

Questioning Extremism: Mapping the relationship between charities and counter-terror measures

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Outline

- Brief Introduction
- Context post-9/11
- Securitisation of Charities and the Financial War on Terror
- Derisking and Debanking – Financial Exclusions
- Disproportionate negative effect on “Muslim” charities
- Consequences: Counter productive and wasting resources
- Concluding Remarks

Third Sector – Celebrations and Challenges

Covid Pandemic

Cost of Living Crisis

UK Government cuts to global aid

Reductions in charitable donations (from public)

Reductions in volunteers

Financial Counter-Terror policies

Creation of negative stereotypes

Increasing importance of Faith Based Charities



- Charitable donations from the UK public decreasing (CAF, 2021) with the exception of faith-based initiatives and actors (YouGov, 2021; Whitehead 2020).
- 2024 report from BlueState: Muslims are on average donating 4.3 times more than any other faith group in the UK.
- Individuals with faith more likely to volunteer for Third Sector (differences in age in faith groups).
- **Faith In Highlands**
 - 58.2% “no religion”
 - Church of Scotland, Roman Catholics, “Other” Christian, Muslim.

Context of Charity and Counter-Terror (CT) post 9/11

- Counter-Terror (CT) policies connected to aid/charity emerged post 9/11 and still evolving.
- Growing critique of CT measures (especially “Prevent Duty” and Financial CT).
- Risks of Financial Exclusions and delays to charitable/humanitarian services.
- Policies unevidenced and counter-productive



Financial War on Terror (FCT)– Counter Terror Finance

- FCT instigated globally just two weeks after 9/11
- Partly extending existing anti-money laundering laws from the US and expanding existing UK legislation derived from Troubles in Northern Ireland
- Assumption: “Follow the money, find the terrorist”

9/11 Commission Report - 2004

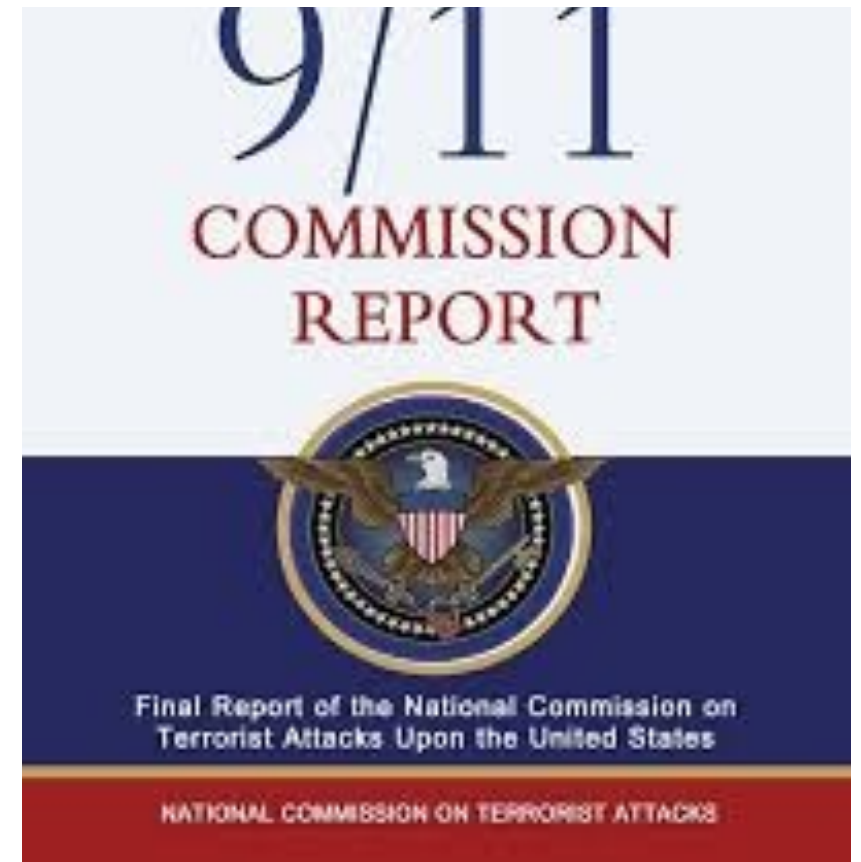
9/11 perpetrators “moved stored and spent their money in ordinary ways ... The origin of the funds remains unknown’ (2004: 169)

Yet, the above did not stop the report authors from unevidenced speculation...

“Charities were a source of money and also provided significant cover, which enabled operatives to travel undetected under the guise of working for a humanitarian organization’ (2004: 170-171).

The above is despite the concluding remarks of this section of the report...

“To date, the US government has not been able to determine the origin of the money used for the 9/11 attacks. **Ultimately the question is of little practical significance**” (2004: 172).



Is the question of financial flows “ultimately ...of little practical significance”?

- Financial CT policies have had a profound affect on individuals, organisations, Charites, NGOs, end recipients of aid, and entire communities.
- “People have died” (anonymous charity worker, in interview with Author, 2019).
- ALL of the largest Muslim charities in the US have closed since 2001.
- Charities in US prosecuted
- Charities in UK faced allegations (with no evidence) of “terrorism” and increased regulation.

- I. Ratification and implementation of UN instruments
- II. Criminalising the financing of terrorism and associated money laundering
- III. Freezing and confiscating terrorist assets
- IV. Reporting suspicious transactions related to terrorism
- V. International co-operation
- VI. Alternative remittance
- VII. Wire transfers
- VIII. **Non-profit organisations**
- IX. Cash couriers

Financial Action Task Force (FATF)

- FATF adopted “Special Recommendations”

UK Charity Commission

- Financial Counter-Terror Policies extended to Charities and Humanitarian organisations
- Prevent Strategy extended to UK Charity Commission
- “Charities will be in breach of charity law where they promote extremist views and use radicalizing materials. This may be the case even where those extremist views are not violent or likely to incite violence, or even if they do not breach terrorism laws relating to the glorification of terrorism, or constitute incitement to racial hatred”

<https://www.gov.uk/government/publications/protecting-charities-from-abuse-for-extremist-purposes/chapter-5-protecting-charities-from-abuse-for-extremist-purposes>

The PREVENT strategy and Duty

- The Prevent Strategy stands alongside the other so-called 'Ps' as the four pillars of UK counter-extremism policies (Peruse, Protect, Prepare and Prevent).
- The Prevent Strategy, like many of the Counter-Terror Finance policies are 'speculative' and pre-emptive. They seek to take action prior to criminality.
- Legal implications are raised about the reversal of the burden of proof, reversing the legal base of innocent until proven guilty.
- PREVENT Duty became a statutory duty in 2015 – ALL schools, Universities, health facilities, banks and charities have a duty to report **suspicions** of “extremism” and “radicalisation”.
- Note: There is no legal duty for an individual to report an **actual crime** witnessed!

“Independent Review of Prevent” William Shawcross 2023

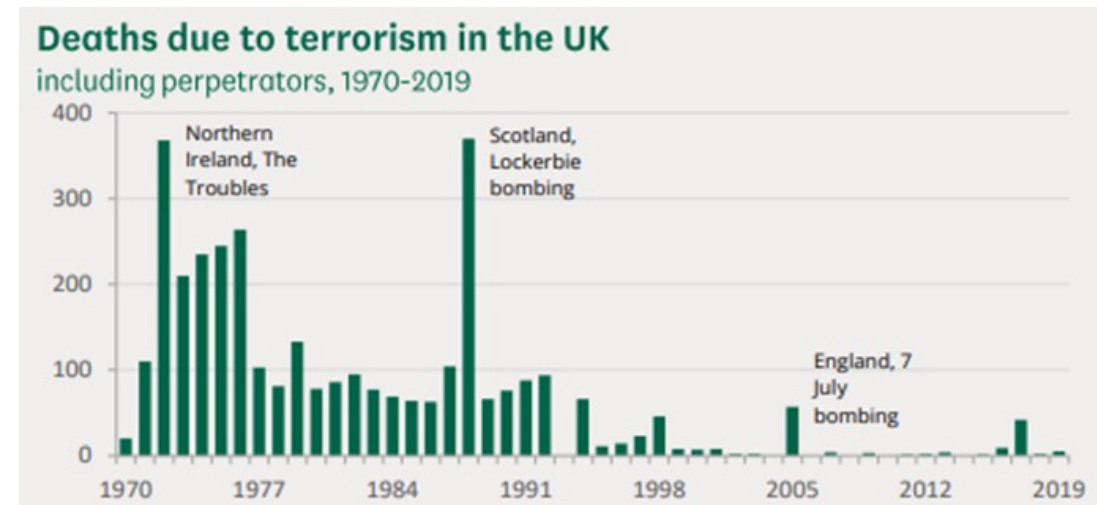
- Long delayed review of “Prevent” Controversial
- Controversial appointment of William Shawcross
- Review – reemphasis’ threat of “Islamist terrorism” and role of charities.
- Boycott of Independent Review by over 450 Islamic organisations and 17 major organisations (including Amnesty International and Liberty).
- Runnymede Trust stated: “Our decision to boycott the Independent Prevent Review stems from more than 15 years of a system that has disproportionately targeted Muslim communities”.
- <https://www.gov.uk/government/publications/independent-review-of-prevents-report-and-government-response/independent-review-of-prevent-accessible>

Criticisms of Financial C-T policies

- Unevidenced
- Relies on assumption that “terrorist” finances are similar to criminal money laundering.
- Assumption that “terrorists” use “dirty money”
- Little evidence that terrorists use “dirty money” – money “clean” until the terror act itself.
- Assumption that “Terrorism” is high cost.
- Most recent “terrorist” attacks in the UK and Western Europe low cost (Neumann, 2017; Warde 2007; De Goede, 2016).
- Prosecutions based on “association” not for any specific violent act.
- Unlikely that terrorist attacks in the UK could have been detected, let alone prevented, by surveillance and data mining of financial accounts and activities.

Are CT policies proportionate and warranted?

- The evidence suggests that the risk of terrorism in the UK currently is *relatively* low.
- The highest number of deaths resulting from political violence occurred from the 1970s to the 1990s with 84 per cent of deaths related to the Troubles in Northern Ireland.
- In contrast, from April 2003 to the end of March 2019, the UK experienced a total of 92 deaths resulting from terrorism (House of Commons Library, 2020: 5).
- To put this in perspective, Baroness Warsi has calculated that an individual is more likely to die from badly erected flatpack furniture in the UK than a terrorist attack (2017).



Rise of “Right- Wing” “terrorism”

- The 2017/2018 statistics reveal that the largest single referral grouping was for suspected Islamist terrorism at 44% followed by 18% for Right-Wing terrorism in a total of 7,318 referrals.
- Out of the 7,318 referrals only 394 were deemed sufficient to receive support for de-radicalisation.
- For those for whom support was deemed necessary there was an almost equal balance between those concerned with Islamist and Right-Wing terrorism at 45% and 44% respectively (Home Office, 2018: 14).

Problems of definition

- No universally accepted definition of “terrorism”
- Further confusion by additions of legally undefined terms such as:
 - extremism
 - radicalism
 - “Fundamental British Values”
 - “vulnerability”
- Above terms make it difficult to operationalize policies but also redirects policies away from violent acts towards “deviant” behaviours and thoughts. What is being “prevented”? Violent action or oppositional thought?

‘Extremism’

- Term legally undefined but explained in Contest II as:

“The vocal or active opposition to Fundamental British Values” (Contest II, 2011: 107).

- What are “Fundamental British Values” and who decides?
- Contest II claims “Fundamental British Values include: democracy, tolerance, rule of law “amongst other things” (Contest II, 2011: 107).

Proscription Lists and “know thy customer”: Debanking



- To comply with FATF regulations, banks must verify the identity of account holders by checking names against proscription lists provided by states, International institutions and third-party organisations (e.g. “WorldCheck”).
- Names appear on lists without further identification features – mistaken identities and repercussions for innocent individuals.
- Your name may appear on a designation list, and you will not have been told. Not clear how to contest or remove names from designation lists.
- Growth of private companies (“WorldCheck”) in compiling and selling proscription links to banks and financial institutions.

Impact of debanking and desrisking measures on Charities

- All charities interviewed by the author had experienced delays in bank payments (especially if sent overseas); threats of bank account closures or had their bank accounts closed or refused.
- Charity Finance group report states that 41% of charities had faced transfer delays; 27% denied transfer payments; 8% had funds frozen and 6% denied bank accounts. Overall, 79% had some problem accessing or using banks (CFG, 2018: 12).
- Most charities received no explanation or evidence to why banking de-risking policies had been applied (May, 2021).



Case Study Examples - Interpal

- Interpal – UK based charity focused on assisting Palestinian's and Palestine.
- Proscribed as a “terrorist” organization by the USA and Israel.
- Interpal attempted to clear their names several times – US and Israel asked for evidence- none supplied.
- Interpal investigated three times by UK Charity Commission – no evidence of “terrorist” funding.
- Interpal case in the ECJ – no evidence of “terrorist” funding.
- YET – Interpal denied bank accounts and severe problems in financial transfers to Palestine.



Counter-terror or Counter- productive?

- UK society requires support from Third Sector in unprecedented numbers.
- Counter-terror policies re-diverting charity resources to administration tasks and countering negative affects of policies.
- Debanking/derisking affecting thousands of charities
 - Extra paperwork
 - Delayed payments
 - Delays/obstructions to opening accounts
 - Accounts Frozen
 - Threats or actual closures of bank accounts (FINANCIAL EXCLUSIONS)
- Creating negative and unevdenced assumptions of charities at risk of “extremism”.
- Creating societal divisions – minorities perceived as a “threat” rather than a societal strength.

Summary

- With little to no evidence, humanitarian organisations/NGOs/Charities and volunteers alleged with “funding” and “assisting” “terrorism”.
- Growing critique of the logic of Financial CT policies.
- Consequence – negative effects on charities and humanitarian services and increased suffering for end recipients.



Thank You...

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