Iranian Influence in the Levant, Iraq, and Afghanistan

Frederick W. Kagan
Kimberly Kagan
Danielle Pletka

A Report of the American Enterprise Institute

Contents

Introduction

The conflict between Iran and the United States began in 1979 with the Iranian Revolution and the seizure of the American Embassy in Tehran. Born partly of ideological differences and partly of real and perceived differing national interests, it has continued, alternately hot and cold, for almost three decades and seems unlikely to end soon. Like most previous conflicts, its conclusion cannot be foreseen. Many such struggles, like the Anglo-German tensions between 1871 and 1945 and the centuries-long tensions between Britain and France, lead to full-scale war. Others, like the Anglo-Russian or Russian-Ottoman tensions throughout the nineteenth century, lead to more limited conflict. And some, like the U.S.-Soviet Cold War, are resolved without direct armed confrontation. One key to resolving any such conflict is understanding both the nature of the enemy and the scope of the conflict—insights that have eluded most Americans and, indeed, many Iranians. This report addresses this lack of understanding and argues that while neither Americans nor Iranians desire full-scale military confrontation, Iranian activism and American passivity are contributing to a drift toward war.

Iran has been in the headlines on and off since 1979, but its significance for the United States increased dramatically after the attacks of September 11, 2001, and the subsequent invasions of Afghanistan and Iraq. Iran had long been recognized as the premier state sponsor of terrorism, but following 9/11, Americans were less willing than they had been to tolerate Iranian attacks, such as the 1983 U.S. Marine barracks bombing that killed 241 U.S. troops and the 1996 bombing of the Khobar Towers in Saudi Arabia, and Iranian support for groups—like Hamas and Palestinian Islamic Jihad in the West Bank and Gaza—with a history of killing Americans.

After Saddam Hussein was overthrown, it immediately became clear that Iran would have significant influence in post-Saddam Iraq. Indeed, mounting evidence of Iranian support for Shia and Sunni groups fighting American troops in Iraq generated deep concern in the United States, and sporadic reports of similar Iranian support to the Taliban in Afghanistan have received short bursts of attention. But Tehran ensured its place in the spotlight as it rapidly moved toward an escalation of tensions over its nuclear program.

The policy debate in the United States has generally centered around a single issue: will (or should) the Bush administration launch military strikes against Iran? Most have seen the Iranian nuclear program as the likeliest trigger for a U.S. attack. Those in the United States and Europe who oppose such a reaction have attempted to design a program of sanctions and diplomacy aimed at resolving the "nuclear issue." Fear that other points of conflict, particularly Iranian support of insurgents and terrorists in Iraq and Afghanistan, might become another trigger has also led to controversy over and even obfuscation of events in those two important theaters. And Iran's continued support for Hezbollah, Hamas, Palestinian Islamic Jihad, and other terrorist groups, while undisputed, is rarely mentioned—most likely out of fear that "war hawks" will use any evidence of Iranian wrongdoing to press for immediate military strikes.

The desire of the Bush administration—and even most of the supposed hawks—to attack Iran has always been overstated. Although some writers have advocated using military means to promote regime change in Tehran, few—if any—serious Iran analysts or defense specialists have recommended using force in the first instance. There has been no concerted effort within the administration—and very little pressure from the outside—for an attack. There is no comparison, for instance, between the bipartisan efforts to condemn, contain, or remove Saddam Hussein in the 1990s and again in 2003 and isolated

attempts to promote military strikes against Iran since the start of the Iraq war. The reason is simple: Iran is more than three times as large as Iraq in every dimension, with daunting physical terrain, even more daunting human terrain, and a global terrorist network. The prospect of full-scale war has never been appealing, and the waning of enthusiasm for precision-strike regime change after 2003 has made that option relatively unattractive as well.

This is not to say that the Bush administration or its successors will not launch either limited or full-scale military operations against Iran. Unattractive as the prospect of military conflict is, the prospect of an Iranian nuclear arsenal is at least equally unappealing. Much as Americans might desire to avoid war with Iran, continued Iranian intervention in Iraq, Afghanistan, and throughout the Middle East might ultimately make that option less repulsive than the alternatives. Western democracies do not go to war because they want to—they go to war when they determine that they have no other choice. The challenge in managing any cold war lies in ensuring that neither side ever feels that hot war is the lesser evil. And the key to that challenge is finding a modus vivendi, rather than insisting one side surrender to the other. This platitude is normally taken to mean that the United States should make sufficient concessions to Iran to mollify the mullahs. But the often-ignored converse is also true: stability will not result any more from an American surrender to Iran than from an Iranian surrender to America.

Sadly, there is very little prospect of success in this or any other endeavor unless the policy debate moves beyond the compartmentalization and hysteria that have characterized the discussion thus far. We must be able to recognize openly, fully, and objectively Iran's activities in the region that affect our interests without fearing that such recognition will lead to a foolish war. And we must also recognize that our conflict with Iran is regionwide, complex, and broad-based—it is not a simple misunderstanding over the nature of Iran's nuclear program or the threat Tehran feels from having U.S. troops deployed to its east and west. This report aims to present empirical evidence of Iran's actions in three critical areas: Iraq, Afghanistan, and the Levant (Syria, Lebanon, and the West Bank and Gaza). It does not address Iran's nuclear program, which is relatively familiar to most people who follow the issue, nor does it address Iranian activities beyond the broader Middle East and South Asia, although these are also worthy of study. Above all, it makes few claims about Iran's intentions.

The debate about the aims and even the nature and power of the Iranian regime is charged. The regime is unusually opaque. The combination of openness, rhetorical diversity, apparent internal schism, plausible and implausible deniability, and American neuralgia about Iranian intentions has made drawing firm conclusions about Iranian president Mahmoud Ahmadinejad's government or its possible successors almost hopeless. In the end, the United States is not likely to achieve any important goals vis-à-vis Iran without addressing better than we have thus far the issue of who controls the levers of power in Tehran and what they intend to do. But the American debate has thus far been so short on facts and so compartmentalized that establishing a ground-truth of Iran's activities in its immediate environs, whatever their goals and whoever ordered them, is an important undertaking.

1

Syria, Lebanon, and the West Bank/Gaza

Iranian policy in Syria, Lebanon, and the West Bank and Gaza is a microcosm of Tehran's broader foreign policy strategy. Although it is possible to view Iran's actions in each of these areas as indicative of separate bilateral relationships, a step back reveals a larger pattern. In each instance, Iran began with significant investment in allies—in the case of Syria, the regime; in Lebanon, the Shiite "militia" Hezbollah; and in the Palestinian areas, rejectionist groups opposed to Fatah, including Hamas and Palestinian Islamic Jihad. Many in the United States and in other governments—particularly in the intelligence community—are keen to identify a clear operational relationship between the Iranian regime and its regional allies. This, however, misses the point of the Iranian model: proxies are ideological and political fellow travelers who serve their own interests as well as Iran's. Only rarely do observers see Tehran giving direct operational instructions to these groups. That said, it is questionable whether Iran's allies could survive without the cash, arms, and diplomatic support the Islamic Republic regularly provides.

Syria

Military Relations. In July 2007, Syrian president Bashar al-Assad and Iranian president Mahmoud Ahmadinejad declared that "Iran and Syria were, are, and shall be brothers and allies."[1] Under Hafez al-Assad, Bashar's father, Syria and Iran were indeed allies rather than master and subordinate. Since Hafez al-Hassad's death in June 2006, however, the weak son has been incapable of earning respect in the region or at home. Instead, he is widely rumored to lean on the power behind his throne—his brother-in-law and head of Syrian military intelligence, Assef Shawqat.[2] (Shawqat and Bashar's younger brother, Maher al-Assad, have been fingered in the assassination of former Lebanese prime minister Rafiq Hariri.[3]) Bashar's weakness at home, his precarious position in a "dictatorship without a dictator,"[4] and a changing international scene have led him to rely on an ever closer relationship with Tehran for both guidance and security.

Notable examples of this shift include several reported weapons transfers between the two states, possible cooperation on weaponization of chemical weapons, joint training on newly supplied air defense systems from Russia, and Iran's likely financing of Syrian weapons acquisitions.[5] In addition, Iran has achieved an important presence in Syria in recent years. While some might argue that this presence merely serves to enhance Syrian security, Syrian parliamentary speaker Mahmoud al-Abrash was more honest in November 2006 when he stated that "Damascus considers consultations and cooperation with the Islamic Republic of Iran as a major rule and principle of its foreign policy."[6]

Under Hafez al-Assad, the Iranian ambassador to Damascus wielded considerable clout, but Iranian military forces were not active in Syria. They confined their activities to the Hezbollah stronghold in the Bekaa Valley in Lebanon and Lebanon's southern Shiite redoubt. That is no longer the case. Syria's evolution from partner to enabler to inferior has been visible. In 2005, the two states agreed to cooperate on defense matters, including the construction of joint Iranian-Syrian signals intelligence stations (completed in 2006) in the Al-Jazira region in northern Syria and on the Golan Heights[7] and a Syrian commitment to "allow Iran to safely store weapons, sensitive equipment, or even hazardous materials on Syrian soil should Iran need such help in a time of crisis."[8]

By December 2006, *Al-Hayat*, a daily pan-Arab UK-based newspaper, reported that an Iranian Revolutionary Guard base was established in Damascus.

While many Iranian-funded Palestinian rejectionist groups such as Hamas, Palestinian Islamic Jihad, and others have found a home in Damascus, it is unclear why the Assad regime would give a headquarters in its capital to the most potent and subversive terror apparatus in the Middle East. Yet the deepening ties do not stop there.

In a March 2007 visit to Damascus, Iranian defense minister Mostafa Mohammad-Najjar placed Iran's defense capabilities at Syria's disposal and underscored the two nations' weapons manufacturing cooperation.[9] While such declarations have been regular features in past meetings, there is substantial evidence that this time the promised cooperation is real. Recent reports indicate that Iran will acquire at least ten 96K6 Pantsyr-S1E short-range gun and missile air defense systems from Syria (which acquired them from Russia), with delivery scheduled for late 2008.[10] In addition, Iranian Air Force specialists are slated to train with the Syrians on the Pantsyr system.[11] Reports suggest that in addition to its work on conventional weapons, the Iranian military is also cooperating on Syrian weapons of mass destruction. In 2005, Tehran reportedly committed to assisting Syria with its already well-developed chemical weapons program, including the establishment of "four or five" new production plants for VX and Sarin nerve agents and a mustard blister agent.[12] In July 2007, intelligence agencies detected an explosion at a joint Iranian-Syrian site in Syria, and officials surmise that something went awry in efforts to fit chemical warheads to short-range ballistic missiles.[13]

Assad and Ahmadinejad reportedly signed a new and secret military cooperation agreement in July as well.[14] According to the report, the seven articles of the agreement include new financing for Syrian weapons purchases from Russia, Belarus, and North Korea; $1 billion to acquire four hundred Russian T-72 tanks, eighteen MiG-31 jets, eight Sukhoi-24 bombers, and a number of Mi-8 helicopters; new Iranian facilities in Syria to produce medium-range missiles and launchers; new Iranian-made sea-launched missiles for the Syrian navy; and technical support for nuclear research and chemical weapons. In exchange for this package, Syria pledged not to enter into peace negotiations with Israel.[15]

This agreement follows on a June 2006 cooperation agreement signed by Najjar and his Syrian counterpart General Hassan Turkmani embracing roughly similar outlines—with a reported price tag of $800 million.[16] Whether these generous agreements are part and parcel of the new satellite relationship or a response to possible Iranian fears about ongoing Syria-Israel secret talks is unclear. It is also unclear whether the Syrian military could function at this point without continued Iranian support.

Economic Support. In the economic realm, the Syria-Iran relationship is undergoing the same deepening and broadening. The Syrian economy is becoming increasingly dependent on Iranian joint ventures, financing, and support in key sectors such as energy, telecommunications, agriculture, and transportation, as well as anticipated oil refineries, wheat silos, cement plants, and a renovated oil pipeline from Iraq's northern oil fields to Syria's Mediterranean coast. This economic cooperation, reaching record levels over the past few years, represents bilateral trade estimated at $200 million per year and direct Iranian investments in Syria totaling more than $2 billion.[17]

In January 2007, the Syrian government reported that Iran was the top investor in Syria among non-Arab countries in 2006, with $400 million.[18] Iranian investment in Syria in 2006 was two-thirds that of total Arab investment and half that of all non-Arab investment in the country.[19] In addition, in late 2006, Iranian and Syrian officials estimated that the volume of Iranian projects in Syria was around $750 million, compared with $100 million the year before.[20] For its part, Iran sees few bounds to its relationship with Syria, particularly in energy, even including sharing nuclear technology. In March 2007, Ahmadinejad adviser Parviz Davoudi explained that "Iran's intentions [are] to establish a suitable framework for conducting [joint] oil and gas activity. . . . Iran possesses innovative and significant technologies, including nuclear technology for peacefulpurposes . . . which it is inclined to transfer to its friend and sister Syria."[21]

The most important sectors in which Iranian investment, finance, and cooperation are key to the Syrian economy are as follows.

Transportation. SIAMCO is a $60 million joint venture in automotive production in which Iranian automotive giant Iran Khodro Company has a 40 percent stake, the Syrian government 35 percent, and a private Syrian company called Al Sultan the remaining 25 percent.[22] In December 2007, the Syriab Arab News Agency (SANA) reported that, under a $50 million joint venture, the International Syrian-Iranian Factory for Cars will produce up to fifteen thousand SABA cars a year and anticipates reaching a capacity of thirty-five thousand cars annually in its final stage.[23] In March 2007, the Samand automotive production line was inaugurated by Assad and Iranian vice president Parviz Davoudi. Iran plans to allocate 40 percent of the Syrian car market to itself and is estimated to bring in $220 million for its industry.[24]

Natural Resources. In September 2007, Iran's acting mines and industry minister Ali-Akbar Mehrabian announced $10 billion worth of Iranian investments in Syria within the next five years. The two countries are currently cooperating on sixteen projects valued at $1 billion.[25]

Cement. A new cement plant was inaugurated in Syria's northern city of Hama, SANA reported. The $250 million plant has a production capacity of 1.1 million tons annually and is expected to create four hundred jobs.[26]

Water. Iran has undertaken a water supply project in the Syrian city of Aleppo; in addition, several Iranian companies, including Sabir and Satkab, are involved in the construction of ten dams in Syria.[27]

Education. In a July 2007 meeting, Iranian science, research, and technology minister Mohammad Mehdi Zahedi announced the establishment of an Iranian university in Syria, which will be an international branch of Tehran's Tarbiat Modares University.[28]

Culture. In July 2007, Zahedi, Damascus University chancellor Wail Mu'alla, and Iranian ambassador to Syria Mohammad-Hassan Akhtari discussed Iranian financial and spiritual support for Persian-language faculty at Damascus University.[29]

Electricity. The first phase of the Banias power plant in Syria was inaugurated in June 2007. The Export Development Bank of Iran financed $11 million of the $18 million power plant, and the rest was provided by Syria.[30] Iranian energy minister Parviz Fattah and his Syrian counterpart commissioned two power plants in Syria in May 2007. The Iranian company Azar Ab engaged in overhauling the 170-megawatt power plant at a cost of around $62 million.[31] The Iranian cabinet approved a $230 million payment to establish a combined cycle power plant in Syria in April 2007.[32] Fattah agreed with Syrian minister of electricity Ahamad Khalid al-Ali in November 2006 to connect the power network of the two countries via Turkey and Iraq.[33]

Oil. Iran's deputy oil minister Mohammad-Reza Nematzadeh, Syria's deputy oil minister Hassan Zeinab, and Venezuela's director general of refinery affairs Roberto Delgado agreed in October 2006 to construct a refinery with a capacity of 140,000 barrels per day of oil. The projected cost is $1.5 billion.[34] In October 2007, Iran's oil minister Golamhossein Nozari and Syrian oil minister Sufiyan al-Alaw signed an agreement, expected to take effect by 2009, whereby Iran will export 3 billion cubic meters of gas to Syria through Turkey.[35]

New Construction. An Iranian private-sector mission to Syria offered to build an industrial city in Syria, including a steel mill with a production capacity of eight hundred thousand tons a year, an eight-hundred-megawatt power plant, and a housing complex with fifty thousand housing units. The total cost was estimated at $8 billion, to be funded by the Iranian private sector.[36]

Mining. In May 2006, Syrian minister of the economy and trade Amir Husni Lutfi met in Tehran with

Iran's minister of industries and mines Ali-Rez Tahmasbi. Tahmasbi stated that the current volume of trade exchange in industry and mining sectors amounted to over $1 billion. The Iranian minister stated that Iran is currently involved in some sixteen industrial and mining projects in Syria.[37]

Banking. In March 2006, the Bank Saderat of Iran and the Commercial Bank of Syria announced they will form a jointly run bank.[38]

Trade. In February 2006, Davoudi discussed with Assad, Syrian vice president Farouq al-Shara, and prime minister Muhammad Naji al-Utri possibilities for opening joint ventures in the petrochemical, gas, and oil sectors; installing production facilities, including agricultural units and machinery, irrigation, roads, and housing; transferring Iranian oil and gas to Syria; and constructing a railway connecting Iran, Iraq, and Syria. Bilateral cooperation has been placed at about $750 million. Trade exchanges between the two countries stood at $100 million in 2005. Over 350,000 Iranian pilgrims visit holy sites in Syria annually.[39]

Though Syria and Iran are independent states and may freely contract any bilateral agreements they choose, it is worth noting that Tehran has not only contributed to building nearly one thousand megawatts of electrical production capacity in Syria—while maintaining that it needs a civilian nuclear power program to supplement its own energy needs—but has also been working to integrate the Syrian and Iranian economies through constructing roads, railways, and oil and gas pipelines and linking power grids. This growing economic interdependence (with Iran at the center of a dependency network) and the increase in military aid from Iran to Syria risk reducing Damascus to a vassal state that is so tied economically and militarily to its more powerful patron that disobedience may become unthinkable. Whether this was Tehran's goal is not important. What matters is that it is increasingly the reality in Syria.

Lebanon and Hezbollah

Hezbollah is a topic unto itself, a sophisticated political-military-social organization—a key player in the Lebanese government, a dominant force in southern Lebanon, a potent militia, itself a trainer for regional terror groups, an exporter of terror, and more. Hezbollah is a force to be reckoned with. For our purposes, however, it is Hezbollah's tie to Iran that demands attention. Formed in 1982 by Iranian seminarians, its links to Tehran have only strengthened as it has grown into a semi-autonomous power of its own.

Weapons Transfers. At this point, there is little doubt that Hezbollah has recovered from any setbacks suffered in its 2006 confrontation with Israel. The group has rearmed and regrouped, and Iran has been an important part of that recovery. In a February 2007 interview, Hezbollah leader Hassan Nasrallah openly stated that Iran is supplying his group with monetary aid and weapons.[40] Weapons shipments come by land, sea, and air from Iran, often via Damascus. Shipments are frequent and large. For example, Israel's Intelligence and Terrorism Information Center reported that at least nine times between December 2003 and January 2004, the Iranian Revolutionary Guard Corps (IRGC) Quds Force "used Iranian and Syrian cargo planes flying humanitarian aid in to the earthquake victims . . . in Southeastern Iran . . . to take large quantities of weapons for Hezbollah on their return flights."[41]

Over the years, Iran has gone from supplying rudimentary weapons to providing more sophisticated long-range missiles and other higher-end weaponry destined to escalate tensions on Lebanon's southern border. In mid-2004, IRGC officers reportedly unloaded 220 missiles with a 250–350-kilometer range for Hezbollah at an airfield near Damascus.[42] Indeed, according to calculations reported by the Middle East Media Research Institute (MEMRI), between 1992 and 2005, Hezbollah received approximately 11,500 missiles and rockets; four hundred short- and medium-range pieces of artillery; and Aresh, Nuri, and Hadid rockets and transporters/launchers from Iran.[43] In 2005, Iran sent Hezbollah a

shipment of large Uqab missiles with 333-millimeter warheads and an enormous supply of SA-7 and C-802 missiles, two of which were used in an attack on an Israeli ship.[44]

During Hezbollah's summer 2006 conflict with Israel, Iran resupplied the group's depleted weapons stocks. In July of that year, secret IRGC airlifts from bases in Bandar Abbas transported supplies for Hezbollah to the Dumeir Syrian military airfield near Homs.[45] A month later, Iran sent more advanced surface-to-air missiles, including Strela-2/2M, Strela-3, Igla-1E, and the Mithaq-1. The same missiles were reported to have been used to target Israeli helicopters.[46] Iran does not restrict its equipment support of Hezbollah to heavy arms: British-made night-vision goggles found in a Hezbollah bunker during the war apparently also came from Iran.[47]

Military Training. Hezbollah's performance in 2006 stunned Israelis who had long assumed that they could devastate the terrorist group in any serious confrontation. Far from it—in addition to hunkering down in sophisticated tunnels built with North Korean assistance,[48] Hezbollah fighters had benefited from serious, in-depth training from IRGC on the ground in Lebanon and Iran.

Hezbollah reportedly had hundreds of Iranian engineers who, with North Korean experts brought into Lebanon by Iranian diplomats, built a twenty-five-kilometer underground tunnel to move fighters. The IRGC also constructed underground storerooms in the Bekaa Valley to hold missiles and ammunition.[49]

It should not be assumed, however, that Hezbollah cannot operate without IRGC guidance or planning. To the contrary, reports indicate that most IRGC troops left Lebanon at the end of the 1980s and were replaced by thousands of Hezbollahis who had fought and trained with Iranians inside Iran.[50] Instead, IRGC troops appear to be in Lebanon to help with specialized activities such as tunnel-building and weapons-training. For example, Israel Defense Forces (IDF) naval and ground forces reported separately that IRGC officers were key to coordinating C-802 missile attacks against their ships and missile fire against Israeli helicopters.[51] Other sources note that the IRGC established twenty missile bases on the Israeli border in Lebanon.[52] In July 2006, a senior Iranian army officer reported that the IRGC had established dozens of advanced rocket and missile bases in the Lebanon Valley and along the border with Israel.[53]

Other vignettes detail the depth and breadth of Iranian training of Hezbollah, which often trickles down to other groups trained in Lebanon. MEMRI (among others) does an excellent job collecting examples of Iranian support for Hezbollah's military capabilities:

- Two Hezbollah terrorists who were captured by the IDF during the 2006 war confessed they had been trained by IRGC operatives at a camp near Karaj, north of Tehran. They said they were part of a group of forty to fifty Hezbollah operatives trained in Iran.[54]

- In the last three years, fifty Hezbollah pilots have been trained. In Lebanon, there are seventy Iranian trainers and technicians as well as sixty Faylaq Quds intelligence agents. There is a secret IRGC unit in Lebanon of twenty officers who track Israeli movements and select targets in Israel.[55]

- Hundreds of Hezbollah fighters took special training courses at IRGC bases in Tehran, Esfahan, Mashhad, and Havaz. Hezbollah's missile unit includes two hundred technicians and experts trained in Iran.[56]

- Colonel Ali Reza Tamiz of the Quds Force is responsible for training Hezbollah members in the use of advanced equipment and weaponry, including Ra'ad missiles, Shahin launchers, and surface-to-air missiles.[57]

We need not belabor the question of Iranian intentions, but it is worth noting the series of events preceding the Hezbollah-Israel confrontation. On April 28,

2006, director general of the International Atomic Energy Agency (IAEA) Mohamed ElBaradei submitted a report to the IAEA board of governors and the United Nations (UN) Security Council. The report noted "gaps" in the IAEA's knowledge about "the role of the military in Iran's nuclear programme" and concluded that "the Agency is unable to make progress in its efforts to provide assurance about the absence of undeclared nuclear material and activities in Iran."[58] On June 8, ElBaradei released another report to the IAEA board of governors, noting that Iran continued to refuse to provide the requested information about its nuclear program.[59] On July 12, Lebanese Hezbollah forces crossed the Israeli border and seized two Israeli soldiers, prompting an Israeli invasion of southern Lebanon that immediately grabbed public attention.

Iran certainly had an interest in distracting attention from the escalating investigation of its illegal nuclear weapons program in the summer of 2006. And once the Hezbollah-Israel war began, Iran had an interest in seeing Hezbollah emerge unscathed from its confrontation with Israel (hence Iran's risky attempt to resupply Hezbollah with critical weapons in July).[60] In this instance, it seems appropriate to think of Iran as Hezbollah's enabler and of Hezbollah as a willing handmaiden in times of Iranian need. Whether wreaking havoc on the rest of Lebanon served Hezbollah's long-term interests remains unclear. It is also unclear if Tehran ordered Hezbollah to launch the attack that started the war or if the timing of the Lebanese crisis had nothing to do with the timing of the IAEA reports and the prospect of UN sanctions. Regardless, the timing coincided rather nicely for Iran, and Tehran appears to have acted rapidly to support its proxy and benefit from the distraction.

Economic Support. Because Hezbollah represents the historically poor Shiite community of Lebanon, money from Iran has been vital for buying and maintaining political support within the country. Estimates of Iran's annual support to Hezbollah are in the range of $100 million or more per year.[61] Iran's total investment in Hezbollah has topped $1 billion and may be as high as $2 billion.[62]

The mechanism for transferring money should not be complicated: Hezbollah is a legitimate user of the Lebanese national banking system. Iran has also been reported to transfer large sums of money to Hezbollah using the Syrian and Palestinian banking systems, and Arab Bank has been identified as a main conduit for channeling money to Hezbollah and other terrorist organizations.[63] That said, there have been occasional reports of suitcase-style cash transfers as well. Following the 2006 Israel-Lebanon war, Hezbollah was seen doling out hundreds of hundred-dollar bills procured from a suitcase to Lebanese seeking compensation for Israeli bomb damage to their homes.[64] An October 2006 report describing diplomatic bags stuffed with cash being trundled to Lebanon states that the money originated from the religious center in the city of Mashhad as well as from other organizations in Qom, Shiraz, Gorgan, Kerman, Esfahan, and Zahedan. The money is mainly earmarked for reconstruction work—some sources claim it could be as much as $2 billion—and is managed in Lebanon by Hezbollah's treasurer, Nasrallah's brother-in-law.[65]

Iran has been key to Hezbollah's regaining its reputation, its social networks, and its political clout in the months since the 2006 conflict. While it seems clear that Hezbollah scored a major victory and dented seriously Israel's deterrent for the first time in many decades, from a Lebanese perspective, things look different. Nasrallah was forced to apologize to the Lebanese people for bringing massive destruction upon the country.[66] Many in Lebanon blamed Hezbollah for initiating a war that Lebanon's elected government had not chosen.

Extricating Hezbollah from Lebanese recriminations was an expensive task: Iran made $150 million available for Hezbollah to distribute to Lebanese citizens.[67] Fuel and generators were delivered to war-torn villages after the conflict, and families who lost homes were granted $12,000 each—all at Iran's expense.[68] In July 2007, the head of Iranian reconstruction efforts in Lebanon, Hessham Koshnevis, reported that out of the twenty-five bridges Iran had pledged to rebuild, reconstruction of twelve was complete; forty-three out of sixty-three villages had

been rebuilt; and one hundred forty-nine schools and fifty mosques had been rebuilt. Overall, Iran had finished 704 out of 1,032 reconstruction projects it pledged to carry out in Lebanon.[69]

Politics. Unlike proxies in Syria and even the Palestinian territories, which remain nominally independent, Hezbollah is an important Iranian instrument over which Tehran exerts significant, though not always clear, control. According to former Hezbollah secretary general Sheik Subhi Al-Tufeili (who broke with Iran and Hezbollah), "Hezbollah is a tool, and it is an integral part of the Iranian intelligence apparatus. . . . Iran is the main nerve in the activity today in Lebanon. All Hezbollah activity [is financed] by Iranian funds. Syria has an important role, but Iran is the main and primary support of [the Lebanese opposition]."[70] Iranian officials agree: Ali Akbar Mohtashemi, one of the founders of Hezbollah, former Iranian ambassador to Syria and Lebanon, and former Iranian interior minister, has said that "Hezbollah is part of the Iranian rulership; Hezbollah is a central component of the Iranian military and security establishment; the ties between Iran and Hezbollah are far greater than those between a revolutionary regime with a revolutionary party or organization outside its borders."[71]

More recently, Hezbollah's second-in-command, Sheik Naim al Qassem, explained in an interview on Iranian television that Hezbollah yields to Iranian authority for all military issues, including suicide bombings, rocket launches, and other terrorist operations. Qassem references "'*al-wali al-faqih*' (the ruling jurisprudent), a title formerly used by Ayatollah Ruhollah Khomeini and presently used by his successor, leader Ali Khamenei . . . to describe Hezbollah's source of authority."[72]

Qassem also explained that terrorist operations against Israel require Iranian permission.[73] Whether Qassem's interview is part of an ongoing power struggle between the deputy and Nasrallah (recent reports suggest Nasrallah was demoted in favor of Qassem by an Iranian leadership furious over the fallout from the war with Israel)[74] or a recitation of facts, keen observers agree that Hezbollah has a degree of latitude in operations but lacks complete independence from Iran. Whether or not Iran dictates or merely advises how Hezbollah's "political" wing should behave inside Lebanon is less clear. It is also evident that recent events have increased Hezbollah's dependence on Iran even further. Both Hezbollah's loss of weapons and fighters in the conflict with Israel and the resulting damage to its reputation and position within Lebanon weakened Hezbollah's burgeoning independence and made it more reliant upon Iran.

West Bank/Gaza and Hamas

Military Training. The rhetoric of the Palestinian struggle has been central to Arab and postrevolutionary Iranian foreign policy for decades. But a balance sheet of Arab rhetoric and pledges of support to Palestinians adds up to very little in reality, particularly compared with Iran's very real, practical economic and military support for rejectionist Palestinian groups (including, until very recently, the Palestine Liberation Organization and Fatah). The 2006 U.S. State Department report on terrorism accused Iran of providing "extensive" funding, weapons, and training to Hamas, Palestinian Islamic Jihad, the al-Aqsa Martyrs' Brigades, and the Popular Front for the Liberation of Palestine–General Command.[75]

A review of the history of Iranian support for Hamas and other rejectionist Palestinian groups since Iran took the reins of the movement in 1992 is not practical in the context of this report. An examination of the last two years of relations, however, shows a pattern similar to that of Iranian relations with Syria and Hezbollah: financial support, weapons supplies, diplomatic coordination, and what might be called the "Hezbollah-ization" of Iran's relationships with political/military terror groups. Notably, however, Hamas has refused to accept money from Iran through Hezbollah and instead demanded its own separate bilateral relationship. From a Palestinian standpoint, this desire seems natural, and for the Iranians, too, there would be little strategic reason to give more control to Hezbollah.

Past suggestions that a sectarian divide limits the common cause between Iran and Sunni groups such as Hamas are based on a misreading of Iranian pragmatism—Iranian support for Sunni as well as Shiite insurgents inside Iraq is well documented (see Chapter 2). Some see the Damascus location of the leadership of groups such as Hamas and Palestinian Islamic Jihad as a sign that there are two centers of power among these groups. But while Palestinian Islamic Jihad—despite its localized mission to destroy Israel and establish an extremist Islamic Palestinian state—is "almost completely dependent on Syria, which permits its leadership, under the direction of [Secretary General] Ramadan Shalah, to operate from its territory and from Lebanon, from where it directs its anti-Israeli terrorist activities in the Palestinian Authority–administered territories," the real boss remains "Iran, its most important patron, which provides it with massive financial support."[76] Just as Syria has fallen under the Iranian shadow, so, too, have these groups become proxies and fellow travelers of the Tehran regime.

In early 2007, the head of the Israeli Shin Bet, the domestic security service, reported that Iran had become Hamas's main supplier of weapons and training.[77] Earlier reports indicated that Iran was supplying Hamas with vehicles and aircraft, although there is no evidence that Hamas received the aircraft.[78] Iran has also taken advantage of the relative proximity of Hamas to Hezbollah to enable IRGC training for Hamas (and, reportedly, Fatah) in the use of SA-7 (Strela) anti-aircraft missiles at the Janta Base in the Bekaa Valley in Lebanon. Graduates of this course reportedly transition to training in Iran near Qom.[79] Others have benefited from training by IRGC officers inside Gaza, and Israeli officials have testified that they believe there are a large number of Iranian experts in Gaza.[80] In a raid on a Hamas-linked Islamic university in Gaza City in February 2007, national security forces affiliated with Palestinian president Mahmoud Abbas seized hundreds of weapons and arrested several Iranian citizens who had purportedly been sent to the university by Iran to train Hamas affiliates.[81]

While Iran has proven itself willing to escalate the quality, reach, and sophistication of the weapons it supplies to its terror proxies, a newer and potentially more troubling trend is the quality of Iranian—particularly IRGC—military training. As Israel learned to its detriment in the summer 2006 conflict with Hezbollah, IRGC/Quds Force training has made terrorists much more effective against and lethal to an Israeli military that had once been dominant.

Although Hamas operatives have been trained by Iran for some years—likely since the early 1990s[82]—Hamas representatives reportedly traveled to Tehran in 2006 to discuss the issue and, according to the Islamic Republic News Agency, were warmly received by Ahmadinejad, who offered anew to transfer Iranian "experience and achievements" to Hamas.[83] Since then, large contingents of Hamas operatives have been training inside Iran for significant periods of time.[84] A pro-Fatah news site, Intifadat Filastin, recently noted that 150 members of Hamas filtered back into Gaza after spending over three months training in Iran.[85] In addition, Iran reportedly sent advisers into Gaza to work with Hamas.[86]

Although a report about a Hamas-Iran pact to train 6,500 men cannot be confirmed with other sources, it seems credible that Tehran committed to training a Hamas "rapid deployment force of 6,500 men in Hezbollah combat tactics." The report goes on to detail IRGC training and Iran's agreement to foot the bill for arming as well as training Hamas operatives at IRGC installations in southern Iran.[87]

Economic Support. Since Hamas's electoral victory in January 2006, Iran has reportedly smuggled hundreds of millions of dollars to the Hamas leadership. According to the former security chief of Hamas rival and Palestinian governing party Fatah, the group has received $400 million from Iran.[88] This money was not simply to buy arms or pay for training; rather, as in Lebanon, Iran appears to be insinuating itself into the social and economic fabric of the Palestinian areas, making itself an indispensable ally. Accordingly, in December 2006, Iran allegedly promised Hamas prime minister Ismail Haniya $250 million in aid, including $100 million for 2007 salaries of

employees working for the ministries of welfare, labor, and culture; $45 million for allowances for Hamas prisoners in Israeli jails; and aid for three thousand Palestinian fisherman and one hundred thousand unemployed workers.[89] Because much of the assistance comes to the Palestinians illicitly, numbers are difficult to track. Hamas officials visiting Tehran in 2006 returned hauling cash, and the International Monetary Fund estimates that in 2006 some $70 million in cash was carried into the territories, largely from Iran.[90] And Haniya was famously nabbed carrying a suitcase with $35 million from Iran.[91]

Iran did not create Hamas and does not control it. But Tehran has clearly seized opportunities to establish a patron-client relationship with this Sunni terrorist group. As is often the case with Iran's external activities, the relationship provides many benefits: It supports a key terrorist enemy of Israel, and anti-Zionism is a core element—at least rhetorically—of the present Iranian regime. It diversifies Tehran's portfolio in the Levant beyond Hezbollah and even beyond the limited Shia community there, providing a wedge into the Sunni extremist community on the basis of need and common enemies. It opens the possibility of multiple "western fronts" in Iran's struggle against the United States and Israel and multiple opportunities to generate distractions from events elsewhere without having to sacrifice the same proxy continuously. And, operationally, it establishes a potential Iranian proxy on another of Israel's borders. Again, the question of Tehran's intentions is unimportant for the moment. What matters is that Iran benefits in all of these ways from intensifying the support to its ally.

West Bank/Gaza and Palestinian Islamic Jihad

In February 2003, *Asharq Al-Awsat*, a pan-Arab daily newspaper, and Voice of America published interviews with Hamid Reza Zakeri, a supervisor and director of intelligence for the IRGC who defected to the West. Zakeri claimed that as supervisor of the intelligence apparatus's secretariat, he was aware of joint operations between the Revolutionary Guards and Iranian intelligence groups with revolutionary forces in the region, including al Qaeda, Hezbollah, and the Palestinian and Egyptian jihad organizations.[92]

According to Shalah, "Palestinian Islamic Jihad is one of Khomeini's numerous creations."[93] Unlike Hamas, which can credibly claim to have some Palestinian roots, Palestinian Islamic Jihad appears to be a wholly owned proxy organization. According to the authoritative Intelligence and Terrorism Information Center, Palestinian Islamic Jihad is "almost totally dependent upon Iran."[94]

Iran is likely the sole source of the organization's financing, providing the group with an estimated $2 million in annual funding.[95] Interestingly, even Palestinian Islamic Jihad, which is far less potent and broad-based than Hamas, also demanded to be distinct from Hezbollah. In 2002, Supreme Leader Ayatollah Khamenei promised to separate Palestinian Islamic Jihad from the Hezbollah budget and expand its budget by 70 percent to cover suicide bomber recruiting.[96]

In addition, Iran has provided Palestinian Islamic Jihad with weaponry—Grad rocket components—smuggled into the Gaza Strip from Iran via the border with Egypt.[97] Palestinian Islamic Jihad fighters have also been among the hundreds of Palestinians that have trained with IRGC and Quds forces in Iran.[98]

Conclusions

Iran has nurtured four separate but interconnected proxy organizations in the Levant—the Syrian government, Hezbollah, Hamas, and Palestinian Islamic Jihad. The first two have allowed or facilitated the positioning of Iranian headquarters, intelligence bases, training camps, and weapons depots in Syria and Lebanon. Iranian support to each has ranged from high-end weapons to trainers to economic assistance programs aimed at enhancing the stature of each organization among its own target population. The past two years have seen a significant expansion of Iranian support for all four groups and

concerted efforts to increase the dependency of these groups on Tehran. In at least one case—Hezbollah in Lebanon—a proxy has taken actions to its own apparent detriment to assist Tehran, and Iran responded by increasing its assistance. Each proxy has demanded and received its own direct relationship with Tehran—though there is still coordination among them—which places Iran at the center of a network that spans the Levant and is increasingly linked directly with the Iranian military and economy. Whatever Tehran's intentions might have been, this is the reality Iranian actions are creating on the ground and the situation that America and its allies will have to confront in the years to come.

Danielle Pletka is vice president for foreign and defense policy studies at AEI.

Notes

1. "Iran, Syria Reaffirm Strategic Alliance," Mehr News Agency (Iran), July 20, 2007, available at www.mehrnews.com/en/NewsDetail.aspx?NewsID=521098 (accessed January 28, 2008).

2. Anthony Shadid and Robin Wright, "Inner Circle in Syria Holds Power, and Perhaps Peril," *Washington Post*, October 28, 2005.

3. Reuters, "Syria Denies Plotting Young Hariri Assassination," October 31, 2007, available at www.reuters.com/article/worldNews/idUSOWE13527020071031 (accessed January 29, 2008).

4. Adel Darwish, "Dictatorship without a Dictator," Mideastnews, March 9, 2005, available at www.mideastnews.com/syrria9mar2005.html (accessed January 29, 2008).

5. Ali Nouri Zadeh, "Ahmadinejad's Visit to Damascus Results in Agreement to Finance Weapons Deals for Syria and Support Its Position in Lebanon," *Asharq Al-Awsat* (London), July 21, 2007, available in Arabic at www.aawsat.com/details.asp?section=4&issue=10462&article=429019&search=%C7%D3%E1%CD%C9&state=true (accessed February 6, 2008). See also Y. Mansharof and O. Winter, "The Strategic Alliance between Iran and Syria—Military and Economic Aspects," Middle East Media Research Institute (MEMRI), Inquiry and Analysis Series no. 380, available at www.memri.org/bin/articles.cgi?Page=countries&Area=iran&ID=IA38007 (accessed January 29, 2008).

6. "Syria Stresses Strategic Consultation with Iran," Fars News Agency (Iran), November 14, 2006, available at www.farsnews.com/English/newstext.php?nn=8508230566 (accessed January 28, 2008).

7. Robin Hughes, "Iran and Syria Advance SIGINT Co-operation," *Jane's Defence Weekly*, October 4, 2006, available at www.janes.com/defence/news/jdw/jdw061004_1_n.shtml (accessed January 29, 2008).

8. Robin Hughes, "Iran, Syria Sign a Further Defence Co-operation Agreement," *Jane's Defence Weekly*, June 27, 2006, available at www.janes.com/defence/news/jdw/jdw060627_1_n.shtml (accessed January 29, 2008).

9. Islamic Republic News Agency (IRNA) (Iran), March 12, 2007; and "Assad Discusses Cooperation between the Iranian and Syrian Militaries with Iran's Minister of Defense," *Asharq Al-Awsat*, March 12, 2007, available in Arabic at www.asharqalawsat.com/details.asp?section=4&issue=10331&article=410224 (accessed February 6, 2008).

10. "Iran to Acquire Advanced Air Defence System via Syria," *Jane's Defence Weekly*, May 18, 2007, available at www.janes.com/press/features/pr070518_1.shtml (accessed January 29, 2008).

11. Ibid.

12. Robin Hughes, "Iran Aids Syria's CW Programme," *Jane's Defence Weekly*, October 24, 2005, available at www.janes.com/defence/news/jdw/jdw051024_3_n.shtml (accessed January 29, 2008).

13. "Report: July Explosion in Syria Was Chemical Weapon Being Developed with Iranian Engineers," Associated Press, September 19, 2007.

14. Y. Mansharof and O. Winter, "The Strategic Alliance between Iran and Syria—Military and Economic Aspects."

15. Sheera Claire Frenkel, "Lieberman Calls for Emergency Gov't," *Jerusalem Post*, July 22, 2007, available at www.jpost.com/servlet/Satellite?pagename=JPost/JPArticle/ShowFull&cid=1184766024966 (accessed February 5, 2008).

16. "Syria and Iran Sign Military Cooperation Agreement to 'Confront Threats,'" *Asharq Al-Awsat*, June 16, 2006; and "Iran's Revolutionary Guards on Israel's Golan Border by Summer's End," DEBKAfile (Jerusalem), June 19, 2006.

17. "Syria's President: Alliance with Iran Won't Be Shaken," Associated Press, December 13, 2007.

18. "Iran, Syria Discuss Joint Investment," IRNA, January 25, 2007, available at www.irna.ir/en/news/view/line-22/0701253668143835.htm (accessed February 1, 2008).

19. Andrew Tabler, "Getting Down to Business," *International Herald Tribune*, September 14, 2007.

20. "Iran-Syria Economic Cooperation Commission Concluded Issuing Communique," IRNA, November 21, 2006, available at www2.irna.ir/en/news/view/menu-234/0611213812010209.htm (accessed February 1, 2008).

21. Mehr News Agency, March 15, 2007.

22. "Auto Industry Main Field for Strong Iran-Syria Ties," Mehr News Agency, September 11, 2007, available at www.mehrnews.com/en/NewsDetail.aspx?NewsID=550569 (accessed February 1, 2008).

23. "Syria's President: Alliance with Iran Won't Be Shaken," Associated Press.

24. "Iran's Samand Production Line Launched in Syria," Iranian Students News Agency (Tehran), March 10, 2007.

25. "Iran to Invest $10b in Syria by 2012," *Tehran Times*, September 15, 2007.

26. "Syria's President: Alliance with Iran Won't Be Shaken," Associated Press.

27. "Iran, Syria to Boost Cooperation in Water, Power Industries," Mehr News Agency, September 4, 2007, available at www.mehrnews.com/en/NewsDetail.aspx?NewsID=546368 (accessed February 1, 2008).

28. "Scientific and Cultural Cooperation between Syria and Iran," Syrian Arab News Agency (SANA), November 15, 2007, available in Arabic at http://sana.org/ara/9/2007/11/15/148873.htm (accessed February 6, 2008).

29. "Iran, Syria to Develop Academic Cooperation," IRNA, July 11, 2007, available at www2.irna.ir/en/news/view/menu-239/0707114831155118.htm (accessed February 2, 2008).

30. "Iran-backed Banias Power Plan 1st Phase Inaugurated in Syria," Mehr News Agency, June 19, 2007, available at www.mehrnews.com/en/NewsDetail.aspx?NewsID=504716 (accessed February 1, 2008).

31. "Iran Commissions Electricity Power Plant in Syria," IRNA, May 3, 2007, available at www2.irna.ir/en/news/view/menu-234/0705037715161426.htm (accessed February 2, 2008).

32. "Iran to Allot £230M for Power Plant in Syria," Mehr News Agency, April 8, 2007, available at www.mehrnews.com/en/NewsDetail.aspx?NewsID=467376 (accessed February 1, 2008).

33. "Iran, Syria Agree on Quadripartite Power Network in Western Iran," IRNA, November 29, 2006, available at www2.irna.ir/en/news/view/line-18/0611297077194141.htm (accessed February 2, 2008).

34. "Iran, Venezeula, Syria Sign MoU on Syrian Oil Refinery Project," IRNA, October 31, 2006, available at www2.irna.ir/en/news/view/line-18/0610319290195959.htm (accessed February 2, 2008).

35. "Iran, Syria Ink Gas Transfer Deal," Fars News Agency, October 4, 2007, available at http://english.farsnews.com/newstext.php?nn=8607120267 (accessed February 2, 2007).

36. "Joint Syrian-Iranian Project to Produce Iron [Mill] with Capacity of 800,000 Tons of Energy per Year," *Al-Thawra* (Damascus), September 29, 2006, available in Arabic at www.arabsteel.info/total/long_news_Total.asp?ID=588 (accessed February 6, 2008).

37. "Industrial, Mining Exports to Syria Exceed dlrs 1 bn," IRNA, May 29, 2006, available at www2.irna.ir/en/news/view/line-18/0605293530194814.htm (accessed February 2, 2008).

38. "Iran, Syria to Establish Joint Bank," IRNA, March 6, 2006.

39. "Iran: 1st VP Terms Outcome of Syria Visit 'Useful,'" IRNA, February 25, 2006.

40. The Israel Project, "Hezbollah, Hamas Rearm as Israel Works to Resume Peace Process," press release, February 22, 2007, available at www.theisraelproject.org/site/apps/nl/content2.asp?c=hsJPK0PIJpH&b=689705&ct=3601455 (accessed February 6, 2008).

41. Intelligence and Terrorism Information Center (ITIC), "Using the Quds Force of the Revolutionary Guards as the Main Tool to Export the Revolution beyond the Borders of Iran," April 2, 2007, available at www.terrorisminfo.org.il/malam_multimedia/English/eng_n/pdf/iran_e0307.pdf (accessed February 2, 2008).

42. *Al-Siyassa* (Kuwait), August 17, 2004.

43. MEMRI, "Iran and the Recent Escalation on Israel's Borders (4): Reaction in Iran, Lebanon, and Syria," Special Dispatch Series no. 1207, July 17, 2006, available at www.memri.org/bin/articles.cgi?Page=archives&Area=sd&ID=SP120706 (accessed February 2, 2008).

44. Ali Nouri Zadeh, "130 Officers from the Iranian Revolutionary Guard Corps and Quds Force Aid Hezbollah: 11,500 Missiles and Rocket-Propelled Grenades Sent from Tehran to Hezbollah," *Asharq Al-Awsat*, July 16, 2006, available in Arabic at www.aawsat.com/details.asp?section=4&issue=10092&article=373305&search=C802&state=true (accessed February 6, 2008).

45. "Iran Takes 'Direct Command' of Hizballah War against Israel July 20," DEBKAfile, July 21, 2006.

46. Robin Hughes, "Iran Answers Hizbullah Call for SAM Systems," *Jane's Defence Weekly*, August 7, 2006, available at www.janes.com/defence/news/jdw/jdw060807_1_n.shtml (accessed February 2, 2008).

47. George Conger, "London Probes How UK-Made Goggles Got to Hizbullah," *Jerusalem Post*, August 22, 2006, available at www.jpost.com/servlet/Satellite?cid=1154525919212&pagename=JPost/JPArticle/ShowFull (accessed February 2, 2008).

48. Larry Niksch and Raphael Perl, *North Korea: Terrorism List Removal*, Congressional Research Service, updated January 14, 2008, available at www.fas.org/sgp/crs/row/RL30613.pdf (accessed (February 6, 2008).

49. Ali Nouri Zadeh, "Iranian Officer: Hezbollah Has Commando Naval Unit," *Asharq Al-Awsat*, July 29, 2006, available in Arabic at www.asharqalawsat.com/print/default.asp?did=375420 (accessed February 2, 2008).

50. Ibid.

51. Robin Hughes, "Iran Answers Hizbullah Call for SAM Systems."

52. Ali Nouri Zadeh, "130 Officers from the Iranian Revolutionary Guard Corps and Quds Force Aid Hezbollah: 11,500 Missiles and Rocket-Propelled Grenades Sent from Tehran to Hezbollah."

53. GlobalSecurity.org, "Operation Change of Direction," available at www.globalsecurity.org/military/world/war/lebanon-change-of-direction.htm (accessed February 2, 2008).

54. ITIC, "Using the Quds Force of the Revolutionary Guards as the Main Tool to Export the Revolution beyond the Borders of Iran."

55. Ali Nouri Zadeh, "130 Officers from the Iranian Revolutionary Guard Corps and Quds Force Aid Hezbollah: 11,500 Missiles and Rocket-Propelled Grenades Sent from Tehran to Hezbollah."

56. "Iranian Officer: Hezbollah Has Commando Naval Unit," *Asharq Al-Awsat*.

57. MEMRI, "Iran Increases Funding and Training for Suicide Bombings Islamic Jihad Leader: The Intifada Foiled the American Plots against Iraq. A Hizbullah Leader on the Iranian-Syrian-Lebanese-Palestinian Axis," Special Dispatch Series no. 387, June 11, 2002, available at http://memri.org/bin/articles.cgi?Page=archives&Area=sd&ID=SP38702 (accessed February 6, 2008).

58. International Atomic Energy Agency (IAEA), *Implementation of NPT Safeguards Agreement in the Islamic Republic of Iran*, report by the director general, April 28, 2006, available at www.iaea.org/Publications/Documents/Board/2006/gov2006-27.pdf (accessed January 29, 2008).

59. IAEA, *Implementation of NPT Safeguards Agreement in the Islamic Republic of Iran*, report by the director general, June 8, 2006, available at www.iaea.org/Publications/Documents/Board/2006/gov2006-38.pdf (accessed January 29, 2008).

60. CNN Saturday Morning News, August 12, 2006, available at http://transcripts.cnn.com/TRANSCRIPTS/0608/12/smn.05.html (accessed February 5, 2008).

61. Kenneth Katzman, *Iran: U.S. Concerns and Policy Responses*, Congressional Research Service, updated December 5, 2007, available at http://fas.org/sgp/crs/mideast/RL32048.pdf (accessed February 6, 2008); and Brian Murphy, "Iran Seeks to Become Major Mideast Player," Associated Press, July 20, 2006.

62. Yaakov Amidror, "Lebanon II—the Fallout," *Jerusalem Post*, January 17, 2007, available at www.jpost.com/servlet/Satellite?cid=1167467749510&pagename=JPost/JPArticle/ShowFull (accessed February 2, 2008).

63. Roddy Boyd, "Arab Bank Terror Financing Case to Go Forward," *New York Post*, January 31, 2007.

64. Katherine Shrader, "U.S.: Hezbollah Recovers, and Iran Helps," *Associated Press*, December 18, 2006.

65. "How Hezbollah Is Financed," Intelligence Online (Paris), October 6, 2006. For more on Iran using this system elsewhere, see Jay Solomon and Evan Perez, "U.S. Uses Probe to Pressure Iran," *Wall Street Journal*, January 15, 2008.

66. "Nasrallah Regrets War in Hindsight," *Daily Star* (Lebanon), August 28, 2006, available at www.dailystar.com.lb/article.asp?edition_id=1&categ_id=2&article_id=75069 (accessed February 2, 2008).

67. Kenneth Katzman, *Iran: U.S. Concerns and Policy Responses*.

68. Michael Slackman, "Iran's Strong Ties with Syria Complicate U.S. Overtures," *New York Times*, December 28, 2006.

69. "Iran Starts Road Reconstruction Project in Lebanon," IRNA, July 29, 2007, available at www2.irna.com/en/news/view/line-16/0707298373193402.htm (accessed February 2, 2008).

70. *Al-Siyassa* (Kuwait), December 14, 2006.

71. Eitan Azani, "Hezbollah's Global Reach" (testimony, House Committee on International Relations Subcommittee on International Terrorism and Nonproliferation, September 28, 2006), available at www.ictconference.org/var/119/15436-Hezbollah's%20Global%20Reach.pdf (accessed February 2, 2008).

72. ITIC, "In an Interview Granted to an Iranian TV Channel, Sheikh Naim Qassem, Hassan Nasrallah's Deputy, Stresses That Hezbollah's Policy of Terrorist Operations against Israel (Including Suicide Bombings and Rocket Fire) Requires Jurisprudent Permission of the Iranian Leadership," April 29, 2007, available at www.terrorism-info.org.il/malam_multimedia/English/eng_n/pdf/hezbollah_e0407.pdf (accessed February 2, 2008).

73. Ibid.

74. "Report: Nasrallah Demoted by Khamenei," *Jerusalem Post*, December 13, 2007, available at www.jpost.com/servlet/Satellite?pagename=JPost%2FJPArticle%2FShowFull&cid=1196847333700 (accessed February 2, 2008).

75. Kenneth Katzman, *Iran: U.S. Concerns and Policy Responses*.

76. ITIC, "Profile of the Palestinian Islamic Jihad, Perpetrator of a Suicide Bombing Attack in Tel Aviv, February 25, 2005," special information bulletin, February 28, 2008, available at www.intelligence.org.il/eng/sib/3_05/pji.htm (accessed February 2, 2008).

77. "Israel's Diskin: Hizballah, Iran Have Increased Their Hold on the Gaza Strip," Voice of Israel Network B (Jerusalem), February 5, 2007.

78. "Hamas Says Aid from Iran Is Forthcoming," *Jerusalem Post*, October 12, 2006, available at www.jpost.com/servlet/Satellite?cid=1159193428310&pagename=JPost%2FJPArticle%2FShowFull (accessed February 6, 2008); "Iran Vehicle Consignment Aims to Seize Control of Gaza Infrastructure," DEBKAfile, May 22, 2006; and "Iran Donates 300 New Cars to Palestinian Government, Promises More Aid," *Al-Hayat Al-Jadidah* (Ramallah), May 19, 2006.

79. ITIC, "Iranian Aid to Palestinian Terror," available at http://terrorism-info.org.il/malam_multimedia/html/final/eng/bu/iran/chapt_c.htm (accessed February 2, 2008).

80. Paul Morro, *The Palestinian Territories: Background and U.S. Relations*, Congressional Research Service, July 5, 2007, available at http://assets.opencrs.com/rpts/RL34074_20070705.pdf (accessed February 2, 2008).

81. Ali Waked, "Iranian General Supervised Hamas Arms, Source Says," Ynetnews.com, February 2, 2007, available at www.ynetnews.com/articles/0,7340,L-3360122,00.html (accessed February 2, 2008).

82. Hassan Salameh, a Hamas member who is in prison for life for murdering fifty-six Israelis, stated that he arrived in Iran in 1993, where he underwent training in weapons, bombs, espionage, and ambushes. (ITIC, "Iranian Aid to Palestinian Terror.")

83. Julie Stahl, "Iran Offers to Share Experience and Achievements with Hamas," CNSNews.com, October 13, 2006, available at www.cnsnews.com/ViewForeignBureaus.asp?Page=/ForeignBureaus/archive/200610/INT20061013c.html (accessed February 2, 2008).

84. "Israel: 'Serious Concern' at 'Massive' Iranian Aid, Military Training for HAMAS," *Ma'ariv* (Tel Aviv), January 18, 2006.

85. "Al-Qassam Brigades Mem Reportedly Undergo 'Intensive Military Training' in Iran," Open Source Center summary, June 19, 2007.

86. "Iran Vehicle Consignment Aims to Seize Control of Gaza Infrastructure," DEBKAfile.

87. "Hamas to Become Iran's Military Arm after 12 Oct Pact Signed in Tehran," DEBKAfile, October 14, 2006.

88. Khaled Abu Toameh, "Dahlan: Iran, Qatar Backed Hamas Coup," *Jerusalem Post*, June 28, 2007, available at www.jpost.com/servlet/Satellite?cid=1182951029596&pagename=JPost/JPArticle/ShowFull (accessed February 2, 2008).

89. ITIC, "Anti-Israeli Terrorism, 2006: Data, Analysis and Trends," March 2007, available at www.terrorism-info.org.il/malam_multimedia/English/eng_n/pdf/terrorism_2006e.pdf (accessed February 6, 2008).

90. Paul Morro, *The Palestinian Territories: Background and U.S. Relations*.

91. "Israel: 'Serious Concern' at 'Massive' Iranian Aid, Military Training for HAMAS," *Ma'ariv*.

92. MEMRI, "Sunni Islamists Websites in Iraq Claim Iranian Top-Secret Document Reveals Iran/Al-Qaeda Contacts Months before 9/11," Special Dispatch Series no. 1347, November 7, 2006, available at http://memri.org/bin/articles.cgi?Page=archives&Area=sd&ID=SP134706 (accessed February 2, 2008).

93. IRNA, May 22, 2002.

94. *Asharq Al-Awsat*, February 18, 2003.

95. The Israel Project, "Hezbollah, Hamas Rearm as Israel Works to Resume Peace Process"; and Paul Morro, *The Palestinian Territories: Background and U.S. Relations*.

96. Ali Nouri Zadeh, "Iran Increases Budget for Islamic Jihad and Allocates Aid for Veteran Militants," *Asharq Al-Awsat*, June 8, 2002, available in Arabic at www.aawsat.com/details.asp?section=4&issue=8593&article=107359&search=%C7%E1%CC%E5%C7%CF%20%C7%E1%C5%D3%E1%C7%E3%ED&state=true (accessed February 6, 2008).

97. "Israel: Parts for Grad Rockets Smuggled into Gaza Strip from Iran via Egypt," *Hatzofe* (Tel Aviv), May 18, 2006.

98. Yaakov Katz and Herb Keinon, "Top Officer Urges Major Assault against Hamas in Gaza before It's Too Late," *Jerusalem Post*, July 20, 2007; and "Iran Increases Budget for Islamic Jihad and Allocates Aid for Veteran Militants,"*Asharq Al-Awsat*, June 8, 2002.

2

Iraq

Iran and its Lebanese proxy Hezbollah have been actively involved in supporting Shia militias and encouraging sectarian violence in Iraq since the 2003 invasion—and Iranian planning and preparation for that effort began as early as 2002. The precise purpose of this support is unclear and may have changed over time. But one thing is very clear: Iran has consistently supplied weapons, its own advisers, and Lebanese Hezbollah advisers to multiple resistance groups in Iraq—both Sunni and Shia—and has supported these groups as they have targeted Sunni Arabs, Coalition forces, Iraqi security forces, and the Iraqi government itself. Their influence runs from Kurdistan to Basra, and Coalition sources report that by August 2007, Iranian-backed violence accounted for roughly half the attacks on Coalition forces—a dramatic change from previous periods in which the overwhelming majority of attacks came from the Sunni Arab insurgency and al Qaeda.[1]

Background

The Iranian Revolutionary Guard Corps (IRGC) Quds Force has been organizing, training, funding, and equipping Iraqis to fight against Coalition and Iraqi security forces.[2] Lebanon's Hezbollah has assisted the Quds Force in training and organizing Shia resistance groups since 2003 and also served as the Quds Force's proxy in its advisory effort. The Iranian government provided substantial financial and technical support to militias in the second half of 2006 and increased its support in 2007.

The U.S. military has catalogued large quantities of enemy weapons in Iraq with imprints showing they were recently manufactured in Iran. In particular, highly lethal explosively formed penetrators (EFP), which are made from special copper disks manufactured with highly calibrated machine tools, have been used by Hezbollah in Lebanon with Iranian military assistance. Many of the EFPs found in Iraq have markings that indicate that they were manufactured in Iran as recently as 2007.[3] EFPs have accounted for an increasing number of U.S. casualties since October 2006.

The Iranian government has also exported rockets, sniper rifles, and mortars to enemy groups in Iraq and has provided them with trainers and advisers who answer to Quds Force commanders. Tehran's efforts have made certain Shia militia groups more effective and lethal than they had previously been. The evidence for Iran's extensive involvement in training "secret cells" of Shia militias has only surfaced publicly in recent months, even though senior U.S. officials have stated publicly since November 2006 that the Iranian government has fueled violence in Iraq by providing funds and weapons, and media reports have suggested it since 2004.[4]

The Quds Force and Hezbollah have worked together since 2003 to support Shia extremists in Iraq and to develop these groups into an organization modeled after Hezbollah. Shia groups were responsible for about half of the violence in Iraq in July 2007.[5] U.S. military officials estimate that the Quds Force provides between $750,000 and $3 million worth of equipment and funding to these groups every month. In spring 2007, U.S. and Iraqi forces launched special operations within Iraq to capture the leaders of the Iranian-funded movement. The campaign aimed to reduce the ability of Shia extremists to destabilize the government and security of Iraq. These special operations supplemented the counteroffensive against al Qaeda extremists in central Iraq. U.S. and Iraqi forces have captured numerous suspects with links to Iran and evidence documenting how the Iranian government supported violence in Iraq. U.S.

forces have publicly released some of this material, which forms part of the basis for this chapter.

The Origins of Iranian-Backed Special Groups in Iraq. Iran began preparing to confront American forces in Iraq even before the invasion of 2003. According to an August 2005 article by Michael Ware based on classified intelligence documents, Supreme Leader Ayatollah Ali Khamenei convened a council of war in Tehran in 2002 that concluded: "It is necessary to adopt an active policy in order to prevent long-term and short-term dangers to Iran." As a result, Iranian intelligence services organized the various Iraqi resistance groups they had been sheltering under Brigadier General Qassim Sullaimani, the current head of the Quds Force.[6]

Immediately after the U.S. invasion, thousands of members of these resistance groups, primarily from the Badr Corps, moved into Iraq and attempted to seize control of various key locations in the Shiite areas. Ware cited an IRGC intelligence report of April 10, 2003, that "logs U.S. troops backed by armor moving through the city of Kut. But, it asserts, 'we are in control of the city.' Another, with the same date . . . claims 'forces attached to us' had control of the city of Amarah."[7] Other reports confirm this view:

> In a sermon on May 2 [2003], Ayatollah Ahmad Jannati, secretary general of Iran's powerful Council of Guardians, called on Iraqis to stage suicide attacks to drive U.S.-led forces from [Iraq]. . . . Two months later . . . coalition forces uncovered a document describing a fatwa, or religious edict, that had reportedly been issued in Iran for its Shiite supporters in Iraq. The fatwa urged "holy fighters" in Iraq to get close to the enemy—the U.S.-led troops. These fighters, the fatwa said, should "maintain good relations with the coalition forces" but at the same time create "a secret group that would conduct attacks against American troops."[8]

The Badr Corps and Iranian agents were not the only ones involved in training and arming an anti-American Iraqi resistance under Iranian auspices. Hezbollah also sent agents into Iraq in 2003.[9] By August 2005, Abu Mustafa al-Sheibani had developed an extensive "network of insurgents created by the Iranian Revolutionary Guard Corps with the express purpose of committing violence against U.S. and coalition forces in Iraq."[10] Sheibani's group introduced into Iraq "'shaped' explosive charges"—used to target U.S. military armored vehicles—based on a model used by Hezbollah against the Israelis, and its fighters trained in Lebanon as well as Sadr City and "another country," according to U.S. intelligence sources.[11] An American military official in Baghdad explained that "the U.S. believes that Iran has brokered a partnership between Iraqi Shiite militants and Hizbollah and facilitated the import of sophisticated weapons that are killing and wounding U.S. and British troops."[12] An American Special Operations Task Force report claimed "the Lebanese Hezbollah leadership believes that the struggle in Iraq is the new battleground in the fight against the U.S."[13] Sheibani's group was estimated to include 280 fighters organized into seventeen bomb-making teams and death squads.[14]

Tehran had a natural Shiite proxy in the Badr Corps and the Supreme Council for the Islamic Revolution in Iraq—now the Supreme Islamic Iraqi Council (SIIC)—but it hedged its bets from the beginning by backing Moqtada al-Sadr as well. Sadr visited Tehran in June 2003 and was apparently receiving funds from Grand Ayatollah Kazem al-Haeri until October of that year when Haeri started to cut his ties to Sadr.[15] Sadr and three advisers traveled by road from Najaf to Ilam, "where Iranian authorities had a 10-seat private plane waiting for them."[16] In Tehran, the group met with Supreme Leader Ayatollah Ali Khamenei, former president Ali Akbar Hashemi Rafsanjani, and Ayatollah Mahmoud Hashemi Shahroudi. The invitation to Sadr apparently angered Iraqi clerical leaders in Najaf.

> "The *marjas* [the holy city's highest leaders] found it offensive that Moqtada would be officially invited to Iran," says Sheik Ali al-Rubai, spokesman for one of the holy city's four top clerics, Grand Ayatollah Ishaq Fayadh. "When

> Khamenei's representative came to Najaf [in August 2003], the *marjas* spoke to him in a rough way and demanded to know why they invited Moqtada." The lavish reception was a particular slap to Ayatollah Mohammad Baqir al Hakim, a major beneficiary of Iranian support for two decades. Hakim threatened to cut ties with Tehran in protest.[17]

Hezbollah also established a long-term relationship with Sadr, which they apparently began trying to do in July 2003 and succeeded by August. At the end of that month, according to a U.S. intelligence report, "Hezbollah had established 'a team of 30 to 40 operatives' in Najaf in support of Moqtada Sadr's Shi'a paramilitary group." The report added that "Hezbollah was recruiting and training members of Sadr's militia. A later report . . . said that Hezbollah was 'buying rocket-propelled grenades . . . antitank missiles' and other weapons for Sadr's militia."[18] Unconfirmed reports suggested that Hezbollah's secretary general Hassan Nasrallah had sent a senior adviser to deliver funds to Sadr in Najaf.[19] In October 2005, a British government official "alleged that Iran had supplied explosive devices to Sadr's Mahdi Army."[20] Prime Minister Tony Blair subsequently supported that assertion and "attributed the shipments to 'Iranian elements' or Iran's ally, Lebanese Hezbollah, acting on Iran's behalf."[21]

The covert nature of Iranian support for its proxies was clear and disturbing from the outset. Iranian intelligence services penetrated Iraq rapidly and thoroughly, and the thrust of their collection efforts was "finding out what weapons U.S. troops were carrying and what kind of body armor they were wearing. Iranian agents also sought information on the location of U.S. Army and intelligence bases; on the routes traveled by U.S. convoys; on the operations of the Special Forces' elite Delta Force; and on the plans of the U.S. military and intelligence inside Iraq."[22] The Iranians preferred not to be directly implicated in attacks on U.S. forces but instead offered bounties to Iraqis for killing Americans, shooting down U.S. helicopters, and destroying American tanks.[23] Iran's proxies in Iraq also undertook a campaign of targeted assassinations. Reports suggest that in fall 2003, "a senior Iranian cleric in Tehran set up a special 100-member army, known as al Saqar, which means eagle in Arabic, to assassinate [Coalition Provisional Authority director L. Paul] Bremer and carry out other terrorist attacks." This "eagle army" apparently "had trained for 30 days at an Iranian terrorist camp."[24]

In August 2005, Michael Ware reported:

> More sinister are signs of death squads charged with eliminating potential opponents and former Baathists. U.S. intelligence sources confirm that early targets included former members of the Iran section of Saddam's intelligence services. In southern cities, Thar-Allah (Vengeance of God) is one of a number of militant groups suspected of assassinations. . . . The chief of the Iraqi National Intelligence Service, General Mohammed Abdullah al-Shahwani, has publicly accused Iranian-backed cells of hunting down and killing his officers.[25]

One former Iraqi army officer reported "that he was recruited by an Iranian intelligence agent in 2004 to compile the names and addresses of Ministry of Interior officials in close contact with American military officers and liaisons." The Iranians wanted to know "'who the Americans trusted and where they were, and pestered [the former officer] to find out if [he], using his membership in the Iraqi National Accord political party, could get someone inside the office of then Prime Minister Iyad Allawi without being searched." The Iranian agent "also demanded information on U.S. troop concentrations in a particular area of Baghdad and details of U.S. weaponry, armor, routes and reaction times."[26]

Hezbollah Trains Iraqis in Iran. The number and quality of special groups increased in 2005 as the Iranian government allowed Hezbollah to train Iraqi militias in Iran. The three small camps used for training Iraqi militias were, as of summer 2007, located near Tehran. Twenty to sixty Iraqis can be trained at once in these facilities, and the training courses last from four to six weeks.[27]

The recruits were generally members of militias, including, but not exclusively, Jaysh al Mahdi.[28] They crossed the border at Zurbatiya-Mehran, usually unarmed and in pairs, sometimes in buses.[29] Recent arrests by Iraqi army soldiers reveal one recruiting technique used by special groups in Najaf, the Shia holy city where the Office of the Martyr Sadr and other political and religious organizations are well established. The director of a charity, the Amin Allah Cultural and Humanitarian Establishment, funneled funds designated for humanitarian use through the charity for the purpose of recruiting foreign fighters, training rogue Jaysh al Mahdi operatives in lethal attack tactics, and trafficking illegal weapons from Iran.[30] Two employees at the charity took advantage of their positions to offer $500 to those who would emplace improvised explosive devices (IED). These same recruiters also facilitated the training of Iraqis in Iran and received money and weapons from Iran.[31]

The Quds Force and Hezbollah trained Iraqis in groups of twenty to sixty so that they functioned as a unit—a secret cell or special group. The Iraqis returned to Iraq after their training, maintaining their group's organization and knowing how "to use EFPs, mortars, rockets, as well as intelligence, sniper and kidnapping operations."[32] These special groups could be combined into larger organizations. The director of the Amin Allah charity coordinated "more than 200 rogue [Jaysh al Mahdi] members" and "ordered them to conduct assassinations on local citizens and government officials who oppose the group's illegal activities."[33]

Hezbollah oversaw the special groups training effort by sending one of its members, Yussef Hashim, to serve as the organization's head of special operations in Iraq.[34] The trainer leading this effort in 2005 was a Lebanese Hezbollah operative named Ali Mussa Daqduq, who had an impressive military career in that organization. He joined Hezbollah in 1983 and commanded a Hezbollah special operations unit. He coordinated both the personal security of Nasrallah and operations in large sectors of Lebanon before he came to Iran.[35]

Reorganization of Special Groups with Hezbollah as Proxy. Though the Hezbollah training of special groups in Iran began in 2005, the Iranian government decided to adjust the way these groups were organized. A joint Quds Force–Hezbollah effort to organize these trained opposition groups into a Hezbollah-style structure began in May 2006. The Iranian Quds Force leadership sponsored the reorganization effort by holding a meeting with Hezbollah leaders Hashim and Daqduq, who traveled to Tehran for that purpose. In Tehran, they met with Hajji Yusif, the deputy commander of the Quds Force who heads its Department of External Special Operations. They also met with the commander.[36]

The Quds Force instructed Daqduq "to make trips in and out of Iraq and report on the training and operations of the Iraqi special groups. In the year prior to his capture, Ali Mussa Daqduq made four such trips to Iraq. He monitored and reported on the training and arming of special groups in mortars and rockets, on the manufacturing and employment of improvised explosive devices, and on kidnapping operations. Most significantly, he was tasked to organize the special groups in ways that mirrored how Hezbollah was organized in Lebanon."[37]

The Quds Force sponsored, or at least accepted, another significant personnel change at the same time. In June 2006, just a month after the Tehran meeting, Qais Khazali became the head of special groups in Iraq (Daqduq remained chief adviser).[38] Khazali is an Iraqi who once supported the Sadrist movement. According to a Sadrist spokesman, Sadr expelled Khazali from his organization in 2004 because the latter gave "unauthorized orders" during the battle for Najaf.[39] Khazali thus had a reputation for working with but undercutting Sadr. It is not clear from the open sources what relationship existed between Khazali and Sadr during Khazali's tenure as head of special groups. Khazali's relationship to Iran, however, is clear: he reported to Yusif just as Daqduq did.[40]

Some members of Iraqi special groups observed or participated in the Hezbollah-Israel war in July 2006. They traveled from Iraq to Syria to Lebanon and worked alongside Hezbollah in groups of twenty to forty fighters.[41]

Possible Aims of the Quds Force. Initially, the Quds Force's goal might have been pinning U.S. forces in Iraq rather than ejecting them. According to Ware, "Intelligence sources claim that Brigadier General Sullaimani ordained in a meeting of his militia proxies in the spring of last year [2004] that 'any move that would wear out the U.S. forces in Iraq should be done. Every possible means should be used to keep the U.S. forces engaged in Iraq.'"[42]

In 2005 and 2006, the Quds Force's "goal was to develop the Iraqi special groups into a network similar to the Lebanese Hezbollah. Special groups would be unable to conduct their terrorist attacks in Iraq without Iranian-supplied weapons and other support," according to a U.S. military spokesman.[43] The purpose of the Quds force effort, then, was to create a highly lethal network that relied upon the Iranian government to survive. Presumably, this reorganization would increase Tehran's ability to control and influence operations in Iraq.

Iran and Hezbollah made these changes as the current government of Iraq was being established. Parliamentary factions selected Nuri al-Maliki as prime minister on April 21, 2006.[44] His cabinet took power on May 20, 2006. The Quds Force reorganization of the special groups into a Hezbollah-like structure seems likely to have been either a deliberate Iranian response to the creation of an Iraqi government or, more specifically, to Maliki's premiership. The Quds Force certainly took these steps as Maliki's government was forming.

The Quds Force might have intended to reorganize the Iraqi secret cells into a Hezbollah-style organization because that military advising effort has succeeded well, but it might also have intended to achieve goals in Iraq similar to those Hezbollah has pursued in Lebanon. The primary goal of Hezbollah before 2005 was to expel Israeli forces from territory in southern Lebanon. By extension, it seems possible that Hezbollah and the Quds Force viewed the special groups as an organization well-suited to drive Coalition forces from Iraq. That would represent a change from the 2007 Quds Force strategy articulated by Sullaimani, if Ware reported it correctly.

The Quds Force and Hezbollah might have reorganized their efforts in 2006 to achieve broader political aims in Iraq and for the effect it would have on American policy. Hezbollah in Lebanon exists despite the presence of an elected government there. Hezbollah uses existing government structures and personnel to accomplish some of its goals, so the reorganization of Iraqi special groups into a Hezbollah-like model implies that the Quds Force might have intended the special groups to operate under the umbrella of Iraqi government institutions in order to compete with (or, indeed, effectively replace) Iraq's elected government, as Hezbollah does in parts of Lebanon.

Ryan Crocker, the U.S. ambassador to Iraq, suggested that the Quds Force might have the goal of assuring that southern Iraq remains beyond the control of the central government of Iraq and Iraqi security forces. In this scenario, the Quds Force might desire an end-state in which those who receive their funding, weapons, and military training provide security and services in southern Iraq and hold political offices there. Crocker stated:

> The fact that we have arrested the Lebanese Hizbollah trainer and have had many long conversations with the head of the secret cells, so called of the Jaish al Mahdi, who has gone on at length about Iranian connections, has to leave you with the issue out there, is Iran intending a Lebanonization or a Hezbollahzation of parts of the south. So in addition to . . . criminally driven violence, you cannot rule out the possibility of an overlay of not just politically directed violence but politically directed violence with outside support.[45]

The Quds Force Advisers in Iraq. Most members of special groups are Iraqis, like Khazali, but there are Iranian operatives in Iraq assisting the special groups. Iranians tied to the Quds Force operated in Iraq at the end of 2006 and the beginning of 2007. U.S. Special Forces detained Mohsin Chizari, the third-ranking official in the Quds Force, at the Baghdad compound of Abd al-Aziz al-Hakim on December 29, 2006. He and his captured colleague

> had detailed weapons lists, documents pertaining to shipments of weapons into Iraq, organizational charts, telephone records and maps, among other sensitive intelligence information. Officials were particularly concerned by the fact that the Iranians had information about importing modern, specially shaped explosive charges into Iraq, weapons that have been used in roadside bombs to target U.S. military armored vehicles.[46]

These two men claimed they had diplomatic passports, but U.S. officials argued that they did not have diplomatic immunity, as they were using aliases. The Iraqi government disagreed with the U.S. officials and decided to expel them.[47] On January 11, 2007, Coalition forces detained five Iranians, without proper diplomatic credentials, with links to the Quds Force in Irbil, in the Kurdish region in northeastern Iraq.[48] These five Iranians have remained in detention since then. The Quds Force had ties with Ansar al Islam terrorists in the Kurdish region before and after the fall of Saddam Hussein.

There are a significant number of Iranian advisers in Iraq. Iraqis functioned as liaisons for Iranian intelligence officers in the cities of Amarah and Majjar al-Kabir, known havens for weapons smugglers.[49] Major General Rick Lynch, commander of the Multinational Forces Center, estimated in August 2007 that the center had about fifty high-value targets related to the special groups. Roughly thirty of them are "IRGC surrogates, people that have been trained by the IRGC in Iran who've come back in Iraq to conduct acts of violence." In addition, he said, "I believe I got some members of the IRGC, some Iranians, who are working in our battlespace." He believes that there were about twenty Iranian IRGC advisers "either training Iraqis to conduct acts of violence or conducting those acts of violence themselves. . . . And what they do is they transit the battlespace. They don't come in and they stay, but they're going back and forth."[50] These Quds Force operatives seem to fill an important advisory niche, perhaps in the wake of the capture of Daqduq.

Iranian Support for al Qaeda

From the beginning, Iran did not confine its support of anti-American fighters to Shia groups. It also supported Ansar al-Islam, a radical Sunni terrorist group with close ties to al Qaeda. U.S. and British intelligence reports in 2004

> concluded that Ansar al-Islam was working closely with Iran, and also al Qaeda, in its terrorist attacks against coalition forces. . . . [O]ne British defense report noted pointedly: "Some elements [of Ansar al-Islam] remain in Iran. Intelligence indicates that elements" of Iran's Islamic Revolutionary Guard Corps "are providing safe haven and basic training to Iran-based [Ansar al-Islam] cadres."[51]

A report by the Iraq Survey Group noted that a source had reported "approximately 320 Ansar al-Islam terrorists being trained in Iran . . . for various attack scenarios including suicide bombings, assassinations, and general subversion against U.S. forces in Iraq."[52] Another British intelligence source "said that Iranian government agencies were also secretly helping Ansar al-Islam members cross into Iraq from Iran, as part of a plan to mount sniper attacks against coalition forces."[53] American sources confirmed this information, adding that "an Iranian was aiding Ansar al-Islam 'on how to build and set up' . . . IEDs. An analyst for the U.S. Central Command offered this assessment: '[Ansar al-Islam] is actively attempting to improve IED effectiveness and sophistication.'"[54]

Iranian arms also reached Sunni insurgents west of Baghdad. For example, U.S. and Iraqi forces found a cache containing 250 eighty-one-millimeter mortar rounds north of Abu Ghraib (west of Baghdad) on February 3.[55] Iran exports eighty-one-millimeter mortars, whereas other states in the region use and export eighty-two-millimeter tubes and shells.[56] Sunni insurgents held the area west of Baghdad, so it is reasonable to suppose that Sunni insurgents had acquired Iranian arms no later than early February.

More recently, Iranian arms dealers have supplied new weapons to al Qaeda in Iraq. A supply of arms

flowed from Iran into al Qaeda strongholds in Salman Pak and Arab Jabour, presumably from the Iranian border to the south and east. From there, al Qaeda transported the munitions to Baghdad.[57]

Iranian arms became an important part of al Qaeda's arsenal. In May 2007, both Lynch and Colonel Ricky Gibbs, commander of the 4th Brigade Combat Team, 1st Infantry Division, briefed on the use of EFPs by Sunni extremists south of Baghdad.[58] Moreover, al Qaeda promoted an expert—whom U.S. forces killed on May 25, 2007[59]—who knew how to obtain and use EFPs, showing the value that the group places on that technology.

In June and July 2007, U.S. forces conducted targeted raids on insurgent safe houses in Arab Jabour during Operation Marne Torch, discovering caches of new weapons with Iranian markings. The weapons had been imported recently rather than buried or stockpiled.[60] Weapons were being stored in Arab Jabour, indicating that it was a way station of sorts.

From Arab Jabour, al Qaeda smuggled these new Iranian weapons, along with the fighters that would use them, into Baghdad.[61] The Tigris River was their primary supply route.[62] Lynch explained, "as we engage with the local population, they tell us that the only people on the Tigris River are extremists, insurgents. So what we've chosen to do is to take out all boats."[63] Colonel Wayne Grigsby Jr., commander of 3rd Brigade, 3rd Infantry Division, reported that his forces had targeted and destroyed twenty-one boats during the first ten days of Operation Marne Torch.[64] Bombing the boats often generated secondary explosions, indicating that the river craft were transporting munitions.[65]

Evidence suggests that fighters and weapons moved from Arab Jabour into the capital's Rashid district, in particular.[66] Arab Jabour is an easy commute to al Qaeda–held areas of Rashid, such as Doura, suggesting a connection between them. Gibbs reported in late May that some enemy fighters in Rashid came into the district from outside of Baghdad and, indeed, from other areas of Iraq. More importantly, Gibbs estimated that 15 or 20 percent of the IEDs his troops encountered were EFPs. He stated that the EFPs were being used in terrain controlled by al Qaeda, not by Shiite militias.[67] It is logical to conclude that the EFPs were flowing into Doura from Arab Jabour and other points south along the Tigris.

In early October 2007, U.S. forces conducted an operation in Kirkuk province, targeting a suspected al Qaeda emir of foreign terrorists involved in EFP attacks on Coalition Forces.[68] A few weeks prior to this operation, a Quds Force officer involved in EFP trafficking was detained in Sulaymaniyah, a city in northern Iraq without a large Shia presence.[69] These incidents suggest that Iranian support is not limited to special groups but rather reaches Sunni insurgents across Iraq. Whatever Tehran's intent might be, it is clear that Sunni insurgents, including al Qaeda terrorists, have received Iranian aid in the form of sanctuary within Iran and advanced Iranian-supplied weapons. It is reported that some of them also received training in Iran.

Undermining the Iraqi Government: Special Group Activities in 2006

The special groups' operations contributed directly to turmoil in Iraq's central and provincial governments in 2006 and 2007. The special groups are not solely responsible for the political turmoil in Iraq, but they have actively undermined the Maliki government from its inception.

The special groups contributed vigorously to the sectarian violence plaguing Iraq in 2006. Leaders of secret cells organized and facilitated death squad activities by militia groups and government employees. They organized kidnappings of Iraqi government officials and workers from their ministries. They diverted Iraqi government funds to support their operations. Many used their official positions within the government of Iraq to fund, organize, staff, and execute these secret cell operations.

The special groups also directly caused some of the personnel turmoil within the Maliki government that prevented it from functioning in the second half of 2006. Some of the targeted kidnappings of Iraqi officials in spring and summer 2006 are directly linked to secret cell leaders whom U.S. forces captured and

interrogated in 2007. These kidnappings removed mid-level functionaries—often but not exclusively Sunni—from the central government of Iraq and from the provincial governments.

Hakim al Zamili, Special Groups, Deputy Minister of Health. In June 2006, Diyala's provincial director of health was the Sunni nominee for one of the deputy minister positions in the Maliki government.[70] He traveled to Baghdad that month for a meeting at the Ministry of Health with the minister and was kidnapped while inside the building. His kidnapping was organized by Hakim al Zamili, the deputy minister of health, whom U.S. and Iraqi forces apprehended on February 9, 2007.[71] The allegations against the ministry had provoked previous operations by U.S. and Iraqi forces. For example, they had attempted to locate kidnap victims in the Ministry of Health in August 2006, but they failed to find their targets.[72]

In November 2006, officials in the Ministry of Health were targets of kidnappings and assassinations. Men in police uniforms abducted Ammar al-Safir, another deputy minister of health, on November 19, 2006.[73] Two days later, roadside bombs in eastern Baghdad wounded two guards in the convoy for Minister of State Mohammed Abbas Auraibi. And on that same day, gunmen fired on Zamili's convoy in Baghdad, killing two of his security guards.[74] All three men were Shia officials in the Iraqi government. The U.S. military has not indicated whether Zamili and his secret cell were complicit in the November kidnapping of his colleague. Nor have they indicated whether the assassination attempt against him was a reprisal for that or any other action. Zamili used resources of the Ministry of Health—such as ambulances—to transport weapons, death squads, and their victims between Sadr City and other locations in Baghdad. Zamili allegedly paid the death squad members by including them on the payroll of the Ministry of Health.[75]

As part of the parliamentary compromise that brought Maliki to power, the minister of health has been appointed by the Sadrist bloc. Many employees in that ministry have ties to the Office of the Martyr Sadr or to its military wing, the Jaysh al Mahdi. It is not possible from the evidence presented to conclude firmly whether Sadr personally directed Zamili's activities in 2006 or whether Zamili acted independently. Zamili was one of the first officials arrested after Sadr left Iraq in late January 2007. His arrest preceded the beginning of Operation Fardh al Qanoon, or Enforcing the Law (commonly known as the Baghdad Security Plan).

Mass Kidnappings in June and July 2006. It is not clear from open sources which organizations—government forces, militia groups, secret cells, or private citizens—organized and perpetrated the mass kidnappings that plagued Iraq in June and July 2006. Many of these attacks were conducted by men wearing Iraqi police uniforms, but the kidnappers were probably militia members who also worked in the Iraqi security forces—or, indeed, in special groups. Many of these June and July kidnappings targeted government officials rather than randomly selected civilians and deserve consideration as part of the destabilization of the Maliki government, whether or not special groups were involved. Gunmen in camouflage uniforms seized three busloads of factory workers on their way home from a government-owned industrial plant in Taji on June 22, 2006.[76] In early July, gunmen kidnapped individuals working for the government of Iraq, including the minister of electricity (who was released) and his bodyguards; a female Sunni legislator and her bodyguards; and a consular official who was on leave in Baghdad from his routine diplomatic assignment in the Iranian city of Kermanshah.[77] On July 16, gunmen in police uniforms and using official vehicles kidnapped the head of Iraq's olympic committee and approximately thirty other sports officials while they attended a conference in the Karrada neighborhood in eastern Baghdad.[78]

Azhar Dulaymi, Special Groups, and the Kidnappings of Iraqi Officials and U.S. Soldiers. On November 15, 2006, a secret cell organization kidnapped numerous employees of the Iraqi Ministry of Higher Education from its headquarters in Karrada. The kidnapping garnered major public attention

because of its scale and its contribution to unrest within the Iraqi government, culminating in the withdrawal of Sadrist members from the Iraqi Council of Representatives on November 29, 2006.[79] Secret cell operative Azhar Dulaymi, whom U.S. forces killed during a raid on May 20, 2007, coordinated this operation.[80] Differing reports suggest that between fifty and eighty gunmen, all in police uniforms, stormed past security guards within the ministry compound. The gunmen separated male and female employees, locked the latter in a room, and loaded the former into roughly thirty Interior Ministry trucks without license plates.[81] U.S. officials estimated that fifty-five people had been kidnapped; they believed that the abductors took their victims to the Belidiyat neighborhood on the southeastern fringe of Sadr City.[82] Approximately forty of the hostages were released by the kidnappers or rescued by the Iraqi Army within twenty-four hours.[83] In addition, Maliki immediately ordered the arrest of several police officials in Karrada, presumably for complicity in the plot (or, alternatively, for incompetence).[84]

Dulaymi organized other high-profile kidnappings executed by members of special groups. He participated in the January kidnapping of U.S. soldiers from the Provincial Joint Coordination Center in Karbala, where a small U.S. team worked with Iraqi security forces. Operatives entered the center unopposed in a convoy of civilian vehicles, wearing components of American military uniforms, and stormed into rooms where the U.S. soldiers were working. They ultimately killed the five American soldiers whom they attempted to kidnap.[85]

U.S. Forces Capture Qais Khazali, Laith Khazali, and Ali Mussa Daqduq

U.S. forces captured Qais Khazali, Laith Khazali, and Daqduq in a single operation on March 20, 2007, in Basra, Iraq's southernmost city. The three obviously worked together on occasion. U.S. forces also confiscated a computer, false identification cards, and diaries in the raid. From these documents and separate interviews, U.S. forces confirmed that Qais Khazali, Laith Khazali, and Daqduq were leaders of a network deliberately developed by the Iranian government to foment violence in Iraq. The U.S. military spokesman in Baghdad released a file early in July reproducing some of these documents.[86]

The Multi-National Force–Iraq reported:

> When Qais [Khazali] was captured, we found an in-depth planning and lessons learned document. It was about the attack the special groups coordinated against the Karbala Provincial Joint Coordination Center on January 20th. This 22-page document provides a unique window into the planning and execution of special group operations here in Iraq. . . . Ali Musa Daqduq and Qais Khazali state that senior leadership within the Qods Force knew of and supported planning for the eventual Karbala attack that killed five coalition soldiers. Ali Musa Daqduq contends that the Iraqi special groups could not have conducted this complex operation without the support and direction of the Qods Force. Daqduq and Khazali both confirm that Qais Khazali authorized the operation, and Azhar al-Dulaimi, who we killed in an operation earlier this year, executed the operation.
>
> The document that we captured showed the following. It showed that the group that attacked the Provincial Joint Coordination Center in Karbala had conducted extensive preparation and drills prior to the attack. Qods Force had developed detailed information regarding our soldiers' activities, shift changes and fences, and this information was shared with the attackers. They had American-looking uniforms, vehicles and identification cards that enabled the attackers to more easily penetrate the Provincial Joint Coordination Center and achieve surprise. [It] reported that the captured soldiers were killed when the attackers' dispersal from the site was interrupted.[87]

U.S. forces exploited the intelligence gained in these documents and from interviews with the captives to identify significant secret cell leaders and

members of the weapons smuggling network. The affiliated kills and captures included secret cell leader Abu Zaki; Dulaymi, the executor of the Ministry of Health and Karbala attacks; Abu Tiba, one of Dulaymi's gang members;[88] Al Hilfi, the head of secret cells in Baghdad;[89] Sheik (Ahmed) Mohammad Hassan Sbahi Al Khafaji, who supplied weapons to Baghdad;[90] and many others.[91]

Arming the Secret Cells with EFPs and Other Weapons

A variety of Iranian weapons flowed into Iraq through direct purchases from the government of Iran. Coalition forces first noticed that enemy groups were using EFPs in Iraq in the middle of 2004. The number of EFPs used against Coalition and Iraqi forces rose "at a rate of 150 percent" between January 2006 and December 2006 and increased every month from November 2006 through January 2007.[92] Weapons were typically smuggled from Iran to Iraq, and the Quds Force played a role in that process.[93]

The training alliance between Hezbollah, Iran, and Shiite militias corresponds, temporally, with the increased use of EFPs in Iraq. The timing is probably not coincidental. As discussed in Chapter 1, Iran originally manufactured EFPs for Hezbollah. Copper EFPs require a great deal of metallurgical and technological precision to manufacture. Consequently, they cannot be made without specific machinery, access to which the Iranians have controlled. Sheibani has supplied EFPs to Iraq since 2005, if not earlier.[94] His relative, Abu Yasier al-Sheibani, served as "the deputy, the key logistician and financier for this group in Iraq."[95] The Sheibanis relied on a network within Iraq to distribute EFPs to special groups and other extremists, concentrating on Baghdad. Some smugglers in these distribution networks had direct connections to the Quds Force.[96]

Other weapons smuggled from Iran to Iraq in 2007 included: eighty-one-millimeter mortars (again, the remainder of the region uses eight-two-millimeter mortars), repainted 107-millimeter rockets imported into Iran from China and marked for sale in the open markets, RPG-7s, sixty-millimeter canisters filled with Iranian-manufactured mortar rounds, and 240-millimeter rockets.[97]

In addition, earlier in 2007, American troops discovered over one hundred Austrian-made Steyr HS50 .50 caliber sniper rifles in Iraq.[98] These high-powered sniper rifles, which fire Iranian rounds, "can pierce all body armor from up to a mile and penetrate armored Humvee troop carriers."[99] The rifles were part of a larger shipment legally purchased from the Austrian manufacturer by Iran a year before under the justification that they would be used by the Iranian police to combat drug smugglers.[100] Although eyebrows were raised in both Washington and London at the time, the sale went through, and the weapons were shipped to Iran.[101] The presence of these weapons shows a high level of sophistication in the Iranian arms flow into Iraq, as the purchase was made officially by the Iranian government.

The Special Groups Network Transit Routes for EFPs and Other Weapons from Iran. The network of special groups transports EFPs along the major highways to Baghdad via Iranian border crossings in Diyala and Wasit provinces. Most of these routes were not patrolled by Coalition forces in 2006, and the mission of Coalition forces in 2006 did not regularly include interdiction operations but rather focused on training Iraqi security forces for these and other missions.

In Wasit province, EFPs, weapons, recruits for special groups, and smuggled goods flowed through the major border crossing between Mehran, Iran, and Zurbatiya, Iraq.[102] Iranian trucks did not transport weapons into Iraq through Zurbatiya. Rather, goods and weapons were transloaded from Iranian to Iraqi trucks near the border.[103] Legitimate commercial traffic also crosses the border at Zurbatiya, as do religious pilgrims and political figures—such as Amar al-Hakim, now head of the SIIC, a major political party in the Maliki government—with ties to Iran.[104] The city of Kut, just to the west along the highway, has strong ties with the SIIC and its military wing, the Badr Corps.[105] Kut is also the hub of the road and smuggling network from the Iranian border

to Baghdad.[106] The road from Mehran runs through Kut, as does the road from Amarah. U.S. forces conducted a series of operations this summer to interdict the smuggling of Iranian weapons from Amarah to Sadr City.[107] And Iraqi security forces, with the help of Coalition troops, conducted operations in Kut against rogue elements of the Jaysh al Mahdi.[108]

Basra might be another point of entry for Iranian arms and weapons. Certainly, there is evidence of the trafficking of weapons along the roads out of Basra to Amarah and Nasiriyah.[109] In mid-June, Nasiriyah was the site of a firefight between Iraqi forces and the Mahdi Army.[110] On June 27, 2007, Iraqi special forces destroyed a weapons cache belonging to rogue Jaysh al Mahdi militiamen.[111] Among the weapons destroyed were thirty sixty-millimeter mortar rounds, a weapon known to be Iranian in origin.[112] A day later, Iraqi special forces captured "a rogue Jaysh al-Mahdi insurgent leader during an operation in Nasiriyah."[113] The man captured, later identified as Khafaji, is suspected of having "provide[d] financial support to weapons trafficking networks which supply Iranian affiliated Special Groups units in the Baghdad area."[114]

Cities like Majjar al-Kabir and Amarah in Maysan province—places known to be "smuggling routes for Secret Cell terrorists who facilitate Iranian lethal aid" as well as safe havens for "liaisons for Iranian intelligence operatives into Iraq"—were the target of disruption operations in mid-June.[115] Weapons and aid entering these towns near the Iranian border must still travel through the heavily Shia central five-city region before reaching Baghdad, increasing the violence in the south.

Kut, Diwaniyah, Hilla, Karbala, Najaf, Musayyib, Mahmudiyah, Iskandaria, Mahawil, and numerous other sites of sectarian violence or Shiite militia bases all lie between Nasiriyah and Baghdad. The fight for these cities is likely the fight for control of main Jaysh al Mahdi supply routes and bases of operation.

Iranian weapons and trained terrorists enter Iraq at key border crossings. Although the exact mechanism of supply remains unclear, Iranian arms are moved via extensive networks, and often the so-called secret cells are responsible for facilitating their transfer.

The Quds Force in Diyala

The Quds Force responded to the surge of U.S. troops in Iraq by escalating its support for special groups in central and southern Iraq. Daqduq recorded information about attacks in Basra, Amarah, Karbala, the Rusafa neighborhood of Baghdad, and Diyala.[116] The special groups also increased attacks in other neighborhoods of Baghdad. It is not possible to detail every such incident, but Diyala province, northeast of Baghdad, is an interesting case study of the special groups' reaction to the American troop increase in both February and August 2007.

Jaysh al Mahdi operated in Diyala in 2006 because of the mixture of sectarian and ethnic groups there; the al Qaeda stronghold that emerged in Baqubah, the capital of Diyala; and the region's proximity to Baghdad. Diyala suffered from sectarian cleansing and terrorism in 2006. The targeting of Shiite militia elements during the Baghdad Security Plan did not push Jaysh al Mahdi fighters into Diyala. Rather, they were already active in the province, and the special groups actively targeted Coalition and Iraqi forces in Diyala province in March, April, and May by reinforcing the area and supplying it with weapons.

The special groups in Diyala received direct attention from the Quds Force proxies in Iraq. Some time before March 20, 2007, Daqduq met with leaders of special groups who conducted small arms and IED attacks against troops in Diyala, presumably to review their activities.[117] His visit shows the importance of Diyala to the special groups.

This spring, the conflict in Diyala consisted of a struggle between the Jaysh al Mahdi, al Qaeda, and U.S. forces to control the lines of communication to Baghdad. Special groups and rogue Jaysh al Mahdi moved into areas of Diyala as al Qaeda receded from its stronghold in Turki Village and reconcentrated in Baqubah, Tarmiyah, and the Diyala River Valley.[118]

Iranian weapons were smuggled into and through Diyala Province in the first quarter of 2007. U.S. and Iraqi forces worked to discover the pattern by which they were smuggled, interdict the flow of weapons, and identify the smugglers who were responsible for this activity.[119]

Two insurgent supply lines traversed Diyala in February, March, and April 2007. One ran from Iran through Muqdadiyah into northern Baqubah (a predominantly Shiite area) and another through Mandali to southern Baqubah or Buhriz (which Sunni insurgents have controlled). Rogue Jaysh al Mahdi or other Shiite extremists might have controlled both supply lines. Alternatively, one sectarian group (perhaps the Jaysh al Mahdi) controlled the supply line from Muqdadiyah to northern Baqubah, and another controlled the supply line from Mandali to Buhriz. Sunni extremists established bases and training camps about halfway along both of these supply routes, suggesting that they aimed either to cut them or facilitate the movement of weapons along them.

Facilitators from Iran and northern Iraq supplied weapons and men to the province from February through April 2007. When the Baghdad Security Plan began on February 14, U.S. and Iraqi forces closed certain border crossings into the country for seventy-two hours.[120] On February 17, Iraqi border enforcement officials discovered an unattended donkey with a cache of weapons near the Iranian border.[121] Presumably, smugglers had used the animal to carry weapons to that location or were intending to use the animal to carry weapons from that location. On February 21, Iraqi border police found a large cache of weapons east of Balad Ruz in Mandali, a town that sits on the secondary road that follows the mountains dividing Iran and Iraq and is an obvious point on a smuggling route from the legitimate border crossing to its north at Khanaqin. The cache contained antipersonnel mines, mortar rounds, ammunition, and a rocket-propelled grenade.[122] Iraqi forces, supported by U.S. forces, discovered another cache near Mandali on April 4.[123]

In the early morning hours of April 4, Iraqi forces, with U.S. support, conducted a sweep of a site in Imam al-Hajj Yusuf Village, a town 5.25 miles southwest of Mandali, on the eastern edge of the well-irrigated Diyala plain. The village is not far from the mountains near the Iranian border. A small road connects the village with Mandali and another route leads back toward the main east-west road toward Balad Ruz. This operation detained four suspects and captured a large ammunitions cache.[124] These types of operations generally signal the presence of U.S. Special Forces in the area. And all of these factors suggest that this operation aimed to interdict weapons-smuggling across the Iranian border.

Because al Qaeda had been the primary enemy in Balad Ruz in January 2006, the *Iraq Report* previously speculated that Iran was supplying these weapons to al Qaeda.[125] But U.S. forces subsequently stated that they suspected these were linked to Shiite extremists rather than to al Qaeda.[126] We now know that secret cell networks in Diyala were being reviewed by the Quds Force proxy before March.[127] The Mandali caches seem, therefore, to have been brought by the special groups network for its own use, in order to escalate the fight against Coalition forces in Diyala or in Baghdad in February.

Indeed, the special groups in Baghdad did rely on weapons stored in and distributed from Diyala province. This became clear in August when Coalition forces captured an important facilitator near Qasarin, on the Tigris River in Diyala, whose responsibilities included distributing EFPs and other "weapons to Special Groups operating throughout the Baghdad area." This weapons smuggler made "numerous" trips to Iran, where he apparently had "ties to the Iranian Revolutionary Guards Corps–Quds Force."[128]

The Khalis corridor, in western Diyala province, also served as a main supply route and safe haven for Iranian-backed special groups. U.S. forces found a huge cache in Al Jadidah on February 24, 2007, that contained 130 copper disks for the fabrication of EFPs, a hallmark of Iranian-backed groups.[129] This town is conveniently located on the east bank of the Tigris River along the highway from northeastern Baghdad to Khalis—convenient to both lines of supply.[130] In addition to the 130 EFP disks, the cache contained improvised mines in various states of production, containers for making IEDs, five anti-aircraft rounds, six rocket launchers, IED-making materials, twenty-four mortar rounds, and fifteen rockets.[131]

In late July, U.S. and Iraqi forces pursued special

groups members through the Khalis and Qasarin areas.[132] Coalition forces engaged in a firefight with twenty-five men west of Baqubah on October 5 while attempting to apprehend a special groups leader who facilitated the transportation of weapons from Iran into Iraq. That particular group was sufficiently well organized and trained to remain in defensive positions as U.S. forces arrived, then maneuver from the positions to attack, supported by anti-aircraft weapons that were used against Coalition air support.[133]

Special groups interacted with criminal networks in Khalis and Qasarin.[134] East of the Diyala River, individuals with close ties to the Quds Force facilitated the movement of weapons in Kharnabat, just north of Baqubah, in July.[135] U.S. forces also found several large EFP caches south of Baqubah in October and November.[136] Between February and November, special groups might regularly have transported weapons from Iran and stored them in depots along the banks of the Tigris and Diyala rivers. Alternatively, special groups emplaced weapons there in February and reactivated the supply lines and headquarters through southern Diyala as Operation Arrowhead Ripper and its successors dislodged al Qaeda from the area.

As U.S. and Iraqi forces pushed northeastward along the Diyala River in late 2007, other units targeted the special groups and other Shiite extremists in the southern portion of the province. In late September, U.S. forces arrested the special groups leader linked to the large cache found in Khan Bani Saad in February. The suspect was responsible for the smuggling network north of Baghdad, including facilitating foreign fighters and training militants in bomb-making.[137] U.S. forces arrested special groups members in Qasarin—including a facilitator who made multiple trips to Iran—who smuggled weapons and aided rogue elements of the Jaysh al Mahdi.[138] A large firefight erupted between U.S. forces and a special groups cell west of Baqubah, terrain that lies in the Khalis corridor.[139] The arrest of extremist militia members and special groups members throughout October also mitigated the tensions.

Special Groups in Baghdad: Mortaring the Green Zone

Special groups, trained and equipped by Iran, escalated the number of mortar and rocket attacks against targets in the Green Zone throughout the spring of 2007. The accuracy of this indirect fire improved as a result of the training they received in Iran and the quality of weapons with which they were supplied. Lieutenant General Ray Odierno reported in June, "We have found a few people that were Shi'a extremists that . . . had some training in Iran—those mostly being the mortar and rocket teams inside of Baghdad. . . . [T]hey were trained in Iran and came in here to conduct attacks against not only Coalition and Iraqi security forces, but government of Iraq targets inside of the Green Zone."[140]

Major General Joseph Fil, commander of Coalition forces in Baghdad, elaborated further, explaining that most of the rocket and mortar attacks originate from Sadr City or its environs, and most of the rockets and mortars are recently made Iranian weapons:

> [M]uch of the indirect fire that we receive, especially that which is pointed at the International Zone, the Green Zone, is in fact Iranian. And when we check the tail fins of the mortars, when we find the rockets—and frequently we're able to find them preemptively, before they actually launch . . . there's no doubt that they're coming out of Iran. Most of them are made fairly recently, in the past several years, and they have lot numbers that we can . . . trace later on. I'll also say that most of these are coming from the eastern side of the river, by far the majority, in and around the Sadr City area. And so we focused our efforts very strongly into discovering where these areas are that they're frequently shooting from and denying those [areas to the enemy].[141]

Odierno said, "I do concern myself, over time, about the Iranian influence on Shi'a extremist groups and what that means in the future. And we cannot allow this rogue Iranian influence to continue to

influence, in my mind, and in many ways attack the government of Iraq. Many of these indirect fire attacks that these groups have done are directly against the government of Iraq in the Green Zone. So they're clearly challenging the government. . . . We cannot allow that to continue."[142]

The Relationship between the Secret Cells and the Jaysh al Mahdi in 2007

The secret cells function alongside the Jaysh al Mahdi and other militia groups in Iraq. They are not identical but are overlapping groups. "They come from militia groups, and they are generally the more extreme members of those militia groups. Some of them have come from Jaysh al-Mahdi. Some have come from other militia groups as well," said Brigadier General Kevin Bergner, a U.S. military spokesman.[143] Bergner stressed, "While some of these people may have come from or been affiliated with Jaish al-Mahdi at one point—and these special groups were an outgrowth, perhaps, of relationships with Jaish al-Mahdi—they have in fact broken away from Jaish al-Mahdi." Furthermore, "they are cellular in nature. . . . We believe that these [special groups] are operating outside his [Sadr's] control and that he shares our . . . concern in the seriousness that they represent."[144]

The Jaysh al Mahdi fractured this spring. Sadr publicly ordered his militias not to fight Iraqi security forces during the Baghdad Security Plan. As a result, the Maliki government declared that all militia groups that fought the Iraqi security forces were "rogue elements" and therefore were subject to military targeting. Clashes between Iraqi security forces and rogue militia elements occurred in Diwaniyah in March and Amarah in June.

When Sadr left Iraq for Iran in late January, it further undermined the leadership structure of the militia. In May, the Golden Mahdi Army, a Najaf-based group that claimed to be dispatched by Sadr, attempted to cleanse the Jaysh al Mahdi of rogue elements not responsive to Najaf.[145] Local groups, calling themselves the Noble Mahdi Army, emerged in Hurriyah in Baghdad to rebuff the attempt of the Golden Mahdi Army.[146] The results of these conflicts are not clear.

General David Petraeus emphasized that secret cells are "different" from Jaysh al Mahdi—unlike the standard militiaman in the Mahdi Army, the secret cells "have had extra training and selection," the training being conducted by the Quds Force.[147] These secret cells function as enablers, facilitating Iranian support for the Jaysh al Mahdi and coordinating continued attacks. Sadr City is the support base for secret cells, Jaysh al Mahdi, and many rogue Jaysh al Mahdi militias within Baghdad. These networks overlap extensively.

A militia commander seized in Najaf illustrates a common relationship between the current special groups and the Jaysh al Mahdi organization. "The former commander's Jaysh al-Mahdi cell is suspected of conducting aggressive insurgent attacks using explosively formed penetrators throughout southern Iraq during late 2005 and early 2006. After leaving Jaysh al-Mahdi, he allegedly formed an independent cell of more than 150 Shi'a extremists that is believed to have conducted attacks on Iraqi and Coalition Forces."[148] U.S. forces captured another extremist in Sadr City who broke from Jaysh al Mahdi, ran his own cell, and had ties to weapons provided by special groups.[149]

Conclusions

There can be no question that Iran is actively supporting multiple insurgent and terrorist groups in Iraq, that its efforts began even before the American invasion, that Iranian elements have included the provision of direct support in the form of weapons and advisers, and that they have involved facilitating the growth of a solid relationship between Lebanese Hezbollah and Iraqi Shiite militias, particularly the Jaysh al Mahdi. Iranian agents and proxies in Iraq have attacked Iraqi government officials in Baghdad and in the provinces, suggesting that their aims do not include supporting or solidifying the democratically elected, Shiite-dominated government of Maliki.

They have been lavish with their support to all groups engaged in violence against the Coalition—including Sunni groups with ties to al Qaeda—and they have supported a number of different Shiite groups even when they are in competition with one another.

Kimberly Kagan is president of the Institute for the Study of War.

Notes

1. Lieutenant General Raymond T. Odierno (Department of Defense press briefing, Arlington, VA, August 17, 2007), available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=4023 (accessed February 3, 2008).

2. Rear Admiral Mark Fox and Philip Reeker (press briefing, Combined Press Information Center, Baghdad, Iraq, August 26, 2007), available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=13615&Itemid=131 (accessed February 5, 2008).

3. Michael R. Gordon, "Deadliest Bomb In Iraq Is Made by Iran, U.S. Says," *New York Times*, February 10, 2007; and author's discussions with American officers in Iraq.

4. Michael R. Gordon and Dexter Filkins, "Hezbollah Said to Help Shiite Army in Iraq," *New York Times*, November 28, 2006. The senior U.S. officials who publicly confirmed Iranian involvement with Shiite militias in November were General Michael V. Hayden (director of the Central Intelligence Agency) and Lieutenant General Michael D. Maples (director of the Defense Intelligence Agency). General John P. Abizaid (then-commander of U.S. Central Command) stated that Hezbollah was training operatives in Iran, some of whom would operate in Lebanon and others (from Iraqi Shiite militia groups) who might operate in Iraq, but he did not specify what those links were or how they functioned.

5. Lieutenant General Raymond T. Odierno (Department of Defense press briefing).

6. Michael Ware, "Inside Iran's Secret War for Iraq," *Time*, August 15 2005, available at www.time.com/time/magazine/article/0,9171,1093747,00.html (accessed February 3, 2008).

7. Ibid.

8. Edward T. Pound, "Special Report: The Iran Connection," *U.S. News & World Report*, November 14, 2004, available at www.usnews.com/usnews/news/articles/041122/22iran.htm (accessed January 31, 2008). The article notes that U.S. intelligence sources could not confirm that the fatwa had come from Iranian clerics, "but they believe it was credible."

9. Ibid.

10. Michael Ware, "Inside Iran's Secret War for Iraq."

11. Ibid. Ware did not use the term explosively formed penetrator (EFP), which was not yet common currency, but the weapon he described was probably what is now known as an EFP.

12. Ibid.

13. As quoted in Edward T. Pound, "Special Report: The Iran Connection."

14. Michael Ware, "Inside Iran's Secret War for Iraq."

15. Ibid.

16. Babak Dehghanpisheh, Melinda Liu, and Rod Norland, "'We Are Your Martyrs,'" *Newsweek*, April 19, 2004, available at www.newsweek.com/id/53724 (accessed February 3, 2008).

17. Ibid. Mohammad Baqir al-Hakim was the older brother of Abd al-Aziz al-Hakim, the current head of the Supreme Islamic Iraqi Council.

18. Edward T. Pound, "Special Report: The Iran Connection."

19. Ibid.

20. Kenneth Katzman, *Iran's Influence in Iraq*, Congressional Research Service, November 15, 2005, available at http://assets.opencrs.com/rpts/RS22323_20051115.pdf (accessed February 5, 2008).

21. Ibid.

22. Edward T. Pound, "Special Report: The Iran Connection."

23. Ibid.

24. Ibid.

25. Michael Ware, "Inside Iran's Secret War for Iraq."

26. Ibid.

27. Babak Dehghanpisheh, "Iraq's New Guns for Hire," *Newsweek*, May 7, 2007.

28. Brigadier General Kevin Bergner (press briefing, Combined Press Information Center, Baghdad, Iraq, July 2, 2007) available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=12641&Itemid=131 (accessed February 3, 2008).

29. Babak Dehghanpisheh, "Iraq's New Guns for Hire."

30. Multi-National Corps–Iraq, "Iraqi Army, U.S. Special Forces Detain High-Value Rogue JAM Special Groups Leader," press release 20070814-07, August 14, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=13343&Itemid=128 (accessed February 3, 2008).

31. Multi-National Corps–Iraq, "Iraqi Army, U.S. Special Forces Detain Suspected Rogue JAM Recruiter; ISOF Detain Suspected Al-Qaeda Emir," press release 20070807-14, August 7, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=13227&Itemid=128 (accessed February 5, 2008); and Multi-National Corps–Iraq, "Iraqi Army, Coalition Forces Detain Insurgent Linked to Iranian IEDs," press release 20070716-17, July 16, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=12876&Itemid=21target=_blank (accessed February 3, 2008).

32. Brigadier General Kevin Bergner (press briefing).

33. Multi-National Corps–Iraq, "Iraqi Army, U.S. Special Forces Detain High-Value Rogue JAM Special Groups Leader."

34. Brigadier General Kevin Bergner (press briefing).

35. Ibid.

36. Ibid. Hajji Yusif presumably works directly for the Quds Force commander, General Qassim Sulleimani, but their precise relationship is not specified in the U.S. military's documentation.

37. Ibid.

38. Ibid.

39. Karin Brulliard, "Ex-Sadr Aide Held in American Deaths," *Washington Post*, March 23, 2007.

40. Brigadier General Kevin Bergner (press briefing).

41. Michael R. Gordon and Dexter Filkins, "Hezbollah Said to Help Shiite Army in Iraq."

42. Michael Ware, "Inside Iran's Secret War for Iraq."

43. Brigadier General Kevin Bergner (press briefing).

44. Nelson Hernandez and K. I. Ibrahim, "Top Shiites Nominate a Premier for Iraq," *Washington Post*, April 22, 2006; and Sabrina Tavernise, "Jawad al-Maliki: A Novice, but Outspoken," *New York Times*, April 23, 2006.

45. Ryan Crocker (press briefing, Combined Press Information Center, Baghdad, Iraq, August 21, 2007), available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=13542&Itemid=131 (accessed February 3, 2008).

46. Sudarsan Raghavan and Robin Wright, "Iraq Expels 2 Iranians Detained by U.S.," *Washington Post*, December 30, 2006.

47. Ibid.

48. Multi-National Force–Iraq, "Coalition Targets Iranian Influence in Northern Iraq," press release A070114a, January 14, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=9063&Itemid=21 (accessed February 3, 2008).

49. Multi-National Force–Iraq, "Coalition Forces Disrupt Secret Cell Terrorist Network," press release A070618a, June 18, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=12378&Itemid=128 (accessed February 3, 2008).

50. Major General Rick Lynch (Department of Defense news briefing on Operation Marne Husky, Arlington, VA, August 24, 2007), available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=4028 (accessed February 3, 2008).

51. Edward T. Pound, "Special Report: The Iran Connection."

52. Ibid.

53. Ibid.

54. Ibid.

55. Multi-National Corps–Iraq, "Iraqi Soldiers, U.S. Troops Find Weapons Cache near Abu Ghuraib," press release 20070207-10, February 7, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=9762&Itemid=21 (accessed February 3, 2008).

56. Major General William Caldwell IV and Major Marty Weber (media roundtable, Baghdad, Iraq, April 11, 2007), available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=11361&Itemid=1 (accessed February 3, 2008).

57. Major General Rick Lynch (press briefing on Operation Marne Torch, Combined Press Information Center, Baghdad, Iraq, June 24, 2007), available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=12552&Itemid=131 (accessed February 3, 2008).

58. "US General Says Iranian-Origin Weapons Turning Up in Sunni Insurgent Hands," Associated Press, May 6, 2007; and Colonel Ricky Gibbs (news briefing, Pentagon, May 25, 2007), available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=3970 (accessed February 3, 2008).

59. Multi-National Force–Iraq, "Coalition Forces Nab 20 Suspected Al-Qaeda Terrorists," press release A070525b, May 25, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=12012&Itemid=128 (accessed February 3, 2008).

60. Major General Rick Lynch (press briefing on Operation Marne Torch).

61. "2nd Brigade Soldiers have the mission of defeating insurgent activity, denying the enemy sanctuary and preventing terrorist elements from moving accelerants from the Arab Jabour area into Baghdad." (Multi-National Corps–Iraq, "Marne Torch Commences in Areas South of Baghdad," press release 20070618-03, June 18, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=12384&Itemid=128 [accessed February 3, 2008].) See also Multi-National Force–Iraq, "Six Terrorist Killed, 26 Detained in Coalition Force Raids," press release A070523b, May 23, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=11986&Itemid=128 (accessed February 5, 2008); and Multi-National Force–Iraq, "VBIED Networks Disrupted; 4 Terrorists Killed, 9 Suspects Detained," press release A070511b, May 11, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=11840&Itemid=128 (accessed February 5, 2008).

62. Major General Rick Lynch (press briefing on Operation Marne Torch).

63. Ibid.

64. Kim Gamel, "U.S. Troops Destroy Boats and Target Roadside Bomb Routes South of Baghdad," Associated Press, June 26, 2007.

65. Ibid.

66. Colonel Terry R. Ferrell (Department of Defense news briefing, Baghdad, Iraq, December 3, 2007), available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=4099 (accessed February 3, 2008).

67. Colonel Ricky Gibbs (news briefing).

68. Multi-National Force–Iraq, "Coalition Forces Disrupt al-Qaeda Network: One Killed, 10 Detained," press release A071002a, October 2, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=14383&Itemid=128 (accessed February 3, 2008).

69. Multi-National Force–Iraq, "Coalition Forces Arrest Iranian Quds Force Officer," press release A070920b, September 20, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=14129&Itemid=21 (accessed February 3, 2008).

70. Bureau of Democracy, Human Rights, and Labor, "Iraq," in *2006 Country Reports on Human Rights Practices* (U.S. Department of State, March 6, 2007) available at www.state.gov/g/drl/rls/hrrpt/2006/78853.htm (accessed February 3, 2008).

71. Kim Gamel, "Iraq Official Is Accused of Aiding Massacres," *Newark Star-Ledger*, February 9 2007.

72. Multi-National Corps–Iraq, "IA, MND-B Soldiers Look for Kidnap Victims," press release 20060813-02, August 13, 2006, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=2093&Itemid=21 (accessed February 3, 2008).

73. Thomas Wagner, "Political Humorist Slain as Iraqi Death Toll Soars," *Newark Star-Ledger*, November 21, 2006.

74. Ibid.

75. Bassem Mroue and Qassim Abdul-Zahra, "Iraq Loses $8 Billion through Corruption," Associated Press, April 4, 2007; and Damien Cave, "Iraq Raid Attempts to Cut Mahdi Army Link," *International Herald Tribune*, February 9, 2007.

76. Joshua Partlow and Bassam Sebti, "Gunmen Kidnap Scores of Iraqis; Hussein Lawyer Slain," *Washington Post*, June 22, 2006.

77. "Gunmen Release Iraq Electricity Official," Associated Press, July 4, 2006; and "Gunmen in Baghdad Kidnap Iraqi Diplomat," Associated Press, July 11, 2006.

78. Ryan Lenz, "Iraqi Games Chief Part of Mass Kidnap," *Sunday Mail* (Australia), July 16, 2006.

79. Rick Jervis, "Cleric al-Sadr May Hold Iraq's Future in His Hands," *USA Today*, November 13, 2006; Edward Wong and Kirk Semple, "Sadr Bloc Threatens to Leave the Government," *International Herald Tribune*, November 25, 2006; and Ammar Karim, "Sadr Boycotts Government as Iraq PM to Meet Bush," Agence France-Presse, November 29, 2006.

80. "U.S. Military: Architect of U.S. Troop Abductions Killed," CNN, May 21, 2007.

81. Sudarsan Raghavan, "In Iraqi Colleges, Fear for an Already Shrunken Realm," *Washington Post*, November 16, 2006.

82. John F. Burns and Michael Luo, "Dozens Abducted in Brazen Raid on Iraq Ministry," *New York Times*, November 15, 2006.

83. Sudarsan Raghavan, "In Iraqi Colleges, Fear for an Already Shrunken Realm."

84. John F. Burns and Michael Luo, "Dozens Abducted in Brazen Raid on Iraq Ministry."

85. Mark Kukis, "An Ambush in Karbala," *Time*, July 26, 2007, available at www.time.com/time/printout/0,8816,1647454,00.html (accessed February 3, 2008).

86. Brigadier General Kevin Bergner (press briefing).

87. Ibid.

88. Robert Gates, Ryan Crocker, and General David Petraeus, (joint press conference, Baghdad, Iraq, June 16, 2007), available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=3992 (accessed February 3, 2008).

89. Ibid.

90. Multi-National Corps–Iraq, "Update: Detainee Captured June 28 Identified," press release 20070718-16, July 18, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=12912&Itemid=128 (accessed February 3, 2008).

91. Brigadier General Kevin Bergner (press briefing), slide 4, available at www.mnf-iraq.com/images/stories/Press_briefings/2007/070702_briefing_slides.pdf (accessed February 3, 2008).

92. Major General William Caldwell IV and Major Marty Webber (press briefing, "Iraq Operational Update," Combined Press Information Center, Baghdad, Iraq, February 14, 2007), available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=9920&Itemid=131 (accessed February 4, 2008).

93. Ibid.

94. Michael Ware, "Inside Iran's Secret War for Iraq."

95. Brigadier General Kevin Bergner (press briefing).

96. For example, Multi-National Force–Iraq, "Coalition Forces Kill Three, Detain Six, Capturing a High-Priority Special Groups Weapons Smuggler," press release A070816b, August 16, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=13381&Itemid=128 (accessed February 4, 2008).

97. Major General William Caldwell IV and Major Marty Weber (media roundtable); and Robin Wright, "U.S. vs. Iran: Cold War, Too," *Washington Post*, July 29, 2007.

98. Thomas Harding, "Iraqi Insurgents Using Austrian Rifles from Iran," *Daily Telegraph*, February 13, 2007.

99. Ibid.

100. Ibid.

101. Ibid.

102. Babak Dehghanpisheh, "Iraq's New Guns for Hire"; and Major General Rick Lynch (Department of Defense news briefing on Operation Marne Husky).

103. Brigadier General Edward Cardon (Department of Defense civilian defense experts conference call, July 19, 2007).

104. Ibid.; Babak Dehghanpisheh, "Iraq's New Guns for Hire"; and "Iran Sealing Iraq Border Site after Detention of 2 Al-Qaida Suspects," Associated Press, February 7, 2007.

105. "Protests after US Troops Detain Iraq Shiite Leader," Agence France-Presse, February 24, 2007.

106. Multi-National Force–Iraq, "Iraqi Army Detains Two Wasit Provincial Officials on Suspicion of Smuggling IEDs," press release A070119a, January 19, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=9252&Itemid=21&lang=english (accessed February 4, 2008). Kut has also been an area in which rogue Jaysh al Mahdi have operated against Iraqi security forces. (Multi-National Corps–Iraq, "Ambush Disrupted; Two Extremists Killed," press release 20070716-17, July 16, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=12868&Itemid=21 target=_blank [accessed February 4, 2008].)

107. Multi-National Force–Iraq, "Coalition Forces Kill 30 Special Groups Cell Terrorists, Detain 12," press release A070808b, August 8, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=13240&Itemid=128 (accessed February 4, 2008). The roads from Kut also extend southeast to Diwaniyah—the capital of Qadisiyah—and east to the major Shiite cities of Hillah, Karbala, and Najaf.

108. Ravi Nessman, "U.S. Military Frees 42 Captives Kidnapped by Al-Qaida in Raid on Hide-out in Iraq's Northeast," Associated Press, May 27, 2007.

109. Hamid Ahmed, "Iraqi Police: Clashes Continue between Iraqi Forces and Mahdi Army Fighters in South," Associated Press, June 19, 2007; Multi-National Corps–Iraq, "Iraqi Army Destroys Weapons Cache near Nasiriyah," press release 20070627-13, June 27, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=12571&Itemid=128 (accessed February 4, 2008); Major General William Caldwell IV

and Major Marty Weber (media roundtable); and Multi-National Force–Iraq, "Iraqi Forces Capture Suspected Weapons Smuggler in Basra," press release A070304c, March 4, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=10354&Itemid=21 (accessed February 5, 2008).

110. Hamid Ahmed, "Iraqi Police: Clashes Continue between Iraqi Forces and Mahdi Army Fighters in South."

111. Multi-National Corps–Iraq, "Iraqi Army Destroys Weapons Cache near Nasiriyah."

112. Major General William Caldwell IV and Major Marty Weber (media roundtable).

113. Multi-National Corps–Iraq, "Iraqi Special Operation Forces Detain Insurgent Leader," press release 20070630-04, June 30, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=12607&Itemid=128 (accessed February 4, 2008).

114. Ibid.; and Multi-National Corps–Iraq, "Update: Detainee Captured June 28 Identified."

115. Multi-National Force–Iraq, "Coalition Forces Disrupt Secret Cell Terrorist Network."

116. Brigadier General Kevin Bergner (press briefing).

117. The exact date of his meeting in Diyala has not been published. He was captured on March 20, 2007, had recorded the meeting in the twenty-two-page personal diary that U.S. forces found when they captured him, and was on his fourth trip to Iraq since May 2006.

118. To review the operations in Balad Ruz and Turki Village, see Kimberly Kagan, "From 'New Way Forward' to New Commander," *Iraq Report* 1, March 1, 2007, available at www.understandingwar.org/report/new-way-forward-new-commander (accessed February 4, 2008); and Kimberly Kagan, "The Battle for Diyala," *Iraq Report* 4, May 7, 2007, available at www.understandingwar.org/report/battle-diyala (accessed February 4, 2008).

119. Multi-National Corps–Iraq, "Iraqi Police, Coalition Forces Discover Large EFP Cache," press release 20070226-01, February 26, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=10201&Itemid=21 (accessed February 4, 2008).

120. Borzou Daragahi, "Iraq Unveils Baghdad Security Moves," *Los Angeles Times*, February 14, 2007.

121. Multi-National Corps–Iraq, "Donkey Leads Border Patrol to Cache, Suspect," press release 200702017-03, February 17, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=9966&Itemid=128 (accessed February 4, 2008).

122. "Five Insurgents Killed, 12 Suspects Caught in Iraq Operations," American Forces Press Service, February 23, 2007, available at www.globalsecurity.org/military/library/news/2007/02/mil-070223-afps01.htm (accessed February 4, 2008).

123. Multi-National Corps–Iraq, "Iraqi Security Forces Discover Weapons Cache," press release 20070404-16, April 4, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=11136&Itemid=21 (accessed February 4, 2008).

124. Ibid.

125. Kimberly Kagan, "The Battle for Diyala."

126. Major General Benjamin Mixon and Colonel James Trogdon (Department of Defense news briefing, March 9, 2007), available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=3901 (accessed February 4, 2008).

127. Brigadier General Kevin Bergner (press briefing).

128. Multi-National Force–Iraq, "Coalition Forces Kill Eight, Detain Three, Capturing a Special Groups Leader and Smuggler of Iranian Weapons," press release A070820a, August 20, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=13434&Itemid=21 (accessed February 4, 2008).

129. Multi-National Corps–Iraq, "Iraqi Police, Coalition Forces Discover Large EFP Cache."

130. Multi-National Corps–Iraq, "EFP Cache Footage Available on DVIDS," press release 20070226-05, February 26, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=10202&Itemid=21&lang=arabic (accessed February 4, 2008).

131. Multi-National Corps–Iraq, "Iraqi Police, Coalition Forces Discover Large EFP Cache."

132. Multi-National Force–Iraq, "Coalition Forces Detain Four Suspected Special Groups Terrorists," press release A070727a, July 27, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=13053&Itemid=128 (accessed February 4, 2008); and Multi-National Force–Iraq, "Coalition Forces Detain Seven Suspected Weapons Facilitators," press release A070902a, September 2, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=13711&Itemid=21 (accessed February 4, 2008).

133. Multi-National Force–Iraq, "Coalition Forces Target Special Groups Member, Kill 25 Terrorists," press release A071005a, October 5, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=14431&Itemid=128 (accessed February 4, 2008).

134. Multi-National Corps–Iraq, "Iraqi Special Operations Forces, U.S. Special Forces Detain Extremist Company Commander," press release 20071006-01, October 6, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=14456&Itemid=128 (accessed February 4, 2008).

135. Multi-National Force–Iraq, "Coalition Forces Capture High Value Terrorist with Ties to IRGC-QF," press release A070720a, July 20, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=12939&Itemid=128 (accessed February 4, 2008).

136. Staff Sargeant Russell Bassett, "CLC Tip Leads to Massive EFP, Explosives Cache," *Stryker Brigade News*, October 25, 2007; and Multi-National Corps–Iraq, "Tip from Concerned Iraqi Citizen Leads to Large EFP, Explosives Cache," press release 20071024-09, October 24, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=14836&Itemid=128 (accessed February 4, 2008).

137. Multi-National Force–Iraq, "Coalition Forces Kill One Terrorist, Detain 7 Suspects," press release A070919b, September 19, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=14109&Itemid=21 (accessed February 4, 2008); and Multi-National Corps–Iraq, "Coalition Forces Detain Terrorist Leaders Responsible for IED/EFP Attacks in Diyala," press release 20071002-10, October 2, 2007, available at www.mnfiraq.com/index.php?option=com_content&task=view&id=14394&Itemid=128 (accessed February 4, 2008).

138. Multi-National Force–Iraq, "Coalition Forces Detain Four Suspected Special Groups Terrorists"; Multi-National Force–Iraq, "Coalition Forces Kill Four Suspected Secret Cell Terrorists, Detain Eighteen," press release A070804b, August 4, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=13167&Itemid=21 (accessed on February 4, 2008); Multi-National Force–Iraq, "Coalition Forces Kill Eight, Detain Three, Capturing a Special Groups Leader and Smuggler of Iranian Weapons"; and Multi-National Force–Iraq, "Coalition Forces Detain Seven Suspected Weapons Facilitators."

139. Multi-National Force–Iraq, "Coalition Forces Target Special Groups Member, Kill 25 Terrorists."

140. Lieutenant General Raymond T. Odierno (Department of Defense special briefing, Arlington, VA, June 22, 2007), available atwww.globalsecurity.org/military/library/news/2007/06/mil-070622-dod01.htm (accessed February 4, 2008).

141. Major General Joseph Fil Jr., (Department of Defense press briefing, Arlington, VA, June 29, 2007), available at www.globalsecurity.org/military/library/news/2007/06/mil-070629-dod03.htm (accessed February 4, 2008).

142. Lieutenant General Raymond T. Odierno (Department of Defense press briefing).

143. Brigadier General Kevin Bergner (press briefing).

144. Ibid.

145. Lauren Frayer, "U.S. Soldiers Find Tips Flowing from Rifts within Powerful Shiite Militia Run by Young Cleric," Associated Press, May 15, 2007; and Babak Dehghanpisheh, "Iraq's New Guns for Hire."

146. Lauren Frayer, "U.S. Soldiers Find Tips Flowing from Rifts within Powerful Shiite Militia Run by Young Cleric."

147. As quoted in Sean D. Naylor, "Iran Deeply Involved in Iraq, Petraeus Says," *Army Times*, May 25, 2007. It is in this context that Petraeus stated that the Quds Force reports to the Iranian supreme leader Ayatollah Ali Khamenei.

148. Multi-National Corps–Iraq, "Iraqi Army, U.S. Special Forces Detain Shi'a Extremist Leader," press release 20070815-08, August 15, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=13366&Itemid=21 (accessed February 4, 2008).

149. Multi-National Force–Iraq, "Coalition Forces Kill Four Terrorists, Detain Eight in Search for Militant Extremist Leader," press release A070814b, August 14, 2007, available at www.mnf-iraq.com/index.php?option=com_content&task=view&id=13346&Itemid=128 (accessed February 4, 2008).

3

Afghanistan

In 2007, Iran offered economic, social, and cultural assistance to Afghanistan; pressured Kabul over Afghan refugees and migrant workers in Iran; lent limited military support to the Taliban and possibly other insurgent groups; tried to develop a deep bilateral relationship between Tehran and Kabul; attempted to create a gap between Kabul and the West; and possibly tried to destabilize the government of Hamid Karzai.[1] Taken together, these activities constitute what might be a deliberate strategy on Afghanistan for Tehran, although there is no direct evidence to prove that Iran is following such a strategy. Whatever Iran's purposes might be, however, the effects of its various undertakings in Afghanistan are clear: the creation of a buffer zone of the three western provinces of Herat, Farah, and Nimruz, which are tied increasingly to Tehran rather than to Kabul; the intimidation of Afghanistan's government in confrontations with Iran; and the hindrance of Coalition efforts (which are halting in any event) to develop and implement a coherent country-wide strategy.

Economic, Social, and Cultural Assistance

Iran's assistance to Afghanistan is unquestionably significant. Since it is natural for a large and wealthier state to assist and develop an impoverished and war-torn state on its border, or for any state to try to expand commercial relations with its neighbors, Iran's activities in these areas have aroused little comment and even some praise. Nor is it possible to draw a line between normal economic activity and an economic strategy intended to affect power relations. In the broader context of Iran's activities in Afghanistan, however, its economic efforts are creating a set of incentives and disincentives that operate powerfully on the Afghan government and that are changing power relations within Afghanistan and between Iran and Afghanistan in important ways.

Iran had been hostile toward the Taliban regime, just as it had been toward the Soviet-installed and backed Afghan governments of the 1980s and early 1990s. Iran had accepted millions of Afghan refugees but had supported insurgent groups in Afghanistan and avoided any serious effort to establish or expand economic ties with regimes it saw as its foes. The collapse of the Taliban regime in fall 2001 changed Tehran's attitude profoundly. It appears that Iran actively assisted the United States in bringing down that regime and was initially helpful in the creation of a new government in Afghanistan.[2] Then-president Mohammad Khatami visited Kabul in August 2002—the first such high-level visit in forty years. Trade agreements followed in January 2003, including efforts to replace Karachi with the Iranian port of Chabahar as Afghanistan's principal trade outlet. Iran offered Afghanistan a 90 percent discount on duties and tariffs for goods exported through the Chabahar free trade zone.[3] Iranian-Afghan trade grew from less than $10 million in 2001 to $500 million in 2006.[4] By mid-2007, Iran had extended more than $500 million in credits to Afghanistan, at least half of which were in grants.[5]

Some of Iran's assistance was general support to Afghan reconstruction. In June 2006, Tehran promised to build two fifty-megawatt electrical power stations to supplement Kabul's electrical supply (then around 150 megawatts) at a cost of around $80 million.[6] Iran provided nearly $2 million to assist the Afghan Independent Administrative Reforms and Civil Service Commission to train government officials in Kandahar, Herat, and Kabul in 2006 and 2007.[7] Iranian support helped build a communications institute; provide training for postal employees; rebuild the medical department at Kabul University;

establish "the first national teacher training centre, construction of a centre for religious affairs, provision of education scholarships, construction of a vocational training centre," and a program to "send experts to train Afghan teachers"; and help "Afghan teachers from religious seminaries and schoolteachers . . . [to] be sent to Iran to get training."[8] The Iranian company Shaheedi Qandi joined forces with an Indian firm to add 150,000 telephone lines in Kabul, Kandahar, Mazar-e Sharif, Jalalabad, and Kunduz.[9] Iran also signed a number of memoranda of understanding and formal trade agreements with Afghanistan, and both countries hoped that trade would double to $1 billion in 2008.[10] The combined $1 billion in Iranian trade and aid are extremely significant for a country whose 2006 GDP was a little over $8 billion.[11]

In addition to this general aid, Iran has also provided targeted assistance to the border provinces of Herat, Farah, and Nimruz. The most visible forms of aid have been in electricity and transportation infrastructure, with many projects seemingly intended to draw Afghanistan's western border areas closer to the Iranian economy. Thus Iran, Afghanistan, and sometimes international partners have been hard at work on road and rail links between the two countries. In early 2006, the construction of a highway between Dilaram and Zaranj (the capital of Nimruz) was announced.[12] A year later, Iran and Afghanistan unveiled a project to link Mashhad (a major city in northeastern Iran) with Herat city by rail. Iran promised to pay 60 percent of the project's cost.[13] Shortly thereafter, Iran announced its intention to build customs offices and warehouses in Farah city, along with ninety kilometers of paved road connecting the facilities to the city.[14] In August 2007, Iranian president Mahmoud Ahmadinejad announced on a visit to Kabul that Tehran would build a 110-kilometer road from Farah city to the Iranian border area of Mailak.[15]

Although a few hundred kilometers of road and rail does not seem very significant, it is to a country nearly the size of Texas that had only around 8,300 kilometers of paved roads in 2004.[16] The net result of this construction will be to link the provincial capitals (which are also the major cities) of Afghanistan's three western provinces more closely to Iran than to Kabul. An October 2007 report noted that the average transit time for cargo from Kabul to the Pakistani and Uzbek borders is around nineteen days but that it takes nearly one hundred days for passage from Kabul to the Iranian border.[17] And it goes without saying that modern road and rail links between Herat, Farah, and Zaranj and the Iranian border cities will be much faster—it is nearly 650 miles from Kabul to Herat along the "ring road," while Herat is 75 miles and Farah 120 miles from the Iranian border. Zaranj is right on the border. When the relative security of travel between Afghanistan's western provinces and Iran compared to travel on Afghanistan's ring road is considered, the difference is even greater. A relatively small amount of highly targeted infrastructure aid is binding Afghanistan's west closer to Iran than to Kabul.

Tehran has also been helping to link western Afghanistan to the Iranian power grid and to upgrade the electrical capacity of the western provincial capitals generally. In 2004–2005, Iran gave Afghanistan $13 million to install an electric substation in Herat. In January 2007, an Iranian-funded thirty-megawatt transformer began operating in the Ghurian district of Herat province (at a cost of $2 million), and Tehran has promised another such plant in the area soon.[18] In May 2007, Tehran constructed a power line between Herat and Iran and promised to begin supplying electricity to Farah province.[19] Again, the scale of the effort is relatively small, but the effects on the western part of an impoverished and war-devastated country are not to be discounted.

All of these efforts are in line with Afghanistan's National Development Strategy[20] and parallel efforts by Afghanistan's other neighbors to improve transportation and electrical links with Afghanistan. The Afghan railway development strategy, in fact, prioritizes "linking major border provincial capitals to the neighboring countries" ahead of "linking major Afghan cities, with a focus on improving transit time" and "facilitating the connection between European, Central Asian and South Asian railway networks."[21] The Iranian efforts are more advanced than those of most of Afghanistan's other neighbors. Work has already begun, for example, on the Mashhad-Herat

railway even though the remaining 40 percent of the funding has not yet been identified.[22]

The purpose of this discussion is not to question the economic wisdom of Afghanistan's planners or the international community, or even to ascribe motives to the Iranian regime. Iran is a larger and wealthier country than any of Afghanistan's other neighbors, and the Afghan-Iranian border region has been generally more secure than the Afghan-Pakistani border and even than some of Afghanistan's northern frontiers. The result, however, is that Iran is absorbing western Afghanistan into its economic orbit far faster than Pakistan, Tajikistan, Uzbekistan, Turkmenistan, and China are integrating the Afghan provinces on their borders—faster even than Afghanistan is integrating its own regions and cities into an economic unit.

Iran's support for Afghanistan's religious and educational programs suggests that this outcome might not be entirely unintended. Not only has Iran offered to send Iranian teachers to Afghanistan and bring Afghan teachers and clerics to Iran for training, but Tehran has also initiated a program to encourage the teaching and learning of Farsi in Afghanistan—even in areas beyond the western border provinces.[23] Iranian leaders and media frequently refer to the close cultural ties between the two states, and Afghan leaders sometimes reciprocate.[24] This posture is natural for the Perso-centric, Farsi-speaking Iranians as well as for many of the Afghan elite who speak Dari (the Afghan dialect of Farsi). It is less natural for a neighbor that wishes to help stabilize Afghanistan's government in the face of the primarily Sunni and Pashtun Taliban insurgency that is fueled by resentment of the Dari-speaking elite and its members' supposedly Shiite proclivities. An Iranian emphasis on pan-Persianism or pan-Shiism may have interesting and unpredictable long-term effects within Afghanistan and on Afghanistan's relationship with Iran.

Refugees and Migrant Workers

Over the past three decades, Afghans have fled their country in staggering numbers. Millions of Afghans fled the country after the Soviet invasion of 1979. War against the Soviets throughout the 1980s created more refugees. Civil war and the Taliban during the 1990s created still more. The great majority of these refugees fled to Pakistan and Iran, where many have remained for decades. The collapse of the Taliban and the rise of an internationally supported and protected representative government have reversed this flow. Reports suggest that as many as 4 million Afghans may have returned from abroad already.[25] There are still nearly a million Afghan refugees in Iran, however, and slightly more in Pakistan.[26]

In principle, the refugees themselves are not a problem in Iranian-Afghan relations. The problem stems from the perhaps 1.5 million Afghan migrant workers in Iran, many if not most of whom lack work or residence permits.[27] Iranian officials at many levels have identified the usual litany of problems caused by illegal immigrants: strains on the Iranian school system, migrant workers taking scarce jobs away from Iranians, violence and insecurity, and narcotics trafficking, among others.[28] Although these problems are most prevalent in the Iranian provinces bordering Afghanistan (Sistan and Baluchistan, South Khorasan, Razavi Khorasan, and North Khorasan), Iranian officials in Tehran, Esfahan, and elsewhere have complained about Afghan migrant populations.[29] Since Iran has allowed many registered Afghan refugees relatively free movement, rather than confining them all to camps, it is not always easy to distinguish between legal Afghan refugees, legal Afghan migrant workers, and illegal migrant workers or immigrants.

After gaining power in 2005, the Ahmadinejad administration wasted little time in highlighting its concerns about Afghan migrant workers. In February 2006, the Iranian ambassador in Kabul announced that "all Afghan refugees living in Iran illegally" would be expelled by September 2006.[30] Those who failed to comply would be arrested and detained in camps. It would have been impossible for Afghanistan to absorb more than a million returning refugees and migrants within seven months, and the Iranians apparently abandoned the notion.[31] Ahmadinejad resumed deportations a year later, prompting a humanitarian and political crisis in Afghanistan that persisted throughout 2007.

On April 15, 2007, Afghan foreign minister Rangin Dadfar Spanta announced that the Iranians were going to start expelling illegal Afghan immigrants.[32] On April 21, the Iranian interior ministry, working with the affected provinces, began rounding up Afghans in Iran illegally, concentrating them in newly constructed camps on the border, and deporting them to Afghanistan. Iranian interior minister Mostafa Pour-Mohammadi described the effort as a two-phase plan aimed at expelling "one m[illion] resident aliens" by March 2008.[33] By early May 2007, tens of thousands of Afghans had been repatriated.

Afghan officials, including speaker of the Wolesi Jirga (the lower house of the Afghan parliament) Yunus Qanuni, negotiated with their counterparts in Tehran.[34] Qanuni's intervention was the prelude to a serious political crisis in Kabul. Spanta said that the mass expulsion was unexpected. President Hamid Karzai announced that he had instructed the minister for refugee affairs to address the problem and said that he intended to call Ahmadinejad. Allegations of violence and misconduct by Iranian officials began to circulate as the refugees arrived in Afghanistan.[35] In response to the growing tension, Tehran escalated its rhetoric. Pour-Mohammadi announced that the surge of Afghan refugees in Iran was the result of the "heavy American military presence" in Afghanistan. He claimed that the number of Afghans in Iran had been swelling since the deployment of NATO troops and claimed, "I have visited Afghan refugee camps and noticed that most of those expelled following their arrests have re-entered into Iran over the last three years."[36] The next day, refugees minister Mohammad Akbar Akbar lost a no-confidence vote in the Wolesi Jirga—the first minister ever to do so.[37] Spanta followed two days later.[38]

By mid-June, humanitarian organizations were in an uproar over the Iranian deportation. The International Organization for Migration (IOM) called for a mobilization of international resources to "avert a humanitarian crisis," noting that "the forced removals are taking place at a time when Afghanistan still faces serious internal challenges. The security situation remains volatile; unemployment in general and among the youth and unskilled laborers in particular is reaching alarming levels; and there is a desperate shortage of urban and rural housing."[39] Human Rights Watch (HRW) declared on June 19 that "Iran should immediately halt the mass deportations of Afghan nationals and investigate allegations that its authorities have abused numerous deportees." Noting that Iran had expelled one hundred thousand Afghans since April 21, HRW asserted that "Iranian officials have also expelled Afghans who have been registered with the authorities, many of whom have been regarded as refugees (*panahandegan*) for many years."[40]

Iranian deputy foreign minister for Asia-Pacific and Commonwealth countries Mehdi Safari arrived in Kabul on May 13 for talks with Karzai. The two "stressed gradual and regular repatriation of Afghan refugees living in Iran who have no legal documents. Safari said Iranian President Mahmoud Ahmadinejad has agreed with gradual and regular return of Afghan refugees to their homeland."[41] Karzai and Safari agreed that an Afghan team would go to Tehran to discuss the issue further. Karzai once again invited Ahmadinejad to visit Kabul—a visit that was apparently already scheduled for mid-June. Safari also met with Qanuni and called for the "consolidation of mutual relations and establishment of Iran-Afghanistan Parliamentary Friendship Group." Qanuni was invited to visit Iran soon.[42] Two weeks later, Karzai spokesman Karim Rahimi announced that "Iranian officials had agreed to halt the process [of involuntary repatriations] for three months."[43]

If Tehran actually agreed to suspend the deportations at the end of May, the news was slow to reach the relevant provincial officials. Police and the Fath Operational Base in Sistan and Baluchistan announced that they had driven out 74,597 "foreigners" since April 21 and urged remaining "illegal foreign nationals" to register with the authorities "as soon as possible in order to take part in creation of their homeland's future."[44] The governor of Zabol (on the Afghan border, a few miles from Zaranj), boasted of clearing 165 villages of "foreign nationals" and expelling over 45,000 foreigners since April. He added that "from the outset of the project, most of the foreigners did not believe that the project would

be launched effectively and some hostile groups were trying to halt the plan, but thanks to God's favors and our officials' vigilance, the problems were resolved and plots of enemies were foiled."[45] The Esfahan provincial governor's deputy for alien and immigration affairs complained in mid-June that forty thousand Afghans still lived in his province without permits. He warned that anyone employing illegal residents would be fined and punished.[46] A Friday prayer leader of Saravan (in Sistan-Baluchistan province) declared that Karzai's objections to the repatriation program are "because of American domination and orders in Afghanistan." He added that "the project to round up and deport illegal immigrants must be carried out at full stretch. He also said that security bodies, intelligence agencies, and the public must coordinate their work in order to send foreigners back to their countries."[47] And on June 21, the governor of Zahedan—the capital of Sistan and Baluchistan—"announced the beginning of the second phase of the project to expel foreign nationals from Sistan-Baluchestan." He declared, "Everything is ready to start the second phase of the project to expel illegal foreign nationals from Zahedan that will begin tomorrow 1 Tir (22 July)."[48]

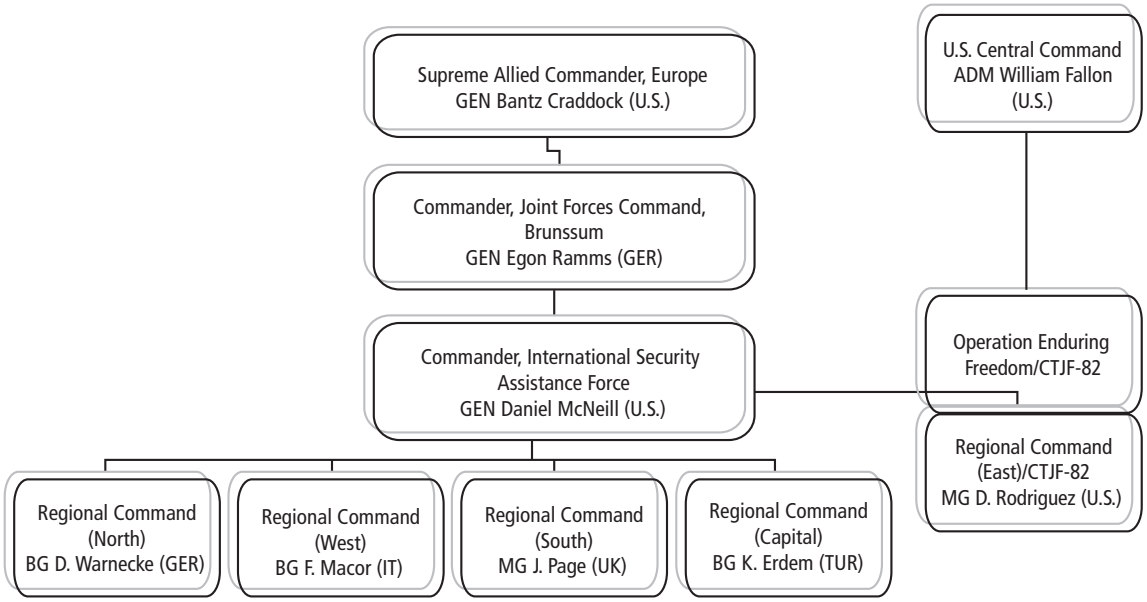
It is not entirely clear what has become of the plan to evict a million Afghans from Iran by March 2008. By early July, the IOM reported that Iran had deported some 130,000 Afghans since April 21, but Iranian news reports suggest that most of the deportations occurred within the first month or six weeks after the order. Thereafter, the actual movement of Afghan refugees across the border appears to have slowed, although it is possible that the Iranians continued to arrest and concentrate Afghans in camps near the border.[49] One fact, however, is inescapable: the Iranian government has Kabul on the defensive.

Support for Insurgents

Iran's economic involvement in Afghanistan and its role in the refugee crisis are indisputable, but they are almost totally ignored by the Western media. Even the expulsion of more than 130,000 Afghans, accompanied by the complaints of international organizations, generated hardly any notice. The seizure of two or three truckloads worth of military supplies for the Taliban, however, was widely reported and highly controversial and has served, quite improperly, as a litmus test for Iranian intentions in Afghanistan. The weapons shipments themselves were small—at least those that NATO and Afghan forces seized. The significance of these shipments can only be understood within the larger context of Iranian involvement in Afghanistan and the security situation within Afghanistan.

The first significant report of Iranian weapons in Afghanistan in 2007 came from a press conference with then-chairman of the Joint Chiefs of Staff General Peter Pace on April 17. Pace announced: "We have intercepted weapons in Afghanistan headed for the Taliban that were made in Iran. It's not clear in Afghanistan which Iranian entity is responsible." The shipment included mortars and plastic explosives and was seized near Kandahar within the previous week. Pace was careful to obfuscate the question of Iranian government control over the shipment: "We know that there are munitions that were made in Iran that are in Iraq and in Afghanistan. And we know that the Quds Force works for the IRGC [Iranian Revolutionary Guard Corps]. We then surmise from that one or two things. Either the leadership of the country knows what their armed forces are doing, or that they don't know. And in either case that's a problem."[50] The next day, Brigadier General Joseph Votel, deputy commanding general for operations of Combined Joint Task Force-82 (CJTF-82), was asked about Pace's statement in a press conference at Bagram Air Base. He explained that the caches Pace was referring to were found outside of his area of operations, "so I don't know all the particulars of those finds." Pressed further, he said, "I'm not sure I really have the visibility to address that particular problem. . . . Being in Regional Command East, you know, our focus is more over on the Pakistan border, so we certainly don't see [any] direct influence from Iran. . . . Right now it's not having an impact here in Regional Command East."[51]

FIGURE 1
COMMAND STRUCTURE IN AFGHANISTAN



SOURCE: AEI, 2008.

This exchange highlights an important problem in the command arrangements in Afghanistan that has seriously hindered the Coalition's ability to comprehend—or at least articulate—the scale and intentions of Iranian intervention in Afghanistan. The 2006 transition in the Afghan mission from American leadership to NATO leadership created at least two major problems in the command structure of the mission (see Figure 1). It shifted operational control of American forces in Afghanistan from U.S. Central Command (CENTCOM)—the four-star headquarters now under Admiral William Fallon that has responsibility for the area from Pakistan to Morocco—to a NATO headquarters—Joint Forces Command–Brunssum (JFC Brunssum), commanded by German General Egon Ramms. JFC-Brunssum reports to the Supreme Headquarters Allied Powers Europe, commanded by the Supreme Allied Commander Europe, General Bantz Craddock, who is also the commander of U.S. European Command (EUCOM). But CENTCOM retains responsibility for counterterrorism operations in Afghanistan, both through the Combined Joint Special Operations Task Force, which operates both in Iraq and Afghanistan, and through Operation Enduring Freedom. The force executing Enduring Freedom is CJTF-82, based around the headquarters of the 82nd Airborne Division, commanded by Major General David Rodriguez. But CJTF-82 is also the headquarters and force responsible for executing the NATO–International Security Assistance Force (ISAF) mission in Regional Command (RC) East. It is therefore nominally under the control both of the CENTCOM commander, Fallon, and of the EUCOM commander, Craddock, via an American headquarters in Bagram, Afghanistan, and a German-commanded headquarters in Brunssum. The rest of Afghanistan is the responsibility of four other ISAF headquarters: RC West (Italian command), RC South (British command), RC North (German command), and RC Capital (Turkish command).

The result of this byzantine command arrangement is that it is very difficult for anyone to develop a coherent, detailed understanding of what is actually going on in Afghanistan. ISAF commander General Daniel McNeill theoretically holds the position

in Afghanistan equivalent to the one General David Petraeus holds in Baghdad, but not in reality. McNeill operates within a NATO framework overseeing the soldiers of twenty-six NATO and twelve non-NATO countries, many of them deployed with national caveats that restrict the operations they can undertake. His immediate subordinates, apart from Rodriguez, are NATO commanders, not American commanders, and they are accountable to and take orders from their own national governments as well as from McNeill. Even the media suffers from this arrangement. American reporters regularly interview American commanders, from McNeill to individual brigade commanders, but rarely interview even the British commanders of neighboring RC South, let alone the Turkish, German, or Italian commanders of the other sectors. Following the details of a complex story like the movement of a few truckloads of Iranian weapons from Iran through Herat and Farah provinces (in RC West) into Nimruz, Helmand, and Kandahar provinces (in RC South) and possibly into the areas in which U.S. forces regularly operate is extraordinarily difficult. This difficulty is one of the reasons for the confusion surrounding the story of Iranian weapons moving around Afghanistan and helps explain why the American division commander in eastern Afghanistan can reasonably claim to have no real idea of the scope or purpose of Iranian arms shipments captured to his immediate west.

The command confusion is only part of the problem, however. Another, perhaps greater, issue is the determination of military officials at all levels from early on to distinguish between the presence of Iranian weapons in Afghanistan and the implication that the Iranian government was deliberately sending them there. Thus, the commander of American forces in the westernmost sections of RC East explained on April 24, 2007, that "there may be an Iranian presence throughout the battle space. But is it state-sponsored? Is it state-sanctioned? I have absolutely no ability to link that together at this time."[52] Even Dutch Major General Ton van Loon, then-commander of RC South—where the weapons were found—refused to clear up the confusion when he was asked about "the latest report that weapons from Iran have been found in Afghanistan." Instead he replied: "It's very hard to say something about that. We, of course, received the information that this might be the case. We cannot deny or confirm it. We know that there are some high-end weapons like the AGS-17, which has shown up in Helmand. Whether this weapon has been brought into Iran [*sic*] is for us very hard to actually be very firm about."[53] At a Kabul press conference ten days later, ISAF spokeswoman Lieutenant Colonel Maria Carl was more specific: "The weapons seized included RPG-7 launchers, light guns, and explosive devises. The arms bore the distinct hallmarks of Iran, she claimed."[54] Carl stopped short of addressing the question of the involvement of the Iranian government.

The issue surfaced more dramatically following the seizure of another shipment in early June. Colonel Rahmatullah Safi, commander of the Afghan Sixth Border Brigade, told Afghan media that his forces had seized Iranian "high-intensity anti-tank bombs" from a mountain cave in western Herat province. Major General Kiramuddin Yawar, the border police commander for the western zone, showed the Pajhwok Afghan News Agency six bombs that bore "all the Iranian hallmarks." An anonymous "intelligence official" (nationality not specified) "revealed around 10 Iranian-made bombs had been seized so far in Herat's Shindand district alone."[55] It is not clear if these are one or two caches—the Ghurian district in which Safi says his forces had found six bombs is not that close to the Shindand district, which has no border with Iran. It is quite possible that there were two separate caches, as McNeill announced on June 5:

> We have intercepted at least two convoys that have contained munitions or weapons. Some of those munitions and weapons clearly of—are Iranian origin. . . . We do have two events in which we have recovered explosively formed penetrators [EFP]. . . . In one case, it was not highly sophisticated in terms of giving it a technology-type measurement; in the other case, it was fairly sophisticated. In both cases, they had characteristics of EFPs that I had read about that have been found and indeed used in

> Iraq and are said to have originated from Iran. . . . We intercepted those convoys. . . inside of Afghanistan. We intercepted them out west. In the case of one of them, there were mortar rounds that were clearly of Iranian origin. There were also explosives, plastic explosives, packaged to make it look like U.S.-made C-4, which is an up-scale version of plastic explosives. It's my understanding that similar types of explosives have been found in Iraq, and once again, the information says they originate from Iran. . . . The convoys were intercepted inside of the Afghan border with Iran—in one case, well inside; in the other case, inside.[56]

McNeill took pains, however, to emphasize that

> [w]e don't have conclusive evidence to say that this was something officially sanctioned by the government of Iran. But I might point out that in the experience I've had in Afghanistan, which is going on for almost a year and a half, over two tours now, it's not uncommon to find weapons or munitions from lots of countries. . . . I just stand by what I said. I haven't seen conclusive evidence there's anything in the way of formal sanctioning by the Iranian government for what we have found in the way of weapons and munitions that have come into this country.[57]

Pace was similarly positive in a June 3 press conference that Iranian weapons—including EFPs—had been seized in Afghanistan and that he did not know whether or not the Iranian government was intentionally sending them there.[58] Secretary of Defense Robert Gates took a similarly ambivalent stance in a June 5 joint press conference with Karzai, but the Afghan president was less ambivalent: "We don't have any such evidence so far of involvement of the Iranian government in the supplying [*sic*] the Taliban. We have a very good relationship with the Iranian government. Iran and Afghanistan have never been as friendly as they are today. In the past five years, Afghanistan have [*sic*] been Iran's very close friend. . . ."[59]

Clarity briefly emerged on June 13 when Under Secretary of State Nicholas Burns said, "There's irrefutable evidence the Iranians are now" transferring arms to Taliban fighters in Afghanistan. He added, "It's certainly coming from the government of Iran. It's coming from the Iranian Revolutionary Guard Corps command, which is a basic unit of the Iranian government."[60] The Afghan and American governments almost immediately began to walk it back, however. The same day, Gates said:

> I think it's been a couple of weeks or so since I was asked about the Iranian supply of weapons to Afghanistan. I have seen additional analysis in the interval that makes it pretty clear there's a fairly substantial flow of weapons. I would say, I haven't seen any intelligence specifically to the effect—to this effect, but I would say, given the quantities that we're seeing, it is difficult to believe that it's associated with smuggling or the drug business or that it's taking place without the knowledge of the Iranian government. . . . My impression is that the weapons are intended for the Taliban. I don't know that we have seen any evidence of Qods Force in Afghanistan.[61]

State Department spokesman Sean McCormack added that he could not establish a "hard link . . . between an Iranian government–approved program and the transfer of those arms," but that it is "hard to believe that they're not" involved. "And if they don't know about it, then that raises other troubling questions, that they don't fully control what's going on inside their own country."[62] Asked about Burns's statement, McCormack said, "I think what Nick was doing was giving voice to all of these concerns and suspicions that all of us have."[63] Burns himself revised the statement a little the next day:

> What I meant to say was that there is irrefutable, clear evidence that Iranian-origin weapons have found their way into Afghanistan, and they have been intercepted by allied forces, and those weapons, we believe, were destined for the Taliban. Secretary of Defense

> Gates said yesterday that he finds it very difficult to believe that the Iranian Government is not aware of these or connected to these, so this is a change in Iranian government policy. For a long time, we assumed that the Iranians were the foe of the Taliban and were going to give constructive support to the Afghan government. But now we have a situation where there is this very disturbing evidence that Iranian-origin weapons have been conveyed across the border into Afghanistan for the Taliban.[64]

Safi, however, continued to stoke the fire, announcing on June 18 that "more than 20 armed men crossed the border from Iran into Afghanistan and entered a town. . . . [A]ccording to intelligence information, the group of armed militants crossed the border into the Anardara District of Farah Province on 18 June." He added, "Two pickup trucks with over 20 armed people onboard crossed the border from Iran to Afghanistan." Safi explained that according to intelligence, "the men were heading toward the Zirkoh area in Farah province, which has been the site of escalating militant activity in recent months." A few days later, he said, "We had some reports that two vehicles entered our country from the border areas. . . . There were only some reports. We have not seen them personally. We have ordered our forces to control such movements. However, we did not find any other incidents."[65] According to Radio Free Europe/Radio Liberty (RFE/RL), "Safi also has told Western and Afghan journalists that remnants of Iranian ammunition were discovered on the ground in Herat Province after fierce clashes last weekend between Taliban and Afghan police. He said five antitank mines with Iranian markings were also seized at the border two weeks ago."[66]

But even Safi was careful to distinguish between Iranian weapons and Iranian intentions, telling RFE/RL, "So far we don't have any evidence which would satisfy our government and the international community that our neighboring countries have been undermining our country's [laws]. . . . We would need evidence to prove it. We have ordered our military units to check the reports. We will see what results we are getting after the investigation and assessments in the area."[67] The following month, an ISAF officer and "expert on explosive devices," Thomas Kelly, told Afghan media "that they had found no evidence regarding arms supply to the opponents from other countries. . . . Last month, intelligence officials announced that a landmine defused near the Polytechnic University in Kabul was similar to ones used by insurgents in Iraq. However, Kelly said tests had proved that the explosive device was different from those used in Iraq."[68]

But three days later another story broke. Pajhwok Afghan News reported: "The government of Iran has converted the military camps of former mujahedeen into training camps for the opponents of the current Afghan government." An anonymous parliamentarian from Herat,

> [q]uoting residents of Herat and Farah provinces, who had freshly returned from the neighboring country, said the former mujahedeen training camps in Turbat Jam, Birjand, Taibat and Haji Abad areas had now been converted into training camps for Taliban.
>
> He said people who had returned from Iran claimed that high ranking Taliban were also freely visiting those "training facilities."
>
> He added Yahya Khurdturk, a former commander of Islamic Movement of Sheikh Asif Mohsini and currently a member of the Islamic United Front of Ustad Akbari, leader of the Shi'a community, had also got training along with his colleagues at . . . those camps.
>
> The MP said Yahya was directly linked to the Revolutionary Guards known as Sipah-i-Pasdaran [the IRGC]. . . .
>
> Ahmad Behzad, another MP from Herat province, said: "We have information that Sepahi Qudus (sacred force) [the Quds Force], a wing of the Pasdaran, is organizing and equipping opposition inside Afghanistan as well as train[ing] them at the centers in Iran."
>
> He termed the alleged training facilities for Taliban as an open intervention in the internal

> affairs of Afghanistan by the neighboring country.
>
> Behzad added: "We have information that such centers are existing not only in the border areas, but also in remote provinces."[69]

Safi repeated the accusations in an interview with the *Gulf Times*, saying

> that he had intelligence information that militants including former *mujahedin*, who fought Soviet forces in Afghanistan and later plunged the country into a bloody civil war, ousted members of the Taliban and foreign fighters were trained in Iranian military bases.
>
> "I have information that 45 fighters led by Yahya Khortarak, who was a mujahedeen commander in Herat province in the past, are now under training in the border town of Turbat Jam in Iran and they want to enter Herat from the Kamana area of the border to carry out some terrorist acts like planting mines, or even maybe suicide attacks," Safi said.
>
> The brigade that Safi commands comprises 1,652 agents, but he says the actual number of men patrolling the 1186km border is barely 900.
>
> "We don't even have one guard per kilometer, but the Iranians have thousands, so it's impossible that they are unaware of these movements," he admitted. . . .
>
> "I am not talking for any one, neither for Karzai nor for the Americans—whatever I see I say it. I have seen the Iranian-made mines and armed people entering Afghanistan and I know that the militants are trained there," he stressed.[70]

The next day, however, Safi twice denied on Afghan radio stations that he had said that Iran was involved in training terrorists.[71]

The back-and-forth about Iranian weapons and the possible involvement of Tehran in shipping them continued for the rest of the year. In mid-August, officials in Balkh province in north-central Afghanistan claimed that they had seized a hundred "YM-type landmines" of Iranian manufacture on the way from Uzbekistan into Afghanistan.[72] Three weeks later, an interior ministry spokesman denied that any Iranian-made mines had been seized.[73] The next day, Safi and Afghan deputy interior minister General Munir Mangal announced that large caches of Chinese, Iranian, and Russian weapons had been seized in the Ghurian district of Herat province.[74] Five days later, U.S. director of national intelligence John Negroponte "rejected any direct supply from China to the militants. However, he said the Chinese officials had told them they had sold such weapons to Iran some time back."[75] In October, Afghan defense minister Abdul Rahim Wardak noted that evidence was piling up that Iranian weapons, including EFPs, were going to the Taliban. He said that he had taken the matter up with the Iranians, who had completely denied it. He added: "There is no doubt that there is something coming from our western border. There are weapons and maybe some financial supports [*sic*] and others. But to be really completely clear about it, I think it will take a little bit of time to come up with the right conclusion."[76] At the end of the month, Safi coyly explained his apparently shifting views on the matter to a German magazine: "The Interior Ministry has forbidden me to talk with journalists anymore," he said. "I have never seen weapons from Iran. . . . There are many things that I am not supposed to say."[77]

Analysis

There are three key questions to be answered about Iranian activities in Afghanistan: Are the Iranians pursuing a coherent strategy? If so, what is it? And irrespective of Tehran's intentions, what is happening on the ground? The first two questions cannot be answered based on available open-source information. Since neither Afghan nor Coalition forces have captured senior Iranian advisers in Afghanistan—as American and Iraqi forces have done in Iraq—there is no indisputable proof that Tehran or its agents are pursuing any particular strategy. Internal dynamics in the eastern provinces of Iran, moreover, suggest

plausible explanations for some of the important events described above, although even these internal dynamics could also be part of a larger strategy. In the absence of solid evidence, however, the discussion of Iranian intentions is difficult to resolve. It is much easier and helpful, however, to describe the effects of Iranian actions in Afghanistan. At the end of the day, whatever Tehran's intentions might be, Iranian agents—up to the presidential level—have set in motion a chain of events in Afghanistan that is hindering NATO's efforts to stabilize that country.

Iranian Intentions. The Ahmadinejad government has been preoccupied with three things in 2007: improving the Iranian economy, escalating tensions with the United States, and defeating its political opponents in the March 2008 parliamentary elections. Ahmadinejad has made much of his repeated tours of every province in Iran, during which he meets local leaders and local people and accepts petitions, promises improvements, exhorts, and generally behaves like a politician. He has emphasized efforts to improve the lives of the Iranian people, although he has become perhaps more shrill as sanctions, Iran's international isolation, and government mismanagement have driven perceptions of quality of life downward.[78] He and his political allies have also made much of the steadily rising tensions with the United States over Iran's nuclear program and its activities in Iraq. There was significant public rhetorical defiance by Iranian military officials over the course of 2007, accompanied by the announcement of a number of undertakings supposedly aimed at preparing the Islamic Republic to defend itself against American attack. All of these activities can help to explain Iranian interference in Afghanistan.

The presence of more than a million Afghan migrant workers is seen by many Iranians as a drag on the economy.[79] Iranian officials frequently point out that, unlike Pakistan and most other countries, Iran has not confined Afghan refugees in camps but rather has allowed them to live among the Iranian population and more or less enjoy the benefits of Iranian citizenship. Poor Afghan migrant workers are presumed to take jobs away from Iranians. Since Afghanistan is the world's largest supplier of opium and Iran a major consumer, Iranians connect Afghans—especially illegal migrant workers—with the drug trade. For all of these reasons, a canny politician in Tehran could well calculate the domestic benefits of an ostentatious effort to round up and deport illegal aliens.

Iranian officials have worked to take political advantage of the expulsion of Afghans, whatever its true motivations were. A senior official at the Iranian Ministry of Labor and Social Affairs announced three days before the start of the operation that Iranian workers had replaced 107,700 Afghans in 2006 and that they aimed to replace at least 210,000 more in 2007.[80] As the operation began, officials in Sistan and Baluchistan claimed that the deportation was improving the situation in the province almost immediately. Less than a week after the operation's beginning, several senior officials reported reductions in traffic, the price of fuel, and lines outside of bakeries, as well as a falloff in human trafficking.[81] The claims are possibly accurate—removing tens of thousands of people rapidly from an area tends to depress prices and eliminate lines, at least for a time.

The mass expulsion of Afghans could also dovetail with Iranian security developments in several ways. Tehran seems concerned about the possibility of U.S. attacks coming from Afghanistan or Pakistan.[82] It is difficult otherwise to explain the opening of a new Iranian air base at Birjand in South Khorasan in the middle of Iran's eastern frontier. At the inaugural ceremony in October 2007, the base's commander said that "with the inauguration of this base, from now on, all the military movements of the regional and world powers based in Afghanistan and the Persian Gulf would be under the observation of the air force."[83] The Iranian police established a new base called Rasul-e Akram (Most Noble Prophet) near Zahedan in Sistan and Baluchistan to control the borders and deal with "the problem of the refugees and illegal immigrants in the region."[84] A provincial official explained that "it was only in Sistan-Baluchestan Province where the police forces were given the responsibility to observe the security

issues, and the Rasul-e Akram Operational Base was established to that end." He added:

> For the first time in the military history of the country and based on a project approved by his eminence the great leader (Seyyed Ali Khamenei), some units of the Iranian army, units of the Air Force of the Islamic Republic of Iran, some parts of the Intelligence Ministry, and units coming from the Iranian Revolutionary Guards Corps and Basij were sent to be at the service of the Law Enforcement Force (police) in Sistan-Baluchestan.[85]

The IRGC also recently announced the construction of one hundred new posts for the IRGC volunteer paramilitary force known as the Basij in the "border areas" of South Khorasan,[86] coinciding with an increased role for the Basij in defending Iran against internal and external threats.[87] In this context, the regime's determination to drive Afghans out of the provinces bordering their own homeland may be part of an effort to remove potential fifth columnists or at least sources of information from strategically important areas prior to an anticipated attack. The "compromise" that Tehran seems to have worked out with Kabul over the refugee issue suggests that such strategic concerns play a role. Iran has insisted that it will clear Afghans from Sistan and Baluchistan, however many it ultimately repatriates.[88] Even as Tehran promised to issue more work permits to Afghans, it reaffirmed its decision to ban Afghans from eleven cities.[89]

There is certainly some connection between Iranian internal economic issues, security concerns (both internal and external), and the expulsion of Afghan refugees in 2007. Available evidence does not support a conclusion about causal relationships, however. The overall decision to expel the refugees may have been aimed primarily at threatening the Karzai government—demonstrating Iran's virtually limitless ability to cripple Afghanistan's reconstruction at any time by dumping hundreds of thousands of destitute refugees and migrant workers into Herat, Nimruz, and Farah. The economic and internal security benefits Iranian officials have claimed for this action may have been secondary benefits. They may also have been the primary purposes, with the intimidation of Kabul a secondary benefit or, less plausibly, an unanticipated consequence. As shown below, it is not necessary to resolve the question of intentions to understand the actual effects of the action. The same is true of Iranian economic assistance to Afghanistan.

The issue of Iranian military support for the Taliban requires a little more examination before turning to the effects on the ground in Afghanistan, however. Two arguments are commonly adduced to show that the Iranian government is probably not actively aiding the Afghan insurgents. First, the mutual antipathy of the Islamic Republic of Iran and the Taliban is well-known and long-standing. Iranian rhetoric continues to demonize the Taliban, and the Taliban returns the favor. It is difficult to imagine a basis for any long-term relationship between these two groups or any desire in Tehran to see the Taliban return to power in Kabul. Second, as almost everyone in Kabul and Washington has been at pains to point out, there is no direct evidence that the government in Tehran—that is, Ahmadinejad and his immediate subordinates—ordered the shipments of weapons that Coalition forces captured in Afghanistan. Instead, both Afghan and U.S. officials have labored to create the possibility that rogue elements within the Iranian military have been smuggling advanced weapons to the Taliban without the knowledge of the senior leadership in Tehran.

The second argument is difficult to take seriously. The movement of several truckloads of weapons, including EFPs and advanced explosives, from arsenals in operational bases to the border, through border checkpoints, and then to Taliban operatives is not something that a handful of low-ranking officers and soldiers could undertake without anyone above them knowing about it. If such a scenario is really feasible, then Iran is an incredibly dangerous state, because its military lacks any meaningful controls on the export of military technology. But that is not the case. The IRGC is a disciplined and professional force, its operational bases are closely guarded and watched, and Iran is sufficiently open that any such

rogue cabal would be rapidly revealed, arrested, and punished. The fact that Tehran has instead simply denied sending any weapons to Afghanistan rather than punishing scapegoats to maintain plausible deniability renders this argument unsustainable.

The first argument is superficially stronger—since it cannot possibly be in Tehran's interest for the Taliban to return to power, it makes no sense for the IRGC to support the Taliban. In reality, this argument is also rather weak. There is very little question of the Taliban returning to power at this stage. Whatever the flaws and weaknesses of the NATO effort and the Karzai government, the Taliban is nowhere close to overturning the political order in Kabul. It is barely able to maintain safe havens in its own heartland for more than weeks at a time. A few truckloads of Iranian weapons are not going to turn the tables on NATO and Karzai. The Iranians need not fear that military support at the level they appear to be providing will bring their nemesis back to power. If the IRGC is sending weapons to the Taliban at the levels observed in 2007, the purpose is much more subtle and the aim more limited. A plausible strategy can be seen in the confluence of Iranian economic support, the location and nature of the major Taliban fights in 2007, and the role a small number of advanced weapons could play in those fights. This confluence will be examined further in the next section.

The most mysterious accusation against Tehran is that the IRGC is using former *mujahedin* bases to train Taliban insurgents. Reports of this activity coincided with the flow of involuntarily repatriated refugees and migrant workers into Herat in the spring. These reports are exactly what irritated Afghans might invent to discredit the Iranian government—the bases cited are all along the major road from Herat to Mashhad, were well-known locations of *mujahedin* training camps, and in some cases are now Iranian police and IRGC operational bases engaged in collecting and deporting Afghan migrant workers and refugees. It is possible that these reports are no more than angry conspiracy-mongering.

It is also possible that there is some truth to them. Afghan officials described the establishment of a new IRGC base on the Mashhad-Herat road called Mohammad Rasulullah (Prophet of God). The name of the base is unremarkable but, similar to that of the Rasul-e Akram base, known from the Iranian press to have been established at the same time near Zahedan for the purpose of rounding up Afghan refugees. Zahedan is hundreds of miles south of the location the Afghans offered for the Mohammad Rasulullah base, along a different road leading from a different Iranian province to a different Afghan province. Refugees in Herat, indeed, are extremely unlikely to have come via Zahedan, since we know from the Iranian press that refugees in Sistan and Baluchistan were sent to the much closer Afghan provinces of Nimruz and Farah, rather than Herat. On the other hand, it is quite plausible that the Iranians established a new operational base in Khorasan Razavi, parallel to the Rasul-e Akram base in Sistan and Baluchistan, for many of the same reasons: to improve security, oversee the expulsion of Afghan refugees, and improve border monitoring. It so happens that the Iranian media made much of the Sistan and Baluchistan base and has not apparently done so with the one in Khorasan Razavi, but that may be a matter of provincial media or government priorities. Of course, if the Mohammad Rasulullah operational base were really being used to train Taliban or non-Taliban Shiite insurgents in Afghanistan, then the Iranian media would be unlikely to report on it. Fallon recently said: "To the best of my knowledge we have not intercepted any arms shipments in recent months. . . . But we know that there were some shipments from Iran that certainly came into Afghanistan earlier this year. And we have lots of anecdotal evidence that indicates that they have been training some of these insurgents for Afghan."[90] Based on open-source information, we can only conclude that the story of Iranian training of Afghan rebels told by various Afghan officials is plausible but not confirmable.

Effects. The difficulty of determining—let alone proving—Iranian intentions in Afghanistan is great, as the evaluation above shows. Observing the effects of Iranian actions and the relationship between them and events in Afghanistan is much more

straightforward and enlightening—and also more important. At the end of the day, the United States, Afghanistan, and their allies must concern themselves with what is actually occurring, regardless of Tehran's actual intentions, and they must deal with the situation the Iranians are helping to create, even if the allies cannot tell whether or not Tehran is actively trying to create it.

To see the full effect of Iranian activities in Afghanistan, we must briefly consider the major Coalition and Taliban military operations in the western areas in 2007. Since the beginning of the year, the efforts of RC South focused on clearing the Helmand River Valley from Garmsir to Kajaki. By the end of the year, ISAF reported that it had finally cleared Musa Qala, the last Taliban stronghold in the area, northwest of Kajaki. The fighting peaked in early May, when the Taliban launched a significant counteroffensive against British forces operating north of the ring road near Sangin. According to multiple reports, there were several battles that lasted for ten hours or more and involved hundreds of Taliban fighters. During these battles, Taliban reinforcements arrived and attempted to set up secondary and tertiary defensive positions and ambushes. In at least one case, British sources reported reinforcements arriving from Shindand district of Herat province, another known Taliban stronghold. ISAF and the Afghan security forces defeated these counterattacks and continued clearing operations, but violence and disorder were prevalent in Helmand for much of the spring and summer.[91]

One interesting consequence of this disorder was that insurgents were able to attack food convoys moving along the ring road from Pakistan to Nimruz, Farah, and Herat with desperately needed supplies. The United Nations called for a halt on such attacks in May 2007.[92] The World Food Programme (WFP) announced that its convoys had suffered twenty attacks in the year preceding May 25, 2007, of which eight had occurred since April 2007.[93] The violence disrupted movement along the ring road generally, creating shortages in Herat, Farah, Badghis, and Ghor provinces and preventing the movement of supplies sent from Iran out of the western areas of Afghanistan.[94] These disruptions coincided with the mass expulsion of Afghan migrant workers and refugees into Herat, Farah, and Nimruz. On June 22, the WFP "warned that continuing security problems are hampering operations in some parts of Afghanistan, especially in the west of the country where food stocks are running short and thousands of the most vulnerable people may soon see critical food supplies curtailed or interrupted."[95] Insecurity and attacks on convoys—including twenty-five incidents since June 2006—had prevented the WFP from moving food to western Afghanistan for four weeks.[96] According to news reports, WFP Afghanistan country director Rick Corsino said that the disruptions had had a significant impact on relief operations for the involuntary returnees. Corsino particularly referred to "the western region, where WFP had been unable to distribute promised food to tens of thousands. . . . Some 100,000 very poor Afghans have been waiting weeks for food."[97] Deliveries resumed in early July, following the defeat of the Taliban counteroffensive, although attacks on food convoys—which move in unmarked trucks—continued.

Coincidentally, Iran appears to have scaled back the involuntary repatriation program in June. Also coincidentally, Coalition forces reported seizing Iranian weapons moving to the Taliban in mid-April—during the first major British clearing operations in Helmand and three days before the start of the involuntary repatriation program—and in late May to early June, a few weeks into the major Taliban counterattack against RC South. Reports of Iranian training camps for Taliban fighters surfaced in late July, a few weeks after movement resumed along the ring road.

The net result of these activities was to cut Afghanistan's western provinces off from the rest of the country—including their principal non-Iranian sources of aid—through Taliban-inspired violence aided by Iranian weapons. This isolation occurred exactly as Iran flooded Herat, Farah, and Nimruz provinces with destitute refugees. It coincided with the announcements that work on the Mashhad-Herat railway had begun (April 15), that work had started on the Iranian-funded and overseen construction of warehouses and roads in Farah (May 28), that an Iranian company would help provide 150,000

more telephone lines to Afghanistan (June 10), and that Iran and Afghanistan were close to signing a preferential trade agreement aimed at doubling the volume of trade and establishing a railroad system between the two countries (June 18). In September, the WFP director announced that his organization was purchasing wheat in Herat for the first time, noting that "[i]nsecurity on the southern ring road means we have been unable to move food for well over two months. With seriously depleted stocks, poor and hungry people in the west of the country have been suffering." The WFP release added that it had purchased wheat for the first time from Iran.[98]

The combination of violence and economic investment created a powerful synergy in 2007 that drove Afghanistan's western provinces further from Kabul and closer to Tehran. The overall Iranian aid program, combined with the threat of more mass expulsions, muzzled the Karzai government on the issue of Iranian support to the Taliban. Pressed on that question, Wardak and Karzai always prefaced comments by referring to the positive role Iran was playing with its economic assistance; highlighting the good relations Tehran and Kabul enjoyed; and casting doubt on the question of the weapons shipments, even when both Afghan and Coalition officers were unequivocal that they were occurring. The Iranian management of the refugee crisis itself destabilized the Karzai government, prompting the Wolesi Jirga to fire two ministers and miring the government in needless controversy for half the year.

Whatever the Iranians intended to do in Afghanistan in 2007, the following things occurred:

- Tehran demonstrated its ability and willingness to destabilize western Afghanistan at will, using Afghan refugees and migrant workers as bargaining chips with Kabul.

- The Afghans have clearly perceived a carrot-and-stick strategy from Iran—mass expulsions of refugees are the stick, and $1 billion in trade and aid is the carrot.

- Tehran demonstrated a limited ability to destabilize the Afghan government by taking actions that pit different factions against one another.

- The combination of Iranian actions and Taliban activities tied western Afghanistan ever more tightly to Iran economically and politically.

- Afghan fears of Iranian retaliation and confusion in the ISAF command structure, among other things, hindered Coalition efforts to identify the scope and scale of Iranian intervention and seriously confused Afghan and American public statements about it.

- Iran continued to blame publicly all of Afghanistan's problems on the presence of American and NATO forces and met accusations of Iranian support to the Taliban with accusations of American support to al Qaeda.[99]

- It became obvious and undeniable that there is no NATO, U.S., or Afghan strategy for controlling—or even recognizing—and reacting to Iranian influence in Afghanistan and that the United States and NATO are not interested in developing such a strategy.

- Therefore, the Karzai government appears to have drawn the conclusion that it is on its own with regard to Iran and must make the best of the situation.

The sum total of Iran's activities in Afghanistan in 2007 is a coherent and intelligent program to "Finlandize" Afghanistan (that is, neutralize its role in international affairs), create a strategic buffer along the Iranian-Afghan border, and finely calibrate military support to insurgents to produce small but strategically important results in support of that

effort. Iran evinces a willingness to deploy all resources—military, diplomatic, political, economic, social, and religious—in support of this effort. The likeliest explanation is that Tehran meant to do this. If not, then we must conclude that achieving these goals is so self-evidently in Iran's interest that the various organs of the Iranian government at every level are operating seamlessly and toward a common goal without being guided by a common strategy.

The question of Iranian intentions need not occupy the United States any further. The question now is: how will we respond?

Frederick W. Kagan is a resident scholar at AEI.

Notes

1. Kenneth Katzman, *Afghanistan: Post-War Governance, Security, and U.S. Policy*, Congressional Research Service, updated January 14, 2008, available at www.fas.org/sgp/crs/row/RL30588.pdf (accessed February 6, 2008); Alastair Leithead, "Iranian Influence in Afghanistan," BBC News, June 11, 2007; "Iran Steps Up Drive to Expel Afghan Refugees," Agence France-Presse, April 30, 2007; and Peter Baker, "Bush Urges Karzai to Be More Wary of Iran," *Washington Post*, August 7, 2007.

2. James Dobbins, "Ending Afghanistan's Civil War," (testimony, House Committee on Armed Services, January 30, 2007), available at www.rand.org/pubs/testimonies/2007/RAND_CT271.pdf (accessed February 7, 2008).

3. Afzal Khan, "Trade between Afghanistan and Iran Reaches Record Levels," *Eurasia Daily Monitor*, July 9, 2004.

4. Robert Gates and Hamid Karzai (Department of Defense press briefing, Kabul, Afghanistan, June 5, 2007, available atwww.defenselink.mil/transcripts/transcript.aspx?transcriptid=3978 (accessed February 6, 2008); and "Karzai, Gates See No Proof of Iran Moving Arms to Taliban," Pajhwok Afghan News, June 4, 2007.

5. "Iran-Afghan Defense Cooperation Inevitable, Afghan Minister," Islamic Republic News Agency (IRNA) (Iran), July 17, 2007; "Herat Provincial Council Members Leave for Iran," Pajhwok Afghan News, November 19, 2007; and Major General Robert Cone and General Abdul Rahim Wardak (Department of Defense press briefing, Arlington, VA, October 18, 2007, available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=4065 (accessed February 6, 2008).

6. "Iran Pledges Help in Power Sector," Pajhwok Afghan News, June 25, 2006.

7. "Iran Pledges $0.7m for Training of Govt Employees," Pajhwok Afghan News, January 24, 2007.

8."Iran Pledges Cooperation in Education Sector," Pajhwok Afghan News, March 1, 2007; and "MoC Highlights Major Achievements," Pajhwok Afghan News, March 25, 2007.

9. "150,000 Telephone Lines to Be Provided in One Year," Pajhwok Afghan News, June 10, 2007.

10. "Afghan, Iranian Officials Upbeat on Trade Agreement," Pajhwok Afghan News, June 18, 2007; and "Iran-Afghan Defense Cooperation Inevitable, Afghan Minister," IRNA.

11. Afghan GDP from World Development Indicators Database, April 2007, available at www.worldbank.org.

12. "Nimroz Register Manifold Increase in Customs Revenues," Pajhwok Afghan News, April 30, 2006.

13. "Work on Afghanistan-Iran Railway Line Soon," Pajhwok Afghan News, April 15, 2007.

14. "Work on Custom Offices, Warehouses Launched in Farah," Pajhwok Afghan News, May 28, 2007.

15. "Tehran, Kabul Sign Six Cooperation Agreements," Pajhwok Afghan News, August 14, 2007.

16. "Afghanistan" in *The 2008 World Factbook* (Central Intelligence Agency), available at www.cia.gov/library/publications/the-world-factbook/geos/af.html (accessed February 6, 2008).

17. Islamic Republic of Afghanistan, Afghanistan National Development Strategy (ANDS), *Draft Regional Cooperation Strategy for Afghanistan National Development Strategy (with Focus on Prioritization)* (October 1, 2007), 4, available at www.ands.gov.af/ands/jcmb/site/src/Meeting%20and%20Documents/Sixth%20%20JCMB/pdfs/Eng/11-Draft%20II%20Regional%20Cooperation%20Strategy%20-%20English%20-%2002%20Oct%207.23pm.pdf (accessed February 6, 2008).

18. "Ghoryan Dist Gets Power Facility," Pajhwok Afghan News, January 21, 2007.

19. "Foundation Stone of Township Scheme Laid in Gardez," Pajhwok Afghan News, May 24, 2007; and "Work on Custom Offices, Warehouses Launched in Farah," Pajhwok Afghan News.

20. See the ANDS website at www.ands.gov.af/.

21. Islamic Republic of Afghanistan, ANDS, *Draft Regional Cooperation Strategy for Afghanistan National Development Strategy (with Focus on Prioritization)*, 24.

22. Ibid, 35.

23. "Iran Pledges Cooperation in Education Sector," Pajhwok Afghan News.

24. "Ahmadinejad Makes First Visit to Afghanistan," *Guardian* (UK), August 14, 2007; and "Afghanistan/Iran: Presidents Tout Strong Historical Ties," Radio Free Europe/Radio Liberty (RFE/RL), May 28, 2006, available at www.rferl.org/featuresarticle/2006/05/36ac30b4-ce70-4fb4-863f-2646ff8814b9.html (accessed February 7, 2008).

25. Vivian Tan and Mohammed Nader Farhad. "Over 350,000 Afghans Repatriate from Pakistan before Winter," United Nations High Commissioner for Refugees (UNHCR), November 2, 2007, available at www.unhcr.org/cgi-bin/texis/vtx/afghan?page=news&id=472b27e94 (accessed February 7, 2008).

26. UNHCR, Statistical Yearbook 2005 (April 2007), available at www.unhcr.org/statistics/STATISTICS/z464478a72.html (accessed February 6, 2008); "Iran Says Illegal Refugees to Be Expelled by September," Pajhwok Afghan News, February 25, 2006; and "Dubai Moot to Discuss Refugees Problems in Pakistan," Pajhwok Afghan News, June 5, 2007.

27. The number of undocumented Afghan migrant workers in Iran is naturally subject to considerable confusion. The Iranian ambassador in Kabul stated that 900,000 of the "two million" Afghans living in Iran had been granted "licences," although it was not clear if he meant that Tehran saw them as legitimate refugees or simply as legal migrant workers. ("Iran Says Illegal Refugees to Be Expelled by September," Pajhwok Afghan News.) Ahmadinejad subsequently said that there were a total of 2.5 million Afghans in Iran but did not specify how many of them were illegals. ("Iran Not Aiding Miscreants in Afghanistan: Ahmadinejad," Pajhwok Afghan News, August 14, 2007.) Tehran's expulsion program has generally focused on driving out "one to two million" illegal Afghan workers. ("Iran Says Illegal Refugees to Be Expelled by September," Pajhwok Afghan News.)

28. Najmeh Bozorgmehr, "Iran Slows Deportation of Afghans," *Financial Times*, July 26, 2007; "Southwest Asia: Afghan Refugees Allege Abuse from Iran Repatriation," RFE/RL, May 3, 2007; and Nazila Fathi, "Iran Will Force Many Afghan Refugees to Leave by Month's End," *New York Times*, August 15, 2002.

29. "Afghan's Have Captured 1,300,000 Jobs in Iran," Fars News Agency (Iran), September 26, 2006.

30. "Iran Says Illegal Refugees to Be Expelled by September," Pajhwok Afghan News.

31. The UNHCR subsequently announced that only five thousand Afghan refugees had returned from Iran in 2006, although such statements do not necessarily reflect the movement of illegal migrant workers, whom the UNHCR does not track. ("Pakistan Gives UN $5m to Help Refugees Return Home," Pajhwok Afghan News, May 9, 2007.)

32. "Work on Afghanistan-Iran Railway Line Soon," Pajhwok Afghan News.

33. "Iran Steps Up Drive to Expel Afghan Refugees," Fars News Agency, May 1, 2007; and "Iran Repatriates 17,000 Afghan Nationals from Sistan Va Baluchestan Province," IRNA, April 27, 2007.

34. "Afghan, Iranian FMs Discuss Expulsion of Refugees," Pajhwok Afghan News, May 8, 2007.

35. "Kabul Resents Wave of Refugees Evicted by Iran," Pajhwok Afghan News, May 8, 2007.

36. "Iran Links Surge in Refugees to Foreign Military Presence," Pajhwok Afghan News, May 10, 2007.

37. "Akbar Loses Trust Vote; Spanta's Fate Hangs in Balance," Pajhwok Afghan News, May 10, 2007.

38. "Foreign Minister Spanta Loses Trust Vote—and His Job," Pajhwok Afghan News, May 12, 2007.

39. International Organization for Migration (IOM), "IOM Helps Afghan Forced Returnees from Iran," press briefing notes, May 29, 2007, available at www.iom.int/jahia/Jahia/pbnAS/cache/offonce?entryId=14233 (accessed February 6, 2008).

40. Human Rights Watch, "Iran: Halt Mass Deportation of Afghans," June 19, 2007, available at hrw.org/english/docs/2007/06/18/iran16206.htm (accessed February 6, 2008).

41. "Iran, Afghanistan Stress Expansion of Bilateral Ties," IRNA, May 14, 2007, available at www2.irna.ir/en/news/view/line-17/0705142652112323.htm (accessed February 6, 2008).

42. Ibid.

43. "Miscreants behind Jawzjan Violence to Be Punished," Pajhwok Afghan News, May 29, 2007.

44. "Iran's Sistan-Baluchestan Accelerates Ousting of Immigrants," May 30, 2007, Vision of the Islamic Republic of Iran Sistan-Baluchestan Provincial TV.

45. "Governor Says Repatriation of Foreigners in Iran's Sistan Successful," IRNA, June 1, 2007.

46. "Iranian Province Home to 40,000 Illegal Afghans," June 21, 2007, Vision of the Islamic Republic of Iran Esfahan Provincial TV.

47. "Fuel Supplies to Al-Qa'ida 'Religiously Forbidden'—Iranian Provincial Cleric," Fars News Agency, June 22, 2007.

48. "Iran Begins Second Stage of Foreign Nationals' Repatriation," June 22, 2007, Vision of the Islamic Republic of Iran Sistan-Baluchestan Provincial TV.

49. IOM, "IOM Scales Up Emergency Assistance for Afghan Returnees from Iran," July 3, 2007, available at www.iom.int/jahia/Jahia/pbnAS/cache/offonce/lang/en?entryId=14555 (accessed February 6, 2008).

50. Michael R. Gordon, "U.S. Says Iranian Arms Seized in Afghanistan," *New York Times*, April 17, 2007.

51. Brigadier General Joseph Votel (Department of Defense news briefing, Bagram, Afghanistan, April 18, 2007), available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=3934 (accessed February 6, 2008).

52. Colonel Martin Schweitzer, (Department of Defense news briefing, Afghanistan, April 24, 2007), available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=3944 (accessed February 6, 2008).

53. Major General Ton van Loon, Royal Netherlands Army (Department of Defense press briefing, Afghanistan, April 30, 2007), available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=3952 (accessed February 6, 2008).

54. "Iran-Made Weapons Recovered in Operations: ISAF," Pajhwok Afghan News, May 9, 2007.

55. "Officials Claim Seizure of Iranian-Made Bombs," Pajhwok Afghan News, June 2, 2007.

56. General Daniel McNeill (Department of Defense news briefing, Afghanistan, June 5, 2007), available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=3980 (accessed February 6, 2008).

57. Ibid.

58. Robert Gates, General Peter Pace, and Admiral Timothy Keating (press conference, Shangri-La International Security Conference, Republic of Singapore, June 3, 2007), available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=3976 (accessed February 6, 2008).

59. Robert Gates and Hamid Karzai (Department of Defense press briefing).

60. "Iran Arming Taliban, U.S. Claims," CNN.com, June 13, 2007.

61. Robert Gates (media availability, Ramstein Air Force Base, Germany, June 13, 2007), available at www.defenselink.mil/transcripts/transcript.aspx?transcriptid=3987 (accessed February 6, 2008).

62. Stephen Kaufman, "Apparent Shift in Iran's Afghanistan Policy 'Troubling,'" U.S. State Department, available at http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2007&m=June&x=20070613173811esnamfuak0.7447626 (accessed February 6, 2008).

63. U.S. State Department (daily press briefing, Washington, DC, June 13, 2007), available at www.state.gov/r/pa/prs/dpb/2007/jun/86365.htm (accessed February 6, 2008).

64. R. Nicholas Burns (interview, Kastiljis TV Show, Reykjavik, Iceland, June 14, 2007).

65. "Armed Men Crossed into Afghanistan from Iran: Police," Indo-Asian News Service, June 19, 2007.

66. Ron Synovitz, "Kabul Investigates Reported Militant Movement from Iran," *Afghanistan Report* 6 no. 11, RFE/RL, June 22, 2007, available at http://rferl.com/reports/FullReport.aspx?report=562&id=2007/06/562-06-11 (accessed February 6, 2008).

67. Ibid.

68. "No Evidence of Arms Supply from Other Countries: ISAF," Pajhwok Afghan News, July 18, 2007.

69. "Taliban Being Trained on Iranian Soil: MPs," Pajhwok Afghan News, July 21, 2007.

70. "Iran Accused of Training Taliban to Fight America," *Gulf Times*, July 21, 2007.

71. "Afghan Official Confirms Drug Smugglers Active on Iranian Border," Radio Sahar, Herat, in Dari, July 22, 2007; and "Highlights: Iran-Afghanistan Developments," Ariana TV, July 21, 2007.

72. "100 Iran-Made Bombs Seized, Claim Afghan Officials," Pajhwok Afghan News, August 14, 2007.

73. "227 Civilians Killed in IED Blasts in 9 Months: Bashari," Pajhwok Afghan News, September 5, 2007.

74. "Dumps of Iranian, Russian and Chinese Arms Found in Herat," Pajhwok Afghan News, September 6, 2007.

75. "Talks with Taliban Should Not Affect Gains: US Official," Pajhwok Afghan News, September 11, 2007.

76. Major General Robert Cone and General Abdul Rahim Wardak (Department of Defense press briefing).

77. "Bücher und Licht," *Die Tageszeitung*, October 31, 2007, available at www.taz.de/1/politik/nahost/artikel/1/buecher-und-licht/?src=SZ&cHash=82b07c4b6d (accessed February 6, 2008).

78. See, for example, "Iran Seeks to Enhance Security in Border Province," Fars News Agency, August 28, 2007.

79. Kimia Sanati, "Iran: Tehran Blames Washington for Influx of Afghan Refugees," Interpress Service, May 15, 2007; and Arne Strand, Astri Suhrke, and Kristian Berg Harpviken, "Afghan Refugees in Iran: From Refugee Emergency to Migration Management," International Peace Research Institute, Oslo and Chr. Michelsen Institute, June 16, 2004, available at www.cmi.no/pdf/?file=/afghanistan/doc/CMI-PRIO-AfghanRefugeesInIran.pdf (accessed February 6, 2008).

80. "Iran: A Clamp Down on Illegal Migrant Workers," Keyhan, April 18, 2007.

81. "Iran Repatriates 17,000 Afghan Nationals from Sistan va Baluchestan Province," IRNA.

82. Kenneth Katzman, *Iran: U.S. Concerns and Policy Responses*, Congressional Research Service, updated December 5, 2007, available at http://fas.org/sgp/crs/mideast/RL32048.pdf (accessed February 6, 2008).

83. "Air Force Commander Inaugurates Fighter Base in Eastern Iran," October 9, 2007, Islamic Republic of Iran News Network.

84. "Security Situation Improves in Southeast Regions," Zahedan, Iran, May 5, 2007.

85. "Iranian Sistan-Baluchestan TV Airs Special Programme on Military Base," Sistan-Baluchestan Provincial TV, Hamun TV, October 18, 2007.

86. "Construction of 100 Basij Bases in the Border Regions of Southern Khorasan," *Sobh-e Sadegh*, November 26, 2007.

87. See the Open Source Center's summaries of Iranian military developments in October–November 2007 for details. The role of the Basij, particularly in internal affairs, has been a matter of some controversy between the ninth government and its political opponents, but Iranian Revolutionary Guard Corps and other officials have consistently stressed its importance in defending the revolution against external threats.

88. "Iran to Forbid Foreigners from Province Bordering Afghanistan," Javan, November 12, 2007.

89. "Iran to Issue 300,000 Afghan Refugees Work Permits," Pajhwok Afghan News, November 22, 2007.

90. Al Pessin, "US Commander Asks Iran to Stop Bomb Supplies to Iraq, Afghanistan," VOA News, December 21, 2007.

91. "UK-led Operation Helps ISAF Take Control in Northern Helmand," Defence News (UK Ministry of Defence), May 31, 2007, available at www.mod.uk/DefenceInternet/DefenceNews/MilitaryOperations/UkledOperationHelpsIsafTakeControlInNorthernHelmandvideo.htm (accessed February 6, 2008); "Taliban Feel the Pressure in Northern Helmand," Defence News, June 2, 2007, available at www.mod.uk/DefenceInternet/DefenceNews/MilitaryOperations/TalibanFeelThePressureInNorthernHelmand.htm (accessed February 6, 2008); "'Vikings' Lead the Way in Sangin Clearance Operation," Defence News, July 5, 2007, available at www.mod.uk/DefenceInternet/DefenceNews/MilitaryOperations/vikingsLeadTheWayInSanginClearanceOperation.htm (accessed February 6, 2008); and "UK and Afghan Artillery Teams Help Keep the Taliban at Bay," Defence News, July 17, 2007, available at www.mod.uk/DefenceInternet/DefenceNews/MilitaryOperations/UkAndAfghanArtilleryTeamsHelpKeepTheTalibanAtBayvideo.htm (accessed February 6, 2008).

92. "UN Appeals for Halt to Attacks on Food Convoys," Pajhwok Afghan News, May 22, 2007.

93. World Food Programme (WFP), "WFP Condemns Attacks on Food Convoys in Afghanistan," press release, May 25, 2007, available at www.wfp.org/english/?ModuleID=137&Key=2493 (accessed February 6, 2008). See also "UN Appeals for Halt to Attacks on Food Convoys," Pajhwok Afghan News.

94. "WFP Hails Resumption of Food Aid to Western Afghanistan," Pajhwok Afghan News, July 11, 2007.

95. WFP, "Insecurity Jeopardizing WFP Food Aid Deliveries in Western Afghanistan," June 22, 2007, available at www.wfp.org/english/?ModuleID=137&Key=2543 (accessed February 6, 2008).

96. Ibid.

97. WFP, "WFP Welcomes Resumption of Food Deliveries to Western Afghanistan," press release, July 11,

2007, available at www.wfp.org/english/?ModuleID=137&Key=2558 (accessed February 6, 2008). See also "WFP Hails Resumption of Food Aid to Western Afghanistan," Pajhwok Afghan News.

98. "WFP Purchases 4,000 Metric Tons of Wheat in Herat," Pajhwok Afghan News, September 18, 2007.

99. "US Supports Taliban, Al-Qa'ida—Iran MP," IRNA, August 30, 2007.

Conclusions

Iran is the principal source of weapons, funding, training, and on-site advisers for a number of Sunni and Shiite insurgent and terrorist groups in Iraq, Syria, Lebanon, and the West Bank and Gaza, and it is almost certainly providing some military support to the Taliban in Afghanistan. Iran has projected its economic power—sometimes even at the expense of the prosperity of its own people—throughout the region using grants, loans, joint ventures, and private enterprises. Many of its major economic projects have had the effect (and sometimes the stated goal) of making Iran the vital economic nexus of the area from Kabul to the Mediterranean, particularly in the realms of electricity, hydrocarbons, and road and rail networks. Iran has developed and used significant political and diplomatic influence throughout the region with a variety of tools: overt and secret treaties and agreements, preferential support for some political parties against others, the use of economic and migratory leverage, and occasional targeted assassination campaigns. Iranian officials have also worked to advance Iran's cultural and religious sway throughout the region through Persian-language programs, cultural and religious exchange programs, and subsidized pilgrimages to Shia holy sites.

Intentions and Realities

The notion that Iranian officials and individuals have unconsciously, independently, or unintentionally deployed all of the resources of Iranian national power coherently in such a way as to move Iran toward military, economic, political, and socio-religious hegemony of its region is absurd. As the contents of this report manifest, Tehran pursues a coherent, integrated, and often transparent strategy. Officials openly involved in these efforts have included defense and interior ministers; commanders of the Iranian Revolutionary Guard Corps (IRGC); ambassadors and envoys in several states; numerous deputy ministers; police, regular army, air force, and naval officers; and so on. One may question the level of involvement of any particular individual in any particular decision, but the control of the Iranian government as a whole over the activities of its agents in all fields is not in question. The effort to identify some "rogue element" within the Iranian regime causing problems in spite of (or, at least, without the knowledge of) Iran's government is a folly that can persist only so long as we continue to compartmentalize activities that reveal a very clear and coherent pattern when viewed as a whole.

The question of Tehran's goals and intentions need not detain us. Taking an Olympian view, one might note that Iran is, with a few exceptions, simply behaving like a normal powerful state: using its economic power to derive political leverage; supporting some factions and opposing others in regional politics; training, equipping, and advising favored military organizations against their enemies; and so on. Yet explaining Tehran's behavior as natural realpolitik or, more disingenuously, as a response to the surrounding American menace, does not diminish the reality of the Iranian threat to the United States and its allies. Nor does it account for the fact that the Islamic Republic is not a status quo power and, regardless of how many ordinary Iranians may feel, often seeks to promote an ideology that is, at its root, hostile to the fundamentals that underpin U.S. society.

It is for this reason that the Islamic Republic's pursuit of its interests conflicts directly with that of the United States. The political and military proxies Tehran supports throughout the region are almost invariably U.S. enemies. The economic power Iran has deployed in Iraq and Afghanistan has had the

effect of weakening the control of Baghdad and Kabul over outlying regions as the United States has been trying to strengthen that control. Iran's political leverage has served to boost Moqtada al-Sadr—an avowed enemy of the United States—while Iranian agents attempted to assassinate Iraqi prime minister (and wayward Iranian ally) Nuri al-Maliki; to force a confrontation between Afghan president Hamid Karzai and speaker of the lower house of the Afghan parliament Yunus Qanuni as we were working to solidify Karzai's government; to strengthen the power of Hamas while we sought to broker some kind of reconciliation in the West Bank and Gaza; and so on. And it is certainly not in America's interest for Khomeini-style politically activist Shiism to prevail over Sistani-type politically quietist Shiism.

These facts may reflect Iran's reflexive fear or resentment of America or a genuine desire to achieve Iranian hegemony throughout the Middle East—or both. Either way, the Islamic Republic is not a status quo power, and there is nothing Washington can do to reverse Tehran's strategic calculus. More importantly, were it possible, as some insist, to assuage Tehran's fear or satisfy its appetites, the forces Iran has unleashed can no longer be reinserted into the genie's bottle. It is perfectly reasonable to debate the merits of higher-level negotiations with Iran or airstrikes against some set of targets, but neither the one nor the other will make the problem disappear.

The United States must therefore develop a more comprehensive strategy to address the manifold challenges Iranian policy in the region poses to our interests. Concurrently, Washington must consider the nature of the regime and the wisdom of various measures to change Tehran's behavior or to change the regime itself. The United States has an abiding interest in stabilizing Lebanon and the West Bank and Gaza (and therefore weakening or moderating Hezbollah and Hamas); in ensuring that Syria does not remain a vassal of Tehran and a staging area for Iranian involvement in the Levant; in keeping violence down in Iraq and Afghanistan and helping both Baghdad and Kabul develop independent and mature political processes and regain control over all of their territory; and in preventing Iran from turning itself into an indispensable nation economically, politically, and militarily in the Middle East. Pursuing these interests requires understanding the scope and scale of Iranian activities as they are now.

Iranian Military Activities

Iran's military involvement in the Middle East over the past few years has been sophisticated, coordinated, skillful, and nuanced. Iran has recognized the power differential between it and the United States and has developed innovative methods of asymmetric warfare. Iranian external military policies in general have relied on leveraging technologies and capabilities to achieve maximum effect with minimum cost and exposure. They are a skillful blend of equipping, training, organizing, funding, and advising, appropriately variegated depending on the specific circumstances in each theater. Iran has been willing to escalate both the quality of the weaponry and the training it provides, but it has not to our knowledge been willing to share chemical or biological weapons or more sophisticated systems. However, this policy could change without notice.

Tehran rarely aims at or presupposes the subordination of local proxies to its control or interests but generally works instead to support and encourage proxies whose interests more or less align with its own. Like the Soviet Union in the Cold War, the Iranians are often content to help "fellow travelers." They have proven patient with divergences and even incompetence on the part of some of their proxies, apparently taking the long view that misguided leaders can ultimately be corrected or replaced, but useful proxies are hard to find or create.

Equipment. The most visible and tangible and verifiable aspects of Iranian military activities outside Iran's borders are in the realm of military equipment. Iran's efforts in this area have ranged from the more or less obvious, as in the case of support for Syria and Hezbollah, to the almost entirely opaque, as in the case of Afghanistan. It is difficult to track closely how much low-level military equipment the Iranians have

been sending their proxies, though Israel has made an art of tracking Hezbollah's resupply chains. But for our purposes, the details and range of various missiles, the component parts of shaped charges, and the make of light arms is less important than Tehran's willingness and ability to provide proxies with niche capabilities that can give them key advantages over their adversaries.

The deployment of Iranian explosively formed penetrators (EFP) in Iraq is a classic example. Iranian agents have supported the efforts of both Sunni and Shia insurgents and terrorists to make and deploy regular improvised explosive devices and conduct ordinary guerrilla attacks, but insurgents of both sects have also developed these capabilities without Iranian help. The three most significant types of attack in Iraq over the past few years—the kinds of attacks that get widespread media coverage and contribute to negative trends in key indicators that affect the debate in Washington—have been car- and truck-bombs, EFP attacks, and rocket and mortar attacks on Coalition bases and especially the Green Zone in Baghdad. It appears that Sunni terrorists, particularly al Qaeda, pioneered the car- and truck-bomb style of attacks, and these became their signature (although it is now clear that some Iranian-backed groups have also adopted this technique). But EFPs come only from Iran, and the rockets and mortars with which specially trained Shia groups have been hitting the Green Zone and other Coalition bases are Iranian-made 107-millimeter or 240-millimeter rockets and 81-millimeter mortars. These niche capabilities allowed small groups of highly trained terrorists to have disproportionate effects on the situation and perceptions in Iraq and the United States. Tellingly, the Iranians appear to have refrained from sending their Iraqi proxies significant numbers of advanced man-portable surface-to-air missiles (MANPADs). Although such weapons could have had an even more disproportionate effect on the situation, they have also been an American "red-line."[1] Sending advanced MANPADs into Iraq in quantity might have triggered a direct U.S. attack on Iran. Whether for that reason or for some other, the Iranians appear to have held back from such an escalation, at least so far.

In Lebanon, Iranian support has been overt and broader. Even so, the provision of Chinese-model antishipping and surface-to-surface missiles allowed Hezbollah to generate spectacular attacks against Israeli naval targets and in the towns of northern Israel, and the provision of advanced antitank and anti-aircraft weapons caused the Israeli Defense Forces considerable trouble during the 2006 war. These attacks, and their deterrent and terror effects, were more important than any number of AK-47s or regular rocket-propelled grenades the Iranians might have given Hezbollah.

The Taliban are openly scornful of the notion that they need Iran's help to arm themselves, and, for the most part, they are right—there are more than enough AK-47s and other such weapons available on the open market for a group with access to narcodollars. But the International Security Assistance Force (ISAF) has intercepted two or three shipments of higher-end weapons with Iranian markings, including rockets and EFPs, intended for the Taliban in the past year. These interceptions have been the source of significant controversy, partly because of the widespread reluctance to believe that Tehran would arm a group that has been as inveterate an enemy and as dangerous a threat as the Taliban. In truth, this reluctance is farcical. Three or four or ten truckloads of such weapons would not make the Taliban a threat to Iran. But, delivered during intense operations against NATO forces in critical areas (as these were apparently intended to be), they could provide the Taliban with niche capabilities necessary to disrupt communications in Afghanistan in ways that benefit Iran. The sorts of weapons shipments ISAF and Afghan forces have seized track perfectly with the general pattern of Iranian support—key systems delivered in just enough quantity at the right moment to create maximum effect without posing a danger to Iran or its other allies.

And the level of capability seems calibrated not only to the needs of the local proxies but also to the probability of undesired escalation. In Lebanon and Syria, where Iran can be reasonably confident that virtually nothing it does will lead to a direct attack on Iranian soil, Tehran has been open-handed. In

Iraq, the level of support appears to have been calibrated to a reasonably well-publicized U.S. red-line. In Afghanistan, where Tehran clearly seeks to play the part of helper to and ally with Kabul, plausible deniability has been the key, and the nature and quantity of weapons sent to the Taliban have been kept in check accordingly. And the skill with which this equipment strategy has been conducted has achieved at least one of its likely aims: very few outside observers have detected a pattern and drawn the relevant conclusions for each theater.

Training and Advising. The Iranian penchant for leveraging assets and capabilities carries over into training and advisory efforts, which focus on developing and maintaining a relatively small cadre of highly trained leaders, advisers, and indigenous trainers that can operate relatively independently but very effectively. The presence of training camps within Iran is well-documented. We know from numerous open sources, including information derived from captured Iranian agents, that the IRGC Quds Force maintains training camps near Tehran. Slightly less reliable reports suggest that the Quds Force also maintains camps near Mashhad and elsewhere on the Afghan border and along the Iraqi border as well. Iranian training camps house Iranians, Lebanese, Syrians, Iraqis, and probably Afghans and Palestinians as well. It is clear that Lebanese Hezbollahis are involved in training Iraqi fighters, and Lebanese Hezbollahis have been reported as far east as Mashhad, although it is not clear what role, if any, they play in training Afghans nearby. Nor is it possible to establish from open sources whether there are other links or interactions between Afghan, Lebanese, Syrian, Iraqi, and Palestinian fighters training in Iran—only that they are all there. Iranian training camps thus have the potential to be the sort of terrorist nexus that Afghanistan was for so long, although it is not clear from open sources whether or not they are actually functioning in that way at the moment.

Iranians and Lebanese Hezbollahis have trained thousands of Iraqi fighters for almost twenty-five years—going back to the IRGC's training of Iraqis in the Badr Corps for fighting in the Iran-Iraq war. They have trained hundreds of Lebanese. It is unknown how many Afghans or Palestinians have passed through the camps. But the effort is sophisticated. There are initial training courses, and then some cadres are brought back for more advanced courses. The Iranians also conduct "train-the-trainer" (TTT) exercises in which they instruct advanced insurgent cadres how to set up and run their own training programs. TTT exercises are evidence of a calculated, long-term approach to the problem of creating and maintaining reliable and effective proxies in difficult situations. They are also an indication that Tehran is willing for its proxies to develop some independence—TTT exercises are essential to setting up self-maintaining autonomous military organizations, which is why they have been a core component of the U.S. advisory efforts in Iraq and Afghanistan.

The Iranians do not simply throw their trained proxies into the fight without any additional guidance. They also provide on-scene advisers in some theaters. Apart from the overt effort in Syria and the slightly less overt effort in Lebanon, the Iranian advisory effort in Iraq was probably the most sophisticated and well-developed. It includes Iranian Quds Force operatives, Lebanese Hezbollahis, and Iraqis given advanced training in Iran and then sent back. The Iranian advisory effort in Iraq was designed to allow the Iraqis a fair amount of autonomy while providing objective reporting on their actions. Thus the Iraqi leader of the secret cell network, Qais Khazali, reported directly to his Quds Force overseer in Iran in parallel with the Lebanese Hezbollahi Ali Mussa Daqduq who was assisting him.

In places where Iranian activities can be more open, their advisory efforts are more obvious. Iranian advisers in the Bekaa Valley, for instance, have been key to Lebanese terrorist training, and the Iranians have naturally maintained a more-or-less overt advisory presence on Syrian territory. There are no open-source reports of Iranian advisers in Afghanistan. It is quite possible that there are few or none—the Taliban has been a well-organized and determined fighting force for decades and hardly needs outside overseers. But there are many Iranians in Afghanistan, particularly in the western border

regions, and the paucity of reporting on the question of Iranian involvement in Afghanistan is such that we can draw no real conclusions about this question. One thing is clear: the scale and nature of the advisory effort, like that of the military equipment effort, seems to be calibrated both to the needs of the proxies and to the likely effect of its revelation.

Organizing. Iranian efforts at organizing proxies have also varied depending on the requirements of a given situation. In the 1980s, Tehran organized two proxies virtually from scratch—Lebanese Hezbollah and the Badr Corps. More recently, the Quds Force developed the secret cell structure in Iraq in a weird symbiosis with Sadr's Jaysh al Mahdi—which Tehran did not invent or organize. It is not clear if recent reports that Tehran has been trying to help Sadr reorganize the Jaysh al Mahdi are correct. Tehran certainly did not organize or reorganize either the Taliban or Hamas but worked instead through structures that were already highly developed.

Tehran has shown remarkable willingness to work with whatever organizations suit local circumstances and to allow these organizations to evolve as the situation changes. Hezbollah went from being a terrorist/insurgent group to being a mini-government and semi-legitimate party (albeit still with a terrorist/insurgent wing), and Iranian agents have facilitated every step of the process. Iran supports Hamas—a relatively well-organized fighting force now attempting to act as a governing partner (or political rival) to Fatah—but it also supports the Taliban, which has no real political legitimacy in Afghanistan, very little popular support outside of a few localities, and very little probability of regaining any real share of political power. In Iraq, Iranian agents and money have supported the well-organized and relatively disciplined Badr Corps and the ill-organized and undisciplined Jaysh al Mahdi, even while creating the most highly organized and disciplined Shia force of all in the secret cell network.

This flexibility in organization contrasts with the Soviet approach to its revolutionary proxies during the Cold War, which followed a doctrinaire and largely predictable model. Anti-Americanism, anti-Westernism, and antisecularism are all popular themes for Iranian proxies, but, then, they are popular themes for many groups throughout the Middle East. Tehran is far more comfortable with at least superficially nationalistic or local proxies than the Soviets were. The Jaysh al Mahdi has always claimed to be an Iraqi nationalist army, not the vanguard of any pan-Shiite front. Hezbollah manipulates the concept of pan-Shiite identity, but remains at heart a Lebanese party and militia. Hamas and the Taliban, both Sunni groups, naturally make no attempt to claim participation in any pan-Shiite effort. Hamas—Palestinian Arabs—and the Taliban—Pashtuns—likewise make no more effort to identify themselves as pro-Persian than do Iraqi Arabs. In this sense, there is no "Iranian bloc" similar to the Soviet bloc with parallel objectives and a distinct shared ideological identity.

This heterogeneity is tactically advantageous for Tehran—it allows Iran to support whatever tools are most readily at hand throughout the region without signing on to any particular ideological or even practical regionwide (let alone global) program. But it does raise an intriguing question: what would Iranian hegemony actually look like? The aims of Tehran's various proxies are not necessarily consonant with one another (as evidenced by the fact that they are actively fighting each other in Iraq). Anti-Americanism (and anti-Zionism) does not distinguish Tehran's proxies from other Muslim groups, but it is almost the only common feature they all share (and it is not even clear that all elements within the Badr Corps continue to share it). This fact suggests that Iran's grand strategy is reactive—Tehran supports anyone who will help it defeat America and Israel.

Iran's flexibility on basic questions of mission and ideology calls into question Tehran's commitment to stability in the region. Not only are its proxies working against stability in some areas, but the discord among their various agendas and objectives creates greater instability. In this respect, again, Iran differs profoundly from the Soviet Union. By requiring their proxies to accept a common set of goals and values, the Soviets thereby made them intellectually interoperable. By forcing their proxies to renounce nationalism and localism, they (theoretically)

ensured that their own hegemony would be stable and internally consistent. Ascendant Iranian proxies will not be as interoperable. Whatever idea guides Iranian actions, a coherent and stable vision for the Middle East is not part of it.

Funding. Iran provides a great deal of cash to its favored clients. Iranian money supports Hezbollah, Sadr, the rival Iraqi Shia bloc of Abd al-Aziz al-Hakim, perhaps the major Kurdish parties, virtually every other major political grouping in Iraq, Palestinian Islamic Jihad, Hamas, and so on. Much has been made of the difficulty of confronting nonstate actors such as al Qaeda. While it is certainly more difficult in some respects, it is easier in others. Iran appears to have the best of both worlds. It harnesses the resources of a large and wealthy state and puts them at the disposal of various asymmetric proxies. As long as Tehran has the will to support these groups and oil prices remain high, Iran's proxies need never lack for funds.

It is worth noting in this regard a special feature of Islamist asymmetric groups resulting from a peculiarity of Islam: the *zakat*, or religious alms. Repeated Quranic injunctions to pay the *zakat*, which can range from the standard 2 to 20 percent of disposable income (in the Shiite *Khums* tradition), are ingrained in the Muslim consciousness. The relatively flat hierarchy of Sunni Islam allows extremists who control local clergies (or establish local "emirates" that claim to have political legitimacy) to lay claim to this revenue stream. The Shiite sect has a more hierarchical structure, which has complicated matters for the Tehran regime, since the most influential single Shiite religious figure now is Grand Ayatollah Ali al Sistani in Najaf. But many expatriate Lebanese, for example, identify Hezbollah (or at least its spiritual leader, Hassan Fadlallah) as the legitimate beneficiary of their religious dues, providing Hezbollah with an important source of additional funding. And much of the fighting in Iraq's holy cities of Karbala and Najaf has centered around which faction would control the lucrative pilgrimage trade—another source of income for Islamist groups. Insurgencies generally find ways to raise money—very few insurgencies have ever "gone out of business" for lack of cash. But these peculiarities of Islam offer Islamist insurgencies additional revenue streams with which to supplement the largesse of key donors like Iran.

They also allow some proxies to effectively develop independent revenue bases. It is widely reported (although there is very little hard evidence) that Hakim's Supreme Iraqi Islamic Council (SIIC), the party formerly known as the Supreme Council for the Islamic Revolution in Iraq, continues to receive Iranian subsidies. It may, but it would almost certainly survive without them, since SIIC partisans control the Imam Ali and Imam Hussein Shrines in Najaf and Karbala, are the most powerful Shiite party in the Iraqi government and therefore control most local government in southern Iraq, and benefit from Iraq's oil resources. The Sadrists, by contrast, are probably more dependent on Iranian cash. They control the Kadhimiya Shrine in Baghdad but little else of financial value. When Iranian money to the Sadrists dried up, the movement's ability to finance its activities suffered. When examining Iranian proxies, therefore, it is important to keep in mind not only the fact that Tehran does not attempt to impose any rigid ideological unanimity, but also that some proxies can emancipate themselves from Iranian support more readily than others. It is too soon to tell how exactly Iran will react to this development in Iraq.

Economics

Iran is a large state with massive oil reserves. In an age of high oil prices, the Tehran regime will invariably have a lot of cash, even if mismanagement has led to unemployment, underemployment, and inflation. And while Iran's economic integration into the region has been limited by the incompetence of the regime's policies, Iranian cash remains a vital lever in influencing the Middle East and beyond. Fundamentally, the cost of support for terror is minimal, and even the hundreds of millions extended to groups such as Hezbollah are more than recouped by the IRGC's increasingly lucrative business activities. More interesting, perhaps, is Iran's effort to

carve out economic spheres of influence that jibe with its political goals—hence, the buildup of trade and infrastructure in Syria, Afghanistan, and Iraq.

Electricity. Iran's electrical production and consumption have become a significant issue because Tehran has claimed that it needs nuclear power to make up its production deficiencies. Tehran's great efforts to export electrical generating capacity to neighboring countries, to put neighboring areas on the Iranian power grid, and to use Iranian cash to subsidize the construction and improvement of transmission lines and transformers in neighboring states are somewhat puzzling in this regard. According to the CIA *2008 World Factbook*, Iran exported nearly 2.8 billion kilowatt-hours (kWh) in 2005 while importing slightly over 2 billion. By comparison, of the states from India to Libya, only Turkey and Egypt exported significant amounts of electricity—Turkey around 1.7 billion kWh, and Egypt slightly less than 1 billion. Ayatollah Ali Khamenei recently said that he expected Iran's nuclear program to produce 20 million kilowatts of power over the next twenty years.[2]

But Iran has constructed generating capacity in excess of 1 million kWh in Syria, Lebanon, Afghanistan, and Iraq in the past few years. It has built transmission lines and transformers in Afghanistan's western provinces, linking them to the Iranian power grid. It has linked large areas of Iraq's border provinces to its power grid. It has proposed building generators in Najaf and then linking that province to the Iranian power grid, as well as joining the Iranian, Syrian, Turkish, and Iraqi grids.

There are a variety of reasons why Iran might want to adopt this policy, and we need not speculate about its aims. Three things, however, are worth noting. First, the Iranian nuclear power program will not primarily compensate for inadequate generating capacity in Iran but will rather subsidize a deliberate state policy of exporting electricity and generating capacity throughout the region. Second, the effect of this policy will be to make Iran's near neighbors, including Syria and Turkey, increasingly interdependent with Tehran and the Iranian economy. Third, Iran is making itself the nexus of a power grid that stretches from Afghanistan to Lebanon and in which it is by far the most important player—Iran's 170 billion kWh of production is rivaled only by Turkey's 154 billion. It dwarfs the 33 billion or so that Iraq and Syria produce annually, to say nothing of Afghanistan's 754 million.

Does it matter? Depending on how the grid is designed, Tehran might or might not be able to turn the lights off when its neighbors displease it. There are indications that it has done so in Iraq already. Even without that threat, the scale of Iran's generating capacity and consumption compared to those of its neighbors can give it a disproportionate say in how the entire grid is run, providing significant economic leverage throughout the region. And the very fact of an interconnected power grid running through and dependent on Iran is also a step toward an interconnected regional economy centered around Iran.

Transportation and Energy Infrastructure. Iran has been following a parallel path in the areas of regional transportation and energy infrastructure. Over the past two years, Tehran has initiated programs to link Afghanistan's border regions more closely with their Iranian neighbors than with Kabul and to divert Afghan and ultimately Central Asian trade through Iranian ports instead of Karachi. Iranian officials and private firms have been working to extend rail and road links through Iraq and Turkey into Syria. Tehran has also been working to build gas and oil pipelines from Iran into Syria and from Iraq into Iran (the Abadan pipeline project). This last is the hardest to explain. Iraq already has a perfectly good port and outlet for its own oil exports. Building a pipeline to Abadan makes little sense from an economic standpoint—states interested in helping Iraq rebuild its oil industry would do better to invest directly in Iraq. But it does (needlessly) tie Iraq to the Iranian oil industry and create an additional and unnecessary dependency for Baghdad on Tehran.

If the United States and Iran did not have so many interests in conflict, and if Iran were not so reliably supporting America's enemies throughout the region and working against American efforts to reestablish central and independent control in Baghdad and Kabul, these economic efforts would be unremarkable

except as a sign that Tehran appears to be seeking to consolidate its position at the center of a region that runs from Central Asia to the West Bank and Gaza. But in the context of the American-Iranian competition, American policymakers have to ask themselves if it is in our interest for Iran to be consolidating such a position. In all events, it is past time to start closely tracking Iranian economic activities not for signs of illegal or nefarious intent but for indications that even overt and ostensibly harmless economic interactions might be creating a reality on the ground that will endanger American interests in the region.

Politics

The Iranian regime interferes in the politics of states and groups throughout the region. Iranian activity in Iraqi politics is apparent: Sadr's long stays in Tehran, Iranian support for the Badr Corps re-invasion of 2003, continued Iranian support to various Iraqi political parties, and so on. Iran has also attempted to involve itself in the internal politics of Hezbollah. It is harder to say that Iran is interfering in Syrian politics, except in the sense that Tehran is clearly working to stabilize and consolidate the rule of a weak Alawite dictator. And, although there is evidence that Iran is meddling in Afghan politics—most notably through the apparent manipulation of the involuntary refugee repatriation crisis—it is more difficult to demonstrate the extent of that interference from open sources.

All states have an interest in the success or failure of parties and leaders in their neighbors. What matters in this instance is that Iranian efforts to create dependency relationships between Tehran's proxies and Iran are rapidly increasing Tehran's leverage in regional political dynamics. Iranian leaders may not give direct orders to their proxies, but states and organizations that require continued military, financial, organizational, and training assistance from Iran in order to survive are not independent of Tehran. As we can see most vividly in Afghanistan, it is often not necessary for Tehran to give orders for others to know what the Iranians desire and what the consequences of refusing them would be.

Religious Activities

The Islamic Republic's religious activities in the region are more readily apparent and more inherently troubling. The struggle within Shiism between Khomeini-style proponents of clerical rule and traditional quietism is as fierce as any sectarian struggle between Sunnis and Shiites. Iraq's liberation accentuates the struggle, as any utterance from Iraqi religious authorities that contradicts the Iranian supreme leader necessarily undercuts the Islamic Republic's legitimacy. The Iranian embrace of lower-ranking clerics like Sadr and Islamist laymen like Maliki and Ibrahim Jaafari represents Iran's desire for Iraq to be a compliant follower that poses no challenge to the Iranian clerical leadership. Iranian efforts to bring Afghans and others for clerical training in Iran is, on the one hand, natural and, on the other hand, distressing. One would expect Iran, as a center of Shiism, to be a source of emulation and education for other Shiite clerics—and we must note that by no means do all of Iran's leading Shiite clerics actually accept the Khomeini ideals of political Shiism. On the other hand, when the government that explicitly embraces those ideas sends missionaries and brings foreign clerics to study, one must assume until it is demonstrated otherwise that part of the purpose is to spread the ideas of the Iranian revolution. It is certainly not in America's interest for that to occur.

The Hezbollah Model

Finally, there have been many discussions of the adoption of the "Hezbollah model" by Iranian proxies and other groups. That model is usually taken to mean a political group dominated by a militia/terrorist organization that provides social services to populations it claims to govern in competition with the sovereign government. Iraq's Sadrists have clearly followed this model, as have other groups in the region, such as Hamas.

But Western discussions of this model often ignore what is perhaps its most important characteristic: a particular kind of dependency relationship

with Tehran. We have noted that Iran rarely gives direct orders to its proxies; conversely, it allows them a fair degree of local independence. But it also retains control over the most important components of its support. Most EFPs are built in Iran, and it does not appear that Tehran has been willing to "license" the technique to its allies. Doing so would create a much greater degree of plausible deniability for the regime, but Tehran has preferred to keep control of the dispersion of this technology. Tehran has likewise preferred to send Iranian trainers or to bring local end-users to Iran for training in advanced systems and has remained the principal conduit for supply even of Russian and Chinese systems, again at the expense of plausible deniability. Regime proxies must know that they would suffer terribly if Tehran ever cut them off—some would probably perish. The Hezbollah model is thus not simply a model for legitimizing terrorist groups in their communities, but it is also a model that allows Iran to retain overall control over its proxies without having to command them directly.

Recommendations

The purpose of this report has been to identify and describe Iranian activities in several key areas. It is not exhaustive. The depth of Iranian economic and political involvement in Iraq, for example, would require a report as long as this. Fully cataloguing Iranian activities in Syria and Lebanon is as large a task. Nor can we offer a set of recommendations that is in any way complete or firm. What follows are a few fairly obvious corollaries from the facts we have established.

- **The United States must begin to look holistically at Iranian activities across the spectrum, from economic aid to military support.** The primary aim of this report has been to show that there are overarching patterns in Iran's activities in its region, patterns that become clear when the customary compartmentalization of the study of Iranian issues is broken down. Recognizing that the United States has been engaged in conflict with Iran for three decades is the starting point for an analytical effort to understand fully what that conflict has looked like from Tehran's vantage point. We have started with what is easily demonstrable. The next steps of this effort involve greater work on the internal dynamics of the Iranian regime and more intense study of Iranian activities on a regional basis.

- **We must recognize that American and Iranian interests conflict beyond the issue of the nuclear crisis.** For too long, discussions of "containment" have addressed means of hammering the Iranians into submitting to their international obligations on the nuclear issue. Resolving that issue is a pressing priority, but its resolution will not end hostilities. The Islamic Republic and the United States have too many other interests in conflict in a region that is key to both sides.

- **Containment**. The containment strategy the United States adopted in the 1940s was infinitely more comprehensive than the strategies currently under consideration toward Iran. The United States imposed sanctions on the Soviet Union and its allies periodically, maintained a strong military deterrent, fought a rhetorical and informational campaign, and occasionally used force on smaller or larger scales against Soviet proxies. But the United States also competed with the Soviet Union in the fields of soft power more directly. The Marshall Plan aimed to restore European economies as a way of shoring up European confidence to resist the Soviet Union. Throughout the Cold War, the United States tracked Soviet efforts to create economic and military dependency in third states and competed with them intentionally. The current crisis

requires no less comprehensive a strategy. Iran cannot compete directly against the United States in much of the region; where the regime prospers, it is because the United States neither perceives nor engages in competition. Roads and railways are built by Iran because the United States is not in the game; southern Lebanon is beholden because America's interest has waned. Washington and its allies in the region and beyond should work with Iraq, Lebanon, Turkey, Afghanistan, Pakistan, and the Central Asian states to develop decentralized transportation networks that obviate dependency on Iran. Aid programs should contemplate how to avoid regional dependence on Iranian power. And regional oil and gas distribution networks should be incentivized to work around Tehran. American focus has thus far been on denial rather than on redirecting Tehran's allies. That must change.

- **Proxy Conflict.** The likelihood of any encounter between Iranian proxies and U.S. forces escalating into a major conflict between Iran and the United States is small. Outside Iraq, however, the United States has been reluctant to either combat these proxies (in Afghanistan) or empower their opponents in any significant fashion. (Those who might argue that U.S. assistance to Israel constitutes just such empowerment need only review Washington's view of Israeli military action against the Palestinians to realize this claim is false.) Military challenges by Iranian proxies—such as the murder of 241 U.S. Marines in Lebanon, the attack on Khobar Towers in Saudi Arabia that left nineteen U.S. troops dead, and continuous attacks on the American military in Iraq and increasingly in Afghanistan—have too often gone unanswered by the United States. Recognizing how enmeshed those proxies actually are in an overarching struggle, we should consider at what point we might have to get involved directly in those proxy struggles and, if so, on what terms.

- **Mobilization.** The United States is not now mobilized on any dimension appropriate for the necessary struggle. Our military is too small, our foreign aid programs ill-designed, our intelligence systems dysfunctional, and our decision-making apparatus poorly designed and conditioned to take a holistic view of the challenges we face in a key region. Mobilization and reorganization to face the new threat were key components of the Cold War containment strategy. They are no less important or urgent now.

Notes

1. Authors' interviews with commanders and diplomats in Iraq.

2. "Khamenei Says Iran Ties with US Possible," Associated Press, January 3, 2008.