

# SCARY CAR BROKER PLOT AND THE FIFTH AMENDMENT

I've always been skeptical of the Scary Car Broker Plot—the suit against a bunch of used car brokers and others based on the claim that the entire thing is a money laundering operation for Hezbollah. At the core of the complaint is the allegation that entities that weren't listed on Treasury's sanctions list until early last year transferred money between 2007 and early last year (that is, until they were listed) to purchase used cars in the US.

Between approximately January 2007 and early 2011, at least \$329 million was transferred by wire from accounts held in Lebanon at LCB, Federal Bank of Lebanon ("Federal Bank"), Middle East and Africa Bank ("MEAB"), and BLOM Bank ("BLOM") to the United States through their correspondent bank accounts with U.S. financial institutions located in the Southern District of New York and elsewhere for the purchase of used cars.

But one of the main targets of the complaint—one they don't actually get to until page 46 of a 65-page complaint—are thirty seemingly Lebanese-American owned car brokers in the US.

In describing these brokers, the complaint seems to offer little perspective on how this business—a perfectly legitimate business designed to get clunkers into countries where they still have market value—normally operates.

The businesses of these Car Buyers typically have little or no property or assets other than bank accounts that are used to receive wires from overseas to buy cars, and to purchase used cars at auction. These cars are then transported to shipping ports, where they are

shipped to West Africa. The Car Buyers typically do not have offices, car lots, or an inventory of used cars other than cars that are in transit to the ports. Some of the Car Buyers purchase cars for their own account, but others simply retain a fee of a few hundred dollars for each car that they buy.

That is, the complaint suggests that the marginal nature of these businesses, by itself, makes these businesses sketchy. But it offers no proof for that fact (and I believe that a lot of these businesses are sketchy by design—they're the automotive equivalent of recyclers who pick through trash to try to find things with ongoing value).

In the section laying out the individual descriptions of the middle men who dealt with the car brokers, there are a lot of assertions of direct and more attenuated ties to Hezbollah with little or no proof.

Nevertheless, the goal of this complaint is to seize money from the auto brokers, about whom the complaint makes no claims of knowledge of ties to Hezbollah.

Since the complaint, I've just been assuming that maybe the government has better evidence to tie the American businesses they're effectively shutting down to Hezbollah (nevermind that the ties have always been closer to Colombian drug cartels).

But yesterday, Al-Jazeera had a long article poking a bunch more holes in the case. In it, Josh Dratel suggests the government is probably taking this approach because they don't have the evidence to do it through criminal channels.

Joshua Dratel, a criminal defence lawyer based in New York, pointed out that filing it as a civil complaint rather than a criminal case immediately lowers the bar in terms of standard of proof necessary to prove the case.

"Some of their evidence may not be sufficient to meet the criminal standard," Dratel – who has worked on several terrorism cases including the Holy Land Foundation case, and represented Guantanamo detainee David Hicks – told Al Jazeera. "A lot of it sounds like material not directly related to the people [named in the complaint] and the evidence is less than compelling."

By filing a case *in rem*, the prosecutors do not have to demand the presence of individuals, but instead focus on certain assets, which Dratel pointed out was "very convenient in terms of getting assets without getting the people in court. It is part of a notion that you can sue a 'thing', which is a more difficult case to defend."

Furthermore, it has been filed under Section 981, title 18 of the US Code of Laws, meaning for the government to win the case the Hezbollah connection is irrelevant. "They have to prove the other stuff, such as the money laundering and drug trafficking, in court, but the Hezbollah connection is immaterial," explained Dratel. "Statute 981 has nothing to do with terrorism."

Yet the document is presented in such a way that makes Hezbollah the focal point. "They spend 20-odd pages on Hezbollah but they never link it up to the specific conduct which they are trying to identify for [the] forfeiture of assets case," said Dratel.

And it notes what I did—the evidence tying this scheme to Hezbollah is based on vague terms with little support (note that Salhab, described here, is one of the people who paid the car brokers, so if his tie to Hezbollah is weak, then so is that of the car brokers).

On numerous occasions the complaint highlights individuals as either being “members”, “operatives”, or “supporters” of Hezbollah, but fails to provide evidence of these alleged connections, or clarify what defines the characteristics of these terms.

“It is being deliberately vague with these terms because they don’t have anything to connect it to Hezbollah,” said Dratel. “When it talks of ‘associations with Hezbollah’, what does this mean? Some construction worker who helped in the reconstruction efforts following the 2006 war?”

On one occasion the complaint does go into detail of how one individual, Oussama Salhab, was a Hezbollah “operative”. “During a border inspection of a fingerprint-encrypted laptop Salhab carried with him, [Customs and Border Protection] officers found, among other things, images of Hizballah Secretary General Hassan Nasrallah; audio of the Hizballah anthem; images of Hizballah militants stomping on an Israeli flag...” it stated.

According to Amal Saad-Ghorayeb, political analyst and author of *Hezbu’llah: Politics and Religion*, the material found in Salhab’s possession only goes to prove he is not a member or operative of the movement.

“This is the best way of knowing they are not Hezbollah members,” she told Al Jazeera. Members would not compromise themselves “by actually carrying this stuff around”.

“These items are those of a groupie.

In short, the government appears to be seizing the assets of 30 businesses based on really attenuated ties to Hezbollah, without even

offering proof the business owners themselves knew of any tie to Hezbollah (and remember, the larger marketing companies involved weren't listed under Treasury's sanctions until after the transfers basically stopped).

Now it's possible this really is a money laundering operation to get money to Hezbollah (though the al-Jazeera article raises several more challenges to that claim). But thus far, the government hasn't shown proof. Based on these accusations, however, it seems prepared to seize the businesses involved.

At best, it seems like an attempt to spin a criminal organization with drug links and ties to Lebanese into a Hezbollah plot. At worst, it appears to criminalize doing business as a Lebanese-American. Add in the way it follows on the Scary Iran Plot, and car broker Manssor Arbabsiar's possible cooperation at a time he had no lawyer, and I really would like to see more evidence before the government starts taking businesses based on these claims.

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## **YOUR SUMMER SCHEDULE: VACATION, BEACH, IRAN WAR**

Man, if Leon Panetta doesn't get into trouble for revealing details of Anwar al-Awlaki's targeting or confirming that Pakistani doctor Shikal Afridi was working for the CIA when he collected DNA from Osama bin Laden's compound, I wonder if he'll get in trouble for (apparently) telling David Ignatius when Israel will attack Iran?

Panetta believes there is strong likelihood that Israel will strike Iran in April, May or June – before Iran enters what Israelis described as a

“zone of immunity” to commence building a nuclear bomb.

Now perhaps this is another sanctioned leak meant to ruin Bibi Netanyahu’s surprise (though I’m not sure how Iran would prepare to defend against an Israeli attack).

If so, Ignatius’ article sure sends a divided message. On one hand, it suggests the US would not participate.

The administration appears to favor a policy of staying out of the conflict, unless Iran hits U.S. assets, which would trigger a strong U.S. response.

This U.S. policy – signaling that Israel is acting on its own – might open a breach like the one in 1956, when President Eisenhower condemned an Israeli-European attack on the Suez Canal.

Yet at the same time it lays out the circumstances under which the US would get involved.

Administration officials caution that Tehran shouldn’t misunderstand: The United States has a 60-year commitment to Israeli security, and if Israel’s population centers were hit, the United States could feel obligated to come to Israel’s defense.

I’m sure the Israelis would never be able to cock up a Scary Iran Plot targeted at Tel Aviv.

What Ignatius doesn’t emphasize—though he does hint at it—is the real reason for this schedule.

Complicating matters is the 2012 presidential campaign, which has Republicans candidates clamoring for stronger U.S. support of Israel.

Bibi's biggest political donor, Sheldon Adelson, has already dumped \$10 million into the GOP primary. To imagine that Bibi is not, at the same time, gaming out how the electoral schedule might play into the optimal time to pick a war with Iran is naive.

Which, I guess, may be why Panetta is blabbing this particular detail.

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## THE NON-COUNTERTERRORIST DRONE LOOPHOLE: DID CLAPPER ADMIT WE TARGETED IRANIAN SCIENTISTS?

One of the most interesting exchanges in yesterday's Threat Assessment



ment hearing occurred between Ron Wyden and James Clapper—with David Petraeus, whom Wyden calls out, observing silently (the exchange starts at 1:01).

Wyden: Let me wrap up with you Director Clapper on an issue that I've asked about before at this open hearing. General Petraeus knows about this, this is a question about the use of force and

a speech that was given by Mr. Koh, Harold Koh of the State Department, a lawyer. Let me note at the beginning it's a matter of public record that the intelligence community sometimes takes direct action against terrorists and this direct action sometimes involves the use of lethal force. And as you know Director [sic] Koh gave a speech outlining our policy with respect to various terrorist groups, talked about detention, talked about the use of unmanned drones and noted that under US law, the use of force against terrorist groups is permitted by Congressional authorization, while under international law it is permitted by America's right to self defense. But in spite of having asked about this on a number of occasions, and General Petraeus, you know that I, too, share the Chair's view with respect to your working with us here on this committee and your being forthright, I've not been able to get an answer to this specific question. And I would like to know whether that speech that Mr. Koh gave contained unstated exceptions for intelligence agencies?

Clapper: With respect to counterterrorism, it does not. So it applies to all components of the government involved in counterterrorism be it military or non-military.

Wyden: Are there other exceptions other than counterterrorist activities?

Clapper: I believe his speech dealt with counterterrorism.

Wyden: So you believe that his speech, the text of the speech—cause this would be important—applies to all agencies. It applies to the intelligence community, his entire speech, the overall thrust of the speech applies to all of the intelligence community.



Clapper: With respect to  
counterterrorism, yes.

Now, it seems clear that Wyden is referring to the portion of Koh's speech that deals with drone strikes, which is reproduced in full below the line.

And my impression is that Wyden—who emphasizes targeting terrorists when he asks the question—was asking whether there was an exception to the principles of distinction and proportionality for the CIA when they used drones. Or, to put it more plainly, Wyden seemed to be asking whether the CIA could use drones to target civilians.

My **guess** is that Petraeus has refused to answer that question not to hide a CIA exception for the use of drones with civilian terrorists (say, with Anwar al-Awlaki) but rather to hide the CIA involvement in targeting of civilians in other contexts.

That's the implication of Clapper's response: "with the respect to counterterrorism, yes." And Wyden's expression as he delivers the question, "Are there other exceptions other than counterterrorist activities?" is worth watching.

There may be further confusion stemming from the language of Koh's speech. While he was, in this section, specifically addressing "the Law of 9/11," he does claim that his comments apply to "all of our operations involving the use of force." Clapper's caveat seems to belie that claim.

Koh's language also addressed the use of force generally, not just those dealing with drones. We do use drones for missions outside of counterterrorism—including in drug operations, so Clapper's caveat might suggest the CIA can target civilians in such context.

But if I had to guess, I'd say this had to deal with non-drone use of lethal force, possibly the assassinations of Iranian nuclear scientists.

Was Clapper suggesting CIA targeted civilian nuclear scientists?

And while we may not have attached the bombs to Iranian civilian scientists' cars (though our surrogates did), remember the suggestions that our drone surveillance of Iran was involved in those assassinations.

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In the same way, in all of our operations involving the use of force, including those in the armed conflict with al-Qaeda, the Taliban and associated forces, the Obama Administration is committed by word and deed to conducting ourselves in accordance with all applicable law. With respect to the subject of targeting, which has been much commented upon in the media and international legal circles, there are obviously limits to what I can say publicly. What I can say is that it is the considered view of this Administration—and it has certainly been my experience during my time as Legal Adviser—that U.S. targeting practices, including lethal operations conducted with the use of unmanned aerial vehicles, comply with all applicable law, including the laws of war.

The United States agrees that it must conform its actions to all applicable law. As I have explained, as a matter of international law, the United States is in an armed conflict with al-Qaeda, as well as the Taliban and associated forces, in response to the horrific 9/11 attacks, and may use force consistent with its inherent right to self-defense under international law. As a matter of domestic law, Congress authorized the use of all necessary and appropriate force through the 2001 Authorization for Use of Military Force (AUMF). These domestic and international legal authorities continue to this day.

As recent events have shown, al-Qaeda has not abandoned its intent to attack the United States, and indeed continues to attack us. Thus,

in this ongoing armed conflict, the United States has the authority under international law, and the responsibility to its citizens, to use force, including lethal force, to defend itself, including by targeting persons such as high-level al-Qaeda leaders who are planning attacks. As you know, this is a conflict with an organized terrorist enemy that does not have conventional forces, but that plans and executes its attacks against us and our allies while hiding among civilian populations. That behavior simultaneously makes the application of international law more difficult and more critical for the protection of innocent civilians. Of course, whether a particular individual will be targeted in a particular location will depend upon considerations specific to each case, including those related to the imminence of the threat, the sovereignty of the other states involved, and the willingness and ability of those states to suppress the threat the target poses. In particular, this Administration has carefully reviewed the rules governing targeting operations to ensure that these operations are conducted consistently with law of war principles, including:

- First, the principle of *distinction*, which requires that attacks be limited to military objectives and that civilians or civilian objects shall not be the object of the attack; and
- Second, the principle of *proportionality*, which prohibits attacks that may be expected to cause incidental loss of civilian life, injury to civilians, damage to civilian objects, or a combination thereof,

that would be excessive in relation to the concrete and direct military advantage anticipated.

In U.S. operations against al-Qaeda and its associated forces— including lethal operations conducted with the use of unmanned aerial vehicles— great care is taken to adhere to these principles in both planning and execution, to ensure that only legitimate objectives are targeted and that collateral damage is kept to a minimum.

Recently, a number of legal objections have been raised against U.S. targeting practices. While today is obviously not the occasion for a detailed legal opinion responding to each of these objections, let me briefly address four:

First, some have suggested that the very act of targeting a particular leader of an enemy force in an armed conflict must violate the laws of war. But individuals who are part of such an armed group are belligerents and, therefore, lawful targets under international law. During World War II, for example, American aviators tracked and shot down the airplane carrying the architect of the Japanese attack on Pearl Harbor, who was also the leader of enemy forces in the Battle of Midway. This was a lawful operation then, and would be if conducted today. Indeed, targeting particular individuals serves to narrow the focus when force is employed and to avoid broader harm to civilians and civilian objects.

Second, some have challenged the very use of advanced weapons systems, such as unmanned aerial vehicles, for lethal operations. But the rules that govern targeting do not turn on the type of weapon system used, and there is no prohibition under the laws of war on the use of technologically advanced weapons systems in armed conflict— such as pilotless aircraft or so-called smart bombs— so long as they are employed in conformity with applicable laws of

war. Indeed, using such advanced technologies can ensure both that the best intelligence is available for planning operations, and that civilian casualties are minimized in carrying out such operations.

Third, some have argued that the use of lethal force against specific individuals fails to provide adequate process and thus constitutes unlawful extrajudicial killing. But a state that is engaged in an armed conflict or in legitimate self-defense is not required to provide targets with legal process before the state may use lethal force. Our procedures and practices for identifying lawful targets are extremely robust, and advanced technologies have helped to make our targeting even more precise. In my experience, the principles of distinction and proportionality that the United States applies are not just recited at meetings. They are implemented rigorously throughout the planning and execution of lethal operations to ensure that such operations are conducted in accordance with all applicable law.

Fourth and finally, some have argued that our targeting practices violate domestic law, in particular, the long-standing domestic ban on assassinations. But under domestic law, the use of lawful weapons systems—consistent with the applicable laws of war—for precision targeting of specific high-level belligerent leaders when acting in self-defense or during an armed conflict is not unlawful, and hence does not constitute “assassination.”

In sum, let me repeat: as in the area of detention operations, this Administration is committed to ensuring that the targeting practices that I have described are lawful.

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# DIANNE FEINSTEIN CALLS JAMES CLAPPER A POLYANNA ON AFGHANISTAN



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igence threat assessment is that the Scary Iran Plot means Iran wants to target us in this country.

They reported that even as Dianne Feinstein made it clear James Clapper was bullshitting us on another front.

In her statement, she noted that James Clapper's assessment of our Afghanistan war is more optimistic than what the still-classified NIE says. (starting after 7:50)

I'm also concerned by what appears to be the disparity between the discussion of Afghanistan in Director Clapper's statement for the record and the bleaker description in the December 2011 NIE. The Director's statement notes modest improvements in the challenges that remain. While I'm unable to describe the NIE, as it remains a classified document, news reports of the NIE describe it as "sobering" and "dire" (those words in quotes, include phrases like, "mired in stalemate" (end quote). So I would like to ask the witnesses how they assess how stable Afghanistan will

be in 2012 as well as in 2014 and beyond.

Here's some of the public reporting on the NIE she's talking about:

The U.S. intelligence community says in a secret new assessment that the war in Afghanistan is mired in stalemate, and warns that security gains from an increase in American troops have been undercut by pervasive corruption, incompetent governance and Taliban fighters operating from neighboring Pakistan, according to U.S. officials.

[snip]

In a section looking at future scenarios, the NIE also asserts that the Afghan government in Kabul may not be able to survive as the U.S. steadily pulls out its troops and reduces military and civilian assistance. "Its viability is tenuous," said one official, citing the report.

Clapper's statement, however, says the following:

In terms of security, we judge that the Afghan police and Army will continue to depend on ISAF support. ISAF partnering and mentoring have begun to show signs of sustainable progress at the tactical and ministerial levels; however, corruption as well as poor leadership and management will threaten Afghan National Security Forces' (ANSF) operational effectiveness.

[snip]

The Karzai government did achieve some success in 2011. The first phase of the process to transition security to Afghan leadership proceeded smoothly, and the second tranche of the transition is

progressing as scheduled. The Karzai administration successfully convened a Loya Jirga in November to socialize the strategic partnership with the United States. Now that the fall 2010 electoral crisis is resolved, the Wolesi Jirga will likely regroup during the current winter recess and return its focus to limiting President Karzai's authority, likely using the parliamentary approval process for ministerial appointees as a way to highlight the Parliament's independence.

I find several things interesting about this: first, Clapper's statement does admit that the ANSF isn't ready to defend the country. The area where Clapper seems to most deviate from the reported details of the NIE is on Karzai's government. Clapper would have us think it is improving, the NIE doesn't agree.

But I'm also amused. After DiFi made it clear that Clapper's statement had been spun, why did reporters (note, an exception is Josh Gerstein, who pointed out these comments as well) believe the other things he said, notably about Scary Iran?

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## THE FALSE FLAG WAVES IN THE FOG

"Absolute nonsense!" Israel has responded to Mark Perry's "False Flag" claim that Mossad agents recruited Jundallah members by posing as CIA officers. They've responded clearly, they claim, because they don't want US-Israeli intelligence cooperation to get as bad as it did when we caught Jonathan Pollard spying for Israel.



But I'm just as interested in the "proof" Israel offers that this didn't happen: that Meir Dagan is still welcome in Washington.

The senior Israeli government official said that if there were any truth the claims in Perry's report, Meir Dagan, the head of the Mossad at the time of the alleged operation, would have been declared a persona non grata in the U.S. and that "Dagan's foot would not have walked again in Washington".

Now, it is true that Dagan ran Mossad at the time—2007-2008—when the recruitment in question is alleged to have taken place. And it is true that under Dagan Mossad got rather embarrassingly caught using US ~~(and other~~ Western allies' passports to facilitate their assassination squads in the Dubai assassination of Quds Force surrogate Mahmoud al-Mabhouh.

But it is also notable that Dagan has made a series of increasingly strident remarks against war with Iran and for the kind of engagement that the latest scientist assassination seems designed to undercut. And then there's the presumably intentional irony in the statement: Dagan's ability to travel is limited not by his welcome among Western allies, but because Bibi Netanyahu revoked Dagan's diplomatic passport last summer in response to his efforts to prevent war against Iran. Since traveling without diplomatic immunity would expose him to arrest for acts that include the al-Mabhouh assassination, Dagan, the former head of Israel's assassination agency, cannot travel freely to prevent such assassinations in the future.

In other words, this is a very witty but nevertheless quite serious reminder that the same people now trying to find a peaceful path forward are themselves thoroughly implicated in the same crimes they now disown. This is Bibi's camp reminding that everyone has been breaking the rules in ways that could cause significant

legal trouble.

Right on cue, Iran has sent diplomatic notes to both the US and Britain, claiming that the CIA is behind the most recent assassination.

The message addressed to the U.S. government, read, "According to authentic documents and reliable information, the assassination plot was directed, supported, and planned by the U.S. Central Intelligence Agency (CIA) and was carried out with the direct involvement of the agents affiliated with this organization, and the government is directly responsible for it and should be answerable based on international regulations and rights and bilateral commitments."

[snip]In the protest note, Iran also said, "The Islamic Republic of Iran condemns the inhumane assassination, calls on the U.S. government to provide an immediate explanation, seriously warns about its repercussions, and calls on the (U.S.) government to stop supporting any kind of anti-humanitarian terrorist action against the lives of Iranian citizens, which is in contravention of international rights and the relevant commitments and pose a serious danger to international peace and security. In addition, the government of the Islamic Republic of Iran reserves the right to pursue the issue."

In the note addressed to the British government, the Foreign Ministry pointed to the remarks that MI6 chief Sir John Sawers made on October 28, 2010, in which he said, "Stopping nuclear proliferation cannot be addressed purely by conventional diplomacy. We need intelligence-led operations to make it more difficult for countries like Iran to develop nuclear weapons."

The note read, "The Foreign Ministry of the Islamic Republic of Iran takes into consideration the fact that the assassinations of Iranian scientists began right after the announcement of the very attitude of the British government by Mr. John Sawers, the head of Britain's Secret Intelligence Service, and once again expresses its protest about the repercussions of the mentioned attitude of the British government and holds the country responsible for such terrorists acts."

Gosh, Iran could have drafted these letters using the letters the US issued after it busted the Scary Iran Plot allegedly involving Manssor Arbabsiar as a model! (Which reminds me. Has anyone checked in on the Saudi involvement to defeat Iran, of late? And what they—and the Pakistanis—think about Israelis purportedly running terrorists out of Pakistan?)

Remember, too, according to Perry's "False Flag," the recruitment of the Jundallah members—by whomever—largely took place in London, "under the nose of U.S. intelligence officers." So if Perry's piece was meant as preemptive inoculation against evidence his sources knew might be revealed, it would not be surprising if such evidence implicated both the US and Britain.

Now, if it weren't for the latent lethality behind all this posturing (and if weren't so clear that, whatever Iran has, Israel surely has evidence of our complicity here, if they ever feel the need to reveal it), this might be a somewhat amusing and overdue spat between Israel and the US.

But as it is, it seems the winner of this conflict between Israeli and US neocon Hawks (some of who presumably remain in government positions) on one side, and those trying to avoid war (if not regime change) on the other threatens may depend most on who wins the

infowar that has broken out. Clearly, all sides have the goods on the others, but no one can risk having all this damning information come out.

Update: Corrected post to reflect that Mossad did not use US passports in the Dubai hit.

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## HOW TO INDEFINITELY DETAIN JAMIE DIMON

Kagro X and I were engaging in a little thought experiment on Twitter to show how easy it would be to solve our dangerous bankster problem by indefinitely detaining them.

It turned out to be pretty easy to do. Here's how.

First, before you indefinitely detain a bankster, you need to show either that he is,

A person who was part of or substantially supported al-Qaeda, the Taliban, or associated forces that are engaged in hostilities against the United States or its coalition partners, including any person who has committed a belligerent act or who has supported such hostilities in aid of such enemy forces.

Or, you need to show he has supported (using the Iraq AUMF that we're keeping around to make sure the President's authority isn't limited to just al Qaeda),

another international terrorist group that the President has determined both (a) is in armed conflict with the United States and (b) poses a threat of hostile actions within the United States;

Now, making that case with Jamie Dimon is very easy to do, because his company, JP Morgan Chase, has materially helped Iran. We have several pieces of proof it has done so. First, there's the Treasury Report showing that JPMC:

- Gave a \$2.9 million loan on December 22, 2009 to the Islamic Republic of Iran Shipping Lines, which the Office of Foreign Assets Control has found to be involved in WMD proliferation
- Advised and confirmed a \$2,707,432 letter of credit on April 24, 2009, in which the underlying transaction involved a vessel identified by OFAC as blocked due to its affiliation with the same Iranian shipping line
- Processed nine wire transfers between April 27, 2006 and November 28, 2008, which totaled \$609,308, some of which involved sanctioned Iranian and terrorist entities
- Transferred 32,000 ounces of gold bullion valued at approximately \$20,560,000 to benefit a sanctioned Iranian bank on May 24, 2006

We need no further proof that JPMC has done these things. Not only has JPMC admitted to them, but as Janice Rogers Brown has made clear, we cannot question the Executive Branch's intelligence reports, so all of OFAC's claims

must be accepted as true for the purposes of indefinite detention. And all of that illegal support for Iran happened while Jamie Dimon was President of JPMC.

But there may even be proof—enough, anyway, to satisfy Rogers Brown—that JPMC materially supported an attempt to deploy a WMD in a terrorist attack on American soil. As I have shown, the bank account to which Manssor Arbabsiar transferred almost \$100,000 as downpayment for the alleged Quds Force plot to assassinate Saudi Ambassador Adel al-Jubeir was probably a Chase account. And that affidavit should be enough. The FBI, after all, is an intelligence agency. And Janice Rogers Brown does not find redactions—even much more extensive ones—to in any way impair the reliability of Administration claims to justify indefinite detention.

In other words, the Administration has provided sufficient proof that JPMC materially supported Iran to the tune of at least \$23 million in illegal financial transactions.

Now, if Chase is indeed the bank that accepted the downpayment for the Scary Iran Plot, we need no further basis to indefinitely detain Jamie Dimon. After all, the government's Amended Complaint (from the FBI, an intelligence agency whose reports we cannot question) asserts that Abdul Reza Shahlai was the mastermind behind the Scary Iran Plot, and at the time of the plot, he had already been sanctioned as a supporter of the insurgency in Iraq. That was based on a questionable intelligence report, admittedly, but Janice Rogers Brown says we cannot consider such problems. So if Chase did, indeed, play a role in the Scary Iran Plot, then that's all we need to indefinitely detain Jamie Dimon as head of the entity that materially supported that terrorist attack.

But even if Chase wasn't involved in the Scary Iran Plot, the Executive Branch can still indefinitely detain Jamie Dimon. After all, the Executive Branch has been claiming that Iran was

harboring al Qaeda since 2003. In addition, an official Executive Branch report—a September 12, 2009 diplomatic cable—includes the following hearsay claim, made by Saudi Arabia’s then Minister of the Interior, now the Crown Prince, Nayif bin Abdulaziz:

Iran has hosted Saudis (all Sunnis) – including Osama bin Laden’s son Ibrahim – who had contacts with terrorists and worked against [Saudi Arabia]

And Janice Rogers Brown has said that so long as it appears in an official government document, any hearsay problem is overcome. And as recent reporting makes clear, there’s even some evidence that Iran was at least aware of, and in some ways facilitated, the 9/11 plot itself. That assertion is based on NSA reports which, as official government documents, would meet Rogers Brown’s standard for claims supporting indefinite detention.

All of which would seem to reach the bar of making Iran a force associated with al Qaeda. I don’t necessarily buy these reports, mind you, but again, it’s not for me to question these official government records. And helping such an associated force access \$23 million of funding sure seems to qualify as “substantial support.”

Now let me be clear. I don’t advocate indefinitely detaining Jamie Dimon—or anyone else either, particularly not American citizens, no matter how loathsome or dangerous to the United States. But given that our country maintains it is more important to “incapacitate” terrorists and those who support them than to punish those who did trillions of dollars of damage to our economy, we may well have to treat Jamie Dimon as a material supporter of terrorism to get some justice.

And Jamie? If I were you I would report to an Embassy or some other official government office right away, as the government claims Anwar al-Awlaki should have. Because while Obama seems

uninterested in indefinitely detaining American citizens, he has been known to kill those he claimed were particularly dangerous.

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## THE SCARY USED CAR BROKER PLOT

Consider these two data points. First, Jo Becker reports that the money laundering scheme run by the Canadian Lebanese Bank involved brokering used cars purchased in America.

In that inquiry, American Treasury officials said senior bank managers had assisted a handful of account holders in running a scheme to wash drug money by mixing it with the proceeds of used cars bought in the United States and sold in Africa. A cut of the profits, officials said, went to Hezbollah, a link the organization disputes.

[snip]

Eventually an American team dispatched to look into Mr. Joumaa's activities uncovered the used-car operation. Cars bought in United States were sold in Africa, with cash proceeds flown into Beirut and deposited into three money-exchange houses, one owned by Mr. Joumaa's family and another down the street from his hotel. The exchanges then deposited the money, the ostensible proceeds of a booming auto trade, into the Lebanese Canadian Bank, so named because it was once a subsidiary of the Royal Bank of Canada Middle East.

But the numbers did not add up. The car lots in the United States, many owned by Lebanese émigrés and one linked to a separate Hezbollah weapons-smuggling



scheme, were not moving nearly enough merchandise to account for all that cash, American officials said. What was really going on, they concluded, was that European drug proceeds were being intermingled with the car-sale cash to make it appear legitimate.

Hezbollah received its cut either from the exchange houses, or via the bank itself, according to the D.E.A. And the Treasury Department concluded that Iran also used the bank to avoid sanctions, with Hezbollah's envoy to Tehran serving as go-between.

And we only indicted the guy running this plot, Ayman Joumaa, in November, 10 months after Treasury designated Ayman Joumaa as a Specially Designated Narcotics Traffickers.

Of course, November 23 is roughly two months after Manssor Arbabsiar, an Iranian used car broker whose finances had a remarkable uptick in the last two years, during which period he largely left South Texas, was arrested.

And while all of the ties Treasury noted in January were to Colombian drug networks, November's indictment rolled out this week includes a Los Zetas angle.

It was part of the conspiracy that the defendant and his co-conspirators coordinated the shipment of at least tens of thousands of kilograms of cocaine from Colombia, through Central America and Mexico, to the United States, including but not limited to 85,000 kilograms of cocaine shipped from Colombia for sale to Los Zetas drug cartel from in and around 2005 through in and around 2007.

I'll come back to this later—I'm watching Robert Mueller repeat that it's more important for FBI to entrap Muslim kids than to crack down on

financial fraud at SJC.

But I'd suggest that the discovery of Scary Iran Plot as a side angle to Scary Used Auto Broker Plot would explain a lot of the problems with the case.

Update: One other thing: I'm curious why DOJ sealed the Joumaa indictment from November 23 to December 12. I don't know the answer to that, but it's worth noting that Hezbollah and Iran rolled up US and Israeli spy rings during that period.

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## **OBAMA TO IRAN: PLEASE GIVE OUR ASSASSINATION SURVEILLANCE DRONE BACK**

Sorry, this is absurd.

"We have asked for [our Sentinel drone] back. We'll see how the Iranians respond," Obama said during a joint news conference with Iraqi Prime Minister Nuri al-Maliki after the two met at the White House.

We violate Iran's airspace, almost certainly conducting surveillance to support illegal assassinations, and we have the audacity to ask for our legally-suspect drone back?!?!?

What are we going to offer them in exchange? Manssor Arbabsiar and a number of other, more competent spies to be named later? Because

doesn't the request for the drone implicitly suggest assassinations are acceptable and really shouldn't interfere with polite diplomacy?

Besides, doesn't this violate trade sanctions on Iran?

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## THE TWO SCARY IRAN PLOT COMPLAINTS: A COMPARISON

As I wrote on Wednesday, earlier this month, the government released Manssor Arbabsiar's original complaint in the Scary Iran Plot. As I showed, comparing the original with the amended complaint reveals that the government tried to hide the roles of Arbabsiar's brother and several western banks (possibly including Chase) in transferring the money for the plot.

A comparison of the two complaint shows a number of interesting things, which I'll detail below. But the two most striking details are the complete absence of any mention of Gholam Shakuri in the original complaint and the complaint's silence on the opium deal that formed part of Arbabsiar and Narc's discussions.

Remember what I've observed before: four of the five charges against Arbabsiar are conspiracy charges which couldn't be charged without evidence of another conspirator. Now, I expected to see a lot more implicating Shakuri in the second complaint. After all, along with getting a confession during the period when Arbabsiar purportedly waived his Miranda rights, they also got him to make 3 calls to Shakuri that, while they were inconclusive about whether Shakuri knew of an assassination, make it clear he did know about the transfer of \$100,000. But the original complaint doesn't even include the information at ¶33(d) in the amended complaint

showing Shakuri delivering more funds to Arbabsiar (and therefore, not surprisingly, the earlier complaint does not include ¶13(c) claiming the earlier funding was one of the overt acts in this conspiracy). In fact, the only co-conspirator alleged in the first complaint is Arbabsiar's cousin, Abdul Reza Shahlai, described as CC-1. Now, I assume the government has a ton of intelligence-derived evidence in this case they don't want to show us. But in their original complaint, they show very little real evidence of a conspiracy. Which makes Arbabsiar's "cooperation" all the more striking, given that that cooperation forms the key evidence (at least that we've seen) for most of the charges against him.

The complaint's silence on the drug deal is just as interesting. I had speculated that they might have charged Arbabsiar on trafficking charges and used the threat of hard time to convince him to waive Miranda and flesh out the assassination plot. But obviously that's wrong; they didn't include the drug charges in the earlier complaint. So why would the government not charge the Quds Force on efforts to set up drug deals with Los Zetas? Two possibilities are, first, that longer term drug deals are the basis for Arbabsiar's relationship with Narc; revealing that would damage the story line that Arbabsiar just found Narc by accident. A closely related possibility is that the FBI and DEA had recruited Arbabsiar to set up these deals as a way to infiltrate Quds Force, in which case Arbabsiar would be granted immunity for such things. Or maybe they just wanted to keep the focus tightly on the flashy part of the plot?

In any case, here are the other differences, laid out by paragraph (unless specified, the numbering comes from the amended complaint, which has more paragraphs).

Intro and ¶14. Two different agents wrote these complaints. James F. Walsh Jr, who has been a Special Agent since just September 2004, wrote the original complaint (this article refers to

an FBI Special Agent who was probably Houston-based in 2005). 0. Robert Woloszyn, who has been a Special Agent since March 1999, wrote the second complaint. In spite of having two different ostensible authors, though, the language is almost exactly the same; for the most part Woloszyn just copied over Walsh's language. That's one thing that makes amendments so interesting.

¶1, •. The amended complaint describes the start date of the conspiracy "spring 2011," as compared to the "May 2011" date in the original complaint. That may reflect earlier conversations Arbabsiar had with Quds Force figures revealed in his confession.

¶3(a-c). As noted, the amended complaint replaces the origin of the money—probably a European bank—with "a foreign entity." And the amended complaint adds language about Arbabsiar's spending money being part of the over conspiracy.

¶4, ¶6. In the original complaint, this paragraph says the \$100,000 money transfer was "as consideration" or "in exchange for an agreement to" commit the murder. In the amended complaint, it describes it as "partial consideration" for doing so. Though both use the phrase "down-payment" in ¶16. Note, too, that the amended complaint makes it clear the Ambassador in question was from Saudi Arabia; in the original complaint, the Ambassador was described to come from "a particular Middle Eastern country." Just a thought: given how vague the reference to the target is and given that Israel, the other target country, was also referred to as a "Middle Eastern country," is it possible the target was at one point the Israeli Ambassador, Dr. Michael Oren?

¶16. In the original complaint, Arbabsiar is described as "a citizen of the United States born in Iran." In the amended complaint, he is described as "a naturalized citizen of the United States who holds both a United States and an Iranian passport." Perhaps they changed this

because the latter formulation might suggest dual loyalties. Perhaps his citizenship has been treated as some negotiating chip (which would almost certainly be the case if Arbabsiar had been an informant at some time).

¶17. The amended complaint includes a paragraph on the Quds Force. I guess that's for our benefit?

¶18 [note, this is where the numbering for the two complaints diverges]. In the original complaint, Narc's response to Arbabsiar's question about Narc's knowledge of explosives, is that "he indeed knowledgeable with respect to C-4 explosives." In the amended complaint, they take out the word "indeed." Now, maybe this change is nothing. But remember, this conversation was purportedly not taped—at least not by Narc. The "indeed" makes it sound like a direct quote. Furthermore, it would seem to suggest a prior basis for Arbabsiar to know that he had C-4 experience—perhaps just what Narc's purported aunt had told Arbabsiar, perhaps from some other representation Narc had already made to Arbabsiar, or perhaps previous knowledge. Who knows?

¶18 footnote 1. In the original complaint, the footnote doesn't specify that Narc's prior charge was in a US state.

¶22(c) adds both the description of which particular country Arbabsiar's country "had taken certain unspecified actions relating to a bombing in," naming Iraq. And adds the reference back to ¶17, which (as I've noted, is a new paragraph). Given that the way Arbabsiar seems to have been speaking from a contested Treasury Department script here, I find the emphasis notable. Also, as noted, the reference in the original complaint is to CC-1, not "Arbarbsiar's cousin, showing that the FBI believed they had implicated Shahlai more directly in this plot than they appear to have in the amended complaint.

¶23 footnote 7. There are two differences in the

bracketed comments here. In the original complaint, the bracket describing that the government that Shahlai worked for was “presumably of Iran,” whereas **the amended complaint removes the “presumably.”** And in the amended complaint, the bracket describing what intelligence service Shahlai was working “like” specified it was a non-Iranian service. This change is, IMO, one of the most significant. As I have noted, the FBI interpretation of a related passage from the same meeting—which reads “[ARBABSIAR’s co-conspirators in Iran] they pay this government”—seems to misread the passage, stating that it proves Shahlai was being **paid by Iran** rather than **paying it** or another government. Now we learn that another reference presented as a clear tie between Shahlai and Iran is not so clear as the amended complaint suggests. Now, I have suggested that the earlier misreading might reflect this was a rogue plot, backed by some other government (maybe Iraq, for example). While ESL issues are likely one of the factors here, what does seem clear is the tie between Shahlai’s ties to Iran with regards to this plot are weaker than claimed.

¶23(d). As noted, this entire paragraph—describing Shakuri’s involvement in Arbabsiar’s funding—is new to the amended complaint. Presumably, the government either didn’t need to present Arbabsiar’s early funding as part of the conspiracy, or just needed to add it to shore up the evidence against Shakuri, which is of course, their necessary tie to Quds Force.

Original ¶32. As is obvious, everything from amended ¶33—describing Arbabsiar’s arrest in JFK—is new. The original complaint leaves off with the description of Arbabsiar boarding “a plane in a foreign country, bound for Mexico.” So this complaint was seemingly written as he was in transit between Iran and Mexico (or possible en route to the US).

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# IS THE GOVERNMENT HIDING CHASE'S COOPERATION IN THE SCARY IRAN PLOT?

As I noted in this post, earlier this month, the government unsealed the redacted first complaint in the Scary Iran Plot. I will do a post summarizing the differences between the original and amended complaint later (short version: in a number of ways seeing both complaints weakens their case slightly against Quds Force).

But in this post, I want to suggest—and this is speculation—that the secrecy about the complaint may serve, in part, to protect JP Morgan Chase.

The redactions in the original complaint are minimal, most of which hide the details by which Arbabsiar transferred money from what appears to be a European bank to the FBI account. These redactions are:

¶3a: An 8-character word modifying “country” describing the bank from which the first installment of money was sent. I believe the redacted word is “European.”

¶3b: An 8-character word modifying “country” describing the bank from which the first installment of money was sent. I believe the redacted word is “European.”

Footnote 5: A 14-character word modifying “country” that we know to be “Latin American” (a reference to the planned attacks in Argentina). A 14-character word modifying “country” that is probably “Middle-Eastern” (the reference to planned attacks on Israeli targets), followed by a longer redaction that may describe the location of the intended Israeli targets.

¶22c: A 5-character word modifying “bank”



that—the amended complaint makes clear—is a US bank.

¶25: An 8-character word modifying “country” that is likely “European” and a 9-character word naming the bank in question.

¶27: An 8-character word naming a bank from which the second chunk of money was transferred. Since the Amended Complaint makes it clear the money came from two different foreign entities (and since the lengths of the redaction appear to be different), this must be a different bank.

In other words, the only things redacted from the original complaint are the other intended targets—which have already been made public—and the details surrounding the transfer of money from Arbabsiar (or his brother) to the FBI Account.

Now, generally, the redactions may just be an attempt to hide the fact that the FBI used SWIFT to track the money from Arbabsiar to the FBI or that one or more European partners helped them make build this case. But if the government’s allegations are correct and this plot was orchestrated by the Quds Force and Abdul Reza Shahlai specifically (both of whom were and are designated terrorists) then all of the banks involved in the transfer would presumably be party to the transfer of money that ultimately derived from sanctioned entities (though by laundering through Arbabsiar and his brother that may not have been apparent to them).

And I can’t help but note that one of the big international banks in Manhattan with a 5-character name is Chase. And I can’t help but note something I already pointed out: roughly two weeks after the transfers were completed but before Arbabsiar’s arrest, JP Morgan Chase agreed to pay \$88.3 million to settle charges it had violated sanctions against Sudan, Cuba, Liberia and ... Iran. Now, the sanction violations JPMC admitted to with respect to Iran were in 2009. It also admitted to failing to stop wire transfers from sanctioned entities in 2006-2008.

But I do wonder whether the coincidence between these transfers—allegedly supporting the assassination of the Saudi Ambassador—and JPMC's sanction suggest either that the government got Chase to cooperate in this investigation as part of their settlement, or that Treasury forced JPMC to settle based on their role in accepting wired money for such an alleged crime.

In any case, the big thing that the government seems most intent on hiding are which European and American banks are still accepting wire transfers that ultimately (allegedly) tie back to the Quds Force. Because as we know, the government's job is to hide evidence of the banksters' crimes, not prosecute them.