

**NARCOTERRORISM AND THE LONG REACH OF  
U.S. LAW ENFORCEMENT, PART II**

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**HEARING**

BEFORE THE

SUBCOMMITTEE ON TERRORISM,  
NONPROLIFERATION, AND TRADE

OF THE

COMMITTEE ON FOREIGN AFFAIRS

HOUSE OF REPRESENTATIVES

ONE HUNDRED TWELFTH CONGRESS

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## **NARCOTERRORISM AND THE LONG REACH OF U.S. LAW ENFORCEMENT, PART II**

**THURSDAY, NOVEMBER 17, 2011**

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON TERRORISM,  
NONPROLIFERATION, AND TRADE,  
COMMITTEE ON FOREIGN AFFAIRS,  
*Washington, DC.*

The subcommittee met, pursuant to notice, at 2:12 p.m., in room 2200, Rayburn House Office Building, Hon. Edward R. Royce (chairman of the subcommittee) presiding.

Mr. ROYCE. This hearing will come to order. The title of this hearing is “Narcoterrorism and the Long Reach of U.S. Law Enforcement,” and today we continue our look at that subject.

A few weeks ago the subcommittee heard testimony from private witnesses on the growing nexus between drugs and terrorism. This afternoon we are joined by the head of the Drug Enforcement Administration’s Special Operations Division.

Nothing better illustrates this threat than the Iranian-directed plot to assassinate a foreign ambassador on U.S. soil, detailed by the Justice Department last month. A key conspirator in this plot approached a DEA informant seeking to hire a Mexican drug cartel and their hit squad to carry out this attack. The plot was planned over multiple meetings in Mexico between the man now in U.S. custody and people he believed to be cartel members. This foiled plot is the latest example of how the DEA has reached beyond U.S. borders to investigate, arrest, and bring to justice those involved in terrorist conspiracies.

This plot wasn’t a surprise to the subcommittee. In 2006 we held hearings on the border where we heard testimony from local law enforcement that the drug cartels would move, in their words, anyone or anything, “so as long as the price was right.” Iran apparently believed \$1.5 million was the right price for this brazen attack.

As we will hear today, an increasing number of U.S.-designated foreign terrorist organizations are involved in drug trafficking. As investigator Doug Farah testified last month, in his words, “growing ties between transnational organized crime from multiple regions, and terrorist organizations, are morphing into something new, which represents unprecedented dangers” for our country. Whether it is the Russian Mafia, or the FARC, or the Chinese Triads, or Zetas, Hezbollah, the Qods Force, al-Shabaab, many of these different groups may be connected through “super-fixers,” as they are called, “super-fixers,” or “shadow facilitators” is a word

used sometimes here. These are individuals or groups that provide the weapons, provide the sophisticated document forgeries, provide the money-laundering capabilities, and they work for both the terrorists, and they work for the drug cartels.

One premier “super-fixer” was Viktor Bout, who supplied weapons to insurgents and militias and terrorists. Bout was brought down by DEA agents in 2008 for conspiring to supply weapons to the FARC, a designated terrorist organization. After a long saga, Bout was extradited from Thailand to the United States and this month was found guilty of all charges against him.

The team that nabbed Bout is part of DEA’s Special Operations Division. They have had other high-profile successes. As Mr. Maltz will testify, these operations exemplify “what DEA does best: Maximizing limited resources while working closely with foreign counterparts and leveraging [DEA’s] vast array of confidential sources to infiltrate the highest levels of the world’s most significant and notorious criminal organizations.”

But there are always ways to get better. A former top DEA official told us last month that these shadow facilitators haven’t been “attacked to the extent necessary.” Even with the will, the Special Operations Division has only two of these field enforcement teams dedicated to narcoterrorism cases.

With a unique set of authorities, and human sources, and experience in running complex organizations, the DEA has been bringing a cutting-edge approach to attacking narcoterrorism. But the DEA’s presence in Africa is spread very, very thin. Despite the dramatic increase in drug trafficking across West and North Africa many of these countries are covered by DEA offices in Europe. With a mix of al-Qaeda presence, ungoverned spaces and weak institutions, the threat of narcoterrorism in this part of the world is a real concern.

[The prepared statement of Mr. Royce follows:]

**Subcommittee on Terrorism, Nonproliferation, and Trade**  
*Narcoterrorism and the Long Reach of U.S. Law Enforcement, Part II*  
Opening Statement - Chairman Ed Royce  
November 17, 2011

Today, we continue our look at narcoterrorism. A few weeks ago, the Subcommittee heard testimony from private witnesses on the growing nexus between drugs and terrorism. This afternoon, we are joined by the head of the Drug Enforcement Administration's Special Operations Division.

Nothing better illustrates this threat than the Iranian-directed plot to assassinate a foreign ambassador on U.S. soil, detailed by the Justice Department last month. A key conspirator in this plot approached a DEA informant seeking to hire a Mexican drug cartel hit squad to carry out the attack. The plot was planned over multiple meetings in Mexico between the man now in U.S. custody and people he believed to be cartel members. This foiled plot is the latest example of how the DEA has reached beyond U.S. borders to investigate, arrest and bring to justice those involved in terrorist conspiracies.

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As we'll hear today, an increasing number of U.S.-designated foreign terrorist organizations are involved in drug trafficking. As investigator Doug Farah testified last month, "growing ties between transnational organized crime from multiple regions, and terrorist organizations, are morphing into something new, which represents unprecedented dangers" for our country.

Whether it is the Russian mafia, FARC, Chinese Triads, Zetas, AQIM, Hezbollah, Qods Force or al-Shabaab – many of these disparate groups may be connected through "super fixers" or "shadow facilitators." These are the individuals or groups that provide the weapons, sophisticated document forgeries and money laundering facilities. They work for both terrorists and drug cartels.

One premier "super fixer" was Viktor Bout, who supplied weapons to insurgents, militias, and terrorists. Bout was brought down by DEA agents in 2008 for conspiring to supply weapons to the FARC, a designated terrorist group. After a long saga, Bout was extradited from Thailand to the U.S., and this month was found guilty of all charges against him.

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Mr. ROYCE. I will now turn to Ranking Member Sherman for his opening statement.

Mr. SHERMAN. I wonder how long we have until——

Mr. ROYCE. You have got 5 minutes, and you are faster than me, so I think we are well suited here.

Mr. SHERMAN. I am more long-winded than you are.

I want to thank the chairman for holding these important hearings. This hearing follows the subcommittee's hearing on October 12th on the same topic, and that hearing had private witnesses.

Narcoterrorism, where drug profits fuel terrorism, where drug dealers adopt terrorist tactics in order to further their own ends, has destabilized several countries of vital interest to the United States. As one of the witnesses at the last hearing mentioned, whether you want to smuggle foreign nationals to enter the U.S. illegally, move AK-47s to a terrorist group, or move cocaine, a trafficker often passes through the same shadowy routes. The lines between terrorism and narcotrafficking have faded in many parts of the world.

In our last hearing our witnesses had a number of recommendations for dealing with this growing threat, including expanding the DEA's confidential informant program in light of the failed Iranian plot.

Frankly, I think we ought to go vote.

Mr. ROYCE. Let me suggest that we recess and come back after the vote, and at that time we will reconvene. There are actually a total of three votes, so it will be a few minutes.

[Recess.]

Mr. ROYCE. Judge Poe, would you like to make an opening statement?

Mr. POE. Thank you, Mr. Chairman.

I appreciate you holding this hearing. If you can get to Mexico, you can get to the United States, so it makes sense that world terrorists want to use the drug cartels, who are the absolute best smugglers into the United States, to get into our country.

Drug cartels like the Zetas remind me of the old TV series *Paladin* with Richard Boone, and their motto is "have gun, will travel," and that, to me, is the Zetas. They will go anywhere, do anything for money, and they will use their weapons if they need to. If it means helping terrorists, I believe they are fine with that as long as they get paid.

Terrorists meanwhile are realizing just how profitable the drug trade is. Branches of al-Qaeda and the Taliban are thought to rely on the drug trade as a source of income, especially when other ways of raising money is dried up because of the heat the DEA and other organizations in the United States and other countries have put on them.

The point of all this is that the nexus between terrorists and drug cartels matters. We need to have a strategy, we need to know exactly what they are doing together, because they are outlaws in cahoots with each other.

I believe strategy should include using the tools we have to fight terrorists to also bring down the drug cartels. To me, I think we should strongly consider, and I would like the witness to weigh in

on this, on his opinion, whether or not we should put the Zetas and other specific drug cartels on the foreign terrorist organization list.

I also believe we need to use more equipment. And we now have ready, available equipment coming from Iraq. Over 2 million pieces of equipment are coming back to the United States. If some of that can be used on the southern border of the United States either with Federal officials or State and local officials, such as Humvees, night surveillance equipment, UAVs, then we have, I think, an opportunity to send that equipment to the border to help fight the drug cartels and the terrorists. I have introduced legislation to do just that, and I would like the witness' opinion on that as well.

I thank you, Mr. Chairman. I will yield back the remainder of my time.

Mr. ROYCE. Thank you.

Mr. Sherman.

Mr. SHERMAN. Thank you.

As I said earlier in our last hearing, our witnesses had a number of recommendations for dealing with this threat, including the DEA's confidential informant program in light of the foiled Iranian plot, breaking down the barriers separating counternarcotics and counterterrorism in our Government, and responding to the new reality that the lines that once separated organized crime from political terrorism, those lines seem to be fading.

As we learned the day before, part I of these hearings, U.S. law enforcement officials uncovered the "guns for hire" plot of the Iranian Government to kill the Saudi Ambassador on American soil. The suspect is now facing trial in Manhattan.

Our witnesses from the first hearing believe that this bold new plot by Iran to commit terrorism on American soil with the help of a Mexican drug cartel signals a new tactic for state sponsors of terrorism. But more importantly, we need to press again and again, as I have said for 15 years, to take the maximum possible actions to sanction Tehran for its sponsorship of terrorism and, of course, its efforts to develop a nuclear weapon. We need both stronger enforcement of existing laws and a new, tougher law designed to not only cripple the Iran Revolutionary Guard Corps, but to threaten regime survival. The committee took an important step in that direction when it marked up the Iran Threat Reduction Act on November 2nd and voted in favor of it overwhelmingly, I believe, without objection.

We know that drug production and drug trafficking is a source of income for terrorist groups from Colombia to Lebanon to Afghanistan. The FARC taxes local cocaine production to finance its guerrilla war against the Colombian Government. The Taliban taxes local opium farmers to finance its war against our troops in Afghanistan. While Hezbollah was long dependent on Iran for financing in recent years, it has developed other sources of income, including drug trafficking.

In February of this year, the Treasury Department designated the Lebanese Canadian Bank, Lebanon's eighth largest bank, as a primary money-laundering concern under the PATRIOT Act. Our Government found that Hezbollah operatives were laundering \$200 million per month in drug money. Bank managers were found to be complicit in the activities and immediately were linked to

Hezbollah officials inside and outside Lebanon, including Hezbollah officials in Iran.

Iran and Hezbollah have steadily increased their influence in Latin America since the brutal bombings at the Israeli Embassy in Buenos Aires in 1992 and the Argentine-Israeli Mutual Association in 1994. All across Latin America, from Argentina to Mexico, Iranian and Iranian-backed Hezbollah activities are reportedly forming a nexus with—or their activists are forming a nexus with drug-traffic organizations.

Finally as to Afghanistan, Afghanistan continues to be the source of the vast majority of the world's opium. The DEA has significantly boosted its enforcement activities in Afghanistan. The agency is increasingly involved in not only drug interdiction operations, but also financial investigations to track how drug proceeds are used to finance the Taliban. Several DEA officers who have been embedded in military units have lost their lives in the service of our country.

One witness that I will preview—one question I will preview for the witness is should we spray the poppy fields in Afghanistan? This question needs to be looked at from three areas, and I realize our witness is more inclined to and more qualified to deal with only one. The first of these perspectives is what effect would that have on the streets of America, where another form of terrorism affects us every day, and that is the tremendous harm to our cities done by the selling of heroin? The second issue is what are the pluses and minuses that that would have for our activities in Afghanistan? We would be closing down a source of income for our enemies; at the same time we would be making America considerably less popular among many Afghans. And then finally, and I believe more important than its effect in Afghanistan, what effect would this have on Pakistan?

I have said in this committee—before this committee more than once. Many think Pakistan is important because it is next to Afghanistan. I think Afghanistan is important because it is next to Pakistan. So our witness will address how our Government is responding to the fading lines between terrorism, narcotic traffickers and other criminal organizations, and what role we in Congress should play, and I look forward to the witness' testimony.

Mr. ROYCE. Thank you, Mr. Sherman.

Mr. Duncan of South Carolina, do you have an opening statement?

Mr. DUNCAN. No.

Mr. ROYCE. Okay. Very good sir.

We will go now to Mr. Maltz, our witness. He is Special Agent in Charge of Drug Enforcement Administration's Special Operations Division. What do you call that, SOD?

Mr. MALTZ. Yes, sir.

Mr. ROYCE. Mr. Maltz began his career with the DEA in 1986. He has had a variety of positions in the agency, winning numerous awards for his accomplishments. And in 2005, he was Special Agent in Charge, where he manages a staff of 300 personnel, and they have 20 different government agencies there basically interlocking through your leadership. And this multiagency center uses sophisticated technology and intelligence resources to target

narcoterrorism organizations. He serves as the DEA's lead spokesperson on merging technology and is the central link between the DEA and the Intelligence Community.

Without objection, we are going to put your entire statement in the record, Mr. Maltz, but I would ask you if you could summarize your testimony and just give us 5 minutes here, and then we will get into our questions. Thank you very much, sir.

**STATEMENT OF MR. DEREK S. MALTZ, SPECIAL AGENT IN CHARGE, SPECIAL OPERATIONS DIVISION, DRUG ENFORCEMENT ADMINISTRATION, U.S. DEPARTMENT OF JUSTICE**

Mr. MALTZ. Distinguished members of the subcommittee, on behalf of the Drug Enforcement Administration, I would like to thank you for this opportunity today to talk to you about the ties between drug trafficking and terrorism. I would also like to thank Chairman Royce and this committee for your tremendous support to DEA to address this threat, specifically your leadership in fully engaging in the issues that we faced during a very difficult extradition process of Viktor Bout. I am proud to say that this notorious arms trafficker that was causing havoc around the world, after a successful trial in the Southern District of New York, is no longer going to be a threat to the public. It took less than 6 hours for the jury to deliberate and find Mr. Bout guilty on all charges. The U.S. justice system prevailed.

As the agent in charge of the Special Operations Division since 2005, I have had the privilege of working with numerous law enforcement agencies around the world, the Intelligence Community and the Department of Defense. I have witnessed the amazing results that we can accomplish when we share our intelligence and we coordinate our efforts against the common enemies.

SOD is a multiagency center that coordinates and deconflicts investigations around the world. SOD personnel, regardless of the agency, focus on connecting the dots of these criminal networks, pooling the resources of all the participating agencies to maximize the U.S. Government's efforts to disrupt the criminal networks.

In response to the September 11th attacks on America, the Department of Justice, the DEA and the FBI established a Counter-Narcoterrorism Operations Center at SOD. That center is responsible for coordinating all the narcoterrorism investigations of the DEA and works closely with the FBI and the National Joint Terrorism Task Force to pass any DEA information around the world on terrorist activity timely.

Over the years clearly the nexus between drug trafficking and terrorism has grown. The recent example of the plotted assassination attempt on the Saudi Arabian Ambassador in the U.S. illustrates the extent to which terrorists will align themselves with drug traffickers to achieve their goals. In this case the Iranian Qods Force operative approached an individual to carry out the assassination. He thought the person was a member of the Mexican drug cartels. Fortunately for all of us, the individual he approached was a DEA informant, and the plot was thwarted.

The American people expect the government to cooperate on these types of investigations, and that is exactly what the DEA and the FBI did. In addition to the coordination with our fellow domes-

tic enforcement agencies, our global partnerships are critical as we battle these threats around the world.

DEA has one of the largest law enforcement presence overseas, 83 offices in 62 countries, and works closely with our host counterparts daily. Because of these relationships DEA is extremely well positioned to go after the global threats. DEA also has a vast worldwide confidential source network; a robust judicial telephone intercept program; and talented and dedicated personnel that have the passion, the heart, the desire to pursue this critically important and often dangerous mission.

Due to the immediate and dire consequences of international narcoterrorism, DEA cannot take a reactive approach to this threat. Only proactive investigative action can protect the lives and property of the innocent victims. To accomplish this the walls between counterterrorism and counternarcotics or criminal investigations must come down. This is critical for our safety and the security.

Drug proceeds in the billions are funding terrorist activity around the world. By combining the expertise of multiple U.S. Government agencies, we are able to utilize all tools in the toolbox. For example, earlier this year we joined with the Treasury Department and DEA and announced the identification of the Lebanese Canadian Bank and all its subsidiaries as a financial institution of primary concern on section 311 of the U.S. PATRIOT Act. The organization was moving multiton quantities of cocaine into West Africa and North Africa up into Europe, into the Middle East, laundering hundreds of millions of dollars monthly through the Lebanese Canadian Bank. This action also exposed Hezbollah's links to Lebanese Canadian Bank and the international narcotics-trafficking and money-laundering network. This was the first time a 311 action in this manner was done in conjunction with law enforcement on a drug case, and I thank the Treasury Department for their work in this case.

DEA has been extremely successful in attacking numerous criminal organizations here in the United States, seized assets of approximately \$3 billion in cash over the last 5 years and over \$5 billion in assets domestically here in the United States.

As state-sponsored terrorism is declining, terrorism fueled by drug trafficking is on the rise. Criminals are operating at full speed in their efforts to do us harm, and we must act with greater speed to stop them. Though law enforcement and the Intelligence Community has come a long way in sharing information and working jointly, there is still more work to be done to accomplish our shared goal, which is to protect this country and go against all those who want to do us harm.

In the words of President Obama, "Terrorists increasingly are turning to crime and criminal networks for funding." For example, this week a Malian citizen pled guilty in the Southern District of New York on one of DEA's cases for his role as a conspirator to provide material support to terrorists. He agreed to transfer cocaine throughout Africa into northern Africa, into Europe, with the intention to support al-Qaeda, AQIM and the FARC. Al-Qaeda is clearly looking for additional funding streams.

The Special Operations Division has established itself as a multi-agency law enforcement center that can immediately deconflict investigative information, coordinate operations and mitigate threats through its multiagency resources and global capabilities. We have numerous successes behind us and will remain focused on the emerging threats that we face in this country.

Thank you for your opportunity to appear today to discuss this important topic. I am happy to answer any questions that you may have.

[The prepared statement of Mr. Maltz follows:]



# Department of Justice

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STATEMENT OF

DEREK S. MALTZ  
SPECIAL AGENT IN CHARGE OF THE  
SPECIAL OPERATIONS DIVISION  
DRUG ENFORCEMENT ADMINISTRATION

BEFORE THE

SUBCOMMITTEE ON TERRORISM, NONPROLIFERATION, AND TRADE  
COMMITTEE ON FOREIGN AFFAIRS  
UNITED STATES HOUSE OF REPRESENTATIVES

ENTITLED

"NARCOTERRORISM AND THE LONG REACH OF U.S. LAW ENFORCEMENT, PART II"

NOVEMBER 17, 2011

**STATEMENT FOR THE RECORD OF  
DEREK S. MALTZ  
SPECIAL AGENT IN CHARGE OF THE  
SPECIAL OPERATIONS DIVISION  
DRUG ENFORCEMENT ADMINISTRATION**

**SUBCOMMITTEE ON TERRORISM, NONPROLIFERATION, AND TRADE  
COMMITTEE ON FOREIGN AFFAIRS  
UNITED STATES HOUSE OF REPRESENTATIVES**

**“NARCOTERRORISM AND THE LONG REACH OF U.S. LAW ENFORCEMENT,  
PART II”  
NOVEMBER 17, 2011**

**INTRODUCTION**

Chairman Royce, Ranking Member Sherman and distinguished Members of the Subcommittee: On behalf of the Drug Enforcement Administration (DEA) and Administrator Leonhart, I would like to thank you for this opportunity to speak with you today regarding the ties between drug trafficking and narcoterrorism, and the actions DEA is taking with our law enforcement partners to disrupt and dismantle these criminal organizations that threaten our citizens, and our U.S. personnel and interests abroad.

I would also like to thank you for the continued support you provide DEA in our efforts to address these threats. As the Special Agent in Charge of the Special Operations Division (SOD) since 2005, I have had the privilege of working with numerous local, state, federal and international law enforcement agencies that participate at SOD, and have witnessed the amazing results that can happen when law enforcement, both our U.S. agencies and our foreign counterparts, share operational intelligence and coordinate efforts against our common enemies.

**BACKGROUND**

As pernicious and threatening as the consequences of transnational narcotics trafficking are, the immediate impact of international narcoterrorism crimes fall into an especially grievous category, since the objective of these crimes goes well beyond the mere accumulation of illegal revenues. In the case of international narcoterrorism crimes, the illegal proceeds are used to corrupt government officials, undermine institutions, and fuel and facilitate terrorism -- direct, violent, and often deadly attacks on peace keepers, diplomats, government officials and, frequently, innocent civilians. Due to the immediate and dire consequences of international narcoterrorism crimes, DEA does not have the luxury of adopting a reactive response to this existing criminal threat. Rather, in the case of international narcoterrorism crimes, only a proactive investigative response can protect the lives and property of innocent victims while simultaneously addressing the threat posed to national security.

DEA is mandated to conduct investigations into violations of Title 21 of the United States Code and as such does not investigate purely terrorism-related offenses. That being said, the nexus between drug trafficking and terrorism is well established.



The most recent example of the alleged assassination plot of the Saudi Arabian Ambassador to the U.S. illustrates the extent to which terrorist organizations will align themselves with other criminals to achieve their goals. In this case, it is alleged that Manssor Arbabsiar approached someone he believed to be a member of an extremely violent Mexican drug trafficking organization. Arbabsiar approached this individual because he believed that people in the narcotics business are willing to undertake criminal activity in exchange for money. Luckily, the individual who was allegedly approached was a DEA informant and the plot was thwarted. The example also illustrates the power of U.S. law enforcement and the Intelligence Community to work closely together and share information in a timely manner. The American people expect this from their government, and this is exactly what DEA and the Federal Bureau of Investigation (FBI) did. The success of this operation was not only based on DEA's identification of the international terror threat and subsequent cooperation with the FBI, but also on DEA's unique expertise and ability to direct complex international narcotics undercover operations.

Recognizing the dangerous mix between terrorism and drugs, the U.S. Congress provided federal law enforcement with an effective statutory tool to address international narcoterrorism in the form of 21 U.S.C. § 960a. Section 960a makes it a violation of U.S. law, with enhanced criminal penalties, to engage in narcotics related crimes anywhere in the world knowing or intending that something of value will be provided to support a terrorist act or terrorist organization. DEA, working closely with federal prosecutors, has utilized this statute, in concert with other law enforcement tools, to identify, investigate, indict, and incarcerate some of the most treacherous narco-terror and transnational criminal groups around the globe. Since 2008, several individuals have been convicted on 960a charges, while others have been indicted and are pending trial. For example, on May 15, 2008, Khan Mohammed, an Afghan national, was convicted in the U.S. District Court for the District of Columbia on charges in violation of 21 U.S.C. 959 and 21 U.S.C. 960a. This was the first conviction in U.S. federal court of narcoterrorism since the statute was enacted in March 2006. During the investigation, Mohammed expressed a willingness to conduct jihad and a desire to "kill the infidels" utilizing proceeds from opium trafficking. It was revealed that Mohammed previously engaged in terrorist rocket attacks against Afghan government targets, and was also identified as the Taliban's operations coordinator for the Chaprahar District, Nangarhar Province, Afghanistan.

The nexus between drug trafficking and terrorism has been recognized by federal prosecutors as well. DEA has brought several of our narcoterrorism cases to the U.S. Attorney's Office for the Southern District of New York for prosecution, and over time it has become abundantly clear that there is a real connection between drug cases and terrorism investigations. The U.S. Attorney's Office in the Southern District of New York created a combined Terrorism and International Narcotics Unit to target and prosecute global transnational threats. The U.S. Attorney's Office for the Eastern District of Virginia has also similarly restructured their office to combine units for maximum impact.

DEA's core principle is to secure our nation and protect our citizens, and we do that by having an intelligence, threat-driven, integrated focus. Criminal networks are generating large amounts of money through drugs and are using these proceeds to fuel violent attacks against Americans

and our allies. DEA, and all entities that are responsible for protecting U.S. citizens, must stay focused on this critical mission.

#### **DEA'S GLOBAL REACH**

Although DEA works tirelessly every day to target the criminal cells within the U.S. that traffic the illicit drugs that are killing our children and destroying families, I want to also stress our efforts to disrupt and dismantle the command and control elements that are the driving forces behind these organizations--elements that operate beyond our borders. DEA leverages our global network of resources, and is able to access these targets on their turf, often in their own countries, and in many cases, bring them to the U.S. to face justice.

Currently, DEA has conclusively linked about 39% (19 of 49) of the State Department designated Foreign Terrorist Organizations (FTOs) as having confirmed links to the drug trade. Recent investigations and emerging trends indicate an increasing number of FTOs are involved in drug trafficking. The reason is clear: drug trafficking is the most lucrative criminal enterprise in the world. The United Nations Office of Drug Control (UNODC) Drug Report estimates that narcotics generate approximately \$320 to \$350 billion annually. Recently UNODC reports that in 2009 organized crime world-wide may have laundered around \$1.6 trillion, of which approximately one-fifth of the amount is being generated from illicit narcotics. This sum represents approximately 2.7% of the global gross domestic product. While terrorist organizations frequently cite ideological or religious beliefs as the motivation to recruit followers and gain power, they also become entrenched in criminal activity to support their efforts. This activity includes drug trafficking, money laundering, bribery/ corruption of government officials, weapons trafficking, cybercrime, and many other illegal activities.

DEA is the single point of contact for U.S. drug related matters in the foreign environment. We are extremely proud of our close, cooperative relationships with State and Local law enforcement, as well as our Federal counterparts. I would also like to highlight another critical aspect to our success—our outstanding relationships with our law enforcement counterparts overseas. DEA has the largest federal criminal law enforcement presence overseas, with 83 offices in 62 countries, and works closely with host governments in assessing drug threats, gathering drug-related intelligence, and targeting major drug trafficking organizations. DEA understands the importance of establishing relationships of trust with host nation governments in order to accomplish DEA's mission, and it is through these collaborative relationships that we have been able to disrupt and dismantle the organizations that profit from the global drug trade and that use those profits to fuel terrorist activity.

In addition to our overseas presence and relationships with our foreign counterparts, DEA has a vast world-wide human/confidential source network, a robust judicial intercept program, and talented and dedicated personnel that have the heart and drive to pursue this critically important and often dangerous mission. For these reasons, DEA is extremely well positioned to act quickly, effectively, and proactively to reach beyond our U.S. borders to identify, investigate, indict, and incarcerate those that threaten the safety and interests of our country's citizens. These critical resources are magnified exponentially when there is close coordination and open sharing of counternarcotics and counterterrorism intelligence, among law enforcement agencies and the

Intelligence Community. This synergistic relationship is one of the reasons SOD was established in 1994.

Recognizing the benefits of interagency cooperation and intelligence sharing, DEA officially established SOD, a multi-agency center, which utilizes sophisticated technology and investigative intelligence resources of its participating law enforcement and intelligence agencies to target the command and control communications of major drug trafficking organizations. Since 1994, the participating partner agencies at SOD have increased dramatically- from just four initially, to over twenty<sup>1</sup> today, because of the changing threats to this country and the growing awareness that leveraging our collective expertise and resources can dramatically increase our success in combating our nation's threats. As the threats have evolved, we collectively have evolved and have expanded our focus.

In response to the September 11<sup>th</sup> terrorist attacks, DEA established the Counter-Narcoterrorism Operations Center (CNTOC) within SOD. The CNTOC is a multi-agency section with the primary mission of coordinating all DEA investigations and intelligence related to narcoterrorism and money laundering linked to terrorist organizations by sharing intelligence with our domestic and foreign offices. The CNTOC is DEA's single point of contact for all terrorism information generated from DEA's global operations and capabilities. When DEA receives non-drug related terrorism leads, CNTOC coordinates and disseminates that information with the FBI and other relevant United States Government (USG) agencies that hold primary investigative responsibility for that information.

Within SOD, DEA has also established two field enforcement groups that investigate narco-trafficking and narcoterrorism activities. This allows us to focus investigative resources on the criminal organizations with the greatest potential impact on U.S. national security interests. Since being established, these groups have worked in close coordination with DEA domestic and foreign field offices and law enforcement counterparts to indict numerous Consolidated Priority Organization Targets (CPOTs). CPOTs are the command and control elements of major international drug trafficking organizations and/or money laundering enterprises that significantly impact the United States drug supply.

This structure has resulted in several notable successes, most recently the bringing to justice of several terrorism targets, including arms trafficker Monzer Al Kassar and Viktor Bout. Other notable successes include Haji Juma Khan, who was reputedly Afghanistan's biggest drug kingpin with ties to the Taliban and the leader of one of the largest drug trafficking organizations in the Central Asia region,<sup>2</sup> Haji Bagcho, an Afghan heroin kingpin who was one of the first defendants ever extradited to the United States from Afghanistan,<sup>3</sup> and Khan Mohammed, who intended to ship heroin to the United States and use profits from that trade to assist the Taliban.

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<sup>1</sup> DEA, CIA, FBI, ICE, IRS, NDIC, USMS, SOCA, DIA, JIATF-S, ATF, SOCOM, JIATF-W, USPI, CBP, SOUTHCOM, NORTHCOM, DOJ/NDIS, FDA, State, DSS, USSS, IC, and Treasury.

<sup>2</sup> <http://www.justice.gov/dea/pubs/pressrel/pr102408.html>

<sup>3</sup> <http://www.justice.gov/dea/pubs/pressrel/pr062909.html>

A dangerous double threat, Khan Mohammed would use the profits to purchase rockets to attack American and coalition soldiers who were risking their lives to stabilize Afghanistan.<sup>4</sup>

*Monzer Al Kassar*

Syrian national Monzer Al Kassar was one of the world's most significant and notorious criminals, participating in or supporting terrorist acts spanning decades. Al Kassar, also known as "The Prince of Marbella," amassed considerable wealth from his drugs and arms trafficking activities while living opulently in Marbella, Spain. Kassar is believed to have supplied weapons to the terrorists that hijacked the Achille Lauro in October 1985. During the hijacking, the terrorists killed Leon Klinghoffer, a wheelchair-bound U.S. citizen.

Kassar was arrested in June 2007 by Spanish authorities, pursuant to a U.S. request for his arrest for purposes of extradition. Kassar was indicted in the Southern District of New York for conspiring to sell a multi-million dollar amount of weapons to the Revolutionary Armed Forces of Colombia (FARC)—weapons that would be used to kill Americans in Colombia. The arrest shattered the myth that Al Kassar was untouchable and neutralized an international munitions empire that armed and funded insurgents and terrorists across the globe.

Kassar was extradited to the United States in June 2008, and was later convicted and sentenced to 30 years' incarceration. This operation exemplifies what DEA does best: maximizing our limited resources while working closely with foreign counterparts and leveraging our vast array of confidential sources to infiltrate the highest levels of the world's most significant and notorious criminal organizations. DEA and the Attorney's Office for the Southern District of New York were publicly recognized by Leon Klinghoffer's daughters for our efforts to bring Kassari to the U.S. to face justice for his crimes.<sup>5</sup>

*Viktor Bout*

Just this month, DEA and the prosecutorial team from the United States Attorney's Office in the Southern District of New York have brought another notorious criminal to justice. Russian national Viktor Anatolyevich Bout, known as the "Merchant of Death," was one of the world's most prolific arms traffickers. Before embarking on a career as an international arms dealer, Bout was a Soviet military officer, retiring in 1993 following the collapse of the Soviet Union. Bout was arrested in March 2008 by Thai authorities pursuant to a U.S. request for extradition, for various Title 18 violations to include "Conspiracy to Provide Material Support or Resources to a Foreign Terrorist Organization." Bout was extradited on November 16, 2010 and his trial commenced on October 17, 2011. On November 2, 2011, Bout was found guilty on all charges, and faces a minimum mandatory sentence of twenty-five years to life imprisonment.<sup>6</sup>

*Operation Relentless*

In 2010, DEA conducted a highly sensitive undercover operation in Monrovia, Liberia. In an unusual and dramatic sting operation, the son of the Liberian President, who is the Director of the West African nation's National Security Agency and one of Liberia's highest officials, donned a wire and pretended to accept bribes to ensure safe passage of \$100 million worth of

<sup>4</sup> <http://www.justice.gov/dea/pubs/pressrel/pr052008.html>

<sup>5</sup> <http://www.justice.gov/dea/pubs/states/newsrel/2009/nyc022509.html>

<sup>6</sup> <http://www.justice.gov/dea/pubs/states/newsrel/2011/nyc110311.html>

drugs into Liberia from cocaine trafficking networks in Venezuela and Colombia. Through working with our counterparts in Colombia, DEA had identified the source of the cocaine to be the FARC.

The unprecedented cooperation from the Liberian counterparts, to include complete support from the President of Liberia, the Liberian Minister of Defense, DEA Lagos Country Office and the U.S. Embassy in Monrovia allowed this operation to take shape and led to the arrest of several defendants. This case was the first time in more than 30 years that the Liberian government had expelled defendants to the United States on narcotics charges. Earlier this year, the defendants were tried and convicted in federal court in the Southern District of New York.<sup>7</sup>

In order to disrupt and dismantle these organizations, DEA utilizes a two-pronged approach: investigate the drug trafficking, while simultaneously conducting a parallel financial investigation into the organization's assets. I would like to highlight one investigation that demonstrates the importance of crippling the financial infrastructure of these organizations, and how this can have a devastating impact on their operations. This is also another example of how agencies working together, utilizing their unique expertise, can produce outstanding results in these complex, global investigations.

On February 10, 2011, the Department of the Treasury and DEA announced the identification of The Lebanese Canadian Bank (LCB) SAL together with its subsidiaries as a financial institution of primary money laundering concern under Section 311 of the USA PATRIOT Act (Section 311) for the bank's role in facilitating the money laundering activities of the Ayman Jouma international narcotics trafficking and money laundering network, which was targeted for economic sanctions by the Department of the Treasury under the Foreign Narcotics Kingpin Designation Act on January 26, 2011. This network moves illegal drugs from South America to Europe and the Middle East via West Africa and launders hundreds of millions of dollars monthly through accounts held at LCB, as well as through trade-based money laundering involving consumer goods throughout the world, including through used car dealerships in the United States. We have reason to believe that LCB managers are complicit in the network's money laundering activities. This action also exposed Hezbollah's links to LCB and the international narcotics trafficking and money laundering network. This was the first time a 311 action in this manner was done in conjunction with law enforcement on a drug case. In practical terms, Section 311, where appropriate, enables the Treasury Department to cut off foreign financial institutions from the U.S. financial system on the grounds that they facilitate transnational organized crime or other illicit activity. Essentially, this action has shut down the LCB and has disrupted the flow of Hezbollah related drug trafficking proceeds and other funds.

#### SUMMARY

As drug trafficking organizations and terrorist organizations become increasingly intertwined in mutually profitable relationships, it is more important than ever for law enforcement and the intelligence community to tear down the walls compartmentalizing "counter-terrorism" investigative information from "counter-narcotics" investigative information. When viewed separately, counter-terrorism and counter-narcotics information may appear as unrelated, seemingly random dots on a page. However, when viewed together, a different picture may

<sup>7</sup> <http://www.justice.gov/dea/pubs/states/newsrel/2010/nyc060110.html>

emerge, and the information could be quickly de-conflicted and overlaps could be easily identified. The most efficient and effective way to “connect the dots” is the open sharing of intelligence among law enforcement and the Intelligence Community. Though we have come a long way in sharing information and working jointly on investigations, there is still more to be done to fully coordinate, identify overlaps, and leverage our varying expertise to accomplish our shared goal—to protect our country from those that would do us harm. In order to truly maximize the U.S. Government’s efforts on those who threaten our country’s security, law enforcement must combine efforts, and fully coordinate and share intelligence. In the words of President Obama, “Terrorists increasingly turn to crime and criminal networks for funding... Combating the lethal nexus of transnational crime, drug trafficking, and terrorism requires a multilateral approach.”<sup>8</sup> SOD has established itself as a law enforcement center that can immediately de-conflict investigative information, coordinate operations by connecting the dots, and mitigate threats through its multi-agency resources and global capabilities – and we have numerous successes behind us exemplifying the results that can be attained through multi-agency cooperation. With over twenty participating agencies, proven de-confliction mechanisms, and classified programs for exploiting investigative information, SOD is uniquely positioned for coordination and maximization of law enforcement resources to address narcoterrorism.

Thank you for the opportunity to appear before you today to discuss these important issues. I will be happy to answer any questions you may have.

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<sup>8</sup> April 28, 2011 letter from President Barack Obama to attendees of the Trans-Atlantic Symposium on Dismantling Transnational Illicit Networks

Mr. ROYCE. I appreciate very much you coming down and testifying today, Mr. Maltz. First let me congratulate the DEA on its operation against the "Merchant of Death," as he was known in Africa, Viktor Bout, the international arms trafficker. That was superlative work.

The operative in charge of that operation made an observation, a former colleague of yours. He said, what in God's name do we do when a terrorist organization has the ability to collaborate with a Mexican drug cartel? Now we are getting to that point where we are beginning to see exactly that happen.

We had Jameel Nasr arrested in Tijuana, a Mexican national with family ties to Lebanon attempting to set up a Hezbollah network in Mexico. You referenced another case. The sophistication of the explosives used by Mexican cartels that have been picked up, some of that has been learned from sources from the Middle East. I have been in some of those tunnels. You saw in the paper, I think yesterday, another massive tunnel operation linking Tijuana to San Diego, and as you go down there, these are the types of state-of-the-art tunneling operations that you also see on the Lebanon border, and Hezbollah has an influence with because of their tunneling capabilities.

The ability to exchange expertise between drug traffickers and those who are involved in that kind of opportunity, it really sets up an interesting dynamic. And I wanted to ask you, how concerned are you about the possibility of this terrorist-cartel nexus?

Mr. MALTZ. Well, sir, I am very concerned. I have three children, and, like all of us, we are looking out for the best interests of the United States. Mexican drug cartels are extremely violent. There has been over 40,000 folks killed in Mexico since 2006. I remain very concerned.

We have seen the growing nexus between these Middle Eastern terrorist organizations and different criminal organizations around the world. As you know, we have linked 19 out of 49—we have linked 19 out of 49 designated foreign terrorist organizations to be connected with drug trafficking. So we remain—we share your concern. We remain vigilant, working jointly with the Mexicans. We have not seen any connection to tunnels in Mexico coming into the United States, but obviously we remain focused on that, and we share your concern.

Mr. ROYCE. I appreciate that.

Another case I was going to ask you about is this North Korean case with the drug trafficking—150 kilos of pure heroin—not too long ago produced in North Korea. This is one of their exports. They do pretty well with counterfeit \$100 bills, with missile exports, and with heroin and with meth. This is one of their sources of hard currency. So we did break up the operation there, I guess, on the way to Australia's shores for distribution by organized triads that operate in that part of the world.

But are you targeting North Korean drug activity now? Has the State Department been asking you to make this a priority or not?

Mr. MALTZ. Sir, I have not had any conversation with the State Department on the North Korea drug situation. We have agents around the world. We have had information in the past about drug

trafficking in North Korea, but we would have to get back to you on more details.

Mr. ROYCE. Here is what I am interested in. When the Illicit Activities Initiative was at its height, we were really trying to move on the counterfeiting over there and the other sources of hard currency that assist the regime because they are able to continue their weapons program because of the hard currency they get overseas, they don't really have any domestic capability of paying for the gyroscopes that they buy on the black market and so forth, they need hard currency to do this. So a special coordinator was tasking agencies like the DEA, ATF, FBI, Secret Service, who tackle the counterfeiting part of this. All of those were supposed to work in tandem to squeeze North Korea on this illicit activity front. I wonder if that has sort of fallen off the radar a little bit.

I bring it up because there are very real benefits to getting a handle on their ability to use this kind of criminal enterprise for the hard currency. You got to shut off the spigot, and this is one way to do it. So I will bring that up to you.

Let me ask you about North and West Africa as well. You are spread pretty thin in Africa. And one of the questions I have is West Africa in particular is a center of operations for an awful lot of drug smuggling. It is expanding very, very rapidly; Guinea-Bissau, Senegal, these areas are now covered by the DEA from your Paris office rather than on the ground. I was going to ask if that hampers your operations out there at all and your opinion on that.

Mr. MALTZ. Well, clearly we have seen increases of cocaine flowing out of South America into West Africa for distribution in Europe and the Middle East, so we are very concerned about that drug flow. Of course, we are working closely with counterparts throughout West Africa. We have had some significant success. As you may know, in Liberia and Ghana on some joint cases, we actually had the President of Liberia's son doing undercover work for the DEA in a joint operation when the Colombian traffickers were trying to corrupt officials in Liberia to stash cocaine in the multi ton quantities.

So we have had success. We are going to continue to do the best that we can with the personnel that we have on the ground in Africa and in Europe, but like anything else, you know you can always do better if you have more resources.

Mr. ROYCE. I appreciate that. And I do understand you are going to open up potentially an office in Kenya.

Mr. MALTZ. Yes.

Mr. ROYCE. I really hope we can get a focus, going back to my point on North Korea. And maybe you and I can circle around afterwards, but it has become a national security issue. This regime has nukes. It is trying to get the money to pay to miniaturize those nukes to put it on an ICBM. And while they are running their gulags over there and involved in their illicit activity, at times it is escaping the world's attention because of all the other problems out there. And you have got two teams to handle all of this. I hope we can beef up your resources at some point, but I also hope we can keep this on the radar. And we will talk later, Mr. Maltz.



We will go to Mr. Sherman.

Thanks for your good service to this country.

Mr. MALTZ. Thank you, sir.

Mr. SHERMAN. I second that comment. And, Mr. Maltz, I kind of previewed my questions.

Let us talk about the possibility of spraying the poppy fields in Afghanistan. Let us put aside the policy aspect, including the policy aspect of how that would affect public opinion in Afghanistan toward the United States, and let us just look at the technical biology here. If we really made an effort, could we significantly reduce the amount of opium produced in Afghanistan by spraying the crops?

Mr. MALTZ. Sir, I run an operational center for the DEA, and unfortunately I don't have the background to answer that question appropriately. Spraying, of course, is run by the State Department, and you know my concern is to go after the threats to the best of our ability as an investigating agency, and I really do not have the details to answer that question. I apologize for that.

Mr. SHERMAN. So you are not involved in trying to stamp out the production so much as to deal with the drug trafficking after the poppies have been produced?

Mr. MALTZ. Well, DEA, in working jointly with the Department of Defense, State Department and the Afghan National Police, are involved with going after the production of heroin in Afghanistan. We have had very significant successes just last month, in September, some of the largest seizures ever in production of heroin.

Mr. SHERMAN. If I can, I am focusing now on the poppy. The next phase, and more, perhaps, akin to what you do, is after it has been refined into heroin, or at least partially refined toward becoming heroin, then it becomes less of a "stamp out the crop" process and much more of a deal with the drug traffickers process. I gather from your answer that your focus tends to be on the heroin and the money rather than the poppy cultivation?

Mr. MALTZ. No. We are concerned about the poppy cultivation, but the State Department would have the oversight and the lead on spraying, whether that is advantageous. And we are going to continue to work with our partners in Afghanistan on the ground to go after the lab operators and the kingpin organizations to try to make a difference in that way.

Mr. SHERMAN. Focusing on the testimony we had from Michael Braun, he said at our first hearing on this subject that our missions are stifled by the distinct operational authorities and sources of funding, between those focused on counternarcotics and those focused on counterterrorism. Do you see advantages of combining our counterterrorism and counternarcotics capacities and operations?

Mr. MALTZ. Yeah. I mean, at SOD, like I said, we have the counterterrorism operation, counter-narcoterrorism operations center. And we work with the FBI's counterterrorism, we work with the CIA and all the other agencies involved with counterterrorism, and we are working jointly on these operations. The case with the assassination attempt, clearly that was a seamless operation between DEA and FBI, exactly what the public would expect.

So there is a big advantage because criminals turn—I mean, terrorists are turning to criminal networks for funding, so you have

to look at it as one network of bad guys around the world that are looking to do this country harm. You cannot separate out—

Mr. SHERMAN. So you don't think that there are bureaucratic, stovepiping or barriers that prevent good coordination and communication between those who, like yourself, are involved in counternarcotics and those who are focused on counterterrorism?

Mr. MALTZ. Sir, I worked in the Special Operations Division prior to 9/11, and I have been at the SOD operation now for over 6 years, and I can say that the cooperation is continually getting better. There is always going to be stovepiping because it is a personality situation depending on where you are working in the world.

Mr. SHERMAN. If I can interrupt to try to squeeze in one more question. Those engaged in counterterrorism have to focus not only on how to hit the terrorists, but also on winning over the hearts and minds of those who might be terrorists or might be thinking of becoming terrorists. Those who are engaged in counternarcotics usually don't focus so much on the hearts and minds of the criminals involved. Is there a clash of approach between a law enforcement and anti—counternarcotics approach that focuses on nailing the bad guys and a counterterrorism approach that talks an awful lot about winning over the bad guys?

Mr. MALTZ. Well, all I can say is in our efforts, we are looking to prosecute the bad guys. We have approaches where we are looking to develop evidence, we are looking to work with whoever we can work with around the world, combine the resources to maximize your efforts. In counterterrorism operations a lot of times they may be looking to disrupt something that is going to happen, and they have to take action immediately, and, you know, collecting evidence may not be as important.

But to go back to your question, I think that there are some walls that need to come down, there are some stovepipes that need to come down, but the good news is we are making a lot of progress, and we hope to make more progress.

Mr. SHERMAN. Thank you.

Mr. ROYCE. Mr. Duncan.

Mr. DUNCAN. Thank you, Mr. Chairman.

And, Agent Maltz, thanks for being here. I just came back from Afghanistan and Iraq, and we met with some DEA agents over there. I understand the good work that is going on to eradicate some of the opium poppy fields and other things and turn those areas into food production and the work that DEA is doing there.

I want to focus on Iran and the threat in the Western Hemisphere. I notice in your testimony you say this: Luckily the individual who was allegedly approached was a DEA agent and informant, or a DEA informant, and the plot was thwarted. Many of us that have been following this issue for a long time—I have been in Congress since January—this issue of Iran and Qods Force; Hezbollah being involved with the Mexican drug cartel; and drug trafficking utilization of tunneling, a lot of the sophisticated tunnels we see are very similar to what you see in maybe Lebanon. The issue with Qurani and ties to Hezbollah are very, very clear. I think you guys got that. I don't think you are completely lucky. I think you had the right resources in place to be lucky. I would

rather be lucky than good any day, and that is an old saying, but I am glad you had those guys in place.

A lot of folks question me why Iran, why Hezbollah would be involved with the drug cartels. And I go back to the 1980 fatwa by Hezbollah that gives rationale to that, why they should engage in drug production and trafficking, and I am sure you are familiar with that.

But I want to bring your attention to H.R. 429. It is a resolution I have put forth that got bipartisan support, and hopefully we are going to get some movement on it. But it basically says that under the next counterterrorism strategy, that will include North America—excuse me, the Western Hemisphere in the area of focus, which I think was left out in the 2011 area of focus. I think it should be part of the next one.

And we need to constantly be aware of the fact that Iran opened six Embassies in the Western Hemisphere in the last 5 years that many folks have testified in front of our committees that see that possible lily pad effect of Hezbollah and the Qods Force using those Embassies and those relationships to leapfrog into threatening this country.

And so one thing that you said concerns me, and I want to ask you about the wall, the wall between the counterterrorism and counternarcotics that you mention, and the fact that it needs to come down, because that struck a cord with me, because the 9/11 Commission identified the wall that existed between government agencies that kept information from flowing that could have thwarted that attack. So if you could delve into that, the wall aspect that you mentioned, and what we can do as Congress to help eradicate that wall and have more information sharing.

Mr. MALTZ. Thank you.

Well, the good news is, as an example, the United States attorney in the Southern District of New York took unprecedented action, and he broke down those walls. In his prosecution—with his prosecution units in New York, there is no longer a drugs and a terrorism unit, it is one unit of very aggressive, very competent prosecutors that are going to work together to go after the threats. The U.S. attorney for the Eastern District of Virginia has done the same. He has restructured his units so he has the best prosecutors available to go after the biggest threats to the country.

So we are working on taking down these type of walls, and we have made a lot of progress, but I am concerned because there are different philosophies, different ways of looking at going after a terrorist organization, a drug organization—I don't know what happened to the sound.

Mr. DUNCAN. We can hear you.

Mr. MALTZ. So I am still concerned about the walls.

And I worked very hard on trying to convince others out there on the reasons we have to work very closely together. Bottom line is it is about the money. If a terrorist organization wants to carry out a terrorist act against this country, they need money, and drugs are generating billions of dollars around the world. So whether it is drug smuggling, alien smuggling, arms trafficking, the bad guys are going to generate money from criminal activity, and they are going to provide that money to terrorists.

So we have to continue to look at this issue as a problem of a criminal organization that wants to do harm to this country and just do the best we can to share information with everybody that has a role, all the law enforcement agencies and the Intelligence Community.

Mr. DUNCAN. Mr. Chairman, I yield back.

Mr. ROYCE. Let me thank Mr. Duncan, too. He has legislation that he has been working on in terms of Hezbollah's operations in our hemisphere, and his staff has been working with the committee staff on this legislation. We hope to move it, and we wanted to acknowledge that.

Mr. Maltz, in your circumstances is there anything else that you would like to share with us, you would like us to be pondering, you think we should be thinking about?

Mr. MALTZ. I am just very thankful of what this committee has done already, the fact that you engaged very heavily. And I read the letter that you wrote regarding the Bout extradition, and I just appreciate that, personally appreciate that, because we have done a lot of work in that investigation, and we were very happy at the results. But just the fact that we are having this hearing is appreciated by me.

Mr. ROYCE. I made several phone calls to people in more than one government.

Mr. MALTZ. I recognize that, sir.

Mr. ROYCE. But I know what you did as well. And I think it is a great message to the next arms trafficker, the fact that your team could go out there, reach out there, catch this individual who was about to escape justice, make sure he faced justice, bring him back to the Southern District of New York, charge him, convict him. It is impressive. It is very, very impressive, and I would say it has not gone unnoticed by others that are involved in this type of work out there. So if you can keep up that pace and remove somebody who has done as much damage and brought as much destruction and death as Viktor Bout, you have done something for world peace.

Mr. MALTZ. Thank you, Chairman. I mean, after we arrested Monzer Kassab, Mr. Untouchable, in Spain, and brought him to justice in the Southern District of New York, and were able to be recognized by the Klinghoffer daughters at a ceremony in New York that we never forgot the killer of their father, we appreciate your comments, and we are going to continue to conduct business just like we have been doing.

Mr. ROYCE. Thank you, sir. Thanks for your testimony today. And I thank the members of the subcommittee.

Mr. MALTZ. Thank you very much.

Mr. ROYCE. We stand adjourned.

[Whereupon, at 3:25 p.m., the subcommittee was adjourned.]

# A P P E N D I X



MATERIAL SUBMITTED FOR THE HEARING RECORD

**SUBCOMMITTEE HEARING NOTICE**  
**COMMITTEE ON FOREIGN AFFAIRS**  
*U.S. HOUSE OF REPRESENTATIVES*  
*WASHINGTON, D.C.*

**Subcommittee on Terrorism, Nonproliferation, and Trade**  
**Edward R. Royce (R-CA), Chairman**

November 10, 2011

You are respectfully requested to attend an OPEN hearing of the Subcommittee on Terrorism, Nonproliferation, and Trade, to be held in room **2200 of the Rayburn House Office Building (and available live, via the WEBCAST link on the Committee website at <http://www.hcfa.house.gov>)**:

**DATE:** Thursday, November 17, 2011

**TIME:** 2:00 p.m.

**SUBJECT:** Narcoterrorism and the Long Reach of U.S. Law Enforcement, Part II

**WITNESSES:** Mr. Derek S. Maltz  
Special Agent in Charge, Special Operations Division  
Drug Enforcement Administration  
U.S. Department of Justice

**By Direction of the Chairman**

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON Terrorism, Nonproliferation, and Trade HEARING

Day Thursday Date November 17, 2011 Room 2200

Starting Time 2:11pm Ending Time 3:26pm

Recesses  (2:18 to 2:49) ( ) to ( ) ( ) to ( ) ( ) to ( ) ( ) to ( )

Presiding Member(s)

*Rep. Ed Royce*

Check all of the following that apply:

Open Session

Electronically Recorded (taped)

Executive (closed) Session

Stenographic Record

Televised

TITLE OF HEARING:

*"Narcoterrorism and the Long Reach of U.S. Law Enforcement, Part II"*

SUBCOMMITTEE MEMBERS PRESENT:

*Reps. Royce, Sherman, Poe, and Duncan*

NON-SUBCOMMITTEE MEMBERS PRESENT: (Mark with an \* if they are not members of full committee.)

HEARING WITNESSES: Same as meeting notice attached? Yes  No   
(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: (List any statements submitted for the record.)

TIME SCHEDULED TO RECONVENE \_\_\_\_\_

or

TIME ADJOURNED \_\_\_\_\_

Subcommittee Staff Director

**Terrorism, Nonproliferation, and Trade Subcommittee**  
Member Attendance

**Republicans**

- Rep. Edward Royce (Chair)
- Rep. Ted Poe
- Rep. Jeff Duncan
- Rep. Bill Johnson
- Rep. Tim Griffin
- Rep. Ann Marie Buerkle
- Rep. Renee Ellmers

**Democrats**

- Rep. Brad Sherman (Ranking Member)
- Rep. David Cicilline
- Rep. Gerry Connolly
- Rep. Brian Higgins
- Rep. Allyson Schwartz