

# Navigating the U.S. Government's Terrorist Lists

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## ABOUT THE AUTHORS



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## Brief Analysis

Since September 11, the Bush administration has issued seven different lists of terrorist groups, including terrorist organizations, front companies, and individuals. In its effort to prosecute the war on terrorism, the administration has articulated the goal of eradicating Osama bin Laden's Al Qaeda terrorist network and its Taliban hosts rather clearly. However, the goals of the broader war on terrorism, beyond Al Qaeda and the Taliban, remain ill defined. An examination of the administration's various terrorist lists underlines the developing nature of its strategic vision for dealing with international terrorism beyond Al Qaeda. The lists are a telling component of the administration's emerging policy regarding its war on terrorism writ large.

## A Chronology of Lists

On September 24, 2001, the president issued Executive Order (EO) 13224, blocking the assets of twenty-seven organizations and persons linked to Al Qaeda by naming them Specially Designated Global Terrorists (SDGT). The order was issued in furtherance of the president's September 14 proclamation declaring a national emergency in the wake of the September 11 attacks and the continuing flow of credible intelligence warning of further attacks. This list specifically targeted the financial assets of organizations and individuals linked to Al Qaeda. The list appears to have been intended less as a strategic statement against terrorism than as a tactical measure aimed at disrupting Al Qaeda's logistical support network and frustrating its efforts to conduct terrorist attacks against the United States and its allies. In his statement announcing the list, the president said that "money is the lifeblood of terrorist operations," and called the measure "a major thrust of our war on terrorism." Further, the executive order empowered the secretary of the treasury to impose sanctions on foreign banks that provided services to those listed in the president's order. The Treasury Department is already authorized to impose penalties on international banks that interact with Colombian drug cartels. In essence, the order extended this authority beyond the drug cartels to include terrorists linked to Al Qaeda. The executive order also authorized the government to act against individuals and organizations that associate with the named terrorist groups.

On October 5, the State Department's list of Foreign Terrorist Organizations (FTO) was renewed under its normal biannual review process, pursuant to the Antiterrorism and Effective Death Penalty Act of 1996. This review process was underway long before the World Trade Center and Pentagon attacks. As required under this 1996 legislation, U.S. government agencies were reviewing the list to verify that the groups whose 1999 designation was due to expire

still warranted being kept on the list. They also determined if further groups deserved to be added.

Five days later, the director of the FBI, accompanied by the president and a host of other dignitaries, unveiled the FBI's new Most Wanted Terrorists list. Citing the success of the FBI's Most Wanted Fugitives list, including the apprehension of international terrorists Mir Amal Kansi and Ramzi Yousef, the creation of the Most Wanted Terrorists list was described as a law enforcement component of the multifaceted war on terrorism. The list was issued as a law enforcement technique intended to parallel the administration's political, diplomatic, intelligence, financial, and military efforts to combat terrorism. This list was clearly drafted with an eye toward those individuals who have intentionally targeted Americans with terrorist attacks. While groups like Hamas, Palestinian Islamic Jihad (PIJ), and others have conducted attacks in which Americans have been killed or injured, they have not specifically targeted Americans and were therefore not included. The twenty-two terrorists included in the Most Wanted Terrorists list included bin Laden and twelve other Al Qaeda members involved in the 1998 African embassy bombings and other attacks; four Saudi Hizballah members involved in the Khobar Towers bombing in 1996; one participant in the 1993 bombing of the World Trade Center; one participant in the Manila-based plot to bomb U.S. airliners in 1995; and three Lebanese Hizballah members involved in the 1985 hijacking of TWA 847. The president described the individuals as "the first 22" terrorists to be listed, specifying that others would surely be listed later.

On October 12, the Treasury Department froze the assets of an additional thirty-nine entities, thirty-three individuals, and six organizations, adding them to the list of SDGTs. Twenty-one of those listed, including fifteen people and two organizations, were tied to Al Qaeda, while eighteen were individuals from the FBI's list of Most Wanted Terrorists published just two days earlier.

On October 31, with authority granted him in the newly signed USA PATRIOT Act of 2001, Attorney General John Ashcroft sent Secretary of State Colin Powell a letter unilaterally requesting that forty-six groups be designated as FTOs in addition to the twenty-eight already listed. These included nine groups whose assets were frozen under EO 13224, six groups listed as SDGTs in the October 12 follow-up to the executive order, and thirty-one groups who were identified in the State Department's year 2000 Patterns of Global Terrorism report of April 2001. To date, the department has taken no action on Ashcroft's request.

On November 2, the secretary of state, in consultation with the attorney general and the secretary of the treasury, added twenty-two of the twenty-eight designated FTOs to the list of organizations designated as SDGTs under EO 13224. The remaining six FTOs, all linked to Al Qaeda, had already been listed under EO 13224 in the annex to the original executive order. By adding the remaining twenty-two FTOs to the executive order's terrorist list, including Hamas, PIJ, Hizballah, and others, the government leveled the playing field for all FTOs by empowering itself to act against individuals and organizations that associate with any of these terrorist groups.

On November 7, the Treasury Department froze the assets of sixty-two additional organizations and persons associated with the Al-Taqua and Al-Barakat financial networks, listing them as SDGTs under EO 13224. In his remarks, the president stated that these groups provided fundraising, financial, communications, weapons-procurement, and shipping services for Al Qaeda.

In total, the U.S. government has designated some 150 individuals, organizations, and financial supporters of terrorism as SDGTs from around the world, including over \$26 million in Taliban and Al Qaeda assets. Other nations have reportedly followed the U.S. lead. The secretary of the treasury reported that 112 nations have blocking orders in force, and have blocked at least \$43 million in assets.

Between FTOs and SDGTs

In essence, three basic terrorist lists have been issued since the September 11 attacks: (1) the financial blocking (SDGT) list and its subsequent additions, (2) the renewal of FTOs whose two-year designation was about to expire,

and (3) the FBI's Most Wanted Terrorists list. It should be noted that Treasury's SDGT designations and State's FTO designations (which the attorney general is now also empowered to request of the secretary of state) provide the government with very similar powers. The SDGT designation adds two specific provisions beyond those provided by the FTO listing. First, whereas the FTO designation requires U.S. financial institutions to block the funds of designated FTOs, the SDGT designation empowers the government to impose sanctions on foreign banks that provide services to designated SDGTs. Second, the SDGT designation allows the government to block the assets of any individual or organization that associates with designated SDGTs. For its part, the FTO designation allows the government to deny visas or exclude representatives or members of designated FTOs from the United States.

### Why So Many Lists?

The common denominator shared by all three is their focus on providing the government with a multifaceted arsenal of administrative, legal, and political means of combating terrorism. In the context of announcing the November 7 additions to the SDGT list, the attorney general stated that the government intended to "use all tools available to us" -- administrative tools, civil tools, and criminal prosecutions -- "to find and uproot terrorist financial networks." In fact, as the FBI's Most Wanted Terrorists list highlights, these tools are being used against terrorists in a variety of ways, including, but not limited to, terrorist financing.

The lists will continue to evolve, not only because of the ongoing investigation into the events of September 11, but also as a result of a post-September 11 shift toward a more proactive disruption strategy aimed at diminishing Al Qaeda's operational capabilities. Assets of some entities will be added to the lists in order to disrupt the flow of money funding terrorist activity. White House and other officials, however, have indicated that some known terror sponsors will be kept off the list because of the intelligence benefits of keeping their financial dealings under observation. Additional entities will be added to the list over time, as a result of investigative and intelligence developments.

While focused on its battle against Al Qaeda, the administration is still struggling to formulate a strategy and course of action to achieve its stated goal of not resting "until every terrorist group has been removed as a threat to the United States, our citizens, and our friends and allies." As this policy comes into focus, organizations and individuals associated with a broader array of terrorist groups may be added in subsequent blocking lists as well.

State Department spokesman Richard Boucher described the evolving financial blocking list as a "living document" which the government will continue to expand as it identifies additional organizations and individuals as providing financial and other support to terrorists. To this end, a task force comprised of the Treasury, State, and Justice Departments, as well as the FBI and CIA, reportedly meets regularly to decide whether further additions should be made to the SDGT blocking list along the lines of the additions made on October 12, November 2, and November 7.

### Conclusion

While the nature of the larger war on terrorism beyond Al Qaeda and the Taliban may still be taking shape, what is clear from these terrorist lists is that administrative actions are quickly becoming one of the government's weapons of choice to disrupt terrorist activity and dismantle their support networks. Whether targeting terrorist financing, communication and logistics networks, or front organizations, administrative actions such as freezing terrorists' assets are quick, they are protective of sources and methods, and they successfully disrupt terrorist activity.

Hopefully, the creation of the interagency Foreign Terrorist Asset Tracking Center, located at the Treasury Department, will streamline the SDGT designation process and facilitate a more efficient interface with the FTO designation process at the Departments of State and Justice.

Matthew Levitt is a senior fellow at The Washington Institute.

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