



# Beyond the Campaign

*The Future of  
Countering Terrorism*

**Foreword by**  
Peter Bergen

**Edited by**  
Bryan Lee Cummings

CENSA

COUNCIL FOR EMERGING NATIONAL SECURITY AFFAIRS

# Beyond the Campaign

*The Future of  
Countering Terrorism*

**Edited by**  
Bryan Lee Cummings

**Project Directors**  
Michael R. Fenzel  
Bryan Lee Cummings

Langsdale Library  
University of Baltimore  
1420 Maryland Avenue  
Baltimore, MD 21201

Published in the United States of America by the Council for Emerging National Security Affairs.

Copyright © 2004

Council for Emerging National Security Affairs  
Cathedral Station, P.O. Box 534  
New York, NY 10025  
<http://www.censa.net>

Library of Congress Cataloging-in-Publication Data  
Beyond the Campaign: The Future of Countering Terrorism  
Edited by Bryan Lee Cummings  
Includes biographical references  
ISBN 0-9723858-1-9

1. National Security. 2. Counterterrorism. I. Title. II. Bryan Lee Cummings

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording, or any information or retrieval system, without prior written permission from the Council for Emerging National Security Affairs.

Printed and Bound in the United States of America

1 2 3 4 5 6 7 8 9



## CHAPTER 4

# The Rise and Ramifications of Radical Islamism in the Tri-Border Region

Westley Moore

### ABSTRACT

This chapter analyzes the phenomenon of radical Islamists in the tri-border region of Latin America, a border region that joins Argentina, Brazil and Paraguay. The unchecked, anarchical nature of the area has provided a safe haven for extremist groups to live, recruit, grow and train. The review provides the reader with a snapshot of one of the most dangerous but underestimated neighborhoods in the world.

In the past fifteen months, a number of areas around the world have received increased international attention due to the US war on terrorism. One area that has remained mysteriously low on the international radar screen, however, is the border region between Paraguay, Argentina and Brazil. A bustling, nearly ungovernable 30 square mile area of informal economic activity, this region—often referred to as the *tri-border region*—has become an important safe haven for radical Islamist groups ranging from Hizbullah to Hamas to al Qaeda. The difficulties involved in addressing this situation, from problems of jurisdiction in a border region, to entrenched systems of illicit activity and insufficient resources, have led Ambassador Francis Taylor, head of counter-terrorism in the Department of State, to say that the tri-border region is “one of the greatest terrorism challenges the United States faces today.”<sup>1</sup>

This chapter has four main objectives: (1) to provide a background sketch of the tri-border region; (2) to describe recent activities of Islamist extremists in the area; (3) to briefly discuss the current situation in the tri-border and (4) to suggest policy recommendations that the United States and world governments should put into effect to confront the problem.

## BACKGROUND OF THE TRI-BORDER REGION

### The Growth of the Tri-Border Region as an Economic Hub

Even before the tri-border region became known as a haven for radical Islamist activities, it was a porous, free flowing area where goods—both legal and illegal—flowed between countries with unfettered ease. Already by the 1950s, Paraguay had become an important regional hub for undeclared trade. Recognizing the potential benefits of such illicit economic activity, then-dictator President Alfredo Stroessner not only did nothing to curb this trend, but actively encouraged it. By the late-1950s, informal agreements had been made between the countries of the region, particularly Paraguay and Brazil, to loosen border constraints on merchants selling cheap goods outside their national boundaries. These loose restrictions further strengthened informal trade between the countries, which among others included the illegal sale of goods such as tobacco, spirits and electronics.”<sup>2</sup>

As illegal trade became entrenched in Paraguay’s economy, Ciudad del Este became an important economic center in Paraguay. Even as the economy improved in the 1960s due to increased foreign investment, the illegal economy rivaled the legal economy in size and growth rates.<sup>3</sup> In general, the police and armed forces did nothing to stop the illegal trafficking and smuggling of goods, because they themselves were either directly involved in the trade or were being bribed. As Carlos Miranda points out, “President Stroessner himself acknowledged that many military men devoted themselves to other illegal activities. Stroessner didn’t seem to mind their involvement though because the officers’ ability to receive economic benefits from two sources certainly diminished their desire to become involved in politics.”<sup>4</sup>

The strong strategic relationship forged between Stroessner and President Juscelino Kubitschek of Brazil further contributed to these trends. Both presidents realized the economic potential in an alliance between their countries and Kubitschek began providing Stroessner with military and political instructors, weapons, and money. Economic ties were strengthened when a highway was built from Asuncion, the capital of Paraguay, to the Brazilian frontier at Iguazu Falls, and where a bridge—known as the Friendship Bridge—was constructed to connect Ciudad del Este with Foz de Iguazu in Brazil.<sup>5</sup> With explicit consent from Stroessner, the border region was not controlled and legal and illegal goods crossed the border without restrictions. With time, the list of goods grew along with the concerns about their contents. False passports, automatic weapons, bomb-making materials and body parts are just some of the merchandise for sale in the tri-border region. By the 1980s, these illicit economic activities became coupled with radical Islamism, creating an explosive mixture of money, means and methods for terrorist attacks in the western hemisphere.



### Initial Arab Migration to the Region

The migration of Lebanese into Latin America began approximately one hundred and fifty years ago as a result of religious conflicts in Lebanon. At first, the migration mostly consisted of at-risk Lebanese Christians. Clark S. Knowlton pointed out in his article on Lebanese migration, "In times of religious strife, the Christians were apt to suffer massacre at the hands of their better armed Druze and Muslim neighbors."<sup>6</sup> Large-scale massacres of Lebanese Christians were carried out in 1841, 1855, and 1860. During the 1855 massacre, about 11,000 Christians were killed, 4,000 more perished from destitution, and nearly 100,000 became homeless refugees in the space of four weeks.<sup>7</sup> In 1860, the Druzes massacred 10,000 Maronites, Greek Catholics and Greek Orthodox.<sup>8</sup>

In the early 1860s, as religious conflicts continued to erupt, large numbers of Lebanese Christians began to look to other areas to make their new home, including Arabia, Morocco, Jamaica and Curacao. However, the most popular region for migration, besides the United States, was Latin America. After 1860, emigration accelerated and by 1900, an estimated 120,000 had left Syria. In addition, the vast majority that came from Lebanon initially went to the United States and soon after migrated to Brazil and other Latin American countries. By 1913, there were over 30,000 Middle Eastern arrivals in Argentina and Brazil alone.<sup>9</sup>

Latin America, including Paraguay, Brazil, and Argentina, was an attractive destination for many Lebanese Christians. After surviving religious and political persecution for over twenty years, Lebanese Christian migrants were determined to settle in areas where their religious freedoms were respected. In predominantly Christian Latin America, they found a community where their religion was celebrated rather than condemned.

The political and economic situation in the southern cone countries in the 1860s also made it easy for Lebanese Christians to settle there. The brutal War of the Triple Alliance saw Paraguay fighting for its survival against Uruguay, Argentina, and Brazil.<sup>10</sup> By 1867, over 100,000 soldiers were already dead, 60,000 of which were Paraguayan. This general turbulence and large loss of manpower made these countries easy places to settle; especially when coupled with rapid economic growth the region was experiencing. As Albert Hourani describes the situation,

These regions were in the process of rapid economic growth, in an atmosphere of freedom and this growth created needs which these countries could not fill with their existing resources. Strangers coming from the outside world could fit easily into the interstices of an expanding economic system. Conditions for entry were easy in most of the countries and changes in the means of communication made it possible to travel to them.<sup>11</sup>

Many of these early Lebanese migrants became important drivers in this economic growth, becoming key players in financial service and import-export activities.

### The Migration of Extremists and Extremists Organizations

The migration of radical Islamists to the tri-border region started with the onset of the Lebanese civil war in the 1970s. The civil war began in Ain Rummaneh, a Christian suburb of Beirut on April 13, 1975 when unknown assailants fired at a church gathering attended by Pierre Gemayel, leader of the Maronite Phalanges, killing his bodyguard and two others. Maronite militiamen retaliated, and ambushed a bus a short time later, massacring the 28 (mostly Palestinian) passengers on board. Widespread clashes immediately erupted throughout the country between Maronite militiamen and the National Movement coupled with Palestinian militiamen.<sup>12</sup> The resulting cycle of retaliation created an atmosphere of conflict that lasted for the next 13 years.

The Lebanese civil war, which began in 1975, helped to bring about two key developments with regard to the tri-border region in Latin America. The first was the birth of radical Islamist organizations such as Hizbullah. As tensions in Lebanon escalated, so did the tensions in the Middle East the surrounding area, leading to greater extremist activity. The situation took a dramatic turn in 1982 when Israeli forces invaded Lebanon. Hundreds of villages were damaged, 19,000 people died and 32,000 were wounded. Amal Saad-Ghorayeb writes about the ramification of the invasion in her book *Hizbullah*, noting that:

the pre-eminent factor directly responsible for the [Hizbullah] movement's birth, and hence the Islamicisation of the Lebanese Shi'ites, was the Israeli invasion of 1982. The cruelty of Israel's first invasion in 1978, the mass destruction wreaked by Israel's 1982 invasion and the brutality of its subsequent occupation of the South and the West's concomitant intervention in Lebanon spawned various Shi'ite Islamic resistance groups that coalesced to form Hizbullah.<sup>13</sup>

The second important development was the initial migration of Muslims, particularly Shi'ite Muslims, to new regions of the world such as Latin America. Up until the mid-1970s, Lebanese migration to Latin America consisted primarily of Christians. By then, the Lebanese had been in Latin America for over a century and had established themselves as an important political and business community. As Lebanese Muslims began to flee the country in the late-1970s, many migrated to Latin America because of the presence of this strong community—which often included business and family connections—that helped them integrate into Latin American society.



Although the vast majority of the Muslims who came to Latin America had nothing to do with radical Islamism, part of this new migration stream brought with it the radical Islamist agenda already found in Lebanon. At first, the connection mostly consisted of Hizbullah sympathizers within the Lebanese Muslim community of the region. However, Hizbullah leadership now had family and friends in Latin America and began hearing reports about an area where the borders were porous, the Lebanese community was large, and the police presence was non-existent. Hizbullah's presence in the area solidified in the 1980s as it sent the first wave of core members to the area, including Assad Ahmad Barakat, the suspected leader of Hizbullah in the tri-border region. As Samuel Dlin, a former Argentine intelligence officer currently residing in Buenos Aires, said, "make no mistake, Hizbullah arriving in Latin America was not a coincidence. They saw the tri-border region as an area to make quick money, plan attacks, train members and an entire host of other activities; and they could do it all without being noticed by anyone."<sup>14</sup>

According to Argentinean intelligence services, the first indication of the construction of Hizbullah cells in the tri-border region was in April of 1984, when the Iranian Clergyman Mohammad Taghi Tabatabaie Einaki visited claiming to look for ways to expand beef exports to Iran. After seeing the area first-hand, he returned to the region in July of 1984 with the mission of establishing a meeting of Shi'ites and begin using the region as a base of operations for Hizbullah in Latin America. In June 1986, Argentinean officials received word of the creation of Hizbullah cells, detained Einaki, and deported him back to Iran. Seven months later, however, he and four others returned to Brazil to assume positions at the *Sociedad Islamica Beneficiente* (Society for Islamic Benefit), and entered the country with diplomatic immunity.<sup>15</sup>

With little attention paid to their activities, the presence of radical Islamist elements in the region continued to grow throughout the 1980s and early 1990s. The migration of radical Arab immigrants to the zone increased, making it more difficult for the governments of Brazil, Paraguay and Argentina to control and monitor effectively these groups' activities. Islamist extremism was now gaining strength and support from all areas of the globe, but despite these trends, the activities of the Hizbullah cells in the tri-border were essentially ignored. As former director of the Central Intelligence Agency (CIA), James Woolsey put it, "American intelligence knew what was going on, had an idea of the types of activities they were involved in during the 1980's, but it was not really an area of focus. Well... not until the bombings."<sup>16</sup>

## RECENT ACTIVITIES OF ISLAMIST EXTREMIST IN THE TRI-BORDER REGION<sup>17</sup>

### The 1992 Bombing

In February of 1992, Israeli forces had killed Ahmed Shah, a top Hizbullah leader. At the time, Hizbullah leadership promised to avenge his death in unspecific terms. Roughly four months later on July 18, Hizbullah made its presence in the region impossible to ignore any longer. A Ford-F100 truck loaded with highly explosive Semtex blew up in front of the Israeli Embassy in Buenos Aires, killing 29 people.<sup>18</sup>

Obtained intelligence reports indicate that this deadly attack was relatively easy to carry out from the tri-border region. Once orders were given from higher-level leaders of the organization in Lebanon, the plan was executed in Latin America.<sup>17</sup> Reports indicate that the truck was purchased in Ciudad Del Este, using hundred dollar bills reportedly traced to a currency exchange house in Lebanon that belonged to Monzer al-Kasar, an infamous arms dealer.<sup>20</sup> The driver of the vehicle was sent from Lebanon, and flew to Iguazu Falls via Sao Paulo on a normal flight to carry out this specific mission. After spending some time in the tri-border area, he picked up the truck, already loaded with explosives.<sup>21</sup> The truck then crossed the border unchecked, and drove for six hours to Buenos Aires to accomplish its mission.

The 1992 bombing of the Israeli Embassy offers clear evidence of the ease with which Islamist terrorist groups can conduct attacks. As a high-level government official in a US intelligence agency explained, "They [Islamist groups] have plans on the shelf and are just waiting for the word to execute. After the Hizbullah leader was killed, they pulled this casing off the shelf, did additional background checks on the area and executed the plan. People who had no input into the planning of the attack probably executed the attack."<sup>22</sup>

Despite the fact that the attack occurred over a decade ago and evidence, including traces of bomb residue in the homes of known Hizbullah members, has been gathered, no significant arrests have been made concerning the bombing. The Argentine President put the Supreme Court in charge of the investigation in what he said was a demonstration of his intention to get to the bottom of the attack. However, that inquiry was botched so badly that it now figures in the list of offenses in impeachment proceedings against the justices. Commenting on Argentina's ineffectual investigations, Sergio Wilder, South American representative of the Simon Wiesenthal Center, observes that "the inaction of the Argentine State, the absolute absence of investigation, showed terrorists that they could act in Argentina without the slightest fear of consequences."<sup>23</sup>



### The 1994 Bombing

Two years after the Israeli Embassy bombing, Hizbullah struck again. On July 18, 1994, Argentina suffered the single worst terrorist attack in Latin American history, and the single most devastating anti-Semitic attack anywhere in the world since World War II. This time, a white Renault Traffic packed with 600 pounds of ammonium nitrate fertilizer and fuel exploded next to the *Asociación Mutualista Israelita Argentina*, or AMIA building in Buenos Aires. The attack killed 84 people, many crushed by the collapsing building, and injured 300 more.

The investigations into the 1994 attack have proved even more enigmatic than the investigation of the 1992 bombing. Significant international pressure has been exerted on the Argentinean government to bring the organizers and planners of the attack to justice, but still no major breaks have occurred in the case. After seven years, a trial finally began in September of 2001. Twenty people face charges in connection with the bombing but not one of them is actually accused of having organized or being directly involved in the attack. Most facing trial are people, such as security guards, who are charged with accepting money or other low-level accusations.<sup>24</sup>

Not surprisingly, reports and accusations of widespread corruption and cover-ups have been made. Former President Carlos Menem, who is of Syrian decent and Muslim ancestry, has been at the heart of the controversy. Not long ago, a defector from Iran's intelligence agency, who went by the name Abdolghassem Mesbahi, went public with testimony of a situation that many in the tri-border region have believed for a long time. In his testimony, Mesbahi claimed that the Iranian government organized and carried out the bombing in 1994 and then paid Menem ten million dollars to cover it up.<sup>25</sup>

Mesbahi's report states that the relationship between the Iranian government and Menem began in the mid-1980s when he was governor of La Rioja province. He indicates that Iran made a 100 million dollar contribution to Menem's presidential campaign in hopes that he would establish favorable policies towards Iran. Under Menem, Argentina did negotiate the sale of a nuclear reactor to Iran and a missile system with a range of one thousand kilometers to Syria, widely considered superior to the Russian Scud missiles available then.<sup>26</sup>

Menem has vociferously denied claims that he took money or in any way knew about or assisted in the bombings. As a high-level US diplomat in the American Embassy in Brasilia who has followed the investigations closely points out, however, "most Argentines know that something isn't quite right with the situation. Menem is saying just enough to get by but when it comes to really helping to solve the case isn't saying anything at all. The whole situation is very complicated but also very odd."<sup>27</sup> Menem, who spent six months under house arrest in 2001 on charges that he had overseen an illegal arms smuggling operation while in office, became a leading candidate for the Argentinean presidential election in 2003.

### Other Activities: Fund Raising

The bombings in 1992 and 1994 represent only part the activities of radical Islamist groups within the tri-border region. Because of weak enforcement of laws, it has also become a center of illegal business activity and a financial center for Islamist groups. The following will focus on two of the most important financial activities for Islamist groups in the tri-border region: fund-raising and human trafficking.

It is impossible to know exactly how much illegal money is generated in the tri-border region and how much of this money goes to Islamist groups. However, it is estimated, that 12 to 14 billion dollars a year in legal merchandise is generated in the region, and reports further indicate that the illegal economy eclipses that number. Walter Purdy, Director of the Terrorism Research Center in Washington, D.C. points out that "the problem with Ciudad Del Este is that so many materials are not cleared to be sold with the government, so there is a very fine line between what is legal and what is not. Paraguay, for example, has a larger illegal economy than legal economy. In an environment like that, how do you control a small, unwanted area like Ciudad Del Este?"<sup>28</sup>

Islamist groups generate money from both legal and illegal businesses. Because of the important role that Hizbullah members and sympathizers play in the economy of the tri-border region, Islamist groups ensure that their networks get their cut, whether the goods are legal, such as government-sponsored electronics, or illegal, such as pirated CDs, for example, before getting arrested six months ago. Assad Barakat owned an electronics shop in Ciudad Del Este that was also a hub for Hizbullah planning, and was part owner of Galeria Page, one of Ciudad Del Este's largest shopping malls. Two other major shopping centers in Ciudad Del Este, the Rahal Shopping Center and the Jebai Shopping center, are both known as centers for raising money for Hizbullah and other Islamist groups.

The sale of illegal goods in the region is also an important source of income. Carlos Calcena, a Paraguayan district attorney, relates how two men arrested in Ciudad del Este in February on charges of selling pirated software and other electronic goods helped raise money for Hizbullah. Since being in prison, one of the men has admitted that Hizbullah receives more than three million dollars a year from the tri-border region alone, and that the scale of involvement is larger than any intelligence official could possibly imagine.<sup>29</sup> Mike Waller, Vice President of the Center for Security Policy, explains that "the Lebanese community has a tight grip on the economy in the region and unfortunately, some of those Lebanese are active members of Islamist groups or at least sympathizers. If you buy anything in Ciudad Del Este, you are never really sure where the money is going."<sup>30</sup>

For example, in February 2002 Paraguayan authorities arrested a 32-year-old Lebanese businessman, Ali Khalil Mehri, who had been allegedly selling millions of dollars worth of pirated software and funneling the proceeds to



Hizbullah. According to police, a CD confiscated from his store in the tri-border contained images of "terrorist propaganda of the extremist group Al-Muqawama," an extremist wing of Hizbullah. Moreover, documents seized during the raid included fundraising forms for an organization in the Middle East named Al-Shahib, ostensibly dedicated to "the protection of the families of martyrs and prisoners."<sup>31</sup>

### Other Activities: Human Trafficking

Another important financial resource for radical Islamist groups has been their entrance into the human smuggling and trafficking market. Despite entering this market less than a decade ago,<sup>32</sup> they have been remarkably efficient in following the already established avenues of entry into the United States of drug markets and prior human trafficking networks.<sup>33</sup> Hizbullah has helped to coordinate entry into the United States through the use of counterfeit documents, subornation of foreign government officials and traditional land, air and seas smuggling routes.<sup>33</sup>

Countries like Ecuador, Guatemala, Nicaragua and Columbia provide ideal environments for smuggling organizations to operate and flourish. Because of the growth of these organizations, there has also been an increase in the number of Special Interest Aliens attempting illegal entry into the United States through the southwest border. The San Ysidro Port of Entry alone intercepted nearly three hundred Iraqi nationals in a one-year period between 2000 and 2001. This number has grown steadily from 1995.<sup>34</sup>

In the tri-border region, Hizbullah uses connections with smugglers in other Latin American countries, including Mexico, Ecuador, Guatemala, and Curacao, to organize the smuggling of people to the US. An intelligence official in the United States explains the phenomenon with a fictionalized account of a well known and documented smuggling flow. For anywhere from 5,000 dollars to 25,000 dollars, someone can be smuggled into United States through Latin America. A typical exchange might begin with Hizbullah making contact with Chinese smugglers, who in turn contact their Ecuadorian partners. Money will be exchanged, and the Chinese will arrange for the transfer of specified individuals from Buenos Aires or Sao Paulo to Quito, Ecuador. In Quito, rooms will be ready for the illegal aliens to stay until the next leg of their journey. False documents will be provided, and then the journey continues with flight to Central America. This process is then repeated. Chinese smugglers will notify their Mexican counterparts and the illegal aliens will be sent by air or over land to Mexico. The Mexican smugglers then send the aliens to northern Mexico, where coyotes smuggle them into the United States.<sup>35</sup>

That is just one example of a very complex but efficient process, which started as a system to smuggle drugs and people who posed no security threat but wished to work and live in the United States. Many intelligence officials now suspect that

these networks are being utilized by organizations trying to place radical Islamist operatives inside of the United States.

Since September 11, the United States has done more to protect its borders and end illegal human smuggling into the country. By January 2002, five top human smugglers have been apprehended. Interestingly, of the five that were captured, US government officials have confirmed that at least two have ties to Hizbullah and have done business within the tri-border region.<sup>36</sup>

While the interception strategy of the United States seems to be successful, this section highlights the intrinsic difficulties with countering the progress these groups have made in securing funds, both legally and illegally. The institutions these groups have created and the processes they have established are entrenched and constantly evolving.

### THE CURRENT SITUATION IN THE TRI-BORDER REGION

All of the three tri-border countries have given their pledge to the United States that they are respectively doing all they can to combat radical Islamism within their borders. There is no doubt that the war on terrorism is President George W. Bush's number one priority and Brazil, Argentina and Paraguay all have vested interest in maintaining good relations—financially and otherwise—with the United States. The rhetoric of these nations in addressing radical Islamism in the tri-border is meritorious, however the action of these national efforts has varied.

Paraguay has achieved the most tangible results of the three countries in terms of arrests and raids. Since September 11, 2001, Paraguay has detained 28 of its residents on charges of document falsification or immigration violations.<sup>40</sup> Most recently, according to the *Washington Post*, in a commando raid on Lebanese merchants' offices, documents and financial statements showing money transfers to the Middle East and propaganda pertaining to the Hizbullah movement were obtained. Also found were descriptions of numerous attacks in Israel or on Israeli occupied areas.<sup>38</sup>

The Paraguayans also boast thwarting two potential attacks on American and Israeli property. On October 27 2002, a suspected member of Hizbullah was arrested in front of the US embassy in Asuncion. Paraguayan officials argue that Sobhi Mahmoud Fayad, a Paraguayan citizen of Lebanese ancestry, was reportedly reconnoitering the facility; conducting advance for a future terrorist attack. Three weeks earlier, Iranian citizen Mohamad Astaraki, who is a relative of Fayad, was also arrested for apparently reconnoitering the Israeli Embassy in Asuncion.<sup>39</sup>

Commander of Southern Command General James Hill was hosted by the Paraguayan government in October 2002 to show him how much progress they have made in tracking groups in the tri-border area. During his visit, General



Hill commented "Paraguay has been a real friend and ally to the United States in this global campaign against terror." Some, like Walter Purdy at the Terrorism Research Center do not seem to be as convinced about the progress that has been made. "We need to look deeper than to just look at some arrest stats. Who are the people that have been arrested? Are they high-level operatives? Were they released two days later? Are the countries cooperating in terms of intelligence sharing? There are many questions that need to be asked before we can determine whether someone has been a real ally to the United States in terms of fighting terrorism."<sup>40</sup>

As there is a lot of money to be made in the region we are now beginning to see organizations such as Hizbullah, Hamas, al Qaeda, IRA, FARC and even American white supremacist putting aside their differences for a common aim. James Woolsey accurately described the situation when he stated "I think that evidence is increasingly showing that these groups would be willing to work together regardless of what fundamental background they come from. These groups are sort of like different Mafia families. They do hate each other and they kill each other from time to time, but they are perfectly capable of supporting one another with some forges passports or training or whatever. They are also perfectly capable of reaching us."<sup>41</sup> Arguably, this evidence is the most frightening of the recent details about the area.

## CONCLUSION AND RECOMMENDATIONS

Confronting radical Islamism in the tri-border is not an easy task. The realities of the tri-border region help explain why this issue is so difficult to address and why it has received so little attention. There is a large Arab population within the region with a long and important history in the area. There is a very real history of anti-Semitism in the region. The current economic crisis that Argentina, Paraguay, and Brazil are facing makes resources for combating terrorism scarce. Paraguay is on the verge of economic collapse, and has stated that it intends to default on its foreign debt in order to pay back wages of state employees.<sup>42</sup> Corruption is rampant within both the political and financial leadership of all three countries. Moreover, as relatively open democracies with an emphasis on human rights, there is an intrinsic vulnerability within the entire western hemisphere to combat terrorist organizations.

The entire region can hide under the cloth of there not being enough money to make a real push to address radical Islamism. Political leaders in the tri-border countries have also stated that putting tremendous resources towards fighting terrorism is not important for two reasons: They need to use that money for other priorities like fighting poverty and many have publicly stated that radical Islamism is not a problem in the region. Despite the evidence that has been presented to and collected by the officials in the area, there are still many within the tri-border countries—including high level government officials—who deny

that any activity is going on at all. Brazil has repeatedly denied any type of radical Islamist presence in the tri-border area and particularly in the Foz de Iguazu area. (Many speculate the reason for their denial has to do with tourism and the fact that Foz is a very popular tourist spot. If the area were to be known as a radical Islamist hotbed, Brazil would lose a great deal of money). Argentina similarly has members of its government who deny any activity at all goes on in the region. In a recent interview, the commissioner of the Argentine Federal police said "I cannot stress enough the fact that there is no activity in the area. We have sent out intelligence teams who have all come back with nothing. I am not sure about some of the other areas of the other countries but I know that Iguazu has no fundamentalist activities."<sup>43</sup> This statement was made a day after SIDE, the Argentinean equivalent to the CIA, issued a national alert placing Iguazu falls and the entire tri-border region on "Code Red Alert" because they received credible warnings about movements and attack threats from al Qaeda or Hizbullah.<sup>44</sup>

The United States involvement in the tri-border region has also had to deal with the resource conflicts involved in an operation such as this one. The United States is more engaged in the area, particularly after September 11, but the escalation of the war on terror in other areas of the world have pushed the tri-border region off of the radar screen. One diplomat indicated that he thought the tri-border region was a serious concern. However, he went on to say "The problem for us is resources. Where should we take officers away from to put them in the tri-border area? South East Asia? The Middle East? It is a tough decision but decisions must be made and some areas cannot get the same priorities."<sup>45</sup>

This report argues that it is time, not resources that will combat the rise of radical Islamism in the region. Many intelligence resources, such as electronic taps and surveillance equipment are in place and have been for years, but there needs to be a concentrated international effort to make the nations accountable for this ungovernable border area. As long as Latin America, and the western hemisphere for that matter, is not viewed as a potential hotspot for terrorism, countries in the region will never feel a need to police the region. Simple time commitments from the United States to show these nations that they are serious about the growing threat are crucial. Basic resources that are needed such as translators and intelligence collectors are scarce in the intelligence services of Argentina, Brazil and Paraguay. A Brazilian government official emphasized this point and said, "There is a definite lack of intelligence information. Officials here cannot read Arabic or Farsi. Literatures from militant groups and catalogs with guns have been found in Ciudad Del Este. The problem is that none of our officials can read them."<sup>46</sup>

This report also argues that the propensity for radical Islamism is higher in the tri-border region than many would believe, and the difficulty in preventing



these groups from securing funds and planning attacks is more difficult than many wish to understand. One of the lessons from Sun Tzu's *Art of War* says that "the most dangerous enemy is the enemy that you do not expect who attacks from an area that you do not expect."<sup>47</sup> As the economies in Latin America continue to unravel, political scandals come to light and hope for overall improvement continues to evaporate, the area remains fertile ground for extremist group to harbor, train, recruit and plan. Hizbullah—which Deputy Secretary of State Richard Armitage recently indicated has capacity similar to al-Qaeda to organize an attack against primary US targets—and other radical Islamist groups have been in the region for decades and understand what a fecund location the tri-border region has become for illegal activity with impunity.<sup>48</sup> Hopefully, the world community will realize the same.

## NOTES

- <sup>1</sup> Ambassador Francis X. Taylor, Head of Counterterrorism at the Department of State, interview by author, 20 August 2002.
- <sup>2</sup> Dr. Eduardo Viola, Processor of International Relations at the University of Brasilia, interview by author, 24 October 2002.
- <sup>3</sup> Horacio Escobar Martinez, *El Presidente Stroessner en el Marcode la Historia Nacional* (Asuncion: Imprenta Militar, 1978), 29.
- <sup>4</sup> Carlos R. Miranda, *The Stroessner Era* (New York: Westview Press, 1990), 104.
- <sup>5</sup> Albert Hourani and Nadim Shehadi, eds., *The Lebanese in the World and a Century of Emigration* (Center for Lebanese Studies: London, 1992), 21.
- <sup>6</sup> Ibid., 286.
- <sup>7</sup> Ibid., 21.
- <sup>8</sup> Department of the Army, *Lebanon: A Country History* (Washington, D.C.: Department of the Army, 1989), 271.
- <sup>9</sup> Hourani and Shehadi, 271.
- <sup>10</sup> For more information about the War of the Triple Alliance, see Thomas Weil, *Area Handbook for Paraguay* (Washington, D.C.: American University, 1972).
- <sup>11</sup> Hourani and Shehadi, 5.
- <sup>12</sup> Walid Khalidi, "Conflict and Violence in Lebanon," *Harvard Studies of International Affairs* 38 (1983): 47.
- <sup>13</sup> Amal Saad-Ghorayeb, *Hizbullah: Politics and Religion* (London: Pluto Press, 2002), 9.
- <sup>14</sup> Samuel Dlin, Argentine Intelligence Advance, interview by author, 16 October 2002.
- <sup>15</sup> Argentinean Intelligence Report, July 1999. Copy in author's possession.
- <sup>16</sup> James Woolsey, Former Director of the Central Intelligence Agency, interview by author, 14 November 2002.
- <sup>17</sup> Some of the incidents discussed in this section are still under investigation. While there exists significant closed-source information, this section will obviously only draw from open-source materials.
- <sup>18</sup> Sebastian Junger, journalist, interview by author, 18 August 2002.
- <sup>19</sup> The organizational structure of these groups and how much power the higher levels have over the regional cells will be highlighted in detail in future research by the author.
- <sup>20</sup> Interview with Junger.

- <sup>21</sup> William Ortman, Deputy National Intelligence Officer for Latin America, interview by author, 16 August 2002.
- <sup>22</sup> Interview with Ortman.
- <sup>23</sup> Larry Rohter, "Iran Blew Up the Jewish Center in Argentina, Defector Says," *New York Times*, 22 July 2002.
- <sup>24</sup> Slivana Boschi, "Sin Justicia," *Clarín X*, 12 September 2002.
- <sup>25</sup> Rohter, op. cit.
- <sup>26</sup> Testimony by Abdolghassem Mesbahi, *Clarín X*.
- <sup>27</sup> Gary Dodson, interview by author, 29 October 2002.
- <sup>28</sup> Walter Purdy, Director of the Terrorism Research Center, interview by author, 12 August 2002.
- <sup>29</sup> These numbers were verified by members of Operation Grew Quest, a United States Customs Service led organization. This task force of several federal agencies tracks terror group's money transactions worldwide.
- <sup>30</sup> Michael Waller, Vice President of the Center for Security Policy, interview by author.
- <sup>31</sup> Blanca Madani, "Hizbullah's Global Finance Network: The Triple Frontier," *The Middle East Intelligence Bulletin* 4, no. 1 (January 2002).
- <sup>32</sup> Operation Southern Focus is a multi-jurisdiction enforcement initiative that concentrates on developing intelligence information and investigations against human smuggling organizations specializing in the movement of Special Interest Aliens to the United States. Their reports indicate that Hizbullah has been involved in the human smuggling market since 1995.
- <sup>33</sup> Immigration and Naturalization Service, *Status Report: Operation Southern Focus* (Washington, D.C.: Department of Justice, 2002), 2.
- <sup>34</sup> Ibid., 12.
- <sup>35</sup> Interview with Ortman.
- <sup>36</sup> Immigration and Naturalization Service, 7.
- <sup>37</sup> At the time of this writing, this was the published number.
- <sup>38</sup> Council on Hemispheric Affairs, "Paraguay: South America's Terrorist Club Med?" 18 October 2001.
- <sup>39</sup> "Mossad Divulga Alerta Sobre Atentado na Triplíce Fronteira" *A Gazeta do Iguazu*, 28 October 2002.
- <sup>40</sup> Interview with Purdy.
- <sup>41</sup> Interview with Woolsey.
- <sup>42</sup> Juan Ceron, "Paraguay's Economic Woes Continue," *El Diario*, 3 December 2002.
- <sup>43</sup> Osvaldo Alberto Sangiorgio, Commissioner of the Argentine Federal Policy, interview by author, 20 October 2002.
- <sup>44</sup> Reports of possible attacks circulated for about a week after the initial warnings were released. There were no specific threats or targets released, but security in the region has enhanced and police and military forces were utilized. When asked about the warnings, the police commissioner disregarded them and said, "This is all Mossad trying to keep this issue going when there is nothing there." Marisa Louisa Mac Kay, "Alerta Por Advertencias de un Posible Atentado en la Region," *Clarín X*, 19 October 2002.
- <sup>45</sup> Novis, interview by author.
- <sup>46</sup> Antonio Talazar, Brazilian Intelligence Officer, interview by author, 26 October, 2002.
- <sup>47</sup> Sun Tzu, translated by Ralph Sawyer, *Art of War*. (New York: Westview Press, 1994), 59.
- <sup>48</sup> Jeffrey Fields, "Islamist Terrorist Threat in the Tri-Border Region" (Nuclear Threat Initiative, October 2002) accessed at [http://www.nti.org/e\\_research/e3\\_16a.html](http://www.nti.org/e_research/e3_16a.html).