

Coordinator Jim Kulikowski's Testimony
Before the House Appropriations Subcommittee on State, Foreign Operations,
and Related Programs

**“United States Efforts to Counter Russian Disinformation and Malign
Influence”**

July 10, 2019

Introduction

Thank you, Chairwoman Lowey, Ranking Member Rogers, members of the subcommittee for the opportunity to discuss the critical role foreign assistance plays in countering Russian malign influence in the Europe, Eurasia and Central Asia region.

I am honored to appear before you, having been appointed nearly five months ago to the position of Coordinator of U.S. Assistance to Europe, Eurasia and Central Asia (ACE). The ACE Coordinator position is both statutory and rooted in the historic assistance effort to build free and democratic partners among states transitioning from communism. We are coming up on the 30th anniversary of the commencement of this effort with the passage of the Support for Eastern European Democracy Act. Consistent with this act and the Freedom Support Act of 1992, ACE's mandate is to coordinate policies and programs among all U.S. government agencies, and ensure proper management and oversight by agencies responsible for implementing assistance programs, including those funded through the Assistance to Europe, Eurasia and Central Asia (AEECA), Economic Support Fund, International Narcotics and Law Enforcement, and Global Health Program accounts. With respect to such funds, the Coordinator is directly responsible for recommending allocations from those accounts, in coordination with overseas posts, United States Agency for International Development (USAID), relevant State bureaus, and other relevant partners. Foreign assistance funds from other appropriation accounts are also used in Europe, Eurasia, and Central Asia, including Foreign Military Financing, International Military Education and Training, and Nonproliferation, Anti-Terrorism, Demining and Related Programs. Although legislation does not give the Coordinator a formal oversight role over those funds, the Coordinator relies upon broader authorities related to the coordination and strategic planning of policy and programs in the region to ensure that such funds are used for purposes that support overall U.S. policy.

Overall, we coordinated over \$1.5 billion in Fiscal Year 2017 State and USAID foreign assistance funds in Europe, Eurasia and Central Asia. And, we are coordinating \$1.3 billion in Fiscal Year 2018 funds. In this context, ACE works to provide assistance bilaterally to 17 countries and provides funding for broader regional efforts, all of which advance Countering American Adversaries Through Sanctions Act (CAATSA) assistance goals relating to cybersecurity, rule of law, humanitarian response, political processes, independent media and

civil society, countering propaganda and disinformation, energy security, economic resilience, and security. In May, the Department submitted a report to Congress outlining the Europe and Eurasia programs and activities carried out to achieve these goals during Fiscal Year 2018.

Foreign Assistance Support for Efforts to Counter Russian Disinformation

Let me turn to our significant efforts in the countering Russia in the disinformation space.

As Coordinator, my priority is to ensure U.S. assistance supports U.S. foreign policy priorities for the Europe, Eurasian and Central Asian region. We work closely within the bureau and interagency to ensure that our programming matches the policy guidance and initiatives set out in this space. The National Security Strategy could not be more clear: the Kremlin is attempting to weaken the credibility of America's commitment to Europe, undermine transatlantic unity, sow discord in Western societies, and weaken Western institutions and governments. Its use of influence campaigns to pursue these goals is unacceptable.

This includes working closely at all stages of program development with the Global Engagement Center (GEC) to ensure complementarity of programming with implementing agencies, such as USAID, the Department's Bureau for Democracy, Human Rights and Labor (DRL) and embassy public affairs sections. This is most important in the area of countering disinformation through support to civil society, think tanks, and independent media.

The Department of State and USAID allocated over \$103 million in FY 2017 AEECA funds (of which \$56 million was from the Security Assistance Appropriations Act supplemental appropriation) to support independent media programming to help our partners in Europe, Eurasia, and Central Asia build resilience against Russian pressure and disinformation. Thus far, we have allocated \$54 million in FY 2018 U.S. foreign assistance funds for this work.

AEECA funding in the media space is implemented through USAID, DRL, embassy public affairs sections, and ACE (through a grant to the National Endowment for Democracy (NED)), and consists of four major categories of activities: media literacy, increased access to objective information, capacity-building, and strategic communications. Please note the examples I describe here do not include programs funded through DRL's Human Rights Development Fund, Department .7 public diplomacy funding or funding allocated to the GEC.

Our first line of effort in the disinformation space advances *media literacy* by supporting programs that teach information producers and audiences how to separate fact from fiction and develop improved analytical skills when consuming news. The following are some examples of our impact in this program category.

Embassy Podgorica's Public Affairs Section has supported a digital forensic center in Montenegro since December 2018. The center monitors and analyzes disinformation targeted at Montenegrin audiences and provides related media literacy training. The center's analysis highlighted, for example, evidence of Russian involvement in a local protest designed to stoke ethnic tensions and added to the Department's understanding of continued Russian aims to destabilize Montenegro.

Embassy public affairs sections also support "Learn to Discern" programs in Ukraine, Serbia and other countries in the region. In Ukraine, following intensive media literacy training in 50 secondary schools in Chernihiv, Ternopil, Mariupol, and Dnipro, participants' appreciation for professional journalism increased by 12 percent; the number of participants who considered themselves capable of recognizing quality media increased by 36 percent; and those willing to seek out quality reporting increased by 41 percent. The Ministry of Education has bought into these program results, and is working with the Department to scale up this program to all of Ukraine's school districts by 2021.

A Sarajevo-based organization is using AEECA support provided through the NED to lead Southeast Europe's leading fact-checking and investigative reporting organizations in a joint effort to track and debunk disinformation, and to promote access to objective news and analysis that challenges illiberal narratives. The grantee is working with groups in Serbia, Montenegro, and North Macedonia to produce content for country-specific versions of a common regional online platform that monitors traditional and online media outlets in their respective countries in order to identify misleading or false content. The effort uncovered and exposed a major disinformation hub run by domestic and foreign political actors to influence public opinion in Bosnia and Herzegovina and Serbia, and revealed that the majority of republished misleading and fake news in the region comes from Republika Srpska's public broadcaster RTRS.

In a second line of effort, we are ensuring *citizens' access to a plurality of affordable, public and private sources of information, and supporting the production and sharing of professional, reliable content for local audiences*. Throughout the region, continued support for investigative journalism and objective news content is important to shedding light on the various levers of Russian malign influence, including illicit money flows, Facebook accounts spreading disinformation around elections and Russia's aggression in Ukraine.

In Moldova, for example, a USAID-supported virtual newsroom program provides local journalists, media professionals, and civil society activists with digital behavioral analytics and cutting-edge social media technologies to deliver 'near real-time' analysis and response to disinformation actors and narratives. The program helped expose more than 700 Facebook accounts spreading disinformation in advance of the February parliamentary elections, dozens of which were linked to government officials and political parties. USAID is supporting a similar effort in Ukraine that is developing a database and plug-in for Google Chrome to report

suspicious accounts to Facebook for removal, which is particularly important ahead of this month's parliamentary election.

The NED is using AEECA funding to support the two most popular online sources of objective information in Ukraine's Donbas region. One news portal reports on Russia's ongoing aggression against Ukraine and monitors the media and events inside the Russia-controlled territories in eastern Ukraine. It remains the most popular news portal with news from and about the region drawing over 850,000 visits per month, including some 100,000 from the Russia-controlled territories. Another partner produces a news portal with an audience of 600,000, half of which live in the Russia-controlled area, as well as a television program with an audience of 2 million. As the Russian-led forces have attempted to block access to partner websites, NED partners have found that video content is much easier to disseminate in the Russia-controlled territories (via You Tube for example) and is in high demand. One video series focused on misinformation about the conflict region, and generated 450,000 views.

In another example, USAID-supported investigative journalists in Bosnia and Herzegovina broke news stories about weapons purchases and the presence of Russia-trained fighters in the Republika Srpska, which garnered international attention and pressure. Law enforcement authorities at the Bosnia and Herzegovina State level are now investigating the matters.

Through regional programs, reporting from a U.S. government-supported network of investigative journalists has led to partner governments freezing \$5.5 billion in illicit gains, 100 criminal investigations, and the closure of 1400 shell companies. The network continues to see results from a 2014 collaborative investigation which exposed an immense financial fraud scheme that enabled vast sums to be pumped out of Russia through Europe and beyond by exploiting the Moldovan legal system. The story recently led to the banning of Latvian bank ABLV by the Financial Crimes Enforcement Network from operating in the U.S; and the closure of ABLV Bank, due to its role in laundering money.

Finally, in Moldova, we are displacing Russian content in the media sector with objective public interest or Western entertainment programming, another means of countering disinformation. USAID, for example, continues to invest in independent outlets and production companies to increase their capacity to produce and distribute high-quality programming and broadcast in Western formats within Moldova and beyond. The Embassy Public Affairs Section also supports translation and broadcast of U.S. films dubbed into Romanian, with a view toward displacing Russian produced infotainment programming.

The third line of effort involves *improving the professionalism of media practitioners, improving business management and financial sustainability of outlets, and strengthening journalism associations/professional organizations*. This approach helps achieve long-term sustainable results because it equips independent media outlets with media management skills, financial strength, and means of engagement with the audience to sustain their operations and

resist the economic pressure from internal and external malign actors. The following are programmatic examples of our success in this sphere.

Through regional and bilateral USAID programs operating throughout the Western Balkans, we have made good progress in supporting the continued viability of a number of key independent and objective media outlets with audience. This is a critical to ensuring that there is access to information beyond what Sputnik, RT and government-influenced outlets produce. The results are impressive: within two months of receiving training in audience engagement, one media outlet reported an increase in its online advertising revenue of nearly 500 percent, while another saw a 113 percent increase in audience traffic. Another media partner showed an increase in numbers of unique visitors to its website from 540,000 to 1.2 million per month. The success continues, with outlets diversifying sources of funding and ensuring more long-term editorial independence.

A public affairs initiative in Central Asia has been sending the region's journalists to the United States to develop their professional skills and improve the quality and quantity of locally-produced media content about the United States in regional and global news. The reporting developed through the program competes for an audience of over 20 million which consumes the vast majority of their content from Russian or pro-Russian sources. By the end of the program, over 350 Central Asian journalists and media influencers will travel on exchange programs to the United States or receive a month-long training at the American University of Central Asia in Bishkek, creating a foundation for more professional journalism in the region.

Another important tactic in improving independent media outlets' audience and financial viability is to create platforms that facilitate the sharing of media content across borders. DRL has supported one such platform to increase citizen access to reliable information about local, regional, and international issues of public importance through shared content among Eurasia media outlets in Georgia, Ukraine, and Moldova and improvements in online journalism. In less than a full year of project interventions, results from partner outlets indicate that targeted trainings to increase production of engaging multimedia content on local issues have the potential to expand audiences across countries and strengthen ties between media and their communities. For example, in Georgia, one local media partner's online audience skyrocketed from 1,000 visits in a month to more than 45,000 visits after only three months of producing socially-relevant multimedia packages. In Moldova, one outlet that upgraded its website based on program guidance went from 2,304 sessions in a month to 14,532 sessions just two months later.

Finally, our fourth line of effort supports *strategic communications capacity including through technical assistance to governments as well as research and analytics to foster informed discussion and specific action to combat disinformation*. Embassy Tbilisi's Public Affairs Section, for example, works with the Prime Minister's office to build a foundation for a whole-

of-government approach to focused, effective messaging. This is critical to ensuring that the Georgian population understands the Government of Georgia's own aspirations to proactively implement critical policies that move Georgia along the path toward Euro-Atlantic integration – a message Russian propaganda aims to discredit.

Embassy public affairs sections in Central Asia and the Balkans are increasingly facilitating university partnerships for key faculties with U.S. universities. The goal is to spur research and area studies that will foster more informed discussion of the West, regional and international affairs. In Central Asia, for example, 20 universities are being matched with U.S. higher education institutions, and are receiving funding to catalyze new and expand existing projects that will modernize curricula and improve learning outcomes across the region.

Finally, a regional DRL-supported project uses data-driven analysis of disinformation sources and narrative to raise awareness about disinformation among decision makers and key influencers in the Baltics and Balkans and has equipped them with the information and tools necessary to design solutions that are responsive to their specific country needs. This program recently organized a roundtable on disinformation in the European Parliament (EP), where members on the EP Committee on Foreign Affairs (AFET) received insights from leading experts who work with political and civic actors from the Baltic and Balkans. The round table is poised to be a significant step as it was designed to inform future actions by the EP, including its forthcoming report on disinformation, and has buy-in from influential stakeholders that are committed to long term action in this field.

Madame Chairwoman, Ranking Member Rogers, and distinguished Members of this Committee, our work to build resilience to Russian disinformation across the Europe, Eurasia and Central Asia region continues. I want to emphasize that AEECA-funded efforts do not operate in isolation. They complement and build on the work of U.S. government partners across the interagency, including the GEC and the U.S. Agency for Global Media. Each of these partners brings its own comparative advantage in countering malign State disinformation, and can bring tools and geographic scope to the table to complement our foreign assistance programs.