

## Subcommittee on Terrorism, Nonproliferation, and Trade

Opening Statement - Chairman Ed Royce  
*Combating the Haqqani Terrorist Network*  
September 13, 2012

Today we're examining the Haqqani network, which the State Department has just decided to designate as a "Foreign Terrorist Organization."

Yesterday we were saddened and angered over the killing of an American diplomat and three other U.S. government personnel during an attack on our consulate in Benghazi, Libya. Exactly one year ago today, it was the Haqqani network that launched a *20-hour* long assault on the U.S. Embassy compound in Kabul, which left 16 Afghans dead.

It was after this attack that our then top military officer pronounced the Haqqani network a "veritable arm" of Pakistani intelligence, used to pursue its paranoid policy of "strategic depth" in Afghanistan. The Haqqani base of operations in Pakistan's tribal area of North Waziristan is the most important militant haven in the region. Al-Qaeda is said to train and plan attacks under the protection of the Haqqani network there. Indeed, one prominent report finds that, "the Haqqani network has been more important to the development and sustainment of al-Qaeda and the global jihad than *any other* single actor or group." The Haqqani's have plenty of blood on their *own* hands, much of it U.S. and coalition forces.

Yet the State Department more than dragged its feet in doing the obvious, blacklisting the Haqqani network. Despite calls from U.S. commanders to act, it kept the case under lengthy "review." Frustrated, Congress - on a bipartisan basis - unanimously passed the "Haqqani Network Terrorist Designation Act of 2012," signed into law a month ago. This Act spurred last week's designation announcement, which apparently was not an easy one for the Administration to make. Without Congressional pressure, I'm sure the Haqqanis would have been under *permanent* review, further shortchanging our efforts against it.

This hearing is about looking ahead though. What can we do now? In this regard, it's too bad the State Department was unable to provide a witness to discuss what this designation will mean operationally.

The FTO designation sets the stage to attack the vast financial network supporting the Haqqanis. As we will hear today, this outfit has built an empire out of kidnapping, extortion and smuggling. Arab donors, trucking firms, car dealerships, real estate... The financial streams running into North Waziristan are diverse and widespread. We have many targets.

As one witness notes, while they have faced military pressure, "the Haqqanis have never had to deal with a sustained and systematic campaign against their financial infrastructure." As Ms. Peters will testify, such a campaign, in concert with military efforts, could even bring the Haqqani network to the point of "collapse." That's optimistic, but at least now possible with the FTO designation made.

This Subcommittee has looked at U.S. Government financial squeezes on others: the North Korean criminal state, arms dealers, and Hezbollah. Success has required sustained support and leadership from the very top. Given the Administration's dithering on the Haqqani designation, it's right to be concerned about its will to execute an aggressive financial campaign.

Concluding, this can't be a case of designate and forget. It's clear that continued congressional oversight will be needed to ensure that this was just a step toward hammering the Haqqani network.