

The Triple Frontier Again: The terrorism nexus and what has changed in the Argentina, Brazil, and Paraguay borderland since 2001

A Tríplice Fronteira de novo: o nexo com o terrorismo e o que mudou na fronteira entre Argentina, Brasil e Paraguai desde 2001

MICAEL ALVINO DA SILVA¹

Abstract: The Triple Frontier between Argentina, Brazil, and Paraguay has been one of the most watched areas in the Western Hemisphere since the September 11 attacks in 2001. Security experts suspect that the region's large immigrant community is linked to funding terrorist organizations, especially Hezbollah. On September 21st, 2018, the imprisonment of the Lebanese Assad Ahmad Barakat on the Brazilian side of the border, placed the Triple Frontier in the focus of analysis on the region's nexus with terrorism again. At the same time, this has been an opportunity to update some of the important changes that have taken place in this borderland since 2001. Contemporary analysis should consider demographic growth throughout the region, the end of the “sacoleiro era” and the approval of anti-terrorism laws in Argentina, Brazil and Paraguay.

Keywords: Inter-American Relations, Terrorism, Triple Frontier.

Resumo: A Tríplice Fronteira entre Argentina, Brasil e Paraguai é uma das áreas mais vigiadas do Hemisfério Ocidental após os ataques de 11 de setembro de 2001. Especialistas em segurança suspeitam que a numerosa comunidade de imigrantes do Oriente Médio na região tenha ligação com o financiamento de organizações terroristas, especialmente o Hezbollah. Em 21 de setembro de 2018, a prisão do libanês Assad Ahmad Barakat do lado brasileiro da fronteira colocou a Tríplice Fronteira novamente no foco de análises sobre o nexo da região com o terrorismo. Ao mesmo tempo, é uma oportunidade para atualizar algumas informações sobre mudanças importantes que ocorreram naquela borderland desde 2001. A análise contemporânea deve considerar o aumento demográfico em toda a região, o fim da “era dos sacoleiros” e a aprovação de leis antiterroristas na Argentina, no Brasil e no Paraguai.

Palavras-chave: Relações Interamericanas, Terrorismo, Tríplice Fronteira.

Recebido em:
6 de Fevereiro de 2019

Received on:
February 6, 2019

Aceito em:
12 de Março de 2019

Accepted on:
March 12, 2019

DOI: 10.12957/rmi.2018.39969

¹Doutor em História Social pela Universidade de São Paulo (USP), Professor Adjunto na Universidade Federal da Integração Latino-Americana (UNILA). **Endereço Profissional:** UNILA, Instituto Latino-Americano de Economia, Sociedade e Política. Av. Tancredo Neves, 6731. Caixa Postal 2044. AC Parque Tecnológico Itaipu, Conjunto B – CEP: 85867970 - Foz do Iguaçu, PR, Brasil. **E-mail:** micael.silva@unila.edu.br ORCID iD: [0000-0001-5113-5106](https://orcid.org/0000-0001-5113-5106)

In July 2018, Argentine authorities announced the blockage of assets of the “Barakat clan”. According to the authorities, this clan is a group of Lebanese people who may have used casinos in Puerto Iguazu (Argentina's side of the Triple Frontier) to launder US\$ 10 million, which would ultimately be destined to Hezbollah. The investigation was led by the Financial Information Unit (UIF), through financial intelligence activities in conjunction with the U.S. Department of Treasury, and the Brazilian and Paraguayan financial intelligence units (Nabot, 2018). Considered by the authorities as the leader of the “clan”, the Lebanese man named Assad Ahmad Barakat was arrested on September 21st, 2018 in Foz do Iguazu (Brazilian side of the Triple Frontier) at the request of the Paraguayan justice (Niebieskikwiat, 2018).

In 2002, Assad Ahmad Barakat had already been arrested in similar circumstances. After being extradited from Brazil, he was sentenced in Paraguay for the crime of irregularly sending money abroad. He served his sentence until 2008 and returned to the area of the Triple Frontier where he resided on the Brazilian side and held business on the Paraguayan side (in

Ciudad del Este) (Lee, 2008, pág. 339). The Argentine prosecution and new prison made all eyes turn onto the Triple Frontier again. At the same time, it was an opportunity to revisit the region's nexus with terrorism and to point out some changes that have occurred in that borderland since 2001. Among the main changes in the area, it is possible to point out the population increase, the end of the “sacoleiro era” (the era of small merchants which was named after the Portuguese word for “bag”) and the approval of anti-terrorist laws in Argentina, Paraguay and Brazil (Silva & Costa, *A Tríplice Fronteira e a aprendizagem do contrabando: da “era dos comboios” à “era do crime organizado”*, 2018).

Historically, the beginning of the concern regarding contact between the great Middle East community in the Triple Frontier and fundamentalism dates back to May 4th, 1970. At the time, two Palestinians shot officials at the Israeli Embassy building in Asuncion, capital of Paraguay, leaving one person dead and another injured. Twenty years later, the subject came back to the surface due to the attacks in the capital of Argentina on March 17th, 1992 and June 18th, 1994. The 1992 attack was against the Israeli Embassy and the 1994 one involved the

Argentine Israelite Mutual Association in Buenos Aires, with a total of 115 dead and more than 540 wounded. Argentine investigators raised the suspicion that there could be some association between the attacks and the Triple Frontier because of two factors: terrorists could have entered the country thanks to the lack of migratory control in Brazil and Paraguay, and locals could have provided some logistical support for immigrants from the Middle East (Karam, 2011), (Amaral, 2010), (Kacowicz, 2015).

The Triple Frontier finally made its way onto the hemispheric security agenda after the terrorist attacks of September 11th, 2001. The main suspicion is the possibility of local citizens sending money to the Middle East and financially contributing to the terrorist cause. In 2005, the Triple Frontier emerged as a “Terrorist Safe Haven” in the Hemisphere according to the Country Reports on Terrorism (CRT), for example (United States, 2006). Although this is no longer mentioned in the 2012 CRT, the Triple Frontier remains one of the “regional nodes for money laundering and is vulnerable to terrorist financing”, as mentioned in the 2017 CRT (United States, 2018).

Immediately following the 9/11 attacks, several analysts examined the context of the Triple Frontier, arguing that Paraguay's trade in Brazil (both licit and illicit) would make raising funds for the fundamentalist cause possible. By 2018, at least three major changes from that scenario described in 2001 can be identified. The first one is in relation to the increase in the local population and the movement of people across borders. From 2000 to 2010, the three cities together registered a population growth of 33%, jumping from 676,412 to 902,166 inhabitants. On the Argentine side, the growth registered was of 161%, while on the Paraguayan side the population grew 46% (Silva, *Breve História de Foz do Iguaçu*, 2014) (Rabossi, *Terrorist Frontier Cell or Cosmopolitan Commercial Hub? The Arab and Muslim Presence at the Border of Paraguay, Brazil, and Argentina*, 2014) (Rabossi, *Árabes e muçulmanos em Foz do Iguaçu e Ciudad del Este: notas para uma re-interpretação*, 2007).

In addition to the local residents' movement, the Iguassu Falls (one of the Seven Natural Wonders of the World) attract visitors from many parts of the world. The number of tourists who visited this tourist spot jumped from 800 thousand in 2000 to 1.7 million in 2017. At the Tancredo Neves bridge

(Brazil-Argentina) and in the Friendship Bridge (Brazil-Paraguay), the number of people that circulate daily more than tripled. In 2001, an estimated 30,000 people crossed both bridges daily. In 2017, this number jumped to 101 thousand, from which 82 thousand were counted in the border between Brazil and Paraguay alone (UDC, 2016).

Despite the growth in the Argentine and Paraguayan sides, the Brazilian side had a decrease of 1% in its population, explained by the end of the “sacoleiro era”. The “sacoleiro” was a type of smuggler who traveled by bus from Rio de Janeiro (over 900 miles away) and São Paulo (over 650 miles away) to make purchases in Ciudad del Este. These individuals would count on the help of hundreds (perhaps thousands) of local residents to avoid the inefficient Brazilian inspection.

The phenomenon of the “sacoleiro” generated an embarrassment and an international paradox for Brazil. Government and diplomacy insisted on requesting evidence of the Terrorism-Triple Frontier nexus, while the state itself had no control over the action of smugglers. One of the initiatives by the Brazilian Government after the 9/11 attacks was an investment in human resources and infrastructure of the

Federal Police, Federal Customs Police, Public Prosecution and the Federal Justice. The result was the end to an era of smuggling that had begun in late 1990s and outpaced between 2006-2008. This was the second major change in the Triple Frontier region since 2001.

Low value Chinese products (including piracy), electronics and computer products were basically what used to attract “sacoleiros” to the Triple Frontier. In general, these products were imported by traders from China or the Middle East to be sold in Paraguay. They usually entered Brazil as contraband. The Brazilian post-11/9 initiative was effective in ending “sacoleiros”, but it did not inhibit smuggling. On the contrary, in 2001 Paraguay imported less than US \$ 1 billion to re-export to Brazil, whereas in 2009 this number reached US \$ 2.5 billion and, in 2013, US \$ 4.3 billion. Around 70% of this amount is estimated to have entered Brazil as contraband (Silva, Dolzan, & Costa, *O custo triangular: reexportação e descaminho nas relações Brasil-Paraguai*, 2019).

Two reasons could be used to explain the end of the “sacoleiro era” and the increase in re-exports. First, the approval of the Unified Taxation

Regime (RTU) by Brazil in 2009. The RTU allows small business owners to import from Ciudad del Este around US \$ 25 thousand per year, with special taxation. However, the effect of this law is practically nil and represents only 0.01% of the total re-exports from Paraguay (Brasil, 2018). The second reason is the change in the smugglers' modus operandi. Although there is greater control and an improvement in the performance of state security forces, since 2001 the Triple Frontier has become even more porous. The new smuggling actors who have replaced "sacoleiros" exploit other means of smuggling, such as crossing the Paraná River (which separates Paraguay from Brazil) by boat and then travel by cars or trucks. In other words, smuggling has become more discreet and organized. In terms of logistics, bagging techniques have been replaced by techniques that hitherto applied only to the smuggling of cigarettes, weapons and drugs.

The third major change to the region since 2001 involved the capitals Buenos Aires, Brasilia and Asuncion. In the context of the post-9/11 War on Terror, one of the points criticized by security analysts was the lack of specific legislation to criminalize terrorism in all these three countries. The situation began to change in June

2010, when Paraguay passed Law 4.024, which "Punishes the punishable acts of terrorism, terrorist association and financing of terrorism". In December 2011, Argentina amended Articles 41 and 306 of its Criminal Code with Law 26.734. Brazil, after much international pressure and with the approaching of the Olympic Games in Rio de Janeiro, approved its anti-terrorism law in March 2016 (Law 13.260) (Aita, 2017). Despite the ambiguities and inaccuracies of these legal instruments, in all three countries the law nowadays defines what terrorist acts are and provides for serious penalties for those who incur in, associate with or contribute to the financing of terrorist activities.

Therefore, the Triple Frontier remains a place where profits can be made through licit, illicit trade and smuggling. In terms of imported products alone, the volume of trade has had a fourfold increase since 2001. The border has become even more porous and the large immigrant community from the Middle East remains under surveillance by the intelligence services of the countries of the region, the United States and Israel. Official agents consider the fact that this community originates mainly from southern Lebanon, where there is expressive political and social activity of the

Hezbollah group. Some of the immigrants are merchants who import and resell products in Ciudad del Este to Brazilian smugglers. If undeniable sympathy for Hezbollah evolves into engaging and or financing terrorist activities, in 2018 there are legal

mechanisms in Argentina, Brazil, and Paraguay that can be triggered. These legal provisions which criminalize terrorism and associate it with other crimes have certainly been the main change for the area of the Triple Frontier since 2001.

Bibliography

Aita, E. (2017). “A Tríplice Fronteira sul sob a ótica do terrorismo: uma análise da legislação antiterrorismo da Argentina, Brasil e Paraguai”. *Estudos Internacionais*, Belo Horizonte, 4(2), pp. 35-56.

Amaral, A. B. D. (2010) *A Tríplice Fronteira e a Guerra ao Terror*. Rio de Janeiro: Apicuri.

Brasil. (2018) *Regime de Tributação Unificada - Balanço (2012-2017)*. Ministério da Fazenda. Foz do Iguaçu.

Kacowicz, A. M. (2015) “Regional peace and unintended consequences”, in: Jaskoski, M.; Sotomayor, A. C.; Trinkunas, H. A. *American Crossings: Border Politics in the Western Hemisphere*. Baltimore: Johns Hopkins University Press, pp. 89-108.

Karam, J. T. (2011) ‘Anti-Semitism from the Standpoint of its Arab Victims in a South American Border Zone’. *Latin American and Caribbean Ethnic Studies*, 6(2), pp. 141-167.

Lee, R. (2008) “The Triborder–terrorism nexus”. *Global Crime*, London, 9(4), pp. 332-347.

Nabot, D. (2018) ‘Triple frontera: congelan bienes de una organización vinculada a Hezbollah’. *La Nación*, Buenos Aires, 13 jul. Disponível em: <<https://tinyurl.com/y8kg8mqt>>. [Acesso em]: 6 fev. 2019.

Niebieskikwiat, N. (2018) “Confirman la detención de presunto miembro de Hezbollah en la Triple Frontera”. *Clarín*, 21 set.

Rabossi, F. (2007) “Árabes e muçulmanos em Foz do Iguaçu e Ciudad del Este: notas para uma re-interpretação”, in: Seyferth, G., et al. *Mundos em Movimento: Ensaio sobre migrações*. Santa Maria: EDUFSM, pp. 287-312.

_____. (2014) “Terrorist Frontier Cell or Cosmopolitan Commercial Hub? The Arab and Muslim Presence at the Border of Paraguay, Brazil, and Argentina”, in: Amar, P. *The Middle East and Brazil: Perspectives on the New Global South*. Bloomington: Indiana University Press.

Silva, M. A. D. (2014) *Breve História de Foz do Iguaçu*. Foz do Iguaçu: Epigrafe.

_____.; Costa, A. B. D. (2018) ‘A Tríplice Fronteira e a aprendizagem do contrabando: da “era dos comboios” à “era do crime organizado”’, in: Barros, L.; Ludwig, F. (Re)Definições de fronteiras: velhos e novos paradigmas. Foz do Iguaçu: IDESF.

_____.; Dolzan, R. R.; Costa, A. B. D. (2019) “O custo triangular: reexportação e descaminho nas relações brasil-paraguai”, in: Barros, L.; Ludwig, F. (Re)Definições das Fronteiras: os desafios para o Século XXI. Foz do Iguaçu: IDESF.

UDC. (2016) *Pesquisa sobre o perfil de pessoas que atravessam a Ponte da Amizade*. União Dinâmica de Faculdades Cataratas. Foz do Iguaçu.

United States. (2006) *Country Reports on Terrorism 2005*. Department of State Publication. Washington.

_____. (2018) *Country Reports on Terrorism 2017*. Department of State Publication. Washington.