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“Hezbollah in Latin America: Implications for US Homeland Security”

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Hezbollah is a State Department-designated foreign terrorist organization founded in Lebanon.

The group has been linked to some of the most horrific terrorist attacks against the United States – including two bombings in 1983 against the US Embassy and the US Marine barracks in Beirut, which together killed hundreds of Americans.

Hezbollah has close ties to Iran and Syria, two state sponsors of terrorism, and many have accused the group of acting as an Iranian proxy militia for attacks against Israel and other US allies.

Just as troubling, Hezbollah makes extensive use of the large Lebanese communities in the Western Hemisphere to help finance its operations through both legal and illegal means.

In addition to charitable donations and other fundraising activities, the group reportedly also conducts extensive illicit financing activities in Latin America, including drug trafficking, counterfeiting, and contraband smuggling.

The epicenter of these activities is the Tri-Border Area, an undergoverned border region where Brazil, Argentina, and Paraguay meet, where the local law enforcement authorities have been unable to counter the activities of numerous terrorist and criminal organizations.

Here, Hezbollah has been suspected of smuggling cattle, pirating DVDs and other electronic goods, drug trafficking, and document fraud.

While we know Hezbollah raises money in Latin America, we do not know the true extent of its operations. How much funding does Hezbollah truly receive from its activities, both legal and illegal, in Latin America?

We also do not know the true impact of Iranian influence on Hezbollah’s activities in the region, particularly in Venezuela where President Chavez continues to strengthen ties with Iran.

We also know that Hezbollah’s activities are not confined to South America. Hezbollah sympathizers have been linked to a variety of smuggling and fundraising activities in the United States.

In 2002, for example, a large cigarette smuggling ring in North Carolina was disrupted; the cell had been sending proceeds from its smuggling operations to Hezbollah since at least 1995.

More recently, in 2007, the Treasury Department imposed sanctions against several charitable organizations in the US for serving as fronts to support Hezbollah and Iran.

These cases illustrate the broad network that Hezbollah has established in the Western Hemisphere to finance its activities.

Though Hezbollah sympathizers continue to provide financial and moral support from the Western Hemisphere, it is worth noting that the State Department’s 2009 Country Reports on Terrorism indicate that there are no known Hezbollah-related operational cells in this hemisphere. We must learn if this is still the case.

Back in Lebanon, Hezbollah continues to become a more integrated member of Lebanese society, providing important social services and holding key positions in government.

At the same time, four Hezbollah members were just indicted by the Special Tribunal for Lebanon for their possible connection to the 2005 assassination of former Prime Minister of Lebanon Rafik Hariri.

We do not know how these developments in Lebanon may disrupt the fragile peace there, or whether they will encourage Hezbollah to turn to terrorism and attacks on Israel.

And in Syria, protests continue to threaten the Assad regime— a regime that has long provided financial and logistical support to Hezbollah.

As with the Special Tribunal, it is difficult to gauge how the Syrian unrest may affect Hezbollah - If President Assad is ousted, will a new regime less supportive of Hezbollah and Iran provoke the group into action, particularly if the U.S. supports peace efforts? Would regime instability in Syria increase or decrease Hezbollah's operational capabilities and influence in the region?

We must closely monitor how recent developments within Lebanon and in the Middle East may affect Hezbollah's priorities in the region and abroad, including in Latin America and the United States.

With all this uncertainty, we are left asking whether the group is still the "A-team of terrorists," as Deputy Secretary of State Richard Armitage suggested in 2003, or whether it is evolving into something else.

Some of our witnesses' testimony suggests Hezbollah is probably not currently directly targeting the US homeland. What events could change that calculus among Hezbollah's leaders?

As the events in the Middle East and the Arab Spring continue to unfold, we must keep a close eye on Hezbollah's strategies and ensure we have the intelligence and resources to respond to the changing threat environment here at home and globally.