

REPRESENTATIVE ADAM B. SCHIFF
HOUSE PERMANENT SELECT COMMITTEE ON INTELLIGENCE
OPEN HEARING ON RUSSIAN ACTIVE MEASURES
MARCH 20, 2017

Thank you, Mr. Chairman.

I want to thank Director Comey and Admiral Rogers for appearing before us today as the committee holds this first open hearing into the interference campaign waged against our 2016 Presidential election.

Last summer, at the height of a bitterly contested and hugely consequential Presidential campaign, a foreign, adversarial power intervened in an effort to weaken our democracy, and to influence the outcome for one candidate and against the other. That foreign adversary was, of course, Russia, and it acted through its intelligence agencies and upon the direct instructions of its autocratic ruler, Vladimir Putin, in order to help Donald J. Trump become the 45th President of the United States.

The Russian “active measures” campaign may have begun as early as 2015, when Russian intelligence services launched a series of spearphishing attacks designed to penetrate the computers of a broad array of Washington-based Democratic and Republican party organizations, think tanks and other entities. This continued at least through winter of 2016.

While at first, the hacking may have been intended solely for the collection of foreign intelligence, in mid-2016, the Russians “weaponized” the stolen data and used platforms established by their intel services, such as *DC Leaks* and existing third party channels like *Wikileaks*, to dump the documents.

The stolen documents were almost uniformly damaging to the candidate Putin despised, Hillary Clinton and, by forcing her campaign to constantly respond to the daily drip of disclosures, the releases greatly benefited Donald Trump’s campaign.

None of these facts is seriously in question and they are reflected in the consensus conclusions of all our intelligence agencies.

We will never know whether the Russian intervention was determinative in such a close election. Indeed, it is unknowable in a campaign in which so many small changes could have dictated a different result. More importantly, and for the purposes of our investigation, it simply does not matter. What does matter is this: the Russians successfully meddled in our democracy, and our intelligence agencies have concluded that they will do so again.

Ours is not the first democracy to be attacked by the Russians in this way. Russian intelligence has been similarly interfering in the internal and political affairs of our European and other allies for decades. What is striking here is the degree to which the Russians were willing to undertake such an audacious and risky action against the most powerful nation on earth. That ought to be a warning to us, that if we thought that the Russians would not dare to so blatantly interfere in our

affairs, we were wrong. And if we do not do our very best to understand how the Russians accomplished this unprecedented attack on our democracy and what we need to do to protect ourselves in the future, we will have only ourselves to blame.

We know a lot about the Russian operation, about the way they amplified the damage their hacking and dumping of stolen documents was causing through the use of slick propaganda like RT, the Kremlin's media arm. But there is also a lot we do not know.

Most important, we do not yet know whether the Russians had the help of U.S. citizens, including people associated with the Trump campaign. Many of Trump's campaign personnel, including the President himself, have ties to Russia and Russian interests. This is, of course, no crime. On the other hand, if the Trump campaign, or anybody associated with it, aided or abetted the Russians, it would not only be a serious crime, it would also represent one of the most shocking betrayals of our democracy in history.

In Europe, where the Russians have a much longer history of political interference, they have used a variety of techniques to undermine democracy. They have employed the hacking and dumping of documents and slick propaganda as they clearly did here, but they have also used bribery, blackmail, compromising material, and financial entanglement to secure needed cooperation from individual citizens of targeted countries.

The issue of U.S. person involvement is only one of the important matters that the Chairman and I have agreed to investigate and which is memorialized in the detailed and bipartisan scope of investigation we have signed. We will also examine whether the intelligence community's public assessment of the Russian operation is supported by the raw intelligence, whether the U.S. Government responded properly or missed the opportunity to stop this Russian attack much earlier, and whether the leak of information about Michael Flynn or others is indicative of a systemic problem. We have also reviewed whether there was any evidence to support President Trump's claim that he was wiretapped by President Obama in Trump Tower – and found no evidence whatsoever to support that slanderous accusation – and we hope that Director Comey can now put that matter permanently to rest.

Today, most of my Democratic colleagues will be exploring with you the potential involvement of U.S. persons in the Russian attack on our democracy. It is not that we feel the other issues are not important – they are very important – but rather because this issue is least understood by the public. We realize, of course, that you may not be able to answer many of our questions in open session. You may or may not be willing to disclose even whether there is any investigation. But we hope to present to you and the public why we believe this matter is of such gravity that it demands a thorough investigation, not only by us, as we intend to do, but by the FBI as well.

Let me give you a little preview of what I expect you will be asked by our members.

Whether the Russian active measures campaign began as nothing more than an attempt to gather intelligence, or was always intended to be more than that, we do not know, and is one of the questions we hope to answer. But we do know this: the months of July and August 2016 appear to have been pivotal. It was at this time that the Russians began using the information they had

stolen to help Donald Trump and harm Hillary Clinton. And so the question is why? What was happening in July/August of last year? And were U.S. persons involved?

Here are some of the matters, drawn from public sources alone, since that is all we can discuss in this setting, that concern us and should concern all Americans.

In early July, Carter Page, someone candidate Trump identified as one of his national security advisors, travels to Moscow on a trip approved by the Trump campaign. While in Moscow, he gives a speech critical of the United States and other western countries for what he believes is a hypocritical focus on democratization and efforts to fight corruption.

According to Christopher Steele, a former British intelligence officer who is reportedly held in high regard by U.S. Intelligence, Russian sources tell him that Page has also had a secret meeting with Igor Sechin (SEH-CHIN), CEO of Russian gas giant Rosneft. Sechin is reported to be a former KGB agent and close friend of Putin's. According to Steele's Russian sources, Page is offered brokerage fees by Sechin on a deal involving a 19 percent share of the company. According to Reuters, the sale of a 19.5 percent share in Rosneft later takes place, with unknown purchasers and unknown brokerage fees.

Also, according to Steele's Russian sources, the Trump campaign is offered documents damaging to Hillary Clinton, which the Russians would publish through an outlet that gives them deniability, like Wikileaks. The hacked documents would be in exchange for a Trump Administration policy that de-emphasizes Russia's invasion of Ukraine and instead focuses on criticizing NATO countries for not paying their fare share – policies which, even as recently as the President's meeting last week with Angela Merkel, have now presciently come to pass.

In the middle of July, Paul Manafort, the Trump campaign manager and someone who was long on the payroll of Pro-Russian Ukrainian interests, attends the Republican Party convention. Carter Page, back from Moscow, also attends the convention. According to Steele, it was Manafort who chose Page to serve as a go-between for the Trump campaign and Russian interests. Ambassador Kislyak, who presides over a Russian embassy in which diplomatic personnel would later be expelled as likely spies, also attends the Republican Party convention and meets with Carter Page and additional Trump Advisors JD Gordon and Walid Phares. It was JD Gordon who approved Page's trip to Moscow. Ambassador Kislyak also meets with Trump campaign national security chair and now Attorney General Jeff Sessions. Sessions would later deny meeting with Russian officials during his Senate confirmation hearing.

Just prior to the convention, the Republican Party platform is changed, removing a section that supports the provision of "lethal defensive weapons" to Ukraine, an action that would be contrary to Russian interests. Manafort categorically denies involvement by the Trump campaign in altering the platform. But the Republican Party delegate who offered the language in support of providing defensive weapons to Ukraine states that it was removed at the insistence of the Trump campaign. Later, JD Gordon admits opposing the inclusion of the provision at the time it was being debated and prior to its being removed.

Later in July, and after the convention, the first stolen emails detrimental to Hillary Clinton appear on Wikileaks. A hacker who goes by the moniker Guccifer 2.0 claims responsibility for hacking the DNC and giving the documents to Wikileaks. But leading private cyber security firms including CrowdStrike, Mandiant, and ThreatConnect review the evidence of the hack and conclude with high certainty that it was the work of APT28 and APT29, who were known to be Russian intelligence services. The U.S. Intelligence community also later confirms that the documents were in fact stolen by Russian intelligence and Guccifer 2.0 acted as a front. Also in late July, candidate Trump praises Wikileaks, says he loves them, and openly appeals to the Russians to hack his opponents' emails, telling them that they will be richly rewarded by the press.

On August 8th, Roger Stone, a longtime Trump political advisor and self proclaimed political dirty trickster, boasts in a speech that he “has communicated with Assange,” and that more documents would be coming, including an “October surprise.” In the middle of August, he also communicates with the Russian cutout Guccifer 2.0, and authors a Breitbart piece denying Guccifer’s links to Russian intelligence. Then, later in August, Stone does something truly remarkable, when he predicts that John Podesta’s personal emails will soon be published. “Trust me, it will soon be Podesta’s time in the barrel. #Crooked Hillary.”

In the weeks that follow, Stone shows a remarkable prescience: “I have total confidence that @wikileaks and my hero Julian Assange will educate the American people soon. #Lockherup. “Payload coming,” he predicts, and two days later, it does. Wikileaks releases its first batch of Podesta emails. The release of John Podesta’s emails would then continue on a daily basis up to election day.

On Election Day in November, Donald Trump wins. Donald Trump appoints one of his high profile surrogates, Michael Flynn, to be his national security advisor. Michael Flynn has been paid by the Kremlin’s propaganda outfit, RT, and other Russian entities in the past. In December, Michael Flynn has a secret conversation with Ambassador Kislyak about sanctions imposed by President Obama on Russia over its hacking designed to help the Trump campaign. Michael Flynn lies about this secret conversation. The Vice President, unknowingly, then assures the country that no such conversation ever happened. The President is informed Flynn has lied, and Pence has misled the country. The President does nothing. Two weeks later, the press reveals that Flynn has lied and the President is forced to fire Mr. Flynn. The President then praises the man who lied, Flynn, and castigates the press for exposing the lie.

Now, is it possible that the removal of the Ukraine provision from the GOP platform was a coincidence? Is it a coincidence that Jeff Sessions failed to tell the Senate about his meetings with the Russian Ambassador, not only at the convention, but a more private meeting in his office and at a time when the U.S. election was under attack by the Russians? Is it a coincidence that Michael Flynn would lie about a conversation he had with the same Russian Ambassador Kislyak about the most pressing issue facing both countries at the time they spoke – the U.S. imposition of sanctions over Russian hacking of our election designed to help Donald Trump? Is it a coincidence that the Russian gas company Rosneft sold a 19 percent share after former British Intelligence Officer Steele was told by Russian sources that Carter Page was offered fees on a deal of just that size? Is it a coincidence that Steele’s Russian sources also affirmed that

Russia had stolen documents hurtful to Secretary Clinton that it would utilize in exchange for pro-Russian policies that would later come to pass? Is it a coincidence that Roger Stone predicted that John Podesta would be the victim of a Russian hack and have his private emails published, and did so even before Mr. Podesta himself was fully aware that his private emails would be exposed?

Is it possible that all of these events and reports are completely unrelated, and nothing more than an entirely unhappy coincidence? Yes, it is possible. But it is also possible, maybe more than possible, that they are not coincidental, not disconnected and not unrelated, and that the Russians used the same techniques to corrupt U.S. persons that they have employed in Europe and elsewhere. We simply don't know, not yet, and we owe it to the country to find out.

Director Comey, what you see on the dais in front of you, in the form of this small number of members and staff is all we have to commit to this investigation. This is it. We are not supported by hundreds or thousands of agents and investigators, with offices around the world. It is just us and our Senate counterparts. And in addition to this investigation, we still have our day job, which involves overseeing some of the largest and most important agencies in the country, agencies, which, by the way, are trained to keep secrets.

I point this out for two reasons: First, because we cannot do this work alone. Nor should we. We believe these issues are so important that the FBI must devote its resources to investigating each of them thoroughly; to do any less would be negligent in the protection of our country. We also need your full cooperation with our own investigation, so that we have the benefit of what you may know, and so that we may coordinate our efforts in the discharge of both our responsibilities. And second, I raise this because I believe that we would benefit from the work of an independent commission that can devote the staff and resources to this investigation that we do not have, and that can be completely removed from any political considerations. This should not be a substitute for the work that we, in the intelligence committees should and must do, but as an important complement to our efforts, just as was the case after 9/11.

The stakes are nothing less than the future of liberal democracy.

We are engaged in a new war of ideas, not communism versus capitalism, but authoritarianism versus democracy and representative government. And in this struggle, our adversary sees our political process as a legitimate field of battle.

Only by understanding what the Russians did can we inoculate ourselves from the further Russian interference we know is coming. Only then can we help protect our European allies who are, as we speak, enduring similar Russian interference in their own elections.

Finally, I want to say a word about our own committee investigation. You will undoubtedly observe in the questions and comments that our members make during today's hearing, that the members of both parties share a common concern over the Russian attack on our democracy, but bring a different perspective on the significance of certain issues, or the quantum of evidence we have seen in the earliest stages of this investigation. That is to be expected. The question most people have is whether we can really conduct this investigation in the kind of thorough and

nonpartisan manner that the seriousness of the issues merit, or whether the enormous political consequences of our work will make that impossible. The truth is, I don't know the answer. But I do know this: If this committee can do its work properly, if we can pursue the facts wherever they lead, unafraid to compel witnesses to testify, to hear what they have to say, to learn what we will and, after exhaustive work, reach a common conclusion, it would be a tremendous public service and one that is very much in the national interest.

So let us try. Thank you Mr. Chairman, I yield back.