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“Hezbollah in Latin America: Implications for U.S. Security

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Chairman King, Ranking Member Thompson and members of the Committee, thank you for the opportunity to testify here today on a significant and growing threat to U.S. security in the Western Hemisphere: the presence of Hezbollah and its primary sponsor, the government of Iran, with its full arsenal of intelligence and specialized military units of the Islamic Revolutionary Guard Corps (IRGC) and the Qods Force. The threat is not limited to the region and the Homeland alone, but more broadly its aims include an ability to hold the U.S. at risk in terms of exercising options in other theatres, most specifically with respect to Iran, Syria and the Middle East, including Israel.

In order to understand the threat Hezbollah poses it is important to understand the regional context in which the group's presence is growing. Its chief state sponsors -- Iran and Syria who also are designated state sponsors of terrorism -- are more than a decade into developing a range of close ties to criminalizing states in Latin America which also support violent criminal and terrorist groups.

In addition to its growing presence in Latin America, Hezbollah has a long-standing smuggling network in West Africa, traditionally used for moving contraband diamonds and other commodities and now involved in the trafficking of cocaine from Latin America to Europe. It also has an established presence in the U.S. and Canada, as the Committee, intelligence and law enforcement communities know.

There is growing concern that Hezbollah is providing technology for the increasingly sophisticated narco tunnels now being found along the U.S.-Mexican border, which strongly resemble the types used by Hezbollah in Lebanon. Numerous former intelligence and law enforcement officials have publicly discussed the appearance in recent years of arrested gang members entering the United States with Farsi tattoos and other goods that could indicate a Hezbollah influence.¹

As a senior DEA official recently noted, "There are numerous reports of cocaine proceeds entering the coffers of Islamic Radical Groups (IRG) such as Hezbollah and Hamas in Europe and the Middle East. The danger of DTO's and IRG's profiting from the lucrative cocaine trade can lead to an unlimited source of cheap and easy revenue to carry out potential terrorist acts."²

¹ Rep. Sue Myrick, "Myrick calls for Taskforce to Investigate Presence of Hezbollah on the U.S. Southern Border, June 23, 2010, <http://myrick.house.gov/index.cfm?sectionid=22&itemid=558>

² Statement of Anthony P. Placido, deputy administrator for intelligence, Drug Enforcement Administration, Committee on Oversight and Government Reform Subcommittee on National Security and Foreign Affairs, March 3, 2010.

The threat therefore is neither remote, discontinuous nor contained, nor is it as well understood as it should be. This – and the overall criminal/terrorist/compromised state challenge of which it is a part -- requires more integrated analytical, intelligence, diplomatic and security approaches driven by a strategic assessment of the threat.

As a joint DHS and State Department symposium concluded:

The confluence of illicit networks and corruption in an enabling environment could facilitate not only the movement of drugs, arms, stolen or pirated goods, and trafficked persons, but also smuggling of terrorists, weapons of mass destruction (WMDs), WMD materials, and other dangerous weapons and technologies that threaten global security. This trend is particularly powerful when taken in concert with the increasingly blurred line between certain terror groups and the criminal activities that fund them. For instance, organizations such as Hezbollah, Al Qaeda, the Revolutionary Armed Forces of Colombia (FARC), the Taliban, the Kurdistan Worker's Party (PKK), have been known to engage in criminal enterprises for profit or to advance a terror agenda.³

A strategy considering all aspects as part of a whole, rather than separated into lanes such as terrorism, narcotics, WMD, threat finance, human and contraband smuggling, energy, state corruption, and others, is necessary.

Over the past two years or so, ranking U.S. military and law enforcement leadership have begun to articulate this complex threat, and the need for a more comprehensive approach, implicitly one adequately resourced and comprising all elements of U.S. power -- diplomatic, informational, military and economic. The failure to so engage will negatively affect the U.S. in each of those dimensions. It will undercut a mainstay pillar of our security, reverse the democratic and economic gains of the 1980s and 1990s Latin America democratization which we did so much to enable and significant cost, and it ultimately will cost U.S. lives, including possibly terrorist attacks.

Understanding the Actors, Relationships and Pipelines

As my submitted CV indicates, I was born of U.S. missionary parents in Latin America, and have worked there as an investigative journalist, as a subject matter expert, and an advisor and trainer on democratic governance and anti-corruption issues for some 30 years. I bring broad cultural, historical and operational understanding and strong networks across the political spectrum, from guerilla leaders to Ministers of Justice. With this background, I must state that my fieldwork

³ "Chair's Report: Transpacific Symposium on Dismantling Transnational Illicit Networks," Department of State Bureau of International Narcotics and Law Enforcement Affairs, and Department of Homeland Security U.S. Immigration and Customs Enforcement, February 2010, p. 3.

in many different parts of Latin America over the past three years clearly established that Hezbollah has developed a significant presence in the region, augmented by thousands of sympathizers who contribute monetary and non-monetary resources to the organization.

This presence has grown in scope and sophistication over the past years as Iran's Mahmoud Ahmadinejad has successfully built close alliances with several governments in Latin America, led by Hugo Chávez in Venezuela. These alliances afford Iran and its proxy elements state cover and effective immunity for its covert activities. This includes: unfettered access to global banking facilities, ports and airports; mining of precursor elements for WMD and advanced weapons systems fabrication; and, a regional base for infiltration and contingency operations aimed at undermining the U.S. and its interests, while also abetting corruption and the notable buildup in conventional arms manufacturing.

These corrosive activities, taken together, are accelerating the weakening of states -- hollowing-out of many of the first-generation democracies and their constitutional and civil society processes, and setting a predicate for a reassertion of authoritarian rule and ruin in these states and their neighbors. These states' survival and growth are critical to long-term regional and U.S. security.

Concurrently we see the further empowerment, training and technological support of the oppressive security apparatuses in the increasingly undemocratic Bolivarian states provided by the Iran-Hezbollah-ICRG/Qods forces combine. Other outside powers, notably China and Russia further compound these problems (as might, in the future, the still-nascent presence of radical Sunni groups related to the Muslim Brotherhood). However Iran, Hezbollah and the ICRG/Qods forces are the sharpest edge of this sword at present, and the one most openly aimed at the U.S., and least tractable to diplomacy.

All of this comes at the expense of U.S. influence, security and trade -- including energy security and hence economic and infrastructure security (Venezuela is the 4th largest supplier of U.S. petroleum imports, just behind Mexico; indeed Latin America is our 2nd largest source of supply overall, only slightly behind the Middle East). While this hearing focuses on Hezbollah, the non-state, armed branch of radical Shi'ite Islamists, one cannot ignore the direct relationship of this organization to state sponsors. As the DIA noted last year:

The Qods Force stations operatives in foreign embassies, charities, and religious/cultural institutions to foster relationships with people, often building on existing socio-economic ties with the well established Shia diaspora. At the same time, it engages in paramilitary operations to support extremists and destabilize unfriendly regimes. The IRGC and Qods Force are behind some of the deadliest terrorist attacks of the past three decades, including the 1983 and 1984 bombings of the U.S. Embassy and annex in Beirut, the 1983 bombing of the Marine barracks in Beirut, the 1994 attack on the AMIA Jewish Community

Center in Buenos Aires, the 1996 Khobar Towers bombing in Saudi Arabia, and many of the insurgent attacks on Coalition and Iraqi Security Forces in Iraq since 2003. Generally, it directs and supports groups actually executing the attacks, thereby maintaining plausible deniability within the international community.

Support for these extremists takes the form of providing arms, funding, and paramilitary training. In this, Qods Force is not constrained by ideology; many of the groups it supports do not share, and sometimes openly oppose, Iranian revolutionary principles, but Iran supports them because of common interests or enemies.

*The Qods Force maintains operational capabilities around the world. It is well established in the Middle East and North Africa, **and recent years have witnessed an increased presence in Latin America, particularly in Venezuela** [author emphasis]. As U.S. involvement in global conflicts deepens, contact with the Qods Force, directly or through extremist groups it supports, will be more frequent and consequential.⁴*

It is within this context of the merging of state and non-state armed actors that I would like to address the issue of Hezbollah in Latin America and the threat the organization poses to the U.S. Homeland. Hezbollah's growing presence is a significant part of a larger and more dangerous pattern of the criminalization of the self-described "Bolivarian" states in Latin America closely allied with Iran. These countries, in turn, support another designated terrorist organization that produces an estimated 70 percent of the world's cocaine and up to 90 percent of cocaine in the United States – The Revolutionary Armed Forces of Colombia (*Fuerzas Armadas Revolucionarias de Colombia-FARC*).⁵

The relationship between these 'Bolivarian states' (Venezuela, Ecuador, Bolivia and Nicaragua) and Iran is crucial to understanding the threat that Hezbollah in Latin America poses. This relationship, among groups espousing and actively pursuing seemingly irreconcilable world views – theocratic Shiite Muslim fundamentalism

⁴ Lt. Gen. Ronald L. Burgess, Jr., Director, Defense Intelligence Agency, "Iran's Military Power," Statement before the United States Senate Committee on Armed Services, April 14, 2010.

⁵ "Top-ranking member of Colombian FARC Narco-Terrorist Organization Convicted on U.S. Drug Charges, Drug Enforcement Administration, Department of Justice, February 20, 2007. The DEA describes the FARC as a "violent narco-terrorist guerrilla group operating in Colombia, controls large portions of Colombia and finances its violent conflict with the Colombian government by engaging in drug trafficking, augmented by other means including kidnapping and extortion. Drug trafficking is the lifeblood of the FARC because it enables the FARC to acquire weapons, ammunition and equipment necessary to carry on its violent attacks. DEA estimates that the FARC controls approximately 70 percent of the Colombian cocaine trade, and approximately 80 to 90 percent of the cocaine shipped to the United States comes from Colombia. The FARC produces and distributes thousands of kilograms per month for export to the United States and other countries.

and Socialism for the 21st Century – is bound by a common aim of the asymmetric defeat of the U.S., and a shared view in favor of an authoritarian state that tolerates little dissent and encroaches on all aspects of a citizen's life. This constitutes a core element of the threat.

Hezbollah's influence in Latin America extends to the nature of aggression and diplomacy employed by Chavez and his Bolivarian comrades. Iran and Hezbollah are among the foremost practitioners today of the franchising model of a state sponsor allocating certain elements of statecraft to non-state armed actors involved in transnational organized crime and terrorist activities.

As one study noted,

The Quds are also believed to play a continuing role in training, arming, and funding Hezbollah in Lebanon and to have begun to support Shi'ite militia and Taliban activities in Afghanistan ... The Quds has offices or 'sections' in many Iranian embassies, which are closed to most embassy staff. It is not clear whether these are integrated with Iranian intelligence operations or if the ambassador in each embassy has control of, or detailed knowledge of, operations by the Quds staff. However, there are indications that most operations are coordinated between the IRGC and offices within the Iranian Foreign Ministry and MOIS.⁶

Recent headlines reaffirm that such Iranian proxy arming is a growing source of lethal attacks against the U.S. in both Iraq and Afghanistan presently with the new weapons shipments leading directly to the deaths of American troops.⁷

The nature of the threat to the United States, then, is not merely the drugs in the criminal pipelines and multiple transnational criminal activities that directly affect us every day. It is the establishment of political and financial influence and military presence by Hezbollah, a terrorist organization that enjoys the state sponsorship of Iran and, to a lesser degree, Syria, in concert with states that are hospitable to its movements and that are replicating its model, particularly south of our border.

A central common element between Iran and its Bolivarian allies is the willingness to use non-state allies participating in criminal and terrorist activities as instruments of statecraft. As the DIA noted, the Qods Force supports proxy forces while retaining plausible deniability, and the primary force is Hezbollah. Venezuela,

⁶ Anthony H. Cordesman, "Iran's Revolutionary Guards, the al Quds Force, and other Intelligence and Paramilitary Forces (Working Draft)," Center for Strategic and International Studies, August 16, 2007.

⁷ See for example: Jay Solomon, "Iran Funnels New Weapons to Iraq and Afghanistan," Wall Street Journal, July 2, 2011, <http://online.wsj.com/article/SB10001424052702303763404576420080640167182.html?KEYWORDS=iran+weapons>

in turn, also hosts not only the FARC, but the ETA Basque separatist terrorist organization, the Bolivarian Continental Movement (*Movimiento Continental Bolivariano-MCB*).

The MCB is a FARC-founded political umbrella group made up of remnants of Latin America's violent Marxist movements and its allies in Europe, the United States and Latin America. The core mission of the group is to legitimize the FARC's internal and international image as a revolutionary army driven by ideology rather than a criminal organization fuelled by the drug trade. It also is a staunch defender of Chávez and his Bolivarian allies and a favorite forum for calling for armed action against the United States and for armed revolution against the democratically elected government of Colombia.

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.

An important element in the criminalized relationships among all these groups are the "pipelines" or series of overlapping pipelines that these state and non-state actors need to move products, money, weapons, personnel and goods virtually anywhere and at anytime, without detection and for enormous profits⁸

These pipelines are perhaps best understood as a series of recombinant chains whose links can couple and de-couple as necessary to meet the best interests of the networks involved. In the current context I am discussing state and non-state criminal/terrorist organizations who are able to move goods from Iran across the northern tier of South America, through Central America and Mexico and penetrate our borders with impunity.

The criminalization of multiple states in our hemisphere, acting in concert, is a threat across many obvious and less obvious fronts. But the seriousness of the threat grows enormously when the central element these governments and their armed non-state proxies Hezbollah and the FARC share is a hatred for the United States and a publicly stated desire to inflict significant damage on the Homeland. This is the reality we face. These groups together, as have access to hundreds of millions of dollars in illicit revenues annually, and billions of dollars more in state revenues that are allocated without transparency or internal supervision and accountability in respect of their nominally democratic host polities.

As I will describe in detail, they share a doctrine of asymmetrical warfare against the United States that embraces the use of weapons of mass destruction, massive

⁸ For a fuller discussion of the criminalization of these states and the role of non-state armed actors see: Douglas Farah, "Terrorist-Criminal Pipelines and Criminalized States: Emerging Threats," PRISM, National Defense University, PRISM 2, no. 3, pp 15-32.

civilian casualties as acceptable collateral damage and the underlying belief that the acquisition of nuclear weapons to destroy the United States is a moral or religious imperative. This is not a statement of capacity, but a clear statement of intention.

The first does not necessarily imply the ability to accomplish the latter, but it is an indication that these intentions need to be taken seriously, particularly given the level of resources available to them. Hezbollah, viewed by many in our intelligence community as the most effective, well-structured and militarily proficient terrorist group in existence, brings a host of skills and abilities to bear in this regard. While these capabilities had been deployed in our hemisphere before with lethal effect (the 1994 AMIA bombing), they have not been previously deployed under the protection of a network of friendly governments, with access to diplomatic status and immunity and operational freedom.

Last month a senior Venezuelan official publicly endorsed the Iranian position that the United States “arms international terrorists and finances their activities.” He added that “discrimination and humiliation of nations is the primary cause of terrorism...the type of terrorism implemented by imperial powers attacks the sovereignty of nations and the laws that regulate armed conflicts.”⁹

One need only look at how rapidly Iran has increased its diplomatic, economic and intelligence presence in Latin America to see the priority it places on this emerging axis, given that it is an area where it has virtually no trade, no historic or cultural ties and no obvious strategic interests. In Bolivia recently the Iranian embassy reportedly asked for more than two dozen spaces for in the international school for children of their newly-arrived diplomats there. This is an indication of how rapidly the diplomatic mission is expanding despite having very few overt operations under way.

The gains -- in financial institutions, bilateral trade agreements, state to state shipping by land and sea that undergo no outside review, security forces and intelligence training, and state visits for Latin America (eight state visits between Chávez and Ahmadinejad alone since 2006) -- are almost entirely within the Bolivarian orbit (although there are signs of involvement elsewhere in both Central and Latin America, particularly efforts with mixed results to establish broad new ties with Brazil).

What is of particular concern is that many of the agreements signed, such as the agreement to create a dedicated shipping line between Iran and Ecuador, visa-free flights to and from Caracas, Tehran and Damascus, or the announced intention of the internationally sanctioned Economic Development Bank of Iran (EDBI) to deposit

⁹ Frank López Ballesteros, “Venezuela e Irán unen su vision sobre terrorismo,” El Universal, June 27, 2011, accessed at: <http://internacional.eluniversal.com/2011/06/27/venezuela-e-iran-unen-su-vision-sobre-terrorismo.shtml>

\$120 million dollars in the Central Bank of Ecuador, follow no normal economic rationale.¹⁰

The OFAC designation of the Iranian bank states that:

EDBI provides financial services to multiple MODAFL-subordinate entities that permit these entities to advance Iran's WMD programs. Furthermore, the EDBI has facilitated the ongoing procurement activities of various front companies associated with MODAFL-subordinate entities. Since the United States and United Nations designated Bank Sepah in early 2007, the EDBI has served as one of the leading intermediaries handling Bank Sepah's financing, including WMD-related payments. In addition to handling business for Bank Sepah, the EDBI has facilitated financing for other proliferation-related entities sanctioned under U.S. and UN authorities.¹¹

The Bolivarian states have jointly declared their intention to help Iran break international sanctions, holding a joint press conference in Tehran to announce their determination to “continue and expand their economic ties to Iran” with confidence that “Iran can give a crushing response to the threats and sanctions imposed by the West and imperialism.”¹² – by which they primarily mean the United States.

The multiple mining activities of radioactive elements, the significant investment in financial institutions, the recruitment and training of personnel from across the region by both Venezuela and Iran, and the constant high-level contact among the Bolivarian leaders and Iran all indicate a desire on the part of both parties (Iran and the Bolivarian states) to form a mutually beneficial and self-reinforcing alliance.

¹⁰ For a more complete look at Iran's presence in Latin America, see: Douglas Farah, “Iran in Latin America: An Overview,” *Iran in Latin America: Threat or Axis of Annoyance*, Woodrow Wilson International Center for Scholars, Cynthia J. Arnson et al, editors, June 2009, accessed January 21, 2011, at: http://www.douglasfarah.com/pdfs/20090620_DFIraninLatAmJune2009-1.pdf
For a look at the anomalies in the economic relations and banking relations, see Douglas Farah and Glenn Simpson, “Ecuador at Risk: Drug, Thugs, Guerrillas and the ‘Citizens’ Revolution,” International Assessment and Strategy Center, January 2010. The EDBI was sanctioned by the U.S. Treasury Department’s Office of Foreign Assets Control for violating sanctions in regards to nuclear proliferation activities and aiding the IRGC.

¹¹ United States Department of Treasury, “Export Development Bank of Iran Designated as a Proliferator,” Press office of the Office of Foreign Assets Control, October 22, 2008. OFAC also designated a sister bank of EDBI operating in Venezuela as the Banco Internacional de Desarrollo (BID). In the MOU between Ecuador’s central bank and EDBI, the EDBI offers to open a branch office of BID in Ecuador as well.

¹² “Venezuela/Iran Alba Resolved to Continue Economic Ties with Iran,” Financial Times Information Service, July 15, 2010.

As noted above, of particular concern are the credible reports of ongoing and extensive Iranian training and equipping of the intelligence services of the Bolivarian states, particularly Venezuela, Bolivia and Ecuador. This includes both equipment, primarily for communications intercepts, and training trips of Bolivarian state officials and military-age youth cadres to Iran.

It is also notable that in Bolivia and Ecuador, knowledgeable sources reported a significant increase in the Iranian military attaches being assigned to the region. This is unusual as the countries have traditionally have had little military interaction, and an indication of the increasing military-to-military ties that are developing. It is also worth noting that Hezbollah's entre into countries is often through the offices of the military attaches under diplomatic cover, who often operate as a separate entity within the embassies.

The Changing Nature of the Ties

Before going into the origins of this seemingly paradoxical alliance, it is important to note that the relationships Hezbollah has developed with criminal and terrorist groups in Latin America has escalated from one of mutual accommodation and benefit in the spheres of money laundering, contraband and financing to a more direct and deadly forms of collaboration.

There has been significant and well documented reporting on Hezbollah's financial ties to the contraband center of the Tri-Border region of Paraguay, Argentina and Brazil, the contributions of the Lebanese diaspora communities on Isla Margarita and elsewhere, and the significant profits Hezbollah has derived for some time by taxing a range of illicit activities among the Lebanese diaspora communities.

This type of activity, in many ways, was little different from that of many other transnational criminal networks, and was largely financial. However, the 1994 Iranian government-sponsored bombing of the AMIA building in Buenos Aires, Argentina, using Hezbollah operatives in the Tri-Border region, is a powerful reminder that these groups can and do operate militarily in Latin America.

There is now growing evidence of the merging of the Bolivarian Revolution's criminal-terrorist pipeline activities and those of the criminal-terrorist pipeline of radical Islamist groups (Hezbollah in particular) supported by the Iranian regime. This presages a series of new security challenges for the United States and its allies in Latin America.

Currently there are cases being prosecuted in the United States that shed new light on direct cocaine-for-weapons deals between Hezbollah operatives and the FARC.

One case that illustrates the breadth of the emerging alliances between criminal and terrorist groups is Operation Titan, executed by Colombian and U.S. officials in 2008

and still ongoing. Colombian and U.S. officials, after a 2-year investigation, dismantled a drug trafficking organization that stretched from Colombia to Panama, Mexico, the United States, Europe and the Middle East. Most of the drugs originated with the FARC in Colombia, and some of the proceeds were traced through a Lebanese expatriate network, to the funding Hezbollah.¹³

Colombian and U.S. officials allege that one of the key money launderers in the structure, Chekry Harb, AKA "Taliban", acted as the central go-between among Latin American drug trafficking organizations and Middle Eastern radical groups, primarily Hezbollah. Among the groups participating together in Harb's operation in Colombia were members of the Northern Valley Cartel, right-wing paramilitary groups and the FARC, demonstrating the ecumenical adaptive nature of Hezbollah's criminal associations and of the 'recombinant networks' system.

Other recent cases include:

- In 2008, OFAC designated senior Venezuelan diplomats for facilitating the funding of Hezbollah.

One of those designated, Ghazi Nasr al Din, served as the charge d'affaires of the Venezuelan embassy in Damascus, and then served in the Venezuelan embassy in London. According to the OFAC statement in late January 2008, al Din facilitated the travel of two Hezbollah representatives of the Lebanese parliament to solicit donations and announce the opening of a Hezbollah-sponsored community center and office in Venezuela.

The second individual, Fawzi Kan'an, is described as a Venezuela-based Hezbollah supporter and a "significant provider of financial support to Hezbollah." He met with senior Hezbollah officials in Lebanon to discuss operational issues, including possible kidnappings and terrorist attacks.¹⁴

- In April 2009 police on the island of Curacao arrested 17 people for alleged involvement in cocaine trafficking with some of the proceeds then funneled through Middle Eastern banks to Hezbollah.¹⁵

¹³ While much of Operation Titan remains classified, there has been significant open source reporting, in part because the Colombian government announced the most important arrests. See: Chris Kraul and Sebastian Rotella, "Colombian Cocaine Ring Linked to Hezbollah," Los Angeles Times, Oct. 22, 2008; and "Por Lavar Activos de Narcos y Paramilitares, Capturados Integrantes de Organización Internacional," Fiscalía General de la Republica (Colombia), Oct. 21, 2008.

¹⁴ "Treasury Targets Hizbullah in Venezuela," United States Department of Treasury Press Center, June 18, 2008, <http://www.treasury.gov/press-center/press-releases/Pages/hp1036.aspx>

¹⁵ Orlando Cuares, "17 arrested in Curacao on suspicion of drug trafficking links with Hezbollah," Associated Press, April 29, 2009

- A July 6, 2009 indictment of Jamal Yousef in the U.S. Southern District of New York alleges that the defendant, a former Syrian military officer arrested in Honduras, sought to sell weapons to the FARC – weapons he claimed came from Hezbollah, and were going to be provided by a relative in Mexico.¹⁶

Such relationships between non-state and state actors provide numerous benefits to both. In Latin America, for example, the FARC and its non-state allies such as ETA, remnants of the Irish Republican Army and others gain access to Venezuelan territory without fear of reprisals, gain access to Venezuelan identification documents, and, perhaps most importantly, access to routes for exporting cocaine to Europe and the United States while using the same routes to import quantities of sophisticated weapons and communications equipment. In return, the Chávez government offers state protection and reaps rewards in the form of financial benefits for individuals and as institutional and materiel benefits derived from the cocaine and contraband trade.

Iran, whose banks are largely barred from the Western financial systems, benefits from access to the international financial market through Venezuelan, Ecuadoran and Bolivian financial institutions, which act as proxies by moving Iranian money as if it originated in their own, unsanctioned financial systems.¹⁷ Venezuela also agreed to provide Iran with 20,000 barrels of gasoline a day -- leading to U.S. sanctions against the state petroleum company PDVSA earlier this year.¹⁸

While the ties between Iran and Hezbollah are generally accepted, there is a reluctance in some parts of the policy community to acknowledge the similar type of relationship that Venezuela and other Bolivarian states have with the FARC.

There is abundant evidence establishing Chávez's direct and personal involvement with the FARC, along with senior military and political officials, I will list only some of them.

OFAC has designated numerous senior Venezuelan officials, including the heads of two national intelligence services, as terrorist supporters for direct support of the FARC in the acquisition of weapons and drug trafficking.¹⁹ Among those designated

¹⁶ United States District Court, Southern District of New York, *The United States of America v Jamal Yousef*, Indictment, July 6, 2009.

¹⁷ For a look at how the Ecuadoran and Venezuelan banks function as proxies for Iran, particularly the Economic Development Bank of Iran, sanctioned for its illegal support of Iran's nuclear program, and the Banco Internacional de Desarrollo, see: Farah and Simpson, *op cit*.

¹⁸ Office of the Spokesman, "Seven Companies Sanctioned Under Amended Iran Sanctions Act," U.S. Department of State, May 24, 2011, <http://www.state.gov/r/pa/prs/ps/2011/05/164132.htm>

¹⁹ Among those designated were Hugo Armando Carvajal, director of Venezuela's Military Intelligence Directorate for his "assistance to the FARC, (including) protecting drug shipments from seizure"; Henry de Jesus Rangel Silva, director of Venezuela's Directorate of Intelligence and Prevention Services for "materially assisting the narcotics activities of the FARC"; and Ramón Emilio

are Hugo Armando Carvajál, director of Venezuelan Military Intelligence; Henry de Jesus Rangél, director of the Venezuelan Directorate of Intelligence and Prevention Services; and Ramón Emilio Rodríguez Chacín, former minister of justice and former minister of interior--were responsible for "materially supporting the FARC, a narco-terrorist organization."

The designation statement accused Carvajál and Rangel of protecting FARC cocaine shipments moving through Venezuela, and said Rodríguez Chacín, who resigned his government position just a few days before the designations, was the "Venezuelan government's main weapons contact for the FARC."²⁰ In November 2010 Rangel was promoted to the overall commander of the Venezuelan armed forces.²¹

Senior officials in Ecuador and Bolivia have also been publicly tied both to the FARC and the FARC's drug trafficking activities. In Ecuador, a senior cabinet official met repeatedly with FARC leaders and there is strong evidence that the Correa campaign received several hundred thousand dollars in donations from the FARC.²² In Bolivia, senior members of president Evo Morales' MAS party have worked closely with the FARC,²³ and a senior police commander who ran the elite counter-narcotics unit was recently arrested for trafficking cocaine and extradited to the United States.²⁴

The Origins of The Ideological Kinship

As noted, the Chávez model of allying with state sponsors of terrorism such as Iran while sponsoring violent non-state terrorist organizations involved in criminal activities and terrorism strongly resembles the template used by Hezbollah and Iran.

Rodríguez Chacín, at the time Venezuela's minister of interior and justice, described as "the Venezuelan government's main weapons contact for the FARC." See the full designation at: <http://treas.tpaq.treasury.gov/press/releases/hp1132.htm>

²⁰ "Treasury Targets Venezuelan Government Officials Support of the FARC," U.S. Treasury Department Office of Public Affairs, Sept. 12, 2008. The designations came on the heels of the decision of the Bolivian government of Evo Morales to expel the U.S. ambassador, allegedly for supporting armed movements against the Morales government. In solidarity, Chavez then expelled the U.S. ambassador to Venezuela. In addition to the designations of the Venezuelan officials, the United States also expelled the Venezuelan and Bolivian ambassadors to Washington.

²¹ "Chávez Shores up Military Support," Stratfor, November 12, 2010.

²² For a more complete look at the documentation of the Correa and Chávez ties to the FARC see: "The FARC Files: Venezuela, Ecuador and the Secret Archive of 'Raul Reyes,'" International Institute for Strategic Studies, May 2011, <http://www.iiss.org/publications/strategic-dossiers/the-farc-files-venezuela-ecuador-and-the-secret-archive-of-ral-reyes/>; Farah and Simpson, op cit.; Francisco Huerta Montalvo et al, "Informe Comisión de Transparencia y Verdad: Caso Angostura," December 10, 2009.

²³ For details see: Douglas Farah, "Into the Abyss: Bolivia Under Evo Morales and the MAS," International Assessment and Strategy Center, June 17, 2009, http://www.strategycenter.net/research/pubID.200/pub_detail.asp

²⁴ Martin Arostegui, "Drug Scandal Shakes Bolivia," Wall Street Journal, March 3, 2011.

In order to understand the relationship, it is important to understand the thinking of two significant ideological influences in the world of Hugo Chávez about what they view as the seminal event in goal of destroying the United States. That event was the 1979 Iranian Revolution.

While Iran's revolutionary rulers view the 1979 revolution in theological terms as a miracle of divine intervention in which the United States, as the Great Satan was defeated, the Bolivarians view it from a secular point of view as roadmap to defeat the United State as the evil Empire.

Among the first to articulate the possible merging of radical Shi'ite Islamic thought with Marxist aspirations of destroying capitalism and U.S. hegemony was Illich Sánchez Ramirez, better known as the terrorist leader Carlos the Jackal, a Venezuelan citizen who was, until his arrest in 1994, one of the world's most wanted terrorists. In his writings, Sánchez Ramirez espouses Marxism tied to revolutionary, violent Palestinian uprisings, and, in the early 2000s after becoming a Muslim, militant Islamism.

In his 2003 book Revolutionary Islam, written from prison where he is serving a life sentence for killing two French policemen, Sánchez Ramirez praises Osama bin Laden and the 9-11 attacks on the United States as a "lofty feat of arms" and part of a justified "armed struggle" of Islam against the West. "From now on terrorism is going to be more or less a daily part of the landscape of your rotting democracies," he wrote.²⁵

In this context, the repeated, public praise of Chávez for Sánchez Ramirez can be seen as a crucial element of the Bolivarian ideology, and an embracing of terrorist tactics to achieve justifiable ends. Chávez ordered his ambassador to France to seek the release of Sánchez Ramirez and on multiple occasions, including many times after 9/11, referred to the convicted terrorist as a "friend" and "true revolutionary."²⁶ In a 1999 letter to Sánchez Ramirez, Chávez greeted the terrorist as a "Distinguished Compatriot" and wrote that

Swimming in the depths of your letter of solidarity I could hear the pulse of our shared insight that everything has its due time: time to pile up stones or hurl them, to ignite revolution or to ignore it; to pursue dialectically a unity between our warring classes or to stir the conflict between them—a time when you can fight outright for principles and a time when you must choose the proper fight, lying in wait with a keen sense for the moment of truth, in the same way that Ariadne, invested with these same principles, lays the thread that leads her out of the labyrinth. ...

²⁵ "Jackal' book praises bin Laden," BBC News, June 26, 2003.

²⁶ See, for example: Associated Press, "Chavez: 'Carlos the Jackal' a 'Good Friend'" June 3, 2006.

I feel that my spirit's own strength will always rise to the magnitude of the dangers that threaten it. My doctor has told me that my spirit must nourish itself on danger to preserve my sanity, in the manner that God intended, with this stormy revolution to guide me in my great destiny.

With profound faith in our cause and our mission, now and forever! ²⁷

In fact, the Bolivarian fascination with the militant Islamist thought and Marxism did not end with the friendship between Chávez and the jailed terrorist. Acolytes of Sánchez Ramirez continued to develop his ideology of Marxism and radical Islamism rooted in their interpretation of the Iranian revolution.

Since 2005, Chávez has rewritten Venezuela's security doctrine to scrub it of all outside (meaning U.S.), "imperialist" influences. To replace the old doctrine, Chávez and the Venezuelan military leadership have focused on developing a doctrine centered on asymmetrical warfare, in the belief that the primary threat to Venezuelan security is a U.S. invasion.

The emerging military doctrine of the "Bolivarian Revolution," officially adopted in Venezuela and rapidly spreading to Bolivia, Nicaragua and Ecuador, explicitly embraces the radical Islamist model of asymmetrical or "fourth generation warfare," and its heavy reliance on suicide bombings and different types of terrorism, including the use of nuclear weapons. This is occurring at a time when Hezbollah's presence in Latin America is growing and becoming more identifiable.²⁸

The main book Chávez has adopted as his military doctrine is Peripheral Warfare and Revolutionary Islam: Origins, Rules and Ethics of Asymmetrical Warfare (*Guerra Periférica y el Islam Revolucionario: Orígenes, Reglas y Ética de la Guerra Asimétrica*) by the Spanish politician and ideologue Jorge Verstryngge.²⁹ The tract is a continuation of and exploration of Sánchez Ramirez's thoughts, incorporating an

²⁷ Paul Reyes (translator) and Hugo Chávez, "My Struggle," from a March 23, 1999 letter to Illich Ramirez Sánchez, the Venezuelan terrorist known as Carlos the Jackal, from Venezuelan president Hugo Chavez in response to a previous letter from Ramirez, who is serving a life sentence in France for murder. Harper's, October 1999, <http://harpers.org/archive/1999/10/0060674>

²⁸ In addition to Operation Titan there have been numerous incidents in the past 18 months of operatives being directly linked to Hezbollah have been identified or arrested in Venezuela, Colombia, Guatemala, Aruba and elsewhere in Latin America.

²⁹ Verstryngge, born in Morocco to Belgian and Spanish parents, began his political career on the far right of the Spanish political spectrum as a disciple of Manuel Fraga, and served in several senior party posts with the Alianza Popular. By his own admission he then migrated to the Socialist Party, but never rose through the ranks. He is widely associated with radical anti-globalization views and anti-U.S. rhetoric, repeatedly stating that the United States is creating a new global empire and must be defeated. Although he has no military training or experience, he has written extensively on asymmetrical warfare.

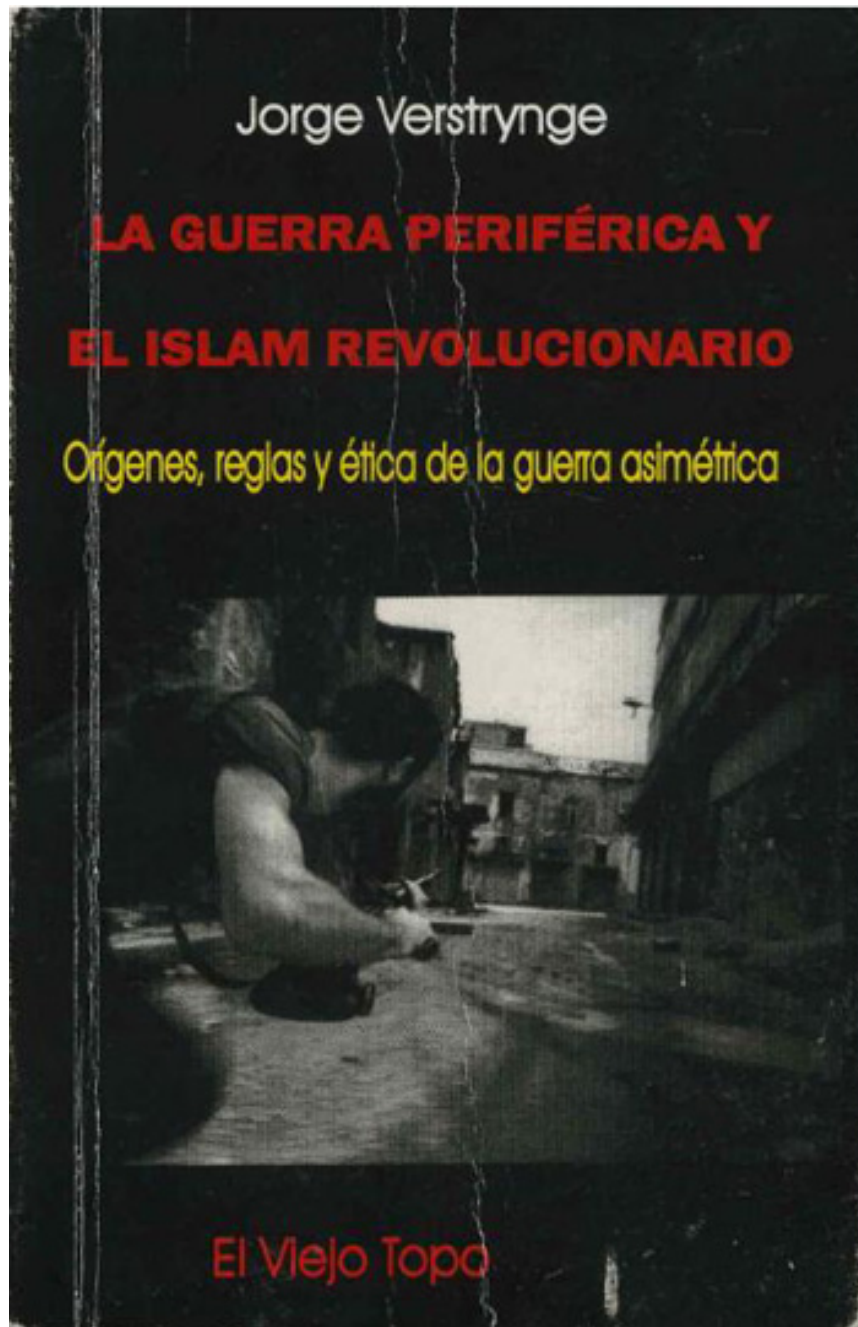
explicit endorsement of the use of weapons of mass destruction to destroy the United States.

Although he is not a Muslim and the book was not written directly in relation to the Venezuelan experience, Verstrynge lauds radical Islam for helping to expand the parameters of what irregular warfare should encompass, including the use of biological and nuclear weapons, along with the correlated civilian casualties among the enemy.

Central to Verstrynge's idealized view of terrorists is the belief in the sacredness of the willingness of the fighters to sacrifice their lives in pursuit of their goals. Before writing extensively on how to make chemical weapons and listing helpful places to find information on the manufacture of rudimentary nuclear bombs that "someone with a high school education could make," Verstrynge writes:

We already know it is incorrect to limit asymmetrical warfare to guerrilla warfare, although it is important. However, it is not a mistake to also use things that are classified as terrorism and use them in asymmetrical warfare. And we have super terrorism, divided into chemical terrorism, bioterrorism (which uses biological and bacteriological methods), and nuclear terrorism, which means "the type of terrorism uses the threat of nuclear attack to achieve its goals."³⁰

³⁰ Verstrynge, op cit., pp. 56-57.



In a December 12, 2008 interview with Venezuelan state television, Verstrynge lauded Osama bin Laden and al Qaeda for creating a new type of warfare that is "de-

territorialized, de-stateized and de-nationalized," a war where suicide bombers act as "atomic bombs for the poor."³¹

Based on this book, Verstryngge was invited by Chávez to give the keynote address to military leaders in a 2005 conference titled "First Military Forum on Fourth Generation Warfare and Asymmetric Conflict" held at the Venezuelan military academy. Following the conference Gen. Raúl Baduel, the army commander and Chávez confidant, ordered a special pocket-size edition of the book to be printed up and distributed throughout the officer corps with explicit orders that it be studied cover to cover.³²

This ideological framework of Marxism and radical Islamic methodology for successfully attacking the United States is an important, though little examined, underpinning for the greatly enhanced relationships among the Bolivarian states and Iran and their respective non-state proxies, most prominently Hezbollah.

For Iran the benefits are numerous, particularly in building alliances with nations to break its international isolation. But it also affords the opportunity to mine strategic minerals for its missile and nuclear programs, position Quds Force and Revolutionary Guard operatives under diplomatic cover, greatly expand and enhance its intelligence gathering, and operate state-to-state enterprises that allow for the movement of just about any type of goods and material, and more generally acclimate to operations in Latin America, including those aimed toward the U.S.

One glimpse at the type of shipments such a relationship can be used for came to light in 2009, when Turkish authorities randomly inspected some crates being shipped from Iran to Venezuela at the port of Mersin. The 22 crates were labeled "tractor parts" but in fact carried equipment for establishing a laboratory for manufacturing explosives.³³

The West Africa Cocaine Pipeline: Another Dangerous Nexus

As cocaine trafficking routes shift significantly to transit West Africa en route to the European market, there is another avenue opening for Hezbollah in Latin America and potential ties to the FARC.

³¹ Bartolomé, op cit. See also: John Sweeny, "Jorge Verstryngge: The Guru of Bolivarian Asymmetric Warfare," www.vcrisis.com, Sept. 9, 2005; and "[Troops Get Provocative Book](#)," [Miami Herald](#), Nov. 11, 2005.

³² For a more complete discussion of how Verstryngge's concepts fit into Chávez's concept of the Bolivarian revolution see: Mariáno César Bartolomé, "Las Guerras Asimétricas y de Cuarta Generación Dentro Del Pensamiento Venezolano en Materia de Seguridad y Defensa, (Asymmetrical and Fourth Generation Warfare In Venezuelan Security and Defense Thinking), *Military Review*, January-February 2008, pp. 51-62.

³³ "Turkey holds suspicious Iran-Venezuela shipment," Associated Press, June 1, 2009. <http://www.ynetnews.com/articles/0,7340,L-3651706,00.html>

The movement of drugs, particularly cocaine, through West Africa is the product of several developments in the overall drug trade, and the consequences are already devastating, as shown by the new wave of political instability and the creation of the continent's first true "narco-states."³⁴

The FARC has a well-established network, including financial handlers, already established in Europe, particularly in Spain, where a good portion of the cocaine enters the European Union. The organization also maintains a presence on the ground in West Africa to handle drug shipments, a role demonstrated in a high-profile series of busts by the DEA in Liberia.³⁵ Hezbollah, as discussed below, has a long history in West Africa and controls most of the illicit trade pipelines in the region.

It is interesting to note that most of the largest cocaine busts in West Africa have come aboard aircraft that departed from Venezuela.³⁶ Since Chávez expelled the Drug Enforcement Administration from Venezuela in 2006, and has halted all counter-narcotics cooperation, U.S. officials describe Venezuela as a "black hole." Not only does the Venezuelan government's attitude encourage drug trafficking by the FARC and others,³⁷ but Venezuela's geographic proximity to West Africa make it

³⁴ For a more complete look at this trend see: Douglas Farah, "Confronting Drug Trafficking in West Africa," Testimony before the Senate Foreign Relations Committee Subcommittee on African Affairs, June 23, 2009.

³⁵ See Farah, PRISM, op cit; and Benjamin Weiser and William K. Rashbaum, "Liberian Officials Worked with U.S. Agency to Block Drug Traffic," The New York Times, June 2, 2010.

³⁶ Among the largest was the May 1, 2007 seizure of 630 kilograms of cocaine aboard a Cessna aircraft in Nouhabidou, Mauritania. The airplane's GPS showed it had taken off from Venezuelan territory. See: "Cocaine Trafficking in Western Africa: Situation Report," UNODC, October 2007, pg. 9. In July 2008 another aircraft with 600 kilograms of cocaine and using a false Red Cross emblem on its tail, was seized in Sierra Leone. Another case in 2010 intercepted 4,000 kilos that was to be flown from Venezuela to Monrovia, Liberia. See: "Manhattan U.S. Attorney Charges Three al Qaeda Associates with Conspiring to Transport Cocaine through Africa for the FARC," PR Newswire, December 18, 2009; Farah, PRISM, op. cit.

³⁷ The most dramatic recent revelations of the complicity of senior Venezuelan officials in the cocaine trade came in the case of Walid Makled, the alleged link between the FARC and Hezbollah for drug trafficking activities. Makled was a well-known financial supporter of Chávez who was designated a major drug trafficking kingpin by the United States. Makled was arrested in Colombia in October 2010, where he gave details of his monthly payments, totaling more than \$1 million, to senior Venezuelan military officials, family members of sitting cabinet officials and other senior officials. The Colombian decision to extradite Makled to Venezuela rather than the United States caused significant tension between the two countries and probably means that the bulk of the evidence he claims to possess will never see the light of day. Among the documents he presented in prison were checks of his cashed by senior generals and government officials and videos of what appear to be senior government officials in his home discussing cash transactions. For details of the case see: José de Córdoba and Darcy Crowe, "U.S. Losing Big Drug Catch," The Wall Street Journal, April 1, 2011; "Manhattan U.S. Attorney Announces Indictment of one of World's Most Significant Narcotics Kingpins," United States Attorney, Southern District of New York, November 4, 2010.

an ideal launching pad. This is true for both maritime operations and the use of aircraft.

In West Africa, Hezbollah has long maintained an operational presence and has had a significant role in the blood diamond trade and many other illicit activities. In addition, many in the Lebanese Diaspora community in West Africa, numbering several hundred thousand, pay a portion of their earnings to support Hezbollah in Lebanon, with the knowledge and acquiescence of the host government.³⁸

The importance of this revenue stream was revealed when a charter flight bound for Beirut from Cotonou, Benin, crashed on takeoff on Dec. 25, 2003. On board was a Hezbollah "foreign relations" official carrying \$2 million in contributions raised in the region. The money was said to represent "the regular contributions the party [Hezbollah] receives from wealthy Lebanese nationals in Guinea, Sierra Leone, Liberia, Benin and other African states."³⁹

Given the prominence of the Lebanese Diaspora community and its members' control of most of the existing pipeline to import and export illegal commodities, it is inevitable that those organizations and the drug trafficking groups will encounter each other and mutually benefit from each other because each has something the other wants and needs. Lebanese networks control the decades-old contraband networks and routes to Europe, while the drug traffickers offer a new and lucrative product for the existing pipeline. Violent clashes may take place, but the history of both groups indicates they will cooperate where useful.

Given Hezbollah's long-established presence on the ground in the region and the closeness of its operatives to that community, it is also reasonable to assume that Hezbollah and the drug traffickers, operating in the same permissive environment, will cross paths. It is precisely this type of environment that allows for the otherwise unthinkable alliances to emerge.

Most are short-lived, centering on specific opportunities and operations that can benefit both groups, but others are longer lasting and more dangerous. The adaptive nature of the actors and the networks make any number of recombinant forms and outcomes possible. This at once makes their detection, real-time monitoring and effective disruption or interdiction by the U.S. and other government and

³⁷ "Makled: Tengo suficientes pruebas sobre corrupción y narcotráfico para que intervengan a Venezuela," NTN24 TV (Colombia), April 11, 2011.

³⁸ See: Edward Harris, "Hezbollah Extorting Funds From West Africa's Diamond Merchants," Associated Press, 29 June 2004.

³⁹ Hamid Ghiryah, "Hezbollah Officials Carrying Donations Reportedly Killed in Lebanese Plane Crash," al-Siyasah (Kuwait), Dec. 29, 2003. For a broader look at the role of the Lebanese diaspora in West African illicit trade activities, see: Lansana Gberie, *War and Peace in Sierra Leone: Diamonds, Corruption and the Lebanese Connection*, The Diamond and Human Security Project, Occasional Paper 6, January 2003.

international intelligence and enforcement system, as presently configured, nearly impossible.

Drug trafficking in West Africa also directly strengthens those who seek not only to harm the United States but also to strangle the struggling liberal democracies in Latin America. These include Hugo Chávez in Venezuela, his allies in Iran, the FARC and Hezbollah. As noted above, the circumstances in West Africa are ideal for allowing many of these non-state criminal and terrorist organizations to greatly expand their cooperation. The money raised from the cocaine trade on the West Africa route brings all these threats closer to the United States.

Conclusions

Hezbollah's presence in Latin America is growing, and the organization remains the premiere terrorist organization in the world. It is growing both in economic capacity and in its placing of operatives in the region through the rapid expansion of Iran's diplomatic and intelligence missions, businesses and investments

The threat posed by Hezbollah in Latin America to the U.S. Homeland centers not only on the organization itself and its demonstrated capacity and willingness to attack the interests of the United States and its allies. It centers also on the organization's relationship with a continuum of actors from states sponsors (Iran and Syria) to hospitable states (Venezuela and its Bolivarian allies) to allied terror and criminal entities (the FARC and its allies in the MCB).

The core shared beliefs of these varied actors is that the United States is a primary enemy that needs to be destroyed; that WMD is a legitimate option to achieve that end; that the Iranian revolution offers model for defeating the United States; and that the ability to wage sophisticated asymmetrical warfare, which so far has reached its pinnacle in the 9-11 attacks on the Homeland, is central to their military doctrine.

These states have embraced the concept of using designated terrorist organizations as proxies for furthering their regional goals and as instruments of statecraft. This has afforded state protection to these groups and accelerated the criminalization of the states themselves while also spreading support to fellow radicals seeking to subvert regional democracies toward similar ends.

This combination of relationships -- Iran to Hezbollah, Iran to Venezuela and the Bolivarian states; Venezuela's ties to the FARC and the growing evidence of joint Hezbollah and FARC drug transnational and transcontinental trafficking activity combine to indicate that Hezbollah's presence constitutes a significant threat to the U.S. Homeland. To view Hezbollah as an isolated actor gaining a small foothold in Latin America, as is often done in policy circles, is to misunderstand the nature of the threat, the meaning of the realities on the ground, and their potential consequences.

