

## **Testimony of Leola Brooks**

**plan events, to raise funds, and to spread racist propaganda and conspiracy theories that denigrate people of color, immigrants, Jews and other perceived enemies**

**The violent insurrection at the U.S. Capitol on January 6 should serve as a wake up call for Congress, the Biden administration, policymakers, internet companies, law enforcement, and public officials at every level. But we have had wake up calls before— many of them, including Charleston in 2015, Charlottesville in 2017, and Christchurch, New Zealand, and El Paso in 2019. As we all saw last month, we cannot longer afford inaction.**

**My testimony today will focus on the state of the radical right today, particularly the white nationalist movement; how far right extremists are exploiting internet technology to create a**



majority black countries in Africa “slave countries”<sup>9</sup> He also implemented draconian policies at the U.S.-Mexico border; separating migrant children from their families, imprisoning tens of

pedic of “the bogaloo” a term used to refer to a second civil war. The members of the movement face state terrorism charges and federal conspiracy charges after law enforcement foiled a plot to spark violence at a BLM rally in Nevada last May.<sup>14</sup> Another member of the movement was charged in June in the murders of a federal security officer in Oakland and a





services to allow in-app purchases as well, thereby allowing users to pay for goods and services from within the app

The use, or rather abuse, of these encrypted apps is not an indictment of encryption but of pornography. Millions of average Americans use encrypted technologies to communicate. Major human rights organizations, such as Human Rights Watch<sup>20</sup> and Amnesty International<sup>21</sup>, have cited encryption as crucial to protecting the rights of all people in the digital age. People living under both democratic and repressive regimes use encrypted technologies to communicate and exchange information while preserving their privacy.

These structural transformations affecting the radical right have also worked hand in glove with a reimagining of far right extremists' goals. After *Unite the Right*, white nationalists and neo-Nazis who were no longer satisfied with trying to attain their goals through traditional political channels turned toward explicitly violent and revolutionary means. As a result, the mobilization and collective organizing on display in Charlottesville gave way to an unbridled cohort of fascists. This cohort turned to neo-Nazi plenics – such as James Mason's "Siege," which espouses the benefits of leaderless, cell-structured terrorism – for guidance. They encouraged terrorism and insurrectionary violence, seizing upon the motto in online forums that "there is no political solution." This strand of the far right gathers on largely unmoderated social media platforms, where they have built diffuse, leaderless extremist communities. Telegram is their platform of choice, and they have harassed its public channels and large file-sharing abilities.

The belief that "political solutions" are no longer viable has burrowed deeply into the political right, especially since Trump's election loss. The former president told his followers that he was their sole representative in the halls of power. With Trump's loss in the presidential race, which many of his followers erroneously believed was the result of election fraud, many on the right have lost faith in the political system and democracy itself. In this landscape – to them, intimidation, force, and violence seem like increasingly appropriate political tools.

This militant and violence-oriented political bloc is helped immeasurably by the growth of alternative social media platforms, including Telegram, that have lax or no content moderation policies.

### **The Funding of Hate: How domestic extremists are raising money**

The funding and financing of hate groups in this increasingly decentralized landscape is also changing in important ways.

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<sup>20</sup> Kenneth Roth, "The Battle Over Encryption and What It Means for Our Privacy," Human Rights Watch, <https://www.hrw.org/news/2017/06/28/battle-over-encryption-and-what-it-means-our-privacy>.

<sup>21</sup> "Easy Guide to Encryption and Why It Matters," Amnesty International, Oct. 21, 2016, <https://www.amnesty.org/en/latest/campaigns/2016/10/easy-guide-to-encryption-and-why-it-matters/>.



In the past, hate groups raised money by charging dues, selling products, or requiring the purchase of uniforms. These funds were then used to pay for the distribution of propaganda and recruitment materials. Anti-government groups such as the Oath Keepers still use this model; the group has thousands of dues-paying members, including those arrested for their role in the January 6 insurrection.

Today, some white power groups and personalities are raising funds through the distribution of propaganda itself. The solicitation of donations during live video streaming, for example, is emerging as a major source of revenue for some of these groups. This “monetized propaganda” is particularly concerning in online environments because the audiences are large, anonymous, and geographically dispersed.

New internet platforms not only allow extremists to spread propaganda, gain followers, and build their personal profiles, but to monetize hateful and dangerous content, crowd-fund to support their activities, and turn hate into profitable full-time jobs. Indeed, crowdfunding and online content monetization allowed the extremists behind the Stop the Steal movement to make anti-democratic organizing their livelihood. Ali Alexander has relied on sites like GiveSendGo to fund his activities. Nick Fuentes has long earned his income from monetizing livestreams on YouTube and DLive. Vincent James Fox of Red Elephants has used the same livestreaming platforms, as well as the mobile payment service Cashapp and content monetization platform SubscribeStar. Some extremists who stormed the Capitol actually made money from their activities. Tim Goret, a longtime far-right personality who streams under the moniker “Baked Alaska” and who was arrested for his role in the Capitol riot, made roughly \$2,000 from his January 6 livestream, while his followers commented “FANG ALL CONGRESSMEN”

In November, SPLC research has reported on the alarming amount of money that hate groups and far-right extremists were earning using a popular livestreaming platform called DLive.<sup>22</sup> Our reporting showed that dozens of extremist figures were each earning thousands of dollars per month on the service. As the post-election period became dominated by Trump’s false assertion that the election was fraudulent, these DLive streamers shifted to video streaming at in-person events branded with the slogan “Stop the Steal.” Not surprisingly, boosted by this new mission and purpose, streaming donations shot through the roof, and some DLive streamers received nearly \$4,000 from donations during November and December alone. Some of those same individuals ended up being featured by House impeachment managers as key perpetrators of the violence on January 6<sup>23</sup> when they once again used DLive to livestream the events inside the Capitol and on the grounds.<sup>24</sup>

Even when mainstream social media companies block extremists from using their services to finance their operations, the decentralized technology landscape too often fills the

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<sup>22</sup> Hannah Gais and Michael Edison Hayden, “Extremists are Cash-ing in on a Youth Targeted Gaming Website,” Hatewatch, Southern Poverty Law Center, Nov. 17, 2020.

<https://www.splcenter.org/hatewatch/2020/11/17/extremists-are-cashing-youth-targeted-gaming-website>

<sup>23</sup> Transcript of Feb. 11, 2021, U.S. House impeachment proceedings, CNN.

<http://www.cnn.com/TRANSCRIPTS/210211.se.06.html>

<sup>24</sup> Michael Edison Hayden, “Meet DLive: The Livestreaming Platform Used by Trump’s Capitol Insurgents,” Hatewatch, Southern Poverty Law Center, Jan. 7, 2021. <https://www.splcenter.org/hatewatch/2021/01/07/meet-dlive-livestreaming-platform-used-trumps-capitol-insurrectionists>

**gap YouTube, for example, has many such platforming strategies at its disposal, including**

**to renounce extremist group or individual even after they have been banned from payment**

and Antifa will directly feel it.” He has raised roughly \$1,500 on American Wolf’s crowdfunding platform<sup>34</sup>

We are concerned that the monetization of propaganda through single platform micro-donations provides extremists and their supporters a “one stop shop” for financing hate, and without oversight the companies providing these services will continue to profit from it

Another example of how decentralization is changing hate group financing is the continued proliferation of cryptocurrencies, and changes in behavior when using cryptocurrencies. Not only are groups and individuals involved in the hate landscape readily adopting cryptocurrencies, but they are implementing techniques to use cryptocurrencies covertly.

Intensifying this threat, we are particularly concerned about the volume of cryptocurrency data and the velocity of its growth, both of which present a challenge. Being able to track cryptocurrency use by hate groups today requires more technical expertise than it did several years ago. Not only is the number of coins needed to be tracked increasing, but the number of transactions is increasing. The increase in the number of transactions is partially due to an increased user base, and partially due to the proliferation of mixing services designed to obscure donation trails. In addition to mixing services, U.S.-based hate groups and extremists have also started using other obfuscation techniques previously tested by foreign terror organizations.<sup>35</sup> An example of this is the neo-Nazi National Justice Party’s acceptance of money through dynamically generated Bitcoin addresses rather than static addresses. Relatedly, the Daily Stormer has recently decided that concerns about anonymity justified switching to “privacy coin” Monero rather than staying with Bitcoin<sup>36</sup>, even though the latter is more familiar to its users.<sup>37</sup>

Separating hate groups from their online funding sources will prevent their ideas from reaching a wider audience, and it will disrupt their networks. Some technology companies have taken steps in the right direction, but both government and internet companies must do far more to combat extremism and hate.

## Policy Recommendations

The values that drive our financial policy recommendations are based on respect for human rights and an expectation that people deserve

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<sup>34</sup> Alan Swirney, “Official Alan Swirney Financial Support,” American Wolf, <https://funding.americanwolf.com/product/alan-swirney/>.

<sup>35</sup> U.S. Department of Justice press release, “Global Disruption of Three Terror Finance Cyber-Enabled Campaigns,” Aug. 13, 2020, <https://www.justice.gov/opa/pr/global-disruption-three-terror-finance-cyber-enabled-campaigns>

<sup>36</sup> Michael Edison Hayden, “White Supremacists are Investing in a Cryptocurrency That Promises to Be Completely Untraceable,” March 27, 2018, <https://www.newsweek.com/white-supremacists-cryptocurrency-monero-bitcoin-861104>

<sup>37</sup> Andrew Anglin, “They’re Getting Weird With This ‘Bitcoin Trading’ Stuff,” Daily Stormer, Jan. 16, 2021, <https://dailystormer.com/theyre-getting-weird-with-this-bitcoin-trading-stuff/>.

- a** protection from harassment online
- b** freedom of legal expression and access to commerce online, and
- c**



**b This is especially critical as we anticipate a gradual move to a more decentralized technology landscape that, as we discussed earlier, presents many more challenges for tracking and stopping financial abuse**

**c Governments should ensure better training at the state and local levels to better enable detection of fraud that could have federal implications**

**4 Governments should increase the number and quality of cryptocurrency data sources**

**to Equality Act of 2019 (NOHATE Act), which would authorize incentive grants to spark improved local and state hate crime training and data collection initiatives, as well as state based hotlines to connect victims with support services**

**9 Government should promote anti-bias education programs that help steer individuals away from hate and extremism. The law is a blunt instrument to confront hate and extremism; it is much better to prevent these criminal acts in the first place. Since it is not possible to legislate, regulate, or tabulate racism, hatred, or extremism out of existence, we need federal and state government leadership to promote anti-bias, anti-hate, and democracy building education programs – such as the SPLC's Learning for Justice resources – in our nation's schools. Especially in these divided and polarized times, every elementary and secondary school should promote an inclusive school climate and activities that celebrate our nation's diversity.**

**Programs and processes that intervene ethically in the lives of individuals – often called**