

Counterterrorism Lecture

Tehran's International Targets: Assessing Iranian Terror Sponsorship

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The State Department's top counterterrorism official discusses the Trump administration's latest actions against those who facilitate Iranian terrorist activity.

Earlier today, The Washington Institute hosted a Policy Forum with Ambassador Nathan Sales as part of its long-running Stein Counterterrorism Lecture Series. The following are his prepared remarks.

Thanks for that warm introduction and for hosting me here. It's a real pleasure to participate in The Washington Institute's Counterterrorism Lecture Series. A number of my predecessors from the CT Bureau have had the privilege of speaking at this lectern, and I'm honored to be here to keep the streak alive.

Today, I'm going to highlight U.S. concerns about ongoing terrorism by the Iranian regime and its proxies around the world. Then I'll tell you what the Trump administration is doing to counter this global and growing threat.

Iran is the world's leading state sponsor of terrorism. Period. It has held that dubious distinction for many years now and shows no sign of relinquishing the title.

To the contrary, the regime in Tehran continues to provide hundreds of millions of dollars every year to terrorists across the world. It does this, despite ongoing economic turmoil that's impoverishing many of its people. The beneficiaries of this misbegotten largesse range from Hezbollah in Lebanon, to Hamas in Gaza, to violent

rejectionist groups in the West Bank, to the Houthis in Yemen, to hostile militias in Iraq and Syria.

Let me give you some numbers. This may sound hard to believe, but Iran provides Hezbollah alone some \$700 million a year. It gives another \$100 million to various Palestinian terrorist groups. When you throw in the money provided to other terrorists, the total comes close to one billion dollars.

Let's pause to consider that, because it bears repeating: The Iranian regime spends nearly a billion dollars a year just to support terrorism. I'd be tempted to make a Dr. Evil reference if the stakes weren't so high.

And who ultimately pays the price of this support? The Iranian people. The resources Iran uses to fund its global terrorist campaign come directly out of the pockets of ordinary Iranians. The regime robs its own citizens to pay its proxies abroad.

Tehran's priorities are clear. It doesn't seek to boost economic growth at home, or to improve Iranian living standards. It doesn't seek to reduce Iran's growing unemployment. What the regime prioritizes, despite the country's increasing economic distress, is buying guns and bombs for foreign terrorists.

Tragically, this vast waste of the Iranian people's assets has resulted in bloodshed and instability across the globe. Let me lay out what I mean.

In Syria, Tehran has given massive military and financial assistance to the Assad regime, ensuring its survival and, not coincidentally, giving Tehran access to other parts of the Levant.

Iran has built and backed new militia forces in Syria and Iraq. This cadre of battle-hardened fighters can serve as a loyal expeditionary force for the Iranian regime. We've seen firsthand in recent months how dangerous these proxies can be. Two months ago, Iranian-linked militias in Iraq launched rockets at our embassy in Baghdad and our consulate in Basra. Fortunately, no one was killed, but these attacks can leave no doubt about the regime's support for violence.

Iran is working constantly to undermine its neighbors in the Gulf. In Bahrain, Tehran has developed a close partnership with the Ashtar Brigades—an organization working to overthrow the Bahraini government. Iran provides al-Ashtar with training, funding, and weapons, enabling the group's terrorist attacks.

Farther afield, Iran sponsors terror through an elaborate network of allies, proxies, and cutouts. Tehran is the chief patron of Lebanese Hezbollah, one of the world's most capable and worrisome terrorist groups.

Thanks to Iran's backing, Hezbollah has built a fearsome arsenal. The group now has more than 100,000 rockets in Lebanon, a massive and destabilizing buildup. Indifferent to the people it purports to defend, Hezbollah hides its missile factories in population centers—effectively using innocent civilians as human shields.

And while Hezbollah likes to tout its political role and social services in Lebanon, that's an ill-fitting fig leaf for its true and more nefarious agenda. Let's be clear: Hezbollah is not an NGO; it is not just another political party. Hezbollah is a terrorist group with a bloody record of perpetrating violence and destruction in Lebanon and Syria, throughout the Middle East, and around the world.

Hezbollah's ambitions and global reach rival those of al-Qaeda and ISIS. In recent years, Hezbollah operatives have been caught preparing attacks as far afield as Azerbaijan, Bolivia, Cyprus, Egypt, Peru, and Thailand. Hezbollah weapons caches have been discovered in the Gulf, in Europe, in Asia, and in Africa. In 2012, Hezbollah bombed a bus in Bulgaria, killing five Israeli tourists and one Bulgarian citizen.

Iran isn't content to merely fund proxies like Hezbollah. The regime itself engages in terrorist plotting around the world.

Just last month, an Iranian operative was arrested for planning assassinations in Denmark. This summer, authorities in Germany, Belgium, and France collaborated to thwart a plot to bomb a political rally near Paris. They arrested several Iranian operatives—including an Iranian spy operating under diplomatic cover in Austria. Ordinarily, the arrest of a purported diplomat for planning a terrorist attack would be unprecedented. For Iran, it's business as usual.

These plots were particularly brazen in their indifference to civilian casualties, in their abuse of diplomatic status, and in their general shamelessness. But they're just the tip of the iceberg. For Iran has a long and sordid history of backing terrorism in Europe.

In January, German authorities discovered and investigated ten suspected IRGC-Qods Force operatives. In March, Albania arrested two Iranian operatives for terrorist plotting. Several years ago, Germany arrested and subsequently convicted a Qods Force operative who was surveilling the head of a German-Israeli group and his associates. In 2012, Turkish authorities disrupted a plot by four Qods Force operatives to attack Israeli targets in Turkey. Iran was responsible for not one but two separate plots in Cyprus, in 2012 and in 2015.

Iran is actively plotting terrorism in Europe, but it plots in lots of other places too. Africa, Southeast Asia, and South America have also seen Iran-backed terrorism in recent years.

In 2013, three Iranian operatives were arrested in Nigeria for planning attacks against U.S. and Israeli tourist sites and organizations. The previous year, two Qods Force operatives were arrested in Kenya for plotting attacks

against Western interests—and some thirty-three pounds of explosives were found in their possession.

In South America, a senior Iranian diplomat—sound familiar?—was found to be planning an attack near the Israeli embassy in Uruguay. And in Asia, since 2011, Iranian operatives have been implicated in plots and attacks in Nepal, India, and Pakistan.

Our country is not immune. In 2011, the Qods Force allegedly was involved in a plan to assassinate the Saudi ambassador to the United States at a restaurant in Georgetown. And just this past August, the FBI arrested two people for allegedly surveilling Bahai and Jewish facilities in the United States. They're also suspected of collecting information about Americans who belong to an Iranian opposition group.

All in all, an extraordinary compendium of evil. This is not the behavior of a normal government. This is the behavior of a lawless regime that uses terrorism as a basic tool of statecraft.

We cannot let this threat go unanswered. And so the Trump administration is responding. We're going after Iranian support for terrorism in a variety of ways to get at the people and organizations Iran uses to spread terror.

Last week, the United States reimposed a range of sanctions on Iran that had been lifted with the signing of the flawed nuclear deal, as well as new sanctions on additional Iranian entities. Our actions included sanctions against Iran's energy and shipping sectors, as well as the Iranian Central Bank.

These new designations ramp up already intense pressure—pressure that's designed to force Iran to act like a normal country. I can assure you that, until Iran changes its ways, more pressure is coming. And we will sustain that pressure until Iranian leaders cease their destructive behavior.

Our campaign has been building for some time: Last year, the administration took a major step to hold Iran accountable when the Treasury Department named the IRGC as a Specially Designated Global Terrorist (SDGT) for its support to terrorism.

The State Department likewise has been aggressively sanctioning Iranian-linked terrorists. In 2018, we designated al-Ashtar Brigades in Bahrain and several of its leaders. We also designated Harakat al-Sabirin, an Iran-backed group operating in Gaza.

This is just the beginning. We will continue to target Iran's terrorist proxies. They will pay a price for their actions and their partnership with the regime in Tehran.

At the same time, the administration is ramping up efforts against Hezbollah. We're using law enforcement and financial tools to disrupt its networks. We're targeting its financial resources and squeezing it out of the international financial system. The U.S. government has designated over 150 entities and individuals tied to that terrorist group, including more than 40 in 2018 alone.

I'll give you a few examples that illustrate the breadth of Hezbollah's networks. Earlier this year, Treasury sanctioned a number of Hezbollah front companies and facilitators in West Africa. These included fishing, car rentals, food processing—even pig farming. Yes, there's a Hezbollah pig farm in Liberia.

We're also using the Rewards for Justice program (RFJ) to add to the pressure on Hezbollah, offering multi-million dollar rewards for information leading to the identification or location of key leaders and operatives. Last year, the State Department issued RFJ reward offers for two Hezbollah leaders—Talal Hamiyah and Fuad Shukr. These men have American blood on their hands. These were the first RFJs targeting Hezbollah in more than a decade.

Thanks to good intelligence, solid investigative work, and some luck, Iranian terrorist plotting has not—so far—resulted in the hundreds of casualties that Tehran is clearly trying to orchestrate. But counting on luck is not a winning strategy.

We need to do more to change the Iranian regime's calculus and end its support for terrorism. And we know that the United States cannot do this alone, which is why we're pressing our international partners to stand up to Iran-backed terrorism.

We also need the private sector to play a responsible role in this effort. I'll be blunt: If you're doing business with Iran, you're funding terrorism. The IRGC has penetrated nearly every sector of the Iranian economy. By enriching the IRGC, companies are, even if inadvertently, enabling Tehran's terrorist agenda. This has to stop.

All of us can do more. All of us must do more. Therefore, today, I am announcing several significant new measures the Trump administration is taking to constrain Iran and its proxies.

To begin with—and this will not be a surprise—the State Department's mandatory five-year review of Hezbollah has once again determined that the group must and will remain on our list of designated Foreign Terrorist Organizations. This means all of Hezbollah. We reject the false distinction between Hezbollah's terrorist wing and a purportedly peaceful "political wing." Hezbollah is one organization. It is a terrorist organization, root and branch.

The State Department is also levying two new terrorism designations today. First, we're sanctioning Jawad Nasrallah as an SDGT. Jawad Nasrallah is a Hezbollah leader and the son of the group's secretary-general, Hassan Nasrallah. In 2016, Jawad tried to activate a suicide bombing and shooting cell based in the West Bank. Fortunately, security forces arrested the five people he had recruited for this operation.

Second, we're designating the Mujahidin Brigades (AMB). Based in the Gaza Strip, the AMB is a military organization that has operated in the Palestinian Territories since 2005. Its members have long plotted attacks against Israeli targets. AMB has ties to Hezbollah, and Hezbollah has provided funding and military training to AMB members.

Along with these actions by the State Department, earlier today the Treasury Department announced four designations targeting Iranian and Hezbollah-linked terrorists in Iraq. First, Treasury is sanctioning Shebl al-Zaidi as an SDGT. Zaidi has served as a financial coordinator between the Qods Force and militias in Iraq. He has also facilitated Iraqi investments on behalf of Qasem Soleimani, commander of the Qods Force. Zaidi has helped smuggle oil for Iran, and has sent Iraqi fighters to Syria allegedly at the request of the Qods Force.

In addition, Treasury is designating Yusuf Hashim. Hashim oversees all Hezbollah-related operations in Iraq and is in charge of protecting Hezbollah's interests in that country.

Treasury is also designating Muhammad Farhat. Farhat has advised militias in Iraq on behalf of Hezbollah. He was also tasked with collecting security and intelligence information in Iraq for senior Hezbollah and Iranian leadership.

Lastly, Treasury is designating Adnan Kawtharani. Kawtharani facilitates business transactions for Hezbollah inside Iraq and regularly meets there with militias and Hezbollah officials. He has also helped secure funding for Hezbollah, and has served as the right-hand man for his brother and senior Hezbollah member Muhammad Kawtharani—who himself was designated in 2013.

There's more to come. We'll be making some additional announcements at the State Department's press briefing later this afternoon. So stay tuned.

The goal of the measures I've described today is very simple: to force a change in the Iranian regime's behavior. We expect—we insist—that Iran follow the same rules every other country must follow and end its use of terrorism as a tool of statecraft.

We will make clear to Iran-backed terrorists and to their masters in Tehran that there are costs—increasingly heavy ones—to their support for terrorist barbarism. We are prepared to impose those costs on the regime and its proxies wherever they may be.

We know that this will be a long and difficult challenge. But we will prevail. We will continue to ratchet up the pressure until Iran comes to its senses, joins the community of civilized nations, and ends its support for murder and mayhem across the globe. We owe it to the victims, and we owe it to the cause of simple human decency. We can do no less.

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