

How the Muslim Brotherhood Funds Iran's Proxies

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I. Executive Summary

The joint U.S.-Israeli military campaign, Operation Epic Fury (United States) and Operation Roaring Lion (Israel), is accomplishing its primary kinetic objectives, including the confirmed death of Iranian Supreme Leader [Ayatollah](#) Ali Khamenei and the destruction of key Islamic Revolutionary Guard Corps (IRGC) [command](#), control, and associated digital [infrastructures](#).

Yet severing the Iranian regime's funding of its terror proxy network — principally Hamas in Gaza and Hezbollah in Lebanon — remains unfinished. With its Iranian funding sources now disrupted and degraded, this "Axis of Resistance" is pivoting to the global financial apparatus of the Muslim Brotherhood (MB) as an alternative.

Now primarily based in Doha and Ankara, this network is being modified to bypass the de facto blockade imposed by U.S.-Israeli operations, functioning as the "last-mile financier" for Hamas and stranded Hezbollah cells. Washington can take real steps to dismantle the MB-Qatari-Turkish financial pipeline, including designating the MB's International Organization as a Primary Money Laundering Concern, issuing a digital currency blockade, and exploiting MB-Hamas financial tensions.

II. The Strategic Landscape: The Shift to "Shadow" Finance

Within the first 72 hours of the outbreak of conflict, the Central Bank of Iran's (CBI) digital [infrastructure](#) was [incapacitated](#). By March 4, Iranian internet connectivity fell 99 percent from prewar levels, according to [NetBlocks](#) — effectively severing the regime's capacity to maintain basic state-to-state digital ties. The cybersecurity firm Palo Alto Networks' Unit 42 confirmed that the strikes have [severed communication among Iranian government agencies](#), collapsing the coordinated command structure through which the regime previously directed financial transfers to its proxies.

The economic toll is similarly significant. Prior to Operation Epic Fury, the IRGC-Quds Force primarily sourced its foreign currency from the [CBI](#) and the National Development Fund (NDF) — Iran's sovereign wealth fund, funded by oil, gas, and condensate revenues and overseen by a board of trustees including the president of Iran, the oil minister, and the CBI governor.

By the end of 2025, more than half of Iran's total oil revenues were allocated to its [military](#). State allocations were supplemented by the IRGC through a "dark fleet" of tankers performing ship-to-ship transfers and [disguising](#) Iranian crude as "Malaysian blend," which was then sold predominantly to China, generating hundreds of millions of dollars in revenue annually.

These pipelines—the CBI, NDF, and "dark fleet"—have suffered operational disruption, causing an immediate cash flow crisis for Iran’s proxies. The burden of maintaining the Iran-led "Axis of Resistance" is now devolving onto the MB, a globally decentralized movement whose national branches have acted as "last-mile financiers" and tactical supporters of IRGC interests. The Axis’s financial flows have pivoted to three dispersed, non-state networks:

- **The Qatar-Turkey Hub:** Despite being targeted by Iranian projectiles, Doha remains an [umbrella of sovereign protection](#) for MB-linked entities:
 - » [Qatar Charity](#) (Headquarters: Al Matar Street, Doha; CEO: Yousef bin Ahmed Al-Kuwari) and [Education Above All](#) (Headquarters: Qatar Foundation, Education City, Doha; CEO: Mohamed Al-Kubaisi) are among the most significant Doha-based nodes.
 - » Simultaneously, Turkey has emerged as the primary hub for Hamas’s investment portfolio. According to the U.S. Department of Justice (DOJ), Turkey-based firms like Trend GYO (whose [CEO](#), Amer Kamal Sharif Alshawa, was sanctioned for his role in the Hamas Asset Network), launder assets into real estate to generate passive operational [income](#). Exploiting its "humanitarian" status as a cloak, these organizations are acting as clearing-houses for the Axis of Resistance. The [DOJ](#) has separately confirmed Hamas’ use of Turkey as a hub for clandestine financial operations.

Note on Qatar’s Hamas Eviction: At U.S. request, in late 2024, Qatar asked Hamas’s political bureau to depart Doha; top leadership, including Zaher Jabarin, Hamas’s director of finance, Khaled Meshaal, who served as the second chairman of the Hamas political bureau, and senior Hamas official Khalil Al-Hayya.

As of March 2026, Qatar is heading toward a full expulsion after Hamas leaders’ [refusal to condemn](#) Iranian strikes on Qatari soil. This political eviction does not affect the financial network analyzed in this paper.

Hamas’s financial operation in Istanbul—the Jabarin portfolio of \$500 million in Turkish real estate and stocks—is fully operational regardless of where Hamas’s political leadership is located. Many of the Doha-based NGOs that feed into that network are registered and active under Qatari law.

- **The Post-Designation Pivot:** The January 13, 2026, U.S. [designations](#) of the MB’s Egyptian, Jordanian, and Lebanese branches as terrorist organizations, due to their material support to Hamas, led these groups to rely more on crypto-assets and *hawala* networks—transfer systems that operate outside normal banking systems, and are therefore harder to monitor or freeze. These designations followed and were preceded by cooperation with Hamas and Hezbollah, among other activities.
- **The European Spigot:** Hamas has also operated a network of [nominally charitable organizations](#) throughout Western Europe, harvesting millions in ostensibly “humanitarian” donations that are laundered through Turkish exchange houses and sent to operational [commanders](#).
 - » The [State](#) Department’s Rewards for Justice program has set rewards specifically for information on Hamas’s global financing network, including European fundraising structures. European regulations have not kept pace, and the Financial Action Task Force’s (FATF) Recommendation 8 — which obliges member states to prevent the misuse of NPOs for the financing of terrorism — lacked consistent enforcement globally in relation to Gaza-linked appeals, leaving a regulatory arbitrage that this network now exploits.

III. Financial Migration from Doha to the Field

Qatar does not channel funds to Hamas through a single, direct channel. It travels over four parallel paths that ultimately reach the same destination—a tight-knit network of money changers in Gaza, which convert funds into cash for Hamas commanders operating there. A 2023 review of Qatar by the FATF, an intergovernmental organization to combat money-laundering, found that the country’s charities, exchange houses, and cross-border money transfers all came with terrorism financing risks, and concluded that Qatar’s charity regulator has not been consistently enforcing oversight over the highest-risk [organizations](#). This regulatory void is what allows Doha to serve all four routes.

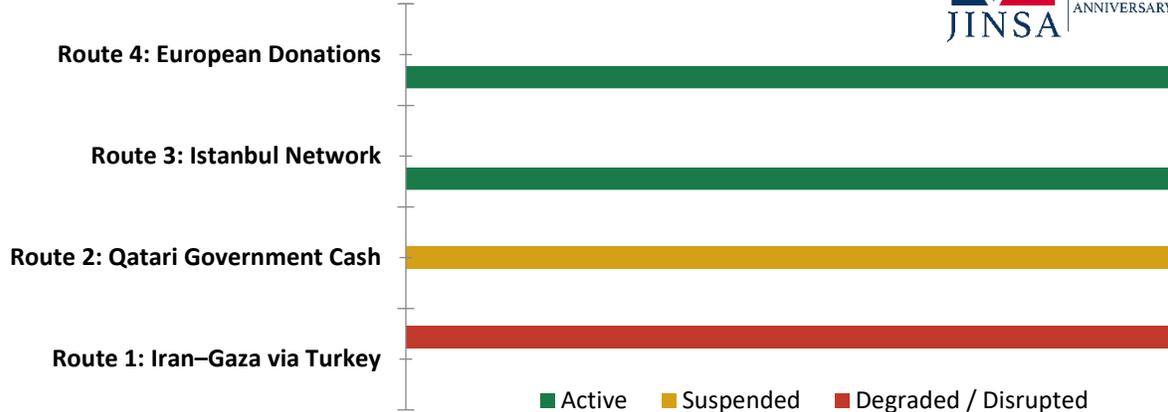
Route 1 — Iran-to-Gaza (Degraded): Iranian funds were previously routed through Lebanon, then through money changers in Turkey, and finally into Gaza. By December 2025, Israeli and U.S. intelligence had confirmed that this network transferred hundreds of millions of dollars to Hamas [leadership](#). Since January 2025 alone, Iran had [transferred more than \\$1 billion](#) to Hezbollah through this same exchange-house mechanism, corroborating the network’s potential before it was crippled. The Iranian terminal of this route has been affected by the current conflict, but the Turkish exchange structure remains intact and is absorbing redirected funds formerly from other sources.

Route 2 — Direct Qatari Government Cash (Suspended for Now): Beginning in 2018, Qatar channeled \$30 million a month to Gaza, deposited as physical cash. [A joint United States-Israeli intelligence assessment](#) in 2024 found that most of those funds had been used to support Hamas’s military infrastructure, not civilian priorities. Internal Hamas documents seized by Israel make clear that the Qatari government directly funded Hamas military operations. This route [has been suspended since October 2023](#), when the outbreak of conflict made physical cash delivery into Gaza impossible. Operation Epic Fury has foreclosed any near-term resumption.

Route 3 — Istanbul Network (Active Now — Main Route): This is the primary active channel. The charities in Qatar raise donations under humanitarian cover, then transfer money to Istanbul, where Zaher Jabarin, Hamas’s director of finance (who was sanctioned by the U.S. Treasury in 2019) holds over \$500 million worth of [real estate](#) and Turkish shares for Hamas. Funds then flow through currency exchange businesses into Gaza. U.S. Treasury records show that one exchange house alone sent more than \$21 million to Hamas and its military wing from 2017 through 2019. In the last link in the chain, approximately [ten money changers in Gaza](#) — all known to Israeli intelligence — turn the funds into cash for Hamas field units.

Route 4 — European Donations (Active Now): Money gathered by charitable associations throughout Europe is channeled through Turkish exchange firms into Hamas’ financial network. The [Washington Institute](#) has reported how Hamas uses MB-linked umbrella groups — including one that the U.S. Treasury established is still directly accountable to Hamas’s military wing — as the backbone of this pipeline. U.S. Treasury analysis also determined that such transfers move through American banking systems, providing an opportunity for enforcement and exposure under U.S. [law](#).

Funding Route Status Overview



IV. Mechanics of Financial Convergence

As traditional Iranian financial flows have been cut off, proxies have integrated into a “hybrid-finance” architecture with three interlocking components:

- 1. Hamas as an Interoperability Layer:** Hamas acts as a vital bridge because it is the only group that has deep structural ties to both the IRGC and the global Muslim Brotherhood. Article 2 of the [Hamas Covenant](#) reads, “The Islamic Resistance Movement is one of the wings of the Muslim Brotherhood in Palestine.” The U.S. Treasury’s Office of Foreign Assets Control (OFAC) noted that Muhammad Ahmad Abd Al-Dayim Nasrallah, a Qatar-based Hamas operative, had close links to the Iranian regime and was responsible for providing tens of millions of dollars to Hamas, [including the Qassam Brigade](#). This dual alignment enables Sunni MB resources to flow into a shared ecosystem that simultaneously sustains Shia-aligned IRGC purposes.
- 2. The Shadow Banking Nexus:** On October 23, 2025, the U.S. Treasury’s Financial Crimes Enforcement Network (FinCEN) examined an estimated \$9 billion shadow banking system that used front companies in the UAE and Turkey to move IRGC money through American correspondent [accounts](#) (accounts that U.S. banks maintain with foreign banks to process international transactions), before washing those funds through MB-controlled NGOs in Doha. In 2025, [U.S. Treasury](#) targeted networks of this nature on several occasions, such as its June 2025 targeting of the Zarginhalam brothers—Mansour, Nasser, and Fazlolah Zarginhalam are Iranian bankers and businessmen and key operators of a major “shadowing bank” network —that laundered billions for the IRGC-QF through both exchange houses and front companies.
- 3. The Digital Backbone:** TRM Labs confirmed that Iranian state actors and MB-linked facilitators share clusters of TRON-based digital currency wallets and use high-risk exchanges such as [Zedcex to move funds](#) for Iran’s proxy. Stablecoins— digital currencies pegged to the U.S. dollar to avoid price swings— accounted for 84% of the estimated \$154 billion in illicit virtual asset transaction in 2025, with USDT (a fiat-backed stablecoin issued by Tether) on TRON being the most used [instrument](#). The A7 wallet cluster — a \$39 billion node that connects Russia and Iran — illustrates the scale of pre-positioned digital funds accessible to “Axis of Resistance” [networks](#).

V. Strategic Analysis: The "Missing Millions" Fracture

A critical vulnerability has emerged in Iran's proxy financial network, manifesting as a [public rupture](#) between Hamas and prominent MB financial networks. Istanbul-based Waqf Al Umma — an Islamic charitable trust (Waqf) founded in 2013, operating as an informal financial arm of the MB with a multimedia fundraising machine that combines religious messaging, livestreamed appeals, and an extensive influencer network—raised approximately \$500 [million](#), ostensibly for Gaza. Hamas has publicly disavowed these MB-linked groups, accusing them of exploiting the suffering of Gaza to enrich personal real-estate schemes in Turkey.

These findings are corroborated by multiple independent [investigations](#). The scandal is strategically important for three reasons: One, it reveals the MB financial networks acting in their own interests in ways that are publicly incompatible with Hamas's operational needs, which creates a new trust deficit that weakens the network's viability as a financing conduit for Hamas. Second, named individuals in Turkey and Jordan are discrete and valuable targets for Treasury designation that do not need to be paired with broader designations. Third, the U.S. Treasury has already shown willingness to act against Turkey-based MB-linked fundraisers, having imposed sanctions on [Filistin Vakfi](#) in June 2025 for raising funds to support Hamas's military wing.

VI. Policy Recommendations

To reinforce the strategic benefits of Operation Epic Fury and undermine the ability of Iran's proxies to reconstitute their financial support network, the United States should undertake three complementary steps:

- **Invoke Section 311 of the USA PATRIOT Act:** Designate the MB's International Organization a Primary Money Laundering Concern. The MB's International Organization serves as the transnational hub that connects the national branches (including the January 13, 2026-designated ones) to the Doha-based NGO nodes listed in this paper. This designation would impose mandatory due diligence obligations on U.S. financial institutions that conduct transactions with any affiliated entity and offer a legal foundation for sanctioning the individual NGOs, exchange houses, and operatives connected to it.
- **Digital Currency Blockade:** An authority jointly issued by OFAC and FinCEN to mandate that major cryptocurrency exchanges block all wallet addresses linked to the A7 wallet cluster. Once again, leverage the T3 Financial Crime Unit (Tether/TRON/TRM Labs) as an implementation vehicle. To date, the T3 FCU has frozen over \$300 million in illicit USDT since September 2024, demonstrating operational [viability](#).
- **Exploit the Hamas–MB Fracture:** Direct U.S. Treasury with authority to follow up with individual designation of named administrators of Waqf Al Umma and associated entities (notably Minbar Al-Aqsa, Kulna Maryam) identified in Hamas' own disavowal [statement](#). Empower the Global Engagement Center to highlight reporting of the \$500 million misappropriation of Gaza aid funds into Turkish real-estate portfolios — a widely documented fact confirmed by Hamas itself, which would be most damaging to MB fundraising capacity within European and Gulf diaspora communities in the Ramadan 2026 window (March 20).