

# Muslim Charity, Officials Indicted

Funding Groups With Hamas Ties at Issue

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Wednesday, July 28, 2004; Page A01

The Justice Department yesterday unsealed the indictment of the nation's largest Muslim charity and seven of its top officials on charges of funneling \$12.4 million over six years to individuals and groups associated with the Islamic Resistance Movement, or Hamas, a Palestinian group that the U.S. government says is a terrorist organization.

The 42-count federal indictment, filed in Dallas on Monday, said that the Holy Land Foundation for Relief and Development was set up in the late 1980s "to provide financial and material support to Hamas" and that several of its top officials are related to senior leaders of Hamas, which sponsors suicide bombings against Israelis.

The charges against the foundation, which, among other causes, funded orphanages and clinics in the Palestinian territories, include material support for terrorism, money laundering and income tax offenses. Among the individuals charged was Shukri Abu Baker, the charity's co-founder and chief executive.

Lawyers for Holy Land, which has been dormant since federal agents raided its suburban Dallas headquarters in late 2001, denied the government's charges yesterday, as they have criticized U.S. officials' earlier allegations of Hamas ties.

On Monday, the same day the federal grand jury in Dallas handed up the indictment, the foundation's lawyer asked the inspector general's office at the Justice Department to investigate the FBI for its work on the case. Lawyer John Boyd said the FBI has relied on "materially misleading" information, such as mistranslations of documents in Arabic and Hebrew.

The case highlights one of the most contentious disputes in investigations of terrorist financing: whether money dispatched to charities in the Palestinian territories that have indirect or direct ties to Hamas is equivalent to funding the militant group itself, terrorism experts and government officials said.

The prosecution rests in part on FBI allegations that a web of welfare groups, schools and hospitals in the West Bank and Gaza that Holy Land funded were fronts for Hamas and that they were operated to build good will and spur recruitment for Hamas.

"U.S. law is clear in saying that it is illegal to send money to any part of a terrorist organization, including networks of charities tied to it," said Matthew Levitt, a former FBI counterterrorism analyst who worked on the probe and is now a fellow with the Washington Institute for Near East Policy. "If you want to do good in this world, you send money to groups doing good, not to groups that do good for some people while killing others."

But John L. Esposito, an Islam expert at Georgetown University, said that combined with the U.S. government's detention of hundreds of Muslims after the Sept. 11 attacks, U.S. prosecutions of Islamic charities such as this one cause many in the Islamic world to see Washington as anti-Muslim.

"We run the risk of leaving the message that it's not extremists we're going after, but Islam," he said.

Many of the allegations in the indictment have been aired before in litigation against the government by Holy Land after the Treasury Department's raid in December 2001 on the foundation's headquarters in Richardson, Tex.

But one new element is the sum of money involved. The government said the foundation violated the ban on material support for terrorists by allegedly transferring \$12.4 million between 1995, when President Bill Clinton named Hamas as a terrorist organization, and its closing in late 2001. The indictment said that between 1988 and 1995, Holy Land sent an additional \$24 million to people and groups linked to Hamas.

Holy Land's lawyers say that the entire set of allegations rests on shaky ground, and that for years the FBI has relied in part on Israeli government information about supposed Hamas charities that is of questionable credibility.

Many of the official accusations against Holy Land were contained in a 2001 memo by Dale Watson, then the FBI's counterterrorism chief, that Treasury used in its 2001 raid.

Holy Land lawyer Boyd said in his six-page letter to Justice's inspector general on Monday that the Watson memo was riddled with deliberate falsehoods and mistranslations of underlying documents. One example, he said, was a translation of a statement by Holy Land's West Bank manager, Mohammed Anati, to the effect that the foundation spent most of its money on charity but gave some of it to Hamas.

"It turned out that Anati's admission did not appear in the Hebrew statement the FBI relied on," Boyd wrote. "It only appeared in what appears to be a falsified, anonymous translation of that statement that the FBI used to support its case."

Boyd also cited the Watson memo's statement that one example of Holy Land's ties to Hamas was its financial support for the Razi Hospital, which the FBI says is a Hamas affiliate. "Our government also provided assistance to the Al Razi Hospital through the U.S. Agency for International Development, a fact omitted from the Watson memo," he wrote.

"Holy Land not only had nothing to do with Hamas, it assiduously avoided Hamas," Boyd added. "The result of the FBI's conduct is that an apparently innocent organization is destroyed."

The indictment cited transcripts of surreptitious FBI tapes made of a 1993 meeting in Philadelphia of Holy Land and Hamas officials. The purpose, the indictment said, was to plan how to sabotage peace talks between Israel and the Palestinian Authority, and "to decide how to

conceal their activities from the U.S. government." They agreed on "masquerading their operations under the cloak" of charity, it said.

Overseeing Hamas's suicide bombing campaign and its charitable work is Hamas's political bureau in Syria, run by Khalid Mishal and Mousa Abu Marzook, the indictment said.

It added that several of the indicted Holy Land officials are related to these two Hamas leaders: Defendant Mohammad El-Mezain, Holy Land's first chairman and later its endowments director, is Marzook's cousin; defendant Ghassan Elashi, its chairman, is related to Marzook by marriage; defendant Akram Mishal, formerly its project and grants director, is Mishal's cousin; and defendant Mufid Abdulqader, a top fundraiser, is Mishal's half-brother.

Besides these four defendants and Abu Baker, who are in the United States, the other two charged were Haitham Maghawri and Abdulrahman Odeh. Mishal and Maghawri are not in this country and are considered fugitives.

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