

Dear Mr. Boudreaux,

I am writing to express my deep concern regarding the recent article published in The Wall Street Journal titled " [Hamas Militants Behind Israel Attack Raised Millions in Crypto.](#)" It goes without saying that everyone - across all sectors - should support cutting terrorists off from funding of all kinds. As the leader of an advocacy organization that supports responsible innovation in the digital assets sector, I am compelled to ask for the correction of misleading information in this story that is severely distorting the policy debate on this important issue.

As a general rule, reporting extraordinary claims requires extraordinary evidence. The Journal article claims that "during the year leading up to the attacks, three militant groups- Hamas, Palestinian Islamic Jihad and their Lebanese ally Hezbollah- received large amounts of funds through cryptocurrency." However, recently Elliptic, the primary organization relied on when making this claim, has [raised serious concerns](#): they say there is "no evidence to support the assertion that Hamas has received significant volumes of crypto donations" and that they have "engaged with the Wall Street Journal to correct misinterpretations of the level of crypto fundraising by Hamas."

Far from extraordinary evidence, these points directly contradict the contents of the published article. As such, it behooves the WSJ to take immediate and meaningful corrective action, particularly given its major distribution reach and influence, including in political circles.

The main misinterpretation seems to be around undefined terms used in the Journal article: "linked" and "connected." For example, the article states: "Digital-currency wallets that Israeli authorities linked to the PIJ received as much as \$93 million" and "Wallets connected to Hamas received about \$41 million." These sentences leave out critical information. As Elliptic explained, these funds likely included the broader accounts of money service businesses, of which terrorist group usage may have been a small portion. We have also seen other blockchain analytics companies publish similar research findings: [Chainalysis](#), [TRM Labs](#), and [another piece by Elliptic](#). All of these forensic companies, whose professional services are devoted to such analysis, have come to a very different conclusion than those reached or implied by your article.

In this case, when Israeli authorities seized accounts, they seized all accounts belonging to the businesses. This would be the equivalent of seizing all bank accounts at a bank suspected of facilitating money laundering on behalf of a limited number of its customers as authorities scrutinize the accounts in question. When HSBC was prosecuted for illicit finance violations, articles were not quoting the total number of unrelated assets at the bank, as that would seem patently misleading. It is misleading here, too.

The article perhaps generously assumes readers understand this nuance, and the article does not make clear in the first mention that it is entirely unknown how much in funding was acquired. A reader could easily take away - and many, if not most, have - that \$93 million, and another \$41 million, was sent to a terrorist

group. This is the exact inference that Senators Warren and Marshall used in their subsequent opinion published by your outlet that is further distorting the policy debate.

I respectfully request that The Wall Street Journal immediately conduct a thorough review of the article. As we all know, inaccurate information can have far-reaching consequences, including damage to the reputation of US companies, those working to ensure the responsible use of technology, and at an extreme, the enactment of broad-reaching policy, dramatic legislation, or even setting off investigations, based on misinformation.

In fact, some politicians are using these facts to try and lock down the US digital asset industry, which has followed US AML/CFT rules [since 2013](#). This is especially concerning since bad actors are operating on exchanges or platforms outside the US, and more must be done to counter that threat. Here in the US, a letter Senator Warren sent to the National Security Advisor and the Treasury Department asking the Biden Administration to further crack down on the digital asset industry - in ways that don't actually address the realities of the challenge - has been signed by over 100 members of Congress. That letter was clearly prompted by this reporting. Instead of this misguided approach, which has gained momentum largely due to your misleading article, we need to support the deeply knowledgeable and talented people across multiple US agencies who could use extra resources to help track down bad actors, which this technology allows us to do.

We can all agree that any amount of illicit financing, whether it's fiat or digital, is too much. Unlike cash, the blockchain technology that underlies cryptocurrency makes transactions public, providing investigators a digital paper trail that has repeatedly helped them identify terrorist operatives and their financial contributors. Law enforcement and crypto businesses can take proactive measures to freeze and prevent the use of illicit funds transferred via blockchain, suggesting that cryptocurrency crowdfunding is far from a secure funding source for these groups, as implied by your article. That's why Hamas itself admitted in April 2023 that crowdsourcing funding through Bitcoin was too risky and causing problems for their network.

Thank you for your immediate attention to this matter. To state things very clearly, a primary source for the article is now stating publicly that its data has been misinterpreted. I sincerely hope that The Wall Street Journal will continue to uphold its reputation for maintaining high standards of journalistic integrity by issuing a public correction and ensuring that its reporting is based on current information.

Sincerely,
Sheila Warren



Sheila Warren
Chief Executive Officer
Crypto Council for Innovation
Sheila@cryptocouncil.org