



Statement before the

House Committee on Foreign Affairs
Subcommittee on the Middle East and North Africa

**“Maximum Impact: Assessing the Effectiveness
of the State Department’s Counterterrorism Programs and
Charting the Path Forward”**

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Chairman Lawler, Ranking Member Cherfilus-McCormick, members of this distinguished subcommittee, and subcommittee staff, thank you for the opportunity to testify on this important topic. Neither Georgetown University nor the Center for Strategic and International Studies (CSIS) take policy positions, so the views represented in this testimony are my own and not those of my employers.

The terrorism threat has evolved, and the Department of State's Bureau of Counterterrorism (CT Bureau) and any successor organizations must change with it. Salafi-jihadist groups like Al Qaeda and the Islamic State (ISIS) are far weaker than they were over a decade ago, but they show signs of strength in different corners of the world, notably Somalia and parts of West Africa. Iranian-backed terrorist groups like Hamas and Hezbollah have suffered grievous blows from their wars with Israel, but they are steadily rebuilding. The violent white supremacist movement is globalized, with their hateful ideas spreading from country to country. Perhaps most troubling, great power competitors like Russia and China are engaging in "gray zone" warfare, with support for terrorism being one of the tools they employ along with economic pressure, subversion, and selective uses of military force.¹

Fighting terrorism has been a priority of the United States for over twenty years, and the Bureau of Counterterrorism remains an integral part of the overall U.S. effort. The CT Bureau is an important coordinator for counterterrorism in bilateral relations and multilateral forums, helping integrate U.S. intelligence, the military services, and other instruments of national power and to strengthen counterterrorism ties to U.S. allies. In addition, the programs it runs are cost-effective ways to improve the capabilities of U.S. allies and partners and, in so doing, make the United States more secure. The CT Bureau's designation of Foreign Terrorist Organizations (FTOs) and state sponsors, despite many limits, remains a vital function as does the associated highlighting of terrorist and hostile state actions through its public listing of FTOs and state sponsors. Similarly, the CT Bureau plays an important role, along with the Department of Treasury, in designating individuals under Executive Order 13224. Although this is overshadowed by the FTO designations, the United States regularly uses this tool to shine a spotlight on individuals engaged in terrorist activity.

The Trump administration, with support from Congress, should explore several additional changes to the Bureau as it considers any reorganization of the State Department. These include: preserving vital programs that strengthen partner capabilities; strengthening efforts against great powers like China and Russia that engage in "gray zone" warfare that includes aspects of terrorism; ensuring there remains a single, high-level entity at the State Department for coordinating counterterrorism; and using the FTO designation properly to retain its power and credibility.

¹Alexander Palmer et al., "Global Terrorism Threat Assessment 2025," Center for Strategic & International Studies, March 28, 2025, <https://www.csis.org/analysis/global-terrorism-threat-assessment-2025>; Daniel Byman, *Spreading Hate: The Global Rise of White Supremacist Terrorism* (Oxford: Oxford University Press, 2022); Julian E. Barnes, "Russia Escalated Sabotage to Pressure U.S. and Allies on Ukraine, Study Says," *The New York Times*, March 18, 2025, <https://www.nytimes.com/2025/03/18/us/politics/russia-sabotage-attacks-europe-ukraine.html>; Seth G. Jones et al., "China's Strategy of Political Warfare," Center for Strategic & International Studies, August 2, 2023, <https://www.csis.org/analysis/chinas-strategy-political-warfare>

My statement first details the value of the Counterterrorism Bureau in managing today's terrorism threats. It then discusses several particular programs the CT Bureau manages and their importance for fighting terrorism. The third section of my statement details the designation power of the Bureau and the strengths and weaknesses of the current approach. I conclude my testimony by offering policy recommendations for the Trump administration and for the U.S. Congress.

Value of the Counterterrorism Bureau

The Counterterrorism Bureau plays numerous roles in helping the United States fight terrorism. The first is to serve as a bureaucratic center in the Department of State. In this capacity, the CT Bureau encourages the regional and functional bureaus to prioritize counterterrorism and engages other parts of the U.S. government, such as the intelligence community and the Department of Defense. When the system works well, intelligence and defense concerns are better integrated into U.S. diplomacy and diplomatic realities are better incorporated into intelligence collection and cooperation and military operations and planning.

Although most of the public attention on counterterrorism focuses on U.S. military operations or controversial issues such as surveillance and detention, the bulk of the effort against groups like ISIS and Al Qaeda is done by the security services of allies and partners.² These, however, must be constantly coordinated, directed, and incentivized – a task accomplished via intelligence liaison and vigorous diplomatic action, which the CT Bureau helps coordinate.

Integrating counterterrorism into overall diplomacy is especially vital in critical, but unstable, regions like the Middle East. The ongoing Israel-Hamas war in Gaza, the aftermath of the Israel-Hezbollah clash, the repeated attacks Iran conducted on Israel and the Israeli response, Houthi attacks on international shipping and U.S. forces, and the overthrow of the Assad regime in Syria are only a few of the many regional crises that involve terrorist groups, their sponsors, or both. An effective Middle East policy requires an effective counterterrorism policy.

Many terrorist groups are global, and housing the responsibility for counterterrorism under a regional bureau, such as the State Department's Bureau of Near East Affairs, would be ineffective. Hezbollah, for example, is based in the Middle East but is active in South America, Europe, and other parts of the world. ISIS has powerful branches in South Asia and Africa, and it seeks to target the United States and Europe as well. A coordinator with global responsibilities is vital to devise an overall strategy and ensure that different regional bureaus are working together to defeat these enemies.

Retaining a high-level office with a global focus is also necessary for coordination outside the State Department. Indeed, other national security agencies have robust counterterrorism programs that act across the world. Special Operations/Low Intensity Conflict and the Joint Special Operations Command in the defense and military communities, the Central Intelligence Agency's Counterterrorism Mission Center, and the National Counterterrorism Center are important examples of well-resourced entities that have global responsibilities and coordinate

² Daniel Byman, "The Intelligence War on Terrorism" *Intelligence and National Security* 29, no. 6 (2013): 837-863, <https://doi.org/10.1080/02684527.2013.851876>

and direct different regional efforts. The State Department must retain a similar capacity for global action on counterterrorism.

The State Department also plays an important role in repatriation of ISIS-linked individuals. Camps for refugees and the displaced in Syria such as Al Hol house tens of thousands of people, many of them non-Syrians. One U.S. official called these camps a “ticking time bomb.”³ The Trump administration has wisely encouraged countries to bring their nationals home to face justice, and this should be continued. This issue is especially pressing given the instability in Syria today and the uncertainty of U.S. policy in the area, which – through aid cuts and plans to reduce the U.S. military presence – has decreased the already-limited U.S. influence in the region.⁴

Counterterrorism Programming

An important part of the Counterterrorism Bureau’s value and influence is its control over various counterterrorism programs, such as the Counterterrorism Partnerships Fund, the Terrorist Interdiction Program, and the Antiterrorism Assistance Program, among others. Although the amount of money (usually a little more than \$300 million annually) is small compared to counterterrorism spending in the defense world, the programs offer considerable value. These programs allow the United States to train and equip law enforcement partners around the world and strengthen partner judicial systems to better combat terrorism. Other programs attempt to counter violent extremism and help states counter terrorist financing and otherwise build their capacity.⁵

These programs are important for strengthening allies and partners in key areas. This includes supporting border security and law enforcement, two critical counterterrorism functions, as well as combating the financing of terrorism. When operating on their own territory, allies and partners can do the job more effectively, and more cheaply, than could the United States because they have advantages in manpower, legal authority, and legitimacy.

These programs can and should be improved. It is already a constant struggle to ensure they are integrated as part of whole-of-government, or even whole-of-State Department, counterterrorism efforts. In addition, the CT Bureau is short on personnel and overly reliant on contractors.⁶

³ Gordon Lubold and Michael R. Gordon, “‘A Ticking Time Bomb’: In Syrian Camps, Fears of an Islamic State Revival,” *The Wall Street Journal*, March 25, 2024, <https://www.wsj.com/world/middle-east/a-ticking-time-bomb-in-syrian-camps-fears-of-an-islamic-state-revival-a89f2ac3>; Seth J. Frantzman, “US Pushes Countries to Repatriate Nationals in Syria’s Displaced-persons Camps,” Foundation for Defense of Democracies, February 13, 2025, https://www.fdd.org/analysis/op_ed/2025/02/13/us-pushes-countries-to-repatriate-nationals-in-syrias-displaced-persons-camps/

⁴ Bassem Mroue, “Trump’s Aid Freeze Leads to Uncertainty in Syrian Detention Camp Holding Families Linked to Islamic State,” *PBS*, February 3, 2025, <https://www.pbs.org/newshour/world/trumps-aid-freeze-leads-to-uncertainty-in-syrian-detention-camp-holding-families-linked-to-islamic-state>

⁵ Bureau of Counterterrorism, “Programs and Initiatives,” U.S. Department of State, accessed April 29, 2025, <https://www.state.gov/bureau-of-counterterrorism-programs-and-initiatives/>

⁶ Joseph Macmanus et al., “Inspection of the Bureau of June 2020 Counterterrorism’s Foreign Assistance Program Management,” Office of Inspector General United States Department of State, June 2020, https://www.stateoig.gov/uploads/report/report_pdf_file/isp-i-20-14_7.pdf

Unfortunately, recent State Department aid freezes threaten to reduce partner capacity. The United States froze U.S. funding for medical care and maintaining bases of Somali counterterrorism forces and forensic labs for Somali law enforcement, blunting the tip of the spear in the effort to fight Al Qaeda's most capable affiliate.⁷ In addition to the disruption to valuable programs, the freezes and suspensions send a message to partner nations that the United States does not value their concerns and will not make good on U.S. security promises. Some may look to China or other countries to ensure their security.

Preserving CT Bureau program funding to address these issues helps partner states fight terrorism within their own borders, arresting and prosecuting would-be terrorists before they can attack at home or strike against the United States. Ending these programs would increase the terrorist threat to the United States, making it more likely that foreign terrorists could slip through nets in allied and partner countries, not face counterterrorism pressure there, or use these countries as bases from which to attack the United States or U.S. interests.

Designating Foreign Terrorist Organizations

An important function of the Counterterrorism Bureau is designating Foreign Terrorist Organizations (FTOs).⁸ The FTO designation not only leads to the implementation of various penalties under U.S. law, but it also influences how U.S. and international financial institutions, technology companies, and other important private entities engage with these actors and their customers in general. Similarly, the Counterterrorism Bureau lists state sponsors of terrorism, another important official determination that has criminal and financial consequences under U.S. law as well as profound implications for private companies, which often limit business and investment if there is even a small risk of association with terrorism.⁹

These lists were always political, but they have become even more so. The uneven listings of global white supremacist and anti-government terrorists, and the on-and-off state sponsor listings of countries like Cuba and North Korea without significant changes in their support for terrorism, reduces the credibility of these lists.¹⁰ So too does the limited attention the CT Bureau

⁷ Katherine Houreld, Rachel Chason, Susannah George, and Mustafa Salim, *Washington Post*, February 16, 2025, <https://www.washingtonpost.com/world/2025/02/16/trump-funding-freeze-terrorism-africa/>

⁸ Bureau of Counterterrorism, "Foreign Terrorist Organizations," U.S. Department of State, accessed April 29, 2025, <https://www.state.gov/foreign-terrorist-organizations/#:~:text=The%20Bureau%20of%20Counterterrorism%20in.identify%20potential%20targets%20for%20designation.>

⁹ See Bureau of Counterterrorism, "State Sponsors of Terrorism," U.S. Department of State, accessed April 29, 2025, <https://www.state.gov/state-sponsors-of-terrorism/#:~:text=Countries%20determined%20by%20the%20Secretary,section%20620A%20of%20the%20Foreign>

¹⁰ Jason M. Blazakis, "Understanding the State Department's Latest Far-Right Terrorist Designation," *The Lawfare Institute*, June 30, 2024, <https://www.lawfaremedia.org/article/understanding-the-state-department-s-latest-far-right-terrorist-designation>; Colin P. Clarke, Camden Carmichael, and Seamus Hughes, "Why the Terrorgram Collective Designation Matters," *The Lawfare Institute*, January 15, 2025, <https://www.lawfaremedia.org/article/why-the-terrorgram-collective-designation-matters>; Chris Meserole and Daniel Byman, "Terrorist Definitions and Designations Lists What Technology Companies Need to Know," *Royal United Services Institute for Defence and Security Studies and The Brookings Institution*, July 19, 2019, <https://www.brookings.edu/wp-content/uploads/2019/07/GRNTT-Paper-No.-7.pdf>

gives to publicizing and fighting the support for extremism and terrorism of countries like Pakistan and Russia.¹¹

The effort to expand the FTO list to new categories, such as drug cartels and violent gangs, will lead to further inconsistencies. These groups kill thousands of people, traffic drugs, and spread violence in their own countries and at times abroad – all of which the United States should oppose. However, many are (and others can be) designated as transnational criminal organizations (TCOs) through the Foreign Narcotics Kingpin Designation Act and otherwise punished under existing U.S. laws. By design, the TCO and FTO lists were meant to be separate, and declaring a TCO to also be a terrorist group does not add significant policy leverage or new tools to counter these groups.¹²

Cartels, of course, seek to make money as their primary objective, while terrorists seek political change. One risk in conflating the two is that U.S. payment processors, banks, and businesses with links to Mexico and other countries where these groups are active must worry that they are vulnerable to prosecution if they do basic functions such as helping transfer remittances or other noncriminal payments. A zealous prosecutor might use the material support power to aggressively prosecute U.S. businesses as has been done with ISIS. This could harm legitimate businesses seeking to operate in these countries.

A second risk is that the terrorism label further becomes shorthand for behavior the United States does not like, as opposed to the actual use of terrorism. Already, gaps and inconsistencies in the U.S. list create this perception, and the more divorced group activity gets from traditional definitions of terrorism, the more likely other countries are to regard the designations with cynicism or indifference. In some cases this may not matter, but it is important for the moral opprobrium associated with terrorism to remain strong.

The United States should also be wary of the risks of using these designations when it complicates other U.S. policies. The Houthis in Yemen, for example, are a repressive, pro-Iran, and anti-U.S. group. U.S. attacks on Houthi leadership and infrastructure and support for allies and partners against the Houthis are a legitimate response to Houthi attacks.

The Houthis' terrorism designation, however, complicates both diplomatic and humanitarian efforts in Yemen but does not add significant pressure on the Houthis themselves. In theory the designation further restricts the Houthis' financing and provides additional tools for prosecuting individuals who provide material support to the Houthis. The designation also signals to other

¹¹ Zia ur-Rehman, "India Accuses Pakistan of Supporting Terrorism. Here's What We Know," *The New York Times*, April 29, 2025,

<https://www.nytimes.com/2025/04/29/world/asia/india-pakistan-kashmir-terrorism.html>; Shelby Butt and Daniel Byman, "Right-wing Extremism: The Russian Connection," *Survival* 62, no. 2 (2020): 137-151, <https://doi.org/10.1080/00396338.2020.1739960>

¹² Brian Michael Jenkins, "Should Mexico's Drug Cartels Be Designated Foreign Terrorist Organizations?" RAND, March 22, 2023,

<https://www.rand.org/pubs/commentary/2023/03/should-mexicos-drug-cartels-be-designated-foreign-terrorist.html>;

Tricia Bacon and Daniel Byman, "The Problem With Designating Cartels as Terrorist Groups," *Foreign Policy*, February 18, 2025,

https://foreignpolicy.com/2025/02/18/problem-cartels-terrorist-groups/?preview_id=1186631

states that the United States prioritizes opposition to the Houthis, which could motivate partner cooperation. At the same time, however, the Houthis themselves are not a significant player in international terrorism according to traditional U.S. definitions: their attacks on shipping and on Israel are more akin to acts of war than terrorism.

In addition, Houthi leaders do not travel outside of Yemen or own foreign assets, reducing the impact of designations' restrictions on international financial activities. As former NSC official Allison Minor noted, "the Houthis have shown they are more interested in disrupting the global financial system than participating in it."¹³ The designation also risks restricting the flow of humanitarian aid and vital remittances from the diaspora to Yemen, where starvation, disease, and poverty pose a deadly threat. As Yemen expert Gregory Johnsen noted, "The Houthi leadership is largely insulated from shortages in food and medicine. Yemeni civilians are not."¹⁴ Lastly, the designation also hinders U.S. and international negotiations with the Houthis to end their attacks on shipping and to accept a ceasefire in the civil war by making them less likely to believe in U.S. and international good faith because the listing decreases the economic and diplomatic benefits of any peace.

Implications and Recommendations

It is important to strengthen the Counterterrorism Bureau and for it to improve its efforts to combat terrorism. Sustaining, and ideally increasing, funding is a necessary step to preserve vital programs that strengthen partner capabilities. If the CT Bureau has fewer personnel and diminished programs, it exerts less influence and would be less able to ensure that counterterrorism remains a diplomatic priority. It would also make it more likely that the Department of Defense and intelligence community do not integrate the president's foreign policy objectives and instead operate according to their institutional preferences only.

The CT Bureau should be encouraged to provide additional designations and more real-time updating of terrorism-related information. Tracking Russian backing of extremists and Chinese gray-zone warfare activities are two important functions in the era of great power competition, and the CT Bureau can be part of this broader effort. The CT Bureau should also continue the effort begun under the first Trump administration to designate global white supremacist terrorist groups, demonstrating that the United States is committed to fighting terrorism regardless of the political ideology behind it.

If the State Department is fundamentally reorganized, there must be a high-level office and leader responsible for counterterrorism that reports to the Secretary of State. Without such an office and leader, counterterrorism will get lost in the day-to-day of bilateral and multilateral diplomacy. This entity must have global responsibilities and be able to coordinate actions among the regional bureaus and outside the Department of State.

¹³ Allison Minor, "A Better Way to Counter the Houthis," *Foreign Affairs*, October 18, 2024, <https://www.foreignaffairs.com/yemen/better-way-counter-houthis>.

¹⁴ Gregory D. Johnsen, "The Mistake of Designating the Houthis as a Foreign Terrorist Organization," The Brookings Institution, November 25, 2020, <https://www.brookings.edu/articles/the-mistake-of-designating-the-houthis-as-a-foreign-terrorist-organization/>

Finally, the State Department should be leery of calls to apply the FTO or state sponsor designations to other dangers that are not directly related to terrorism. Although cartels and similar organizations are heinous, conflating their activities with terrorism risks weakening the moral and public impact of a terrorist designation and poses unnecessary complications for U.S. companies.

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