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# **How Iran's Threat and Illicit Networks Finance Chaos and Malign Influence to Destabilize U.S. Interests in the Americas and Globally**

**Douglas Farah**

**David M. Luna**

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“Americans are the great Satan, the wounded snake.”

— Iran’s Ayatollah Ruhollah Khomeini

*Iran will continue to threaten U.S. interests as it tries to erode U.S. influence in the Middle East, entrench its influence and project power in neighboring states, and minimize threats to the regime . . . Iran’s hybrid approach to warfare—using both conventional and unconventional capabilities—will pose a threat to U.S. interests in the [Middle East, and globally] for the foreseeable future . . . Iran’s unconventional warfare operations and network of militant partners and proxies enable Tehran to try to advance its interests in the [Middle East, and globally] and maintain strategic depth.<sup>1</sup>*

*Our command is very, very carefully monitoring the possible action of Iranian proxies such as Hezbollah in Central and South America after of the Hamas attack against Israel, said **General Laura J. Richardson, Commander, US Southern Command**, in the aftermath of the October 7th Hamas attack in Israel.<sup>2</sup>*



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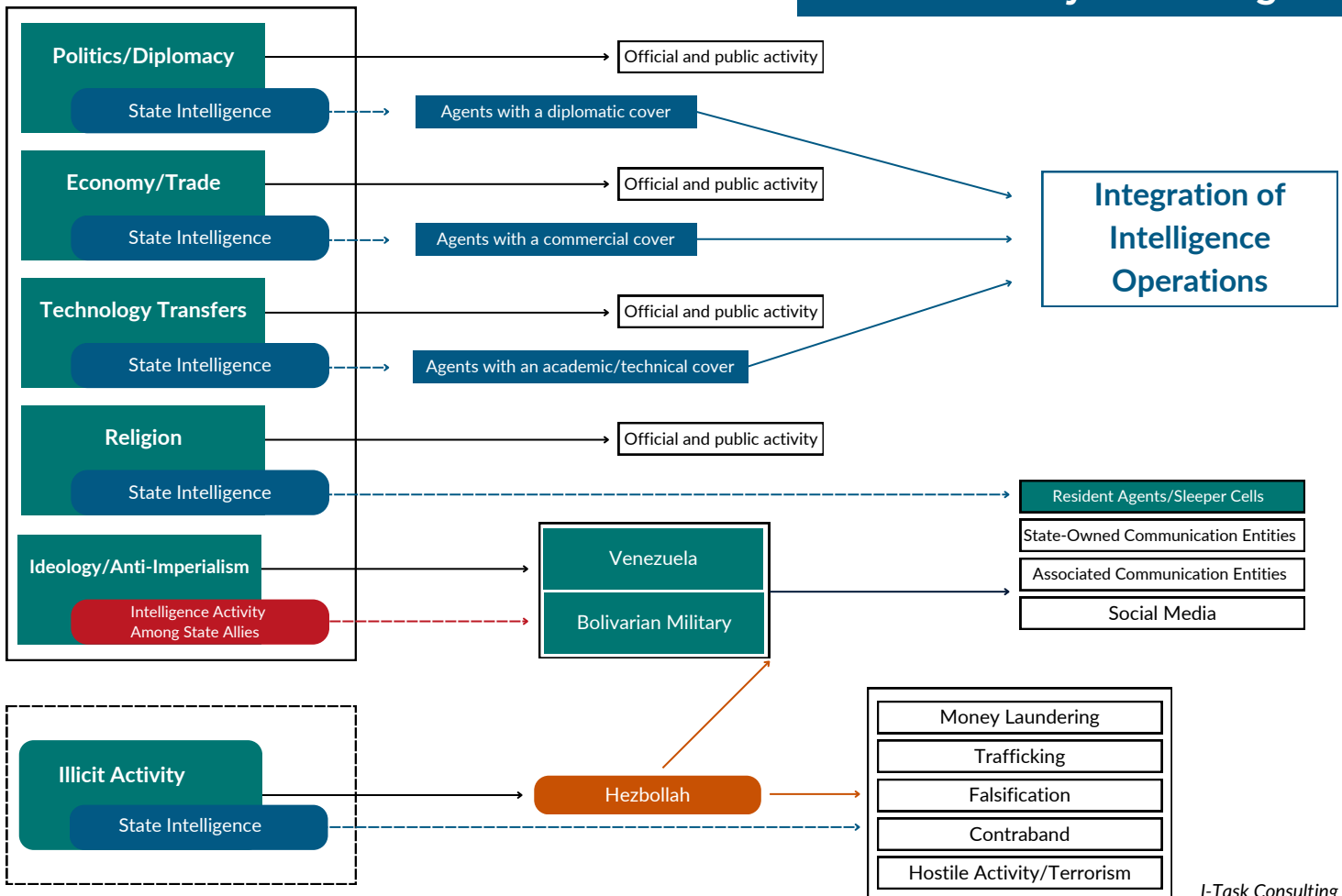


# Iranian Subversive Active Measures and Hybrid Warfare against the United States in the Americas

As Iran expands its global security footprint, it poses an existential threat to not only peace and security in the Middle East, but also to strategic American national security interests in Latin America. Iran, through its Islamic Revolutionary Guards Corps (IRGC), is undertaking subversive active measures through its embassies, terrorist proxies, and criminal networks in Latin America to destabilize democracies and exercise political influence, penetration of illicit exert markets, and growing sway with corrupt ruling elites.

Similar to its modus operandi in the Middle East of using proxies to advance its geo-security interests and have plausible deniability, Iran leverages proxy power forces in Latin America by “exploiting existing regional weaknesses—such as organized crime networks—to provide Iran with the ‘cover’ needed to pursue its strategic policy in the Americas.”<sup>3</sup> The Iran-financed chaos and malign influence in the Americas also has a geopolitical ripple effect globally, that also impacts U.S. national security in other corners of the world.

## Iranian Activity in the Region





In this policy brief, we provide an overview of the Iranian threat network and, in particular, its operations with Hezbollah in Latin America, from the 1979 triumph of the Iranian revolution, through two major terrorist attacks in Argentina, to the current crime-terror dynamics across the region, creating greater insecurity and instability through covert networks, political interference, and prepositioned military capabilities and platforms.

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In a vulnerable region where Latin authoritarian regimes increasingly rely on repression, censorship, corruption, and alliances with transnational criminal<sup>4</sup> forces, the deepening partnerships with China, Iran, and Russia accelerate democratic backsliding, economic stagnation, instability, and collapse of the rule of law. Iran's threat and illicit networks today have advanced an array of malign influence and political interference activities in the Americas intended to harm the United States through multiple military, intelligence, security, diplomatic, and criminal operations. Globally Iran continues to fund, train, support, and guide its crime-terror proxies to harm American national security and kill American citizens and members of the U.S. Armed Forces as witnessed in January 2024 along the Jordan-Syria border. In response, a US military strike on February 7, 2024, killed a Kata'ib Hezbollah commander, Wisam Mohammed Saber al-Saedi, who was responsible for attacks on American forces in the region, according to US Central Command.<sup>5</sup> The U.S. Department of Justice has also surfaced various plot to assassinate critics of Iran on U.S. soil.

At the heart of Iran's activities in the Americas is Hezbollah, known as the "Party of God," a Shiite-Muslim resistance movement that evolved from Israel's 1982 incursion into Lebanon to quash the Palestine Liberation Organization (PLO).<sup>6</sup> Since Hezbollah's formation, it has been responsible for numerous terrorist attacks that have killed hundreds, including U.S. citizens and military personnel.<sup>7</sup>

Today, Hezbollah is both a political party and a militia group operating in Lebanon with numerous ties in the Middle East, and with sizeable diaspora communities in many parts of the world. Hezbollah's criminal-financial networks across Latin America, Africa, Europe, and the Middle East enables it to generate significant funds from numerous criminal activities, helping to finance its terrorist operations in order to advance Iran's geopolitical objectives and subversive activities. In Latin America Hezbollah is involved in the cocaine trade, counterfeiting, software and music piracy, document forging, money laundering, and the trafficking of weapons and contraband.<sup>8</sup>

Hezbollah is not the only Iranian proxy group actively involved in criminal destabilizing activities in the Americas. Other Iran-back militia and criminal proxies have a strong presence in the Tri-Border Area (TBA) and other areas of South and Central America, Canada, and within the United States. For example, Hamas's activities in Latin America involving criminality and terrorist financing are aimed at building political support for its policies and military operations in Gaza, West Bank, and the Middle East. Most Latin American countries have not designated Hamas or Hezbollah as terrorist organizations, and many support the creation of an independent Palestinian state.<sup>9</sup>



Iran-supported criminal groups are gaining more market share in criminalized states and illicit economies in Latin America, including profits related to drug trafficking, money laundering, sanctions evasion, trafficking in counterfeits and other illicit goods and contraband, and potentially, WMD-related trafficking.

Over the past two decades, Iran and its allies have worked aggressively to expand their activities and influence operations around Latin America. These activities have come under increasing scrutiny since Iran's support for Islamic militants became a topic of recent international debate, following the Hamas terrorist attacks in Israel on October 7, 2023.

In turn, Iran uses millions of dollars of its criminal proceeds generated in Latin America to help finance these violent militias, providing weapons, missile technology, drones, and other technical assistance that has enabled Hamas to carry out the recent attacks in Israel. Thus, there is little doubt that Tehran considers Hamas an ally and was instrumental in its ability to carry out such a large-scale operation, which it viewed as a major "victory."<sup>10</sup> This model also applies to Hezbollah, the Houthis in Yemen, and the dozens of other militias that Iran supports globally. Iran has also empowered its Houthi allies to carry out a string of attacks as part of its campaign against Israel and its allies while providing Russia with drones to attack Ukraine.<sup>11</sup>

**Threat Horizon:** As the fundamentalist Shi'ia Islamic Iranian regime and its proxy militias continue to ratchet up their often coordinated malign activities across the globe, they are increasingly active in Latin America to expand their geo-security footprint, raise funds, build new political alliances, expand markets, and further destabilize a strategic region historically close to the United States.

Finally, it is important to view Iran's activities in the Western Hemisphere through a strategic prism of asymmetrical warfare and gray zones. This includes Iran's alliance of convenience with foreign malign influence networks with other extra-regional state actors such as China and Russia. The Iranian collaboration with the Bolivarian Alliance and Bolivarian Joint Criminal Enterprise (BJCE)<sup>12</sup> gives Iran more freedom of movement and leverage access in the region and allies with Bolivia, Cuba, Nicaragua, Venezuela, and other countries, to export their malign influence, intelligence operations, criminal activities, and threat convergence strategies that are often coordinated with China and Russia.



# Asymmetrical Warfare and the Justification for Terrorist Acts

Iran uses friendly Latin American countries as strategic staging grounds to foment chaos and insecurity in the region, and to advance its operational platforms and disinformation campaigns against the United States and its democratic allies.

Iran's primary military engagement with its Bolivarian allies has been through supporting a military doctrine that eradicates any vestige of U.S. military doctrine in the region and replaces it with a doctrine of asymmetrical or "peripheral" warfare.

The Iran Hezbollah Threat Network (IHTN) provides the means to wage that warfare for Iran and its global allies, and as a fundraising vehicle to finance terrorist attacks internationally.

Iran established its beachhead in Latin America through Venezuela. Hugo Chávez, the late authoritarian leader, opened crucial doors for IHTN operatives and surrogates in the hemisphere. Chávez often invoked and used similar political rhetoric, as Iran to describe the United States (e.g., "Great Satan").<sup>13</sup> The strategic alliance begun with Chávez and then Iranian prime minister Mahmoud Ahmadinejad blossomed into a strategic military, intelligence and economic alliance.

With Venezuela's support, Iran was able to expand its clandestine operations and malign influence activities across Latin America.

Under the shared doctrine of Peripheral Warfare, engaging in criminal activity to benefit the revolutionary cause is both necessary and justified. The primary architect of the doctrine of asymmetrical warfare fusing Shi'a Islam and the radical populist Bolivarian movement is Jorge Verstrynge, author of the book 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*), adopted as official military doctrine of the Venezuelan military in 2007.<sup>14</sup>

The book argues for the destruction of United States through a series of asymmetrical attacks, like those of 9-11, in the belief that the United States will simply crumble when its vast military strength cannot be used to combat its enemies.<sup>15</sup> Verstrynge has publicly 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."<sup>16</sup> In an interview with Univisión, Verstrynge said his model was specifically drawn from Hezbollah's experience, which has become the most viable model for Iran achieving strategic victory.



Iran has leveraged the IHTN as a strategic proxy to collect intelligence in Latin America against the United States, destabilize its regional interests, and engage in fund-raising across diasporic Shi'ia communities in the TBA in South America, and beyond. This includes using adaptive adversaries such as terrorists, insurgents, and criminal networks to engage in asymmetrical warfare, and leverage "sleeper cells" to infiltrate governments and carry out attacks in the TBA, and beyond.<sup>17</sup> IHTN activities are further aided by professional facilitators, corruption, organized crime, political violence and instigated chaos.<sup>18</sup>

Built on this ideological/theological foundation, the IHTN activities in Latin America include: access to and control of multiple illicit networks that move cocaine, cigarettes and other commodities that earn and launder millions of dollars a year; the sale of drones, small ships and missiles to the regimes most antagonistic to the U.S. – primarily Venezuela and Nicaragua; using Venezuela as a safe haven to possibly mine uranium; and prepositioning military assets and armaments in the region.<sup>19</sup>

A significant infrastructure for spreading anti-U.S. messaging and disinformation through the alliance of Iran's state-run, 24 hour satellite news channel HispanTV with TeleSur, is also expanding the Bolivarian regimes' jointly-owned purveyor of disinformation across the region.<sup>20</sup> Both HispanTV and TeleSur also use content provided by the Russian state-owned mediums of *Actualidad RT* and *Sputnik Español*, further amplifying the IHTN mis/disinformation operations in a media environment where traditional news media is losing influence. The IHTN, the Bolivarian regimes and Russia also jointly fund think tanks and academic seminars in Latin America to spread their anti-U.S. ideology.<sup>21</sup>







# The Evolution of the Iran Hezbollah Threat Network

Latin America is directly impacted by the current and historic actions of both the Iranian state and Hezbollah, who have both been tied to violent subversion, terrorism, murder, corruption, drug trafficking and multiple other illicit economic activities across the hemisphere, presenting a clear strategic threat not only to the United States but to its democratic allies. Given the multiple tentacles of the Network into Latin America, the threat is likely to grow as the alliances becomes more active on a global scale.

The warming ties of the IHTN in Latin America were highlighted by the July 2023 visit of Iranian president Ebrahim Raisi to Venezuela, Nicaragua and Cuba – Iran’s three staunchest regional allies. The four nations are bound together by the fact that they “have in common vicious dictatorships that hate the United States.”<sup>22</sup> Raisi’s visit came on the heels of Iranian Foreign Minister Hossein Amir-Abdollahian’s February 2023 visit to Venezuela and Nicaragua<sup>23</sup> and Oil Minister Javad Owji’s April 2023 visit Caracas.<sup>24</sup>

In Nicaragua, Raisi stated that while the current world order is changing, “the indicators show that the power of the dictators and America is declining and the will of the nations in Latin America and West Asia is rising.”<sup>25</sup> Of significance, Raisi, in a joint press conference with Nicaraguan President Daniel Ortega, said “cooperation between Latin American countries and other independent countries in different regions can create an alliance that both neutralizes sanctions and increases the capacity of independent countries.”<sup>26</sup>

**“The scope and strength of the-IHTN force is often underestimated. It is dangerous and its power projection in the Americas must be taken seriously.”**

Hezbollah has been able to fuel instability and insecurity in the Middle East by leveraging the BJCE illicit pipelines and augmenting the illicit finance operations with criminal activities and diaspora communities across Latin America. In particular, the lawless and unregulated TBA, where the borders of Brazil, Argentina and Paraguay meet, helped to provide sanctuary and safe haven to IHTN operators.<sup>27</sup> These TBA illicit economies, providing hundreds of millions of dollars in revenues, are fundamental to the survival of the IHTN.<sup>28</sup>



The scope and strength of the IHTN force is often underestimated. It is dangerous and its power projection in the Americas must be taken seriously. In addition to its arsenal of missiles and cyber capabilities, Iran's malign activities and terrorism beyond the Middle East remains formidable and its leaders have regularly threatened the United States and government officials.<sup>29</sup>

The alliance between the IHTN and radical leftist populist regimes in Latin America – sometimes called the Red-Green Alliance (red for the Bolivarian self-identifying as socialists and green for Iran's flag) – is built on the shared understanding that the United States is their common foe. The proximity and strategic importance of Latin America to the U.S. and its national security and economic interests, makes this common hostility particularly dangerous. Under this worldview, the US is often described as an "enemy of humanity," the "Great Satan" or "imperialist oppressor of the people."<sup>30</sup>

Iran's ties to revolutionary Marxist allies in Latin America go back to 1979, when the radical Shia clerics in Iran and Daniel Ortega, Nicaragua's current dictator, led the triumphant Marxist-infused Sandinista Revolution in Nicaragua.<sup>31</sup> The Iranian regime opened one of its first and largest embassies in Managua and Ortega declared the Iranian and Sandinista revolutions are "twin revolutions, with the same objectives of justice, liberty, sovereignty and peace...despite the aggressions of the imperialist policies."<sup>32</sup>





# Ties to Terrorism and Transnational Organized Crime

The Iranian presence in Latin America is inextricably tied to terrorist and criminal activities. These ties involve both Iranian state actors, through its 11 embassies and 42 cultural centers, and Iran's allies working with and through Hezbollah-affiliated groups across the continent.

From orchestrating the 1994 bombing of the Jewish Asociación Mutual Israelita Argentina (AMIA) center in Buenos Aires that left 85 people dead, to likely directing the 2015 assassination of crusading prosecutor Alberto Nisman who was investigating the AMIA case, to multiple attempts to launch terrorist attacks on the United States from Latin America, the IHTN has engaged in multiple terrorist plots.

Parallel to the terrorist attacks the IHTN has engaged in multiple, ongoing transnational criminal activities to raise money, launder funds and corrupt state actors in the region. The network has access to, and in some cases control of, key port facilities and free trade zones (FTZs) across the hemisphere. Among those of highest concern are Panama's Colón Free Trade Zone, Isla Margarita in Venezuela, Maicao Special Customs Zone in Colombia, the Corozal Free Zone in Belize, and the port of Santos in Brazil.<sup>33</sup>

Below is a brief overview and summary of some of main incidents tied to the crime and terror network. Cases from Paraguay, Argentina, Venezuela and Central America show the breadth of the -IHTN operations.



# **FOCUSED ILLICIT MARKETS BREAKDOWN**



## Colombia and Venezuela

The regime of Nicolás Maduro, Chávez's successor, continues to strengthen the alliance with the IHTN. The countries work to jointly evade U.S. and EU sanctions on oil sales, move tons of illicit gold and black cocaine to market, and provide safe haven for Iranian and Hezbollah operatives, and disguise the movements of war materiel.<sup>34</sup>

In January 2020, Venezuelan foreign minister Jorge Arreaza visited Tehran on a three-day official trip where the two countries pledged to increase cooperation on agro-industry and energy matters, something neither country has a competitive advantage in.<sup>35</sup> On April 14, 2020, Iranian president Hassan Rouhani and Maduro held a phone conversation in which both men denounced U.S. bullying and promised to expand their cooperation.<sup>36</sup>

At least 16 reported Mahan Airlines flights landed in northwest Venezuela within the course of the next few weeks.<sup>37</sup> Mahan Airlines and a group of affiliated companies have been sanctioned by the U.S. Treasury Department for direct support of the IRGC-Quds Force, where the designation noted that "the Iranian regime uses its aviation and shipping industries to supply its regional terrorist and militant groups with weapons."<sup>38</sup>

Among the documented Iranian weapons delivered to the Maduro regime in the time between Arreaza's 2020 Tehran visit and Raisi's 2023 visit to Caracas are:

- Zolfaghar Rapid Combat Vessels, small armed sea boats designed used to carry out attacks in the Suez region, were spotted operating in January 2024 at Venezuela's Puerto Cabello's naval base in Venezuela as the Maduro regime ramps up its

threat of military actions against neighboring Guyana.<sup>39</sup>

- Multiple types of attack drones made in Venezuela, copied from the Iranian Simorgh line of drones.<sup>40</sup>
- Fajr 1 rockets and rocket launchers.<sup>41</sup>
- Ghaem-1 Smart Miniature bombs that can be carried by attack drones up to 25 miles.<sup>42</sup>
- Nasr short range anti-ship cruise missiles, fired in Venezuela in July 2023.<sup>43</sup>

In addition to the military and ideological support, Venezuela has provided the IHTN with access to multiple illicit economic networks that have provided both the Iranian state and Hezbollah with hundreds of millions of dollars to blunt the impact of international sanctions and cash shortages.

These include: networks to move hundreds of millions of dollars in illicit gold from Venezuela, sometimes bartered for sanctioned Iranian oil, easing Iran's cash crisis and Venezuela's chronic gasoline shortages;<sup>44</sup> access to Venezuela's state-sponsored cocaine pipelines across the globe, operating under the protection of senior military officials; and access to contraband markets centered on Isla Margarita, where the Lebanese diaspora community with ties to Hezbollah is concentrated.<sup>45</sup>

In return, Iran and its proxies have helped to stabilize and consolidate the Maduro regime in Venezuela and the marriage of convenience with other external state actors including China and Russia.<sup>46</sup>

In Colombia, Hezbollah remains active in exploiting illicit economies and criminalized markets including using the ungoverned Colombian-Venezuelan border to smuggle drugs, weapons, cash, and other contraband and illicit goods. Hezbollah also operates extensive illicit networks in Free Trade Zones such as in Maicao.

The Maicao Special Customs Regime Zone (*Zona de Régimen Aduanero Especial*, or



ZRAE) was founded in 1999 by joining three neighboring towns of Maicao, Urabia, and Manaure, on Colombia's northeastern Guajira Peninsula, near the country's border with Venezuela. While ZRAE has many of the same problems as other zones in Latin America, some of its operations are distinctive. Maicao is known for its sizable Lebanese community dating back to the 18th century. Studies allege that many of today's Lebanese traders in the locality pay Hezbollah business taxes—because of both extortion and genuine support.<sup>47</sup>

According to the United States Southern Command, Islamist terrorist groups raise between \$300 million and \$500 million each year in duty-free zones such as Maicao.<sup>48</sup> Another feature that distinguishes ZRAE is the poor condition of its infrastructure, which makes it impossible for customs authorities to conduct inspections at Bahia Portete—the only port that services the zone.

Iranian-based criminal organizations are also active across numerous illicit trade areas in the Americas. The U.S. Department of Justice (DOJ) has prosecuted numerous cases involving Iran-back proxies and Iranian-based criminal networks including crimes related to narcoterrorism involving Venezuela politicians and cartels in Mexico, Iran, Syria, and Hezbollah.<sup>49</sup> According to DOJ, Adel El Zabayar was trading arms for cocaine, recruiting extremists from Hezbollah and Hamas for the purpose of helping to plan and organize attacks against U.S. interests, corrupting legitimate institutions in Venezuela, to export and "flood" the United States with cocaine.<sup>50</sup> The indictment also said El Zabayar and his criminal network, the *Cártel de Los Soles*, was working in coordination with designated Foreign Terrorist Organizations, including the FARC, Hezbollah, and Hamas.<sup>51</sup> The Zabayar cartel would reportedly receive cargo planes from Lebanon full of weapons, including rocket-propelled grenade launchers, AK-103s, and sniper rifles.

## Ecuador and Bolivia

Two other nations central to the Bolivarian alliance in Latin America have proved instrumental to Iran's efforts in Latin America – Ecuador, under the administration of Rafael Correa (2007-2017) and the Bolivian governments of Evo Morales (2006-2019) and Luis Arce (2019-present).

The Correa government in Ecuador allowed sanctioned Iranian banks to use an Ecuadoran state bank, with access to the dollarized global financial marketplace from which Iran had been banned, to hide millions of dollars in sanctions-busting purchases for its WMD program and military purchases.<sup>52</sup>

Morales, Arce and their Movement toward Socialism (*Movimiento Al Socialismo – MAS*) party, has maintained a cordial relationship with Iran and received technical support from Tehran over the years. For example, they jointly built a police training center there. In 2011, Morales welcomed Iran's then-Minister of Defense Ahmad Vahidi to the center's inauguration, despite the fact that Vahidi is the subject of an Interpol Red Notice due to his direct participation in the AMIA bombing.<sup>53</sup> With Vahidi at his side, Morales said the school would help defend against "The Empire" and its "imperialist threats, which seek to divide us." Iran and Bolivia have also signed numerous defense and security agreements anchoring technical-military cooperation that could include the transfer of unconventional arms and sensitive technologies.<sup>54</sup>

## Argentina

Before the Iran's 2005 alliance with Venezuela and the Bolivarian bloc, the primary theater of expansion was Argentina. In the early 1980s, Iran and Argentina signed a nuclear agreement



that, when abrogated by Argentina at the request of the United States, led to the 1994 Iranian-sponsored attack on a Jewish AMIA center in Buenos Aires. The attack left 85 people dead and more than 100 wounded. Prior to the 1994 AMIA attack, in 1992 in Buenos Aires, a Hezbollah suicide bomber attacked the Israeli Embassy killing 29 people and injuring hundreds at the Israeli Embassy. The majority of casualties were Argentinians, mainly from children at a school across the street.

In 2015, prosecutor Alberto Nisman's was murdered on the eve of his presentation of an indictment against Argentina's then President Cristina Fernández de Kirchner—on charges of secretly reopening talks with Iran regarding a nuclear program. Nisman was killed inside his apartment hours before he was due to publicly present his case against Kirchner in nation's Congress. There are serious indicators that the murderers were directly tied to the Iranian state.<sup>55</sup>

## Brazil

Brazil is increasingly having to deal with Iranian-related criminal activities including related to drug trafficking and the smuggling of weapons. A Lebanese businessman, Farouk Abdul Hay Omairi was arrested in Foz de Iguacu for cocaine trafficking and other crimes. Omairi's criminal network is reported to have had business ventures with Hezbollah, has also fostered and lucrative illicit trade between Middle Eastern terrorist groups and the Brazilian violent gang, the *Primeiro Comando da Capital* (PCC).<sup>56</sup>

In Operation Trapiche in late 2023, Brazilian Federal Police unearthed plots of Hezbollah-led terror attacks against multiple Jewish and Israeli targets throughout Brazil, and recruitment to

join the terrorist group.<sup>57</sup> Some involved in Operation Trapiche had been investigated earlier for other trafficking crimes, forging documents, and money laundering through anonymous shell companies. Police investigations expanded to include suspects throughout most of Brazil.

One of the suspects of Operation Trapiche revealed that he received terrorist attack instructions from a WhatsApp number in Paraguay. A second key suspect identified in the case had resided in Paraguay before moving to Brazil, and later moved to the city of Belo Horizonte in the Brazilian state of Minas Gerais, where he established two tobacco shops. He had already been under investigation for at least six months before the official launch of Operation Trapiche for financing Hezbollah-related terrorist activities through the smuggling of electronic cigarettes via the TBA.<sup>58</sup> It is worth highlighting, that according to the Brazilian Federal Police the routes used to smuggle electronic cigarettes via the TBA into Brazil are the same as those identified for moving illegal cigarettes.<sup>59</sup> Therefore, there exists a high possibility that the operatives, middlemen, modes of transport etc. also overlap.<sup>60</sup> The suspected involvement of Hezbollah with tobacco smuggling in the TBA is not new. In 2016, a report from the Israeli Ministry of Health pointed out the tobacco was an important source of revenue for the group.

<sup>61</sup>

Some had also financed IHTN's terrorist activities by smuggling illegal cigarettes and vaping tobacco products from Paraguay to Brazil and onwards. On November 8, 2023, the Brazilian Federal Police, the Federal Bureau of Investigation (FBI), and Israeli Mossad conducted a joint operation against three Brazilian citizens who had ties to Syria and Lebanon through smuggling of Chinese-made electronic cigarettes (a thriving illicit trade in the TBA) to help finance Hezbollah operations and recruitment.

<sup>63</sup>

Lebanese criminal groups also linked to Hezbollah have helped the PCC to obtain



Hezbollah have helped the PCC to obtain stolen explosives, arms, drones, and other military-grade materiel.<sup>64</sup> In some cases, mutual beneficial links between Hezbollah and the PCC may be traced back to Brazilian prisons where initially the PCC offered Hezbollah prisoners protection in exchange for illicit market intelligence and access to such markets outside of Brazil.

## Tri-Border Area

For the past three decades the Tri-Border Area where Argentina, Paraguay, and Brazil meet, has been a crossroads for multiple illicit smuggling networks and money laundering activities. Given the region's centuries-long role as a key smuggling hub in Latin America, none of the three countries with primary responsibility for controlling illicit economies in the region have made significant strides in cracking down on the networks operating there.

Among the most active groups, particularly on the Paraguayan and Brazilian sides, are Lebanese diaspora communities whose members retain strong ties to the homeland and whose economic activity centers on importing, exporting and moving funds. Numerous reports have highlighted how Lebanese Hezbollah has received millions of dollars related to numerous illicit activities in the TBA including the smuggling of duty-free goods, drug trafficking, illegal cigarettes, arms smuggling, counterfeiting, and money laundering.

The Barakat clan in the TBA has been sanctioned multiple times for using the hub to launder funds for Hezbollah and other criminal groups. The clan, according to U.S. officials, used "every financial crime in the book, including businesses, to generate funding' for Hezbollah," according to a previous ICAIE report.<sup>65</sup>

Along with the increased exports of charcoal often mixed with cocaine from the TBA, Hezbollah has also engaged in significant trafficking flows of black cocaine as a source of funding.<sup>66</sup> Ali Issa Chamas, a Lebanese drug trafficker, had been trafficking in black cocaine with Colombian criminal partners prior to his arrest in 2016 by Paraguayan authorities.<sup>67</sup>

In Paraguay, former president Horacio Manuel Cartes, and Hugo Adalberto Velazquez Moreno (Velazquez), then the sitting Vice President, were sanctioned by the U.S. Department of the Treasury on January 26, 2023, for their involvement in rampant corruption and for having ties to members of Hezbollah, including the use of the companies owned or controlled by Cartes such as Tabacos USA Inc.<sup>68</sup> In recent years, Cartes has been investigated by Brazilian Federal Police for his network's trafficking in illicit cigarettes and other contraband, and money laundering, through the Paraná River and Lake Itaipú, as well as other routes in the Triple Border, and the region. Interestingly, Cartes tobacco companies have also been connected to transfers worth over \$1.8 billion paid to entities in North Korea between 2015 and 2017.<sup>69</sup>

Given the profitability of illicit trade in the TBA for Hezbollah, it is feasible that other IHTN allies such as Hamas could potentially fund its terrorist activities in Gaza and the West Bank by expanding their terrorist financing footprint in Brazil and TBA. In October 2023, a Saudi-led Arab security coalition in Yemen seized illegal drugs at the port of Aden including cocaine and heroin from Brazil that was allegedly facilitated by Hezbollah.<sup>70</sup>

## Canada

Canada has become a safe haven for the world most notorious criminal groups and threat finance networks including Iranian-back militias such as Hezbollah and Hamas.<sup>71</sup> A few highlights in the past few





years include Canadian authorities opening numerous investigations against various Canadian-based entities suspected of funding the Palestinian organization including by the Royal Canadian Mounted Police (RCMP) and the Canada Revenue Agency (CRA), the country's tax authority.<sup>72</sup> For example, the CRA targeted the International Relief Fund for the Afflicted and Needy—Canada (IRFAN-Canada), an organization that had been named in the Holy Land Foundation (HLF) in one of the largest terrorist financing and criminal cases in the U.S., as an unindicted co-conspirator considered to be one of the “entities that are and/or were part of the Global Hamas financing mechanism.”<sup>73</sup> The CRA reported that IRFAN had raised tens of millions of dollars in Canada to help Hamas.

Also in Canada, the Cullen Commission in its hearings found numerous connections between government casinos in British Columbia, casinos in Macau and Las Vegas, and international drug traffickers and loan sharks moving money between Vancouver, Latin America, and Asia via Chinese underground banks, alternative remittance systems, and the purchase of real estate. More serious harms related to the scale of the laundering of dirty money imputes numerous industries and professional enablers in Canada that help move money for the Mexican cartels, Asian syndicates, Chinese corrupt officials, and terrorist groups including Hamas, Hezbollah, and al-Qaeda.<sup>74</sup>

Other cases have highlighted how Canadian nationals and underground currency exchanges have helped Iran evade sanctions and assisted in the laundering of funds for money service facilitators for terrorist financing operations of both Hezbollah and Hamas.<sup>75</sup> Police investigations and wiretaps evidence have also revealed in Canadian court cases high profile Iranian criminal networks controlling the

Vancouver port, and other Canadian ports, and partnering with Hells Angels and Mexican cartels. In Toronto, RCMP's Project Harrington<sup>76</sup> further revealed Iranian crime networks including, Jahanbakhsh Meshkati, involved with the massive cartel operations. Meshkati was also known for his ‘encrypted blackberry businesses’ and had access to the Halifax Port where military personnel were compromised relative to a massive cocaine importation ring.<sup>77</sup>

In late January 2024, the U.S. Department of Justice and U.S. Treasury warned about Iranian plots targeting Tehran's opponents including dissidents, journalists, activists, and former Iranian officials for assassination, kidnapping, and hacking operations across numerous countries in the Middle East, Europe, and North America.<sup>78</sup> The U.S. Government warned that the Iranian regime increasingly relies on organized criminal groups in furtherance of these plots in an attempt to obscure links to the Government of Iran and maintain plausible deniability. Specifically, it was alleged that Iran had<sup>79</sup> alleged hired the Canadian Hells Angels criminal gang to conduct such assassinations on U.S. soil.<sup>80</sup>

## Mexico

As ICAIE has earlier reported, many transnational criminals are ideologically agnostic, and in some threat environments, criminal groups have become partners work together to advance mutual strategic objective, be it financial rewards, provide specific criminal services, supply weapons or share military doctrinal approaches.

For example, some reports have informed on how Hezbollah has had training bases and cells in Mexico over the years and cooperated with drug cartels, especially Los Zetas.<sup>81</sup> Hezbollah

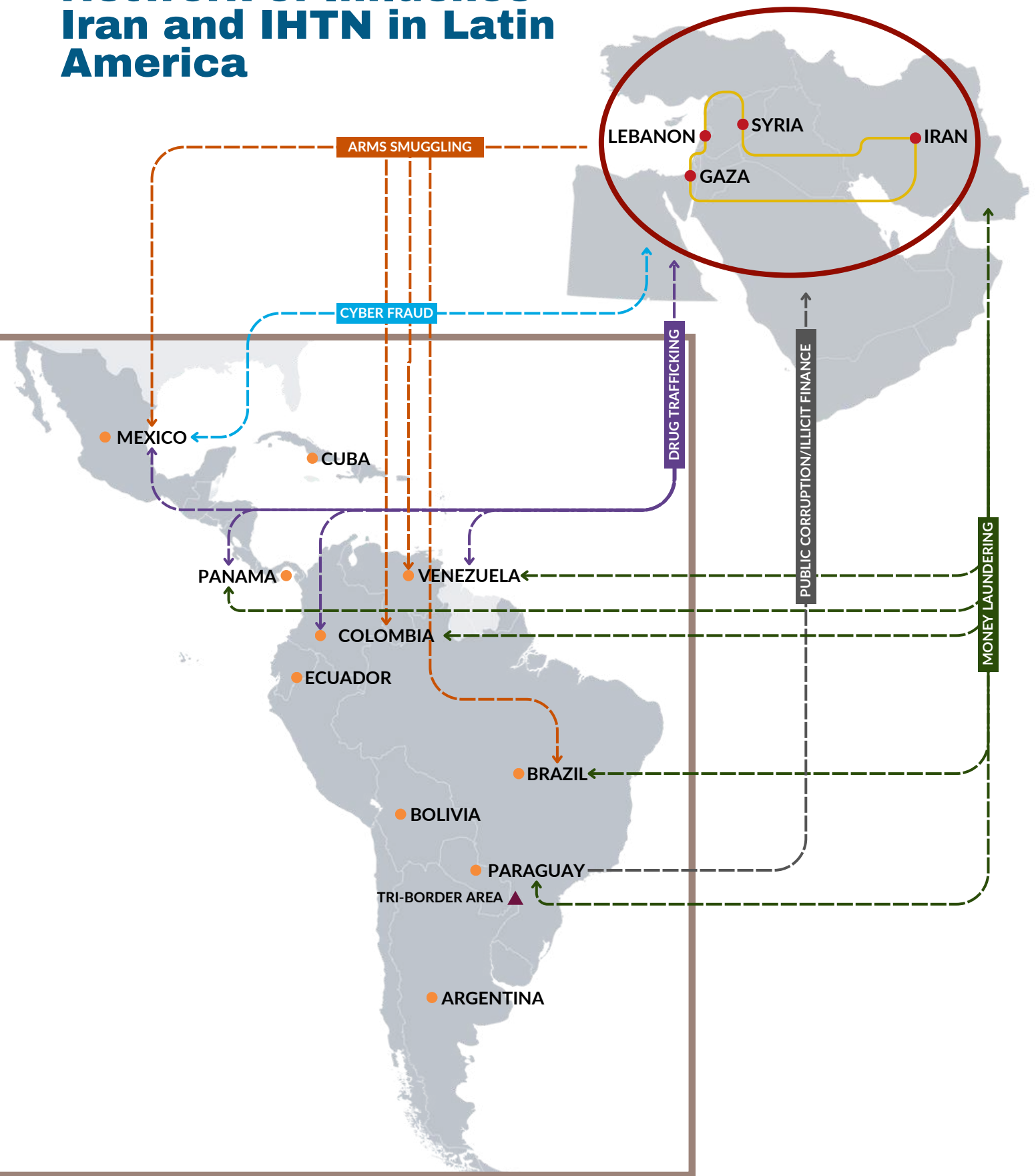


has assisted the Mexican cartels in manufacturing bombs and explosives, and in some instances, may have also provided other technical support that may have been used to transport and smuggle clandestinely weapons and drugs.<sup>82</sup> In June 2022, the former mayor of Aguililla City, Adalberto Fructuoso Comparán Rodríguez, was extradited (and indicted) to the United States from Guatemala related to charges of drug trafficking.<sup>83</sup> While in custody, a co-conspirator, confessed that the 550 kilos of methamphetamines that were seized, destined to Miami, came from Mexican laboratories run by Hezbollah.

There remain some concerns about how Mexico can be leveraged by the IHTN as a proximate platform for “sleeper cells” to launch attacks in the United States.<sup>84</sup>



# Network of Influence Iran and IHTN in Latin America



- DIRECT CONNECTIONS  
*Political, ideological, and historical ties.*
- - - ILLICIT ACTIVITIES  
*Drug trafficking, money laundering, public corruption, cyber fraud, and arms smuggling.*

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# **THREAT CONVERGENCE**



# Iran's Criminality Against Americans Overseas and Attempted Attacks on the U.S. Homeland

Iran has also sponsored numerous complex and costly terrorist plots against the United States from Latin America in the American homeland.

Unlike the AMIA bombings in Argentina and Lebanon, the Iranian plots against the U.S. homeland have been unsuccessful due to good intelligence and luck, but demonstrate Iran's willingness to attempt to strike when the leadership feels it is possible and feels threatened by the United States. This is particularly true when Iran and its allies are under significant external pressure, as they are now, and the recent Hamas attacks in Israel on October 7, 2023.

Among the documented plots in the United States include:

- The 2007 attempt to bomb gas pipelines underneath JFK International Airport;<sup>85</sup>
- The October 2011 plot by elements of the Qods Force, the elite arm of the Iranian Revolutionary Guard Corps, to hire a hitman from the Los Zetas Mexican drug cartel for \$1.5 million to assassinate the Saudi ambassador to the United States in Washington, D.C. The would-be assassin was paid \$100,000 up front by a member of the Qods Force.<sup>86</sup>
- Multiple attempts to hack into U.S. defense and intelligence facilities and launch widespread cyber-attacks in the United States, in coordination with Venezuela and Cuba.<sup>87</sup>

In a 2022 congressional testimony before a U.S. Senate subcommittee, FBI Director Christopher Wray stated, "The arrests of individuals in the United States allegedly linked to Lebanese Hizballah's main overseas terrorist arm, and their intelligence collection and procurement efforts, demonstrate Lebanese Hizballah's interest in long-term contingency planning activities here in the Homeland."<sup>88</sup>

Similarly, in a 2022 joint study by George Washington University, West Point, and the National Counterterrorism Innovation, Technology, and Education Center (NCITE), reported that "128 individuals linked to Hezbollah had been involved in U.S. federal criminal cases between 1997 and 2020. Most individuals (87%) were charged with providing financial or material support to Hezbollah, while 13% were charged with operational support—including human smuggling, weapons procurement, and surveillance."<sup>89</sup>



## Threat Convergence: Iran's Illicit Economies

Iran's Illicit Economies. Often the illicit pipelines connect the IHTN intersects with criminality in Iran. Iran accounts for a large share of heroin seizures worldwide. As the U.S. Department of State has reported, "Opiates, cannabis products, and methamphetamine transit to and through Iran, the vast majority of which originate in Afghanistan. Significant volumes of methamphetamine are also produced and consumed within Iran and trafficked to international markets around the world. Drugs transiting Iran primarily enter the country from Afghanistan and Pakistan and are then transported onward to Europe and other illicit markets across Iran's northern borders with Turkey and Azerbaijan, as well as by sea from Iran into Eastern Africa for further transshipment. Corrupt elements within the Islamic Revolutionary Guard Corps (IRGC) reportedly facilitate illicit drug smuggling or profit from the drug trade."<sup>90</sup>

On February 2, 2024, the U.S. Department of Justice announced several terrorism and sanctions-evasion charges and seizures linked to illicit Iranian billion-dollar global oil trafficking Network that finances Iran's IRGC, and its Qods Force, and its malign activities, and for cultivating and providing lethal support to terrorist organizations abroad.<sup>91</sup>

According to the Organized Crime 2023<sup>92</sup> Index Global Initiative Against Transnational Organized Crime (GITOC), other Iranian cross-border illicit activities advanced by the IRGC and Iranian criminal groups include:

- Human trafficking is widespread in Iran, primarily involving sex trafficking, forced labor and the recruitment of child soldiers. The country is situated along one of the main human trafficking routes in the region, with young women being trafficked from Asia into Europe and the Gulf.
- Arms trafficking is a key element of Iran's regional geopolitical strategy. The country is a major supplier of conventional weapons to countries in Western Asia, as well as North Africa and Russia. Many non-state actors in the region also use Iranian arms, ammunition and drones, and Tehran's support contributes to military capacities in Syria, Iraq, Lebanon, Sudan, Yemen, the Palestinian Territories (Gaza and the West Bank, and Somalia.
- Financial crime is a pervasive issue in Iran, with economic fraud, misuse of funds, embezzlement and large-scale tax evasion being the most common types of financial crimes in the country. The number of corruption and embezzlement cases in the country has tripled in recent years.
- Criminal activities in Iran are mainly carried out by state-embedded actors and criminal networks. As noted in this ICAIE policy brief, the IRGC continues to strengthen strong alliances with criminal and terrorist organizations both within Iran and internationally.

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# **CASE STUDIES**

## CASE STUDY

# The Rabbani Network

Across Latin America the convergence point for terrorist activities and illicit financial flows is Moshen Rabbani, a cleric who dedicated his life's work to spreading Iran's influence in the region.

Rabbani represents to intersection of the Iranian state, religious leadership and Hezbollah, and his network is key to the IHTN efforts in Latin America. Rabbani personally oversees Iranian and Hezbollah activities in Latin America. He also lectures and orients Latin American students who are sent to study in Qom, where Rabbani is the international affairs advisor to the Al-Mostafa Al-Alam Cultural Institute.<sup>93</sup> He remains a public figure despite the Interpol Red Notice issued for his arrest, along with six other Iranian officials, for the AMIA bombing as well as other charges of terrorism.

These actions were consistent with the U.S. intelligence community's now-declassified assessment from 1987 regarding Iran's actions and motivations. The CIA wrote in its October 22, 1987, Terrorism Review that:

Iranian leaders view terrorism as an important instrument of foreign policy that they use both to advance national goals and to export the regime's Islamic revolutionary ideals. They use it selectively and skillfully in coordination with conventional diplomacy and military tactics. We believe most Iranian leaders agree that terrorism is an acceptable policy option, although they may differ on the appropriateness of a particular act of terrorism.<sup>94</sup>

With the Red Notice limiting his travel and his years of recruitment activities, Rabbani has a broad network and solid network across the region. Among the leading network members are:

- Sheik Abdallah Madani, imam of the Al Imam Mosque in Buenos Aires and a Rabbani disciple. That mosque is the headquarters for the Islamic-Argentine Association, one of the most prominent Islamic cultural centers in Latin America.<sup>95</sup>
- Sheik Mohamad Jafaar Khalil, identified by Brazilian and Paraguayan intelligence as Rabbani's main representative in the Tri-border area and leader of the radical Shi'a mosque in the area.
- Sheik Karim Abdul Paz (formerly Santiago Paz Bullrich), an Argentine convert to Shiite Islam that studied under Rabbani in Qom for five years, is now the imam of a cultural center in Santiago, Chile. Abdul Paz is one of the most prominent pro-Iranian clerics in the hemisphere, and is one of the few Shi'a leaders to maintain a visible public presence.<sup>96</sup>
- Sheik Suhail Assad (formerly Edgardo Assad Saleh), another Argentine convert to radical Islam and Rabbani disciple, is a professor at the University of Santiago in Chile.<sup>97</sup> He lectures at universities throughout Latin America and appears frequently on television. He is a key link between the Rabbani Network and the Central American Hezbollah network. He and Abdul Paz are married to sisters.



- Mohammad Baquer Rabbani Razavi, Rabbani's brother, is the founding father of the Iranian Association in Brazil.<sup>98</sup>
- Sheik Khaled Taki Eldyn, a radical from the São Paulo Guarulhos mosque that is believed to have hosted at least 20 operatives of Hezbollah, al-Qaeda, and the Islamic Jihad.<sup>99</sup>
- Mustafa and Fatima al Salvadori, a Salvadoran couple that spent more than five years in Qom in a special studies program under Rabbani's direct tutelage.
- Luis D'Elia, Argentine union leader implicated in the 2015 assassination of Argentine prosecutor Alberto Nisman. D'Elia was recorded by Argentine intelligence speaking directly to Rabbani in Iran frequently, including in the days before Nisman's murder.<sup>100</sup>



# The IHTN, TCOs, and Enablers

As noted, the IHTN is directly involved in a multitude of illicit activities, from cocaine trafficking to money laundering to smuggling and contraband of cigarettes, electronic goods and many other products over the past two decades. IHTN leverages a worldwide network of illicit businesses, criminal enterprises, and financial facilitators to maintain a robust global presence across illicit markets to raise and launder large amounts of money in the United States, Canada, the Americas, and across borders. Among some of the other documented cases include:

## Drug Trafficking

- A cocaine-smuggling ring active throughout the 2000s and led by a Hezbollah-linked Lebanese national named Chekry Harb, a drug trafficker and money laundering kingpin who went by the nickname “Taliban” and used Panama and Venezuela as critical hubs in an operation that sent narcotics from Colombia to the United States, West Africa, the Middle East, and Europe.<sup>101</sup>
- In December 2011, U.S. officials charged Ayman Joumaa, an accused Lebanese drug kingpin and Hezbollah financier, of smuggling tons of U.S.-bound cocaine and laundering hundreds of millions of dollars with the Zetas cartel of Mexico, while operating in Panama, Colombia, the DRC and elsewhere. His network was linked to the Harb network.<sup>102</sup>

## Money Laundering

- In Latin America, there have been instances where hawala-like networks have been used to facilitate trade and financial transactions with Iran. These transactions may be used to evade sanctions or for the laundering of money derived from various forms of illicit activity, including drug trafficking and other crime predicates of money laundering. The lack of transparency and regulation in hawala transactions in the region make it challenging to track these financial flows. Historically and culturally in Persia/Iran, gold is often used to provide “counter-valuation” between hawala brokers. In recent months, Hamas turned to social media to raise funds and facilitate donations including bitcoin and other cryptocurrencies,
- IHTN illicit financiers have been known to be present across other ports and free trade zones (FTZs) across the Americas including in the Port of Santos in Brazil, Isla Margarita in Venezuela, la Zona Aduanera Especial de Maicao in Colombia, la Zona Franca de Ciudad del Este in Paraguay, and the Zona Franca de Corozal in Belize.
- Assad Ahmad Bakarar, was arrested in 2002 in Brazil. In a raid of one his Paraguayan properties prior to his arrest, Bakarar was discovered to be transferring approximately \$250,000 monthly to the Middle East, with much of the money going to Hezbollah. He was also implicated in the sale of pirated software smuggled from Hong Kong, and the smuggling of electronic equipment.
- Abdul Mohammad Waked and Nidal Ahmed Waked, along with 68 companies operating in Panama, including the Colon Free Trade Zone, were sanctioned by the



U.S. Treasury Department in May 2016 for massive money laundering, including funds allegedly transferred to Hezbollah.<sup>103</sup>

- Chinese-Iranian trade relations are long-standing. Current relations are rooted in both countries' having authoritarian regimes and historical narratives that characterize the international system as unjust and dominated by Western powers. China and Iran have developed a broad and deep partnership centered on China's energy needs and Iran's abundant resources as well as significant non-energy economic ties, arms sales and defense cooperation, and geostrategic balancing against the United States.
- The links between Chinese and Iranian organized crime in Latin America can be complex and multifaceted, involving a range of illicit activities. The presence of diaspora communities can sometimes be leveraged by organized crime groups for establishing networks and facilitating criminal activities across borders. However, the extent and nature of these clandestine links can vary widely and are shrouded in secrecy.
- Organized crime groups from both countries may be involved in smuggling goods, including wildlife, drugs, and counterfeit products, through Latin American routes. These activities can be facilitated by corruption and the exploitation of weak governance structures in the region.
- Chinese investments and infrastructure projects in Latin America, while legitimate in many cases, can also provide cover for illicit activities by organized crime groups, including money laundering and the establishment of logistical networks, including the use of Chinese controlled Free Trade Zones, that can be used for criminal purposes.

## Public Corruption

- In January 2023 the U.S. Treasury Department sanctioned former Paraguayan president Horacio Cartes and then vice president Hugo Velásquez for corrupt activities, charging that both have ties to members of Hezbollah, and that Hezbollah regularly "held private events in Paraguay where politicians make agreements for favors, sell state contracts, and discuss law enforcement efforts in exchange for bribes. Representatives of both Cartes and Velazquez have collected bribes at these meetings."<sup>104</sup>

## Weapons Transfer

- The July 6, 2009, indictment of Jamal Yousef, a former Syrian military officer arrested in Honduras, was indicted for trying to sell weapons to the FARC. His arrest exposed a weapons cache of 100 M-16 assault rifles, 100 AR-15 rifles, 2,500 hand grenades, C4 explosives and antitank munitions that was being stored in Mexico. He reported that the weapons had been stolen from Iraq with the help of Hezbollah.<sup>105</sup>

## Illicit Gold

- In Latin America, the illicit gold trade is a significant concern. Criminal organizations, including drug cartels, have been known to use illegal gold mining and trade as a means to launder money. The process typically involves illegally mined gold being



sold at a discount for cash, which is often the proceeds of drug trafficking or other criminal activities. The gold is then smuggled, or its origin is disguised through falsified documentation, making it appear as if it comes from legitimate sources. It is a form of TBML.

- There are many Iranian and Lebanese money laundering centers in Latin America including the Colon Free Trade Zone and the Tri-border area. Within these centers, hawala is sometimes used to facilitate money laundering. For example, hawala can be used to transfer the proceeds from the sale of illicit gold across borders without the funds being moved through the formal banking system, thereby avoiding regulatory scrutiny. Hawala allows for the settlement of international trade transactions without the need for formal banking channels. This can be particularly useful for criminal organizations looking to settle transactions involving illicit gold.
- Once the gold is sold, the proceeds can be converted into other currencies or assets through hawala networks, further obscuring the origin of the funds. Hawala networks can be used to evade sanctions and other financial controls that might prevent the sale of gold or the transfer of funds through formal channels.

## Counterfeit and Pirated Goods

- Hezbollah operatives have been very active in the multi-billion-dollar illegal trade in counterfeit and pirated goods for years including in the manufacturing and trafficking of fake luxury apparel, footwear, medicines, electronics, music CDs, pirated movies, computer software, and other illicit goods. The Federal Bureau of Investigation (FBI), INTERPOL, the U.S. National IPR Coordination Center, and other law enforcement agencies have reported on how counterfeiting is increasingly a profitable area for terrorist groups such as Hezbollah, Hamas, ISIS, and Al-Qaeda.

## Illicit Cigarettes

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- Illicit cigarettes remain a profit illicit stream for Hamas and Hezbollah to finance their terrorist operation in the Americas, and globally, including through Free Trade Zones (FTZs), and smuggling into the United States to send terrorist funds overseas.
- Illicit trafficking in cigarettes, a \$40-50 billion illicit trade activity, is a major source of corruption and criminally-derived profits that helps to expand other crimes. Such a loss of revenue imperils governments to build roads, hospitals, schools, and other critical infrastructure and social services to help communities have a bright future.
- A few years ago, the U.S. Department of States released a report that underscored how illicit tobacco flows fuel transnational crime, corruption, and terrorism. It was report that many of the world's leading terrorist group regularly relay on illicit cigarettes for funding including al- Qaeda, the Taliban, Hezbollah, and Hamas. In Afghanistan, next to the heroin trade, illicit cigarettes are a lucrative illicit market for Taliban militias.
- As noted above, the tri-border area of Paraguay, Brazil, and Argentina remains a major center of threat finance. "Illicit whites," produced in Paraguay, are a major currency of terrorist funding, including groups such as FARC and Iranian-back proxy militias in the region.
- Evidence-based research by the OECD, the Terrorism, Transnational Crime, and



Corruption Center (TraCCC), and ICAIE has shown how the illegal tobacco trade is exploited by transnational criminal organizations and terrorist organizations such as Hezbollah, Hamas, and other Iranian-back militias in Latin America to carry out attacks in the region, against American citizens, U.S. Armed Forces in the Middle East, and other parts of the world.

- Iranian criminal organizations and Hezbollah have been documented to build alliances with the Mexican cartels, the Chinese triads, and other bad actors.<sup>108</sup>

## Cyber Fraud

- The 2012 arrest of three men suspected of operating a Hezbollah cell in the Yucatan Peninsula. The men were engaged in a credit card fraud scheme designed to bail out Hezbollah members arrested in the United States. They were using false passports issued by the government of Belize.<sup>109</sup>

## Artwork and Diamonds

- In 2023, Treasury and Justice disrupted a large international money laundering and sanctions evasion network involving over 52 people and entities located across the globe. The Nazem Ahmad illicit finance network was involved in an array of activities<sup>110</sup> including the transfer, shipment, and delivery of cash, precious gems, art, and luxury goods on behalf of Hizballah.<sup>111</sup>
- In April 2023, U.S. DOJ attorneys indicted Ahmad and eight co-defendants with conspiring to defraud the United States and foreign governments, evade U.S. sanctions and customs laws, and conduct money laundering transactions by securing goods and services for the benefit of Ahmad, a Lebanese resident and dual Belgian-Lebanese citizen who was sanctioned by the United States for being a financier for Hezbollah. According to the DOJ charges, Ahmad and his coconspirators relied on a “complex web of business entities to obtain valuable artwork from U.S. artists and art galleries and to secure U.S.-based diamond-grading services all while hiding Ahmad’s involvement in and benefit from these activities. Approximately \$160 million worth of artwork and diamond-grading services were transacted through the U.S. financial system.”<sup>112</sup>
  - “With operations in Beirut, Lebanon; Dubai, United Arab Emirates; Johannesburg, South Africa; and Hong Kong, Nazem Said Ahmad directs a global network of family members, associates, and companies that take advantage of the permissive nature of the global diamond, precious gems, and art market to facilitate payment for, and shipment and delivery of, luxury goods...The network also uses aliases, front companies, and fraudulent paperwork to enable Nazem Said Ahmad to purchase or consign high-priced luxury goods and artwork from auction houses and galleries worldwide. The network undervalued invoices for imported goods and cleared bulk items through seaports, leveraging Hizballah’s influence at these ports of entry to move assets into Lebanon without paying the applicable taxes and duties.”<sup>113</sup>

## CASE STUDY

# The Emtrasur Airline Flight

There are few cases that more clearly demonstrated the ability of multiple groups in the IHTN to work together politically and criminally than the flight of an Iranian-Venezuelan 747-300 aircraft belonging to Emtrasur that was detained in Argentina since May 2022.

Several of its Iranian flight crew members were linked to terrorist activities, and some used their standing as crew members to vanish at different points of the flight. The aircraft first landed in Ciudad del Este, Paraguay as a private flight before flying to Aruba, reportedly carrying tons of contraband cigarettes from a Cartes-owned cigarette factory, as a commercial flight.

The crew of the aircraft was comprised at the time of 14 Venezuelans and five Iranians and the pilot of the flight, Gholamreza Ghasemi, was identified as a member of Iran's Quds Force and director of Oeshm Fars Air, an airline designated by the U.S. government as a terrorist entity.<sup>114</sup>

The aircraft then flew to Mexico, then to Caracas, before continuing onward to Buenos Aires, Argentina. When the flight crew attempted to depart Argentina for neighboring Uruguay, the Uruguayan government refused to grant it permission to land, forcing the aircraft to return to Buenos Aires, where the aircraft and 19 crew members – including five Iranians – were detained.<sup>115</sup> The aircraft and most of the crew were released in September 2022.



Movements of the Venezuelan Iranian Flight  
(Marianne Richardson, IBI Consultants)



**MALIGN  
INFLUENCE**



# Shaping the Information Environment

The long-standing, trust-based ties provide between the BJCE and the IHTN network provide the ability to shape the information environment reaching far beyond Iran and Hezbollah. In this joint effort, they spread the narrative of the United States as an imperialist force and the perpetrator of violence and instability in Latin America. These efforts have grown significantly in the past decade to undermine not only American foreign policy objectives, but also to help control the information space to shape anti-democracy messages. These ongoing and multi-faceted campaigns of disinformation and carefully curated messages are coordinated with Russian and Venezuelan state media companies and thousands of allied internet and social media accounts. Together these efforts pose a strategic challenge to U.S. interests and regional efforts to promote stability, democratic values, and the rule of law.

As part of its regional strategy, Iran created a network of expanding echo chambers whose foundations are Iran's state owned 24-hour satellite station HispanTV; TeleSur, the Bolivarian radical populist network based in Venezuela; and *Actualidad RT*, the Russian state news service. These platforms operate in tandem with social media accounts on platforms such as Twitter, Facebook, Instagram, WhatsApp, and Telegram chat groups to coordinate narratives that are pushed from small platforms to mainstream media content in a relatively short period of time.

These narratives are then disseminated by a small corps of "super spreaders" and well-funded think tanks to push the same messaging across broader intellectual communities. Open-source data analysis identifies how these individuals act as cultural translators across different revolutionary settings and platforms. These crucial interlocutors hold various positions across a broad network of actors, including one senior member of the current Spanish government.<sup>116</sup>

Several individuals that work for at least two of the three outlets in the study, appear on the main websites in the echo chamber, and repeat each other's reporting on an ongoing basis, including anti-U.S. and anti-Israel attacks, defenses of Iran and praise the Maduro regime and its allies. These individuals were identified through data mining of bylined journalism reports:

- Pablo Jofré Leal, Chile (HispanTV, TeleSur, RT Español, Sputnik News, Islam Oriente, and multiple websites)
- Pablo Iglesias, Spain (HispanTV, TeleSur), member of Spain's governing coalition)
- Carlos Aznarez, Argentina (HispanTV, TeleSur, RT Español)
- Leonardo del Grosso, Argentina (HispanTV, TeleSur)
- Marcelo Colussi, Argentina (HispanTV, TeleSur, RT Español)

Chilean academic Pablo Jofré Leal and Pablo Iglesias, a young, charismatic, Spanish politician who leads the left-wing Podemos party are among the most important "Super Spreaders," providing pro Iran and Hezbollah content to multiple major media outlets.<sup>117</sup>





The messaging is amplified still further by the participation of Iran, Hezbollah and their proxies in multiple international forums such as the Foro de São Paulo, where Latin America's radical left groups mix with Iranian, Russian and other like-minded anti-U.S. groups; the Puebla Forum, with a similar structure and reach; and dozens of other regional meetings each year.





# Conclusions and Recommendations

Iran's illicit and threat networks continue to harm U.S. national interests in Latin America, and around the world. Across the Americas, the IRGC, Islamic militia proxies, and Iranian-backed organized criminals are destabilizing governments, manifesting subversive activities, profiting from illicit trade, and plotting for possible attacks in the US homeland, as kinetic responses warrant and retaliatory needs arise. Iran's actions, both directly and through proxies, are increasing cooperating with ideologically agnostic transnational criminal groups including the Mexican cartels, the PCC, BJCE alliance, Chinese triads, and others, to enable IHTN to thrive and expand across the Western Hemisphere.

Iran will continue to leverage multiple strategic lines of effort in Latin America, aided by a broad network of criminal and terrorist allies and proxies, including sanctions evasion, acquiring funds through multiple illicit economic activities, successful and unsuccessful terrorist attacks, and the deployment of a massive mis- and disinformation campaign structure. The activities, often viewed as merely a series of nuisance or annoyance operations with little strategic importance or value.

Iran has also moved closer economically and militarily with Russia and China. In 2022, Iran joined the Shanghai Cooperation Organization and joined the BRICS.

The primary overlapping point of convergence between the self-described 21st Century Socialism of the BJCE and Iran's radically conservative Shi'a Islam theocracy is a shared vision of the United States as their principal enemy. This vision and accompanying military doctrine of asymmetrical warfare and long history of the IHTN's direct involvement in terrorist attacks, document sale of offensive weapons systems, and transnational criminal activity, underscore the naivete of that conclusion.

Since the 1979 revolution, Iran's fortunes ebbed and flowed in Latin America. The period of 2005-2015 represented the height of Iran's influence as it joined forces with the BJCE, creating joint military training and doctrine, building the architecture for important illicit pipelines, and forging opportunities to build relationships and clandestine networks. All of these factors remain in place and the IHTN-BJCE alliance is again resurgent as U.S. interest wanes and resources to combat the IHTN are cut.

ICAIE recommends that the United States Government make the disruption of dismantling of IHTN, their dirty money, and their facilitators, a higher national security priority in the Americas (and linked hubs globally):

- Expand the Hezbollah International Financing Prevent Act to examine threat convergence with other Iranian-backed proxies including Hamas' illicit financial flows, terrorist financing networks, transfers of dirty money and value to IHTN, and enforcement of existing sanctions (and target sanctions-evasion efforts



(and enforcement of existing sanctions (and target sanctions-evasion efforts across jurisdictions).

- Encourage the U.S. Congress to pass the Combating Cross-Border Financial Crime Act of 2023 to combat cross-border illicit finance, establish a Cross-Border Financial Crime Center, improve the Trade Transparency Unit (TTU) program, and adopt multi-disciplinary law enforcement strategies across borders to counter threat convergence and hubs of illicit trade.
- Galvanize support for the U.S. Congress to create a bi-partisan Congressional Anti-Illicit Trade and Financial Crime Caucus (CAIT-FCC) to elevate, shape, and guide multi-dimensional approaches and collective action to combat cross-border illicit economies and financial crime with legislative and policy goals.
- Strongly urge the Biden Administration to issue a 2024 National Strategy to Counter Trade-Based Money Laundering (C-TBML) that help lead to more investigation, prosecutions, and disruptions of bad actors and threat networks exploiting TBML as a weapon to move dirty money and finance greater criminality, corruption, and terrorism.
- Devote more resources and capabilities to expand intelligence, law enforcement, and security operations into surfacing the scale of IHTN, Iranian organized criminal syndicates, and pinpoint the professional enablers facilitating illicit trade, money laundering, malign influence, and political interference.
- Enhance information sharing with private sector to identify vulnerabilities and surface IHTN bad actors, criminal alliances, and professional enablers including identifying critical corruption nodes, illicit trafficking routes, and key financial safe havens for IHTN and state-sponsored criminalized joint ventures with BJCE, China, Russia, and North Korea, their proxies, and shell companies that collectively pose elevated risks to U.S. national security.
- Encourage the U.S. Congress to pass the Establishing New Authorities for Businesses Laundering and Enabling Risks to Security (“ENABLERS”) Act in 2024. The ENABLERS Act would require those who provide certain financial services to their clients, such as forming or registering a company, setting up a trust, or managing money (services typically provided by certain lawyers or accountants) to adopt basic anti-money laundering (“AML”) procedures that can help detect, flag, and prevent the laundering of corrupt and other dirty money into the U.S.
- Call on the U.S. Department of Justice (DOJ) to robustly implement the newly enacted Foreign Extortion Prevention Act (FEPA), which makes it a crime for a foreign official to demand or receive a bribe from an American or American company, including by issuing public guidance that anticorruption watchdogs, American businesses, and other stakeholders can use to report potential violations of the law.



## Strategic Foresight and Market Security Threat Mitigation

Harness ICAIE Labs to innovate new possibilities with AI and convergence technology tools to help ICAIE partners across sectors using threat intelligence, prescriptive analytics, and machine learning to understand and solve mission critical challenges such as identifying illicit threat vectors, disrupting black markets, and enhancing more effective investigations against criminal actors and nefarious malign networks. With an eye towards full-spectrum investigations, our ICAIE fusion-generated threat intelligence, powered by next defense ingenuity, will help bridge the gaps between private industries and committed governments to counter illicit vectors and navigate transnational risks such as Iranian-backed proxy militias and other threat networks.

## Axis of Resistance

In February 2024, Iran on several occasions vowed to continue supporting Hezbollah, Hamas, and other Iranian-backed militant groups.

On February 7, 2024, Iranian Supreme Leader Ali Khamenei opines that the current armed violence in the Middle East evinces that the current world order is "invalid and unsustainable and will disappear."<sup>118</sup>

On February 10, 2024, the Iranian-backed Islamic Resistance in Iraq (IRI) and the paramilitary force, Kata'ib Hezbollah, announce that they will resume attacks on US targets and American troops:

"[H]ell is coming."<sup>119</sup>



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## Douglas Farah

Douglas Farah is a senior adviser to the International Coalition Against Illicit Economies (ICAIE) and founder and president of IBI Consultants, LLC ([www.ibiconsultants.net](http://www.ibiconsultants.net)), a consulting firm that specializes in field research studying security challenges and transnational organized crime in Latin America. Its clients include the U.S. government (DOD, State Department), leading think tanks (CSIS, Atlantic Council) and the private sector.

From September 2013 to September 2022 Farah was a visiting senior fellow at the Center for Strategic Research at National Defense University, where he directed the Western Hemisphere Illicit Network Review project under the auspices of the Deputy Secretary of Defense for Counternarcotics and Global Threats. In that position Farah frequently briefed his research findings across the interagency and intelligence communities, both at the classified and unclassified levels, including USSOUTHCOM, USSOCSOUTH and JIATF-S. Farah has also done contract work for the State Department, Department of Homeland Security and Drug Enforcement Administration (DEA).

Farah frequently guest lectures at universities and briefs senior military and government audiences and has also testified before Congress more than a dozen times. For the two decades before founding IBI Consultants in 2005, Farah worked as a foreign correspondent and investigative reporter for The Washington Post covering civil wars in Central America, conflict and organized crime in South America, blood diamond and gold wars in West Africa, and radical Islamic finances. He is the author of dozens of peer reviewed academic studies and is the author of two books:

*Blood From Stones: The Secret Financial Network of Terror*, Broadway, New York, 2004  
*Merchant of Death: Money, Guns, Planes and the Man Who Makes War Possible*, J. Wiley, New York, August 2007. (With Stephen Braun).

In 2024, ICAIE will launch a new Mapping Latin America Security Threats Program spearhead by Farah. The program will build on decades of experience in illuminating and combating the convergence of illicit economies and money movements, corruption systems, transnational organized crime networks, and terrorist groups in Latin America.





## David M. Luna

David M. Luna is the Founder and Executive Director of the International Coalition Against Illicit Economies (ICAIE) working across sectors to advance public-private partnerships to tackle hubs of illicit and threat convergence vectors around the world. A former US diplomat and national security official, David is a globally-recognized strategic thought leader, advocate for security of humanity, and a leading voice internationally on cross-border security threats, international affairs, geopolitical risks, illicit trade, organized crime, terrorism, threat finance, and illicit economies ("dark side of globalization") that fuel greater insecurity and instability around the globe.

David held numerous senior positions with the U.S. Department of State, Bureau of International Narcotics and Law Enforcement Affairs (INL), including directorships for national security, transnational crime, and anti-corruption and good governance; and advisor to the Secretary's Coordinator for the Rule of Law. David also served as an Assistant Counsel to the President, Office of the Counsel to the President, The White House; and other positions with the U.S. Department of Labor and U.S. Senate. David is currently the Chair of the Business at OECD Anti-Illicit Trade Expert Group (AITEG); Chair of the Anti-Illicit Trade Committee (AITC), United States Council for International Business (USCIB); Chair of the Peace & Security Committee, United Nations Association of the USA – National Capitol Area (UNA-NCA); Member of the Business Twenty (B20/G20); Advisory Council Member, Transparency International US, and Chair of a Summit for Democracy (S4D) Kleptocracy and Illicit Finance Working Group.

David is a Senior Fellow for National Security and Founder/co-Director of the Anti-Illicit Trade Institute (AITI) at the Terrorism, Transnational Crime, and Corruption Center (TraCCC), Schar School of Policy and Government, George Mason University. David is a graduate (M.S.S.) of the U.S. Army War College, and received his B.A. from the University of Pennsylvania, J.D. from The Columbus School of Law, The Catholic University of America, and awarded numerous certificates from the Harvard Business School (HBS).



The **International Coalition Against Illicit Economies (ICAIE)** is a national security-centric NGO based in Washington DC that brings together committed champions across sectors and communities, including former members of the public sector, companies and prominent organizations from the private sector and civil society to mobilize collective action to combat cross-border illicit threats. ICAIE advances innovative energies through public-private partnerships, policy dialogues, and transformative threat intelligence and risk management solutions to counter illicit economies. Through ICAIE Labs, we lead a team of highly-skilled national security service providers and product vendors across the globe to examine data and open-sourced information, and map illicit networks. Our multi-faceted, global investigations mine open-source data to determine identify types of illicit behavior a network may be involved in specific markets, online marketplaces, or the dark web. With an eye towards full-spectrum investigations, our ICAIE team bridges the gap between private industries and the government public sector. ICAIE generates deeper investigation and supports judicial action. We leverage communications, financial, geospatial, artificial intelligence, federated learning, and other advanced analytics and technologies to investigate suspicious behavior and map networks. Ultimately, we use counter threat network operations to provide actionable intelligence, forensics, and enhanced security across the globe.

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