Hezbollah’s “Criminal Empire”

Introduction

First of all, please let me express my deepest gratitude for the opportunity to address this esteemed conference in the ancient city of Bordeaux. For young researcher like me it is a real opportunity and pleasure to present you some results of my long-term research. In my today’s contribution I would like to focus on the nexus between criminal activity and terrorism in the context of Lebanese group known as Hezbollah.

Talking about this particular issue today is probably more important than ever. As most of you probably know, Hezbollah, or the Party of God, is an armed group belonging to the Shiite strand of Islam. Hezbollah was funded in Lebanon during the early 1980s and it is has been accused of masterminding several deadliest terror acts of that era. Over the course of the last thirty years, Hezbollah became a real mirage of regional politics. Nevertheless, labelling Hezbollah as a terrorist, insurgent or simply as an armed group is a gross oversimplification of reality. Hezbollah represents much more. The Party of God can be described rather as a social movement of its sort, which managed to create a distinct identity and vital political wing. Hezbollah became deeply embedded within the Lebanese social and political fabrics as it posses unquestionable sovereignty over large swathes of the country. It successfully fought off the Israeli military on several occasions and became core of the so-called “Resistance Front” (jabchat al-muqawama), which is a label given to the coalition of countries (Iran, Syria) and non-state actors (Hezbollah, Hamas) actively opposing US and Israeli policies in the Middle East. Recent cracks within this coalition due to the strife in Syria only highlighted importance of Hezbollah as its troops marched into Syria in order to join embattled Syrian president Bashar al-Assad. It has been just a few weeks since the EU took radical break with its former policies and designed military wing of Hezbollah as a

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1 For the overview of this ideological and identity shifts see Alagha, J., Shifts in Hizbullah Ideology, Amsterdam: Amsterdam University Press, 2006 and Alagha, J, Hezbollah Identity Construction, Amsterdam: Amsterdam University Press, 2011.
3 For useful insights into this dynamics see for example International Crisis Group, Drums of War: Israel and the Axis of Resistance,” 2010 (http://www.crisisgroup.org//media/Files/Middle%20East%20North%20Africa/Iraq%20Syria%20Lebanon/Lebanon/97%20Drums%20of%20War%20-%20Israel%20and%20the%20Axis%20of%20Resistance.ashx).
terrorist organization. Thus it is reasonable to assume that the issue of Hezbollah will be on the top of the agenda for some time to come.

Due to the importance of the Party of God in the Middle Eastern affairs, a sizeable body of literature has been written on many aspects of the organization. Nevertheless, the most obscure and controversial part of this canon is Hezbollah connection to criminal activities. Some of them even imply that Hezbollah functions as “octopus-styled” organization by managing vast net of criminal enterprises\(^4\). Although non-negligible amount of analyses and policy papers have been written on the issue, it remains essentially contested. Thus in my contribution I would like to focus on this nexus between Hezbollah and criminal world.

Firstly, I will offer a brief survey of the evidence regarding Hezbollah criminal undertakings against the backdrop of growing academic and policy interest in the economic and financial aspects of conflict and terrorism. Then I will invite more contexts into our analysis by explaining the history of Hezbollah and Lebanese Diasporas abroad. Subsequently, in the light of these realities, I will critically evaluate available evidence particularly examining Hezbollah’s involvement in so called Tri-Border area, West Africa and various other drug and money laundering schemes. I will argue that the evidence linking Hezbollah to criminal undertakings is rather shaky and often misinterpreted. In my opinion, Hezbollah managed to profit in one way or another from various criminal schemes, which have been committed by certain individuals within Lebanese emigrant communities. Nevertheless, I argue that this profiting is rooted mostly in personal motivations and depends on circumstantial conditions and it is not a part of significant, deliberate fundraising effort. Hezbollah thus should not be positioned in the same category as PKK, Taliban, FARC and other armed formations, which, if deprived of illicit financing, would probably cease to operate.

**Hezbollah as a Criminal Octopus**

The question of nexus between political and criminal violence has gained pre-eminence over since the end of the Cold War. It has been widely assumed that the end of bipolar confrontation seriously strained flow of resources to various armed groups, which had been previously generously supported by the superpowers. Those groups have had to turn for

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other sources of funding, mostly the illicit ones. Mary Kaldor famously described this phenomenon as “new wars.” New wars are characterized by decreasing importance of political and ideological agendas and increasingly chaotic environment, where originally ideological principles have been corrupted by profiteering and criminal goals. Other authors further spearheaded inquiry into economic aspects of conflict with Paul Collier’s greed vs. grievance thesis as the most prominent example. However, notion of “criminalization of conflict” has been widely disputed by other authors, who disagree with the labels such as “novelty,” “chaos” and “criminalization” in relation to post-Cold War conflicts. Authors Stathis Kalyvas claim that the difference between general and local conditions of conflict as well as certain degree of criminal behavior has always played a role in civil war and thus they cannot be seen as novel, or unique phenomena of our age. These disputes notwithstanding, it can be accepted that criminal behavior and armed groups are mutually interwoven. In the field of terrorism studies, the research on cooperation between terrorism and crime has been spearheaded mainly by Tamara Makarenko, Phil Williams and some other authors.

There have been a growing number of conflicts and groups, which has been increasingly described as “criminalized.” This group includes groups, which significantly support their activities from criminal undertakings (i.e. Taliban), through groups, where the boundary between criminal and non-criminal motivations became completely blurred.

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5 Kaldor, M., New & Old Wars, Stanford: Stanford University Press, 2006,
10 Peters, G. Crime and Insurgency In Tribal Area sof Afghanistan and Pakistan, West Point: Combating Terrorism Centre, 2010.
(Columbian FARC, PKK\textsuperscript{11}), until those, which moved from ideology to pure crime (some elements of the IRA come to mind).\textsuperscript{12}

Over the past decade, an increasing number of authors asserted that Hezbollah has become more and more involved in criminal and illicit activities. Firstly, there is alleged Hezbollah’s involvement in various criminal schemes in Western Africa. The most high-profile case is Hezbollah connection to illicit diamond trade, which was depicted by works of investigative journalist Douglas Farah.\textsuperscript{13} In the sequence of his articles and subsequent book Farah exposed a net of diverse individuals and companies, which were channeling diamonds and money to Hezbollah and al-Qaeda. This connection was then further evolved by the prominent non-governmental organization Global Witness\textsuperscript{14}, which in its quest for regulation of diamond trade underwent an extensive investigation of alleged al-Qaeda’s involvement in West African illicit diamond business. In both works, Hezbollah stays rather aside from the main line of the story, which is largely devoted to al-Qaeda’s profiting from illicit diamonds. Nevertheless, it is stressed that Hezbollah operatives had laid down the basic structures, which then al-Qaeda’s benefited from. According to these reports, Hezbollah affiliated individuals remain active in the region, which is seen as notorious hub for whole range of organized crime activities.\textsuperscript{15}

Another alleged flashpoint of Hezbollah activities is Latin America in general and Tri-Border Area in particular. Tri-Border Area, also known as Triple Frontier, is a junction, where Paraguayan, Brazilian and Argentinian frontiers meet. Triple frontier is characterized by extremely difficult terrain, weak governance and it is renowned for being a regional hub for whole spectrum of illicit activities. Moreover, according to various reports Hezbollah has been active in almost every major Latino American country (Argentine, Chile, Colombia, Paraguay).\textsuperscript{16} Frequent accusations have been also directed to alleged cooperation between

Hezbollah and some local regimes with an anti-American agenda such as Hugo Chavez’s Venezuela.

In both regions and beyond, Hezbollah is thought to be involved in different serious crimes such as smuggling of drugs, cigarettes, cars, identity thefts, counterfeiting, selling of pirated good and many more. Nevertheless, criminal activities of the Party are not restricted to Western Africa and Latin America, but they at least partly involve institution and individuals residing in the United States or European Union countries. Especially smuggling of cars, drugs and cigarettes and subsequent laundering of the profit is behind the most high profile cases of Mohammad Sayyef Hammoud and Ayman Joumaa, who are supposed to trade in cigarettes and drugs and lauder their profits for Hezbollah.

With the accusations described, let us focus on the wider perspective, which will serve us for the evaluation of the above described evidence.

**Bringing the Context Back In**

Above described evidence cannot be understood without looking at the wider context. Firstly we have to look at the development of Hezbollah in Lebanon in order to fully apprehend the nature of Hezbollah and its possible criminal activities. The onset of Hezbollah can be traced back to the early 1980s, when combination of several factors made local Shiite population particularly vulnerable to political galvanization. Hezbollah emerged in the aftermath of Israeli invasion to Lebanon in 1982 due to a positive constellation of several factors such as political vacuum within Shiite community, ongoing insecurity and suffering resulting from savage civil war in Lebanon and appealing revolutionary ideology supplied by Ayatollah Khomeini’s Iran. During its beginnings Hezbollah was not much of an organized group, but rather a loose formation of several religious figures and their respective constituencies from southern Lebanon, Bekaa valley and southern outskirts of Beirut. At that time several high profile attacks occurred. They included attacks against the US and French peacekeepers in 1983, US Embassy in Beirut in the same year and subsequent hijacking of TWA flight 847 in 1986. Although all of these attacks are widely believed to be perpetrated

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by Hezbollah, due to the nature of the group at that time, this claim might be seen as problematic. It is more precious to say that the sub-elements that composed Hezbollah at that time were involved in the attacks.\(^{19}\) During the ongoing civil war Hezbollah gained widespread credibility as it focused its attacks on Israeli forces and it restrained from undisciplined and criminal behaviour, which characterized its rival militias.\(^{20}\)

However, since the termination of Lebanese civil war in 1990 Hezbollah underwent remarkable transformation. Firstly, after bitter struggle with rival Shiite movement AMAL Hezbollah established dominancy over the Shiite community. The conclusion of Lebanese civil war marked a huge turn in Hezbollah history. Political protection by the Syrian regime, which dominated post-War Lebanon, and with continuous massive funding from Iran created very favourable conditions for Hezbollah rise. While waging relentless guerrilla warfare against Israeli forces well into the 1990s, Hezbollah tightened its structures, erected sound bureaucratic and managerial base and it started to build an impressive network of social services for population. Hezbollah abandoned extreme religious and sectarian stance and largely nationalized its discourse. In the same time it entered politics and became enormously important actor on the political scene as the Party of God stroke alliances with diverse actors across political and sectarian spectrum. Hezbollah coped with many rapid shifts such as Israeli withdrawal from Lebanon in 2000. It also skilfully navigated through political tensions following the withdrawal of the Syrians in 2005 and the subsequent war with Israel in 2006.

Another aspect of Hezbollah, which must be addressed before proceeding to the analysis of his criminal activities, is the nature of Hezbollah financing. Hizbullah possess several sources of funding. The first and most important ones are contributions coming from Iran. Not surprisingly, however, there is serious confusion regarding the exact amount of funds received by Hezbollah. The most common estimates talks about 100 million USD.\(^{21}\) Nevertheless this estimate is probably rather too low. Other sources claim 400, or even 1.2 billion USD.\(^{22}\) As everything related to Hezbollah, the nature of Iranian funding is very

\(^{19}\) Probably the best overview of the nature of Lebanese Shiite radicals at time has been offered by Chief UN negotiator Giandomenicco Picco in Picco, G., *Man Without a Gun: One Diplomat’s Secret Struggle to Free the Hostages, Fight Terrorism, and End a War*, New York: New York Times Press, 1999.


complicated. Most of the funds for Hezbollah do not come from “official” Iranian state budget, but from various specific sources, which stand outside the state ledgers. Religious “foundations” (bonyads) are the most common source of finance for Hezbollah. Bonyads are normally described as charitable institution, but in fact they represent a unique economic conglomerate of diverse businesses and other economic subjects, which do not have an equivalent in the Western economies. Bonyads are heavily subsidized by the state budget but they are run by senior clerical establishment under the supervision of the Supreme Leader. Bonyads thus represent a parallel economy of its sort. These bonyads and other shadowy money trails exempted from the conventional budget constitute the major source of funding. According to respected Hezbollah scholar N. Hamzeh Iranian money flows can be as high as 1 billion USD. Moreover, Hezbollah financing does not depend solely on the Iranians. Religious contributions, so-called khums, represent another important pillar of Hezbollah’s budget. Khums are an exclusive phenomenon related to the Shiite Islam. They represent one fifth of individual income and they are paid to local marjiyyah (pl. marjaas), who exercise religious authority with the right to explain Islamic law. For the majority of Lebanese Shiites, the main religious authority is Iranian Supreme leader, who, nevertheless, named Hezbollah representatives Hasan Nasrallah and Shaikh Yazbak its representatives, thus religious contributions can be channelled to Hezbollah directly. Furthermore, Hezbollah runs a net of legal or half-legal businesses in Lebanon profiting thus from Lebanese free market economy. Thus it is reasonable to ask: “Why then there is a need for Hezbollah to be involved in criminal activities? Another point, worth noting is the nature of Lebanese emigrant communities. Lebanese Diasporas have been created during several waves of migration from the 19th century onwards. Reflecting shifting political realities in Lebanon, the migration was initially a Christian phenomenon, but over the course of time the percentage of other sects increased as well and the Muslims gradually surpassed the Christians and the main migrating community. Important phenomenon became the migration of the Lebanese Shiites, which had been traditionally an underprivileged community. Shiite’s misfortune was compounded after the

24 Ibid.
25 Ibid.
outbreak of civil war in Lebanon as the Shiites particularly suffered from intense military engagements between Palestinian militias and the Israeli military.²⁶

In their new countries of origin, particularly in West Africa, Lebanese usually became very successful businesspeople due to their centuries-long experience as traders and merchants. However, Lebanese abroad experienced great difficulties with integrating into their new homes and they often retained certain form of distinguished identity. Generally speaking, Lebanese around the world also maintain large degree of empathies with their homeland, what was proofed for example during 2006 conflict between Hezbollah and Israel.²⁷ These distinctive features of Lebanese communities made the relationship with local populations tense. Lebanese businessmen have been also frequently accused of unfair or even illicit business practices and exploitation of local labour. This has lead into widespread resentment against Lebanese population. In fact this perception of Lebanese and Syrians has been even immortalized in legendary novel by Graham Greene At the Heart of Matter. As a consequence, despite being materially wealthy, Lebanese community in West Africa and beyond has been often politically marginalized and often used by various “ethnic entrepreneurs” as widely accepted “others.”²⁸

Evidence versus the Context

Having the context outlined, we should turn our attention back to the evidence. Firstly let us look at the nature of the evidence itself. If we scrutinize it carefully we often find that it is not based on a sound number of sources, but rather on a few, who tend to mutually quote each other. Authors such as Passas and Jones²⁹ they have been even unable to validate many claims coming these sources about alleged connections between diamonds and al-Qaeda and Hezbollah. Another point worth noting is certain vague language, when it comes to the labels such as “support,” “connection,” “related” etc. The same problem can be said about so called Tri-Border area. As Costa and Schulmeister³⁰ argue there is little doubt that this area is the bedrock of smuggling and insecurity. Nevertheless, they also point out speculative and

uncertain evidence based on presumptions and very little factual evidence, which further derails credibility of Hezbollah’s alleged criminal activities.

Then there is the question of context. Due to the limited space here I was able to only sketch the complicated history and nature of Hezbollah. Nevertheless, even from such a short introduction we can question some facts and presumptions about Hezbollah criminal empire. For example, Douglas Farah and Global Witness’ reports designed certain Lebanese individuals as brokers between AMAL, Hezbollah and al-Qaeda. Nevertheless, it is quite obvious that these three organizations stand at quite contradictory position vis-à-vis each other. Hezbollah and AMAL fought bloody war and they are still engaged in protracted, albeit more sophisticated contest for the support of the Shiite population in Lebanon.

Farah and GW reports named Lebanese individual Ali Ahmad and Aziz Nassour as supposedly important segment of the chain linking Hezbollah and diamonds in Western Africa. Nevertheless, despite being supposed to act as a broker for Hezbollah, Nassour is close to Nabih Berri, who is leader of AMAL. This sheds quite negative light on possible cooperation between Nassour and Hezbollah. Moreover, I think that in the light of current battle between Hezbollah and al-Qaeda inspired or affiliated structures in Syria, there is little to say about mutual enmity between Sunni radicals and Hezbollah. Hezbollah and the Sunni radicals have been at odds for decades both in Lebanon and beyond, despite some sources try to suggest at least certain degree of cooperation between pre-9/11 al-Qaeda and Hezbollah in Sudan and other places.

Another contextual remark should be directed at the nature and perception of Lebanese community in Western Africa. As Gberie reminds, there is widespread resentment against Lebanese diamond traders in the area. They are often, frankly speaking not unjustly, accused of smuggling and exploitative practices. There is also an aspect of market concurrence, where

charging your peer of involvement in terrorism business can be employed as very effective way, how to get rid of him.

Moreover, if look at history of Hezbollah we can find other interesting observations. As already mentioned above, Hezbollah originally represented rather a certain form of franchise of radical organizations, which differed in their interest and relationship to Iran and agenda. This nature of early Hezbollah was extremely well depicted in the memoirs of former UN diplomat Giandomenicco Picco, who succeeded in negotiating the release of Western hostages in Lebanon. Mr. Picco convincingly shows, how difficult it was to negotiate with different subdivisions of Hezbollah and how limited the influence of outside patrons was at that time. Although Hezbollah radically transformed its nature during the 1990s, there is still a certain degree of independence of some of its parts, especially those, which operate abroad. This fragmentation and need to flexibly adapt on pre-existing conditions of the ground might lay behind Hezbollah relationship with the drug cultivation in Lebanon. In his recent book, Jonathan Marshall argues that despite the fact that Hezbollah is one of the few Lebanese armed groups, which has not compromised itself with direct involvement in drug trade and drug cultivation. On the contrary, the Party even tried to stop farming of drug-related plants. Nevertheless, such attempts had to yield to the local realities. Hezbollah leader Hassan Nasrallah repeatedly called on tough stance against drug trade and argued even against selling of drugs to “enemy.” Nevertheless, at the same time Hezbollah called for revision of some 30 000 warrants against the residents of Bekaa, which were from significant part issued for drug trafficking. When asked about these conflicting statements Nasrallah defended Hezbollah’s calls for general pardon by pointing at fact that most of the warrants are outdated and they were issues mostly for less serious crimes. Nevertheless, these contradictions towards drug dealing clearly show that Hezbollah has to take the interests of its constituency in Bekaa into account. Another interesting aspect is the fact that drug cultivation has been traditionally in hands of powerful local families, so-called zu’ama, especially Hamadi clan. Although the social and economic transformation broke the authority

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36 Daniel Byman, one of the leading experts on the organization, notes that Hezbollah „international“ wing is much more closely cooperating with the Iranians. See: Byman, D., Deadly Connections: States that Support Terrorism, Cambridge: Cambridge University Press, 2009.
of zu’ama, some of these families play vital role within Hezbollah structures. In fact the Hamadis are widely believed to play crucial role in the security-apparatus of Hezbollah.

Another aspect worth looking is Hezbollah involvement in criminal undertakings in Latin America. There has been a widespread assumption that Hezbollah established solid foothold in the Western hemisphere. The most prominent examples of this trend were deadly terror attacks against Israeli embassy and Jewish cultural targets early 1990s. It is widely assumed that the operation was a result of cooperation between Hezbollah and Iran in order to avenge death of Hezbollah leader Mussawi, who had been killed by Israeli strike in the early 1990s. Subsequent investigation resulted in multiple INTERPOL warrants against several high-profile Iranian and Hezbollah officials.

Nevertheless, since then various sources claim that Hezbollah established solid networks in this part of the world creating thus clear danger for Western interests. Particularly important in this matter is alleged connection to the Tri-Border Area. But Hezbollah is believed to be involved in money-laundering schemes, counterfeiting, identity thefts, smuggling, drug trafficking, selling of pirated goods and other more or less serious crimes, which are believed to generate reasonably solid income. These activities are not limited on Tri-Border Area, but they have allegedly involved almost every Latino-American country. Moreover, criminal enterprises have not avoided operating even from the inside of the United States as the case of Mohammad Yusuf Hammoud shows. Some analysts also

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47 Ibid.
warn that this bustling underworld implies that Hezbollah possesses necessary structures to conduct terrorist strikes in case it serves its interests.

Nevertheless, when we look at available evidence we discover largely different picture. Again we face very vague formulations, repeated, almost impossible to validate, facts and other conflicting information.

Let us focus on some high-profile cases. Firstly, what is quite remarkable is the fact that media display tendency to indicate that Hezbollah affiliated individual’s generated enormous profits from large-scale criminal schemes. But what is often omitted is that not all of this money was actually channelled to Hezbollah. This lead some experts into claiming that Hezbollah actually does not mastermind criminal enterprises in the area, but it just partly profits from individual donations, which seem to be a product of personal sympathies rather than systematic cooperation. Nevertheless, some exceptions, when certain individuals were in close touch with Hezbollah leaders and generated large amounts of money, probably did exist. However, majority of these cases was discovered more than ten years ago. Moreover, 2012 US State Department’s reports affirmed absence of Hezbollah operational terror cells in Latin America.

Let us have a look at two cases, which, in my opinion, clearly exemplify many problems, which are related to Hezbollah alleged criminal undertakings. Firstly, there is the case of already mentioned Mohhamad Hammoud. Mr. Hammoud entered the US illegally on forged visas in 1990s. Despite the fact that he was arrested, he managed to apply for asylum claiming that he is pursued by Hezbollah. He then made several fake marriages in order to obtain US citizenship. This effort was ultimately successful and he was thus free to set up a smuggling chain. Hammoud et al. exploited different taxation rates on tobacco North Carolina and Michigan as they purchased large quantities amounts of cigarettes in former state and sold

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them in the latter state with considerable gain. FBI managed to infiltrate his cell and ultimately arrest him and his accomplices in 2000.

Hammoud was then charged with many serious crimes, including the support of foreign terrorist entity, which meant Hezbollah. In the end, he was found guilty of most of the crimes, including the support of terrorism and sentenced for 155 years in prison. Nevertheless, careful scrutiny of the case reveals many problematic points.\textsuperscript{53} Firstly, Hammoud was the only one from the whole group, who was found guilty of the support of terrorism. And despite the fact that the group allegedly deprived state of Michigan of almost 8 million USD and many journalists asserted that the group created huge profits for the moment\textsuperscript{54}, the only hard evidence of Hammouds financial support of Hezbollah was his personal gift of 3 500\$ (!). The rest of the evidence was based on Hammoud’s proven sympathies for Hezbollah as he repeatedly praised Hezbollah’s operations to the wider audience and distributed materials related to the movement\textsuperscript{55}. This clearly undermines opinions, which claim that the group was of crucial importance to Hezbollah.

Network of prominent drug trafficker Ayman Joumaa present us with another worth noting example of alleged Hezbollah criminal undertakings. Joumaa was accused of committing large-scale drug trafficking, car-smuggling and subsequent money laundering. He was allegedly in business with several dangerous drug cartels from Mexico and Columbia. Quoting government officials, major media designed Joumaa as main Hezbollah financier and Hezbollah was presented as “drug cartel.”\textsuperscript{56} Nevertheless, careful reading of the indictment and subsequent releases of the US department of Treasury reveal a little bit different, more unclear picture.

Firstly, the original indictment against Joumaa does not contain support of terrorism. Money laundering, drug trafficking, criminal conspiracy etc. are indeed listed, but not support of terrorism\textsuperscript{57}. The link between Joumaa and Hezbollah was established later and it is based through its connection to Lebanese-Canadian bank, which was designed as an “entity of

\textsuperscript{53} United States v. Hammoud, United states Court of Appeals, 2005 (http://www.ca4.uscourts.gov/opinions/Published/034253.P.pdf).
\textsuperscript{57} United States v. Joumaa, United States District Court, Eastern District of Virginia, 2011 (http://www.investigativeproject.org/documents/case_docs/1856.pdf)
primary money-laundering concern.”

LCB served Joumaa’s network as the main money laundering point, where illicit transactions (worth tens of millions USD) took place. Nevertheless, US treasury does not explicitly say, how big part ended with in the hands of Hezbollah. Instead, it claims that some members of LCB had contacts with Hezbollah, which means that the Party profited from Joumaa’s criminal business. US government filed a civil suit aimed at financial punishing of the bank and almost 30 other businesses. However, despite making multiple claims about alleged amount of money laundered, the complaint does not stay, how large was the amount of money provided to Hezbollah. In the end the settlement was reached between the US Government and the bank provided that the Lebanese Canadian bank pays fine of 102 million USD. Nevertheless, management of the bank continued denying complicity in money laundering schemes and deliberate support of terrorism. In the end, the US agreed not to pursue any member of the bank’s management, member of staff or other stakeholder in personam (i.e. directly)

Thus the real extent of factual financial support as well as transferring mechanism for Hezbollah remains unclear. It seems more likely that Hezbollah did make some profits through connections to the bank management. However, the extent of this gain is largely unclear, despite the fact that original case against Joumaa has been upgraded by adding the support of terrorism to the list of charges. To complicate matters further, Joumaa is a son-in-law of Nabih Berri, the leader of AMAL. And, as already mentioned, despite their mutual cooperation, AMAL and Hezbollah are seen as traditional rivals, thus it is legitimate to ask why would Joumaa’s profit channelled to Hezbollah instead of AMAL. The complexity of the cause was confirmed by some unnamed officials, who ruled out possibility that Hezbollah and drug cartels in Latin America cooperated in more deliberate manner.

59 Ibid.
60 United States vs Lebanese Canadian Bank et al., United States District Court: Southern District of New York, (http://www.investigativeproject.org/documents/case_docs/1861.pdf)
Conclusion

In the limited space of this paper, I tried to go through some of the most high-profile cases of terrorism-crime nexus in case of Hezbollah. Despite the fact that there is much more to talk about in this case I wanted to show that “facts,” often taken for granted when it comes to Hezbollah financing, are often build on rather shaky grounds. What I especially tried to contest is the perception of Hezbollah as certain kind of “godfather” organization, which is directing criminal operations globally. For example Matthew Levitt claims that destroying Hezbollah criminal sources of financing offers a real possibility to effectively throw it off balance. I think that this conclusion is rather wrong.

First of all, I am not trying to deny that Hezbollah is profiting from criminal undertakings. Indeed, due the amount of evidence, it literally is impossible to question the involvement of Hezbollah in criminal world as such. Nevertheless, I argue that the nature of this involvement is rather different.

First and foremost, I argue that the extent of this involvement is much smaller and much less important for Hezbollah than other sources of finances such as collection of donations, religious taxes and income from the Iranians. In contrast with this massive influx of resources, criminal activities are a fracture of the overall Hezbollah budget. Matter of fact, most of the cases have, so far, failed to establish clear evidence that Hezbollah made significant gain from criminal activities especially in contrast to the other sources of financing.

Secondly, I argue that most of the income generated by the group was rather a by-product of the activities of its sympathizers rather than deliberately targeted fundraising. Hezbollah does enjoy considerable degree of popularity and its support from Lebanese community abroad is thus a result of a complex interplay between kinship affiliations, personal sympathies and ad-hoc conditions. In my opinion, Hezbollah is also able to tap the money flows due to its very penetration of various levels of Lebanese banking system and bureaucracy. Nevertheless, I disagree with notion criminal activities represent an important pillar of Hezbollah budget. I rather perceive them as one of less significant bricks, on which a complex web of financing of the Party of God stands.
