

Hezbollah builds a Western base

From inside South America's Tri-border area, Iran-linked militia targets U.S.

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CIUDAD DEL ESTE, Paraguay - The Iranian-backed Hezbollah militia has taken root in South America, fostering a well-financed force of Islamist radicals boiling with hatred for the United States and ready to die to prove it, according to militia members, U.S. officials and police agencies across the continent.

From its Western base in a remote region divided by the borders of Paraguay, Brazil and Argentina known as the Tri-border, or the Triple Frontier, Hezbollah has mined the frustrations of many Muslims among about 25,000 Arab residents whose families immigrated mainly from Lebanon in two waves, after the 1948 Arab-Israeli war and after the 1985 Lebanese civil war.

An investigation by Telemundo and NBC News has uncovered details of an extensive smuggling network run by Hezbollah, a Shiite Muslim group founded in Lebanon in 1982 that the United States has labeled an international terrorist organization. The operation funnels large sums of money to militia leaders in the Middle East and finances training camps, propaganda operations and bomb attacks in South America, according to U.S. and South American officials.

U.S. officials fear that poorly patrolled borders and rampant corruption in the Tri-border region could make it easy for Hezbollah terrorists to infiltrate the southern U.S. border. From the largely lawless region, it is easy for potential terrorists, without detection, to book passage to the United States through Brazil and then Mexico simply by posing as tourists.

They are men like Mustafa Khalil Meri, a young Arab Muslim whom Telemundo interviewed in Ciudad del Este, Paraguay's second-largest city and the center of the Tri-border region. There is nothing particularly distinctive about him, but beneath the everyday T-shirt he wears beats the heart of a devoted Hezbollah militiaman.

"If he attacks Iran, in two minutes Bush is dead," Meri said. "We are Muslims. I am Hezbollah. We are Muslims, and we will defend our countries at any time they are attacked."

Straight shot to the U.S.

U.S. and South American officials warn that Meri's is more than a rhetorical threat.

It is surprisingly easy to move across borders in the Triple Frontier, where motorbikes are permitted to cross without documents. A smuggler can bike from Paraguay into Brazil and return without ever being asked for a passport, and it is not much harder for cars and trucks.

The implications of such lawlessness could be dire, U.S. and Paraguayan officials said. Rep. Silvestre Reyes, D-Texas, chairman of the House Intelligence Committee, said Hezbollah militiamen would raise no suspicions because they have Latin American passports, speak Spanish and look like Hispanic tourists.

The CIA singles out the Mexican border as an especially inviting target for Hezbollah operatives. “Many alien smuggling networks that facilitate the movement of non-Mexicans have established links to Muslim communities in Mexico,” its Counter Terrorism Center said in a 2004 threat paper.



“Non-Mexicans often are more difficult to intercept because they typically pay high-end smugglers a large sum of money to efficiently assist them across the border, rather than haphazardly traverse it on their own.”

Deadly legacy of a lawless frontier

Since the terrorist attacks of Sept. 11, 2001, the Tri-border has become a top-level, if little-publicized, concern for Washington, particularly as tension mounts with Iran, Hezbollah’s main sponsor. Paraguayan government officials told Telemundo that CIA operatives and agents of Israel’s Mossad security force were known to be in the region seeking to neutralize what they believe could be an imminent threat.

But long before that, U.S. law enforcement and intelligence agencies regarded the region as a “free zone for significant criminal activity, including people who are organized to commit acts of terrorism,” Louis Freeh, then the director of the FBI, said in 1998.

Edward Luttwak, a counterterrorism expert with the Pentagon’s National Security Study Group, described the Tri-border as the most important base for Hezbollah outside Lebanon itself, home to “a community of dangerous fanatics that send their money for financial support to Hezbollah.”

“People kill with that, and they have planned terrorist attacks from there,” said Luttwak, who has been a terrorism consultant to the CIA and the National Security Council. “The northern region of Argentina, the eastern region of Paraguay and even Brazil are large terrains, and they have an organized training and recruitment camp for terrorists.”

“Our experience is that if you see one roach, there are a lot more,” said Frank Urbancic, principal deputy director of the State Department’s counterterrorism office, who has spent most of his career in the Middle East.

A mother lode of money

Operating out of the Tri-border, Hezbollah is accused of killing more than 100 people in attacks in nearby Buenos Aires, Argentina, during the early 1990s in operations personally masterminded by Hezbollah’s military commander, Imad Mugniyah.

Mugniyah is on the most-wanted terrorist lists of both the FBI and the European Union, and he is believed to work frequently out of Ciudad del Este.

For President Bush and the U.S.-led “war on terror,” the flourishing of Hezbollah in the Western Hemisphere demonstrates the worrying worldwide reach of Islamist radicalism. In the Tri-border, Hezbollah and other radical anti-U.S. groups have found a lucrative base from which to finance many of their operations.

Smuggling has long been the lifeblood of the Tri-border, accounting for \$2 billion to \$3 billion in the region, according to congressional officials. Several U.S. agencies said that Arab merchants were involved in smuggling cigarettes and livestock to avoid taxes, as well as cocaine and marijuana through the border with Brazil on their way to Europe. Some of the proceeds are sent to Hezbollah, they said.

Many Arabs in the Tri-border openly acknowledge that they send money to Hezbollah to help their families, and the man in charge of the local mosque in Ciudad del Este, who asked not to be identified by name, declared that Shiite Muslim mosques had “an obligation to finance it.”

But the U.S. government maintains that the money ends up stained with blood when it goes through Hezbollah, which is blamed for the bombings of the U.S. Embassy and the Marine barracks in Beirut, Lebanon, in the 1980s, as well as the kidnappings of Americans, two of whom were tortured and killed.

Patrick M. O’Brien, the assistant secretary of the Treasury in charge of fighting terrorist financing, acknowledged flatly that “we are worried.”

“Hezbollah has penetrated the area, and part of that smuggling money is used to finance terrorist attacks,” he said.

In Paraguay, looking the other way

The biggest obstacle in the U.S. campaign to counter Hezbollah close to home is Paraguay, whose “judicial system remains severely hampered by a lack of strong anti-money laundering and counter-terrorism legislation,” the State Department said in a “Patterns of Global Terrorism” report.

Since 2004, a draft bill to strengthen money laundering laws has been stalled in the Paraguayan legislature, and the government of President Nicanor Duarte has introduced no draft legislation of its own.

Hampering reform efforts is an endemic reluctance in Paraguay to acknowledge the problem.

Interior Minister Rogelio Benitez Vargas, who supervises the national police, claimed that Hezbollah-linked smuggling was a relic of the 1980s. Today, he said, the Triple Frontier is a safe and regulated “commercial paradise.”

But authorities from the U.S. State and Treasury departments to Interpol to the front-line Paraguayan police agencies all paint a different picture. Eduardo Arce, secretary of the Paraguayan Union of Journalists, said the government was widely considered to be under the control of drug traffickers and smugglers.

Without interference, thousands of people cross the River Parana every day from Paraguay to Brazil over the Bridge of Friendship loaded with products on which they pay no taxes. As police look the other way, he said, some smugglers cross the border 10 to 20 times a day. Earlier this year, Telemundo cameras were present as smugglers in Ciudad del Este loaded trucks headed for Brazil. They could have been laden with drugs or weapons, but no authorities ever checked.

Direct link to Iran alleged

José Adasco knows better than most why Hezbollah has the region in a grip of fear.

In 1992 and 1994, terrorists believed to be linked to Hezbollah carried out two attacks against Jewish targets in Buenos Aires, the Argentine capital. In the first, a car bomb exploded at the Israeli Embassy, killing 29 people. Two years later, a suicide bomber attacked the Argentine Israelite Mutual Association, a Jewish community center, killing 85 more.

Adasco, who represents the Jewish association, has never been able to forget that day and the friends he lost.

“Really, to see the knocked-down building, [to hear] the screams, the cries, people running — it was total chaos. Chaos, chaos. It is inexpressible,” he said.

An investigation by Interpol and the FBI found not only Hezbollah’s involvement, but Iran’s, as well. The Argentine prosecutor’s office said the Iranian president at the time, Ali Akbar Hashemi Rafsanjani, ordered the attack to retaliate against Argentina for suspending nuclear cooperation with Iran.

A warrant for Rafsanjani’s arrest remains outstanding, and the prosecutor’s office continues its investigation 13 years later.

Hezbollah tells its story

Alberto Nisman, the Argentine district attorney leading the investigation, said the connection between the Hezbollah attack and the Tri-border is unquestionable. Among other things, he said, the suicide bomber passed through the area to receive instructions.

In the intervening years, Hezbollah has spread throughout Latin America.

On their Web page, local Hezbollah militants in Venezuela call their fight against the United States a “holy war” and post photographs of would-be suicide terrorists with masks and bombs. There are also Web sites for Hezbollah in Chile, El Salvador, Argentina and most other Latin American countries.

“The Paraguayan justice [ministry] and the national police have found propaganda materials for Hezbollah” across the hemisphere, said Augusto Anibal Lima of Paraguay’s Tri-border Police.

And it is not only propaganda. In October, homemade bombs were left in front of the U.S. Embassy in Caracas, Venezuela, which is next to a school.

Police arrested a student carrying Hezbollah propaganda in Spanish. One of the pamphlets showed a picture of children and said, “Combat is our highest expression of love and the only way to offer a healthy and uncorrupted world.”

Caracas police were able to detonate the bombs safely. Police Commissioner Wilfredo Borrás said they appeared to be “explosive devices made to make noise and publicity” — very different from what would be used if the United States attacked Iran.

“In [the] United States, there are many Arabs — in Canada, too,” said Meri, the Hezbollah member who spoke with Telemundo. “If one bomb [strikes] Iran, one bomb, [Bush] will see the world burning.

“... If an order arrives, all the Arabs that are here, in other parts in the world, all will go to take bombs, bombs for everybody if he bombs Iran.”

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