

# Survey of Terrorist Groups and Their Means of Financing

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*Working to stop the defamation of the  
Jewish people and to secure justice and  
fair treatment for all since 1913*

Chairman Pearce, Ranking Member Perlmutter, and distinguished Members of the Subcommittee: thank you on behalf of the Anti-Defamation League for the opportunity to testify before you today.

## **ADL**

Since 1913, the mission of the ADL has been to “stop the defamation of the Jewish people and to secure justice and fair treatment for all.” For decades, ADL has fought against bigotry and anti-Semitism by monitoring and exposing extremist groups and movements who spread hate and commit acts of violence. Through our Center on Extremism, widely recognized as a leading authority on extremism, terrorism and hate in the United States, ADL plays a prominent role in exposing extremist movements and activities, while helping communities and government agencies alike to combat them. ADL’s team of experts, analysts and investigators use cutting-edge technology to track and disrupt extremist and terrorist activity, and provide law enforcement officials and the public with extensive resources, including analytic reports on extremist trends. Among those tools: the Hate Symbols Database<sup>1</sup> and our proprietary, interactive and customizable H.E.A.T. Map<sup>2</sup>, which provides details on extremist and anti-Semitic incidents nationwide that can be filtered by region and type

## **Assisting Law Enforcement**

ADL is the country’s largest non-governmental provider of training for law enforcement on hate crimes, extremism and terrorism. We also deliver training geared to build trust between police and the people and communities they serve. Each year, ADL experts deliver customized, in-depth training to more than 15,000 federal, state, and local law enforcement personnel at a wide range of agencies.<sup>3</sup>

ADL's dual role—as a preeminent anti-hate organization and as a strong and trusted partner of law enforcement—gives us the credibility to offer trainings and other products that strongly influence the ways in which law enforcement officers address hate and extremism, and interact with the communities they serve. ADL provides law enforcement with information, expertise, and actionable intelligence to prevent, disrupt, and respond to those extremists who cross the line from espousing hateful ideologies to committing or inciting violent, criminal acts, thus protecting the Jewish community and all Americans. ADL’s Advanced Training School, a highly-acclaimed three-day seminar on domestic and international terror threats, has trained more than 1,100 senior law enforcement executives since its inception in 2003.

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<sup>1</sup> Anti-Defamation League, *Hate on Display™ Hate Symbols Database* (<https://www.adl.org/education-and-resources/resource-knowledge-base/hate-symbols>)

<sup>2</sup> Anti-Defamation League, *ADL H.E.A.T. Map: Hate, Extremism, Anti-Semitism, Terrorism* (<https://www.adl.org/heat-map>)

<sup>3</sup> Anti-Defamation League, “Who We Are: Law Enforcement Trainings” (<https://www.adl.org/who-we-are-our-organization/signature-programs/law-enforcement-trainings>)

## **Relationship with the Tech Industry**

Over the past decade, ADL has worked closely with various parts of the tech industry with regard to terrorist and extremist exploitation of their platforms, as well as the spread of cyberhate. Our relationships have led to notable successes in mitigating the exploitation of platforms by various extremist and terrorist groups and movements. In addition, working with industry officials, ADL developed the ADL Cyber-Safety Action Guide<sup>4</sup>, a user-friendly online platform where consumers can learn how and where to report bigoted, bullying, or hateful speech to the major internet providers and social media platforms. ADL has also convened a Working Group on Cyberhate to develop recommendations for the most effective responses to manifestations of hate and bigotry online. The Working Group includes representatives of the internet industry, civil society, the legal community and academia. The Working Group input and guidance has been invaluable and is reflected in a set of Best Practices<sup>5</sup> that provides useful and important guideposts for all those willing to join in the effort to address the challenge of cyberhate.

## **The Extremist and Terrorist Threat Array**

The United States is a large, populous country with over 320 million people who belong to a wide range of political, social, and religious causes, some of them with a history of extremism and violence. At any given moment in time, Americans face the threat of extremist-related crime and violence from not just one but a number of different sources, including white supremacists, anti-government extremists, domestic Islamist extremists and left-wing extremists. Ignoring any of these threats invariably results in consequences for the American people.

## **Extremist Murders in the United States**

One of the ways to understand the extremist threat array facing the United States is to examine extremist-related murders, including those committed in terrorist acts.

Every year, adherents of a variety of extreme movements kill people in the United States.; the ADL’s Center on Extremism tracks these murders, with data stretching back to 1970. Over the past ten years (2008-2017), domestic extremists of all kinds have killed at least 387 people in the United States. Of those deaths, approximately 71 percent were at the hands of right-wing extremists such as white supremacists, sovereign citizens and militia adherents.

These statistics, available in our latest murder report, “Murder and Extremism in the United States in 2017,”<sup>6</sup> illustrate that extremist-related killings comprise only a small fraction of the total number of homicides in the United States each year. Nevertheless, because of their nature, they can often have an outsized impact, affecting entire communities—or even the entire country—in ways many other deaths do not. Perhaps the clearest recent illustration is the 2017

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<sup>4</sup> Anti-Defamation League, *ADL Cyber-Safety Action Guide*, (<https://www.adl.org/adl-cyber-safety-action-guide>)

<sup>5</sup> Anti-Defamation League, “Best Practices for Responding to Cyberhate” (<https://www.adl.org/best-practices-for-responding-to-cyberhate>)

<sup>6</sup> Anti-Defamation League, *Murder and Extremism in the United States in 2017: An ADL Center on Extremism Report*, January 17, 2018 (<https://www.adl.org/media/10827/download>)

murder of Heather Heyer, murdered by white supremacist James Alex Fields, Jr. during the Unite the Right rally in Charlottesville, Virginia. Heyer's death garnered international attention and served as a wake-up call to the dangers posed by a re-energized white supremacist movement.

In 2017, extremists killed at least 34 people in the United States, a welcome decline from the much higher totals for 2016 and 2015, but still the fifth deadliest year since 1970.<sup>7</sup> Unlike 2016, a year dominated by the Pulse nightclub shootings in Orlando, Florida, which was committed by an Islamist extremist, the majority of 2017 extremist murders were committed by right-wing extremists, primarily white supremacists, as has typically been the case most years.

The white supremacist murder tally includes several killings linked to the alt right<sup>8</sup>, the newest segment of the white supremacist movement, which expanded its operations in 2017 from the internet into the physical world—raising the probability that we will see more such violent acts in the future.

An Islamist extremist committed the single deadliest incident in 2017: the New York City vehicular homicide attack, which killed eight people on a downtown bike path. Adherents of several different extremist movements, including white supremacists, anti-government extremists, and black nationalists, have also used vehicles to commit attacks in the United States in the past several years.

It is important to note that these incidents represent merely the most visible extremist violence and crime in the United States: for each person actually killed by an extremist, many more are wounded or injured in attempted murders and assaults. Every year, police uncover and prevent a wide variety of extremist plots and conspiracies with lethal intentions. Moreover, extremists engage in a wide variety of other crimes related to their causes, from threats and harassment to white collar crime.

### **Right-Wing Terrorism**

In some cases, extremist murders are committed as acts of domestic terror. ADL's Center on Extremism defines terrorism as a pre-planned act or attempted act of significant violence by one or more non-state actors in order to further an ideological, social or religious cause, or to harm perceived opponents of such causes. Significant violent acts can include bombings or use of other weapons of mass destruction, assassinations and targeted killings, shooting sprees, arsons and fire-bombings, kidnappings and hostage situations and, in some cases, armed robberies. Domestic terrorism consists of acts or attempted acts of terrorism in which the perpetrators are citizens or permanent residents of the country in which the act takes place.<sup>9</sup>

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<sup>7</sup> Anti-Defamation League, "Chapter 3: The Murders," *Murder and Extremism in the United States in 2017: An ADL Center on Extremism Report*, January 17, 2018 (<https://www.adl.org/resources/reports/murder-and-extremism-in-the-united-states-in-2017#the-murders>)

<sup>8</sup> Anti-Defamation League, "Alt Right: A Primer about the New White Supremacy," (<https://www.adl.org/resources/backgrounders/alt-right-a-primer-about-the-new-white-supremacy>)

<sup>9</sup> Anti-Defamation League, "Glossary Terms: Domestic Terrorism" (<https://www.adl.org/resources/glossary-terms/domestic-terrorism>)

For more than 150 years, right-wing terrorism has been an unwelcome feature of the American landscape. Today, however, most Americans don't realize its frequency or scope.

In recent years, far more attention has been given to the threat of Islamist terror—which has been linked to such horrific acts as the Orlando and San Bernardino shooting sprees. Yet the very real specter of Islamist terror in the United States exists alongside the equally serious threat of terror from right-wing extremist groups and individuals.

Islamist extremists and right-wing extremists have generated shooting sprees, bombings, and a wide variety of plots and conspiracies at roughly similar rates. Since 9/11, ADL has tracked 127 Islamist extremists in the United States involved in 98 terrorist plots or attacks and 161 right-wing extremists involved in 94 plots or attacks.<sup>10</sup> Both ideologies pose threats so significant that to ignore either would be to invite tragedy. Yet right-wing violence typically receives much less media—and governmental—attention than Islamist violence does.

To illustrate the persistent threat of right-wing terrorism in the United States, ADL's Center on Extremism compiled a list of 150 right-wing terrorist acts, attempted acts, plots and conspiracies from the past 25 years (1993-2017) for a report entitled, "A Dark and Constant Rage: 25 Years of Right-Wing Terrorism in the United States."<sup>11</sup>

These include terrorist incidents from a wide variety of white supremacists, from neo-Nazis to Klansmen to racist skinheads, as well as incidents connected to anti-government extremists such as militia groups, sovereign citizens and tax protesters. The number of acts attributed to each extremist sub-group is nearly identical: 64 terror incidents are related to white supremacists, while 63 are related to anti-government extremists. When most people picture right-wing terrorism, they tend to think of white supremacists, but anti-government extremists such as militia groups and sovereign citizens pose just as much of a threat. The danger posed by violent anti-abortion extremists and other, smaller right-wing groups that resort to violence must also be taken into consideration.

### **White Supremacists**

White supremacist ideology in the United States today is dominated by the belief that whites are doomed to extinction by a rising tide of non-whites who are controlled and manipulated by the Jews—unless white supremacists act to prevent this ostensible "white genocide." This core belief is exemplified by slogans such as the so-called Fourteen Words: "We must secure the existence of our people and a future for white children."<sup>12</sup> White supremacists are often motivated to violence by this racist conviction.

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<sup>10</sup> Anti-Defamation League, *A Homegrown Threat: Islamist Extremist Plots in the United States*, May 1, 2018 (<https://www.adl.org/media/11160/download>)

<sup>11</sup> Anti-Defamation League, *A Dark and Constant Rage: 25 Years of Right-Wing Terrorism in the United States*, May 22, 2017 ([https://www.adl.org/sites/default/files/documents/CR\\_5154\\_25YRS%20RightWing%20Terrorism\\_V5.pdf](https://www.adl.org/sites/default/files/documents/CR_5154_25YRS%20RightWing%20Terrorism_V5.pdf))

<sup>12</sup> Anti-Defamation League, "14 Words," *Hate on Display™ Hate Symbols Database* (<https://www.adl.org/education/references/hate-symbols/14-words>)

America's white supremacist movement is in the midst of a resurgence with a new generation of energized followers driving its growth and activity.<sup>13</sup> The growth of the alt right segment of the white supremacist movement since 2015, abetted by the current political climate, has brought tens of thousands of new recruits to the white supremacist movement, most of whom are young and many of whom are relatively well-educated.

Most white supremacists do not belong to organized hate groups, but rather participate in the white supremacist movement as unaffiliated individuals. Thus, the size of the white supremacist movement is considerably greater than just the members of related hate groups.

The white supremacist movement has a number of different components, including 1) neo-Nazis; 2) racist skinheads; 3) "traditional" white supremacists; 4) Christian Identity adherents; 5) white supremacist prison gangs; and 6) the alt right.<sup>14</sup>

White supremacists engage in a variety of terrorist plots, acts and conspiracies. However, white supremacists also have a high degree of involvement with traditional forms of criminal activity as well as ideologically-based criminal activity. Most of the murders committed by white supremacists are done for non-ideological reasons. However, even if such murders are ignored, white supremacists still account for the majority of lethal extremist violence in the United States.

Most of the recent growth of the white supremacist movement is attributable to the rise of the alt right since 2015. The newest segment of the white supremacist movement brought many new faces to the movement, people not previously involved in extremist causes, as well as a new subculture derived from online forums such as 4chan and reddit as well as from the misogynistic "mansphere."<sup>15</sup> While the growth of the alt right has energized the movement, it has also had somewhat of a destabilizing effect, as the alt right actually threatens to steal recruits from some of the more veteran segments of the white supremacist movement.

The alt right was the organizing force behind the white supremacist "Unite the Right" rally in Charlottesville, Virginia, on August 11-12, 2017, which attracted some 600 extremists from around the country and ended in deadly violence.<sup>16</sup> These shocking events served as a wake-up call for many Americans, and shone a spotlight on the country's resurgent white supremacist problem.

In 2017-2018, the alt right has continued to move from online activism into the real world, forming real world groups and organizations and engaging in tactics such as targeting college campuses. ADL's Center on Extremism documented an increase by 77 percent of white

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<sup>13</sup> Oren Segal, "Reports of the Alt-Right's Demise Have Been Greatly Exaggerated" *Huffington Post*, June 12, 2018 (<https://www.adl.org/news/op-ed/reports-of-the-alt-rights-demise-have-been-greatly-exaggerated>)

<sup>14</sup> Anti-Defamation League, "Defining Extremism: A Glossary of White Supremacist Terms, Movements and Philosophies" (<https://www.adl.org/education/resources/glossary-terms/defining-extremism-white-supremacy>)

<sup>15</sup> Anti-Defamation League, *When Women are the Enemy: The Intersection of Misogyny and White Supremacy*, July 24, 2018 (<https://www.adl.org/media/11707/download>)

<sup>16</sup> Anti-Defamation League, "Have Hate, Will Travel: The Demographics of Unite the Right" (<https://www.adl.org/blog/have-hate-will-travel-the-demographics-of-unite-the-right>)

supremacist propaganda efforts on college campuses during the 2017-2018 academic year.<sup>17</sup> From September 1, 2017 to May 31, 2018, the Center documented 292 cases of white supremacist propaganda on college campuses—including fliers, stickers, banners, and posters—compared to 165 during the 2016-17 academic year.

As the alt right received increased media scrutiny, it suffered from dissension and disunity, most notably the departure of many alt right cheerleaders who, though possessing a number of extreme views, did not advocate explicit white supremacy (these defectors are often referred to as the “alt lite”).<sup>18</sup> The post-Charlottesville backlash against the alt right hurt many of its leading spokespeople but has not resulted, as some have claimed, in a decline in the movement as a whole.<sup>19</sup>

Other white supremacists—neo-Nazis, traditional white supremacists, racist skinheads, white supremacist religious sects, and white supremacist prison gangs—have also continued their activities. Some white supremacists, such as neo-Nazis, seem to have been buoyed by the alt right to some extent, while others—most notably racist skinheads—may experience a loss of potential recruits at the hands of the alt right.

### **Anti-Government Extremists (The “Patriot” Movement)**

Although the term “anti-government extremism” can be used generically to refer to any fringe movement with an antipathy towards the government, or even the idea of government itself, in the United States the term is usually used to describe a specific set of right-wing extremist movements and groups that share a conviction that part or all of the U.S. government has been taken over by a conspiracy and is therefore not legitimate. Collectively, these movements and groups are often referred to as the “Patriot” movement.<sup>20</sup>

The most important segments of the “Patriot” movement include the militia movement, the sovereign citizen movement and the tax protest movement. Though each sub-movement has its own beliefs and concerns, they share a conviction that part or all of the government has been infiltrated and subverted by a malignant conspiracy and is no longer legitimate.

The overlap between the white supremacist movement and “Patriot” groups has diminished over time; today there are people of color within the “Patriot” movement, particularly within the

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<sup>17</sup> Anti-Defamation League, “White Supremacist Propaganda Nearly Doubles on Campus in 2017-18 Academic Year” (<https://www.adl.org/resources/reports/white-supremacist-propaganda-nearly-doubles-on-campus-in-2017-18-academic-year>)

<sup>18</sup> Anti-Defamation League, “From Alt Right to Alt Lite: Naming the Hate,” July 18, 2017 (<https://www.adl.org/resources/backgrounders/from-alt-right-to-alt-lite-naming-the-hate>)

<sup>19</sup> Oren Segal, “The Alt-Right Isn’t Going Away,” *The Forward*, July 5, 2018 (<https://forward.com/opinion/404501/the-alt-right-isnt-going-away/>)

<sup>20</sup> Anti-Defamation League, “Defining Extremism: A Glossary of Anti-Government Extremist Terms, Movements and Philosophies” (<https://www.adl.org/education/resources/glossary-terms/defining-extremism-anti-government>)

sovereign citizen movement, which in recent years has been able to recruit thousands of African-Americans to its ranks.<sup>21</sup>

Currently, the two most important anti-government extremist movements are the militia movement and the sovereign citizen movement. The militia movement, which dates back to 1993, is centered on anti-government conspiracy theories about the relationship between the federal government and an ostensible global conspiracy to create a tyrannical one-world government (often referred to as the “New World Order”) that seeks to disarm and enslave Americans. Militia movement adherents claim to be fighting against this global conspiracy and its collaborators within the federal government much like their forefathers fought against the British during the American Revolution.

Also part of the militia movement are the Three Percenters and the Oath Keepers.<sup>22</sup>

The term “Three Percenter” derives from the erroneous belief that only three percent of colonists fought against the British during the Revolutionary War—but achieved liberty for everybody. Three Percenters view themselves as modern day versions of those revolutionaries, fighting against a tyrannical U.S. government rather than the British. With anyone able to declare themselves a Three Percenter, the concept allowed many people to join who were not suited, physically or by inclination, to engage in the traditional paramilitary activities of the militia movement.

Oath Keepers are a fairly large and loosely-organized anti-government extremist group started by attorney E. Stewart Rhodes that emerged as part of a resurgence of the militia movement in 2008-09. They particularly seek to spread the anti-government ideology of the militia movement among, and to seek recruits from, former and active duty military personnel, law enforcement officers and first responders. However, such a background is not required for membership.

The sovereign citizen movement dates back to 1970 in its earliest incarnation and is larger than the militia movement.<sup>23</sup> Sovereign citizens believe that a conspiracy dating back to the 1860s infiltrated and subverted the government of the United States, replacing its laws and legal systems with versions designed to allow repression and tyranny. This conspiracy purportedly replaced the original “de jure” government with a new, illegitimate “de facto” government.

Sovereign citizens believe that they can declare their “sovereignty” and return to the pre-conspiracy government, after which the “de facto” government has no authority or jurisdiction over them. Sovereign citizens thus believe they can ignore laws, rules, regulations and taxes; as a result, the movement has a high association with criminal activity, violent and non-violent.

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<sup>21</sup> Anti-Defamation League, “The Lawless Ones: The Resurgence of the Sovereign Citizens Movement” (<https://www.adl.org/sites/default/files/documents/assets/pdf/combating-hate/Lawless-Ones-2012-Edition-WEB-final.pdf>)

<sup>22</sup> Anti-Defamation League, *The Oath Keepers: Anti-Government Extremists Recruiting Military and Police*, September 18, 2015 (<https://www.adl.org/resources/profiles/the-oath-keepers>)

<sup>23</sup> Anti-Defamation League, *The Lawless Ones: The Resurgence of the Sovereign Citizen Movement*, 2012 (<https://www.adl.org/sites/default/files/documents/assets/pdf/combating-hate/Lawless-Ones-2012-Edition-WEB-final.pdf>)

Because of a history of violent confrontations between sovereign citizens and law enforcement, including deadly shootouts, the movement represents a significant risk to officer safety.

Though the sovereign citizen movement began in the United States, it spread to Canada in the 1990s and to other English-speaking countries in the 2000s and is even present in small numbers in Europe. Spurred by the recession and foreclosure crisis of 2008-2009 and enabled by the rise of social media, the sovereign citizen movement experienced considerable growth over the past ten years, with corresponding rises in sovereign citizen violence, “paper terrorism” harassment tactics and white collar scams and frauds. It has also grown considerably within the African-American community during the same time frame—ironic for a movement many of whose pioneers were white supremacists.

### **Islamist Extremism**

One of the most striking elements of today’s domestic threat picture is the role that a growing number of American citizens and residents motivated by radical interpretations of Islam have played in criminal plots to attack Americans in the United States and abroad. Over the past ten years, about 24 percent of victims killed by domestic terrorists were at the hands of domestic Islamist extremists.<sup>24</sup>

We have seen a notable increase in the number of U.S. citizens, lawful permanent residents and others with documentation who have become involved in Islamist extremist-related plots. Of the 127 individuals involved in Islamist extremist-inspired plots since 2002, 66 were born in the United States—approximately 52 percent of the total.<sup>25</sup> Twenty-five of those individuals, or roughly 20 percent, were naturalized citizens, and 23 were lawful permanent or temporary residents—approximately 18 percent. Five of the individuals were foreign citizens, and eight were in the United States without documentation. This means that 90 percent of the individuals involved in plots were U.S. citizens, lawful permanent or temporary residents, or in the United States with documentation.

Islamist extremist terrorist acts in the United States since 9/11 have evolved in tandem with major global developments, including technological advancements, wars, civil unrest, and an ever-shifting global political landscape. When analyzing terror plots in the United States, it’s important to understand historical context.

Immediately following the attacks of September 11, 2001, al-Qaeda became a much-cited inspiration for terror plots. Between 2002 and 2008, 33 individuals were arrested for involvement in 16 plots, with at least two individuals on average involved in each plot. This is likely because people were radicalizing through physical networks at the time, such as family, friends, co-religionists and others.

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<sup>24</sup> Anti-Defamation League, *Murder and Extremism in the United States in 2017: An ADL Center on Extremism Report*, January 17, 2018 (<https://www.adl.org/media/10827/download>)

<sup>25</sup> Anti-Defamation League, *A Homegrown Threat: Islamist Extremist Plots in the United States*, May 1, 2018 (<https://www.adl.org/media/11160/download>)

Beginning in 2008, individuals more often plotted attacks on their own rather than as part of cells. By 2010, the number of individuals almost equaled the total number of plots for that year; between 2014 and 2017, 51 people were involved in 47 plots. In both 2016 and 2017, the number of plots matched the number of individuals involved. And the focus on soft targets has increased significantly since 2014.

Self-radicalized lone actors pose a particular challenge to combat, in that they are often harder to trace, and they do not operate under the direction of any designated terror group, which means their motivations tend to be less clear, and their actions less predictable.

For years, U.S. foreign policy strategies prioritized al-Qaeda targets and significantly weakened the group by eliminating much of its core leadership, including Osama bin Laden. Al-Qaeda became increasingly decentralized, which may have contributed to the decrease in domestic plots between 2011 and 2014.

However, as al-Qaeda weakened, Islamic State (IS) rose from its ashes in Iraq, and in 2011, began to spread into Syria at the start of that country's civil war. After taking Mosul in June 2014, IS made international headlines and gained notoriety as both a local insurgency and international terror group.

Unsurprisingly, IS was cited as the inspiration for 20 of the 21 domestic terror attack plots in the U.S. in 2015, including the San Bernardino shooting.

The sharp rise in plots from 2014 to 2015 illustrates IS's profound influence on people living in the United States. Twenty of the 25 individuals involved in 2015 plots were United States citizens. The remaining five were either lawful permanent or temporary residents or naturalized citizens.

### **Left-Wing and Black Nationalist Violence**

While in no way comparable to the nature and magnitude of the threat posed by right-wing and white supremacist groups, far left-wing violence does still occur in the United States, though at far lower levels than during its heyday from 1965-1985. Here we use the term "far left" very broadly, to include anarchists as well as violent black nationalists, even though some of those groups themselves might claim not to be part of the left, as well as single-issue extremists such as animal rights and environmental extremists, typically emerging from the extreme wings of mainstream movements. Such groups and individuals have been responsible for a relatively small number of terrorist incidents over the past ten years, far smaller than those committed by either Islamist extremist or right-wing extremist actors.

Of particular note has been a rise of violence related to black nationalism in the past several years, generally as a response to police shootings perceived as wrongful. Several shootings and one vehicular assault have been directed against police officers by such extremists. In 2016, two

incidents in particular have caused concern: shootings responsible for the deaths of eight police officers in Dallas and Baton Rouge.<sup>26</sup>

In July 2016, Micah Xavier Johnson, who had ties to black nationalist groups such as the New Black Panther Party, killed five police officers and injured nine others in Dallas, Texas, in an ambush attack aimed at police who were maintaining public order at a Black Lives Matter protest. That same month, Gavin Eugene Long ambushed and shot six police officers, three of them fatally, in Baton Rouge. Long, like Johnson, was an adherent of black nationalism and a military veteran, as well as a member of the anti-government sovereign citizen movement. Both incidents appear to have been motivated by anger in response to police shootings of African American men.

### **Extremist Funding in the United States**

Contrary to common public perception, most extremist movements in the United States are largely self-funded, with individuals and groups funding their own activities (violent or otherwise), though online fundraising does play a role. It's important to note that funding levels for any extremist movement does not necessarily correlate with their ability to promote or even perpetrate violence.

Because Islamist extremists' actions are more broadly identified as terrorist activities, their fundraising streams are generally deemed illegal. That is not the case for right-wing extremists, whose actions are less likely to be considered by law to be terrorist activities.

As outlined below, certain funding modalities—like Bitcoin, for example – are particularly vulnerable to exploitation by extremists. And online payment and money transfer services require government support and increased public vigilance to help them prevent their systems from being exploited by extremists. Financial institutions have a vested interest in protecting their brand and their good name—and to preserve all of these, they need to increase their due diligence and actively cut off bad actors from across the extremist spectrum.

#### ***Anti-government extremists***

The anti-government movement is very much about self-funding with few revenue streams. Militia groups, for example, are largely self-funded, with people putting their own money into their movement activity, purchasing their own weapons and uniforms, and paying their own way to the events they organize and attend.

In general, the sovereign citizen movement is similarly self-funded. There are, however, some unique elements to sovereign citizen funding. For example, sovereign citizen groups and gurus sell many manuals and guides that teach their ideas and tactics. The prices range from hundreds to thousands of dollars. These are sold online as well as in person—on their own sites, or sometimes on third party sellers, although less common.

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<sup>26</sup> Anti-Defamation League, *Murder and Extremism in the United States in 2016*, February 16, 2017 (<https://www.adl.org/sites/default/files/documents/MurderAndExtremismInUS2016.pdf>)

Sovereign citizens also commonly hold seminars and training sessions, for which they charge (often substantial) fees for people to come to learn ideas and tactics. The sovereign citizen movement is also well-known for perpetrating a variety of scams and frauds—from mortgage fraud to investment scams to immigration fraud and more. Some of these schemes can take in millions or even tens of millions of dollars, most of which is used for the benefit of the scammers.

### ***White Supremacists***

ADL is frequently asked, “Where do white supremacists get their money?”

Implicit in this question is the assumption that white supremacists raise a substantial amount of money, an assumption fueled by rumors and speculation about white supremacist groups being funded by sources such as the Russian government, far right conservative foundations or secretive wealthy backers.

The reality is less sensational but still important. As American political and social movements go, the white supremacist movement is particularly poorly funded. Small in numbers compared to mainstream causes and containing many adherents of little means, the white supremacist movement has an inherently weak base for raising money.

Moreover, ostracized because of its extreme and hateful ideology, not to mention its connections to violence, the white supremacist movement does not have easy access to many common methods of raising and transmitting money. This lack of access to funds and funds transfers limits what white supremacists can do and achieve.

Recent developments, particularly in crowdfunding, provided a small number of white supremacists of high visibility within the movement additional revenue streams—mostly small but sometimes significant. However, mainstream crowdfunding sites are now much more likely to prevent white supremacists from exploiting their platforms, while “alternative” crowdfunding sites established by extremists themselves have mostly failed.

As outlined in ADL’s recent report titled, “Funding Hate: How White Supremacists Raise Their Money,”<sup>27</sup> the main sources of white supremacist funding include:

#### **Self-funding:**

Most white supremacists fund their own activities in the movement—whatever those activities may be. This is not surprising; most white supremacists do not belong to any organized group and have little to rely upon other than their own resources. If they want to attend a white supremacist event somewhere, they must travel there themselves, or find a ride with others. They often must pay for their own tattoos, clothing, paraphernalia and weaponry. Because many white

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<sup>27</sup> Anti-Defamation League, *Funding Hate: How White Supremacists Raise their Money*, December 5, 2017 (<https://www.adl.org/media/10761/download>)

supremacists are not economically advantaged, such self-funding does not generate much money as a whole.<sup>28</sup>

### Organizational funding:

Most white supremacist groups, as well as other white supremacist entities such as websites, do solicit voluntary donations, regardless of whether they have membership dues. For example, the Arkansas-based Knights Party, a Klan group, solicits donations of from \$5 to \$500 through an online store. Fundraising campaigns for limited and specific purposes—such as raising money to pay the legal fees of an arrested white supremacist—often have a greater chance of success than broader or more generic entreaties.<sup>29</sup>

Most of these groups seeking dues and donations can't easily use electronic forms of payment, because companies like PayPal make an effort to prevent white supremacists from using their services. The Knights Party, for example, allows people to “purchase” donations online but they must send checks or money orders by mail. The National Policy Institute, the “think tank” of alt right ideologue Richard Spencer, complains on its site that “each of our online donation processors has been successively torpedoed by Silicon Valley,” and asks that people send traditional check or money order.

### Criminal Activity:

White supremacists engage not only in ideological crimes such as hate crimes or terrorist plots, but also a wide variety of traditional crimes—including crimes intended to obtain money, such as drug dealing, robberies and thefts. White supremacist prison gangs, many of which can be described as organized crime syndicates, are particularly noteworthy for such activities, but this type of criminal behavior can be found to some degree across much of the white supremacist movement.<sup>30</sup>

Most such criminal activity, however, is designed primarily to benefit the person or persons engaging in the crime, rather than a white supremacist group or the white supremacist causes as a whole. As such, criminal activity is not a major source of funding for white supremacism as a movement.

### Online funding platforms:

The most significant new type of funding for the white supremacist movement has been crowdfunding or crowdsourcing, which can be used by both individuals and groups. Essentially

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<sup>28</sup> Anti-Defamation League, “Chapter 2: Self-Funding,” *Funding Hate: How White Supremacists Raise their Money*, December 5, 2017 (<https://www.adl.org/resources/reports/funding-hate-how-white-supremacists-raise-their-money#self-funding>)

<sup>29</sup> Anti-Defamation League, “Chapter 3: Organizational Funding,” *Funding Hate: How White Supremacists Raise their Money*, December 5, 2017 (<https://www.adl.org/resources/reports/funding-hate-how-white-supremacists-raise-their-money#organizational-funding>)

<sup>30</sup> Anti-Defamation League, “Chapter 4: Criminal Activity,” *Funding Hate: How White Supremacists Raise their Money*, December 5, 2017 (<https://www.adl.org/resources/reports/funding-hate-how-white-supremacists-raise-their-money#criminal-activity>)

an extension of social media, crowdfunding consists of using dedicated internet platforms such as GoFundMe, Patreon, FundRazr, Indiegogo and Kickstarter, among others, to solicit and raise money for specific products, projects or general support from among a wide base of people. Today, crowdfunding is used to finance an amazing range of activities, from moviemaking to wrestling camps.<sup>31</sup>

White supremacists quickly discovered for themselves the usefulness of such platforms. One early effort by white supremacists occurred on Indiegogo, where white supremacist Kyle Hunt launched a fund drive in 2014 to produce “Stop White Genocide” banners for planned White Man March events across the country. With 50 backers contributing money, Hunt quickly raised over \$3,500, well over his stated goal of \$2,000. A similar campaign to purchase an aerial “March Against White Genocide” sign (i.e., one pulled by a plane) was also successful. Canadian white supremacist Veronica “Evalion” Bouchard successfully raised more than \$1,600 on Indiegogo in 2016 for a “new studio set up” to use to make racist videos.

However, as mainstream crowdfunding websites became aware of white supremacist exploitation of their platforms, they have increasingly moved to shut such extremists out. Some white supremacists and other extremists have attempted to create their own alternative crowdsourcing platforms, but most of these have failed or are in the process of failing, which means that crowdfunding may not become a sustainable source of revenue for white supremacists in the short to medium term.

#### Bitcoin and crypto-currencies:

White supremacists routinely encounter problems with money transfers and payment processing. Sites like PayPal and Google Wallet routinely deny them access and even getting a credit card payment processor is not always easy. As a result, the swift electronic transfer of money enjoyed by most people is by no means a given for white supremacists. For many, money is transferred using the slow and old-fashioned ways of check, money order or cash sent by mail.

In recent years, however, the electronic crypto-currency Bitcoin, which can be used for digital payments, has become an attractive alternative for some white supremacists, including Stormfront, the oldest and largest white supremacist website on the internet. The site claims that Bitcoin is its preferred payment method and provides its Bitcoin address to would-be contributors. In August 2017, Matt Parrott of the Traditionalist Worker Party, a neo-Nazi group, announced a “sweeping shift toward relying on blockchain-driven technologies [*i.e.*, crypto-currencies like Bitcoin or Ethereum] instead of the traditional corporate internet.” The group had already been getting at least some donations through Bitcoin since 2015.<sup>32</sup>

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<sup>31</sup> Anti-Defamation League, “Chapter 5: The New Kid on the Block: Crowdfunding,” *Funding Hate: How White Supremacists Raise their Money*, December 5, 2017 (<https://www.adl.org/resources/reports/funding-hate-how-white-supremacists-raise-their-money#the-new-kid-on-the-block-crowdfunding>)

<sup>32</sup> Anti-Defamation League, “Chapter 6: Bitcoin and Cryptocurrencies,” *Funding Hate: How White Supremacists Raise their Money*, December 5, 2017 (<https://www.adl.org/resources/reports/funding-hate-how-white-supremacists-raise-their-money#bitcoin-and-cryptocurrencies>)

One odd aspect of Bitcoin is that, while the crypto-currency is anonymous in the sense that it does not transmit personally identifying information, it is quite transparent in that all transactions using Bitcoin are permanently and publicly stored. This means that if one knows the identifier for Bitcoin “wallets” belonging to extremists, one can actually examine transactions for those wallets. In October 2017, journalists Will Carless and Aaron Sankin did just that, with help from a Twitter bot, @NeonaziWallets, which posts information related to certain identified Bitcoin wallets. They revealed that Stormfront’s Bitcoin wallet was worth more than \$30,000, while that of the neo-Nazi website Daily Stormer was ten times that amount. Perhaps most surprisingly, their report revealed that white supremacist hacker Andrew Auernheimer has received more than a million dollars in Bitcoin currency, a staggering amount for a white supremacist. It should be noted that Auernheimer’s appeal extends beyond the white supremacist movement into several other movements or subcultures and that he is not at all representative of white supremacist use of Bitcoin.

However, some white supremacists have had problems even trying to use Bitcoin and other cryptocurrencies. Here the problem has been not Bitcoin per se, which anybody can use, but processors of electronic Bitcoin payments, at least some of whom are not necessarily willing to lend their services to white supremacists. As a result, the Daily Stormer website currently must have Bitcoin donations mailed to its post office box, the same as any donations by cash, check or money order. Thus Bitcoin is not necessarily a panacea for white supremacists.

### **Exploitation of Social Media**

Extremists make up only a small segment of our population, but the internet amplifies their voices. Most extremists are unaffiliated with organized groups, but the internet has enabled isolated extremists to become more active and involved in virtual campaigns.

As internet proficiency and the use of social media have become universal, so too have the efforts of terrorist and extremist movements to exploit these technologies to increase the accessibility of materials that justify and sanction violence. Terrorist and extremist movements use online and mobile platforms to spread their messages and to actively recruit adherents who live in the communities they target. The resurgence and fast spread of both the militia and sovereign citizen movements in 2008-2009, for example, was enabled in large part by social media, as was the spread of IS and alt right propaganda since.

Today, individuals can easily find sanction and reinforcement online for their extreme opinions or actions, in some cases neatly packaged alongside bomb-making instructions. This enables adherents like white supremacist mass shooter Dylann Roof to self-radicalize without face-to-face contact with an established terrorist group or cell. Extremists and terrorists take full advantage of this virtual audience, regularly publishing detailed instructions for lone wolf terror attacks using knives, as well as cars, trains, and other modes of transportation, and in some cases providing lists of suggested targets, as well.

Approximately half of the 150 terrorist incidents described in a 2017 ADL report on 25 years of right-wing terrorism were perpetrated by lone wolf offenders.<sup>33</sup> And right-wing terror plots or attacks have involved more people, on average, than Islamist extremist plots or attacks, which have increasingly been carried out by lone actors.<sup>34</sup>

Today, as a result of the internet, it is easier than ever for someone to become steeped in extremist ideologies, even to the point of being willing to commit acts of great violence, without ever being involved in an organized extremist group.

## **International Terror Finance and U.S. Foreign Policy**

### ***State Sponsors of Terror***

The U.S. government currently designates four state sponsors of terrorism: Iran, North Korea, Sudan, and Syria.<sup>35</sup> However, Iran is far and away the most prolific of these three, providing extensive official support through its Islamic Revolutionary Guard Corps (I.R.G.C.) to such U.S.-designated Foreign Terrorist Organizations as Hamas, Hizballah, Kata'ib Hizballah, Saraya al-Ashtar, and others.<sup>36</sup> According to Treasury Under Secretary for Terrorism and Financial Intelligence Sigal Mandelker in June, Iran “provides upwards of \$700 million a year to Hizballah.”<sup>37</sup>

Successive American administrations, both Democratic and Republican, have pursued sanctions designations to expose and address Iran’s state sponsorship of terrorism. The U.S. Treasury Department has continued this effort with a spate of recent designations, including two rounds of recent sanctions designed to show that the Central Bank of Iran is knowingly involved in facilitating the I.R.G.C.’s financial crimes such as money laundering and bank fraud in order to transfer funds in support of international terrorism.<sup>38</sup>

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<sup>33</sup> Anti-Defamation League, *A Dark and Constant Rage: 25 Years of Right-Wing Terrorism in the United States*, May 22, 2017

([https://www.adl.org/sites/default/files/documents/CR\\_5154\\_25YRS%20RightWing%20Terrorism\\_V5.pdf](https://www.adl.org/sites/default/files/documents/CR_5154_25YRS%20RightWing%20Terrorism_V5.pdf))

<sup>34</sup> Anti-Defamation League, “Chapter 3: Islamist Extremist Plots 2001-2017,” *A Homegrown Threat: Islamist Extremist Plots in the United States*, May 1, 2018 (<https://www.adl.org/resources/reports/a-homegrown-threat-islamist-extremist-plots-in-the-united-states#islamist-extremist-plots-2001-2017>)

<sup>35</sup> U.S. State Department, “State Sponsors of Terrorism,” accessed September 5, 2018 (<https://www.state.gov/j/ct/list/c14151.htm>)

<sup>36</sup> U.S. State Department, “Chapter 3: State Sponsors of Terrorism,” *Country Reports on Terrorism 2016*, July 2017 (<https://www.state.gov/j/ct/rls/crt/2016/272235.htm>)

<sup>37</sup> U.S. Treasury Department, “Under Secretary Sigal Mandelker Speech before the Foundation for the Defense of Democracies,” June 5, 2018 (<https://home.treasury.gov/news/press-releases/sm0406>)

<sup>38</sup> U.S. Treasury Department, “United States and United Arab Emirates Disrupt Large Scale Currency Exchange Network Transferring Millions of Dollars to the IRGC-QF,” May 10, 2018, (<https://home.treasury.gov/news/press-releases/sm0383>) & U.S. Treasury Department, “Treasury Targets Iran’s Central Bank Governor and an Iraqi Bank Moving Millions of Dollars for IRGC-Qods Force,” May 15, 2018 (<https://home.treasury.gov/news/press-releases/sm0385>)

### ***Incomplete Lists of Terrorist Groups***

One of the most fundamental challenges in combating international terror finance is simply getting our allies on the same page as us with regard to which international violent extremist groups should be classified as terrorists. In October, the House of Representatives passed H. Res. 359—which ADL endorsed—calling on the European Union to designate Hizballah in its entirety as a terrorist group.<sup>39</sup> The European Union insists on designating only the military wing of Hizballah as a terrorist group, even though Hizballah’s own leaders explicitly reject the notion that it has separate military and political wings, and despite the fact that failing to designate Hizballah as a whole makes it easier for the group to engage in logistical and propaganda activities in Europe.

Likewise, not a single Latin American government has designated Hizballah as a terrorist group, despite the fact that the group murdered 85 people and injured hundreds when it carried out the 1994 car bombing of the AMIA Jewish community center in Buenos Aires.

The six Arab monarchies in the Gulf jointly announced their conclusion in 2016 that Hizballah is a terrorist organization, and all six of these states joined the U.S. in two rounds of multilateral joint designations in the last year against terrorist operatives associated with Hizballah, al-Qaeda, or the Islamic State. However, as my colleague David Weinberg testified in the House this April, neither Oman nor Kuwait has issued a comprehensive public list of banned terrorist organizations.<sup>40</sup> Qatar’s list to this effect still has enormous and inexcusable gaps.<sup>41</sup> And although some Gulf states such as Saudi Arabia take a tough line against Iranian-backed extremists, not one of the six Gulf monarchies has designated any of the Palestinian terrorist organizations that target Israel - such as Hamas or Palestinian Islamic Jihad, which are backed by Iran – as a terrorist group.<sup>42</sup>

### ***Safe Havens for Terror Financiers***

Finally, stopping the flow of terrorist finance abroad requires cracking down on safe havens and ensuring that U.S.-designated terror financiers cannot enjoy legal impunity abroad.

Just this week, the U.S. government announced plans to further cut military aid to Pakistan over its continued tolerance of terrorist operatives on its territory.<sup>43</sup> For example, Pakistan has

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<sup>39</sup> Congress.gov, “H.Res.359 - Urging the European Union to designate Hizballah in its entirety as a terrorist organization and increase pressure on it and its members,” Text Engrossed in House, October 25, 2017 (<https://www.congress.gov/bills/115th-congress/house-resolution/359/text>)

<sup>40</sup> David Weinberg, “Grading Counterterrorism Cooperation with the G.C.C. States,” Testimony before the House Committee on Foreign Affairs Subcommittee on Terrorism, Nonproliferation, and Trade and Subcommittee on the Middle East and North Africa, April 26, 2018 (<https://www.adl.org/media/11140/download>)

<sup>41</sup> David Weinberg, “Qatar’s Swiss Cheese Terrorism List,” *ADL Blog*, April 11, 2018 (<https://www.adl.org/news/op-ed/qatars-swiss-cheese-terrorism-list>)

<sup>42</sup> David Weinberg, “Grading Counterterrorism Cooperation with the G.C.C. States,” Testimony before the House Committee on Foreign Affairs Subcommittee on Terrorism, Nonproliferation, and Trade and Subcommittee on the Middle East and North Africa, April 26, 2018 (<https://www.adl.org/media/11140/download>)

<sup>43</sup> Saphora Smith and Reuters, “Trump admin cancels \$300M aid to Pakistan over terror record,” *NBC News*, September 2, 2018 (<https://www.nbcnews.com/news/world/trump-admin-cancels-300m-aid-pakistan-over-terror-record-n905786>)

continued to turn a blind eye to the military, political, and financial leaders of Lashkar-e-Taiba, the U.S.-designated Foreign Terrorist Organization based in Pakistan responsible for the 2008 Mumbai attacks that killed at least 166 people.<sup>44</sup> Six Americans were murdered in that attack, including at the Nariman House Jewish community center in Mumbai.

My colleague David Weinberg testified in April that Kuwait's top public university appeared to be listing three individuals on its faculty who are designated by the U.S. as funders of al-Qaeda.<sup>45</sup> Likewise, he noted that Qatar still appears to be hosting Hussam Badran, whom Israel identified as the mastermind of numerous Hamas terrorist attacks in the early 2000s that killed over 100 people and injured over 500 more. Since moving to Qatar, Badran has reportedly engaged in funding terrorism through gold and jewelry smuggling to Hamas terrorist cells in the West Bank.<sup>46</sup>

Likewise, it is especially important for Latin American governments to tackle the threat posed by Hizballah because, according to the State Department, the Tri-Border Area at the nexus of Paraguay, Argentina, and Brazil has "continued to be attractive to individuals seeking to engage in terrorist financing, as the minimal police and military presence along these borders allowed for a largely unregulated flow of people, licit and illicit goods, and money."<sup>47</sup> Hizballah is generally considered to be the main perpetrator in this regard, and it also uses its networks in Latin America to provide illicit procurement and operational support to Iran's I.R.G.C.<sup>48</sup>

## **Legislative and Administrative Policy Recommendations**

### ***Bully Pulpit***

The right to free speech is a core value, but the promotion of hate should be vehemently rejected. Simply put, you cannot say it enough: America is no place for hate. The Administration must send loud, clear, and consistent messages that violent bigotry is unacceptable – and ensure that the FBI and the Civil Rights Division will enforce relevant federal laws and vigorously investigate and prosecute hate crimes.

### ***Improved Coordination***

The Department of Justice should host periodic interagency meetings to promote cross-agency collaboration and to address prevention of and response to extremism and hate violence. This

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<sup>44</sup> U.S. State Department, "Amendments to the Terrorist Designation of Lashkar e-Taiba," April 2, 2018 (<https://www.state.gov/r/pa/prs/ps/2018/04/280125.htm>)

<sup>45</sup> David Weinberg, "Grading Counterterrorism Cooperation with the G.C.C. States," Testimony before the House Committee on Foreign Affairs Subcommittee on Terrorism, Nonproliferation, and Trade and Subcommittee on the Middle East and North Africa, April 26, 2018 (<https://www.adl.org/media/11140/download>)

<sup>46</sup> Israel Defense Forces, "When Hamas Tries to Establish a Terror Network – We Stop Them," July 3, 2015 (<https://www.idf.il/en/minisites/hamas/when-hamas-tries-to-establish-a-terror-network-we-stop-them/>)

<sup>47</sup> U.S. State Department, "Chapter 2: Country Reports: Western Hemisphere," *Country Reports on Terrorism 2016*, July 2017, (<https://www.state.gov/j/ct/rls/crt/2016/272234.htm>)

<sup>48</sup> Emanuele Ottolenghi, *State Sponsors of Terrorism: An Examination of Iran's Global Terrorism Network*, Testimony before the House Homeland Security Committee Subcommittee on Counterterrorism and Intelligence, April 17, 2018 (<https://docs.house.gov/meetings/HM/HM05/20180417/108155/HHRG-115-HM05-Wstate-OttolenghiE-20180417.pdf>)

initiative should involve both lead enforcement agencies and agencies working to expand anti-bias and hate crime prevention training and outreach – including Department of Education, Department of Homeland Security, the Federal Bureau of Investigation (FBI), and the Department of Health and Human Services (HHS).

### ***Recognizing Domestic Terrorism***

The nature of domestic extremist movements is substantially different enough from foreign terrorist organizations that creating designed domestic terrorist organization lists is not practical or desirable and presents potential constitutional issues under the First Amendment. However, it is both practical and desirable to finally pass a domestic terrorism statute that explicitly recognizes and punishes domestic terrorism as a crime, calls upon the federal government to collect statistics on domestic terrorism and other forms of extremist-related criminal activity, and ensures training for law enforcement on domestic terrorism. Such a statute should focus on specific criminal acts and not cross the line to punishing First Amendment protected expression.

### ***Countering Violent Extremism***

The Administration and Congress should do all in their power to promote trust and encourage stronger relationships to counter attempts by both international terrorist organizations and domestic hate and extremist groups to recruit disaffected Americans. The Administration should fully resource and staff efforts at both security and non-security Executive branch agencies to implement programs aimed at preventing and intervening in the process of radicalization to violence. DHS should clarify its funding criteria and demonstrate that it is committed to funding the full range of programs – domestic and international – designed to counter all forms of violent extremism, not just those associated with Islamist extremism.

### ***Community Resilience Programming***

Congress and state legislatures should authorize and appropriate grants for research and services to better understand the drivers of extremist hate and fund evidence-based programming to counter it. Some opportunities are available for research, but far from enough; there is no comprehensive strategy and program to counter the trends we are seeing online and in our communities. State, local, and community leaders must create opportunities throughout the lifecycle of hate—from awareness to intervention to rehabilitation and victims services—in support of comprehensive, evidence-based, whole-of-society programs that counter all facets of hate and extremism. Recent ADL-supported programs that nurture these sorts of partnerships include the Mayors’ Compact to Combat Hate, Extremism, and Bigotry; the Strong Cities Network; and Communities Overcoming Extremism: The After Charlottesville Project

### ***Dialogue Between Civil Society and Tech Sector***

In the last several years, civil society and the technology sector have partnered on a range of projects to ensure public sector approaches adapt for the digital era. Governmental efforts to address hate and extremism have been little more than opportunities to hold joint events, and are far from collaborative partnerships. Policymakers should pursue genuine partnerships with the

technology sector to ensure the government can better counter extremism online, and to help technology companies find solutions to emerging challenges.

### ***Inclusive and Comprehensive Terms of Service***

Tech companies must continue to improve their terms of service, especially in relation to extremism. This commitment should include creating strong and robust prohibitions on extremist content. Platforms should fine-tune their approaches to dealing with such extremism. In addition to having clear and transparent terms of services, platforms must vigorously enforce these guidelines for the benefit of their users. This should include more rigorously policing their platforms to avoid providing services to U.S.-listed Specially Designated Global Terrorists.

### ***Continue Utilizing Terrorist Designations Abroad***

The Treasury and State Department's authority to designate terrorist financiers and operatives is a particularly powerful tool in certain regards. Even when designated entities are not directly exposed to the U.S. financial sector, such designations signal to outside actors to avoid dangerous transactions and alert security officials in other countries to potential threats. Notably, the United States has not sanctioned a single Hamas financial operative since 2015, despite a regrettably rich target environment in this regard throughout the Middle East. The U.S. government should also continue to strategically use these designations at times to isolate ideological purveyors of hatred and extremism if they are also engaged in sanctionable offenses, such as former mentor to Osama bin Laden Abdulmajeed al-Zindani, who was sanctioned by the United States and U.N. in 2004.<sup>49</sup>

### ***Press U.S. Allies to Designate All Terrorist Groups***

Congress and the Executive branch can each take constructive steps to encourage U.S. allies to designate major terrorist groups. This includes urging European and Latin American governments to designate Hizballah in its entirety as a terrorist organization and urging Gulf governments to designate Hamas and Palestinian Islamic Jihad. Congress can continue to highlight these issues with such bills as H. Res. 359 specifically on the E.U.-Hizballah issue that passed the House last year,<sup>50</sup> as well as through public letters to foreign governments and in your conversations with foreign leaders.

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<sup>49</sup> U.S. Treasury Department, "United States Designates Bin Laden Loyalist," February 24, 2004 (<https://www.treasury.gov/press-center/press-releases/Pages/js1190.aspx>); & United Nations Security Council, "Narrative Summaries of Reasons for Listing: QDi.156 Abd al-Majid Aziz al-Zindani," designated February 27, 2004, narrative summary posted July 23, 2009 and updated June 10, 2013 ([https://www.un.org/sc/suborg/en/sanctions/1267/faq\\_sanctions\\_list/summaries/individual/abd-al-majid-aziz-al-zindani](https://www.un.org/sc/suborg/en/sanctions/1267/faq_sanctions_list/summaries/individual/abd-al-majid-aziz-al-zindani))

<sup>50</sup> Congress.gov, "H.Res.359 - Urging the European Union to designate Hizballah in its entirety as a terrorist organization and increase pressure on it and its members," Text Engrossed in House, October 25, 2017 (<https://www.congress.gov/bill/115th-congress/house-resolution/359/text>)

### ***Pass Key Terror Finance Bills***

The ADL has endorsed two bipartisan pieces of legislation on international terror finance that this Committee should help enact into law. The first is H.R. 5132, the Iranian Revolutionary Guard Corps Economic Exclusion Act, which was introduced in March and was referred at that time to several Committees, including House Financial Services.<sup>51</sup> The bill would strengthen existing U.S. sanctions against companies controlled by the I.R.G.C. and impose additional sanctions on foreign persons that provide material support to the I.R.G.C. ADL has also endorsed H.R. 2712, the Palestinian International Terrorism Support Prevention Act of 2017.<sup>52</sup> This bill imposes sanctions on foreign persons or governments that provide material support to Hamas or Palestinian Islamic Jihad. The bill was introduced in May of last year and was referred to the House Financial Services Committee as well as the House Committee on Foreign Affairs; the latter marked up the bill and approved it in November, but this Committee has yet to act on it.

### ***Dry Up Terror Finance Safe Havens Abroad***

However worthwhile designating international terror financiers may be, the United States also needs to be prepared for the reality that there are certain jurisdictions in which such individuals enjoy legal impunity. In such cases, Members of Congress should encourage the Secretary of State to invoke article 6(j) of the Export Administration Act of 1979, publicly naming those jurisdictions that turn a blind eye to terror financiers and to other terrorist facilitators based in their country. This would in turn require the licensing of dual use items being exported from the United States to such countries, in order to ensure that U.S. foreign trade is not exploited to allow sensitive technologies to fall into the hands of terrorists and their facilitators abroad. It would also provide such countries with an added incentive to abandon their negligent conduct.

### ***Seek to Extradite Terror Facilitators Enjoying Legal Impunity Abroad***

The United States should pursue legal action when host governments are unprepared to do so and the United States has potential jurisdiction, such as against the perpetrators of crimes that touch the U.S. financial system or against terrorists who help to murder Americans abroad. For example, the United States has filed charges against one of the perpetrators of Hamas's 2001 Sbarro pizzeria bombing, Ahlam Tamimi, who is enjoying legal impunity in Jordan despite being on America's Most Wanted Terrorist list on charges of murdering two American citizens and injuring at least four other Americans in that attack.<sup>53</sup> The United States could seek to file and unseal similar charges against Hussam Badran in Qatar, whom Israel has identified as one of the masterminds of that attack and a Hamas financier, among other roles.<sup>54</sup> Both Congress and the

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<sup>51</sup> Congress.gov "H.R.5132 - Iranian Revolutionary Guard Corps Economic Exclusion Act," Introduced in House on March 1, 2018 (<https://www.congress.gov/bill/115th-congress/house-bill/5132/text>)

<sup>52</sup> Congress.gov, "H.R.2712 - Palestinian International Terrorism Support Prevention Act of 2017," Introduced in House on May 25, 2017 (<https://www.congress.gov/bill/115th-congress/house-bill/2712/text>)

<sup>53</sup> Federal Bureau of Investigation, "Ahlam Ahmad al-Tamimi," *Most Wanted Terrorists*, accessed September 5, 2018 ([https://www.fbi.gov/wanted/wanted\\_terrorists/ahlam-ahmad-al-tamimi](https://www.fbi.gov/wanted/wanted_terrorists/ahlam-ahmad-al-tamimi))

<sup>54</sup> David Weinberg, "Grading Counterterrorism Cooperation with the G.C.C. States," Testimony before the House Committee on Foreign Affairs Subcommittee on Terrorism, Nonproliferation, and Trade and Subcommittee on the Middle East and North Africa, April 26, 2018 (<https://www.adl.org/media/11140/download>)

Administration could add public and private pressure for Tamimi and Badran’s timely extradition for their alleged roles in the murder of American Jews.

### ***Improve federal response to hate crimes***

The federal government has an essential leadership role to play in confronting hate crimes, extremism, and acts of violence motivated by prejudice. It cannot do so if it scapegoats Muslims, refugees, and other marginalized communities through policy and executive action. At a time of increased incidents of bias, harassment, and hate violence, the Administration’s policies and actions have a direct impact on whether individuals will trust police enough to report crimes, including hate crimes. Special attention needs to be paid to strong enforcement of hate crime laws, underreporting of hate crimes by law enforcement to the FBI and by communities, and training for law enforcement on recognizing and responding to hate crimes. DOJ should establish an interagency task force to coordinate hate crime prevention initiatives and responses across the executive branch and the federal government should help law enforcement agencies improve data collection and training on how to effectively address hate crimes and their victims.

### **Conclusion**

Seventeen years after the September 11 terrorist attacks, we very much hope that these hearings—and any that come after them—will acknowledge and highlight the extraordinary, successful efforts of federal, state, and local law enforcement officials to prevent and deter terrorism on our shores. But police and counterterrorism officials do not work in a vacuum; they cannot do their job without community relationships, cooperation, trust, and a shared sense of responsibility for public safety. ADL will continue to advocate—in Congress and in the courts—for law enforcement officials to have investigative tools sufficient to deter and prevent terrorism, while appropriately balancing national security and individual rights.