

Iran's Foothold in Latin America: Striking Back at the United States

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Abstract

The United States has been fighting a Global War on Terror for over a decade resulting in its focus on international threats being outside of its own hemisphere. This has provided international actors the ability to infiltrate and establish themselves in a region where it was previous nearly impossible to do prior to the war. Iran, a known state sponsor of terror, has taken advantage of this opportunity to penetrate Latin America and strike back at the U.S. The regime has utilized a recent shift in Latin America, by several of its nations towards socialism, to fuel anti-American and Western sentiment in order to obtain a foothold in the region and conduct operations. This article is designed to examine Iran's actions in Latin America looking at how these actions have been planned to subvert governments, provide access to Iranian agents and degrade U.S. influence in the region over the last decade.

Key Words: Iran, Venezuela, Bolivia, Ecuador, Argentina, Hezbollah, Quds Force, Export the Revolution, Terrorism, U.S. Policy

Introduction

Since the Iranian revolution in 1979, Iran has placed the United States as its number one enemy seeking to undermine and hurt it at every turn, much like it did during the Iraq War in 2003-2011. Over the course of the last decade, Iran has quietly penetrated the Western Hemisphere and placed itself within a position to aggressively strike the U.S. through unconventional methods. Despite recent Iranian political changes, Latin America remains important to Iran's ability to circumvent sanctions and develop a global network of international support. Of unilateral importance to the regime is its religious duty to spread its form of Shia Islam throughout the world including Christian dominated areas such as Latin America (Halliday, 1999). Iran has utilized its influence to established a beachhead in Latin America were it is actively pursuing the down fall of U.S. influence in the region and promoting instability.

Iran's national interests in the region appear to be three fold. First, Latin America serves to circumvent international sanctions. Second, the Bolivarian nations serve as political allies in the face of the United Nations and the U.S., creating a shift in the current world order. Third, Iran achieves an opening in Latin America to carry out covert actions and spread its theocratic ideology, also known as "exporting the revolution" (Vargas, 2015). All of which serve to degrade U.S. influence in the region.

Iranian interest in Latin America has grown considerably in the last decade as a result of several factors. These factors include, but are not limited to, the economic sanctions against Iran, the election of Mohamed Ahmadinejad in 2005 as president, and the region's shift towards socialism or the left. Debilitating sanctions aided in fueling the anti-American and anti-Western stance of Iran which further enabled the aggressive and bold policies of Ahmadinejad. These sanctions prompted the regime to develop new allies in geographically distant regions in attempts to skirt sanctions and gain political supporters. Iran found strong allies in leftist Latin American nations prompting the regime to incentivize other nations in the region to shift towards the left.

Latin America has provided an easy target for Iran due to the shift by many countries to a radical or moderate left stance, which has come to be known as the Bolivarian Revolution. This shift has opened the region up to the regime due to many of these nations increased willingness to work with Iran. They have been able to develop relations with these nations through their shared anti-American sentiments and by providing support in the form of aid, increased trade, and military cooperation. Through these new relationships, Iran has been able to more effectively resist international pressure, strike back at the United States, and garner continued public support for the Iranian regime (Fleischman, 2013).

Many Latin American nations have accepted Iran into the region to one extent or another. The lead Bolivarian Revolution nations of Bolivia, Ecuador, and Venezuela have been the most receptive. This was mainly ushered in through the former Venezuelan president, Hugo Chávez. Chávez wished to create a new socialist continental revolution which would remove Western Hegemony from the region (Fleischman, 2013). This strong anti-American ideology easily allied Iran and Venezuela. The Bolivarian nations used Iran as a political symbol to represent their desire to become legitimate global actors (Fleischman, 2013). This demonstration of power has aided in garnering new support for the revolution and drawing in nations like Argentina, Brazil and Uruguay in the belief that the power of the left is victorious (Fleischman, 2013). This perception pushes social democracies of the moderate left to consider shifting to an authoritarian Bolivarian model and away from the U.S.

Strategic Exchange

Iran operates in Latin America to advance its political standing by becoming a lucrative partner. When Ahmadinejad was elected as president in 2005, there was an immediate increase in trade with Latin America and within three years it had tripled (Fleischman, 2013). Iran achieved this through buying more than it sold at favorable prices to Latin America, which incentivized increased relations. Though trade relations are lucrative for Latin American nations, they do not compare with the scale of other trading partners within the region (Johnson, 2014). The same is true for Iran and its major trading partners. Therefore the true purpose of Iran's trade with Latin America is to gain a foothold within these nations and develop political and military relationships.

Iran has achieved great success politically and militarily throughout Latin America over the last decade. This is shown in the increase of embassies they have opened, new economic deals that have been forged, and military cooperation. Over the last decade the regime has doubled its number of embassies in the region, opening new ones in Bolivia, Chile, Columbia, Nicaragua and Uruguay (Arostegui, 2011). The rapid increase of embassies signals improved relations between the nations of Latin America and the regime as well as provides Iran with greater long term access to the region. Of concern is that these embassies often have

disproportional numbers of diplomats in relation to the level of their ties to the countries, commercial or otherwise (Darembaum, 2011). This inflation in diplomats, likely intelligence, and covert operatives, signals ulterior motives behind Iran's presence.

The increase in military cooperation between Iran and Latin America has grave implications for the U.S. and its allies. The Bolivarian nations benefit the most from Iranian weapon sales and training. In 2007, Iran sold at least 10 drone aircraft and 18,000 HK2002 assault rifles to Venezuela. They also paid for the construction of a \$3 million explosive manufacturing factory in Venezuela that same year (Arostegui, 2011). In Bolivia, Iran provided at least \$1.8 million for the construction of a military training facility with the purpose of providing an alternative to U.S. military education programs (Johnson, 2014). Around 2009, Iran sent 200 to 300 Iranian Revolutionary Guard Corps (IRGC) instructors to provide specialized training to the Ecuadorian military (Johnson, 2014). More than likely these instructors were Quds Force personnel, the regime's unconventional warfare specialists. During the same time, Ecuador refused to renew a lease on a U.S. counternarcotic staging facility thus demonstrating the Iranian political influence in the area.

Trade with the region comes not only in terms of exchanging money for goods but in other forms, such as joint ventures and bartering. Iran uses these ventures to gain political influence in specific countries. In 2005, Iran engaged in a joint venture with Venezuela on a manufacturing plant to produce tractors. In this venture, Iran owned 51 percent of the company and agreed to provide \$80 to \$100 million a year in Iranian made tractor parts (Johnson, 2014). Bolivia, in 2010, signed a deal for a shared mining operation to extract lithium, a key component in batteries and the development of nuclear weapons (Fleischman, 2013). Other lucrative deals involve bartering which is common practice in the region. In 2011, Uruguay sold 90,000 tons of rice to Iran and the following year announced that they were interested in trading rice for oil. There have even been rumors of talks between Argentina and Iran over a goods for oil deal (Gilbert and Romero, 2015). The Iranian preference for the barter system is best shown in its highly contested oil for weapons deal with Russia in early 2015 (Berry, 2015). The barter system is a common technique used by Iran to skirt sanctions due to the difficulty of tracking such transactions (Rouhani's, 2013). The regime has been able to penetrate economic and political institutions across Latin America through these types of generous ventures.

The regime has been able to use its influence in the Bolivarian nations to launder its money through Latin American banks thus making it available to use in western markets. In Venezuela, Banco Internacional de Desarrollo (DIB) used encrypted communications to channel Iranian payments through Venezuelan and Panamanian banks and then directed the payments to wherever Iran desired (Johnson, 2014). This method has been partially successful in reintroducing them into the international economy. Ecuador has performed a similar task for the regime by using the Banco Cofiec to open an account to push funds through Russia to Iran (Rouhani's, 2013). These transactions are hard to detect thus allowing for them to conduct exchanges in the Western Hemisphere unnoticed. By doing this Iran is able to get around sanctions, access potential trade partners in the backyard of the U.S., and fund covert or clandestine operations throughout the world.

Iran has been successful at achieving a foothold in most Latin American nations through various means of strategic exchange. This foothold has relieved some pressure that international sanctions have caused to the regime. More importantly, they have been able to forge new partnerships to access sanctioned items such as uranium and other materials used in the nuclear enrichment process. These relations have incentivized working with Iran despite the economic

benefits of having positive relations with the U.S. Long term implications of this strategic exchange include U.S. economic exchanges in the region have been degraded, Iranian intelligence operatives maintain funding and capabilities in the region, and a general destabilization of the current structure in Latin America in favor of an anti-American model.

Iran's Use of Soft Power

Despite Latin America's general distrust and poor opinion of the regime, Iran has still been able to achieve a lasting presence in the region through its use of soft power. Most governments use soft power to shape their global image and local opinion in the hopes of furthering diplomatic and trade relations. The soft power that Iran uses on Latin America comes in the form of providing aid, cultural awareness, and promoting the image of friendship. This method has proven to be very effective in fostering new relationships with the nations of the Bolivarian revolution, as well as U.S. allies in the region such as Peru and Chile.

The most threatening of the regime's soft power comes in the form of the numerous and expanding presence of cultural centers and mosques throughout the region. The establishment of a cultural center is a typical program by many nations to highlight their language, poetry, art, and many other aspects of their culture. However, Iran has taken it further in the vast amount it has established. The commander of the U.S. Southern Command stated in March 2015, "Iran has established more than 80 cultural centers in a region with an extremely small Muslim population" (Kelly, 2015). These cultural centers are typically manned by Iranian intelligence operatives, Quds Force personnel, and terrorist recruiters (U.S. Congress, 2013). Iran has used these centers and mosques to introduce and explain Shiism to other Muslims while also trying to convert non-Muslims (Johnson, 2014). It is at these centers that individuals are recruited to become intelligence operatives and selected to attend so called "religious training" in Iran (U.S. Congress, 2013). Once selected and sent to Iran individuals receive training ranging from actual religious training or how to export the revolution to terrorist tactics similar to those taught to Hezbollah. From there they return back to their home countries to teach what they have learned and or conduct operations for Iran.

The use of controlled media programing has been a key component for Iran in reaching millions of people in Latin America mainly in the form of the Islamic Republic of Iran Broadcasting (IRIB). The IRIB is Iran's predominant mechanism for the spread of propaganda in which it provides international and domestic coverage in 45 countries and in 25 different languages. The regime has used this to spread misinformation and distrust of the U.S., improve its image, and promote radical ideas. IRIB broadcasting is available in most countries in the region through the numerous deals with Latin American nations. Bolivia, Cuba, and Venezuela have signed deals with the IRIB that cover a broad array of functions, ranging from the construction of new newsrooms and broadcasting stations, to joint ventures for programs (Johnson, 2014). In 2011, Argentina even began broadcasting a pro-Iranian Shia satellite TV station with the intent to counter "baseless Zionist accusations" (Shai, 2011). Additionally, Iran uses the internet and publications in its pursuit of spreading its message. Iranian sponsored websites and publications are readily accessible in the region that glorify the Iranian revolution, present anti-America messages, and promote conversion to Islam (Johnson, 2014). Iranian media has had some effectiveness in the region at spreading misinformation due to the ease of access in a region where its target audience typically cannot afford Western broadcasting.

Iran has pledged aid to most of the countries in Latin America in an attempt to garner support and establish a better image for itself, though the majority of these pledges go

unfulfilled. However, Iran has shown a pattern of following through with moderate levels of aid to its strongest supporters. In 2007, Iran pledged \$1 billion in aid to Nicaragua to fund energy, agricultural, and water development, of which only \$3.5 million was given. The regime promised a \$40 to \$120 million loan to Ecuador in 2008, but it is unknown how much of it has been fulfilled. In 2009, Iran donated \$3.5 million to fund the construction of a dairy facility and a hospital in two of the poorest areas of Bolivia (Johnson, 2014). Additionally, Iran has followed through with funding numerous aid projects in its most prominent supporter, Venezuela.

Iran's growing influence has mainly gone unnoticed until recently due to their discreet use of soft power to reshape their image and garner support for their cause. The regime has been able to change their image through giving aid and utilizing media in order to appear as if they do not present a threat. They have utilized anti-American propaganda effectively to degrade the image of the U.S. and fuel leftist movements. Cultural centers and mosques have aided Iran by providing locations for intelligence operations, recruitment intelligence operatives and conversion of non-Muslims, and export of the Iranian revolution. The implications of this soft power for the region are that Iranian intelligence operations have mainly gone unnoticed which increase security concerns for the hemisphere. Additionally, the Iranian exportation of the revolution has corrupted individuals and groups within the region which could lead to the destabilizing of pro-U.S. Allies.

Iran's Asymmetric War in Latin America

Iran has been utilizing asymmetric warfare in Latin America to undermine U.S. influence and destabilize pro-U.S. allies through the use of Iranian intelligence operatives, Quds force personnel, and surrogates. Defined by the Central Intelligence Agency (CIA), asymmetric warfare is "the use of innovative strategies, tactics, and technologies by a 'weaker' state or sub-state adversary that are intended to avoid the strengths and exploit the potential vulnerabilities of larger and technologically superior opponents" (Miles, 1999). The regime has used this type of warfare in the form of propaganda operations, criminal activities, assassinations, and complex decentralized attacks against soft targets. Iran has been highly successful at this method of warfare in Latin America and around the world by effectively attacking targets and teaching others to do the same.

The regime has established numerous bases of operations for its intelligence and Quds force personnel to operate from throughout the region. Bolivia and Venezuela are two key countries where Iran has established known military facilities (Berman and Humire, 2014). At these facilities, Latin American military and police forces receive training in a broad range of skill sets to include asymmetric warfare. In Venezuela, Hugo Chávez was so impressed by the Iranian asymmetric warfare doctrine that he had it published and distributed throughout the military (Fleischman, 2013). Bolivia and Ecuador have both invited IRGC personnel to come train their militaries and police units in this doctrine (Berman and Humire, 2014). Additionally, through these bases, Iranian asymmetric warfare has been taught to terrorist organizations such as Hezbollah and the Revolutionary Armed Forces of Colombia (FARC) (Fleischman, 2013). These organizations have carried out numerous terrorist attacks on pro-U.S. allies and have continuously attempted to destabilize the region after receiving training at these locations.

Iran's surrogate, Hezbollah has established itself throughout Latin America, mostly amongst the Lebanese diaspora in isolated areas. From these locations, they subvert and recruit people, conduct criminal activities such as narcotics trafficking and terrorist financing, and stage attacks against targets throughout Latin America. Some reporting even indicates that they have

up to five training camps in Venezuela with the approval of the government (Fleischman, 2013). Iran at times has relied heavily on Hezbollah to carry out attacks for them when they have needed to maintain a level of deniability. The importance of the Hezbollah-Iranian relationship is shown in the fact that Hezbollah receives between \$25 and \$200 million in funding from Iran every year (Johnson, 2014).

From locations such as Venezuela and the Tri-Border Area (TBA) of Argentina, Brazil, and Paraguay, Hezbollah is able to conduct the planning, training and staging for attacks in complete safety. This process is best exemplified in the 1992 and 1994 Argentinean terrorist attacks, in which a Jewish center and the Israeli embassy were targeted with truck bombs resulting in over 100 dead and over 500 wounded (Darmblum, 2011). These attacks were orchestrated by Iranian officials and Hezbollah members from within the TBA. Hezbollah has increased its activities over the past decade. In 2006, two Improvised Explosive Devices (IEDs) were found near the American Embassy in Caracas. These devices were later linked to a university student recruited by Hezbollah (Fleischman, 2013). Most recently in October of 2014, a Hezbollah operative was arrested in Peru and was linked to recently handling explosives which indicated Hezbollah's intent to conduct another attack (Taj, 2015).

Most concerning is Iran's willingness to conduct direct attacks against targets within the region and in the U.S. This willingness is best exemplified in the 1992 and 1994 Argentinean bombings where senior members in the Iranian government and military were directly linked to the attack through signal intercepts and other intelligence means (Farah, 2013). In 2007, the U.S. arrested three men from the Caribbean who were plotting to blow up JFK airport in New York City by detonating the underground fuel tanks. The leader of the group confessed to working on the plot in Iran with the blessing of ranking Iranian government officials (Mahjar-Barducci, 2011). In 2011, two Iranians, one being an IRGC operative, were involved in a plot to hire a Mexican drug cartel, Los Zetas, to assassinate the Saudi ambassador to the U.S. at a restaurant in Washington, D.C. (Fleischman, 2013). Most recently, an Iranian diplomat was expelled from Uruguay in December of 2014 after he was linked to a fake bomb being planted in front of the Israeli embassy (Goñi, 2015). This attack was more than likely a trial run to test response times of security forces prior to carrying out an actual attack.

The regime has been exceptionally keen on its use of asymmetric warfare throughout the world and Latin America is no exception. They have been able to spread their ideology, expand their presence, and recruit and train operatives in the region at their numerous bases and safe havens. These operatives in the form of military personnel, guerilla fighters, and terrorists have spread disorder in the region to the benefit of Iran and its Bolivarian allies. Terrorists have been used to conduct deniable attacks for Iran to destabilize U.S. allies and attack enemies of the regime. The implications of this asymmetric war is that the region is becoming increasingly destabilized, paving the way for Iran's allies to establish authoritarian regimes and spread anti-U.S. notions. The region will continue to become more violent and criminal activity will increase as governments are subverted and weakened by subtle Iranian influence. The U.S. will continue to lose influence and strength in the region as its allies are destabilized and or slowly turn towards leftist stance.

Covert Infiltration

The Iranian regime, like most hostile entities, seeks to destabilize those that they view as opposition to their goals so that they can maintain and or expand their power. They accomplish this through various means, one of which being through covert operations used in asymmetric

warfare. In order to conduct these operations, operatives and material must first be moved into denied areas or places where there is typically heavier security and/or surveillance, requiring different methods and mechanisms for covert and often clandestine movement. Iran uses both legal and illegal methods to complete this process in Latin America.

Venezuela made covert access to Latin America possible through their state run airline, Conviasa. In 2007, a bilateral agreement between Iran and Venezuela, established a once weekly route between the two nations with a single layover in Syria. This flight was tightly controlled, with seats made available only to those who had received approval by Iranian or Venezuelan officials. The flight often traveled with nearly all of its seats empty and cost the airline \$43.5 million to operate while only generating \$15 million in ticket sales from 2007 to 2009 (Venezuela, 2015). The route operated at a drastic loss for the airline, which indicated that the flights were used for covert transportation of people, illegal items, and strategic material. Reza Kahlili, a former IRGC operative and spy for the CIA, spoke of the flights as "instrumental in creating an Iranian dominated worldwide terror network that now reaches the United States" (Barnes, 2010). These flights carried illicit cargo and "provide safe passage to terrorists, spies, weapons experts, senior Iranian intelligence operatives, and members of both Hezbollah and Hamas" (Barnes, 2010). The flights to Iran were eventual shut down in 2010, but the airline still maintains flights to Syria which could allow for covert transportation.

A very pressing concern for the U.S. is the easy access to and through Latin America for Iranian operatives and terrorists. This is made possible by several nations, such as Bolivia, Ecuador, Nicaragua and Venezuela. These countries have no visa requirements for most foreign nationals, allowing for travel to go virtually undetected. Individuals can also easily obtain naturalization in many Latin American countries, which entitles them to new passports and identities (Fleischman, 2013). The naturalization process in many cases can be expedited through payoffs to government officials, enabling individuals to effectively change their identity. In Venezuela, several terrorists have been identified as obtaining citizenship and later given high ranking government positions such as the former Agriculture Minister, Arturo Cubillas. The readily available access to legal documents and easy naturalization allows Iranian operatives and terrorists an unprecedented level of freedom of movement in the Western Hemisphere, which presents a serious risk to the security of Latin America and the U.S.

Drug Trafficking Organizations (DTOs) provide one of the many methods that Iran can move operatives and or materials along smuggling routes and across borders undetected. According to Lt. General Tovo of U.S. Southern Command, Iran, through its surrogate Hezbollah, has established deep ties to the Latin American drug trade resulting in tens of millions of dollars generated for the terrorist group in 2014 (Mora, 2015). Iran's willingness to work with DTOs to accomplish tasks is demonstrated in the failed attempt by IRGC operatives to have Mexican cartel members assassinate the Saudi ambassador in 2011. According to the Commander of U.S. Southern Command, General Kelly:

While there is not yet any indication that the criminal networks involved in human and drug trafficking are interested in supporting the efforts of terrorist groups, these networks could unwittingly, or wittingly, facilitate the movement of terrorist operatives or weapons of mass destruction toward our borders, potentially undetected and almost completely unrestricted (Kelly, 2015).

It is easy for Iran to arrange for covert infiltration of operatives and or material into any one of the Latin American nations or the U.S. through these organizations, due to their willingness to commit criminal acts, in exchange for sums of money. This ability to infiltrate any nation seemingly at will and undetected presents an overwhelming challenge for intelligence, defense and security agencies to protect their citizens and nations.

Iran has established various covert methods of entering Latin America and moving freely within. This entrance was easily obtained while Iran had an undetected and unchecked flight route to Venezuela. However, now that the flight route has been canceled Iran has to rely on other means of entering region. Despite reduced covert entry platforms, once an operative and or material has entered Latin America they can cross borders virtually undetected anywhere in the region and to some extent into the U.S. This freedom of movement is made possible through the use of various established mechanisms controlled by DTOs or human traffickers, as well as through the use of legal documentation provided by the Latin American allies of Iran. This unparalleled access throughout Latin America easily allows Iran to conduct operations unobserved in the region and presents a daunting security risk to the Western Hemisphere.

Argentina's Shift toward Iran

The Iranian threat to the region can be seen most recently in how Argentina is distancing itself from the U.S., moving towards the Bolivarian Revolution, and building a relationship with Iran behind closed doors. Despite the fact that many Argentines still believe that Iran is responsible for the 1992 Israeli embassy and 1994 AMIA bombings in Buenos Aires, "the government of Cristina Fernandez de Kirchner has hewed a more conciliatory line toward Iran" (U.S. Congress, 2012). In 2013, Argentina signed a memorandum of understanding with the regime, "virtually disowning the seven year investigation into the case" of the 1992 and 1994 bombings (Farah, 2014). This memorandum was intended to normalize Argentinean Iranian relations and possibly lead to the lifting of INTERPOL warrants for the key Iranian leadership responsible for the attacks.

The move to normalize relations has been beneficial for the Kirchner administration in trade and technology sharing. Trade has increased between the two nations, with Argentinean exports to Iran estimated around 100 times more than its imports. This makes Argentina the second largest trading partner to Iran in the region (U.S. Congress, 2012). However, this off balanced relationship plays in to the favor of Iran because as Argentina's economy continues to deteriorate, they will become more reliant on the regime for continued trade giving Iran increased political power in Argentina.

Argentina's reliance on Iran and its desire to protect relations with them could be easily seen in the efforts by allies of Kirchner to discredit the Israeli embassy and AMIA bombings prosecutor, Alberto Nisman. These allies had publicly accused Nisman of being an agent of Israel and the United States (Farah, 2014). Political sentiment against Iran and the Kirchner administration is increasingly met with similar accusations and government hostility. The prosecutor's battle with seeking justice for the crimes and cover-up came to an end in early 2015, when Nisman was mysteriously found dead in his apartment, only days after filing an indictment against Kirchner and several other members of her administration for attempting to cover up the role of the Iranian government in the AMIA bombings. Weeks later the charges were dropped against Kirchner and her administration. The investigation into death of Nisman has been met with a lack of enthusiasm and lack of progress typifying the Argentina's move toward a leftist stance and authoritarian model of governing.

Argentina is like many Latin American nations, in which they view the United States, along with western powers, as a cause of their economic and social problems. Leftist governments and movements use this belief to create new alliances to better their nations and solidify their power. Iran uses these beliefs to infiltrate weakened nations and manipulate their governments into degrading or breaking ties with the U.S. and or western powers. Argentina appears to be the most recent nation to be making the shift toward the Bolivarian Revolution and Iran. This shift by Argentina signals that the risk is real that other Latin American nations maybe following the same anti-U.S. trajectory as the Bolivarian nations.

Forecast

Iran's activities in the Western Hemisphere are putting Latin America and the U.S. at risk. Despite recent positive talks over the Iranian nuclear program and the loss of Hugo Chávez, Iran's largest supporter in Latin America, the region is still of interest to Iran. Iran continues to propagate anti-American and anti-Western rhetoric as well as actively export its revolution throughout the world. Iran continues to pursue a "systematic, long-term strategy to expand both its influence and capabilities in the Western Hemisphere... irrespective of its unfolding rapprochement with the U.S. and Europe" (Berman and Humire, 2014). It is important to continue to look at Iran's historic pattern of anti-Western actions and its use of asymmetric warfare to achieve its goal of exporting the revolution and spreading Shia Islam in order to predict Iran's future moves.

With the transition to the new Iranian president, Hassan Rouhani, Iran's focus on Latin America has seemed to lessen. Though Iran's activities in Latin America may be slowing, it is highly unlikely that they will give up the gains that they have already made in the region. We anticipate Iran will reduce current levels of trade with Latin America in order to minimize costs to the regime but will retain some level of trade with all of its current partners so to preserve a foothold in the region. It is likely that Iran will expand the number of cultural centers in order to increase their image and continue to export the revolution. It is very likely that Iran will increase financial, economic and political support to emerging Bolivarian regimes, such as Argentina under Cristina Fernández de Kirchner, in order to continue to shift power away from the U.S.

Shifts in Iranian military and intelligence operations will likely change to meet the demands of the new president. It is expected that the Iranian military will continue to conduct instruction and training in the region. However, the number of Iranian military personnel present will likely decrease due to political actions in Iran as well as their increased military activity in the Middle East. Intelligence activities in the region are anticipated to expand due to the change in U.S.-Cuban relations and a reduction of overt Iranian actions. We can expect to see more Iranian activity in Muslim communities, mosques, cultural centers and isolated areas, such as the TBA. It is also probable that increased numbers of terrorists will be trained by military and intelligence personnel to serve as surrogate forces.

It is anticipated that Iran will change the level and scale of attacks it conducts in the Western Hemisphere in order to protect the prospect of sanctions being lifted. Iran will reduce physical attacks against the U.S. and its allies in the region by its official operatives though they will likely encourage terrorists to carry out actions for them, allowing for deniability. Iran will likely increase their use of sleeper networks and terrorists in order to conduct attacks against specific targets. It is anticipated that Iran will continue to test security forces in the region to demonstrate strength and increase support for the regime within Iran. These tests are expected to

involve such activities as placing fake bombs, conducting cyber-attacks, and planting listening devices.

Policy Recommendations

In order to address these threats to U.S. security, trade, and relations with Latin America, it should assume a multi-faceted approach to the various problems. Due to the fact that many of the below listed recommendations have overlapping effects it would be prudent to focus on the region as a whole rather than on a single trouble spot.

Much of what is known about Iran's presence and influence in the region is based on partial information, much of which is unconfirmed. In order for the U.S. to have a clear picture of the issues it is facing, it needs to greatly increase the intelligence community's capabilities within the region. Through increased intelligence the U.S. will be able to properly assess Iran's circumvention of sanctions, interaction with terrorist and criminal elements, the transfer of weapons and technology, and its intelligence and military activities.

Many within Latin America view the U.S. as an imperialist country, who imposes its will upon nations to their detriment. Iran has been able to use this perception to foster anti-American sentiment. It is imperative for the U.S. to recover its image and reengage the fringe Bolivarian nations. The U.S. needs to increase its use of soft power in order to mitigate and or halt the shift of Latin American nations towards more authoritarian regimes. Through the use of aid packages, government visits, and exchange programs at all levels, and military, law enforcement and government partnerships the U.S. can reestablish its regional relationships.

In order to cement American economic interests in the region and prevent other major powers, including Iran, from encroaching in the region, the U.S. needs to achieve competitive or better trade relations with Latin America than they receive from other nations. By achieving more competitive trade Latin America will become incentivized to increase trade with the U.S. and turn down offers by others that the U.S. does not favour. This increase will pull nations away from making deals with an internationally sanctioned regime for fear of losing profitable exchanges with the U.S., thus degrading Iran's influence and strength in Latin America.

Iran poses a significant and deadly threat to the U.S. and Latin America in the form of its intelligence and Quds force personnel, surrogate terrorist organizations, and criminal connections. In order to combat this lethal threat, the U.S. needs to restate the dangers of Iran and its actors as less of a U.S. concern but more in the terms of a danger to the hemisphere. By restating the threat this way, Latin American nations are prompted to view Iran as a threat to their security.

Iran has made significant head way in Latin America in the last decade in the form of exporting their ideology, forming political alliances, skirting sanctions, establishing bases of operation and conducting intelligence gathering. Even with an apparent reduced focus on Latin America and the loss of its strongest supporter, Hugo Chávez, Iran will not be disengaging from the region. The regime will simply reassess its strategy and determine the best path to advance its goals in the current economic and political environment.

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