



Congressional Testimony: AFPC Vice President Ilan Berman | A Growing Regional Footprint | U.S Senate Committee on Foreign Relations Committee

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On February 16, 2012, AFPC Vice President Ilan Berman testified before the U.S Senate Committee on Foreign Relations Subcommittee on Western Hemisphere, Peace Corps, and Global Narcotics Affairs on the topic of "Iran's Influence And Activity In Latin America." A full transcript of the hearing is available via the GPO's website.

A GROWING IRANIAN REGIONAL FOOTPRINT

Recent years have seen a steady expansion of Iran's interest and involvement in the Western Hemisphere. While this phenomenon has begun to capture the attention of policymakers in the United States, it remains poorly understood. In assessing Iran's regional outreach, however, it is possible to discern at least four distinct, and complimentary, strategic objectives.

Diplomacy and coalition building

Since 2003, when its previously-clandestine nuclear program became public knowledge, the Islamic Republic has faced mounting global pressure over its nuclear ambitions. The Iranian regime has sought to mitigate the resulting political and economic restrictions levied against it by the United States and its allies through intensified diplomatic outreach abroad. Due to its favorable geopolitical climate—typified by vast ungoverned areas and widespread anti-Americanism—Latin America has become an important focal point of this effort.

Iran's most prominent Latin American partner was and remains Venezuela. Since 2005, owing in large part to the personal bonds between Iranian President Mahmoud Ahmadinejad and Venezuelan strongman Hugo Chavez, contacts with Caracas have become a focal point of Tehran's regional diplomacy. Increasingly, however, Iran can be seen looking farther afield in the region—most significantly, at partnership with the regime of Evo Morales in Bolivia, and with the Rafael Correa government in Ecuador. Iran's sustained and systematic outreach to regional states suggests that the Iranian regime sees the Western Hemisphere as a crucial strategic theater wherein to expand its own strategic influence and lessen its international isolation. It is also pursuing what can be termed an "anti-access" strategy in the region—one that promotes its own ideology and influence at the expense of the United States.

Strategic resources

Since the start of the international crisis over Iran's nuclear ambitions nearly nine years ago, the popular perception has emerged that Iran's atomic program is now largely self-sufficient—and that its progress is therefore inexorable. This, however, is far from the case; in fact, the Iranian regime currently runs a considerable, and growing, deficit of uranium ore, the critical raw material needed to fuel its atomic effort. As a result, recent years have seen the Iranian regime embark upon a widening international quest for new and stable sources of uranium ore.

This effort currently is focused in two principal geographic areas. The first is Africa, where Iran has made concerted efforts to engage a number of uranium producers (such as Zimbabwe, Senegal, Nigeria and the Democratic People's Republic of Congo). The second is Latin America, where Tehran now is exploring and developing a series of significant resource partnerships. The most well-known of these is with Venezuela, where Iran is prospecting in the vast, resource-rich Roraima Basin, adjacent to that country's border with Guyana. But Iran appears to have begun examining other regional states (including Bolivia and Ecuador) as potential sources for uranium and other strategic minerals as well.

Asymmetric activities

Iran's formal political and economic contacts with regional states are reinforced by a broad web of asymmetric activities throughout the Americas. Illicit financial transactions figure prominently in this regard. Over the past several years, Iran's economic ties to Venezuela have helped it skirt the sanctions being levied by the international community, as well as to continue to operate in an increasingly inhospitable global financial system. It has done so through the establishment of joint companies and financial entities, as well as the formation of wholly Iranian-owned financial entities in Venezuela and the entrenchment of Iranian commercial banks there. Iran is also known to be active in the region's ubiquitous gray and black markets, as well as its free trade areas—operating both directly and via terrorist proxy Hezbollah. Most notoriously, these include the so-called "Triple Frontier" at the crossroads of Argentina, Paraguay and Brazil, as well as Venezuela's Margarita Island.

Iran also boasts an increasingly robust paramilitary presence in the region, a development noted by the Pentagon in its 2010 report to Congress on Iran's military power. That study highlighted that the Qods Force, the elite paramilitary unit of Iran's Revolutionary Guards, is now deeply involved in the Americas, stationing "operatives in foreign embassies, charities and religious/cultural institutions to foster relationships with people, often building on existing socio-economic ties with the well-established Shia Diaspora," and even carrying out "paramilitary operations to support extremists and destabilize unfriendly regimes." Prominent among these efforts has been Iran's financing of—and rumored provision of training assistance to—the "regional defense school" of the Bolivarian Alliance of the Americas (ALBA) that has been established outside Santa Cruz, Bolivia.

Latent operational capability

In October 2011, U.S. law enforcement agencies succeeded in foiling a plot by Iran's Revolutionary Guards to assassinate Adel al-Jubeir, Saudi Arabia's envoy to the United States, on American soil. That attack, if it had been successful, would potentially have killed scores of U.S. citizens in the nation's capital. The incident marks a significant development; as Director of National Intelligence James Clapper observed in his January 2012 testimony before the Senate, in response to mounting international pressure and asymmetric activity against their nuclear program, it appears that "Iranian officials—probably including Supreme Leader Ali Khamenei—have changed their calculus and are now willing to conduct an attack in the United States."

Latin America figures prominently in this calculus. The foiled October 2011 plot is known to have been both orchestrated and facilitated via South America, suggesting that Iran increasingly finds the region to be an advantageous operational theater. Moreover, as Iran's influence and activities there intensify, the Islamic Republic will be able to field a progressively more robust operational presence in the Americas.

NEEDED: A U.S. RESPONSE

To date, U.S. policy has not paid sufficient attention to Iran's intrusion into Latin America—or crafted a serious strategy to contest and dilute it. Such an approach is sorely needed, and should be based on several broad realizations:

- *Iran's Latin America project is still a work in progress.* Iran's entry into the region is still nascent, having only begun in earnest some six-and-a-half years ago with the election of Mahmoud Ahmadinejad to the Iranian presidency. In the period since, Iran has accomplished a significant amount in strategic terms—from securing the diplomatic support of sympathetic regimes such as Venezuela and Bolivia to the expansion of its asymmetric regional footprint throughout Central and South America. While much of what Iranian officials have pledged to the region has not yet materialized, there is every indication that the Iranian regime sees Latin America as a long-term foreign policy project, and will continue to invest considerably in expanding its own influence there.

- *Contemporary regional dynamics have presented a challenge to the Iranian regime.* To date, Iran's entry into the region has relied in large part on its partnership with the regime of Hugo Chavez in Venezuela. That relationship is now in considerable flux as a result of Chavez' flagging health, which has cast serious doubt upon the continuity of his regime—and raised questions about whether the attendant ideology of "Chavismo" can remain relevant without its principal promoter. In response, the Iranian regime has expanded its diplomatic outreach throughout the region (in particular in Bolivia and Ecuador) in an effort to broaden its geopolitical footprint and forge supplemental partnerships. Its success in doing so will go a long way toward determining whether the Iranian regime continues to have support and freedom of action in the Americas in the years ahead.

- *Our loss is Iran's gain.* The United States has historically suffered from a strategy deficit in its approach to the Americas, and the situation today is no different. In fact, it is poised to get significantly worse, as looming defense budget cuts prompt serious consideration on the part of U.S. policy planners of a strategic retraction from the region. The results of such disengagement would be ruinous, further lessening America's already-paltry ability to shape regional politics while simultaneously allowing countries such as Iran far greater geopolitical freedom of action.