

HEARING ON ANNUAL WORLDWIDE THREATS

Tuesday, March 8, 2022

U.S. House of Representatives,

Permanent Select Committee on Intelligence,

Washington, D.C.

The committee met, pursuant to call, at 10:03 a.m., in Room 2175, Rayburn House Office Building, the Honorable Adam Schiff (chairman of the committee) presiding.

Present: Representatives Schiff, Himes, Carson, Speier, Quigley, Swalwell, Castro, Maloney, Demings, Krishnamoorthi, Cooper, Crow, Turner, Wenstrup, Stewart, Crawford, Stefanik, Mullin, Kelly of Mississippi, LaHood, Fitzpatrick, and Gallagher.

The Chairman. The committee will come to order.

Thank you, all, for joining us today. Without objection, the chair may declare a recess at any time.

Before we begin, I want to address some housekeeping matters. First, today's open portion is being broadcast live and streamed on the committee's website. It will be conducted entirely on an unclassified basis. All participants are reminded to refrain from discussing classified or other information protected from public disclosure. We will reconvene for the classified portion of the hearing this afternoon.

I will now recognize myself for an opening statement. We are holding this worldwide threats hearing amid an international crisis. As we sit here today, Russia is continuing an unprovoked war against Ukraine that has resulted in thousands of casualties, millions of refugees, and a conflict that seems to be only escalating in severity.

In the past 2 weeks, the administration has led a massive international campaign to ensure Putin and his oligarchs feel the cost of this horrific, brutal war. As Democrats and Republicans, as Americans, we stand in solidarity with the people of Ukraine in their heroic struggle.

As we work to help Ukraine defend itself and to make Russia face the consequences of its aggression, we are in a stronger position today because of the extraordinary work of the Intelligence Community. The IC has provided exceptional insight into the potential of a Russian invasion over the past several months.

The IC has helped expose Putin's playbook for policymakers, our allies, our partners in Ukraine, and the rest of the world. And to a degree unprecedented in my time on this committee, we have also made public highly sensitive intelligence to disrupt Russia's planning and malign activities.

Our ability to prepare the Ukrainian Government to defend itself and to rally the

international community around imposing unprecedented economic consequences on Russia and the military assistance to Ukraine would not have been possible without the IC's work. This hearing is an opportunity for you all to highlight the threats we face in a more complex and dangerous world.

We are witnessing the largest military conflict in Europe since World War II. The administration has made it clear we are not placing U.S. military forces into the conflict in Ukraine. As a result, we will have to rely on other capabilities and increase our cooperation with our NATO allies.

We also face numerous other strategic challenges, from the rise of an increasingly bellicose and belligerent China, to the threats posed by Iran and North Korea. Among the challenges from these nation states as well as from non-state actors is the use of cyber operations that continue to target both the U.S. Government as well as the private sector. Offensive cyber operations present a significant risk to our homeland, and as the crisis in Ukraine continues, we must be extremely watchful.

While some of these risks, such as climate change or pandemic disease are framed as often as soft threats, the reality is they are anything but. The nearly 1 million Americans who have died from COVID-19 demonstrate that. Furthermore, climate change is becoming the most urgent matter that the United States and the rest of the world must address.

In October of last year, the Office of the Director of National Intelligence released a report on climate change in which they assessed that climate change will increasingly exacerbate risks to U.S. national security interests as the physical impacts increase and geopolitical tensions mount about how to respond to the challenge. That is putting it mildly.

In the midst of all these threats, there was a global struggle between democracy

and autocracy. Authoritarian governments are emboldened using force and technology to enforce their will while ignoring human rights and fundamental freedoms and spreading dangerous misinformation. To meet any of the threats before us today effectively, the United States must remain committed to our values and to the promotion of democracy and fundamental human rights.

Thank you again, all of you, for your service and for appearing here today. I will now yield to the ranking member for any openings remarks that he would like to make.

[The statement of The Chairman follows:]

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Mr. Turner. Well, good morning. Thank you all for being here and for your leadership on very incredibly important issues for our national security, including leading in our Intelligence Community.

Usually when we have our worldwide threats hearing most of what we discuss is theoretical: How can we be prepared for threats that are emerging? How can we ascertain threats that may be imminent? Today, this hearing is much different because war has once again begun in Europe.

President Zelensky has called on our country to provide weapons so that he can defend his nation and his people. The administration was late to provide those weapons and is just now trying to get weapons in, President Zelensky openly stating that if those weapons had been there earlier, they could have made a difference. He is now calling for MiGs so that he can compete in the skies, and once again, the administration is slow to respond to that request.

Vladimir Putin casts a long shadow over this hearing. This is an unprovoked war against a validly elected country. Now, President Zelensky has called for a no-fly zone over Ukraine to stop the killing of innocent people, men and women, who are fleeing. Unfortunately, we are unable to assist. The administration and NATO stand aside because Vladimir Putin represents a nuclear threat.

And my questions to you today are going to be about the nuclear threat that we face as a Nation, not just the war that is occurring in Ukraine but how it affects us as we have had open threats from Vladimir Putin both to our NATO allies and to the United States with respect to their nuclear capabilities.

Now, President Obama in June 19, 2013, in his speech in Germany called for a road to zero. Unfortunately, as we now know, there are more nuclear weapons today in the world than there were when President Obama called for a road to zero. The U.S.

capabilities, however, have not continued to grow. It has continued to be neglected. And this administration has not sought to change our policies in a way that would strengthen our deterrent.

Currently, there is a national posture review ongoing, and I am going to be asking you some questions about your involvement in that, your advice to those who are undertaking that national posture review, because the world is changing.

We know that Russia in the development of Skyfall, which is a nuclear orbiting nuclear weapon, Poseidon, which is an undersea, unmanned nuclear weapon that is supposed to pop up on the shores of a nation like the United States and attack our cities, and Avangard with their hypersonic missiles which are already deployed, China, which has just demonstrated an orbital or suborbital hypersonic capability, and China who also has been identified as expanding their ICBM missile fields are all issues that need to be taken into consideration of the threats facing the United States.

Now, the headlines have piled up: China threatens Australia with missile attack; North Korea threatens nuclear attack on Washington, D.C.; North Korea threatens Japan with real ballistic missile; North Korea threatens to sink Japan, reduce U.S. to ashes and darkness; Iran threatens to wipe Israel off the face of the Earth. And, of course, now we have Putin who threatens the West and his statement was that he would unleash such consequences have never been seen in history.

We saw in Hawaii, as there was a false alarm of a possible nuclear attack Hawaii and the panic that ensued. What is in common with all of these countries besides the fact they have nuclear powers? They are also authoritarian regimes, and they are also countries that have terrible human rights records, they threaten our populous, they threaten their neighbors, and their nuclear capabilities are destabilizing and a threat to the United States.

With our Nuclear Posture Review, we have an opportunity to change both the investment in our nuclear capabilities so that we rise to the level of deterrent necessary as these nations threaten the United States and invest in the nuclear capabilities but also in our missile defense capabilities.

So I am going to begin first with the Nuclear Posture Review. Are any of you involved in the current Nuclear Posture Review being undertaken by the Biden administration? And also, what advice would you have for those who are undertaking the Nuclear Posture Review as to what the United States needs to do differently so that we can deter these authoritarian regimes that are threatening the United States and allow Vladimir Putin to threaten Ukraine and other allies that are not part of NATO or our nuclear umbrella?

Oh, I am sorry. This is -- those are questions I am going to be asking you as we go forward.

Thank you.

[The statement of Mr. Turner follows:]

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The Chairman. I thank the gentleman.

Director Haines and members of the IC, you are recognized for your opening remarks.



**STATEMENTS OF THE HONORABLE AVRIL HAINES, DIRECTOR, OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE; ACCOMPANIED BY: THE HONORABLE WILLIAM BURNS, DIRECTOR, CENTRAL INTELLIGENCE AGENCY; LIEUTENANT GENERAL SCOTT BERRIER, DIRECTOR, DEFENSE INTELLIGENCE AGENCY; GENERAL PAUL NAKASONE, DIRECTOR, NATIONAL SECURITY AGENCY; AND THE HONORABLE CHRISTOPHER WRAY, DIRECTOR, FEDERAL BUREAU OF INVESTIGATION**

**STATEMENT OF THE HONORABLE AVRIL HAINES**

Ms. Haines. Thank you, Chairman Schiff, Ranking Member Turner, members of the committee, thank you for the opportunity to speak with you today and to provide testimony alongside my wonderful colleagues from the behalf of the intelligence community on the IC's 2022 assessment of worldwide threats to U.S. national security.

Before I start, I just want to take a moment to express to you how much I have appreciated your thoughtful support and partnership this last year and to publicly thank the men and women of the Intelligence Community for their extraordinary work to keep us safe.

I know how privileged I am to be a part of the Intelligence Community this time of extraordinarily and talented people and to be given a chance to do something useful in service to my country, and I thank you for the opportunity.

Broadly speaking, the year's assessment focuses on adversaries' and competitors' critical transnational threats and conflicts and instability. These categories often overlap, and one of the key challenges of this effort is assessing how many various threats and trends are likely to intersect so as to identify where their interactions may result in fundamentally greater risk to our interest than one might otherwise expect or where they

introduce new opportunities.

The 2022 annual threat assessment highlights some of these connections as it provides the IC's baseline of the most pressing threats to U.S. national interest. The assessment starts with threats from key state actors, beginning with the People's Republic of China, which remains an unparalleled priority for the Intelligence Community, and then turns to Russia, Iran, and North Korea. And all four governments have demonstrated the capability and intent to promote their interest in ways that cut against U.S. interest and allied interest.

The PRC is coming ever closer to being a peer competitor in areas of relevance to national security, is pushing to revise global norms and institutions to its advantage, and is challenging the United States in multiple arenas but particularly economically, militarily, and technologically.

China is especially effective at bringing together a coordinated whole-of-government approach to demonstrate its strength and to compel neighbors to acquiesce to its preferences, including its territorial and maritime claims and assertions of sovereignty over Taiwan.

President Xi Jinping and China's other leaders are determined to force unification with Taiwan on Beijing's terms. China would prefer coerced unification that avoids armed conflict, and it has been stepping up diplomatic, economic military pressure on the island for years to isolate it and weaken confidence in its democratically elected leaders, and at the same time, Beijing is preparing to use military force if it decides this is necessary.

The PRC is also engaged in the largest-ever nuclear force expansion and arsenal diversification in its history, is working to match or exceed U.S. capabilities in space and present the broadest, most active and persistent cyber espionage threat to U.S.

Government and private sector networks.

Russia, of course, also remains a critical priority and is a significant focus right now in light of President Putin's recent and tragic invasion of Ukraine, which has produced a shock to the geopolitical order with implications for the future that we are only beginning to understand but are sure to be consequential.

The IC, as you know, provided warning of President Putin's plans, but this is a case where I think all of us wish we had been wrong. The invasion has, in fact, proceeded consistent with the plan we assessed the Russian military would follow, only they are facing significantly more resistance from the Ukrainians than they expected and encountering serious military shortcomings.

Russia's failure to rapidly seize Kyiv and overwhelm Ukrainian forces has deprived Moscow of the quick military victory that it probably had originally expected would prevent the United States and NATO from being able to provide meaningful military aid to Ukraine.

Moreover, we assess Moscow underestimated the strength of Ukraine's resistance and the degree of internal military challenges we are observing, which include an ill-constructed plan, morale issues, and considerable logistical issues.

What is unclear at this stage is whether Russia will continue to pursue a maximalist plan to capture all or most of Ukraine, which we assess would require more resources even as the Russian military has begun to loosen its rules of engagements to achieve their military objectives. And if they pursue the maximalist plan, we judge it will be especially challenging for the Russians to hold and control Ukrainian territory and install a sustainable, pro-Russian regime in Kyiv in the face of what we assess is likely to be a persistent and significant insurgency.

And, of course, the human toll of the conflict is already considerable and only

increasing. Thus far, the Russian and Ukrainian militaries have probably suffered thousands of casualties along with numerous civilian deaths, and of course, well more than 1 million people have fled Ukraine since Russia invaded.

Moreover, Russian forces are at the very least operating with reckless disregard for the safety of noncombatants as Russian units launch artillery and air strikes into urban areas, as they have done in cities across Ukraine, and near-critical infrastructure such as the Zaporizhzhia nuclear plant. And the IC is engaged across the interagency to document and hold Russia and Russian actors accountable for their actions.

The reaction to the invasion from countries around the world has been severe. Western unity and imposing far-reaching sanctions and export controls as well as foreign commercial decisions are having cascading effects on the Russian economy. The economic crisis that Russia is experiencing is also exacerbating the domestic political opposition to Putin's decision to invade.

And NATO's unified response, the significant resistance that the Ukrainians have demonstrated in the battlefield, Europe's rapid response to Russia's invasion, not just in terms of economic measures but also actions long thought to be off the table such as the provision of lethal aid to Ukraine, shutting down EU airspace to Russian planes almost certainly surprised Moscow.

In particular, while Putin probably anticipated many of the current sanctions to be imposed when we weighed the cost of the invasion, we judge that he did not anticipate either the degree to which the United States and its allies and partners would take steps to undermine his capacity to mitigate Western actions or the pullback from Russia initiated by non-state actors in the private sector.

And nevertheless, our analysts assess that Putin is unlikely to be deterred by such setbacks and instead may escalate, essentially doubling down to achieve Ukrainian

disarmament neutrality, to prevent it from further integrating with the U.S. and NATO if it doesn't reach some diplomatic negotiation.

We assess Putin feels aggrieved the West does not give him proper deference and perceives this as a war he cannot afford to lose. But what he might be willing to accept as a victory may change over time given the significant costs he is incurring. Putin's nuclear saber rattling is very much in line with this assessment.

Putin's public announcement that he ordered Russia's strategic nuclear forces to go on special alert in response to aggressive statements, as he called them, from NATO leaders was extremely unusual. We have not seen a public announcement from the Russians regarding a heightened nuclear alert status since the 1960s, but we also have not observed force-wide nuclear posture changes that go beyond what we have seen in prior moments of heightened tensions during the last few decades.

Our analysts assess that Putin's current posturing in this arena is probably intended to deter the West from providing additional support to Ukraine as he weighs an escalation of the conflict. Putin probably still remains confident that Russia can militarily defeat Ukraine and wants to prevent Western support from tipping the balance and forcing a conflict with NATO.

Regardless, our number-one intelligence priority is defense of the homeland, and we will remain vigilant in monitoring every aspect of Russia's strategic nuclear forces. With tensions this high, there is always an enhanced potential for miscalculation, unintended escalation, which we hope our intelligence can help to mitigate.

Furthermore, beyond its invasion of Ukraine, Moscow presents a serious cyber threat, a key space competitor, and one of the most serious foreign influence threats to the United States. Using its intelligence services, proxies, and wide-ranging influence tools, the Russian Government seeks to not only pursue its own interest but also to divide

Western alliances, undermine U.S. global standing, amplify discord inside the United States and influence U.S. voters and decision-making.

And to finish with our state actor threats, Iran continues to threaten U.S. interests as it tries to erode U.S. influence in the Middle East, entrench its influence and project power in neighboring states, and minimize threats to regime stability.

Meanwhile, Kim Jong-un continues to steadily expand and enhance Pyongyang's nuclear and conventional capabilities targeting the United States and its allies, periodically using aggressive and potentially destabilizing actions to reshape the regional security environment in his favor and to enforce his status as a de facto nuclear power.

The assessment focuses next on a number of key global and transnational threats, including global health security, transnational organized crime, the rapid development of destabilizing technologies, climate migration and terrorism. And I raise these because they pose challenges of a fundamentally different nature in our national security than those posed by the actions of nation states, even powerful ones like China.

We look at the Russia-Ukraine war and can imagine outcomes to resolve the crisis, the steps needed to get there even though they are unpalatable and difficult. And similarly, we view the array of challenges Chinese actions pose and can discuss what is required in how we think about tradeoffs.

But transnational issues are more complex, require multilateral collaboration, and although we can discuss ways of managing them, all of them pose a set of choices that will be more difficult to untangle and will perhaps require more sacrifice to bring about meaningful change.

This reflects not just the interconnected nature of the problems but also the significant impact increasingly empowered non-state actors have on the outcomes, and the reality that some of the countries who are key to mitigating threats posed by nation

states are also the ones we will be asking to do more in the transnational space.

And, for example, the lingering effects of the COVID-19 pandemic is putting a strain on governments and societies, fueling humanitarian and economic crises, political unrest, geopolitical competition as countries, such as China and Russia, seek to exploit the crisis to their own advantage.

And no country has been completely spared, and even when a vaccine is widely distributed globally, the economic and political aftershocks will be felt for years. Low-income countries with high debts face particularly challenging recoveries and the potential for cascading crises that lead to regional instability, whereas others will turn inward or be distracted by other challenges.

These shifts will spur migration around the world, including on our southern border. The economic impact has set many poor and middle-income countries back years in terms of economic development and is encouraging some in Latin America, Africa, and Asia to look to China and Russia for quick economic and security assistance to manage their new reality.

We see the same complex mix of interlocking challenges stemming from climate change, which is exacerbating risks to U.S. national security interests across the board, but particularly as it intersects with environmental degradation and global health challenges.

And terrorism, of course, remains a persistent threat to U.S. persons and interests at home and abroad, and yet, the implications of the problem are evolving. In Africa, for example, where terrorist groups are clearly gaining strength, the growing overlap between terrorism, criminal activity, smuggling networks has undermined stability, contributed to coups, and an erosion of democracy, and resulted in countries turning to Russian entities to help manage these problems.

Ms. Haines. Global transnational criminal organizations continue to pose a direct threat to the United States through the production and trafficking of lethal illicit drugs, massive theft, including cyber crime, human trafficking, and financial crimes, and money laundering schemes.

In particular, the threat from illicit drugs is at historic levels, with more than 100,000 American drug overdose deaths for the first time annually driven mainly by a robust supply of synthetic opioids from Mexican transnational criminal organizations. In short, the interconnected global security environment is marked by the growing spectre of great power competition and conflict while transnational threats to all nations and actors compete not only for our attention but also our finite resources.

And, finally, the assessment turns to conflicts and instability highlighting a series of regional challenges of importance to the United States, iterative violence between Israel and Iran, conflicts in other areas including Africa, Asia, and the Middle East have the potential to escalate or spread fueling humanitarian crises and threatening U.S. persons.

Africa, for example, has seen six irregular transfers of power since 2020 and probably will see now bouts of conflict in the coming year as the region becomes increasingly strained by a volatile mixture of democratic backsliding, intercommunal violence, and the continued threat of cross-border terrorism.

We are also focused on our workforce and their families. The IC continues to contribute to the government-wide effort to better understand potential causal mechanisms of anomalous health incidents and remains committed to ensuring afflicted individuals receive the quality care they need. The safety and well-being of our workforce is our highest priority, and we are grateful to members of this committee for your continued support on this issue.

In closing, I just want to note how much effort has gone into improving our



capacity to share intelligence and analysis with our partners and allies across the Intelligence Community. We have seen in our approach to the threat to Ukraine the sharing of intelligence and analysis has paid real dividends in helping to facilitate collective action against the renewed threat of nation state aggression.

And while such efforts must be done with care to ensure we are able to protect our sources and methods, we are laying the groundwork to broaden our work, where doing so creates the conditions for a more united focus on other emerging challenges, and we appreciate your support in these efforts as well.

Thank you. We look forward to your questions.

[The statement of Ms. Haines follows:]

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The Chairman. Thank you very much for that sober assessment of the challenges that we face.

Russia is encountering greater resistance than expected in Ukraine and suffering significant setbacks in the face of a highly determined Ukrainian resistance. Nevertheless, there is no sign that Putin is looking for deescalation. Indeed, an increasingly brutal Russian campaign suggests that Putin is doubling down.

Director Burns, you have dealt with Putin for many years. First of all, what is your assessment of how many Russian soldiers have thus far been killed and how many injured? And based on your experience with Putin, what would it take to change Putin's calculus in Ukraine?

Mr. Burns. Well, thank you very much, Mr. Chairman.

I think Putin is determined to dominate and control Ukraine to shape its orientation. You know, this is a matter of deep personal conviction for him. He has been stewing in a combustible combination of grievance and ambition for many years. This personal conviction matters more than ever in the Russian system. He is created a system of which his own circle of advisers is narrower and narrower. COVID has made that even narrower. And it is a system in which it is not proven career enhancing for people to question or challenge his judgment.

So he has gone to war, I think, on the basis, Mr. Chairman, of a number of assumptions, which led him to believe that he faced -- that Russia faced a favorable landscape for the use of force against Ukraine this winter: First, that Ukraine, in his view, was weak and easily intimidated; second, that the Europeans, especially the French and Germans, were distracted by elections in France and a leadership succession in Germany and risk averse; third, he believed he had sanctions-proofed his economy in the sense of creating a large war chest of foreign currency reserves; and fourth, he was

confident that he had modernized his military and they were capable of a quick, decisive victory at minimal cost.

He has been proven wrong on every count. Those assumptions have proven to be profoundly flawed over the last 12 days of conflict. President Zelensky, as you have mentioned, Mr. Chairman, as the ranking member mentioned, has risen to the moment and demonstrated courageous and remarkable leadership and Ukrainians have resisted fiercely.

Second, the Europeans have demonstrated remarkable resolve, especially the Germans; third, the economic consequences of the sanctions which have been enacted so far have proven to be devastating for Russia, especially against the Russian Central Bank, depriving Putin of the ability that he assumed he would have to defend the ruble; and fourth, his own military's performance has been largely ineffective. Instead of seizing Kyiv within the first 2 days of the campaign, which was what his plan was premised upon, after nearly 2 weeks they still have not been able to fully encircle the city.

And so, you know, Putin has commented privately and publicly over the years that he doesn't believe Ukraine is a real country. He was dead wrong about that. Real countries fight back, and that is what the Ukrainians have done quite heroically over the last 12 days.

As you said, Mr. Chairman, I think Putin is angry and frustrated right now. He is likely to double down and try to grind down the Ukrainian military with no regard for civilian casualties. But the challenge that he faces -- and this is the biggest question that has hung over our analysis of his planning for months now, as the director -- as Director Haines said -- is he has no sustainable political end game in the face of what is going to continue to be fierce resistance from Ukrainians. So I think that is what his calculus has been, and I think that is the reality of what he faces today.

In terms of casualties, I know, General Berrier, you may want to comment on that, but they have been far in excess -- Russian military casualties killed and wounded -- far in excess of what he anticipated, because his military planning and assumptions was premised on a quick, decisive victory, and that has not proven to be the case.

The Chairman. Director Berrier, are you able to comment on that? And also, this massive column heading toward Kyiv, now maybe two massive columns, public reports suggest that they have run out of fuel. Are we learning that the Russian military is far less competent than we imagined? How do you assess their performance thus far?

General Berrier. Chairman, I think the Russian Army reformed into this thing we call the "new look" Army, and they task organize themselves into smaller battalion tactical groups, and fundamentally that is not a bad construct. I think they had a bad plan, and I think their logistics support is not what it needs to be to develop the situation that they wanted to do. And we can go into much more detail on that in the closed session.

The Chairman. Are you able to say in open session how many Russian troops have been killed?

General Berrier. With low confidence, somewhere between 2,000 and 4,000. That number comes from some intelligence sources but also open source in how we pull that together.

The Chairman. Director Burns, whatever Putin's plan may have been on the way in, if that plan involved the insulation of a puppet regime, that seems highly implausible now. How does this end?

Mr. Burns. Well, that is the core question, Mr. Chairman. I think Putin's assumptions, as I said before, have turned out to be profoundly flawed. I fail to see and our analysts fail to see how he could sustain a puppet regime or a, you know, pro-Russian

leadership that he tries to install in the face of what is, you know, massive opposition from the Ukrainian people.

In many way, it has been Putin's aggression, going back to 2014 in Crimea that has created the strong sense of Ukrainian nationhood and sovereignty that he faces today. So I fail to see how he can produce that kind of an end game, and where that leads, I think, is for an ugly next few weeks in which he doubles down, as I said before, with scant regard for civilian casualties in which urban fighting can get even uglier, because the one thing I am absolutely convinced of and I think our analysts across the Intelligence Community are absolutely convinced of, is the Ukrainians are going to kind of continue to resist fiercely and effectively.

The Chairman. Finally, either Director Wray or Director Nakasone, what do you anticipate Russia might do to lash out at the United States in the cyber realm, and to what degree do you think they can use cryptocurrency to invade sanctions?

General Nakasone. So let me start with the series of scenarios, Chairman. As we take a look at it, we are very, very focused on ransomware actors that might conduct attacks against our allies and our Nation. Very, very focused on some type of cyber activity that is designed for perhaps Ukraine that spreads more broadly into other countries.

Third, is any type of attack that an adversary would conduct against an ally, and then, finally, certainly, our critical infrastructure. Those are really the areas that we look at so carefully. It is done with a series of partners. It is interagency partners. It is our partners that exist in the private sector. It is with obviously a series of partners that are allied as well, but those are the scenarios that we certainly walk our way through.

Mr. Wray. I would agree with that. I would just add two things perhaps. One is, we are very concerned about the risk of spillover effect; in other words, even if the

Russians think they have carefully calibrated some form of malicious cyber activity against our critical infrastructure, the reality is they have shown a history of not being able to kind of manage the effects of it as well as they intend even if you give them the benefit of the doubt, which I tend not to.

So, for example, the NotPetya attack is kind of widely viewed as one of the most destructive attacks in the history of the world, and that is a GRU attack that had that kind of spillover effect. So that is something we are deeply concerned about.

And then the second, General Nakasone mentioned ransomware. Obviously, we are concerned about cyber criminals, many of whom are based in Russia either acting in support of the Russian Government as we have seen, for example, the declaration by the well-known ransomware gang Conti declaring its intention to act in support of the Russian Government against the Russian Government's adversaries, or who are taking advantage of perhaps the more permissive operating environment that now exists in the middle of this conflict to attack us through cyber criminal means.

The Chairman. Thank you. Perhaps we can get into cryptocurrency later in the hearing.

Ranking Member Turner.

Mr. Turner. Thank you, Mr. Chairman.

I want to personally thank Director Haines and Director Burns for your bipartisan work, the way you have done outreach, the way you have assured everyone of this committee of your absolute commitment to the national security of this Nation. Thank you for your service, and thank you for your expertise at a time when the world is once again seeing war in Europe.

As I indicated in my opening statement, my questions are going to relate to the nuclear threat in the worldwide threat. Director Haines, you mentioned the nuclear

threat in your opening statement.

So my question, first, to Director Haines, Burns, and General Berrier relates to Vladimir Putin and his statements themselves. He has stated that if anyone entered the conflict that he would escalate, including nuclear attacks as part of his exercises prior to entering into Ukraine. He included a nuclear weapons component. He has been very boisterous about his modernization of his nuclear weapons and the new capabilities that they are seeking, including hypersonics and the Avangard, which they now have deployed.

So my first question to the three of you is, do you believe him? Do you believe that if the United States or its NATO allies entered this conflict to protect the innocence that Vladimir Putin is killing in this unprovoked attack that it could escalate and that he would be willing to escalate this conflict to a nuclear conflict? Director Haines, Burns, and General Berrier.

Ms. Haines. Thank you, Ranking Member Turner, and thank you for the way you have worked with us as well, by the way.

I would say, we can obviously go into this in further detail in closed session, but as a general matter, you know, as I indicated, his public statement about the special alert status -- which, by the way, is not a technical term as we understand it within their system, it doesn't relate to a specific alert status within their system -- was very unusual, and we obviously take it very seriously when he is signaling in this way.

But we do think, as I indicated, assess that he is effectively signaling, that he is attempting to deter, and that he has done that in other ways, for example, having the strategic nuclear forces exercise that we indicated had been postponed until February begin then as a method of effectively deterring using his nuclear forces as a way to say this could escalate and therefore NATO should not get involved and that that has been his

main purpose in doing so.

And, you know, again, as I indicated, we are watching very closely for movements, anything related to strategic nuclear forces, and we are not seeing something at this stage that indicates that he is doing something different than what we have seen in the past. And I think that is probably as much as I could say, and I will leave it to others.

Mr. Burns. The only thing I would add, Congressman, is that, you know, in response to your direct question about a scenario in which NATO and the United States were directly involved in military conflict with Russia, you know, Russian doctrine holds that, you know, you escalate to deescalate.

And so I think the risk would rise, according to that doctrine, of in extremis, you know, the Russian leadership considering the use of tactical nuclear weapons. But I stress that that is only in that specific circumstance that you described of a direct military conflict between NATO and Russia.

General Berrier. Just a couple of thoughts, Ranking Member. Putin has invested very wisely in these niche weapons, and you mentioned some of them in your opening statement. I believe that he thinks that gives him an asymmetric advantage, and he has also invested in tactical nuclear weapons.

I also believe that when he says something he, we should listen very, very carefully and maybe take him at his word. So this question is the one that analysts are pondering right now, and I think we really need to do some more work on it. I am happy to digest this more in the closed session.

Mr. Turner. Great. Well I appreciate, General Berrier, your statement because that actually goes to my next question. Because of the modernization that has occurred by Vladimir Putin in the nuclear infrastructure of Russia, I believe, as you have stated, that it has emboldened him, meaning that he believes he is buying himself an edge.



The United States is currently undertaking our Nuclear Posture Review where we are going to look at our modernization programs, our policies, including we are doing a missile defense review, which obviously is important whenever you are considering someone else's escalatory nuclear threat.

So I am going to ask each of the three of you, you know, are you directly involved in the Nuclear Posture Review? And what would your advice be knowing that we now have authoritarian regimes that are making opening statements -- excuse me, open statements about threatening their neighbors, the use of nuclear weapons, and Vladimir Putin changing, you know, his posture and China significantly investing in both their ICBM fields and in their hypersonics? What should we be doing with our Nuclear Posture Review so that we can deter these authoritarian regimes in the future? Director Haines, Burns, and General Berrier.

Ms. Haines. Thank you. So my staff and ODNI is involved in the Nuclear Posture Review, as am I in the context of principals meetings on these discussions. Our role, however, is not a policy role. So I don't provide and did not provide my advice as to whether or not to take a particular posture in the review. What we do is provide essentially the intelligence communities assessments on issues that we are asked about in the context of that review.

Mr. Turner. Before we go to Director Burns, would it be correct to characterize that likely your assessment is that the threat is increasing?

Ms. Haines. That the threat is increasing generally, yes, I think that is fair.

Mr. Turner. Director Burns.

Mr. Burns. All I would add is, I absolutely agree that the threat is increasing, and I think our role is to try to provide insight from the Intelligence Community into the plans, the ambitions, the pace at which, you know, adversaries, whether it is China or Russia,

can move on these issues. And all I would add is that I think it is very important for us not to underestimate either the scope of those ambitions or the pace at which they can move. I think China and hypersonics is one example of that.

General Berrier. Ranking Member, I do believe that the threat is increasing. We are involved in the study and our role is to really provide the best foundational military intelligence we have related to these kinds of weapons facilities, organizations, and doctrine that we can so that policymakers can make the right decision.

Mr. Turner. Director Haines and Burns, obviously people are very concerned about the negotiations ongoing with the JCPOA and the future nuclear threat from Iran. Concerns relate to reentering an agreement that had some flawed provisions, including missiles were not encompassed in the original terms and that some very critical terms of the agreement were expiring.

Can you give us any information about the ongoing negotiations from the administration as to whether or not it is just reenter the old agreement that has expiring terms and does not cover their ability to seek ICBM technology, or are we undertaking actual negotiations to try to reach a better agreement?

Ms. Haines. Thank you, Ranking Member. We obviously, again, provide analysis that we hope is helpful to the policymakers in the conduct of the negotiations. I don't really have, you know, more information beyond the fact that they are obviously engaged in the negotiations, and looking to do, I think, what the President has indicated, which is to say both to deal with the nuclear file but also to deal with other issues that Iran is being a destabilizing factor in. But I will move to others.

Mr. Burns. The only thing I would add, sir, is that, you know, having spent many years negotiating on these issues with the Iranians, which is probably where I got most of my white hair, you know, my nostalgia is under control for those negotiations. They are

incredibly difficult.

And as Director Haines said, you know, we always have to be mindful of the fact that the threat that this Iranian regime poses is not only about the nuclear issue or even the missile issue, as you rightly emphasize asked, it is also, you know, threat to our interests across the Middle East and the interests of our partners in the Middle East as well. And, you know, regardless of how the negotiations over the JCPOA go, I think those challenges are still going to be with all of us.

Mr. Turner. Thank you. I yield back.

The Chairman. I thank the gentleman.

Mr. Himes.

Mr. Himes. Thank you, Mr. Chairman.

And thank you, all, for being here, and a big thank you to your people who are doing such great work all over the world.

I had intended to use my time this morning to explore the state of our cybersecurity, which is more important today than ever, but this weekend in Connecticut at rally after rally and conversation after conversation I was swept up in the tidal wave of outrage over Putin's illegal and unconscionable brutality in Ukraine.

And my constituents want to know just one thing, which is, what more can we do? They understand that this is not just a fight between Russia and Ukraine. They understand that this is the bleeding edge of the war between free democracies and savage authoritarianism, and they also understand that we are late to this fight.

Under the Trump administration, the world witnessed 4 years of attacks on NATO and its members, 4 years of coddling and believing and supporting Vladimir Putin, and 4 years of ridiculing Ukraine with a series of ever more bizarre conspiracy theories.

As Russia tightened its noose around Ukraine, President Trump made it clear to

Ukrainian President Zelensky during a phone call in July of 2019, that the military aid that Zelensky so badly needed would be stopped until Zelensky did him a favor. So my point is that we have got a special burden right now to make that right because we are late to this fight.

So, Director Haines, and I would also like to hear from Director Burns, I know you have to answer this very carefully but it is the question my constituents have. What resources, what dedication, what plan, what strategy are you applying in your entities to help us win this fight? I know it is very hard to be specific, but the more you can give the American people a feel for what you were doing in this fight we would be very grateful to understand that. Director Haines, and I would like to hear from Director Burns as well.

Ms. Haines. Thank you. I suspect you would get a lot from everybody actually on the panel on this issue. And I will try to find a way to characterize things, but I am sure my colleagues will be better at this.

We obviously, first and foremost, want to be able to provide as much information about what is actually happening, and I think one of the challenges in the context of what has occurred is the fact that Russia and President Putin is clearly promoting a particular narrative about what they are doing.

And one of the values, I think, of the Intelligence Community during this scenario has been that we have been able to expose that narrative as false and ultimately indicate that what they are promoting is a pretext for their war of choice is, in fact, just that, a pretext.

And I think as we --

Mr. Himes. Director, let me stop you there very quickly because I think this is an important point. Are they done with their false flag operations? What might we

expect to see in that regard?

Ms. Haines. Yeah, I think, as I was going to say, I just think as this continues we are going to continue to see them essentially spinning narratives that are false, and we hopefully can provide some credible voice of what is actually happening as we move forward. And I think that is both for their domestic population but that is also for the international audience as well.

And in many respects, as I indicated in my opening statement, one of the things that we are focused on is ensuring that we can provide as much information as possible to hold Russians accountable for the actions they are taking right now in Ukraine, doing things that I think are largely unacceptable to many.

So I will leave it at that and --

Mr. Burns. No, all I would add, sir, is that we have no higher priority as an agency right now than providing all the support that we can to the Ukrainians. Glad to talk about that more in closed session. In this session I would just reinforce what Avril said, and that is that I think, you know, the work that we have done -- and it is not without risk -- as an Intelligence Community to declassify information has been very effective.

I sat for many years on the policymaking side of the table, and I have seen us lose information wars. And in this case, I think by being careful about this we have stripped away the pretext that Putin in particular often uses. That has been a real benefit, I think, to Ukrainians. It has been a real investment in the kind of actions that our allies have taken.

The only other thing I would add is that, you know, we have done intensive intelligence sharing and we continue to with the Ukrainians, including when I saw President Zelensky in January in Kyiv. We shared with him intelligence we had at the

time about some of the most graphic and concerning details of Russian planning about Kyiv as well, and we have continued to do that every day since then.

Mr. Himes. Thank you. So one of the remarkable aspects, historical aspects about the last couple of months has been the fact that the IC has, in fact, anticipated and shared with the world what spinning, what false flag might look like. In my very limited time, what might we expect to see? What would it look like if the Russians continued to spin or run false flag operations?

Mr. Burns. No, I think, as Director Haines said, they are going to continue to try to spin this and create false narratives. You have seen things that the Russians have said before, senior Russian officials alleging that there would be chemical weapons attacks, for example, in the Donbass or elsewhere, and I think that just gives you a flavor of the kind of things that they could easily try to fabricate or flowed in the future, particularly as they get more desperate about, you know, their own, at least up until this point, relative military ineffectiveness.

Mr. Himes. Thank you very much. I yield back.

The Chairman. Dr. Wenstrup.

Dr. Wenstrup. Well, thank you very much. You know, I view our role on this committee as to serve as partners in the protection of America and her citizens. Our role is to work with you on this committee, as we have many experienced and talented members here, and I want to thank most of you that I have been able to have one-on-one engagements with. It is greatly appreciated, because it has been an opportunity to allow for some very frank exchanges, so I compliment you for that.

And it is important too, as you know, that the Intelligence Community across America and within this committee has trust because these agencies that you represent exist for the American people, bottom line. So I appreciate you being here today and

presenting and actually having the opportunity in this open setting to present in front of the American people.

You know, our goal in the Intelligence Community is to gather information so that we can be able to thwart damage or harm to secure our Nation to provide for peace and to deter our enemies. So I do want to take a second to praise the very excellent work that you all have done on the Ukrainian-Russian situation, the predictability of what Russia was going to do.

I do have to take a little exception to what my friend Mr. Himes had to say, because under the Obama administration we provided Ukraine with blankets and MREs; under the Trump administration, we very much strengthened NATO and provided Javelins. But our goal is for deterrence. Deterrence requires action, and actions -- I haven't seen actions taken that really have deterred or thwarted the Russian offensive since this all began, since it became known what Russia was planning to do.

I see actions speak louder than words and actions require results. Unfortunately, I feel that recent actions by our government seemingly aided and abetted the Russians, because energy and money are keys to the kinetic attacks and the capabilities of what Russia is now doing. So we have had this information, but in that same timeframe, we have weakened our energy, we have enhanced Russian's energy capabilities and their moneys. In essence, we paid them to become stronger. Now, this is sad news for Ukraine, and it is sad news for the free world.

So, again, I want to applaud what you do and what you have done. You have provided the intelligence. If I can shift a little bit and going to the annual threat assessment and look at advances in technology that could lead to novel biological weapons, there is global labs that have some of the deadliest pathogens in China and Russia and the development of a novel biological weapon could certainly complicate

detection, attribution, and treatment of such threats.

So the assessment notes that novel weapons could complicate detection and attribution, but I would like to point out that uncooperative nations also complicate things as we have seen from Beijing when trying to investigate the origins of COVID.

So my questions are, what have we learned over the last couple of years from our response to and preparedness or lack thereof for the COVID-19 global pandemic that could help inform our response in the future, and what steps are we taking either by ourselves or with our allies to ensure that we are able to fully investigate these matters should the need arise?

Ms. Haines. Thank you very much, Representative Wenstrup. I will start and others may have more to add, but I think -- honestly, I think we have learned a lot. Certainly in ODNI and in the Intelligence Community on this issue. Among the things that we have learned is the fact that we did not and still do not frankly have the internal expertise that we want to have on essentially bio issues, and that is something that we are working hard to promote.

And we have developed things like experts groups and so on that allow us to tap into expertise more easily in academia and in the private sector and otherwise, but that is something that I think needs to be expanded and recruiting the right folks is a critical aspect of this.

You have also set up in legislation the opportunity for public/private partnership talent programs, and that is something that we are trying to effectively utilize, and I think having an opportunity for folks to go in and out is critically important.

We have also established a national intelligence manager for health in this space that -- health security that helps in this area, and I think part of what we have been trying to do is make sure that we are drawing from across the IC because in really an



extraordinary number of elements, certainly everybody that you see here before you, has expertise and knowledge and making sure that we can connect it together and be more effective and proficient in ultimately providing policymakers with an understanding of what is happening, and also how it is that that may translate into biological warfare and other things that are obviously of great and core interest to us.

So I will stop there and let others say anything they have.

General Berrier. Representative Wenstrup, I would just say, DIA's role in this is duty to warrant. And so for the Department of Defense, we must have our eyes out, our ears out, and be able to understand this when it happens. For us and the lessons that we have learned, this is a really hard intelligence problem, and we have to be able to take advantage of all of the sources that are out there.

And certainly, open-source tools, to be able to get insight early, has been very, very effective, and we are going to continue to develop those with our National Center for Medical Intelligence and continue to invest in this those kinds of tools.

Dr. Wenstrup. Thank you, both. I yield back.

Yes, sir.

Mr. Burns. Mr. Wenstrup, all I would add as we have discussed before is, you know, we have created a new mission center at CIA which is focused largely on the question that you raised of emerging technologies, designed both to help policymakers, you know, anticipate the pace at which our adversaries are moving, especially on issues like synthetic biology or biotechnology and also to deepen partnership with the private sector, so we better understand the pace of innovation in that area as well.

Dr. Wenstrup. Thank you very much. I yield back.

The Chairman. Mr. Carson.

Mr. Carson. Thank you, Chairman.

Director Haines and Director Wray, one of the struggles over the past several years has been to detect and understand the nature of foreign efforts, to influence U.S. politics, including and especially grassroots groups. The Mueller report, for example, identified dozens of U.S. rallies organized by a Russian troll farm.

Director Haines, is support to U.S. grassroots groups still a part of the foreign malign influence playbook, and which adversaries use it?

And, Director Wray, how do we stop foreign covert influence on grassroots activist groups without silencing legitimate political speech?

Ms. Haines. Thank you. I will be quick because I would say that the FBI's work in this area is obviously critical, but, yes, in the sense that we do see with foreign malign influence efforts to support particular groups within the United States at times, and those are links that we obviously focus in on and try to provide to those parts of the government that are then able to act on issues.

Mr. Wray. I think I would say that it does continue to be a phenomenon. We should expect it to continue to be a threat. The Russians obviously were among the first to do it very aggressively, but we have seen other adversaries get increasingly interested in taking a page out of that same playbook. We, of course, have the foreign influence task force that we set up that is designed to try to address that.

I think the key point to your question about balancing is that our focus is on the malign foreign influence not on the resulting speech. So sometimes I think people get confused about that. And I think that if we see some kind of aggressive activity here, grassroots or otherwise, that we are somehow reverse engineering back to figure out if it could be explained by some foreign source, the Russians, the Iranians, whoever.

We actually go at it in reverse. We are aggressively investigating foreign intelligence services, their proxies, their social media accounts, things like that. And

then if that then turns out to manifest itself in activity here then we are going after it that way.

We are not and we don't intend to be the speech or truth police, but we are aggressively working with foreign partners to identify foreign -- malign foreign influence sources, and where appropriate, we are sharing information with social media companies who can then reduce the bullhorn effect of fake accounts that are actually, you know, part of a Russian troll farm or in some other way inauthentic accounts.

And we have actually done some of that in context with the current crisis with the Ukraine at the Ukrainian's request to work with social media companies to take down fake Russian accounts that are spreading Ukrainian military disinformation.

Mr. Carson. Thank you, all. I yield back, Chairman.

The Chairman. Mr. Stewart.

Mr. Stewart. Thank you, Mr. Chairman.

To all of you, again, thank you for a lifetime of service. I look forward to the closed session where we can go in more detail on some of these topics, as I am sure you do as well. But this is an important session, because we can speak to the American people. You can speak to the American people about the threats that we are facing.

It is a chance to remind them -- although I think the last few weeks has clearly done the reminding for us -- about the threats that we face around the world. To talk about almost anything else seems quite tone deaf because of the focus of the American people on that.

And that is why, although I have some questions that are unrelated to the current situation in Ukraine, I think there is some other work that we need to mention as well. But, again, it gives a chance for you to highlight your agencies and the great work you do and I am grateful to that.

RPTR WARREN

EDTR ZAMORA

[11:03 a.m.]

Mr. Stewart. And for the benefit of the American people as well, there are some other, as I said, other issues that I think we should talk about, although briefly, then I want to reserve as much of my time as I can to come back to Ukraine.

Director Haines, and really all of you, in the last year, we went through this thing that made several of us on the committee very uncomfortable, in the sense that there was a DHS and FBI mandate to report on domestic violent extremists or extremism.

Director, that mandated that you or you chose to at that point on March 21 to release a standalone report, which is something quite unusual, for us to take an issue, a single issue like that, with a standalone report from the DNI, talking again about domestic violent extremism. And there is obviously a lot of work, a lot of intense analysis which, again, the reason that I am concerned about is that, as I have expressed to, I think, all of you, is the sense we should never turn the awesome power of the CIA or the awesome power of the NSA on American persons. And I believe that you all agree with that, and it seems like we are approaching that line.

Interestingly, in this most recent report, do you know how many times DVEs are mentioned? Zero, not a single time, which begs the question, I mean, there is a couple perhaps explanations. One of them is that we fixed the problem, which seems unlikely. I have never seen an example where one report highlights something as this is a intense area of issue for us, the next year it is not mentioned at all. I am afraid that the work last year was a result of political pressure.

And I wonder if anyone of you would like to perhaps offer an explanation for why it was so important a year ago and yet doesn't make into it the report at all in this most

recent.

Director Haines. Sure. I can start. So it is mentioned; it is just under a separate name. You will see we talk about racially or ethnically motivated violent extremism, and that is a form of, in many respects, domestic violent extremism. Obviously, it can occur in other places, but it also occurs domestically, and it does remain a problem. But I will turn to Director Wray to talk about how much of a problem.

Mr. Wray. Well, from the FBI perspective, domestic violent extremism, of course, is central to our mission, separate and apart from authorities that others in the Intelligence Community might have. And we are aggressively pursuing it. And it remains a very significant, high priority.

Mr. Stewart. And, Director, I agree with that, that you should, as the Director of the FBI, have that responsibility. What made us uncomfortable was we were doing it within the framework of many assets and the efforts of those within the Intelligence Community which, once again, we should have a very clear line between those two efforts.

If I could in the minute I have left, Director, according to some open source reporting, the FBI purchased NSO spyware Pegasus in 2019 and evaluated the program under a name called Phantom. Can you confirm that, you know, if that is true or not?

Mr. Wray. What I can tell you is that the FBI has not and did not use the NSO products operationally in any investigation. I can confirm that we bought a limited license for testing and evaluation, so not used in any investigation of anyone but rather as part of our routine responsibilities to evaluate technologies that are out there, not just from a perspective of could they be used someday legally but also, more importantly, what are the security concerns raised by those products. So very different from using it to investigating it.

Mr. Stewart. So I understand that you did purchase a program and you tested it. Is that accurate?

Mr. Wray. We had a limited license for testing and evaluation. We have tested and evaluated, and that is over.

Mr. Stewart. Did you --

Mr. Wray. It hasn't been used in any investigation of anyone.

Mr. Stewart. Did the FBI ever notify Congress of their intention to test this product?

Mr. Wray. That, I don't know the answer to. I can look into that. I am not sure --

Mr. Stewart. Please do because we are unaware of any notification.

And then, why would we test a product such as that if you don't have the intention to use it?

Mr. Wray. Well, we test -- it is a good question. I am glad you asked me. We test and evaluate all sorts of technologies and products that, if in the wrong hands, can be used against our agents, for example, conducting their operations. So part of it is, from a counterintelligence security perspective, we need to know what tools are out there that the bad guys can use against our people. So that is part of why we test it. And by the way, because that allows us to inform our own countermeasures and things like that.

Mr. Stewart. Okay. And my time is expired. But are you saying then that you would never intend to use that against U.S. persons, only for counterintelligence? Is that true?

Mr. Wray. We decided not to use it -- even before the current and brouhaha, we decided not to use it for any purpose other than just the one I have already referred to.

Mr. Stewart. Okay. Thank you. I appreciate your response.

I yield back.

The Chairman. Representative Quigley.

Mr. Quigley. Thank you, Mr. Chairman.

I have heard reference today that we were late to the game, NATO was late to the game. I do want to applaud the administration and NATO, particularly NATO, which is moving in light years for NATO to move and change what Germany has never done before, what Switzerland and others have never done before. But I think it begs the question is: Are we still late to the key point here?

I reference that because of the speech we saw Saturday by President Zelensky. It reminded me of Churchill during the blitz, and here is why. Churchill wasn't just talking about his home country, as was Zelensky. He was talking about all of Europe. He was talking about the ideal of sovereign democratic countries and why you cannot let autocratic, fascist countries take them over. But we have always had this discussion about what we should do prefaced on the notion, well, they are not part of NATO, therefore.

In the final analysis, Ukraine, what they represent and what they have done so far, represents the highest ideals personification of what we wanted NATO to be. And for us to say with the greatest respect that we will fight for every inch of NATO territory when Ukraine has done the real thing and faced being wiped off the face of the Earth, I think we need to think about getting to that final point and recognizing and treating Ukraine for that which they have earned. And I know that that is a big move. But if we are going to get there anyway because of what we are about to witness in the coming weeks, do we still want to be behind the curve?

But as we move forward, let me just ask a few points. In 2019, Director Coats said that Russia and China were more aligned than at any point since the mid-1950s, and

the relationship is likely to strengthen.

Director Haines, let me ask you. Do you believe that is still the case? Was it more the case before this invasion? Has this changed that calculus? And do we believe that Beijing is looking at this, as surprised, perhaps, as Putin was of the Western response?

Director Haines. Thank you, Representative. I think Director Coats was exactly right. I believe that it continues to be the case that they are getting closer together. We see that across a range of sectors -- economic, political, security -- and expect it to continue. I think there is a limit to which it will go but, nevertheless, that remains a concern.

And in terms of the impact of the current crisis, I would say that it is not yet clear to me exactly how it will affect the trajectory of their relationship. I think it is clear that China has not come out and criticized Russia for their actions clearly and yet, at the same time, they did abstain, for example, in the context of the U.N. Security Council resolution and in other scenarios. And it does seem as if they are potentially paying a price for not criticizing Russia, and that may have an impact on how this trajectory moves forward.

But I think, in general, I think it does continue to -- the two countries get closer together.

And others may have thoughts.

Mr. Burns. All I would add, Congressman, is I think Director Coats was right. And I think, if anything, that relationship, the partnership between Russia and China, strengthened since 2019.

I would add, though, that I think that President Xi and the Chinese leadership are a little bit unsettled by what they are seeing in Ukraine. They did not anticipate the significant difficulties the Russians were going to run into. I think they are unsettled by



the reputational damage that can come by their close association with President Putin, second, by the economic consequences at a moment when, you know, they are facing lower annual growth rates than they have experienced for more than three decades. I think they are a little bit unsettled about the impact on the global economy.

And, third, I think they are a little bit unsettled by the way in which Vladimir Putin has driven Europeans and Americans much closer together. I think they have, you know, valued their relationship with Europe and valued what they believe to be their capacity to try to drive wedges between us and the Europeans. And so I think that is unsettling for them as well.

Mr. Quigley. Thank you all. I yield back.

The Chairman. Mr. Crawford.

Mr. Crawford. Thank you, Mr. Chairman.

I will address this to anybody on the panel that wants to answer the question or discuss this. But China is investing billions of dollars, we know, in its domestic semiconductor industry in an attempt to achieve full chip independence by 2050. I am wondering what the assessment of the likelihood of China fully indigenizing its chip industry by then, what sort of security threats would you assess China's increased chip independence creates? And how can the U.S. and its allies address those threats moving forward?

General Nakasone. This is a very timely question. And, you know, as we look at China increasingly become more indigenous in their production, this has great concern for us. In terms of the broader impact, I would like to talk about this a little bit more this afternoon because I can provide a depth, I think, that is very important for us to cover.

Mr. Crawford. Okay. Thank you.

Do you perceive a threat that the Chinese-made chips could also be exported

abroad or is this a topic that you just would rather discuss in the closed setting?

General Nakasone. If we can talk in closed setting, that would be great.

Mr. Crawford. Okay. Great. Thank you.

Let me shift gears then, and we will revisit that topic in the closed setting.

General Berrier, some experts have voiced concerns that Russia's invasion of Ukraine could embolden the PRC to pursue a full-scale invasion or military blockade to Taiwan. What is your assessment of the likelihood of a copycat effect, and what more can the U.S. do to prevent the crisis in Ukraine from being repeated in Taiwan?

General Berrier. Congressman, I think Taiwan and Ukraine are two different things completely. I also believe that our deterrence posture in the Pacific puts a very different perspective on all of this. We do know that the PRC watching very, very carefully what happens and how this plays out throughout the entire DIME. And I would address more of this in the closed session.

Mr. Crawford. Okay. Is there any evidence that other adversaries are taking advantage of global tension on Ukraine to undermine the national security in the United States, such as possibly cyber threats?

General Berrier. I am sure that there is a risk out there, and the gentleman to my right will no doubt want to answer that. But I have not seen specific intelligence that tells me that we are under a threat or attack right now.

Mr. Crawford. Okay.

General Nakasone. Congressman, I concur in terms of not specifically tied to the Ukraine. We have obviously a high degree of vigilance right now just for a number of different threat streams that are out there, but they are not necessarily only predicated on what we are seeing with the Ukraine.

Mr. Crawford. Okay. Let me shift gears over to Iran real quick in the time that I

have remaining. If the Iranian regime's leadership secures greater access to cash in the coming months and years, what concerns would you have with respect to Iran's capability to conduct terrorism, destabilize the Middle East, and threaten U.S. Forces or our allies and partners?

General Berrier. Congressman, I think the Iranians have done remarkably well, considering the resource constraints that they are under, with development of ballistic missiles, unmanned aerial vehicles, and destabilizing terrorist actions in the Middle East with the resources that they have. If they require more -- if they get more funding, I think the threat becomes even worse.

Mr. Crawford. Does Iran continue to be the leading state sponsor of terrorism? And, if so, do you believe it would be harmful to U.S. national security if terrorism sanctions designations against Iranian entities are lifted or weakened while such entities continue to engage in terrorism?

General Berrier. I think that will be a decision for policymakers. We continue to see Iranian destabilizing actions.

Mr. Crawford. Thank you. I am going to yield the balance of my time to Mr. Stewart.

Mr. Stewart. I don't know if we will have time to explore this. In fact, we won't. But there is this interesting dichotomy taken place in the last year or so where you had China, who did very much the same thing to Hong Kong that we saw happen in Crimea and Donetsk, in the eastern Ukraine and obviously with this full-scale invasion now. Now, I understand -- I am not equating the two. I understand there is a very different process that they went through.

But I am wondering if you assess that, China watching this and the world's reaction to this, it seems to me it would give them extreme pause now when we consider

their plans for Taiwan. I think the united response, you know, private companies pulling out, banking, et cetera, et cetera, do you have any analysis that would indicate that this is making China more reluctant than they would have been, like, 6 months ago?

Director Haines. Yeah, I am happy to start on that, and I suspect others will have views.

But our analysts have been looking at this and quite agree with you, frankly. The view is both that it is likely to reinforce China's perspective on our -- the seriousness with which we would approach an infringement on Taiwan and the unity that they have seen between Europe and the United States, particularly in enacting sanctions. And then not just that unity but the impact of those sanctions I think are both things that are critical to their calculus and something that will be interesting for to us see how they learn those lessons.

Mr. Burns. I agree entirely.

Mr. Stewart. And I yield back. Thank you.

The Chairman. Mr. Swalwell.

Mr. Swalwell. What a difference a week and a half makes. I would describe Russia's actions and its consequences over the last week and a half as how to lose your status in 10 days.

Because of your work, you have been the glue in the international community that has brought together, not only NATO, but other important countries to make sure that essentially, if you are a Russian, you are blocked from traveling. You can't use your Apple Pay. You can't stream your favorite video game. You cannot watch the latest Batman movie. You can't export your gas. You are isolated from the world.

And I was hoping, Director Haines, you could just speak briefly to what effect we are seeing practically, economically that the sanctions are already having, knowing that it

is going to take a, you know, protracted view as far as what the long-term consequences are.

Director Haines. Yeah, you should have the Treasury Department, Commerce, and others before you on this question. But I will tell you, I mean, the free fall that we have seen the ruble in has been extraordinary. And one of the things, as Director Burns indicated, that has been very interesting about the way this is approached is that, you know, President Putin knew that sanctions were a likely result of an invasion of Ukraine, right, and tried to prepare for it by creating essentially a national wealth fund that would give them the ability to defend their currency and manage some of the sanctions. And we have seen the Duma pass, for example, legislation that is intended to address some of the impact of sanctions.

And yet the secondary actions that Europe has taken with the United States and that other partners around the world have done I think really do mitigate essentially their ability to mitigate the impact that they are having on Russian citizens right now and seeing the kind of impact that you --

Mr. Swalwell. Sure.

Director Haines. I would also say that the other factor that we didn't spend as much time analyzing but is clearly important is the commercial piece. The commercial decisions that are being made by multinational corporations to actually join in this I think is going to have a pretty significant impact on --

Mr. Swalwell. That is right.

Director Haines. -- the economy.

Mr. Swalwell. And, Director Burns, actually, look, there is probably a couple of generations now who did not grow up spending their time under desks of a nuclear Soviet threat. And I would hope that we could unite in this country around the threat of

Vladimir Putin. That has not necessarily been the case. Some people have cheered him on here in America.

And I just want to go through this butcher of human rights who decapitates any opposition he has. Was the Russian Government responsible for the 2006 poisoning and death of Alexander Litvinenko, a former intelligence officer? Yes or no?

Mr. Burns. Yes, to the best of our knowledge.

Mr. Swalwell. Who was the President at that time of Russia?

Mr. Burns. Vladimir Putin.

Mr. Swalwell. 2018, the Skripal family, were they victims of a Russian Government poisoning?

Mr. Burns. Yes.

Mr. Swalwell. Who was the President of Russia at that time?

Mr. Burns. Vladimir Putin.

Mr. Swalwell. 2020, Alexei Navalny, opposition leader against the Russian Government, was he poisoned at the hands of the Russian Government?

Mr. Burns. Yes.

Mr. Swalwell. Who was the President of Russia at that time?

Mr. Burns. President Putin.

Mr. Swalwell. Is the Russian Government responsible for the deaths of multiple journalists who have been critical of the Russian Government?

Mr. Burns. Yes, sir.

Mr. Swalwell. Has this included the reign of Vladimir Putin?

Mr. Burns. Certainly during the last 20 years, yes, sir.

Mr. Swalwell. Outside of Russia, he has also been a disruptor of democracy. Did Russia interfere in the 2016, 2018, and 2020 U.S. elections?

Mr. Burns. Yes, sir.

Mr. Swalwell. Did they interfere in the 2017 French election?

Mr. Burns. To the best of my knowledge, yes, sir.

Mr. Swalwell. Did they interfere in the 2017 German election?

Mr. Burns. That, I will defer to my colleagues on that, sir.

Mr. Swalwell. Is it assessed that Russia was responsible for the downing of a 2014 Malaysian airliner flight over Ukraine where 300 innocent souls were lost?

Mr. Burns. I think that is the conclusion that many people have drawn, yes, sir.

Mr. Swalwell. So would you describe Vladimir Putin as a savvy genius or a ruthless tyrant?

Mr. Burns. Oh, I think ruthless tyrant comes much closer to the mark.

Mr. Swalwell. Thank you, Director.

Director Wray, what is your message to the business community, knowing that these ransomware attacks could be coming and your field office's ability to work with them and help them if they are a victim? Can you just update us on just what your posture is right now and how they can reach out to you if they are attacked?

Mr. Wray. I appreciate the question. Our field offices are in a position where they can have a technically trained agent at the doorstep of any company that is victimized within about an hour anywhere in the country, and time is of the essence because that is what enables us. In some cases, you've seen us be able to claw back and recover the cryptocurrency that is paid in a ransom. It allows us to have a hot trail as investigators to be able to take action to disrupt the ransomware actors.

So in order to be able to protect the companies, if they reach out, we can -- again, we can -- out in the field we can have somebody there to help within about an hour.

Mr. Swalwell. All right. Thank you.

I yield back.

The Chairman. Representative Stefanik.

Ms. Stefanik. FBI Director Wray, on October 6, 2018, the families and close-knit community of Schoharie County in rural upstate New York experienced the deadliest transportation disaster in the U.S. in almost a decade when an illegal extended limo that shouldn't have even been on the road crashed and instantaneously killed 20 people.

Are you aware of this? I know you have deep ties to upstate New York.

Mr. Wray. I am very generally aware of it partly because of my ties to upstate New York.

Ms. Stefanik. I am asking about this at today's worldwide threat briefing because the owner of the limo company, Shahed Hussain, was a longtime informant of the FBI for prominent antiterrorism cases in the war on terror, who testified publicly in numerous high-profile Federal cases. And it is our job in Congress to conduct proper oversight of the FBI's activities, including the proper and improper use and handling of informants, when it comes to addressing worldwide threats.

This FBI informant had multiple run-ins with the law and various State and Federal agencies that miraculously were brushed away again and again and again. He lied on tax returns and immigration papers. He misled FBI handlers, committed bankruptcy fraud. His hotel that he owned racked up code violations and tens of thousands in unpaid property taxes with no consequences. And, most tragically, this deadly limo company falsified reports, lied about the alteration of an illegal vehicle. And this -- the out-of-service rate for this vehicle was 80 percent. Unimaginable.

I believe that this deadly limo tragedy, the biggest transportation tragedy in this country, could have been avoided had we addressed the acts, the illegal acts, of this FBI informant. And the FBI owes families answers. There has been extensive reporting on



this issue.

So my questions for you are: Once a relationship is established with an informant, does the FBI allow an informant to engage in criminal behavior that is not related to the case, in this case the antiterrorism cases, or investigations that they are informing on? Yes or no?

Mr. Wray. There are very specific and somewhat detailed and lengthy policies and guidelines that govern how we use our confidential sources.

Ms. Stefanik. Correct. The confidential informant unit?

Mr. Wray. And so --

Ms. Stefanik. Yes. CIPU (ph).

Mr. Wray. So I would -- I think the answer to that question basically requires going into some depth about those policies and guidelines. And, in addition, over the last couple of years, we have made very significant changes, separate and apart from anything to do with this matter, involving our Confidential Human Source Program. And we would be happy to have somebody brief you on some of those changes because they are quite significant.

As to the particular matter, as I said, I am generally aware of it, but I am quite confident I don't know all the details. And anytime we start getting into questions of who is or isn't a source and what they were or were not doing, I have to really tread carefully. So I think what I would suggest is let me have my staff follow up with you and see if there is more --

Ms. Stefanik. I would expect you to follow up with me directly. We are talking about 20 innocent lives. And to give you a sense of the impact this has had on the families, one father, who lost his two sons, was so destroyed by the crash that he suffered a series of strokes and now can no longer remember having children. One mother lost

her son and her daughter-in-law and is now, as a grandmother, the guardian of kids age 4 and 5, who, when they pass their parents' house and they see a car there, they think they their parents miraculously are at home. The first responders stated the carnage was so extreme that veteran paramedics attending the crash site, who I have met with, developed disabling mental health issues. So I expect a response from you directly.

But just to follow up some of the questions that are important for the people of this community to learn, in this case of Shahed Hussain, this is the informant, was the FBI aware that his company, Prestige Limo, repeatedly violated New York State transportation laws while he was an informant? Because I know that you are required to do that as part of the confidential informant unit.

Mr. Wray. So what I would say is my heart aches for those families, and I feel horrible about what has happened to them.

I would say as to the specifics of this particular individual, partly because I don't know all the details and partly because I have to tread very carefully whenever we start talking about somebody is a source or not a source or when they were a source and what they were doing as a source and that kind of thing, I really need to make sure that any information we provide with you is consistent with policy but also is accurate.

Ms. Stefanik. Great. I have a litany of questions. I am requesting your commitment today to turn over all the FBI's documents, including the source file related to Mr. Hussain, his family, his companies, and any involvement in the investigation.

And as Congress, while I am requesting you to work with us, I will not hesitate to compel this, particularly next year, to subpoena, to issue a congressional subpoena with support from my colleagues, because these families deserve answers. And they have been yearning for answers, and it has been brushed under the rug.

I yield back.

The Chairman. Mr. Castro.

Mr. Castro. Thank you, Chairman.

Director Wray, I wanted to follow up on a question that Representative Stewart asked about Pegasus. You said that the FBI has tested the Pegasus software from an NSO group for counterintelligence purposes.

Are you aware of any incidents of the Pegasus software being used by a foreign power against the United States? And if anybody else on the panel has anything to supplement on your answer, that would be very much appreciated.

Mr. Wray. I have to think about whether there is anything I could share here. If I could suggest, let me give a little thought to that, and maybe there is more I can provide on that in closed session this afternoon. I mean, certainly, I think there has been open source reporting about different governments using the technology. But whether it has been used against us, you know, I have to think a little bit about that. And I also need to kind of keep straight in my head what I know about NSO from classified sources versus what I have heard in open sources.

Mr. Castro. Sure. No, I would appreciate that.

And just as a reminder, this software has been used to target human rights activists, journalists, ordinary citizens, by governments around the world. And NSO is a company that was developed in Israel by Israelis, and so Israel has been a strong friend of the United States.

And I want to ask you all whether you have pressured the Israeli Government to crack down on Pegasus and other -- and a cottage industry of similar groups in Israel, whether you all have taken that up with the Israeli Government?

Director Haines. Thank you, Representative Castro. I am not aware of any of us taking it up specifically with the Israeli Government, but we can provide to you, I think,

an answer after this hearing. Does that sound good?

Mr. Castro. Are you aware whether the White House has or -- I know you are not the State Department --

Director Haines. No.

Mr. Castro. -- but the State Department has?

I am surprised that we haven't, especially because we have a very open line of communication with Israel, that we would not have spoken up about this.

Director Haines. We very well may have and I just don't have --

Mr. Castro. Sure.

Director Haines. -- that information.

Mr. Castro. I also have a question on -- you know, we value, of course, here classified intelligence that your agencies gather and analyze to inform policy. But I want to ask a question about open source unclassified intelligence, which is also important.

Open source intelligence is critically important to helping U.S. policymakers and the national security community navigate our country's role in the world, and it helps us engage with the American public. It informs media that can promote awareness of issues and promotes communication between different policymakers. And, today, the reality of what is happening in Xinjiang by China and Ukraine by Russia is laid bare through open source information often through translated documents.

And so my question, Director Burns, is: Why did the open source enterprise stop publishing translated documents publicly? And will you push the OSC to put out more of their translations publicly?

Mr. Burns. Thanks, Congressman. And I know Director Haines may want to add to this because we have been working quite intensively with her and the rest of the Intelligence Community on open source issues in part to address the question that you

raised.

I mean, I agree with you. I think open source information is going to only become more and more important in the years ahead. And then what use we make of that, including making public some translations, I think is only going to grow in importance.

Director Haines. Yeah. Just to add what Director Burns has indicated, this is an area where we absolutely agree with the fact that it is critical to our work, frankly, and across the enterprise. And DIA has also taken a big lead in this area. And, essentially, we need to -- we are going through a process where we are trying to make sure that we are organized effectively so that we can leverage our resources across the community and also that we actually have devoted enough resources to open source. You will see it I think in our budget submission.

Mr. Castro. Sure. And I have got one last question. And we only have less than a minute, so you won't be able to answer all of it. But as you all know, the cyber threat from Russia and other nations is very real, including to our critical infrastructure and our the defense systems. Simply put, even our most sophisticated weapons with strong, effective cyber attacks can be neutralized and made ineffective.

And so my question is about the status of our cyber alliances around the world. How strongly have we developed our cyber alliances both for defense purposes and, if necessary, for offensive purposes in cyberspace?

General Nakasone. So, Congressman, I think that what you hit on is really the key for the future of these series of partnerships that we have. And we have seen the partnerships. I sit next to Director Wray, who has been a tremendous partner in our ability to get after some of the cybersecurity threats here in our Nation. But it is broader than that, as you had indicated.

So we have rich partnerships with obviously our FBIS partners and series of other partners within both Europe and the Pacific. And as far as the work that we do full spectrum, I would like to take that on this afternoon because I think that would be appropriate, given the discussions we have had this morning on Russia and the Ukraine.

Mr. Castro. Sure.

Mr. Wray. I would just add -- completely agree with General Nakasone, but I would add that just about every significant major takedown that we have engineered together against foreign adversaries, cyber adversaries, whether they be criminal or nation-state, almost invariably involved a whole slew of foreign partners all acting in concert. And one of the clear lessons from the last few years is that that is the most effective weapon against cyber adversaries is joint sequenced operations. I like to say cyber is sort of the ultimate team sport, and we do that with our foreign partners.

Mr. Castro. Thank you.

The Chairman. Mr. Mullin.

Mr. Mullin. Thank you, Mr. Chairman.

Just I guess my first question would be to Director Wray. Do we feel like with cybersecurity that we are being risk averse or being proactive towards Russia and to protecting our intellectual property here inside the United States?

Mr. Wray. Well, I think, at the risk of sounding like a lawyer, I think it is a little bit of both. We are obviously being risk averse in one sense as we are trying to help manage the cyber defense side of it and trying to manage risk in that sense, but proactive in a different sense, which is more and more, as I was just alluding to, we are working together, general Nakasone and we --

Mr. Mullin. On being risk averse -- I am going to cut in there in just a second --

Mr. Wray. Okay.

Mr. Mullin. -- because you can't really be risk averse and be proactive at the same time, because if you are risk averse and you are not trying, you are afraid to do anything because you don't want to escalates it, but yet since the threat has already came to us, it seems to me that we should be changing our posture to being very proactive, to saying, listen, we have tools. If you come after us, we are going to punch you back.

Mr. Wray. So --

Mr. Mullin. Are we in that area?

Mr. Wray. So, in that sense, I think we are leaning further and further in all the time in our efforts to go after our adversaries through a variety of means. Some of what you are getting at is more cyber offense.

Mr. Mullin. So we are being proactive?

Mr. Wray. Probably better in General Nakasone's lane, and so I will defer to him on that one.

Mr. Mullin. So we are being proactive? I just -- I have got other questions I want to get to. I don't want to spend too much time on this.

General Nakasone. So, Congressman, this is, on the CYBERCOM side, this is what we do with persistent engagement every day. This is engaging our adversaries. This is understanding where their infrastructure is, understanding what they are doing, and keeping tabs on them.

Mr. Mullin. Didn't actually say yes on the proactive part.

What about with the escalation of Russia itself? Do we feel like we are being a little risk averse in responding to their threats by willing to escalate the war or are we beginning to take a proactive posture with ourselves?

Director Haines. Happy to start.

From my perspective, we are not being risk averse in the sense that we have

enacted -- obviously, the United States has enacted significant sanctions. And from the Intelligence Community perspective, we have indicated that --

Mr. Mullin. But sanctions are one thing. But at the same time, we are still importing, you know, 700,000 barrels of oil a day. And if my -- if the reports are correct, we sent individuals to Venezuela this weekend too to see if we could, you know, maybe work, strike a deal to be able to purchase oil from them, yet the President of Venezuela is one of -- it literally has the strongest ties to Putin in Latin America. Is that really being proactive in that case?

Director Haines. I guess, sir, I am -- there is probably an Intelligence Community question in there, and I just haven't figured out what it is.

Mr. Mullin. Right.

Director Haines. In the sense that --

Mr. Mullin. Well, if we are posturing -- what I am saying is, if we are posturing ourselves right now from the intelligence gathering -- because you guys gathered a tremendous amount of information and you guys were spot on. Commend you on that. But now the war has went to a different level. And I am assuming we are gathering on the worst-case scenario because that is what the IC does. We are looking at the worst cases.

Worst-case scenario is, is where are we posturing ourselves? What are we telling and getting prepared for? Obviously in this setting, not the classified setting, this setting, where are we moving towards? Are we advising that, hey, listen, we maybe should really start looking at bringing ourselves back in?

I mean, Director Haines, your testimony yourself, you said that Russia uses oil to influence and coerce Europe, right? But yet are we not afraid that same thing can happen to the United States when we have seen a 40 percent increase this year alone on



our dependency on Putin oil to begin with? Are we not assessing that as a risk?

Director Haines. So I think it is absolutely accurate that Russia -- that we assess that Russia engages in coercion through their policies, both with respect to energy and other tools that they have available to them. And I think that is where we would have our --

Mr. Mullin. Have we not assessed that that is a risk to us too?

Director Haines. That they would try to use that with us?

Mr. Mullin. Well, because we have increased our dependency more on them.

Director Haines. Yeah.

Mr. Mullin. So if that is a national risk, are we advising the President as such?

Director Haines. I mean, I think to the extent that the question is related to whether or not there are ways in which Putin can actually take action that would be a risk to us, yes, of course.

Mr. Mullin. So what have we been advising the President of, that we should limit that, that we should try to become more energy independent instead so reliant on Russia? Are we making those assessments?

Director Haines. So from an Intelligence Community perspective, what we do is lay out the picture, and then we let the policy community obviously decide what it is that they take action on.

Mr. Mullin. But you guys have laid that picture out? It is a yes or no.

Director Haines. Certainly energy is something that we have looked deeply at in terms of --

Mr. Mullin. Okay. I yield back. Thank you.

The Chairman. Mr. Maloney.

Mr. Maloney. Well, good morning -- good afternoon. And -- good morning.

And I want to just say that, as someone back from Europe, our allies are enormously impressed with the work that all of you have done. And so thank you, first and foremost, for that. And not only are they impressed with it, but it actually formed the basis for the response we have seen. The time and the space and the credibility was essential to being able to put together the sanctions and other measures that have, in the space of a week, blown a hole in the Russian economy. So in a very real sense your work has been absolutely critical to the effort.

And while we are watching this tragedy unfold, you know, at the risk of sounding self-congratulatory, I know you all don't take any pleasure in being right on this. But this is the most, I think, consequential success of the IC since the Cuban Missile Crisis. And so for all the people who have been working this problem, not for 11 days but for months, please know how grateful we all are. We have met them. We have met them in the field. We have met them in some very difficult conditions, and they are extraordinary. So I just want to tell you all that, and I know there is a lot of work to do, but well done.

Now, a couple of quick questions. I am very interested in Russian oligarchs. So, Director Wray, what are we doing to get after the oligarchs in the United States? Can we seize some yachts and send some people home? Because we hear stories about the Russian Foreign Minister Lavrov traveling with his mistress. We hear about all the properties she owns. We know that these guys live large and they live in our cities and they benefit from their wealth in ways that I think would shock ordinary Americans.

Can you tell folks in open session what we are doing to get after that problem?

Mr. Wray. So, certainly, the oligarchs are an important part of Putin's power base, and others can speak more to that part of it.

What I would say is that we are working aggressively with our partners, both

across the Intelligence Community, across law enforcement, with foreign partners, both security services and law enforcement services, to try to hold oligarchs accountable through a variety of means.

Where we can lay hands on them with criminal charges and prosecute them, we want to do that. Where we can better block the ways in which they try to circumvent sanctions to better get after their money, we want to do that. Where we with can seize their assets through a variety of legal tools that we have, we want to do that.

We are, on the FBI end, blending not just our counterintelligence expertise but our expertise with transnational organized crime and, of course, our cyber expertise to kind of go after that. And you may have seen recently the Justice Department announced a new task force that is specifically focused on that, and we have already had some charges under that work.

Mr. Maloney. Director, are we going to see some yachts? I mean, that sounds great. Are we going to see some of this stuff taken out of their hands?

Mr. Wray. Whatever we can lawfully seize, we are going to go after.

Mr. Maloney. Thank you. I think you have the support of both aisles up here to be as aggressive as you can humanly be on that issue.

Let me just cover another quick subject. So if -- some may see this catastrophic decision by the Russian Government as a storm, but China is more like the climate, right? And it remains the persistent, existential long-term threat.

So, Director Haines, how are we going to stay focused on China as we work this emergency in Ukraine?

Director Haines. Yeah. Unquestionably, we are going to stay focused on China. And I agree with you, it is one of those things where the urgent crowds out the important on some level, and we are working very hard to ensure that that does not happen,

because we recognize the long-term priority is China for us, absolutely unparalleled.

And I know my colleagues are --

Mr. Maloney. And is it fair to say the resources of the IC -- I know a lot of that is classified. But is it fair to say the resources of the IC will reflect that in terms of how we budget and how we prioritize?

Director Haines. Yes, sir.

Mr. Maloney. Thank you very much.

So with my 48 seconds remaining, I was just hoping to get a commitment from all of you, since I have been so nice to you up here, on an issue that is a little dicier, which is, the President issued an executive order to declassify the 9/11 materials. And we are a little late in receiving them here on the Hill.

So I would like the commitment from all of you to provide unredacted versions of all the 9/11 investigative materials to the committee as quickly as possible, at least all those covered by the President's executive order. I am hoping you can each give me an affirmative commitment to do that.

Director Wray?

Mr. Wray. We can certainly commit to work with you to provide as much information as we possibly can. And I know our staff --

Mr. Maloney. Well, the President issued an executive order, sir. So I appreciate --

Mr. Wray. We will --

Mr. Maloney. -- that you will work with me.

Mr. Wray. We will absolutely comply with the executive order.

Mr. Maloney. That would be fantastic.

General Nakasone. We will comply with the executive order.

Mr. Maloney. Thank you.

Director Haines. Yeah, same.

Mr. Burns. Yes.

General Berrier. Yes.

Mr. Maloney. Well, thank you all again for your extraordinary work. It has been remarkable.

I yield back, Mr. Chairman.

The Chairman. Mr. Kelly.

Mr. Kelly. Thank you.

And, Director Burns, I first want to just thank you for your assessment of Vladimir Putin. It was very insightful, and I think it is helpful to us to understand his decision-making process. And I just want to thank you for that. I think you put more clarity on that than anyone I have ever talked to.

For all the witnesses, it has been reported open source that a Saudi detainee at Guantanamo Bay, Mohammed Mani Ahmad al-Qahtani, who attempted to take part in the 9/11 highjacking plot but later was detained and captured in Afghanistan, is being released from Gitmo into Saudi custody.

Can you tell this committee why this individual is being released now and whether or not his release is part of a broader arrangement with Saudi Arabia? Because I also note that I think President Biden is on his way to Saudi Arabia in the near future.

Director Haines. Thank you, sir. I will start. As a general matter, as you know, it has been the policy of the administrations, several prior, to continue to move forward on Guantanamo detainees, to review them, and then determine if they should be transferred or otherwise. And I understand it to be part of a broader trend, essentially, of a number of detainees that have been transferred to Saudi Arabia. I don't think it is a

new arrangement, at least that I am aware of.

Mr. Kelly. And I know that is kind of a quick one I sprung on you. So if we can follow up on that, I would appreciate it.

And I want to get just a little bit. I want to thank all of the IC, and that is every single one of you guys up here, for the exquisite intelligence and the -- that you provided to Ukraine and everyone. Once again, you guys all, you made America proud, and across the world people appreciate the work you have done.

Now, General Nakasone, I always get to pick on you. I am sorry, because I am a HASC. I am a title 50 and a title 10 guy, and so I want to ask a few questions. Republicans have been requesting specific data points for nearly a year on the consequences of the dual-hat relationship between U.S. CYBERCOM and NSA, and I am hoping you can provide some clarity today.

And I think that is important, because the way I see this -- and it is very hard for me to distinguish between title 10 and title 50. It has taken me a while to get a grasp on both of those. Generally, DOD is a little more offensively oriented. And title 50 is a little more defensive and intelligence related.

So my first question: Are the operational requirements of the two organizations in decline, relatively flat, or are they growing?

General Nakasone. They continue to grow, Congressman.

Mr. Kelly. And have dependencies between the two agencies, such as shared infrastructure and capabilities, increased or decreased during the past several years?

General Nakasone. They have decreased.

Mr. Kelly. And have you taken any action to decrease any such dependencies?

General Nakasone. I have not. In terms of -- and I think this is really designed for the infrastructures that we operate off of. Those were decisions prior to mine. I

think they were good decisions. And we have carried out, you know, separate infrastructures that have been developed for both U.S. Cyber Command and the National Security Agency.

Mr. Kelly. And how many meetings did you hold last year related to your role as commander of USCYBERCOM?

General Nakasone. Congressman, I don't know. I mean, I hold a lot of meetings every single day.

Mr. Quigley. Can you follow up with specifics of how many in that role you did to this committee in writing?

General Nakasone. Certainly. And I --

Mr. Kelly. And how many -- joint question with that, how many did you hold as Director of NSA? So just the number of meetings that you held in each capacity.

Have you taken any action to meet the requirements of section 1642 of the National Defense Authorization Act of 2017 to establish certification requirements for the termination of the dual-hat role?

General Nakasone. So, Congressman, on those conditions, we have continued to operate towards them. We, you know, we have done the things that we have outlined to make sure that those get done. As you probably will recall, that was a part of the NDAA that was put in there, not necessarily as a precursor to terminate the dual hat, any kind of decision like that, but it was intended if there was a decision that these had to be made.

Mr. Kelly. And I want to be really clear because sometimes it seems like I am picking on you. I think you do an exceptional job in both roles. So my issue is not with you personally, but I do have to look at who follows and those things that follow and to make sure that we are in the right transition form that, when it follows you, that we have

the right organization and structure and command style that we can still focus, because everybody is not going to be just like you. And so we have to prepare for the Army standard, so to speak.

General Nakasone. Congressman, I appreciate that. And I appreciate your questions today.

Let me just say a few things on that. This is a role that can be done by anyone that, you know, is obviously had the experience and the training and the -- it is not unique to me running both organizations.

What is unique is that the domain of what we are operating here in cyberspace is requiring the speed and the agility and a unity of effort that the Nation needs. And we are seeing that with what we have seen in elections, what we have seen with ransomware, and now what we are seeing with Ukraine and Russia. This is the advantage of being able to have one person that runs both organizations, in my opinion.

Mr. Kelly. And final comment before I yield back. I just think that dual hat may help to be more offensively capable in cyber realm as opposed to defensive.

With that, I yield back, Mr. Chairman.

The Chairman. Mr. Krishnamoorthi.

Mr. Krishnamoorthi. Thank you again for your outstanding service to our country. We are so honored.

Director Burns, a lot of my constituents think that Putin is crazy or he is playing crazy. In an open setting, how do you assess Putin's mental state?

Mr. Burns. I think his views, Congressman, on Ukraine and a lot of other issues have hardened over the years. I think he is far more insulated from other points of view and people who would challenge or question his views. In my opinion, that doesn't make him crazy but it makes him extremely difficult to deal with because of the



hardening of his views over time and the narrowing of his inner circle.

Mr. Krishnamoorthi. It seems like you characterize him as stewing in grievance and ambition, but he is also tempered by the fear of popular unrest. How do we assess in the last 12 days or 2 weeks his popular support in Russia?

Mr. Burns. I mean, I think this is something we are going to keep a very careful eye on over time. You know, in an environment in which the Russian state media dominates what a lot of people hear about what is going on in Ukraine, it is going to take time, I think, for people to absorb the consequences of the choices that he has made personally. But --

Mr. Krishnamoorthi. Do we see increasing reports on social media in Russia about the deaths and the KIAs and the casualties? Because, obviously, they are probably going to hear from the front lines through some means about the status of their relatives, correct?

Mr. Burns. You do see some of that already. You see funerals in Russia of, you know, young Russian soldiers who were killed in Ukraine coming home. And that clearly is going to have an impact over time. You also see in relatively small numbers but a lot of very courageous Russians out on the street protesting. And something like 13,000 or 14,000 have been arrested since then, which is not a small thing in a deeply repressive society like Russia.

Mr. Krishnamoorthi. Lieutenant General Berrier, I and several members of this committee have introduced legislation called the SUPPORT Act. It is a bipartisan act to basically put in law our support for Ukraine. And if the Russians eventually overrun the government, which we hope and pray and we are going to do everything we can to prevent, an insurgency is likely to develop.

I guess one of the questions that we would ask is: Have you commissioned a

reporter? Is there an organized effort to assess what we would need to do to support such an insurgency?

General Berrier. I think the entire IC is looking at that issue right now, and I think it would be good for a discussion in a closed session.

Mr. Krishnamoorthi. Let me ask you this question. With regard to Kyiv, the Russians appear to be attempting to cut off food and water to the city. How much food and water or how many days or weeks of food and water do the people of Kyiv have at this point?

General Berrier. I don't have a specific number for days of supply that the population has. But with supplies being cut off, it will become somewhat desperate in, I would say, 10 days to 2 weeks.

Mr. Krishnamoorthi. Wow.

Director Haines, what can Taiwan, the government of Taiwan, learn from the Ukrainian Government right now about how to prepare and stave off an invasion of Taiwan?

Director Haines. That is a great question. I should give that some consideration. Let me come back to you on that.

Mr. Krishnamoorthi. I would appreciate that.

Director Haines. Yeah.

Mr. Krishnamoorthi. You know, the Chinese Government must have misjudged our resolve and our collective ability to inflict economic harm on those who would engage in malign aggression.

Director Burns, do you think there is any opening whatsoever for us and the Chinese to have a more productive conversation about Taiwan or their malign intentions, given that they may have thrown in their lot with the wrong horse, the Russians, at this

point?

Mr. Burns. Well, Congressman, I would just say analytically I would not underestimate President Xi and the Chinese leadership's determination with regard to Taiwan. I do think, as Director Haines said earlier, they have been surprised and unsettled to some extent by what they have seen in Ukraine over the last 12 days, everything from the strength of the Western reaction to the way in which Ukrainians have fiercely resisted to the relatively poor --

Mr. Krishnamoorthi. But you don't see an opening right now for --

Mr. Burns. On Taiwan?

Mr. Krishnamoorthi. Yeah.

Mr. Burns. No. I mean, I think there is an impact on the Chinese calculus with regard to Taiwan, which we obviously are going to continue to pay careful attention to.

Mr. Krishnamoorthi. Last question. The President appears to be considering banning the import of oil from Russia. What impact do we assess that would have on the Russian economy, Director Haines?

Director Haines. I am trying to think. So it is roughly 8 percent, I believe, of our crude oil imports overall, and for them I believe it is a relatively small amount on theirs. But I think it will have some impact on them, and certainly symbolically it is an important move if that is something that is done.

I will give you a more detailed answer, if we can, on the impact on the economy.

Mr. Krishnamoorthi. Okay. Thank you.

The Chairman. And just for the committee's benefit, since we have been in the hearing for sometime, the President announced the ban on Russian oil while we were in the hearing.

Mr. Krishnamoorthi. I knew it. I knew it.

The Chairman. He was listening to Mr. Krishnamoorthi.

Mr. Fitzpatrick.

Mr. Fitzpatrick. Mr. Chairman, first to the intelligence committee -- community, you were spot on in your intelligence. Your decision to declassify both the form and the fashion in which you did so saved lives. Sleep well, and thank you for doing that.

I am going to pose a question, which I think the answer is more suitable for the closed segment, but I am going to ask it here.

We all have different roles to play. You are all investigators, intelligence gatherers, reporters. We are legislators, but I think it is still important that we analyze this question.

I was on the Ukraine-Poland border. We just got back yesterday. On the Ukrainian side, the Ukrainian men were bringing their wives and their children, saying goodbye potentially for the last time. There were 100,000 just in one day when we were there. That was a record. The record was broken the following day.

There is about 10 million to 12 million Ukrainian men, age 18 to 60, who are not allowed to leave the country. They don't want to leave the country. They want to fight. And they could potentially be slaughtered in mass form. Vladimir Putin could be creating an entire generation of widows and orphans.

And this decision not to intervene is largely based on Ukraine's non-NATO status. Finland is not a NATO member. They have roughly 5 million people; Austria, 9 million people; Sweden, 10 million; Switzerland, 8 million. None of them are NATO members.

And I think what the American people have a hard time wrapping their brain around is, how is it okay -- granted, we applied sanctions; granted, we are providing defensive support -- but to not intervene to the tune of potentially hundreds of thousands, if not millions, of lives lost and yet if one step is taken over the Romanian

border and one Romanian life is taken, the full force of the military of 30 nations will come and intervene.

I think everybody is struggling with that, particularly because we have had many, many non-NATO interventions in the past: Kosovo, Bosnia, Iraq, Lebanon, Libya, Cameroon, Yemen, Korea, Syria, Kuwait, just to name a few. But the one difference is the nuclear capability.

So what we are getting asked a lot is, are we basically creating an incentive for a nuclear proliferation? Because the message we are being -- that we are sending is, if you have nuclear weapons and you are crazy, we are going to stand back on military intervention. I think we just need to wrap our brains around that because a lot of people are really struggling.

And when you have Vladimir Putin bombing a children's cancer hospital, willing to go that length to cross those Rubicons, we have a program here in the United States, Make-A-Wish Foundation, that gives children dying of cancer their final wish to brighten their day at the end. These children in the Ukraine, who are suffering from pediatric cancer, they are spending their final days having bombs dropped on their head. So I would like to explore that when we get in the classified session because you are not policymakers, we get that, but we all have a collective role to play.

My question for Director Wray. There is legislation making its way through the Senate right now. If you could just discuss, sir, the importance to have cyber reporting incidents directly to the FBI and not just as a passthrough, and also discuss liability protections for companies that you report to the FBI.

[11:58 a.m.]

Mr. Wray. So no one believes more in the importance of private sector reporting of cyber threat information than I do, and I have been testifying calling for it, you know, for quite some time. It is important though that that information flow realtime. And as I testified earlier in this hearing, you know, we have agents out in the field who are responding often within an hour or so to a business that has been hit, and we need to make sure -- and that is happening thousands of times a year.

So we need to make sure that that information flow is protected, namely, that the businesses that come forward like that, when they talk to the agents out in the field, have protection from liability for doing so and not just reporting through some longer-term means to some bureaucracy somewhere in D.C. So that part has to be taken care of.

The second thing is, of course, time matters in these situations. Our agents are using the information that we get from businesses every day to go after the hackers, to seize their cryptocurrency, to take down their infrastructure, work with General Nakasone and with foreign partners. Just in the last little bit we have worked, for example, with a major healthcare facility to help disrupt an attack before it could switch over to patient care.

We have worked with defense contractors to block sensitive information before it got exfiltrated. We have worked with financial institutions to prevent stolen customer -- sensitive customer data, terabytes of it from getting out into the wild. And that kind of thing is happening every day, and we need more and more of that.

And the two things that can help do that are ensuring that the companies who come forward to our agents out in the field get the same kind of liability protection that they would for the reporting that we think they should also be doing to CISA. This is not in lieu of CISA. We want them to report to CISA, and the more information CISA gets the

better, but simultaneous protection for both and the ability for our agents to use that information, not just to go after the bad guys and their infrastructure and their money, but more importantly, to be able to warn all the next victims. Our ability to do that is directly tied to that flow of information.

Mr. Fitzpatrick. Thank you sir. I yield back, Mr. Chairman.

Ms. Haines. Mr. Chairman, may I just add --

The Chairman. Yes.

Ms. Haines. -- quickly to that? Just to say that -- just as Director Wray indicated, I mean, I think we are extremely supportive of the cyber reporting bill essentially to CISA, and in very much see that as saying, I think we also disagree that there is additional reporting that might be done more generally, but I just want you to understand that our support is for the legislation.

The Chairman. Mr. LaHood. Or Mr. Cooper. I am sorry.

Mr. Cooper. Thank you, Mr. Chairman.

I would like to congratulate all the witnesses for your excellent work in your service to the country. I am sorry that Ukraine has superseded your report, because it is actually excellent. I hope that the public will read it. It is an extraordinary joint effort on your part, so congratulations on that.

Second, I just wish that the Treasury, Janet Yellen and Wally Adeyemo, were present, because I think their work in depriving Vladimir Putin of his war chest was extraordinary and unanticipated. It is one of those things, overnight success that was probably 20 years in preparation, but thank goodness it was done.

Third, it is my understanding that another top Russian general has just been killed in Ukraine, this one Gerasimov. I don't know if any of you know about that, but this would be the second one to die apparently of a sniper attack. And it also has come to

the attention of the media that the top general in Russia, Sergei Shoigu, even though he is the top general, has never been a professional military man, which kind of shows a certain perhaps decay within the Russian armed services.

But my main focus I wanted to be the cyber war issues. General Nakasone, you do a superb job, and I think we have adequately covered the duty to report, which hopefully doesn't have to be enforced by legislation. People will want to come forward. But when small town school systems and dentist offices are being attacked then the problem is indeed, you know, widespread.

I am aware of at least one major American utility that has a day without cyber so that all of their employees can try to cope without even smart phones or cell phones. Do you think that is a wise practice, or is that overdoing it to try to have our utilities, a hardened target more protected so that employees can cope without their usual cyber tools?

General Nakasone. So, Congressman, I hadn't really thought of that as a means, but here is what I would say. We are committed to our critical infrastructure to look at ways upon which it must be strengthened. We have done a lot of work in terms of some of the innovative things that both Director Wray and myself and Director Easterly have done with CISA to release unclassified information to be able to ensure that our partners understand it. But I think it begins with just this realization that we have to get better, we have to harden our infrastructure, and we have to have an ability to be more resilient.

Mr. Cooper. I was just thinking of things that individual companies can do on their own to prepare for what looks like it is going to be inevitable, regardless of the war in Ukraine or not, because hacking and ransomware are increasingly ubiquitous.

I congratulate our banks, because so far they have been particularly robust.



People haven't lost money. Your account has not gone to zero. Is it safe to say that depositors would be protected at least up to the Federal minimum if a bank were to be hacked and suddenly their hard-earned savings were made to disappear in a cyber realm?

Ms. Haines. I believe that is the case. This is not my area of expertise, though, so I should do it with a certain amount of --

Mr. Cooper. So depositors under, say, \$200,000 would not need to worry, because that is a worst-case scenario. But as Putin's generals are being killed in Ukraine and he is increasingly cornered, you know, I would anticipate he would do increasingly desperate things.

The Financial Times is published in London, and they had a particularly interesting issue this last weekend, because even in a London-based paper they talked repeatedly about Londongrad, how their city, that wonderful city of London, had been increasingly taken over by oligarchs for decades. They reported things like eleven Russian-born kids at Eden, and they got to meet with Vladimir Putin before Theresa May, the former prime minister, got to meet. It is kind of extraordinary. It is not just in real estate. It is not just in yachts. It is not just in jets. It is not just in assassinations, several of which have occurred in and around London.

Are there any cities in the U.S. that have been similarly challenged like London? Do we need to be alert to certain areas of our country that have been a favorite of the oligarchs, a playground of the oligarchs? Do we have a Londongrad in America?

Ms. Haines. I don't know the answer to that. I don't know if Director Wray does.

Mr. Wray. I am not sure I could identify a specific U.S. city. I think as a general matter, partly because of the aggressive stance we are taking, oligarchs are seen less and less often on U.S. soil.

Mr. Cooper. Well, now perhaps, but in previous years perhaps they played more freely.

I see that my time is expired. I thank you, Mr. Chairman.

The Chairman. Thank you.

Mr. LaHood.

Mr. LaHood. Thank you, Mr. Chairman.

I want to thank all of you for your commitment and dedication to the work that you do in service of our country.

Director Wray, I wanted to talk to you a little bit about FISA. As you are aware, Section 702 of FISA is scheduled to expire in December of 2023, and I think you know that the FBI's credibility with Members of Congress when it comes to managing and executing this law is dubious at best, and I would say in a bipartisan way.

Last year, as you know, ODNI declassified a FISA court opinion from here in the District of Columbia, and it was Judge Boasberg as part of his judicial oversight really just criticized extensively the FBI and the FISA process.

And, Mr. Chairman, just for the record, I would like to ask unanimous consent that the redacted opinion be made part of the record.

The Chairman. Without objection.

Mr. LaHood. As you know, in that opinion, Judge Boasberg went through and detailed the FBI breaches, the illegal activity, the abuse of power, and the blatant failures of this process.

And as you know, Director Wray, in the opinion they specifically -- the judge highlighted a dozen of FBI queries that were, quote, conducted in support of predicated criminal investigations that accessed Section 702 acquired information. This includes purely domestic activities, like healthcare, fraud, bribery, and public corruption that were

outside the norms of 702. Director Wray, was that appropriate conduct?

Mr. Wray. I think the judge's opinion speaks for itself that it was not. I would say that it is important that the court did not find unlawful purpose or bad faith or anything like that, but that doesn't make it any less unacceptable to me. I think the most important thing that I would call out here in this kind of setting, and we could obviously have a longer conversation --

Mr. LaHood. Right.

Mr. Wray. -- is that the queries at issue, the compliance incidents at issue involved there all predate massive changes that have been made by my leadership team and I since then that include all sorts of changes to systems, to training, to safeguards, to policies. We created a whole new Office of Internal Audit that didn't exist before that is solely focused on FISA compliance.

So I could go on and on about the changes that have been made, but all those incidents predate all of those fixes. And I am highly optimistic that those changes will dramatically, dramatically improve our compliance rate, and you can bet that I am hell-bent on making sure that we do.

Mr. LaHood. And I am glad you mentioned that, and I know the FBI is doing that. I would also just highlight just so the public is aware, in that same opinion it also showed that during a 4-month period in 2019, an FBI official conducted more than 100 background checks that returned Section 702 acquired information not in individuals with suspected foreign ties but, quote, business, religious, civic, and community leaders applying to the FBI citizen academy program, individuals conducting maintenance services at field offices and crime victims. Again, I think you would agree that is not appropriate conduct.

Just to follow up on the internal mechanisms that you have gone through, what

were the consequences for FBI personnel that repeatedly violated these compliance procedures?

Mr. Wray. I am not sure that I could cite to, sitting here right now, specific -- exactly what happened with each specific employee. Again, I think it is important to recognize that the court did not find unlawful purpose or bad faith by anybody involved, did find that they had not complied with the standards and the processes.

And so as I said, we have had significant changes that involve mandatory training and counseling to all sorts of individuals. We have got the new Office of Internal Audit. We have built in systems changes that make it harder for people to run queries. We have got additional supervisory approval, et cetera.

Mr. LaHood. Well, I appreciate that, Director. I guess, as we think about coming up on December 2023, we understand, many of us, how important this program is, to what the intent of it is. But I guess in laying out your changes, your reforms, what you have done, I am not sure we up here understand that.

I am not sure the FBI has done a very good job in laying out that framework, that narrative of what you are going to do. And how do you reassure or give confidence to the American people that civil liberties are going to be protected? But that message, I am not sure, is permeating to the American public or to Members of Congress up here.

And so I guess my last point is, in terms of what you are doing, what are the metrics or benchmarks we ought to be looking at that you are being successful?

Mr. Wray. Well, I think part of what you -- there are a number of mechanisms of oversight that exist on Section 702, and, of course, now we have a new one, namely, this Office of Internal Audit. But in addition to that, you have the Justice Department's National Security Division. You have the court's own review processes. And so my

strong expectation is that all of these efforts that we have undertaken over the last 18 months or so should dramatically reduce the rate of compliance incidents. And I am assured by other stakeholders in the process that they too are optimistic, meaning outside the FBI, that they too are optimistic that these changes will have that effect.

I take your point about our educating both the committee and others about all these reforms, and it is good advice, and we will look at how we can better engage with the committee to walk you through it. Of course, these are changes that take a little bit of time and effort to walk people through. They don't unfortunately lend themselves to, you know, a short exchange in an open hearing.

But you are absolutely right; I think it is -- the burden is on us to walk you all through it, because you do understand just how important a tool this is. This is the tool that we use more and more these days to identify cyber victims and get out and warn them. This is the tool we use to go after foreign intelligence services, the MSS and the Russian intelligence services, the Iranians and their increasingly brazen activity.

This is the tool that we are going to need more and more not less and less over the next 5 years as the terrorist landscape with the withdrawal in Afghanistan, with the degeneration in Ethiopia involving Al-Shabaab, I could go on and on, but just about every threat that you have heard about to, the extent that it affects the homeland from overseas, 702 is going to be the tool that protects us.

So we want to make sure that we give you all and the rest of the Congress the information you need to get comfortable, but I cannot stress enough how important a tool it is and how committed my leadership team and I are to making sure that the reforms that we have put in place have the effect that you rightly expect from us.

Mr. LaHood. Thank you.

The Chairman. Representative Speier.

Ms. Speier. Thank you, Mr. Chairman.

I share with all of my colleagues really bipartisan support for the extraordinary leadership you have all shown, and I know you have been working long hours, and we are deeply grateful to you.

I want to associate myself with Mr. Fitzpatrick's comments. I believe that the American people think we need to do more. And to call this unprovoked is actually modest; it is premeditated; it is savage; it is unconscionable brutality. And we are going to watch a genocide happen in Ukraine if we don't create our own red lines.

So I guess, I would like to start with you, Director Burns, because you know Vladimir Putin better than probably anyone else in this room. He has already said he has a red line, which is the economic sanctions. That was, you know, the beginning of World War III. He clearly wants to recreate the Soviet Union and pick up all the Balkan States. Why are we somehow reluctant to recognize that he is willing to go as far as he needs to go?

Mr. Burns. Well, Congresswoman, I think, you know, Putin's actions, especially in the last 2 weeks -- and they have been premeditated and they have been savage just as you describe -- I think should remove any doubt about, you know, the depth of his determination not just with regard to Ukraine but in terms of, you know, how he exercises Russian power.

I would, however, say that what he has been met with since then, first and foremost by Ukrainians themselves and their courage and their heroism and the strength of their leadership, has surprised and unsettled him. I think he has been unsettled by the Western reaction and allied resolve, particularly some of the decisions the German Government has taken. I think he has been unsettled by the performance of his own military.

Ms. Speier. I guess -- excuse me for interrupting, but do you -- knowing as much as you know about him, he is not going to stop at Ukraine, correct?

Mr. Burns. Well, I think that is what makes it more important than ever to demonstrate that he is not going to succeed in Ukraine. And I think that is what the challenge is for all of us, because what is at stake is more -- as important as Ukraine's sovereignty is, what is at stake is more than that. It is about an incredibly important rule in international order that big countries don't get to swallow up small countries just because they can. And I think this is one of those pivotal points where we and all of our allies and partners need to act on that, and I think that is what we are doing.

Ms. Speier. Okay. Thank you.

General Nakasone, they have not -- Russia has not really engaged in a lot of cyber warfare to date in Ukraine. Can you indicate why not based on your estimation, and should we be prepared in the United States for that to be one of his next actions against us?

General Nakasone. Congresswoman, let me start with the last part of your question, which is, yes, definitely. We have to be prepared for the Russians and any other threat that would try to put us at risk in cyberspace.

In terms of Russia, they have conducted several attacks in the Ukraine, three or four upon which we have watched and we have tracked very carefully. In terms of why they haven't done more, I think that that is obviously some of the work that the Ukrainians have done, some of the challenges that the Russians have encountered, and some of the work that others have been able to prevent their actions. And so it has not been what we would anticipate when we were going into this several weeks ago.

Ms. Speier. I don't know if this should be to you, General Nakasone or General Berrier, but can we now say that Putin has conducted himself in a manner that he has

created war crimes? Do we have evidence?

General Nakasone. I am sure General Berrier can answer that much more effectively.

General Berrier. Representative, I don't know that we have direct evidence besides what we see on social media. Certainly, the bombing of schools and facilities that are not associated with Ukrainian military would indicate to me that he is stepping up right to the line if he hasn't done so already.

Ms. Speier. All right. Thank you.

Director Wray, have we seized any U.S. real estate owned by oligarchs or their family members since the President created the task force?

Mr. Wray. I am not sure that I know the answer to that. I know that we have taken law enforcement action under the task force that the President created just as recently as a few days ago that involved criminal charges, and there may have been some seizures associated with that. I just apologize, I don't know off the top of my head.

Ms. Speier. Could you provide that to the committee? I think the American people want to see action. And by the way, both New York City and Miami are the locus of many of the oligarchs' real estate ownings.

General Berrier, in my last 12 seconds, I will ask that you take this question for the record and provide me additional information later. The Wall Street Journal just did an article that was deeply troubling to me and I think to my colleagues about a toxic environment in DIA. A whistleblower came forward. There is egregious behavior going on. At another time, I would like you to provide us additional information about what you are doing to change that.

I yield back.

The Chairman. Mr. Gallagher.



Mr. Gallagher. Director Burns, at the risk of stirring up unwanted nostalgia or adding a gray hair, I feel like you are in a unique position given your experience in Russia and negotiating with the Iranians to answer some of these questions. Is there any evidence that the Central Bank of Iran has stopped financing terrorism?

Mr. Burns. I will have to get back to you on that, Congressman, as well. I just want to give you a well-informed answer.

Mr. Gallagher. And happy to address that in classified session. I just would -- I think it is important perhaps for the President to understand to what extent they are prior to us deciding to lift sanctions on the Central Bank of Iran, and that is the intent of the question. So I look forward to following up on that.

A related question, do the Russians believe that they have leverage over us because of the ongoing negotiations over Iran's nuclear program in Vienna?

Mr. Burns. I don't think the Russians -- right now they are so preoccupied in Ukraine, I don't think they exaggerate the influence or the leverage that they have. I mean, you know, over the years -- and we will see what happens now given the depth of, you know, division over Ukraine.

But, you know, what has been remarkable over a number of years is the extent to which they have contributed to those negotiations. Now, it remains to be seen whether that is going to continue, but up until this point that has been the case.

Mr. Gallagher. So then do you view -- what is the lead negotiator, is it Uyenov?  
(Sp) forgive me if I am mispronouncing that.

Mr. Burns. Uyenov, (sp) yeah.

Mr. Gallagher. Bragging that he swindled us in Vienna. Is that just mere bluster? More to the point, Lavrov demanding that no sanctions with respect to Ukraine impede their ability to do business with Iran going forward. Should we view that as

bluster then?

Mr. Burns. No, I take that seriously. I mean, it is something we have to take seriously as well, and I don't think we can just assume that that is bluster. But -- so, no, that is something that we can't minimize.

Mr. Gallagher. Maybe to put it a little bit differently, would it be -- have the negotiations with Iran over their nuclear program been affected by any other issue, such as the sudden need to backfill Russian oil supplies in the global market or the remarkable fact that one of our P5+1 partners has made the sudden decision to arm Ukraine? Have the negotiations been affected in any way by those developments?

Mr. Burns. You know, I am not involved directly with the negotiations, Congressman, but I don't think they have. I think this is being done on the merits about, you know, whether it makes sense from the point of U.S. national interests to go back into the JCPOA, recognizing as I said earlier, that we have got lots of other problems posed by this Iranian regime quite apart from the nuclear issue as well.

Mr. Gallagher. And given that you have been one of the leading sort of envoys for this administration, is the plan, if there is a deal in Vienna, to bring that plan to the U.N. Security Council for some sort of vote?

Mr. Burns. I honestly don't know, sir.

Mr. Gallagher. You don't know, okay. I think the concern, at least the concern I have heard from a lot of my constituents is that the President has gone out and made an explicit promise, one that I agree, with by the way, to turn Vladimir Putin into an international pariah. But at the same time, if we have the State Department, who's not represented here today, saying we are going to continue to cooperate with Iran on the P5 -- I mean, with Russia on the P5+1 negotiations of Iran's nuclear program, well, those two things don't necessarily add up.

Now, I get diplomacy is complex. You have literally written the book on it, and, you know, we have to manage multiple crises. But it seems obvious to me that the Russians are at least trying in a public narrative, if nothing else, to connect the two issues, though you have just said that they remain unconnected, if that makes sense.

Mr. Burns. Well, you know, what I said, Congressman, is, you know, from the point of view as I understand it of our approach to the negotiations, they are not connected. We are doing this on the merits with regard to the Iranian nuclear issue. How the Russians try to play that question of leverage that you mentioned is a genuine concern. We have to pay careful attention to that.

Mr. Gallagher. And then quickly, going to the question of the lessons that China might derive from the Ukraine crisis, with respect to Taiwan, you have both said that they -- or at least, Director Burns, you said -- I think, Director Haines, you said the same -- that they are unsettled by what they have seen in Ukraine, and you laid out an argument for that. But is that -- is your assessment that they are unsettled, is that based on any information we have, or is that just based on your experts sort of projecting?

Mr. Burns. Well, I mean, it is assessment based on how our experts see this, but I would be glad in the other session to talk a little more about that.

Mr. Gallagher. Okay. I very much look forward to that.

And then finally, Director Haines, the New York Times reported that over a 3-month period senior administration officials shared U.S. intelligence with the Chinese related to Russia's troop buildup in Ukraine and then the Chinese then shared that information with Moscow. Have we done a damage assessment of our decision to share that intelligence with the Chinese?

Ms. Haines. I don't know about the article that you are talking about. We

shared obviously information with NATO and with our European allies and other partners around the world. What we shared, to the extent we shared much with China, was not something we expected would not be handed over.

Mr. Gallagher. Okay. Perhaps we could follow up because I am out of time, but -- so are you saying you dispute the New York Times article?

Ms. Haines. I am sorry, I just haven't read the New York Times article. I am just answering the question as I understand you to be posing it, so --

Mr. Gallagher. Okay. I will print it out and we can look at it in classified.

The Chairman. Representative Demings.

Mrs. Demings. I want to thank you all for what you do for us every day. I have to say thanks for being the good guise, because we are pretty clear-eyed on who the bad guy is -- bad guys in today's world and in today's situations.

I just want to thank my colleague, Eric Swalwell, and for, Director Burns, for just not letting us forget just who and what we are dealing with.

Ms. Haines, I am going to -- Director Haines, I am going to direct my questions to you or anyone else can answer them if they feel better suited. The Freedom House 2022 report noted that the present threat to democracy is the product of 16 consecutive years of decline in global freedom. Does the IC community believe that Putin's heinous assault on democracy empowers the people of the not free countries to challenge authoritarian leaders, or do you believe it empowers those leaders to double down?

Ms. Haines. So I think that from our perspective, Putin's approach to cracking down essentially on dissent and on civil society in Russia certainly is looked upon by others who may wish to do the same as a kind of a model for how to do it in many respects, and so I think in that sense, you know, it is likely that others learn from that.

I hope that the heroic resistance that we see in Ukraine and that our efforts to

really expose President Putin for who he is and for the choices that he has made help to promote and empower populations to speak up in dissent from such authoritarian efforts. But I would make sure that, if others would like to add to this.

Mrs. Demings. Director Burns?

Mr. Burns. I think, Congresswoman, just as Director Haines said, this depends on how this turns out. I mean, I think if Ukrainians demonstrate the hollowness of what Putin then Putinism represent then I think it sends a very strong message. I think if the Western resolve that we have seen in response to this helps to demonstrate to people the resilience of democracies at a time when there has been lots of speculation about them not being so strong and not so resilient, I think that carries a message that goes even beyond, you know, what is unfolding in Ukraine today. So that is really what is at stake.

Mrs. Demings. Thank you. Could you also do an assessment of the threat to democracy in Latin America, for example, and the effectiveness of China and Russia to supplant the U.S. as the partner of choice to countries that have been reliable allies?

Ms. Haines. Yes, we can absolutely provide to you an assessment on that.

Mrs. Demings. Great. And does the IC observe the antidemocratic heads of state in Latin America amplifying Russia's malign influence messaging in the region designed to sow distrust in the U.S.? Is that a part of their plan?

Ms. Haines. I think, as your question indicates, many countries in Latin America and as our assessment indicates are essentially under pressure, economic pressure, political pressure, a variety of different forms of pressure. And as a consequence of being forced to make decisions about whether or not they accept what is frequently an open hand from Russia or China but with a price tag essentially for a variety of different projects that might be useful to those leaders in the context of their work, but

nevertheless are expected to buy influence in effect within their countries, and so we do see that.

Mrs. Demings. Do you believe the use of surveillance technology is likely to increase in Latin America for the same purpose?

Ms. Haines. I think the likelihood of surveillance technology to increase around the world is likely.

Mrs. Demings. I know -- I believe you all spoke about this earlier. I am sorry, I was out of the room. But there was a question about foreign antidemocratic groups collaborating with extreme groups in the United States. If you could just touch a little bit more on that or again for me, please, who -- Director Wray?

Mr. Wray. What I would say is, we certainly have seen foreign groups, sometimes non-state actors but who have relationships of their own with foreign governments, seek to amplify discord and divisiveness here to provide essentially gasoline on the fire of, you know, various demonstrations and things of that sort but then also potentially to have that boil over into violence if necessary.

And certainly, we have also seen domestic violent extremists here in the U.S. seek to connect with like-minded groups overseas through travel, in some cases training, et cetera, so that is another part of -- another dimension of that.

Mrs. Demings. Okay. Thank you.

Mr. Chair, I yield back.

The Chairman. Thank you.

I just have one followup question. To what degree, Director Haines or anyone, are you concerned that the Russians may use cryptocurrency to evade sanctions? What capacity is there to do that?

Ms. Haines. Yeah, we have seen obviously cryptocurrency is a concern in

relation to trying to avoid sanctions, and I think there may be some of that. We should get you an assessment so that you get an educated perspective from the analysts. But I think our assessment generally has been that it would be challenging for them to be effective at completely undermining the sanctions using cryptocurrency.

The Chairman. Mr. Turner?

Mr. Turner. No further questions.

The Chairman. Thank you very much for your testimonies today, and, again, I think the profound thanks of Congress but also the American people for the extraordinary work you do to keep us safe and extraordinary degree of fidelity you had in your anticipation of Putin's moves.

Let me just reiterate our request with respect to the 9/11 documents, which are being redacted and made public. We still have not been able to obtain the full unredacted documents, which we would like to see to be able to evaluate and make sure that the redactions are properly based, so we would like to reiterate our request to see the full unredacted 9/11 documents as well as the justification for any redactions.

With that, I thank you, and we will see you in closed session shortly. We are adjourned.

[Whereupon, at 12:34 p.m., the committee was adjourned.]