Why are you sending me real money when you said you were going to send us counterfeit money?'

Harb explains in very great detail, where the origin of that money was. Harb described it as Imad Mughniyeh money. He described it as blood money. He described it as money that would be traceable by the United States government. He described it as money that came from the battlefield in Iraq.

They were interested in getting rid of it and they were interested in getting rid of it at a premium.

Levitt:

A few months earlier, in February 2008, Hezbollah terrorist mastermind Imad Mughniyeh was killed in a joint CIA-Mosad operation in Syria. Up to that point, Hezbollah supporters had stolen currency around the world and sent it to Iran. It was held there before being forwarded to Lebanon for Mughniyeh to use in Hezbollah's most sensitive missions. But after Mughniyeh's assassination, Hezbollah worried that the stolen currency actually was traceable, and that maybe that's how Western intelligence agencies got to Mughniyeh—through the stolen bills. So the group decided to ditch its stockpiles of stolen cash for pennies on the dollar.

For the members of the JTTF, this presented a unique opportunity. The FBI source arranged a new deal with Dib Harb, and in February 2009, he traveled to Beirut to meet with Hezbollah officials, including Dib Harb's boss, Hassan Antar Karaki.

The Karakis, according to U.S. officials, are a family renowned for being "excellent fighters, crooks, and document forgers." Two of Karaki's brothers are seasoned Hezbollah operatives. At their meeting in Beirut, Karaki reminded the source that the "blood money," as he called it, should not be spent in Lebanon.

Karaki then sent Dib Harb to meet with the source in the United States once more, this time in southern Florida. There, Dib Harb showed the source an ink-stained Swedish krona bill from a \$2 million bank heist Hezbollah supporters pulled off in Sweden and asked if the source's mob connections could obtain a solvent to literally launder these bills.

Keen to establish his bona fides as the real deal, Dib Harb bragged about being part of quote: "terrorism Hezbollah," which he said was active all over the world.

Dib Harb also explained that his boss, Karaki, was a major figure in Hezbollah's forgery operations.

Fife:

What we quickly learned, through our holdings, that Karaki was a historic Hezbollah document forger. That was his expertise. He was a fictitious document expert, so that was one of the offers made to Harb. It was a two-way criminal relationship.

His request, from what he believed to be this Philadelphia criminal enterprise, was weapons.

Levitt:

Sure enough, a couple of months later Moussa Hamdan asked the source to hide handguns in stolen cars and ship them to Lebanon. A month later, the source and Dib Harb's high-ranking father-in-law, Hassan Hodroj, met in Beirut.

Fife:

Our undercover operative was taken to the Dahieh neighborhood of Beirut, which is a Hezbollah stronghold. He was whisked through security. It was very professional, and our undercover had a one-on-one meeting with Hassan Hodroj. And during that meeting, Hodroj was very specific on the types of weapons he wanted. They were not interested in pistols. They were specifically interested in our ability, or our perceived ability, to acquire Colt M4 commando-style rifles, and they were willing to pay.

We were charging \$1800 per weapon. They wanted 10,000 of them. It was never a bat of an eye. It was almost like there was this spigot of money on the other side of the world that was wide open as long as the things that they wanted could be satisfied, and that was really advanced U.S. technology and advanced U.S. weapons.

Levitt:

Of course, the deal was never going to go through. In November 2009, authorities rolled out three sets of indictments. Hamdan fled to Lebanon and from there to the Tri-Border Area, where he was eventually picked up by Paraguayan authorities and extradited to the United States on charges of providing material support to Hezbollah.

But investigators failed to lure Dib Harb to the United States.

He, Hodroj, and Karaki are still wanted by U.S. authorities. They remain free in Lebanon.

Many governments around the world have chosen to designate only Hezbollah's "military wing," rather than the group itself, as a terrorist organization. Now, Hezbollah is many things. It is one of the dominant political parties in Lebanon, it

is a social and religious movement, and it is a militant organization whose operatives are engaged in criminal and terrorist activities around the world.

It would certainly be easier if all of Hezbollah's illicit, violent, and terrorist activities came from a single, separate wing of the organization. But as the case of Hassan Hodorj demonstrates, the ties that bind Hezbollah's political leadership with its international illicit activities are unmistakable.

According to a July 1992 CIA memo, Hezbollah secretary-general Nasrallah was directly involved in hostage taking and airline hijackings before he was named the group's political leader.

Hezbollah leaders themselves are clear on the subject. In 2012, Hezbollah Deputy Secretary-General Naim Qassem said: "We don't have a military wing and a political one; we don't have Hezbollah on one hand and the resistance party on the other...Every element of Hezbollah, from commanders to members as well as our various capabilities, are in the service of the resistance, and we have nothing but the resistance as a priority."

Hezbollah does not hide the fact that its various components are interrelated and all serve a common purpose. Perhaps it's time we listened.

The European Union is one body that designated Hezbollah's military wing but not the rest of the group. So in our next episode, we'll pivot to Europe and dig into two of Hezbollah's more recent covert missions in Bulgaria and Cyprus.

OUTRO:

Thanks for listening to 'Breaking Hezbollah's Golden Rule,' brought to you by the Washington Institute for Near East Policy and hosted by me, Matthew Levitt.

This podcast is produced by Anouk Millet from Earshot Strategies, and written by myself and Lauren Fredericks, a research assistant at the Washington Institute.

To learn more about Hezbollah's criminal, militant and terrorist activities, check out my book, *The Global Footprint of Lebanon's Party of God*.

You can also visit the Washington Institute's website at WASHINGTONINSTITUTE.ORG, where you can explore our map and timeline of [Hezbollah Worldwide activities](#) and access the extended show notes with all the sources for this episode.

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