



Episode 3: “A Jumble of Overlapping Plots” in Baku

Script

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Arthur Lenk:

In the spring of 2008, the security around me overnight grew. Nobody told me why, but I was walking around with more people, and decisions were obviously being made without consulting or telling me.

Matthew Levitt:

Arthur Lenk served as the Israeli Ambassador to Azerbaijan from 2005 to 2009. He could tell from the fact that his security detail grew larger that something was up, but he had no idea he was the target of a Hezbollah assassination plot.

INTRO:

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 tracked Hezbollah's activity in Southeast Asia, where the group developed extensive recruitment, procurement, and operational networks, but failed to carry out multiple attacks.

In this episode, we move to Azerbaijan to uncover a series of plots and surveillance operations organized by Hezbollah and Iran – all of which were thwarted or dismantled by Azerbaijani security forces. But first, it'll be helpful to understand the relationship between Azerbaijan, and Iran and Hezbollah, and the reasons why Iran and Hezbollah might see opportunity in a country like Azerbaijan.

Mahammad Mammadov:

Tehran sees Azerbaijan's majority Shia population as a fertile ground for propagating its narratives because Azerbaijan is a Shia majority country.

Levitt:

That's Mahammad Mammadov, a research fellow at the Topchubashov Center, an independent think tank in Baku, Azerbaijan. But this high concentration of Shia Muslims in a secular country so close to Iran's borders also threatens the Iranian government. So does the presence in Iran of a large Azerbaijani minority community.

Mammadov:

Iran has always been worried about the possible irredentist policies Azerbaijan can follow toward its large ethnic Azerbaijani minority, which are populated in the northern borders of Iran, along the border with Azerbaijan. So, Iran's major concern here has been this secular Shia Muslim country that especially won a war most recently, could be a

trigger, or an example, to the people living in Iran that they can build a country that is a Shia Muslim country majority at the same time secular, where their rights are recognized.

Levitt:

And to add fuel to this fire, Azerbaijan has a good relationship with nations Iran considers enemies, including Israel.

Here's Ambassador Arthur Lenk again.

Lenk:

There's a fascinating Wikileaks of an American cable that talks about the relationship between Israel and Azerbaijan and my briefing of my American colleagues at the time. And in the Wikileaks, I quote President [Ilham] Aliyev of describing the relationship as an iceberg – that there's lots going on, but it's all underwater and not seen. And that the strategic relationship between Israel and Azerbaijan is deep, and diverse, and really important to both sides, but it's beyond sight, and certainly that was the spirit of the Azerbaijanis until relatively recently, and certainly it was the case in the years I was there.

Levitt:

In 2023, the Israeli newspaper *Haaretz* published an investigation revealing that Israel has quietly had a strategic alliance with Azerbaijan for the past two decades. The deal was: Israel sells billions of dollars' worth of weapons to Azerbaijan, and in return, Azerbaijan supplies Israel with oil and access to Iran. Iran likely views Baku's diplomatic and security ties to Israel as a national security threat, and by extension Hezbollah given their strategic partnership. This tension has led to recent Iranian aggression against Azerbaijani interests.

Clip: Well the Azerbaijani foreign ministry has confirmed that the head of Azerbaijani security, an Azerbaijani citizen at their embassy in Tehran, has been killed and two others injured in what looks like to be a very direct attack perhaps with guns, still very early to tell.

Levitt:

On January 27, 2023, a gunman stormed Azerbaijan's embassy in Tehran, killing the embassy's security chief, and wounding two guards.

Clip: And this is happening at a time of particular tensions between the two countries. These type of attacks against foreign embassies in Tehran are not common, they have happened before against other embassies like the Saudi Embassy and the British Embassy, but this is – I think a very significant development that will likely ratch up tensions between the two countries.

Levitt:

Azerbaijan closed its embassy in Tehran two days after the attack, cautioned its citizens against traveling to Iran, and expelled four Iranian diplomats over these “provocative actions” a few months later. But this didn't have the desired effect. Azerbaijan is not deterred from maintaining its relationship with Israel. In recent months, Azerbaijan and Israel have even strengthened their diplomacy. On March 29, 2023, Azerbaijan opened an embassy in Israel. Here, Israeli Foreign Minister Eli Cohen explains the significance of the Israeli-Azerbaijani relationship.

Clip: Israel and Azerbaijan share the same perception of the Iranian threats. The Iranian Ayatollah regime threatens both our regions, finance terrorism, and destabilize the entire Middle East. We must act together to prevent Iran from achieving a nuclear capabilities.

Levitt:

Israel was one of the first countries to recognize Azerbaijan's independence in 1991 following the collapse of the Soviet Union, and opened an embassy in Baku in 1993. But Baku did not return this diplomatic favor until 2023. Though Azerbaijan and Israel's strategic relationship has operated for the most part beneath the surface, Iran was aware of it. And even fifteen years ago, Ambassador Lenk of Israel was aware of the security risks he faced while working in Baku.

Lenk:

Azerbaijan is a Muslim country that shares a significant, in those days, very porous border with Iran. So, it would be true to say that I was the Israeli diplomat closest in the world to Tehran in those years. And so, from long before I arrived, there was a clear awareness on the Israeli side that we needed to be careful. And it wasn't the same perhaps as some

other places which had higher security, but it also wasn't, I don't know, London or Washington, D.C. There was a lot of security.

Levitt:

But after a joint CIA and Mossad operation killed Hezbollah's terrorist operational leader, Imad Mughniyeh, in Damascus in February 2008, Hezbollah looked for a place where they could carry out a terrorist attack targeting Israeli interests. Unfortunately for Ambassador Lenk, they chose Baku.

Zohar Palti:

Imad Mughniyeh was the most important guy in Hezbollah, since the creation of Hezbollah till the moment that he passed away, or vanished, or whatever we will call it.

Levitt:

That's Zohar Palti, the former Counterterrorism Chief of Israel's Mossad.

Palti:

In American terminology, he was the quarterback of all the terrorism activity around the world. He was the most valuable terrorist leader to Hezbollah, and his loss, the absent of Mughniyeh, they feel it till today. Hezbollah is not the same organization before Mughniyeh and after Mughniyeh was killed.

Levitt:

Following Mughniyeh's death, Hezbollah was desperate to exact revenge on Israel, with Hezbollah leader Hassan Nasrallah even promising an "open war" with Israel beyond the borders of the Jewish state. At this time, Israeli officials quickly took preventative action – from issuing public travel warnings to engaging in covert disruptive measures – against what Israel deemed the three most likely Hezbollah attack scenarios.

Number one, an attack on current or former senior Israeli officials traveling abroad. Number two, an attack on an Israeli diplomatic mission abroad. And number three, an attack targeting a location affiliated with a Jewish community abroad, similar to the 1994 bombing of the AMIA Jewish community center in Buenos Aires.

They knew better than to ignore Nasrallah's warning.

The problem for Hezbollah, however, was that they no longer had Mughniyeh around to quarterback operations. Although committed to carrying out such attacks, the IJO was simply not prepared. For one thing, Hezbollah leaders had actively pared down the IJO's global networks of operatives following the 9/11 attacks. And the "strategic partnership" it shared with Iran for the past decade focused primarily on funding, training, and arming Hezbollah's increasingly effective standing militia, not its cadre of international terrorists.

Tightened security in the post-9/11 world also meant Hezbollah chose to operate in nations with comparatively lax security rather than vigilant Western nations. It looked for places where it could more easily cross borders without arousing suspicion, which led its operatives to look just north of Iran to Azerbaijan. Immediately following Mughniyeh's assassination, Hezbollah operatives worked closely with Iranian intelligence agents and local operatives. They methodically planned a series of spectacular terrorist operations targeting Israeli and Jewish interests in Azerbaijan.

It's important to note here that Hezbollah has multiple agendas, sometimes acting out of its own interests and sometimes acting on Iran's orders. In this case, both are true. Hezbollah wanted to avenge the death of its operational leader, and Iran wanted to punish Azerbaijan for its growing relationship with Israel.

Zohar again.

Palti:

What interesting in this issue, and it strike us, and we've been in a way amazed, the fact that the Iranians took a decision, a strategic decision, to hit and to interfere in internal issues in Azerbaijan. They have a mutual border with the Azeris. They have a lot of interest with the Azeris.

The Iranians don't have any, any, any political calculations, restraints, regarding countries that they have a really strategic relationship with them. And in a way, it took us as surprise that they are willing to jeopardize diplomatic relationships with friends by doing terrorist attacks.

Levitt:

Despite Hezbollah's operational limitations in the international sphere at the time, they did have some infrastructure and networks in place in Azerbaijan before 2008. This allowed the group to mobilize just three months after Mughniyeh's death.

In the fall of 2001, six suspects reportedly tied to Hezbollah were arrested near the Iranian border. And over the next few years, Azerbaijani authorities exposed several cells tied to Iran that were plotting attacks against Israeli or other Western targets there. Five years later, in 2006, fifteen Azerbaijanis were accused of plotting attacks against Israeli and Western targets, reportedly after receiving training and direction from Iran.

As a result of these events, Azerbaijani security services boosted surveillance in an attempt to thwart any attacks planned in the future. And that's exactly what authorities uncovered in May 2008.

Palti:

We found out through some friends that there is a terrorist plot against us. That the Iranians and Hezbollah planned to hit and to do terrorist attacks against Israeli and Jewish targets around the world, and particularly in this case, in Baku. The target was the Israeli Embassy.

Levitt:

The Israeli embassy in Baku is located in the Hyatt Tower, a high-rise complex that also houses the Thai and Japanese embassies.

Palti:

And the main idea was to hit the ambassador or other top officials – maybe some attaches used to come to celebrate the 60th independence ceremony. And later on, we found out that there was also a plan to carry out attack with devices, whether it was for car bombs, or to something like, I don't know exactly, but it was like a really, really serious scene with multiple elements, how to hit as much as targets as they can do in the ceremony.

Levitt:

One element of Hezbollah's operational plan apparently involved kidnapping the Israeli Ambassador to Azerbaijan, Arthur Lenk, and laying three or four car bombs around the Israeli and American embassies which would then be detonated simultaneously.

Operatives also reportedly began surveillance of a radar station in Azerbaijan starting in 2007. That year, Azerbaijan leased the radar station to Russia, who made an offer to the U.S. to jointly staff the station. The U.S. declined, but the possibility of an American presence at the station frightened Iran. As a result, the radar station became a prime target for attack.

By May 2008, security forces already detected contact between local militants and two Hezbollah operatives, Ali Karaki and Ali Najem Aladine, due to their increased surveillance. Ali Karaki is a veteran of Hezbollah's external operations unit, the IJO. You might remember his brother, Hasan Karaki, from last season. He was a major player in Hezbollah's forgery operations and became a focus of the FBI's Operation Phone Flash based out of the Philadelphia Joint Terrorism Task Force. While Hasan was pursuing illicit financial and procurement schemes in the U.S., his brother, Ali, was plotting an attack in Baku.

Since 2003, Ali Karaki had served as a Hezbollah representative in Iran, earning \$900 per month. He was tasked by Iran's Ministry of Intelligence to collect information on the Jewish Cultural Center in Baku and investigate Iranians suspected of "helping Israel."

Palti:

It's kind of the modus operandi of Hezbollah. When it's important for them to carry on the attack, they will take a very experienced guys, very professionalized guys that know how to do booby traps, and how to deal with C4s and with other devices. They are willing to jeopardize them and to send them, and that's was exactly what they've done in this case.

Levitt:

Ali Najem Aladine, on the other hand, is a low-ranking explosives expert.

The duo were reportedly tasked by Hezbollah officials in Lebanon to travel to Iran and from there to Azerbaijan in 2007, even before Mughniyeh was killed. Once in Iran, agents of the country's Islamic Revolutionary Guard Corps helped them cross the border into Azerbaijan.

During their travel to Baku, Karaki and Aladine stayed in luxury hotels, recruited local operatives, and conducted surveillance to lay the groundwork for the attack. Their orders came directly from Hezbollah's Islamic Jihad Organization, led by Mughniyeh's successor, Talal Hamiyeh. And their supplies came from Iran's Islamic Revolutionary Guard Corps, or IRGC.

Palti:

They are working as one entity, one unit – the IRGC, the Quds Force, and the External Unit, the ESO of Hezbollah led by Talal Hamiyeh back then, today also, but back then he was the man in charge. Of course, everything was approved by Hassan Nasrallah and the leader of Iran, Khamenei.

Levitt:

In addition to the Iranians, Hezbollah operatives had assistance from local Azerbaijani recruits, who helped them rent an apartment near the Israeli embassy and get around town with a civilian vehicle. The locals provided cover and helped Karaki and Aladine blend into their environment. However, there are always risks with using inexperienced locals in operations. They can create potential exposure to law enforcement and damage operational security. Upon word of a possible plot, security around the targets tightened, including around Ambassador Lenk.

Lenk:

In the spring of 2008, the security around me overnight grew. Nobody told me why, but I was walking around with more people, and decisions were obviously being made without consulting or telling me. Until the threat was gone, I was not within the circle of people that knew, and went about my life, but with a lot more people around me than I was used to.

Levitt:

Then – only weeks before the planned attack – police spotted Karaki and Aladine surveilling the Israeli Embassy in Baku. The operatives fled the scene after discovering they were being watched, but the police intercepted their vehicle and arrested them with a number of incriminating items in their car: explosives, binoculars, cameras, pistols with silencers, and reconnaissance photos. Things developed quickly, and the police soon raided several safe houses and arrested four local militants who were recruited by Karaki and Aladine.

Zohar again.

Palti:

In the operational apartment, the Azeri founds a lot of weapons systems, C4s, and other elements. Just to be, also a sniper it was a very sophisticated sniper rifle – if I remember correctly it was Dragunov or something like that.

Levitt:

Karaki, Aladine, and the four Azerbaijani citizens were detained for more than a year before they were formally charged with treason, espionage, preparing acts of terrorism, drug trafficking, and arms smuggling. Karaki and Aladine received fifteen year sentences in 2009, but were released to Iran and repatriated to Lebanon less than a year after sentencing as part of a prisoner swap that freed an Azerbaijani scholar imprisoned in Iran. The locals received sentences of eight to fourteen years in prison. Iranian representatives denied any role in the attack plot, but the investigation implicated senior officers of the IRGC. Karaki himself identified his contact in Iran as an IRGC official and described bringing militants to Iran for training.

Over the next two years, the failed attacks continued. In the summer of 2009, Hezbollah planted a roadside bomb targeting a busload of Israeli tourists in Egypt. A technical malfunction prevented the bomb from exploding. In September 2009, Turkish officials thwarted a Hezbollah attack targeting undisclosed Israeli targets. IJO operatives were posing as tourists in Istanbul when they were arrested. The foiled Turkey plot was a watershed moment for Hezbollah operational planners and their Iranian sponsors. Despite the massive logistical support Quds Force operatives provided for that plot, Hezbollah still failed to execute the attack.

Meanwhile, by late 2009, Iran's interest in Hezbollah's operational prowess focused less on personal issues like avenging Mughniyeh's death and more on the much larger picture of combating threats to its nascent nuclear program.

Clip: What experts call a precision kill. A nuclear scientist, who was a key player in Iran's nuclear program, killed in broad daylight. And tonight, the dangerous tension between the U.S. and Iran has ratcheted even higher. Iran pointing the finger squarely at the U.S. and our allies in Israel.

Levitt:

In January 2010, a remote-controlled bomb attached to a motorcycle killed an Iranian nuclear scientist outside his home in northern Tehran. As Iran was reeling from this incident, finger-pointing ensued between Hezbollah and Iran's Quds Force about where the blame lay for the last two years of failed operations.

Under Nasrallah's instructions, Moustafa Badreddine and Talal Hamiyeh – Hezbollah's new IJO commanders – undertook a massive operational reevaluation. This led to big changes within the IJO over the next six months. IJO operations were put on temporary hold and major personnel changes were made. New operatives were recruited, while existing IJO operatives were moved into new positions. At the same time, the IJO invested in the development of capabilities and tradecraft that had withered since the post 9/11 decision to reign in foreign operations.

As part of its IJO shake-up, Hezbollah engaged in detailed talks with Iranian officials. They laid out Hezbollah's role in Iran's shadow war against Israeli, American, British, and Gulf interests over Tehran's nuclear program. The plan would include taking revenge for Mughniyeh's assassination, retaliating for attacks on Iran's nuclear program, and convincing Western powers that an attack on Iran would result in, among other things, asymmetric terrorist attacks worldwide.

At first, Iran and Hezbollah's new terrorism strategy, and the IJO's overhaul, seemed ineffective. In March 2010, Israeli authorities disrupted undisclosed Quds Force plots in Azerbaijan and Turkey. Two months later, Kuwaiti authorities arrested Kuwaiti and Lebanese individuals on suspicion of spying and possessing explosives for attacks.

And as Iran moved forward with its plans for attacks targeting U.S. and other interests, Hezbollah sometimes had a role to play as well. By late 2011, as one investigator put it, Iranian agents and their proxies were pursuing quote: "a jumble of overlapping plots," in places as far afield as Thailand, Georgia, India, and Azerbaijan.

In October 2011, signals intelligence intercepted emails that described plans to transfer snipers with silencers and explosives from Iran to Azerbaijan. Authorities traced some of these messages to an Azerbaijani national who had deep ties to a network of intelligence operatives and militant groups located in Iran. Over the following weeks, the weapons and operatives, including at least ten Iranian recruits, were smuggled into Azerbaijan, where they met up with local criminal recruits.

Joby Warrick:

The Azerbaijani participants in this plot had been paid a cash advance.

Levitt:

That's Joby Warrick, an investigative journalist at *The Washington Post*, who broke the story of Iran-linked assassination plots in 2012.

Warrick:

They were beginning to conduct surveillance on a list of targets— these included a Jewish elementary school, a U.S.-owned fast-food restaurant, an oil company office, the U.S. embassy, even specific American diplomats.

Levitt:

But one of the things Joby noted in his reporting was that the Iranians and their proxies were not just targeting U.S. diplomats, they were tracking and targeting diplomats' family members, too.

In March 2012, Azerbaijani authorities arrested around two dozen accomplices, most of whom were local criminal recruits, on suspicion of spying for Iran and illegal possession of weapons. Firearms, cartridges, explosives, and espionage equipment were found during the arrest. U.S. and Middle Eastern officials concluded the plots were part of a coordinated thirteen-month campaign by Iran-linked operatives. They aimed to kill foreign diplomats in at least seven countries, one of whom was the American Ambassador to Azerbaijan. Some of these plots were reportedly run by Iranian operatives, some by Hezbollah operatives, and some by a combination of the two.

Warrick:

What we learn in our reporting was that there was evidence tying all of these various assassination attempts to one another and then linking them either to Hezbollah militants backed by Iran or to other operatives inside Iran itself. This evidence was being amassed and pieced together by intelligence officials in at least four different countries sharing tips and leads and trying to build a comprehensive picture.

Levitt:

We'll hear more from Joby in an upcoming episode.

Reports soon emerged that Hezbollah may have paid local gang members as much as \$150,000 to target a Jewish school in Baku as well. Instead of restoring Iran and Hezbollah's damaged prestige, the failed attacks only further underscored their operational limitations. And still, today, Iran persists in attempting to target Israeli interests in Azerbaijan, despite their previous failures.

On July 11, 2023, Azerbaijani security forces arrested a twenty-three-year-old Afghan national, for planning an attack on the Israeli embassy in Baku at the behest of Iran. The Azerbaijani security services released a video of the Afghan and another unnamed individual discussing plans to surveil and attack the embassy.

Clip: First, to start the work, you need to go there often, so that it gradually becomes common, and then you need to conduct an operation there. 99% of this work is observation and 1% is operation. For the operation, I will need a car, clothes, machine guns, shells, bombs. The main thing is to do a lot of observation. It is necessary to consult and determine the time of the operation. How many people will participate in the operation, how to enter there – these things need to be discussed.

Levitt:

His plan was to surveil the area, recruit a cell, and obtain weapons and funding to carry out the attack. He was caught on camera surveilling the Hyatt Regency hotel, where the embassy is located. Local authorities found a sketch in the operative's notebook of the area around the hotel, presumably to plan out logistics for the attack. As of this recording, the investigation is still ongoing.

Although Iran is Hezbollah's largest financial contributor – reportedly providing the group with as much as \$700 million to \$1 billion per year – Hezbollah generates its own funds through various illicit schemes as well. In our next episode, we'll pivot to another region of the world, Africa, and uncover the stories of Hezbollah financial contributors, who launder money through art and diamonds, run fake real estate and construction companies, and hold honorary consul status.

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 for Earshot Strategies, and written by myself, Lauren von Thaden, and Camille Jablonski, research assistants at the Washington Institute. Dubbing for this episode was provided by Behzad Rezaei.

The audio clips used in this episode are from TRT World, i24 News, ABC News, and DTX Official Channel.

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](https://www.washingtoninstitute.org) and explore our map and timeline of [Hezbollah Worldwide activities](#).

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