

Analysis of Iran–al-Qaeda “Secret Deal”

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The Treasury department sanctioned a prominent Iran-based al-Qaeda facilitator and five other members of his network. How important is this new development?

The Treasury Department is effectively accusing Iran of being an important link in al-Qaeda’s financing and recruitment. The designation states that this relationship dates back six years, to 2005. Both of those are new developments.

The Obama administration describes the United States as being at war with al-Qaeda. The U.S. statement that Iran is providing direct and important assistance to al-Qaeda can only harden the U.S. attitude about the challenge from Iran.

The Treasury designation of Ezedin Abdel Aziz Khalil states he “is an Iran-based senior al-Qa’ida facilitator currently living and operating in Iran under an agreement between al-Qa’ida and the Iranian government. Iranian authorities maintain a relationship with Khalil and have permitted him to operate within Iran’s borders since 2005.” Khalil is described in the designation as “responsible for moving significant amounts of money via Iran for onward passage to al-Qa’ida’s leadership in Afghanistan and Iraq. He has also facilitated the travel of extremist recruits for al-Qa’ida from the Gulf to Pakistan and Afghanistan via Iran.”

Does the Treasury’s designation shed any new light on Iran’s relationship with al-Qaeda?

There have long been credible reports of a relationship between Iran and al-Qaeda, but those reports have been less explicit than the latest Treasury designation. Furthermore, the reports were about relations either before 2003 or dating from 2008, with Iran reportedly having kept a tight lid from 2003 to 2008 on al-Qaeda members living in Iran. Indeed, there have been few if any reports of Iran permitting at any time movement of significant amounts of money or, post-9/11, the transit of al-Qaeda recruits.

One of the most notable earlier statements about the Iran–al-Qaeda connection was the 9/11 Commission report which devoted an entire section of Chapter 7 to “Assistance from Hizbollah and Iran to al Qaeda.” That section concluded, “In sum, there is strong evidence that Iran facilitated the transit of al Qaeda members into and out of Afghanistan before 9/11, and that some of those were the future 9/11 hijackers.” The report also stated, “After 9/11, Iran and Hizbollah wished to conceal any past evidence of cooperation with Sunni terrorists associated with al Qaeda...We believe this topic requires further investigation by the U.S. government.”

Under Executive Order 13224, the Treasury Department has designated individuals for providing financial, technological, or material support to terrorists and acts of terrorism. They referred to Iran's material support of al-Qaeda, but not in the kind of direct terms specified in the July 2011 designation.

In January 2009, Treasury issued a press release on al-Qaeda operatives in Iran, which designated several people, including Sa'ad bin Laden, one of Osama bin Laden's oldest sons. It stated, "Sa'ad made key decisions for al-Qaeda and was part of a small group of al-Qaeda members that was involved in managing the terrorist organization from Iran. He was arrested by Iranian authorities in early 2003. As of September 2008, it was possible that Sa'ad bin Laden was no longer in Iranian custody." Note that the U.S. Treasury Department is saying: (1) Sa'ad managed al-Qaeda from Iran; and (2) "it is possible" Sa'ad was released from Iranian custody. In June 2008, Treasury designated 'Abd al-Rahman Muhammad Jaffar 'Ali.

A July 9, 2011 Associated Press report suggested that the March 2010 release of an Iranian diplomat who had been kidnapped in Pakistan fifteen months earlier was part of a deal with al-Qaeda, which was reportedly holding him. In return for the release, according to AP, Iran agreed to greater freedom for al-Qaeda chief military strategist Saif al-Adel, who has been allowed to travel from his Iran home to Pakistan and to have more open contacts with al-Qaeda leadership.

What impact might this move have on attempts to engage Iran by the world's six major powers?

The Treasury designation highlights that U.S. differences with Iran extend well beyond the nuclear impasse. Coming after a month of U.S. statements about stepped-up Iranian support for insurgents killing U.S. soldiers in southern Iraq, the designation suggests that U.S.-Iran relations would be tense or worse even if the nuclear impasse were resolved.

A further complication could be created by the lawsuit filed in May 2011 in New York federal court asking for damages from Iran on behalf of dozens of the 9/11 victims. The July 2011 Treasury designation strengthens the case that Iran is providing material support to al-Qaeda, which under U.S. law could be sufficient to hold that Iran is liable for compensatory and possibly punitive damages for the 9/11 attack. Such a finding could create considerable political and practical difficulties for any effort to resume normal U.S.-Iranian relations.

In its approach to the negotiations with the six major powers, Iran at times seems to care primarily about the U.S. position. The nuclear negotiations could be further complicated if Iran concludes that a deal on its controversial nuclear program will reduce U.S. pressure on the Islamic Republic. On the other hand, other powers may be more willing to increase pressure on Iran to suspend its nuclear and missile programs given the U.S. designation that Iran has for years been supporting a widely reviled terrorist group. To the extent that Iran is seen to have been engaging in a wide range of dangerous activities, there may be broader and deeper international consensus that the source of the nuclear impasse lies in Iran rather than in the United States and Europe.