

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

HEARING TO RECEIVE TESTIMONY ON
THE ATTEMPTED COUP IN MONTENEGRO
AND MALIGN RUSSIAN INFLUENCE IN EUROPE

Thursday, July 13, 2017

Washington, D.C.

ALDERSON COURT REPORTING
1155 CONNECTICUT AVENUE, N.W.
SUITE 200
WASHINGTON, D.C. 20036
(202) 289-2260
www.aldersonreporting.com

1 HEARING TO RECEIVE TESTIMONY ON
2 THE ATTEMPTED COUP IN MONTENEGRO
3 AND MALIGN RUSSIAN INFLUENCE IN EUROPE
4

5 Thursday, July 13, 2017
6

7 U.S. Senate

8 Committee on Armed Services

9 Washington, D.C.
10

11 The committee met, pursuant to notice, at 9:34 a.m. in
12 Room SD-G50, Dirksen Senate Office Building, Hon. John
13 McCain, chairman of the committee, presiding.

14 Committee Members Present: Senators McCain
15 [presiding], Inhofe, Wicker, Fischer, Rounds, Ernst,
16 Sullivan, Perdue, Strange, Reed, Nelson, Shaheen,
17 Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King,
18 Heinrich, Warren, and Peters.
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

OPENING STATEMENT OF HON. JOHN McCAIN, U.S.

SENATOR FROM ARIZONA

Chairman McCain: Good morning.

The Senate Armed Services Committee meets this morning to receive testimony on the attempted coup in Montenegro and malign Russian influence in Europe.

Before we continue with the usual proceedings of the hearing, I am pleased to welcome to the committee Montenegro's Ambassador to the United States who will present an official statement to the committee on behalf of the Government of Montenegro. Mr. Ambassador, we are honored to have you here with us this morning. Please proceed.

1 STATEMENT OF HIS EXCELLENCY NEBOJSA KALUDJEROVIC,
2 AMBASSADOR OF MONTENEGRO TO THE UNITED STATES

3 Ambassador Kaludjerovic: Thank you very much, Mr.
4 Chairman, Senator McCain, Ranking Member Reed, distinguished
5 members of the committee. I wish to thank you for the
6 opportunity to address you today on behalf of my government,
7 and I extend especially our appreciation for the committee's
8 hearing on this important topic. Your interest and
9 dedication to the issue of security in Europe, the Western
10 Balkans, and Montenegro in this case, amid the ongoing
11 challenges we are all facing is a considerable contribution
12 in itself to the valued support of the U.S. to our region
13 towards its future as a full part of the Euro-Atlantic
14 community.

15 We are talking today about one serious destabilizing
16 scenario orchestrated from the outside that fortunately
17 never materialized in Montenegro on the eve of the
18 parliamentary elections that took place in October last
19 year. The plot in question, which virtually amounted to a
20 coup d'etat, now subject of a trial in front of courts in
21 Montenegro, consisted of planned terrorist attacks to
22 overthrow the legitimately elected government and to
23 illegally detain or even assassinate the Prime Minister. In
24 the worst case scenario, if the plans had succeeded, there
25 would have been chaos and serious violence and extremely

1 dangerous instability with intention to undermine the
2 constitutional order and institutions of Montenegro. This
3 would also have been a derailment of the progress of
4 Montenegro and the entire region towards NATO and EU
5 integration, which was a presumed motive for carrying out
6 the entire plot.

7 At this moment, the public trial is ongoing, following
8 months of investigation. The Special Chief Prosecutor in
9 charge of the case has publicly stated that the evidence in
10 this case is -- I quote -- "undisputable" and "ironclad."
11 End of quote.

12 Indictments that include two Russian nationals --
13 evidence points to that, that they were members of military
14 intelligence services -- as well as two leading politicians
15 and MPs from the opposition party, Democratic Front, for
16 conspiracy to form a criminal organization and attempt at
17 terrorist attacks, as well as the acts against the
18 constitutional order and public safety. Nine people so far
19 have admitted their guilt via the plea bargain mechanism.
20 Their confessions were included in the indictment. The
21 witnesses identified one of the Russian nationals, former
22 Deputy Military Attache of Russian Federation in Poland, who
23 was declared persona non grata in that country for acts of
24 espionage, as the organizer of the plot.

25 The involvement of Russian nationals is undisputed and

1 Montenegrin authorities are waiting for the feedback from
2 the Russian authorities, which acknowledged the requests,
3 regarding the questions on the involvement of these
4 nationals and their role in the events. By the way, so far,
5 Russian authorities have informed us that one of the other
6 suspects, who is not a Russian national but is currently at
7 large in Russia, is being subjected to pre-extradition
8 background checks following a request for the extradition by
9 the Ministry of Justice of Montenegro. This suspect, by the
10 way, is also banned from traveling outside the territory of
11 Russia.

12 Had the plot in October succeeded, the instability
13 would have been created not only within Montenegro's
14 boundaries, but would, for sure, have had a spillover effect
15 in a region that is still not on a fully irreversible path
16 to stability. Gratefully, the opposite the happened. First
17 of all, Montenegrin citizens, once again like at every
18 election since restoring our independence in 2006, have
19 elected pro-NATO and pro-European government.

20 As we all know, Montenegro joined NATO on June 5th this
21 year, and another spillover effect happened but a positive
22 one. The example of another Western Balkans, or Southeast
23 European, country joining the Euro-Atlantic institutions is
24 immeasurable. It will create a long-term positive effect,
25 offer motivation and encouragement to other aspirants from

1 the region for EU and NATO membership, that the prospective
2 of membership in these organizations is alive based on
3 merits, standards and values. No better example could have
4 been given to our region.

5 Aside from the outcome of this particular matter,
6 Russia's view on NATO enlargement and the accession of its
7 29th member is not a secret, nor is their support to the
8 opposition parties and actors in Montenegro that are against
9 NATO membership. Leading to the elections in October, there
10 was a well-organized and financed public campaign to that
11 effect. But these influences Montenegro experienced before,
12 during, and after elections is not an isolated fact but a
13 pattern based on notions that the facts on the ground could
14 be changed. Membership of Montenegro to NATO is often
15 perceived by some high level Russian officials as a
16 temporary setback through the false narrative that NATO does
17 not have support in Montenegro, et cetera. Therefore, we
18 expect a continuation of pressure both aimed at Montenegro
19 and at the region, especially those countries that have not
20 yet become members of NATO or the European Union.

21 I wish to point out that Montenegro has been able to
22 succeed in achieving its goals in becoming a member of NATO
23 and a frontrunner in EU accession by working very hard over
24 the past decade with friends and partners like the United
25 States. This is an alliance based on values, and that is

1 why it succeeds. The reforms, helped bilaterally by the
2 United States, part of achieving NATO and EU standards, made
3 our society better and firmly on a right path.

4 After all, it was thanks to those reforms aimed at
5 strengthening the capacities and independence of
6 institutions to uphold the rule of law that helped those
7 very institutions to tackle such a challenge we are talking
8 about today that would put to test much more established
9 democracies than ours.

10 And where we did not have capacities ourselves,
11 considering that the attempts were multifaceted, involving
12 propaganda and cyberattacks, we were able to ask our
13 partners in NATO or bilaterally like the U.S. for
14 assistance. As an ally, we will work together with the
15 Alliance on the capacities to address new challenges like
16 these.

17 We had and do have a right to determine our alliances
18 and our future, which we have always been clear about, as
19 our decisions are based on our strategic visions and goals
20 not against anybody or anything. Montenegro does not pose
21 any sort of threat to Russia and wants to be engaged in
22 conversation, in dialogue, and not in confrontation.

23 Montenegro in NATO can only mean peace and stability,
24 and expansion of the area of welfare, regional cooperation,
25 and good neighborly relations.

1 Distinguished members of the committee, what should be
2 done?

3 The U.S. role in Europe is extremely valuable and
4 necessary. The commitment to the vision of Europe whole,
5 free, and at peace is as relevant today as it was before.
6 The United States and its European partners should continue
7 to reaffirm at every opportunity the value of transatlantic
8 bond, NATO, and Article 5 commitment, as President Trump
9 reinforced that valuable message in Poland a few days ago.
10 As to the Western Balkans, it is crucial to keep countering
11 trends that seems to encourage the countries or actors in
12 the region to find alternatives to the Euro-Atlantic
13 integration and full embracement of values and standards
14 that they bring.

15 We are thankful and grateful for the U.S. support to
16 our NATO membership, as well as the increasing focus on the
17 Western Balkans issues. The support by the U.S. Congress --
18 and the Senate has been a particular champion -- is very
19 welcome and needed, as well as from the U.S. administration.

20 The upcoming visit to Montenegro by Vice President
21 Pence is a strong message that the United States is focused
22 on Europe and an opportunity to show continuous support to
23 the stability and security of the Western Balkans region by
24 supporting a clear perspective of membership both in NATO
25 and EU as the best way to achieve those goals.

1 On our side, Montenegro will continue to spread the
2 area of stability in the region and beyond and fulfill its
3 responsibilities as a new ally. We are ready to do our
4 part.

5 I thank you very much.

6 [The prepared statement of Ambassador Kaludjerovic
7 follows:]

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 Chairman McCain: Thank you, Ambassador, for that
2 statement.

3 Before you depart to preside over the festivities of
4 Montenegro's statehood day, let me just say I have had the
5 great fortune to travel to Montenegro a number of times over
6 the years. I know the citizens of your country to be a
7 proud and independent people. And that is the spirit you
8 celebrate on July 13th, the day your country earned
9 independence in 1878, the day Montenegrins defiantly rose up
10 against fascist occupiers in 1941.

11 On this July 13th, Montenegro remains determined as
12 ever to choose its own future. Montenegro has chosen the
13 path of Euro-Atlantic integration. Montenegro has joined
14 the defense of the free world as the 29th member of the
15 North Atlantic Treaty Organization. And someday, Montenegro
16 hopes to join the European Union. The pursuit of this Euro-
17 Atlantic future has not been without difficulty. But
18 Montenegro has persevered and, in doing so, has sent a
19 powerful message to Vladimir Putin and every other tyrant
20 that they cannot and will not control the destiny of free
21 people, not in Montenegro, not in Southeastern Europe, not
22 anywhere else in the world. And for that, I hope all
23 Americans will look to our newest ally, Montenegro, with the
24 same sense of gratitude, admiration, and solidarity that I
25 express to you now.

1 Mr. Ambassador, thank you for being with us this
2 morning.

3 The committee is grateful to be joined by a
4 distinguished panel of expert witnesses: Janusz Bugajski,
5 Senior Fellow at the Center for European Policy Analysis;
6 Lisa Sawyer Samp, Senior Fellow at the Center for Strategic
7 and International Studies; and Damon Wilson, Executive Vice
8 President of the Atlantic Council.

9 As the Ambassador clearly indicated, what happened in
10 Montenegro is perhaps the most disturbing evidence to date
11 of how far Vladimir Putin is willing to go to undermine the
12 West, bully other nations, and achieve his neo-imperial
13 ambitions.

14 Russia's goals in Montenegro were clear: to stop the
15 country from joining NATO, to reverse its progress towards
16 Euro-Atlantic integration, and to end Montenegro's support
17 for sanctions against Russia imposed after its invasion of
18 Ukraine.

19 The indictments in this case against the coup plotters
20 in Montenegro read like a spy novel. On October 16th, 2016,
21 Montenegro's election day, the coup plotters planned to
22 storm the parliament, capture and/or kill the Prime
23 Minister, and install a new government. With the coup
24 underway, armed men would ambush and kill members of
25 Montenegro's Special Anti-Terrorist Unit to prevent them

1 from interfering with the coup. To justify the coup, other
2 plotters disguised as police would fire into a crowd of
3 peaceful demonstrators to create the illusion of excessive
4 force by the pro-NATO government.

5 Two Russian GRU agents, allegedly in league with
6 Montenegrin politicians and Serbian nationalists, organized
7 the coup plot. One of the GRU officers has been identified
8 as the same man who under a different name served as a
9 military attache in Poland until he was declared persona non
10 grata and thrown out of the country for espionage. Perhaps
11 he was more careful during the Montenegro plot, but not by
12 much. In one case, he sent money to one of his co-
13 conspirators from a Western Union on the same street as GRU
14 headquarters in Moscow.

15 But that brazenness should not fool anyone. The plot
16 was well along its way to succeeding. And if it had not
17 been for one conspirator who got cold feet and informed the
18 Montenegrin authorities, it very well might have.

19 I believe it is critical that all Americans understand
20 what happened in Montenegro and its implications for our
21 security because, as I said, it shows how far Vladimir Putin
22 is willing to go to advance his dangerous view of the world,
23 not just in Montenegro, not just in Europe, but here in the
24 United States as well.

25 Russia is embarked on a campaign to weaken the United

1 States, to destabilize Europe, to break the NATO alliance,
2 to undermine confidence in Western values, and to erode any
3 and all resistance to Vladimir Putin's neo-imperial
4 ambitions. And he is using the full range of capabilities
5 available to him.

6 Of course, Putin has rapidly modernized his military
7 and grown increasingly willing to use force to achieve his
8 objectives, as we have seen in Georgia, Ukraine, and Syria.

9 But even more important to the spread of malign Russian
10 influence has been the sophisticated employment of
11 asymmetric, non-kinetic, capabilities. Indeed, Russia's
12 Chief of General Staff has emphasized -- and I quote -- the
13 role of non-military means in achieving political and
14 strategic goals has grown and, in many cases, they have
15 exceeded the power of force of weapons in their
16 effectiveness.

17 This is the key insight that underpins Russia's
18 doctrine of, quote, new generation warfare. It is a
19 strategy of influence, not of brute force. Carefully
20 tailored to local circumstances, it seeks to undermine our
21 societies and our institutions from within through
22 cyberattacks; psychological operations and information
23 warfare; propaganda, both overt and covert; coercive
24 economic pressure, especially using energy exports; targeted
25 use of corruption to buy influence; financing political

1 parties, think tanks, and other organizations; and more.

2 But even as our awareness and understanding of malign
3 Russian influence has grown, the simple reality is that our
4 response has been inadequate to the scale and scope of this
5 challenge. We have to change course now because Vladimir
6 Putin is on the offensive, and he is enjoying success at
7 relatively low cost.

8 We must start by responding to aggression Russia has
9 already committed. That is why it is so important that the
10 House of Representatives pass the strong Russia sanctions
11 bill that already passed the Senate by the vote of 98 to 2.
12 It is long past time that Vladimir Putin paid a meaningful
13 price for his attack on American democracy.

14 We must also develop a coherent and political policy
15 for responding to any future aggression using the full range
16 of U.S. diplomatic, intelligence, military, and economic
17 tools. This is especially true in cyberspace where the
18 United States still has no policy to deter, defend against,
19 and respond to cyberattacks.

20 We must continue to rebuild conventional military
21 deterrence in Europe. Building on the progress made through
22 the European Deterrence Initiative, we need to repeal the
23 Budget Control Act and make significant and sustained
24 investments to improve the capability, capacity, readiness,
25 and responsiveness of U.S. forces in Europe. We also have

1 to continue helping our allies better defend themselves,
2 including by providing Ukraine the defensive lethal
3 assistance it needs and deserves.

4 We have to keep the door to NATO open for those
5 countries that are willing to do what it takes to join the
6 Alliance and live up to the responsibilities it entails.
7 Vladimir Putin will not let another country go the way of
8 Montenegro without a fight. So we need to begin working
9 with NATO aspirants to help them withstand the inevitable
10 onslaught of Russian pressure.

11 We also have to begin addressing the vulnerabilities in
12 Western societies, governments, and institutions that
13 Russian strategy is explicitly designed to exploit. Taking
14 on Putin's kleptocracy means enhancing the powers of our
15 Treasury Department to trace and crack down on corrupt and
16 illicit Russian financing that impacts the U.S. financial
17 system.

18 Most of all, we have to stop looking at Russia and its
19 threats to our security and our democracy through the warped
20 lens of politics. We cannot allow Vladimir Putin to divide
21 us from one another, weaken our resolve, undermine
22 confidence in ourselves, or erode our belief in our own
23 values. We must take our own side in this fight, not as
24 Republicans, not as Democrats, but as Americans.

25 Ambassador and members of this panel, I know that was a

1 long statement, and I apologize for that. And it is very
2 unusual for this committee to have a hearing of this nature.
3 But I believe that it was a near thing. If it had not been
4 an informant on the inside, this coup attempt could very
5 well have succeeded not only with blood shed but with a
6 message throughout the region. So I thought it was
7 important to have this hearing. I thought it was important
8 to have three distinguished witnesses come before the
9 committee so that we have a record not only of what
10 happened, but what we need to do.

11 With that, Ambassador, you are certainly free to leave,
12 and I would like to welcome our witnesses after a statement
13 by Senator Reed.

14
15
16
17
18
19
20
21
22
23
24
25

1 STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE
2 ISLAND

3 Senator Reed: Well, thank you very much, Mr. Chairman.
4 And thank you, the panel, and Mr. Ambassador, thank you
5 very much.

6 The chairman is holding a very important hearing on the
7 events in Montenegro and the Russian malign influence threat
8 in Europe. Let me add my welcome to the witnesses and thank
9 them for appearing this morning.

10 The events in Montenegro are deeply concerning both for
11 their impact within that country and their broader
12 implications. While a full accounting of what happened must
13 await the results of the criminal trial, the case laid out
14 in the Montenegrin indictment already makes clear that these
15 events are a pattern of Russian aggression that has occurred
16 repeatedly across Europe and the United States. Again and
17 again, Russia has used a range of coercive tools at its
18 disposal, including political pressure, economic
19 manipulation, collaboration with corrupt local networks,
20 propaganda, deception and denials, and increasingly military
21 force to try to intimidate democratic countries and
22 undermine the further integration of NATO, the European
23 Union, and other Western institutions.

24 Disturbingly Russia's plotting with proxies inside
25 Montenegro and the failed attempt to overthrow the pro-

1 Western government and assassinate the Prime Minister marks
2 a dangerous escalation of its malign influence activities.

3 Additionally, Russia's menacing actions in Montenegro
4 have implications for other Balkan nations including Serbia,
5 Bosnia, and Kosovo. We should do all we can to ensure that
6 Montenegro's accession to NATO sends a clear signal to other
7 countries in the region, that NATO maintains its open door
8 policy so that other countries can aspire to NATO membership
9 without the fear of becoming the target of violent Russian
10 aggression.

11 The critical question for our witnesses is how the
12 United States and its European partners should counter the
13 Russian malign influence threat.

14 In January, the unanimous conclusion of our 17
15 intelligence agencies was that President Putin directed an
16 influence campaign against the 2016 United States
17 presidential election with the aims of undermining the
18 American people's faith in the election process. The
19 intelligence community also warned that the significant
20 escalation of Russian levels of interference in U.S. and
21 European elections represents a new normal. As long as
22 Moscow believes that their actions in the United States and
23 Europe will be consequence-free, Putin and his associates
24 will continue to escalate Russia's hybrid tactics against us
25 and our partners to advance their interests.

1 We have a duty to confront Russia over its malign
2 activities to protect our national security. Unfortunately,
3 despite mounting evidence, the White House fails to
4 recognize the seriousness of the national security threat
5 posed by Russia's malign influence activities. President
6 Trump continues to cast doubt on the unanimous collusion of
7 our intelligence community and has failed to direct that the
8 Kremlin be held accountable for its actions to damage our
9 democratic processes.

10 Numerous witnesses have testified to Congress,
11 including Attorney General Sessions and Secretary Mattis,
12 that they have received no guidance from President Trump on
13 a strategy for countering interference with our elections.

14 President Trump's recent meeting with President Putin
15 at the G20 was another missed opportunity to deliver a clear
16 message to the Kremlin that its attacks on our democracy are
17 unacceptable and will not be tolerated. Instead of
18 confronting the President, President Putin, President Trump
19 appeased Mr. Putin accepting at face value his denials that
20 Russia has interfered with the U.S. elections. This will
21 only encourage further reckless Kremlin adventurism toward
22 its neighboring states and efforts to claim a great power
23 role in the Middle East and elsewhere.

24 Now is certainly not the time to ignore Russian
25 interference in elections in Montenegro, France, Germany,

1 the United States, or elsewhere and simply move forward.

2 Fortunately, the United States Senate has stepped up to
3 provide leadership on this issue. Recently an overwhelming
4 bipartisan majority in the Senate passed long overdue
5 Russian sanctions. This legislation would codify existing
6 sanctions and expand authorities for additional ones. It is
7 now incumbent upon the House to pass the Russian sanctions
8 bill without delay and send it to the President for
9 signature.

10 I look forward to hearing from our witnesses about
11 additional efforts that are needed to craft a whole-of-
12 government strategy to defend against and deter this growing
13 Russian threat. Also, I hope you will address how the
14 United States might coordinate with our allies and partners,
15 many of whom have decades of experience in this fight, to
16 effectively counter the Russian malign influence threat
17 while remaining true to the core values and principles that
18 the United States upholds.

19 Thank you very much, Mr. Chairman.

20 Chairman McCain: Welcome to the witnesses.

21 Mr. Bugajski, could you begin -- either you or Ms. Samp
22 or Mr. Wilson -- describe the events that took place again
23 for the record, which is the reason for this hearing and
24 then proceed with your statement?

25

1 STATEMENT OF JANUSZ BUGAJSKI, SENIOR FELLOW, CENTER
2 FOR EUROPEAN POLICY ANALYSIS

3 Mr. Bugajski: Thank you, Mr. Chairman, and thank you,
4 Ranking Member and the members of the committee.

5 In terms of Montenegro, you have heard from the
6 Ambassador the details as we know them now.

7 It should not come really as a surprise to us that
8 Russia is determined to prevent new countries from entering
9 NATO. They have cultivated their relationship with
10 Montenegro for several years in terms of investment, in
11 terms of propaganda, in terms of trying to corrupt the
12 country, and they have basically failed. So one of the last
13 resorts I think for the Russian Government was to try and
14 change the government in Montenegro to prevent that country
15 from moving into NATO.

16 And as I say in my statement, this may be a trial run.
17 We should not assume that this is the only case that Russia
18 is going to try to unsettle a government in the region. In
19 fact, I am sure they are preparing other scenarios of
20 destabilization and government replacement.

21 So with that said, without going into --

22 Chairman McCain: Could I just mention that scenario
23 included people in uniform, killing of opposition? I mean,
24 this was a very complex plot with months, if not years, in
25 the planning. That is what is so compelling about what

1 happened here.

2 Mr. Bugajski: It reminds me a little bit of what
3 happened in Crimea. Remember, Putin denied that they had
4 planned the Crimean operation, the annexation of Crimea. In
5 fact, they had been rehearsing this for quite a while and it
6 has been admitted by Russian sources since.

7 Chairman McCain: Please go ahead.

8 Mr. Bugajski: Okay. Let me begin by outlining the
9 fundamental threats posed by the Kremlin and then place the
10 Balkans in a broader strategic context because I think it is
11 worth remembering it is not simply the Balkans. It is a
12 wider Europe.

13 Moscow is engaged in a global shadow war in which the
14 primary goal is to dismantle the West and project Russia as
15 a pole of power on an equal global footing with the United
16 States. Europe is one of the core battlegrounds of this
17 struggle for dominance, in which Moscow does not recognize
18 the independence or integrity of any targeted state. And
19 there are three main components of Moscow's anti-Western
20 offensive.

21 First, Russia defines itself as a distinct Eurasian
22 pole of power, defending itself against Western
23 encroachment, proud of its anti-Americanism and
24 authoritarianism, determined to delegitimize the Western
25 democratic model, and intent on playing a vanguard role

1 among governments that reject political influence from
2 Washington and Brussels.

3 Second, a key Kremlin goal is to reverse U.S.
4 influences within the wider Europe. This would help Putin
5 exert leverage over the foreign and security policies of key
6 states. And unlike during the Cold War, there is no
7 accepted division of Europe into Western and Russian
8 spheres. Instead, numerous states are coerced or enticed
9 either to join the Russian zone, to turn neutral, or to
10 oppose U.S. policy. Moscow pressures former Soviet
11 republics to relinquish their western aspirations. It
12 promotes conflicts within and between the Balkan states. It
13 fosters and exploits disputes over occupied territories in
14 Azerbaijan, Georgia, and Moldova, and it subverts members of
15 both NATO and the EU.

16 Third, while its goals are imperial, Kremlin strategies
17 are flexible. A diverse assortment of weapons are deployed
18 to disarm the adversary, whether energy, business, trade,
19 corruption, blackmail, cyberspace, espionage, politics,
20 religion, ideology, disinformation, proxy conflicts, or
21 outright warfare.

22 Moscow views both NATO and the European Union as
23 threats to its expansionist ambitions. NATO's commitment to
24 collective defense obstructs Russia's revisionism and its
25 divide and conquer policy. European Union standards of

1 legality and transparency challenge Russia's opaque business
2 model. Western political and human rights standards
3 undermine Russia's autocratic political model. Hence,
4 Brexit and other problems within the EU are welcomed by
5 Moscow as they divide the union, encourage bilateral deals
6 with Russia, and potentially limit further EU enlargement.

7 Moscow benefits from political, ethnic, and social
8 turbulence in Europe. Lucrative business deals and campaign
9 donations enable the Kremlin to corrupt and influence
10 targeted officials. Democratic regression or the upsurge of
11 nationalist populism favors Russia's objectives by weakening
12 state institutions and deepening EU divisions. Putin
13 appeals both to leftist anti-American and ultra-nationalist
14 Euroskeptics to foster turmoil. During election cycles,
15 Moscow aims to discredit politicians that do not favor its
16 interests. This can involve blackmail, fabricated news
17 reports, and disclosure of stolen personal communications.

18 Briefly, the Balkan dimension. The Balkans are viewed
19 in Moscow as Europe's soft underbelly where latent conflicts
20 are inflamed, potential new allies courted, and economic
21 opportunities exploited. Russia possesses four main
22 channels of influence in the region: energy, corruption,
23 nationalism, and propaganda. We can go into this in
24 question time if you like because I want to be as brief as
25 possible.

1 Moscow aims to disqualify the West Balkan states from
2 NATO and EU membership. In Bosnia-Herzegovina, it
3 encourages the Serb entity government to keep the country
4 divided. In Kosovo, it uses the Serbian minority to uphold
5 the specter of partition and blocks Kosovo from entering the
6 United Nations. In Macedonia, it manipulates internal
7 turmoil and the country's obstructed path towards NATO and
8 the EU to gain political influence.

9 The coup attempt in Montenegro during national
10 elections in October 2016 was organized by Russian military
11 intelligence operatives to prevent the country from
12 attaining NATO membership. The plot was uncovered in time
13 or it could have led to mass bloodshed in Podgorica. While
14 the Russians evaded arrest, Montenegrin courts have begun
15 trials of suspected Serb nationalists, including members of
16 the pro-Moscow opposition. Tellingly, the Serbian
17 Government has been helpful to Montenegro in its efforts to
18 investigate the plot. Belgrade I think realizes that Serbia
19 could face a similar scenario of destabilization if it
20 decides to loosen its links with Moscow.

21 We must be better prepared for future violent scenarios
22 in the region. The Montenegrin putsch attempt could be a
23 trial run and a warning to the region. Moscow's next
24 conspiracy is likely to be more sophisticated and broad-
25 based, whether to incite Serbian leaders in Bosnia-

1 Herzegovina against the Muslim population, engineering
2 ethnic clashes between Macedonians and Albanians inside
3 Macedonia, or provoking Serbian-Montenegrin conflicts. If
4 it serves his interests, Putin would not be averse to
5 igniting a regional war to test NATO resolve, distract
6 attention from Russia's interventions elsewhere, and to
7 undermine the process of Western integration.

8 Very briefly now, in the Balkans, current security
9 challenges are not simply military, not even primarily
10 military. They are political, ethnic, economic, financial,
11 and informational, particularly where local disputes can be
12 ignited through outside subversion. The U.S. and NATO must
13 prevent conflict by identifying vulnerabilities, promoting
14 interstate cooperation, bolstering energy diversification,
15 including gas supplies from Azerbaijan, combating Russian
16 subversion, and furnishing steps towards NATO entry.

17 Paradoxically, Moscow's attack on democratic elections
18 in the United States and in Europe awakened a new sense of
19 realism about Putin's Russia, dispelling illusions about our
20 so-called common interests. Washington must grasp the
21 leadership role just as it did during the Cold War because
22 Europe remains divided and is perceived by Moscow as weak
23 and indecisive. If the U.S. forfeits its role, we could
24 witness regional crisis not only in the Balkans that shatter
25 European stability and damage the NATO alliance.

1 My last word is, if you have time, I would like to
2 include my recent co-authored book with Margarita Assenova
3 for the record entitled "Eurasian Disunion: Russia's
4 Vulnerable Flanks." It provides a comprehensive analysis of
5 Moscow's strategies and ambitions toward Europe and the
6 United States. It was published a few weeks ago -- a few
7 months ago. I have copies both for the chair and the
8 ranking member.

9 [The prepared statement of Mr. Bugajski follows:]

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 Chairman McCain: Without objection, it will be
2 included in the record.

3 [The information referred to follows:]

4 [COMMITTEE INSERT]

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 Chairman McCain: Ms. Samp?
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 STATEMENT OF LISA SAWYER SAMP, SENIOR FELLOW,
2 INTERNATIONAL SECURITY PROGRAM, CENTER FOR STRATEGIC AND
3 INTERNATIONAL STUDIES

4 Ms. Samp: Thank you. Mr. Chairman, Ranking Member
5 Reed, and distinguished members of the committee, good
6 morning. I would like to begin by thanking you for holding
7 this hearing and, more broadly, for the steps the Senate has
8 taken to assert its oversight role and voice related to
9 issues of Russia and Europe, including your overwhelming
10 bipartisan support for Montenegro's accession to the NATO
11 alliance and more recently for the Russia sanctions
12 resolution. I do hope as well, sir, that the House will
13 pass it quickly and in matching form.

14 With that said, I would like to make two brief points
15 regarding the topic of today's hearing.

16 First, Russia is becoming increasingly aggressive and
17 ambitious. The coup attempt in Montenegro and Russia's role
18 in it is illustrative, but it is by no means unprecedented.
19 Montenegro was not the first --

20 Chairman McCain: When you say "unprecedented," I think
21 it was almost unprecedented in the extent and the complexity
22 and the willingness to kill people.

23 Ms. Samp: I mean more in these terms of it is not the
24 first time Russia has attempted to undermine the sovereign
25 right of a nation to freely choose its political

1 associations --

2 Chairman McCain: I got you.

3 Ms. Samp: -- which we saw in both Georgia and Ukraine.
4 But I agree it was an audacious attack.

5 Russia's tactics, as you know, are broad in nature.
6 They include things like disinformation, propaganda,
7 cyberattacks. The list goes on. A Polish colleague once
8 described these tools to me as, quote, not the enemy at the
9 gates, but the enemy in your pocket. This was a reference
10 to all the ways that Russia can now reach you through your
11 cell phone.

12 Putin likely does not want a war with the West, but he
13 is finding he can get a lot done without one. For this
14 reason, he has no intention of stopping now. He is
15 experimenting along the way, growing increasingly
16 comfortable taking risks and getting better.

17 Three years ago, if you had asked anyone in Washington
18 about the Russia challenge, you likely would have gotten an
19 answer almost exclusively focused on the eastern flank,
20 Ukraine in particular where Putin annexed Crimea and has
21 continued to stoke violence in the country's east. Since
22 then, thousands have died and over a million have been
23 displaced.

24 Next Monday, July 17, will be the third anniversary of
25 a day a Russian-provided missile brought down a civilian

1 airliner in the skies over eastern Ukraine killing all 298
2 people aboard, including one American.

3 Two years ago, if you had asked the same question about
4 the Russia challenge of either me or one of my colleagues,
5 our answers would have expanded to include Syria where
6 Russia has killed thousands in indiscriminate bombing runs
7 and extended the civil war and distracted from the fight
8 against the Islamic State.

9 As of last fall, our answers would now have to
10 reference the brazen assault that took aim at the very heart
11 of U.S. democracy and another that took aim at Montenegro's.

12 One has to wonder what is Putin up to right now. What
13 is he planning that we will be discussing at a hearing like
14 this a year from now?

15 The steady drumbeat of increasingly aggressive and
16 opportunistic Russian behavior means we can no longer blame
17 surprise or ignorance for inadequate and slow responses.
18 The coup attempt in Montenegro serves to further reinforce
19 what we should already know, that more must urgently be done
20 to better protect ourselves and our allies from Russia's
21 systemic campaign to undermine the very foundations of
22 Western society.

23 My second and final point gets at what to do about it.
24 We are not outmatched, but we are being outplayed. I will
25 pause here and ask you to think about why Russia is trying

1 to sow instability and undermine the global order. There
2 has been a lot written on it. I, like my colleague, also
3 just added a bit more, and we have some copies for the chair
4 and the ranking.

5 But it boils down to an easy answer. It wants to and
6 it can without major consequences. I discuss in more detail
7 in my written testimony the "wants to and can" part of that
8 equation. But I want to pause for a moment and focus on the
9 "without major consequences" part.

10 The steps taken by the West since 2014 remain
11 insufficient. We are not doing enough to change Russia's
12 calculus. Putin is still seeing more reward than risk. It
13 is, therefore, time to increase the credibility of our
14 threats and promises and decrease our sensitivity to
15 Russia's knee-jerk protest to any and all NATO activity. It
16 is time to draw a firmer line and to speak to Putin in the
17 language he bests understands: power and resolve.

18 How do we do that? Well, there are no silver bullet
19 solutions precisely because Russian aggression has
20 manifested in so many different ways. We need a combination
21 of measures that aim to shore up our own vulnerabilities to
22 Russian coercion and apply greater pressure to contest it.
23 We need more defense and, importantly, offense across the
24 spectrum of our toolkit. This means shaping a new
25 relationship paradigm that puts more onus on Moscow to

1 comply with international norms rather than simply imposing
2 consequences for breaching them.

3 What do I mean by that? Well, instead of saying we
4 will lift sanctions when Russia decides to comply with the
5 Minsk Agreements, say that we will raise them until they do.
6 Instead of kowtowing to Russia's supposed spheres of
7 influence, provide Ukraine the lethal assistance it so
8 desperately needs and increase U.S. support to vulnerable
9 nations in the gray zone. Instead of simply accepting
10 Russia's unfounded claims of Western provocation, recognize
11 the vast disparity in the size of our force posture and
12 exercises and begin to enhance deterrence.

13 Here it is important to step back and recall that the
14 U.S. combat presence in Europe is a full brigade strength
15 below what it was in 2012 prior to renewed tensions with
16 Russia and that NATO's largest exercise conducted since the
17 end of the Cold War peaked at about 30,000 troops.
18 Meanwhile, Russia's Zapad exercise planned for later this
19 fall may reach up to 100,000.

20 Instead of discussing cooperation on an impenetrable
21 cybersecurity unit, we should be doing more to both defend
22 our systems and employ offensive cyber techniques to expose
23 and undermine Russia in the cyber domain.

24 Instead of delegitimizing or demonizing the free press,
25 we should be doing more to promote accurate and truthful

1 narratives using all the tools at our disposal, including
2 those available covertly.

3 Instead of casting doubt on the efficacy of our
4 alliances, we should be educating our publics on the
5 importance of the international order and the value of the
6 transatlantic bond. We should be strengthening and
7 investing in NATO, not tearing it down. Our alliances are
8 our greatest foreign policy advantage, and I think it
9 behoves us all to remember that.

10 Finally, we should be practicing what we preach. The
11 U.S. cannot be a credible critic of Russian aggression if it
12 does not provide a strong alternative example. Continued
13 U.S. leadership of the international order is at stake.

14 Now, none of this means we cannot still cooperate with
15 Russia where it is in our interest to do so like on arms
16 control or nuclear nonproliferation. But we must approach
17 engagement cautiously, selectively, and with firm limits.
18 Changing Russia's behavior will not be quick or easy, but
19 the stakes are simply too high not to try. If Russia can be
20 creative and adaptive, then surely we can too.

21 In conclusion, Russia may just be looking out for what
22 it considers to be in its national interest, but then we
23 need to do the same. And that entails pushing back harder
24 to protect ourselves, our allies, and the international
25 order.

1 Thank you.

2 [The prepared statement of Ms. Samp follows:]

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 Chairman McCain: Thank you.

2 Mr. Wilson?

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 STATEMENT OF DAMON WILSON, EXECUTIVE VICE PRESIDENT,
2 THE ATLANTIC COUNCIL

3 Mr. Wilson: Thank you very much, Chairman McCain,
4 Ranking Member Reed, members of the committee. I want to
5 begin and bed this in a little bit of the story of
6 understanding what happened and why it matters.

7 In June 2014, NATO foreign ministers met in Brussels to
8 consider Montenegro's accession to NATO. Just 3 months
9 prior, the Russian Federation had annexed Crimea. So many
10 argued at the time that the NATO's decision to invite
11 Montenegro into the Alliance was not only merited on its own
12 terms, but would also contribute to a decisive response to
13 Russia's invasion of Ukraine. Others, however, urged delay,
14 emphasizing de-escalation of the crisis unfolding in
15 Ukraine.

16 In the end, it was ambivalence among key allies and,
17 frankly, opposition by the United States that led the
18 Alliance to punt the decision, agreeing to reconsider the
19 issue by the end of 2015, which would be 18 months later.

20 So as NATO ministers failed to reach consensus on
21 Montenegro that tumultuous summer, Moscow saw an opening.
22 NATO had blinked. With the successful seizure of Crimea and
23 the emergence of what the Kremlin believed would become
24 Novorossiya, Russia was on offense. The West was stunned.
25 And true to form, Moscow's success emboldened the Kremlin to

1 pursue further success. The thinking in Moscow was that the
2 seizure of Ukrainian territory would surely block Ukraine's
3 move towards NATO and the EU. But might the Kremlin also be
4 able to stop the integration process in Southeast Europe?

5 So it is during this period that the plot for
6 Montenegro was hatched when Aleksandar Sindjelic, the leader
7 of the paramilitary Serbian Wolves, began Serbian fighters
8 to fight in Ukraine, himself included. It is there that
9 Russian nationalists introduced him to two Russian military
10 intelligence agents, GRU agents, Eduard Shirokov and
11 Vladimir Popov. Open source reporting provides a compelling
12 case that the GRU and its associates were directly involved
13 in orchestrating the attempted coup. Sindjelic received
14 money from these Russian contacts to purchase weapons and
15 supplies used in the Montenegro operation and to recruit
16 participants. The details are sensational, and since,
17 Senator McCain, you asked, I will add a few more of the
18 details to put that in the record.

19 We should remember that this was plan B. Plan A was
20 for the Russians to tip the balance of the elections. I
21 have had the opportunity to travel to Montenegro regularly,
22 almost every year for the past several years. And in the
23 run-up to this election, it was pretty remarkable to see
24 street signs, billboards all across the country anti-NATO
25 campaign. So the plan was to defeat the pro-NATO forces in

1 this election through using the Orthodox Church, the Serbian
2 Orthodox Church, a telecommunications company, and a media
3 empire. This small country of 600,000 was flooded with
4 resources to tip the balance. In fact, the main Serbian
5 opposition party was not radical enough, and the Russians
6 sidelined them, picked a fringe party called the Democratic
7 Front and, through its resources, it went from being
8 irrelevant on the Montenegro political scene to now being
9 the leading opposition. Two of its leaders now are being
10 tried for the coup attempt. That was plan A.

11 Plan B was that on October 16th, 2016, if the pro-NATO
12 forces were to succeed at the election, to enter parliament
13 dressed as Montenegro security services, open fire on
14 opposition supporters that the organizers had cynically
15 gathered and called to convene in front of the parliament
16 themselves, kidnap or assassinate the Prime Minister,
17 declare the elections invalid, and install the Democratic
18 Front taking power, this followed very rapidly by a series
19 of very strange developments.

20 On October 24th, after Serbs doubting it, announced
21 that they had found complicit information about co-
22 conspirators in Belgrade. 2 days later, the head of the --
23 Patrushev, the head of the Russian National Security
24 Council, arrives in Belgrade, supposedly privately to
25 apologize for a botched operation, but also to provide cover

1 for the deportation of two Russians that departed Belgrade,
2 some just before and some again on November 11th. December
3 12th, Lavrov is there seen pictured with one of the co-
4 conspirators in this coup.

5 It is a spy novel. It is hard to believe.

6 If the coup would have succeeded, it would have dealt
7 an immeasurable blow to the Alliance. It would have brought
8 a halt to the process of NATO enlargement as well.

9 This incident is part of Russia's strategy to make the
10 world safe for autocracy and kleptocracy. Russia seeks to
11 reverse the Cold War order and undermine both NATO and the
12 EU from within through malign influence operations.

13 In response, the United States and the European Union
14 have enacted tough sanctions. I very much support the
15 congressional effort to toughen those sanctions with the
16 bill that is pending. But sanctions should be part of a
17 strategy rather than the strategy. This administration has
18 yet to articulate clearly the nature of the Russian
19 challenge, much less the strategy to counter it.
20 Nonetheless, I believe the key elements of a response are in
21 place or within reach.

22 To tackle malign Russian influence, I would advocate a
23 five-part strategy: promoting prosperity, bolstering our
24 defense capabilities, pursuing a concerted engagement
25 strategy exposing Russian actions, and anchoring our actions

1 and our ideals. That is offering our vision of what it is
2 we are seeking to achieve rather than simply countering
3 Russian moves.

4 Russia is able to advance its malign influence where
5 there is a nexus of corruption, organized crime, and under-
6 development. To tackle this, the head of an allied
7 intelligence service recently told me that prosperity is the
8 best antidote, as it increases the resilience of nations
9 particularly in the Balkans and Southeast and Eastern
10 Europe.

11 I think this is why President Trump's endorsement of
12 the Three Seas Initiative in Warsaw is important. It is an
13 initiative that brings together the 12 EU member states
14 between the Adriatic, the Baltic, and the Black Seas with
15 the aim of advancing cross-border energy, transportation,
16 and telecommunications infrastructure to better integrate
17 their economies, unlock growth potential, and ensure that
18 Russia cannot hold their economies hostage. This is why the
19 congressional move to lift restrictions on LNG exports to
20 Europe is so important as well.

21 So I actually believe an American prosperity agenda
22 should advance U.S. investment in the region, putting
23 economic ties on par with our security ties. It is
24 entrepreneurship, after all, that provides jobs outside the
25 control of political patronage networks, which are subject

1 to Russian manipulation.

2 Second, we need to project our military strength as a
3 stabilizing force. The \$4.8 billion European Deterrence
4 Initiative request is a great contribution, especially on
5 the eastern flank. But just as we have positioned forces,
6 modest forces, in the east, we should do so in the
7 southeast. This means transforming our forces that are in
8 KFOR, modest as they are, at Camp Bondsteel into what I
9 would call a permanent presence to project security
10 throughout the region and bolstering Black Sea security by
11 approving the pending Patriot sale to Romania and providing
12 lethal military assistance to Ukraine and Georgia.

13 Third, the United States needs a sustained diplomatic
14 offensive in the region. Our engagement is too episodic and
15 not at a sufficient political level. Vice President Pence
16 will soon visit Tallinn, Podgorica, and Tbilisi where he can
17 follow up on the Three Seas prosperity agenda and I hope
18 announce more steps to bolster our security commitments.
19 But even as we work to ensure Montenegro's NATO membership
20 is a success, we should have a diplomatic strategy that
21 pursues a historic rapprochement with Serbia that ends
22 Belgrade's dangerous hedging, which is why President Vucic's
23 visit to Washington next week is so important.

24 The United States should also resume its leadership in
25 resolving the name dispute between Greece and Macedonia,

1 paving the way for the latter's membership in NATO. And to
2 start, we should welcome the Greek Prime Minister to
3 Washington to ensure Athens is a partner rather than an
4 obstacle in the region, not tempted by Russian manipulation.

5 Fourth, the most effective means to counter Russian
6 malign influence is to expose it. As our electorates become
7 educated on Russian influence operations, they become
8 inoculated to its impact. This is why the Atlantic Council
9 just last week in Warsaw convened the first-ever Open Source
10 summit to train journalists and activists on using
11 unclassified techniques to expose and combat Russian
12 influence. Through this work, we have been able to document
13 in great detail what unfolded in Montenegro in an
14 unclassified setting. We need to empower this type of work
15 across the Alliance as it makes our democracies more
16 resilient and our electorates less susceptible to
17 manipulation.

18 But most importantly, I think we need to keep our
19 values as our guiding star and restore a credible vision of
20 a Europe whole and free. Our message should be clear that
21 as a result of reforms at home, all European states can
22 ultimately be part of a secure and prosperous transatlantic
23 community. Advancing a Europe whole and free should be a
24 central plank of a broader effort to rally the West, as
25 President Trump perhaps suggested in his Warsaw speech. I

1 prefer the term "free world" to connote our community is not
2 one of geography but one of ideas. Senator McCain, you put
3 it, defense of the free world is the purpose where we try to
4 rally folks around democratic institutions, rule of law,
5 free media.

6 And as part of this strategy, the United States itself
7 must remain a force for integration, not fragmentation in
8 Europe. We cannot be ambivalent about this. We should
9 never become an enabler of the Kremlin strategy to divide
10 and weaken the European Union.

11 Excluding the invasions of Ukraine and Georgia, the
12 coup in Montenegro may be among the most brazen of Russia's
13 influence operations. Its significance is that the Russians
14 almost got away with it. But it is not unique. There are
15 incidents. In October 2014, Russian Cossacks entered Banja
16 Luka poised to intervene if Milorad Dodik had lost his
17 election. Arms caches have been found in Hungary with ties
18 to GRU agents. Russian fingerprints are on spectacular
19 kidnappings in Estonia, instability and violence in
20 Macedonia, efforts to stoke separatism in Gagauzia in
21 Moldova, and to delegitimize Kosovo as a state, on top of
22 the financing of extreme political parties across the
23 continent.

24 The Kremlin has drawn its own lessons from the muted
25 response of the free world. I think it is important that we

1 must end the cycle of impunity, continuing to raise the
2 costs of not only Russia's actions in Ukraine, but also its
3 interference in our democratic societies, even as we work to
4 eliminate the opportunities for its malign influence
5 throughout Europe.

6 Thank you.

7 [The prepared statement of Mr. Wilson follows:]

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 Chairman McCain: Well, thank you, Mr. Wilson, and
2 thank the witnesses.

3 Let us talk for a minute, Mr. Wilson, about Serbia.
4 There are unique ties between Serbia and Russia. Mr. Vucic
5 seems to be almost schizophrenic. He wants good relations
6 with the United States. Yet he also understands the Serbian
7 people's affinity to Russia. Yet he also understands the
8 Serbian people's look is to the West, not to the East. As
9 you say, he is coming to town next week. That could be a
10 very seminal event. I had a long lunch with him in
11 Belgrade.

12 How do you think we should treat Mr. Vucic?

13 Mr. Wilson: I think this is a strategic opening and we
14 should play, play for Serbia, not in a way that -- I am not
15 unaware of some of the challenges to Serbian democracy
16 internally. But I think we need to recognize that Vucic has
17 been hedging between Russia and Europe and the West in part
18 because he sees the EU as distant and uncertain in its
19 commitment to Serbia's place in Europe and the U.S. is an
20 inconsistent and somewhat distant partner. But we have an
21 opportunity right now.

22 I had the opportunity to meet with President Vucic in
23 Belgrade at the beginning of this year. This coup in
24 Montenegro is a wakeup call not just for us but for those
25 sitting in Belgrade. It was forces within his intelligence

1 services, for which he probably was completely unaware, that
2 were complicit in this. Shortly after the exposure of this
3 coup, an arms cache was found in Belgrade on the route that
4 is driven from his family's house. I think this has had a
5 psychological impact.

6 The Serbs believe that they can hedge and play both
7 sides. Most Serbs know the reality is their economy is
8 overwhelmingly anchored in Europe. Their interests are
9 overwhelmingly anchored in Europe. I think with clarity
10 from the United States, coordinated with Germany and the
11 European Union, that we can help Mr. Vucic understand that
12 hedging is actually playing with fire and that their ability
13 to maneuver this poses actually risk to Serbia and its
14 future over time.

15 One of the challenges we have is that unfortunately
16 Serbia allowed the opening of a civilian emergency response
17 base in Nis in southern Serbia where the Russians have been
18 breathing down his neck to obtain diplomatic immunity for
19 their -- it is the Ministry of Emergencies. The Ministry of
20 Emergencies has a notorious record of being involved in
21 nefarious activities in this region. And I think part of
22 what our presence can do by transforming our own presence at
23 Bondsteel, saying it is a presence for the region, is to
24 help signal to Serbia that we will not be a fair-weather
25 friend. This is not a partisan issue. We can have a

1 consistent American strategy of engagement, supporting their
2 transformation at home and welcoming them in our community.

3 Chairman McCain: Ms. Samp, do you have anything to add
4 to that?

5 Ms. Samp: I am sorry. I thought you were asking a
6 separate question.

7 I completely endorse what Damon said and I do not have
8 anything of substance to add.

9 Chairman McCain: What about the influence of the
10 church, Ms. Samp, which is clearly Russia-aligned?

11 Ms. Samp: It is yet another tool. It is yet another
12 way that they can -- you know, attempts at coercion. It is
13 one they leverage to great success with the people. I think
14 it is not something that gives them an advantage that cannot
15 be overcome, but it certainly does create strong ties, both
16 historical, cultural, and other, with the region. It is yet
17 another tool that the Russians have in the region.

18 Chairman McCain: Mr. Bugajski?

19 Mr. Bugajski: I fully agree with Damon. I would
20 simply add a couple of things about Serbia's position.

21 I think Serbia now stands in front of a choice. Does
22 it ally itself with a Russia that is increasingly
23 aggressive, assertive, and expansionist in Europe and anti-
24 American? Or does it align itself with the European Union,
25 with the Western community, with the international alliance,

1 including NATO, which does not mean NATO membership straight
2 away but eventually?

3 I would add this also. Vucic has to be careful because
4 Putin could possibly pull Serbia into a conflict that he
5 engineers in a neighboring country, whether in Bosnia-
6 Herzegovina, if he pushes for separatism. We have already
7 heard about this in terms of Russian activities in Republika
8 Srpska, in the Serbian entity in Bosnia. Both Croatia and
9 Serbia could be brought into a conflict. Similarly in
10 Kosovo. If Russia were to provoke some sort of conflict
11 with the minority, Serbia itself could be drawn into the
12 conflict. Similarly in Macedonia.

13 So what I would say to Vucic is be on the right side of
14 history here. Russia does not have your interests at heart.
15 We do. Russia does not want you to make an independent
16 choice in terms of your international alliances. Russia is
17 willing to drag you into a conflict. We want to give you
18 security.

19 Chairman McCain: And yet the ethnic and historic
20 affinity between Russia and Serbia is also very well known.

21 Mr. Bugajski: Can I add to that?

22 Chairman McCain: Yes, go ahead.

23 Mr. Bugajski: I think that is exaggerated. If you
24 look at history, even recent history, which country broke
25 first with Stalin? It was Yugoslavia. It was Tito. So it

1 was a relatively non-aligned country.

2 Chairman McCain: Good point.

3 Mr. Bugajski: And if you look through history, Russia
4 has manipulated both Serbia and Bulgaria in its policies in
5 the Balkans at different times. Of course, it taps into
6 that historical memory and exaggerates it in order to have
7 influence in both countries.

8 Chairman McCain: Senator Reed?

9 Senator Reed: Thank you very much, Mr. Chairman.

10 Thank you to the panel for excellent testimony.

11 Ms. Samp, you raised an interesting sort of situation
12 where you said a year ago, we would have predicted that or
13 we would not have predicted. So let us look ahead. What is
14 their plan, more or less -- the Russians? What is the
15 vulnerable point that they are trying to exploit right now
16 or points?

17 Ms. Samp: I mean, I wish I knew, sir, where we could
18 expect them to go next precisely. I think what we know for
19 sure is that they will continue what they are doing. They
20 will continue to try to undermine the international order.
21 They want to cut the United States down a notch. They want
22 to break Western unity. So we cannot call shots they do not
23 like or hold them accountable to the rule of law. So what
24 we can say is this kind of destabilizing activity will
25 continue.

1 I think if you look across the map, there is
2 instability in Central Asia. I think the Balkans are a
3 target-rich environment. They already have peacekeepers in
4 Moldova. So I think continued agitation in Ukraine is
5 something that we can expect. It is hard to know exactly
6 precisely because they like to experiment, but the one thing
7 that we do know for sure is that they will continue to sow
8 instability. So we have to better prepare for it.

9 Senator Reed: Mr. Wilson, any specific details you
10 would add?

11 Ms. Samp: In terms of better preparing?

12 Senator Reed: No, no. To Mr. Wilson, are you picking
13 up anything where they are beginning to focus or coalesce on
14 a particular target or targets, or is it just instability
15 everywhere, exploit ad hoc what you can?

16 Mr. Wilson: I do have specific concerns. I think we
17 have seen Russian tactics actually quite savvy in that they
18 know they cannot actually compete head on and they cannot
19 compete against tough targets. So they go for the
20 vulnerable targets, places where they know where our
21 response would be mixed, weak, or the pushback would be
22 ambiguous because they do appreciate they would fail in a
23 head-on confrontation.

24 That raises for me two concerns. One is Belarus. Ms.
25 Samp mentioned the Zapad exercise. This is traditionally

1 the largest exercise in the western military district of
2 Russia. In the past, they have used it to exercise a
3 nuclear strike on Warsaw, for example. My fear right now is
4 given the tenuous relationship between President Lukashenko
5 in Minsk, Belarus and Mr. Putin, that with a major movement
6 of Russian forces on the territory of Belarus as part of
7 Zapad, that perhaps they do not leave or that perhaps they
8 do something that tightens their grip around Belarus,
9 knowing that this is a soft target. This would allow
10 actually Putin to continue to rally the nationalist card at
11 home, demonstrate his greatness, and probably not encounter
12 the wrath of the West in the way that Donbas has turned into
13 a bigger problem for him.

14 Second, I do watch very closely on Moldova. There is
15 an agreement right now between the Moldovans and the
16 Ukrainians to finally try to impose border controls on the
17 eastern flank of Transnistria, the slice of territory where
18 Russian troops are stationed. It is an agreement that the
19 Ukrainians would allow the Moldovan border units to be based
20 on Ukrainian territory since they cannot be on Transnistrian
21 territory. This would be an excellent way to control
22 illicit flows across that border, but it also would put up a
23 greater barrier to Russia's potential freedom of maneuver.
24 And I do not think they would accept that very easily. They
25 were hoping to do that this summer, and I think it could be

1 a flashpoint.

2 Senator Reed: Mr. Bugajski, please. Any comments? I
3 have just a minute.

4 Mr. Bugajski: Thank you. I would reiterate what Damon
5 has said in terms of flashpoints.

6 I would add one more. South Caucasus. Even as we
7 speak, Russia has been moving the border of South Ossetia,
8 which is occupied territory, deeper into Georgia. The
9 danger there is -- I think the objective is eventually to
10 threaten and cut off pipelines and transportation systems
11 between the Caspian Basin and Europe because there is a thin
12 wedge of Georgia through which major energy, gas and oil,
13 resources go through transportation to the coast and then
14 out to Turkey to the Balkans and into Europe. Russia is now
15 within a few hundred yards of capabilities of cutting off
16 this pipeline in the event of conflict.

17 In addition, the conflict over Nagorna-Karabakh between
18 Armenia and Azerbaijan -- that has to be watched extremely
19 carefully. Every so often it flares up. I think the Azeris
20 are coming to a point where they are now extremely
21 frustrated with ever getting these occupied territories
22 back. There seems to be no progress in any agreements. It
23 is a bit like the Minsk process. It is their own Minsk
24 process that is frozen.

25 So these potential flashpoints either Russia engineers

1 or some local conflict mushrooms into a Russian
2 intervention.

3 Senator Reed: Thank you.

4 Thank you, Mr. Chairman.

5 Chairman McCain: Senator Inhofe?

6 Senator Inhofe: Thank you, Mr. Chairman.

7 Mr. Wilson, you touched on this very briefly, and I
8 think my overemphasizing it, which I have been doing
9 admittedly, is not because I am from an oil and gas State,
10 because it seems so obvious to me that what is going right
11 now could have a huge impact on Russia and on everything we
12 have been talking about this morning. General Breedlove,
13 when he was talking to this committee just the other day --
14 he said Russia is very apt to use energy dependence and
15 energy capabilities as one of the tools. And so more
16 available sources I think would help to defuse the tool that
17 they use. We are talking about all the dependency that
18 those countries that we are so concerned with have on Russia
19 because they have the control. Now, to a lesser degree, I
20 guess you could argue that Iran also has exports. But in
21 the case of Russia, 68 percent of their exports are oil and
22 gas.

23 I was very proud of the President the other day when he
24 was in Poland and he drove this home. And for all those
25 people who think maybe he is too cozy with Putin, this

1 statement did not help him any. They should defuse some of
2 that notion. He said we are committed to securing your
3 access to energy so Poland and its neighbors are never again
4 held hostage to a single supplier of energy.

5 So I would like to hear from each one of you how
6 significant you think this is. The ban has lifted. We now
7 no longer have the war on fossil fuels. So I think good
8 things are going to happen. What do you think?

9 Mr. Wilson: Senator, I think it is terrific. I had
10 the opportunity -- I was at the President's speech in
11 Warsaw, and that particular line was received extremely
12 well. Many of our friends in this region remember the two
13 dramatic gas cutoffs that sent literal shivers through their
14 populations, that the Russians have undoubtedly proved that
15 they will use this as a weapon not just as a tool of
16 coercion, which they do on a daily basis.

17 The lifting of the LNG export restrictions was
18 significant both for psychological impact, as well as for a
19 commercial impact. At the end of the day, we do not need to
20 force all of Russian natural resources out of the market.
21 We need Russia to be restricted so that it has to play by
22 the market. And I think this is where it is a fairly
23 significant thing. The beginning of an American LNG
24 shipment had arrived in Poland just in the past 6 weeks.
25 This is the news of the year in Poland.

1 The announcement last month of a breakthrough in
2 negotiating an LNG terminal on Kirk Island in Croatia that
3 would be linked up to Hungary through a small pipeline is
4 the lifeline that Hungary needs itself. So there are two
5 areas where we have real problems, Hungary and Serbia, in
6 large part because the Russians have a stranglehold on both
7 energy supplies and energy distribution.

8 Senator Inhofe: I think others agree with the
9 significance of that.

10 I was actually invited to Lithuania by the President
11 when they were opening their first LNG terminal, and they
12 had other countries coming in who were just elated with
13 that.

14 Mr. Bugajski, when you look at the other aspirants, of
15 course, we saw that Montenegro went through all kinds of
16 coercion. I am kind of thinking now how the fact that they
17 were able to come out ahead on this thing -- what affect do
18 you think this has on the other countries, Bosnia and
19 Macedonia, Kosovo and the others, the fact that they won,
20 Russia lost? What do you think?

21 Mr. Bugajski: There are two things I would say.
22 Montenegro, the fact that it withstood a Russian attempt at
23 overthrowing the government, sends a warning, if you like,
24 to the region that Russia may not be averse to attempting a
25 similar scenario in other countries. So in other words,

1 they are going to be better prepared, hopefully with our
2 assistance, to withstand such an assault.

3 Secondly, I would say the positive results of
4 Montenegro's NATO membership. In other words, remember,
5 this is a country that only recently regained its
6 independence, that many dismissed as being unviable, too
7 small. And now this country is becoming successful. It has
8 entered our security alliance. It is part of our security
9 system.

10 Senator Inhofe: And the others are watching.

11 Mr. Bugajski: The others are watching carefully.
12 There are several countries that would like to join, at
13 least most of Bosnia would. Certainly Kosovo would.
14 Macedonia is desperate for NATO membership, but it is
15 blocked, unfortunately, by this name dispute with Greece.

16 I think we have to refocus attention on the region to
17 see -- and this I think would be the best way to push the
18 Russians back, to try and move these countries as quickly as
19 possible and as effectively as possible into the Alliance
20 because they will contribute. They are very pro-American.
21 They want to contribute to the Alliance.

22 Senator Inhofe: I appreciate that.

23 My time has expired, but one last question to Ms. Samp.
24 You made the comment, quote, the Army combat presence in
25 Europe remains a full brigade strength below what it was in

1 2012 prior to the renewed tensions with Russia. I am
2 wondering what some of our allies over there think because
3 the budget that the President came out with is about the
4 same as we were criticizing, you and I was also prior to
5 this. What kind of effect that might have on our allies
6 over there.

7 Ms. Samp: So U.S. combat force presence in Europe, as
8 you know, has decreased quite dramatically since the end of
9 the Cold War. This was a recognition of a new threat
10 environment, and so it rightfully went down from about
11 35,000 troops in the mid-1980s. We are now at about 62,000
12 troops. The rotational forces that we have added under the
13 European Reassurance Initiative has brought us by about
14 6,000. So for the first time in 25 years, the trend line of
15 combat forces in Europe has begun to tick up.

16 There was a decision made in 2012 that was quite
17 controversial at the time to remove two heavy brigades, two
18 armored brigade combat teams from the European continent,
19 which left us with only two BCTs, one infantry airborne and
20 another striker. So we have no heavy armored forces in
21 Europe at the moment, save for a rotational force added
22 under ERI.

23 At the time the decision was not well received by
24 allies. If U.S. troops are the most physical manifestation
25 of the commitment of the United States, then the removal of

1 those forces did send a message that the U.S. is ready to
2 leave Europe and pivot perhaps to Asia.

3 With a return of forces to the continent, I think the
4 message would be welcomed by allies for one and also be seen
5 by Russia as a symbol of commitment to deterrence. And I
6 think it would increase our leverage in the region.

7 Chairman McCain: Senator Blumenthal?

8 Senator Blumenthal: Thanks, Mr. Chairman.

9 Thank you all for being here today.

10 Earlier this year, Senator Gardner and I introduced a
11 resolution reaffirming the United States' unwavering
12 commitment to NATO. As you well know, questions have been
13 raised, notably in the White House by the President, about
14 that commitment. The resolution is cosponsored by Senators
15 Rubio, McCaskill, Portman, Feinstein, Johnson, Kaine,
16 Shaheen, and Booker, a good bipartisan group.

17 During these times of extraordinary global uncertainty,
18 even as our President is in France as we speak, and
19 increasingly troubling Russian aggression, I believe -- and
20 many of my colleagues do as well -- that we need to reassure
21 our NATO allies that the United States remains strongly
22 committed to this essential alliance.

23 I understand the Ambassador from Montenegro has left
24 and decided, understandably, not to take questions. But I
25 wonder how Montenegro's accession to NATO benefits the

1 Alliance and the United States in particular. If you have
2 comments on that topic, I would appreciate them, to all of
3 the witnesses.

4 Ms. Samp: Thank you for that question.

5 I was firmly in the camp of supporting Montenegro's
6 accession to the Alliance. Not only did I think it added
7 more assets than liabilities in terms of its geography, it
8 plugged an important hole in the NATO map along the
9 Adriatic, which a couple years earlier Russia had tried to
10 exploit and put ships in a port there. Their military
11 forces are small but they do bring niche capabilities. They
12 only have about 2,000 forces. They spend about 1.6 percent
13 on defense. None of this makes them a super star new ally,
14 but it also does not make them the least in any of the
15 categories that NATO ranks allies against. That is one.
16 That is kind of the more, I guess, concrete considerations.

17 Now there are also symbolic considerations, and these I
18 think were even more important in Montenegro's case because
19 it affirmed NATO's open door which, as we just discussed,
20 are important to other aspirants for the Alliance. More
21 importantly, it showed that Russia is not going to have veto
22 power over the decisions of NATO. So I think for both
23 concrete and symbolic reasons, allowing Montenegro into the
24 Alliance made us all stronger.

25 Senator Blumenthal: And by symbolic, I assume you mean

1 moral reasons as well. Here is a people who wants to defend
2 themselves against Russian aggression. We do not care
3 whether it is a small country. We do not care whether it is
4 a large country. We do not care whether it is powerful or
5 not. America believes in defending freedom, and NATO is a
6 means to do it in Europe. And our commitment to NATO is
7 based not just on the strength of specific allies in numbers
8 of troops or tanks or planes, but on their will to defend
9 themselves and their commitment to freedom.

10 Ms. Samp: Exactly. And we gave them a list of things
11 that they needed to do to join this club. They did it.
12 They met their commitments, and we needed to meet ours and,
13 as I said, reinforce NATO's open door, which is a tenet of
14 the Washington Treaty.

15 Senator Blumenthal: I welcome other comments if you
16 have any.

17 Mr. Bugajski: I would add that it also sends a very
18 positive signal to other countries in the region to meet the
19 standards for NATO entry. Remember, entering NATO is not
20 just a question of asking for it. You have to meet certain
21 standards, civil military standards, military organization,
22 and so forth. If Montenegro can do it, then other countries
23 can do it.

24 Also to Serbia it sends a very positive signal. In
25 other words, would you want to be linked with the most

1 modern, sophisticated, effective military organization in
2 the world, or with an increasingly obsolete Russian
3 military? In other words, I know Serbia has been training
4 with NATO, but it has also participated in exercises with
5 Russian and Belarussian forces. They have to be weaned away
6 from that dependency relationship that Russia is trying to
7 create with them, and I think NATO is one of the ways it can
8 be done.

9 Mr. Wilson: I just briefly would add, sir, I think the
10 decision to welcome Montenegro not only sort of projects
11 confidence in our Alliance, but I think it was in part
12 because of some of our ambivalence in the process that the
13 Russians smelled an opening. So I think it is the clarity
14 of our views on this that it actually is part of our
15 preventive defense.

16 It does do some things that are strategically useful,
17 closing the northern littoral of the Mediterranean. This is
18 the last strip of land, which does not sound all that
19 significant to us, and yet that is why the Russians were
20 focused on the potential of Bar Port, potentially as the one
21 place where their fleet could have port call rights. They
22 pressured the government several years ago to give them that
23 and the government turned them down. This was significant
24 for the Russians, and we have taken that off the board.

25 Senator McCain mentioned the role of the Orthodox

1 Church. A country like Montenegro has a deeply
2 sophisticated understanding of how the Orthodox Church is
3 used as an instrument of advancing Russian geopolitical
4 instruments. That is a pretty useful contribution to the
5 Alliance for them to be in that network and to be sharing
6 that type of information. And importantly, I think it is
7 the stabilizing force for the region.

8 Senator Blumenthal: Thank you.

9 Thanks, Mr. Chairman.

10 Chairman McCain: Senator Ernst?

11 Senator Ernst: Thank you, Mr. Chair.

12 Thank you to our witnesses today. This has been a
13 very, very helpful discussion I think not only for the folks
14 here but also those that serve on other various important
15 committees here in the United States Senate as well.

16 As we witness continued Russian influence throughout
17 the Baltics and the Balkans, I am really worried that we are
18 going to see another Crimea-like scenario. And
19 specifically, I am concerned about Russia's activities in
20 Serbia and its impact on Iowa's sister state, Kosovo. In
21 fact, just this March, General Scaparrotti echoed these very
22 same concerns.

23 This is for all of our panelists, please. Can you
24 describe to me how Serbia is attempting to undermine Kosovo
25 and what that means for the stability of the region overall?

1 Mr. Bugajski: Well, to begin with, thank you for the
2 question.

3 To begin with, Serbia does not recognize Kosovo as an
4 independent state.

5 Senator Ernst: Exactly.

6 Mr. Bugajski: Neither do five European Union
7 countries. This is where I think we could be more effective
8 in trying to convince those five countries that do not
9 recognize Kosovo to go ahead and do so. That would complete
10 the picture in European Union.

11 Russia blocks Kosovo's entry into the United Nations
12 and to the OSCE and other international organizations.
13 There has to be pushback on this as well. If we are serious
14 about creating and consolidating a democratic state in
15 Kosovo, I think it has to be a member of all international
16 organizations.

17 Serbia will not recognize Kosovo anytime soon, but
18 there are things that can be done. And quite a few things
19 have been done in recent years to try and normalize
20 relations. But I think ultimately Serbia's entry into the
21 European Union and eventual entry into NATO hinges on
22 recognizing Kosovo as an equal, in other words, as an
23 independent state. And I think, again, we could do more
24 with Vucic to try and persuade him, if not recognition, at
25 least to not allow Russia to use Serbia to put pressure on

1 Kosovo.

2 I will tell you one very interesting thing from the
3 Russian angle. We have this idea that the Russian-Serbian
4 relationship is so close. Do you know that the Russians
5 have threatened Serbia that if you petition to join NATO, we
6 will no longer block Kosovo's entry into the United Nations?
7 In other words, they are using Kosovo as a tool against
8 Serbia. We have to think of creative ways in which we deny
9 them that tool to influence Serbia.

10 Senator Ernst: Very good. Thank you for that input.

11 Yes, Mr. Wilson.

12 Mr. Wilson: I might just add to Mr. Bugajski that we
13 have seen Russian efforts and sometimes Russian through
14 Serbia efforts to delegitimize Kosovo as a state, to block
15 it as it tries to join UNESCO, things like that that have to
16 trappings of state hold. We have seen more disturbingly
17 sort of provocations, this extraordinary Orthodox draped
18 train that sent down to the border over the summer very much
19 as a provocation. And it is true that Belgrade now has sort
20 of extinguished democratic choice among the Serbs in Kosovo,
21 and they really are under control of Belgrade right now.

22 Our task should be to work with the EU to broker this
23 agreement, a more durable agreement, between Serbia and
24 Kosovo to orchestrate our own historic reconciliation with
25 Serbia, recognizing that the story of our NATO alliance as

1 former adversaries coming together as allies. That is the
2 entire narrative of what this process has been.

3 I do think that we could do something further. We have
4 about maybe 700 forces in KFOR at Camp Bondsteel, and
5 oftentimes the -- I remember when I served at NATO, it was
6 always the pressure. Every 6 months, the U.S. Defense
7 Secretary would want to know how can we draw down these
8 forces, how many more troops can come out. I think if we
9 actually just with some clarity said that our presence there
10 is an enduring presence to project stability for the region,
11 capacity building for the region, that Camp Bondsteel
12 remains, it actually would change the mentality of the
13 region not just seeing it limited as a stabilizing force in
14 Kosovo, but as an expression of America's security
15 commitment to the entire region. And I think this would
16 both, strangely enough, reassure Serbia that Kosovo will be
17 under control while also actually providing incentives for
18 Serbia to work with us.

19 Senator Ernst: And I think our Kosovo friends would
20 greatly appreciate that as well.

21 Ms. Samp, as you mentioned, just very briefly in your
22 testimony, Russia has been engaged in a lot of nefarious
23 activities in the gray zone, including propaganda, economic
24 coercion, and political subversion and various types of
25 interference. In your opinion, what should the United

1 States and our NATO allies be doing to discourage the type
2 of activities that we see at the gray zone?

3 Ms. Samp: Thank you for that question.

4 The gray zone is one of our hardest challenges.
5 Obviously, it does not have the Article 5 guarantee that
6 Russia so respects and that keeps Russia's conventional
7 interference in allied territory at bay. We saw them push
8 into the gray zone in Georgia, Ukraine, and in other ways in
9 countries that we are talking about in the Balkans today.

10 So what can we do to help shore up their defenses? A
11 lot of this is going to be things not by the U.S. military,
12 but by the U.S. State Department. It is going to be things
13 that build their resistance, their resilience, increase
14 their media train so that their journalists are able to
15 identify and attribute stories instead of just copying and
16 pasting from RT or Sputnik. It is going to be things that
17 enhance and share lessons learned on cyber defenses. It is
18 going to be doing things that add oversight to their
19 processes to decrease corruption and increase transparency.
20 So I would not say there is a huge role for NATO in the gray
21 zone other than to continue to partner with these countries,
22 continue to build their capacity, their capability, involve
23 them in exercises. I do not see a U.S. troop presence, for
24 example, in gray zone territory, but I think this is going
25 to be a lot of work on the resilience side and through the

1 State Department.

2 Senator Ernst: Thank you. I appreciate it.

3 Thank you, Mr. Chair.

4 Chairman McCain: Senator Heinrich?

5 Senator Heinrich: I am going to take the opportunity
6 here to sort of follow up on Senator Ernst's questions with
7 regard to the gray zone in particular. Have you had a
8 chance, Ms. Samp, to look at any of the authorization
9 language that we recently passed trying to get our hands
10 around better tools for working in that kind of an
11 environment in Eastern Europe and trying to apply some of
12 the lessons learned from other conflicts in the world?

13 Ms. Samp: I was happy to see that the fiscal year 2017
14 NDAA approved the Global Engagement Center. I was less
15 happy to see that its funding was cut at the same time its
16 mandate was expanded. But I know that there have been other
17 efforts.

18 Senator Heinrich: I would love to, in follow-up to
19 this, share some language that we incorporated -- Senator
20 Ernst and I -- in the Emerging Threats Subcommittee to try
21 and wrap our hands around some of these challenges and see
22 what you think of that, really for all of you.

23 I was glad to hear you talk about the importance of our
24 State Department and public diplomacy efforts in this
25 region. You know, a major part of our strategy for Russian

1 malign influence has to be proactive not just reactive, and
2 we certainly need a robust public diplomacy effort and
3 transparency if we are going to be able to combat the kind
4 of propaganda vacuum that they often operate in. In some
5 places, there just is not a counterbalancing communications
6 effort to RT or Sputnik.

7 Can you talk a little bit about the strength and
8 capability of that? And what authorities and, frankly,
9 resources do we lack in terms of that effort? Go ahead, Ms.
10 Samp.

11 Ms. Samp: So I would say our officials who conduct
12 public diplomacy are very skilled. And so when I say that
13 we lack capacity in the region, it is not to in any way
14 impugn --

15 Senator Heinrich: It is not the quality of the
16 individuals.

17 Ms. Samp: -- the quality of the people doing the work.
18 That said, there is not enough of them. It is not
19 coordinated enough. It does not have enough money. Russia
20 spends a billion dollars a year on propaganda efforts. I
21 would say we are also not using every tool that we have
22 available to us. Why are we not using military information
23 support teams in Eastern Europe? Why are we not using that?
24 That is a tool that would allow us to present truthful
25 information to publics that would otherwise be impenetrable

1 to a U.S. message. It does this by veiling attribution.
2 This is not against our values, but it does allow us to
3 press advantages. Why are we not doing that? Why are we
4 not working more with the public sector, with social media,
5 with advertising? Again, as I said, I think if Russia can
6 be creative, then we need to be too, and this is an area
7 where we have not gotten our act together, quite frankly.

8 Senator Heinrich: Mr. Wilson, you listed exposing
9 Russian actions as one of your five -- the list of things
10 that we should be doing aggressively. Can you talk a little
11 bit more about that and how we make that more robust and
12 more assertive and fill that vacuum?

13 Mr. Wilson: Certainly. Let me pick up on that last
14 word, the "vacuum." I actually think the gray zone, as you
15 call it, is one of the most important parts of where this
16 will play out because it is where Russia sees its buffer.
17 It is where Russia intentionally sows chaos and insecurity.
18 From our interests, if these countries not just survive but
19 if they thrive, this is an existential challenge to the
20 model of corrupt authoritarianism. And therefore, Mr. Putin
21 sees their success as something that actually painfully
22 knocks on his door close to home.

23 That is why I think part of our strategy, yes, is to
24 expose. And Ukrainian journalists are actually at the
25 forefront of actually understanding how to manage this now.

1 We can learn from them.

2 But I think more importantly the people in the region
3 understand that their future is uncertain, that Brussels and
4 Washington are not quite certain what to do about it. I
5 think the best thing we could do to fill the vacuum is to
6 actually have clarity that our goal ultimately is to
7 eliminate the uncertainty of where these countries lie, that
8 they are not going to be in some gray zone between East and
9 West. They have an opportunity to gain a rightful place as
10 part of the free world, if you will, and thereby a concerted
11 joint NATO-U.S.-EU strategy that is focused on growing their
12 economies, strengthening their defense capacities and their
13 militaries, and helping to create Europe on their ground,
14 visa-free travel, independent media, this I think is part of
15 the broader strategy if they could see a coordinated effort
16 out of Washington, Brussels, Berlin that was committed to
17 operationalizing the fact that they have a future option in
18 the free world if they can get it right at home.

19 Senator Heinrich: I am out of time, but just a real
20 quick yes or no. Is it a problem that we seem to be sending
21 all of our allies mixed messages, that we undermine
22 transparency, and we are creating overtures -- the President
23 to Vladimir Putin -- at the same time as we are saying, hey,
24 we are going to be with you, you can rely on us?

25 Mr. Wilson: I think it is a problem.

1 Mr. Bugajski: I would say there is a lot of confusion
2 in Europe what is going on.

3 Ms. Samp: It only helps Putin.

4 Chairman McCain: Senator Sullivan?

5 Senator Sullivan: Thank you, Mr. Chairman.

6 And I appreciate the witnesses' testimony here on a
7 very important topic.

8 I wanted to go back to the issue Senator Inhofe raised
9 on energy, and being from an energy-producing State like he
10 is, I think we are just scratching the surface on finally
11 realizing how important this instrument of U.S. power can be
12 to bolster our allies and push back on the Russians, to be
13 perfectly honest.

14 Mr. Wilson, you and I worked in the Bush administration
15 on an important energy project, the southern corridor
16 pipeline, or the B-T-C pipeline that a lot of people know it
17 by, Baku-Tblisi-Ceyhan, that is a dual oil and gas pipeline
18 from the Caspian Sea out into the Mediterranean into
19 southern Europe. When we worked on that, the Russians
20 certainly were not supportive of that initiative. Were
21 they?

22 Mr. Wilson: Dramatically opposed.

23 Senator Sullivan: Yes, and that was U.S. diplomacy and
24 leadership that drove that very important southern corridor
25 strategy.

1 We passed, and I was a big supporter recently of the
2 Iran and Russia sanctions bill. There are elements of that,
3 though -- it is now becoming apparent -- that could possibly
4 undermine the completion of that southern corridor pipeline,
5 particularly on the gas side. Are you aware of that at all?

6 Mr. Wilson: In the legislation or --

7 Senator Sullivan: Yes, in the legislation.

8 Mr. Wilson: I do not know the details of that.

9 Senator Sullivan: We can get that to you. I would
10 welcome the panel's opinion. There might be an opportunity
11 to tweak some of the legislation on the House side or in the
12 conference to make sure that we are not undermining actually
13 one of the big geostrategic plays that we undertook against
14 Russia, which was to help those countries to develop that
15 southern corridor. Would you be supportive of that if we
16 were somehow inadvertently undermining actually a very good
17 energy strategy that we have been undertaking?

18 By the way, the Clinton administration, then the Bush
19 administration, and even the Obama administration were all
20 supporters of the southern corridor pipeline.

21 Mr. Wilson: I think we have yet to fully maximize our
22 harnessing of America's energy strength. You cited the
23 example of Baku-Tbilisi-Ceyhan, which was a huge strategic
24 and commercial success. We have not had the win that we
25 need still in finishing the southern corridor effort, and it

1 is in part -- I think as Senator Inhofe mentioned, adding
2 LNG exports into the mix is useful. But there are still
3 real challenges in the pipeline structure, particularly when
4 it comes to the Western Balkans, Serbia, Hungary in
5 particular. And I think this is an area where in the
6 absence of a combined, concerted diplomatic effort that is
7 based in the commerciality, it is really hard to get these
8 done. And at the same time, we have undermined our own
9 interests and efforts because Nordstream 1, Nordstream 2
10 have really helped drain -- negatively impacted some of the
11 economics that would be required to get this right.

12 Senator Sullivan: Let me turn to the issue of allies
13 that I think most members of the committee here are focused
14 on. Would you agree that one of the most important
15 strategic advantages that we have as a country globally, but
16 particularly in Europe, is that the United States is an
17 ally-rich nation and our adversaries and potential
18 adversaries like Russia are ally-poor?

19 Mr. Wilson: I think this is sometimes something that
20 we do not fully as a Nation appreciate, the historically
21 unique asset we have in a global network of alliances of
22 countries that will stand with us, go into the fight with
23 us, and that this is a huge force multiplying effect for our
24 influence and our power in the world.

25 Senator Sullivan: And is it not also true that we --

1 do you not believe that we should be looking to deepen those
2 alliances and expand them particularly when it is very clear
3 that Russia's -- one of their top strategic goals, as was
4 pointed out in testimony, is to undermine and split our
5 alliances?

6 Mr. Wilson: I think that is right. I mean, nations
7 around the world understand that Russia's strong
8 relationships are often based on coercion and intimidation.
9 And that is not how we operate. So I think the value that
10 these alliances represent for us means that we actually have
11 to invest in them -- they do not work without our leadership
12 -- and look for opportunities to actually be able to welcome
13 others into those camps.

14 Senator Sullivan: Let me just pose one final question
15 to the entire panel on this issue of allies. You know, a
16 number of us, myself included, had some concerns about when
17 President Trump was a candidate talking about alliances, he
18 did not seem to understand the importance, and a number of
19 us had concerns about maybe the Trump administration was not
20 focusing enough on our alliances. This is in addition to
21 the Obama administration. Some of you might remember the
22 "Atlantic" piece last year entitled "The Obama Doctrine,"
23 and if you read it, it essentially was President Obama
24 openly being dismissive of most of the leaders of our key
25 allies. It certainly was not an ally-building exercise as

1 well.

2 What more can the Trump administration or the Members
3 of Congress be doing to enable us to deepen and expand our
4 alliances, which clearly would help advance the national
5 security interests of the United States?

6 Ms. Samp: Thank you for that question.

7 I think it is incredibly important that we strengthen
8 our alliances. Our alliances are our greatest foreign
9 policy advantage. Period. Full stop. It is what other
10 authoritarian states look at and say I want that. Can I
11 have that? There is no magnetism. As Damon said, Russia's
12 alliances are built off of coercion. So we need to protect
13 them. The way that we can do that -- Damon also mentioned
14 U.S. leadership -- is incredibly important in NATO. NATO
15 does not work without U.S. leadership. Deterrence does not
16 work without U.S. leadership. And so attending meetings,
17 holding back maybe when you would like to criticize aloud,
18 and keeping things inside a room, I think these all are
19 important signals. Right? It is optics but it is important
20 when you are talking about alliance because you are not just
21 sending messages to friends. You are sending messages to
22 adversaries about the U.S. commitment.

23 As you know, credible deterrence is built off of two
24 things: capability and intent. Putin has to believe that
25 we not only have the power to defend our alliances, but that

1 we have the will and intent to defend our alliances. The
2 statements that I have seen so far I think undermine that
3 deterrence.

4 Mr. Bugajski: If I could add, I think this
5 administration has actually quite a strong national security
6 team. The next step, though, would be for that national
7 security team to devise a strong national security doctrine,
8 which includes the purpose and capabilities of the NATO
9 alliance. And I think deeds are more important than words
10 as well. In other words, this enhanced forward presence
11 that we are now building in the Baltic states, in Poland,
12 extremely important, started late, unfortunately, but at
13 least started under Obama. It is important that this
14 administration, Trump administration, is reinforcing and
15 continuing with that.

16 But I think we need to look at other factors. Look at
17 our allies, particularly those most vulnerable along the
18 eastern flank and ask them what is it that you need. Air
19 defense, missile defense, territorial defense? We can help
20 you in all this. So I think deed, as well as word, is
21 essential.

22 Mr. Wilson: I would just add I think it is absolutely
23 right to keep the pressure on our allies to do more in terms
24 of defense investment, as has been a consistent bipartisan
25 policy and certainly from this body. But I also think there

1 is a difference in understanding that our alliances, our
2 relationships are not just transactional with them. These
3 are long-term relationships. In fact, we have permanent
4 alliances. And understanding the value of consulting them
5 on big decisions and recognizing that a third of the forces,
6 for example, in Afghanistan are provided by our allies.
7 They are in the fight with us. These are not transactional
8 relationships alone.

9 I also think the more that this body can help actually
10 make the case to your constituents as well about how
11 alliances are force multipliers for our interests and our
12 values and not just a taxpayer burden, I think it is an
13 important message to take to the American people as well.

14 Senator Sullivan: Thank you. Very helpful.

15 Thank you, Mr. Chairman.

16 Chairman McCain: Senator King?

17 Senator King: Thank you, Mr. Chairman.

18 First, we all on this side of the dais are often prone
19 to bragging about our own States, but in this case, I cannot
20 fail to mention that a lot of the preparation for
21 Montenegro's accession to NATO on the military and security
22 side came through the partnership with the Maine National
23 Guard. We have been working with Montenegro since 2006, and
24 I am extremely proud of the work that our men and women have
25 done in order to facilitate a very important geopolitical

1 development. So I wanted to preface my remarks with a real
2 recognition of the work that was done by those good people
3 from Maine.

4 I have often thought that if you woke up somebody in
5 1780 in England and said when are you living, very few would
6 have said, oh, the industrial revolution, or an Italian in
7 1500, oh, the renaissance, of course. In other words, we
8 are not really aware of the era in which we live.

9 But listening to you today has helped me to focus my
10 thinking. I think we are in a new era of conflict. We talk
11 about the Cold War. We talk about hot war. We are in a
12 warm war with Russia that involves everything from cyber to
13 disinformation to political disruption to coup attempts and
14 military invasion in the Ukraine, for example. And I think
15 that is a very important insight that we cannot just act
16 like this is a continuation of what has gone on for the past
17 10 years or 20 years or 50 years.

18 The second piece of that recognition -- and this goes
19 to your testimony -- Mr. Wilson, you had a chilling
20 observation I wrote down. The Kremlin has drawn its own
21 lessons from the muted response of the free world. We are
22 not treating this with the seriousness that it deserves.

23 Mr. Bugajski, would you comment on those thoughts?

24 Mr. Bugajski: Absolutely. The Kremlin knows that it
25 cannot confront this directly. So it uses every available,

1 if you like, soft power tool to conduct a campaign of
2 subversion to divide and eventually dismantle the West. And
3 I actually put this in my --

4 Senator King: This is an active strategy.

5 Mr. Bugajski: Active strategy from the very top around
6 the presidential administration. There is a strategy. We
7 often heard that Putin is an opportunist. He uses
8 opportunities to conduct his strategy, but there is a
9 strategy. There is a purpose. There is an ambition. It
10 does not necessarily mean Russia will be successful. In
11 fact, many times, as we have seen in Montenegro, it has had
12 the reverse effect.

13 Senator King: But they will be if we do not respond.

14 Mr. Bugajski: We have to respond. We have to respond.
15 We have to not only push back, I would say even further we
16 have to go more on the offensive vis-a-vis Russia, not
17 militarily but in the soft power tools. Where they use
18 disinformation, we should use counter-disinformation, in
19 other words, to inform the Russian public more accurately
20 what the Russian Government is not telling them.

21 Senator King: Well, in 1999, we dismantled USIA, for
22 example, a terrible geopolitical mistake in my opinion.

23 Mr. Bugajski: Absolutely. I think VOA, RFE, any other
24 tool of information that we have either at our disposal or
25 that we fund I think we should be helping. And throughout

1 the countries that are most vulnerable, we should be
2 strengthening their institutions. And one of the main
3 institutions is a free media. Also the social media. We
4 have not touched on this, but the social media -- there are
5 initiatives in different parts of central eastern Europe,
6 for example, the elves in Lithuania that are fighting the
7 trolls on the Internet to get accurate information across.
8 This is something we should be focusing on. We actually
9 could learn quite a bit from the Central Europeans that are,
10 let us say, the most vulnerable countries on the border of
11 Russia.

12 Senator King: I have always thought it was ironic that
13 we seem to be losing the information war, and we are the
14 people that invented Facebook and Hollywood.

15 Mr. Bugajski: Precisely because they have subverted
16 that and used it for their purposes. You know, these
17 instruments are neutral. It depends on how they are used.
18 We assume they will be used for the right purposes, that
19 people would be smarter and get more intelligent. That is
20 not necessarily the case.

21 Senator King: In a few seconds, I want to go to a much
22 more specific question. Mr. Wilson, we have been talking a
23 lot about gas and energy as a geopolitical -- "weapon" is
24 not the right word, but a geopolitical force. The
25 difference is, though -- and I wanted to ask you in more

1 detail and maybe you can get back to me on the record. The
2 differential between the price of pipeline-delivered gas and
3 LNG -- there is a \$3 to \$4 premium on LNG, to liquefy, ship,
4 and de-liquefy. And my question is can the Russians counter
5 the LNG threat, if you will, simply by lowering the price of
6 their pipeline-delivered gas, which currently in the U.S. --
7 Henry Hub I think is about 3 bucks. So a brief answer if
8 you would on that question. In other words, is LNG the
9 weapon we think -- I hate to use the word "weapon" -- the
10 force that we think it might be because of the price
11 differential delivered to the customer?

12 Mr. Wilson: Right. It does have an impact. I have
13 just come back from Hungary, which is a particular challenge
14 with this. What LNG has done in the region, both
15 psychological -- American LNG is in the game -- and
16 commercial -- Gazprom has already said in Hungary we will
17 sell \$1 cheaper than any offer you get in LNG through Kirk
18 Island terminal --

19 Senator King: Which they can do because they do not
20 have to pay the shipping.

21 Mr. Wilson: But that still has a real concrete effect
22 of introducing market economics into pricing. And frankly,
23 if they are taking Russian gas, but they have an option of
24 others, if the Russians are forced to play into the market,
25 that is where we win, and that is the problem we have right

1 now.

2 Senator King: And people are willing to make those
3 pretty substantial capital investments for LNG liquification
4 and de-liquification.

5 Mr. Wilson: I would say it is not a simple answer. It
6 took far, far too long to build the first LNG terminal to
7 get this Kirk Island pipeline going. So it is not clean
8 cut. This is partly why we have been focused on these
9 infrastructure connections running north-south through
10 Central and Eastern Europe because the Soviets built
11 everything west-east, and the EU structural fund started to
12 do east-west. There are these major gaps in the energy
13 corridors running north-south through the eastern flank of
14 our Alliance, and that is a problem here.

15 Senator King: Thank you.

16 Mr. Chairman, thank you, and I thank you for your
17 holding this hearing. I think this is a very, very
18 important hearing.

19 Chairman McCain: Senator Wicker?

20 Senator Wicker: And I too agree. This is a profoundly
21 important hearing, and I want to thank the chairman and
22 ranking member for scheduling it, for taking the time to
23 make sure it was thorough.

24 This was a scandalous, outrageous act on the part of
25 Vladimir Putin's Russia. And the fact that it largely went

1 under the radar screen here in the West is indicative of a
2 lot of things about our foreign policy.

3 Let me just make an observation or two and then perhaps
4 you can comment.

5 I happen to be chairman of the Helsinki Commission.
6 That is the American participation in the OSCE Parliamentary
7 Assembly. We just got back from Minsk, Belarus with a
8 delegation of 11 House and Senate Members, Republicans and
9 Democrats. And of course, we in the Parliamentary Assembly
10 are part of the larger diplomatic OSCE organization which
11 only day before yesterday now has a complete diplomatic
12 corps of leadership at the four top positions.

13 If any of you want to comment about the value of OSCE,
14 feel free to do so.

15 The military exercise in Belarus was mentioned by one
16 of you. I was told by President Lukashenko that this would
17 be about 15,000 military personnel. One of you, I think,
18 speculated 100,000 personnel. I was also told in no
19 uncertain terms by President Lukashenko that Americans were
20 welcomed as observers, and I have not yet gotten that back
21 to the administration, but at least from the President, we
22 are welcomed as observers. What is the significance and
23 what do we need to worry about about this military exercise
24 in Belarus?

25 And then maybe I can start by recognizing Mr. Wilson

1 because, Mr. Wilson, you talked about the five-part
2 strategy, one of which was exposing Russian actions. And I
3 think someone today said let us not counter their
4 disinformation with our version of disinformation. I do not
5 think we do very well in public diplomacy in the United
6 States, and part of that is that we resist propaganda. But
7 there is a lot to be said for letting the light shine on
8 what is happening. And so if any of you could comment about
9 a better way of thinking of how our government can let the
10 light of day shine internationally on what is coming out of
11 Putin's Russia. So I will start with you, Mr. Wilson.

12 Mr. Wilson: Thank you, Senator.

13 Let me connect your last point to your opening with the
14 Helsinki Commission. And thank you. Kudos for the Helsinki
15 Commission. It plays an extraordinarily important role on
16 many of the key issues.

17 There is a connection to the information propaganda
18 issue. And sometimes I think we lose the information war
19 not because we do not have enough assets or better public
20 diplomacy offers. It is because we have lost the clarity of
21 what our purpose is and to be able to have a unity of
22 message coming from leaders across Europe, the United
23 States.

24 What we have witnessed over the past years is the
25 advance of authoritarian kleptocracy on the one hand and

1 radical extremism out of ISIS on the other in a way that has
2 come to challenge the sense of the free world. And we have
3 had a rough patch. We have had economic troubles. We have
4 had long wars. And there are reasons that our populations
5 have been rambunctious, if you will. But the power of the
6 free world is that we can rejuvenate ourselves. We are
7 self-correcting.

8 And I think the key to the information war is not the
9 next budget cycle, although that is not insignificant. It
10 is can we find the clarity of voice across the Atlantic on
11 the purpose of how to actually adapt -- yes, adapt --
12 revitalize and defend the free world, and that this
13 onslaught of authoritarian kleptocracy or radical extremism
14 -- that is not the future. And I think uniformity in that
15 messaging would actually go far more effective in helping us
16 to get the propaganda wars right because we do not fight
17 propaganda with propaganda. We fight it with who we are and
18 what our purpose is, which is why the Helsinki Commission
19 values matter.

20 Just very briefly on Zapad, the observer offer is
21 significant because, as far as I am aware of, the Russians
22 always turn us down for observers at some of these. So that
23 would be significant to take President Lukashenko up on his
24 offer.

25 The exercise itself is concerning because it is a tool

1 of intimidation of its neighbors. It is a real exercising
2 of massive troop movements to demonstrate the utility and
3 potential for them to use their military modernization
4 program. And frankly, I worry about what this means for
5 Belarus' own sovereignty.

6 Chairman McCain: Senator Shaheen?

7 Senator Shaheen: Thank you, Mr. Chairman.

8 And let me join my colleagues in thanking you and
9 Ranking Member Reed for holding this hearing. I think it is
10 very important that we continue to, as the Senate Armed
11 Services Committee, raise the concerns about what is
12 happening in the Balkans and Russia's intent in going after
13 Western democracies.

14 Ms. Samp, I want to go back to something I understand
15 you said while I was out at another hearing, and that is
16 that credible deterrence is a combination of capabilities
17 and intent and that we have to wary of how we are signaling
18 intent to friends and adversaries.

19 It is my understanding that shortly after Russian
20 Foreign Minister Lavrov threatened that we must return the
21 two dachas that were seized back in December as the result
22 of Russian interference in our elections, that the State
23 Department rescheduled a meeting that had been pulled down
24 between Deputy Secretary Shannon and Deputy Foreign Minister
25 Ryabkov. And one of the reasons that meeting had been

1 pulled down in St. Petersburg was because of our seizure of
2 the dachas and our, so far, unwillingness to give those back
3 to Russia.

4 Can you talk about what it suggests that we have now
5 suddenly rescheduled this meeting shortly after Russian
6 Foreign Secretary Lavrov threatened us around those two
7 dachas?

8 Ms. Samp: Yes, I would be happy to because I can tell
9 you it does not send a good signal, a strong signal to
10 Russia that we are going to be doing what it takes to push
11 back against their aggression. And quite frankly, it only
12 emboldens them to further action.

13 The seizure of those two facilities were part of the
14 U.S. response in the wake of Russia's interference in our
15 elections. This was something undertaken by President Obama
16 in 2016, along with the imposition of additional sanctions.
17 So overturning those decisions I think sends a message that
18 we are going to let Russia get away with it, that we want to
19 move on, and that we are not going to stand up in any real
20 way or push back. And I think that is absolutely the wrong
21 signal to be sending at the worst possible time.

22 Senator Shaheen: I certainly agree with that. Can I
23 ask, Mr. Wilson, do you share that view?

24 Mr. Wilson: I do. I think the Russians have come to
25 have an expectation that through American political

1 transitions, they can gain some leverage. Water under the
2 bridge, new team. And we have seen this, frankly, through
3 the past three transitions. I can think of very specific
4 examples where the Russians have leveraged this. They will
5 respect our coming to the table in a position of confidence
6 and strength, and I think that is what we need to take to
7 the table with the Russians.

8 Senator Shaheen: Mr. Bugajski, do you also agree?

9 Mr. Bugajski: I agree, and I would like to put in a
10 broader context. I think the Russians increasingly see us
11 as a soft target, not forcefully enough, not resilient
12 enough to Russian pressure not only overseas but maybe even
13 here. And they are exploiting our own divisions, our
14 political polarization, access to our media, let us say,
15 financial greed and political ambition. This is exactly
16 what they exploit in Western democracies, and it has come
17 here now. And it is time to act. It is time to push back.

18 Senator Shaheen: Thank you.

19 You all have talked about the various hybrid tools that
20 Russia uses, whether it is disinformation, cyber, illicit
21 financing, the various tools that they have been using. In
22 your opinion, which of those tools is the most difficult for
23 us to respond to, and can you describe any areas where we
24 have been successful? And I would throw that out to any of
25 you to respond or all of you.

1 Ms. Samp: I want to highlight the propaganda issue not
2 because we have not already spoken about it but because I do
3 think it is a serious challenge. The lack of objective
4 truth in our society is a serious challenge. And it makes
5 it easier for Russia to be able to manipulate the narrative.
6 If we are not even speaking with one voice inside the U.S.
7 Government, how much more difficult does it make it for the
8 American people to understand how they should be thinking
9 about and looking at Russia. So I think this discontinuity
10 in the message, the lack of objective truth, and Russia's
11 preying upon that weakness in our society with propaganda,
12 disinformation, and influence operations is one of the
13 harder challenges we face.

14 I think going back to our strengths, of course, this is
15 nothing that we do not have the tools to address. It is
16 whether or not we have the will to address it. Our allies,
17 our institutions, we have the strongest military in the
18 world. We have the strongest economy in the world. We
19 should not be falling victim to these sorts of tactics, and
20 I think if we really leverage the advantages that we have
21 and harness them in a single direction instead of multiple
22 directions, that would help us to be able to manage the
23 Russia challenge.

24 Senator Shaheen: Thank you.

25 I am actually out of time, but I could not agree more

1 that disinformation is I think the biggest challenge we
2 face. Actually, Mr. Wilson, I would argue that the Atlantic
3 Council needs to do its Open Source summit in the United
4 States.

5 Senator Reed [presiding]: Thank you.

6 On behalf of Chairman McCain, Senator Perdue, please.

7 Senator Perdue: Thank you, Chair.

8 And I just want to thank the witnesses today for their
9 careers of work in this area. This is a really important
10 area right now and we need help.

11 Mr. Bugajski, you have written about these frozen
12 conflicts in Eastern Europe. We have seen Russia ignore
13 territorial sovereignty, occupy land in Moldova, eastern
14 Ukraine, Crimea, Georgia. It has been 9 years since Russian
15 troops invaded Georgia, and they have created a frozen
16 conflict. I never heard of that before coming to the
17 Senate. But this is outrageous.

18 I would like all of you to comment on this question.
19 We have seen Russia from Murmansk to -- Kaliningrad right
20 now is bristling. It is a bristling military enclave. We
21 have seen them in Sebastapol have access to warm waters and
22 now in Latakia and Tortus in Syria build permanent
23 installations circling Eastern Europe. I mean, it looks to
24 me like -- from a tactical standpoint it is pretty obvious
25 what they are doing.

1 My questions, though, are very specific about these
2 frozen conflicts. What is NATO doing? What are we doing?
3 What should we be doing to make sure that the Georgia
4 conflict does not remain frozen and that the Ukraine/Crimea
5 conflict does not become a frozen conflict?

6 Mr. Bugajski: Excellent question. Thank you, Senator.

7 I would say this. We need to understand what Russia is
8 up to with these so-called frozen conflicts, or unresolved
9 conflicts. The idea is to freeze the state within which the
10 conflict is taking place. And we see this clearly in the
11 case of Ukraine and Georgia to prevent these countries from
12 moving into NATO; in the Moldovan case, to prevent Moldova
13 from moving into the European Union; in the case of Nagorno-
14 Karabakh, keeping both Azerbaijan and Armenia dependent on
15 Russia to try and resolve the conflict. We can be more
16 active in some of the -- particularly I would say in Georgia
17 and between Armenia and Azerbaijan. In the case of Ukraine,
18 I would say it is very important for the Ukrainian
19 Government to be able to prevent Russia from expanding its
20 territorial hold on Ukraine and using the frozen conflict as
21 a tool of pressure to prevent Ukraine from moving into
22 Western institutions.

23 Senator Perdue: I am sorry. Should the U.S. arm the
24 Ukraine with offensive weapons?

25 Mr. Bugajski: Absolutely. I would give them any

1 weapons they want. In a way, you could say Ukraine is a
2 test for our resolve in stopping Putin. If Putin is
3 successful in Ukraine, can you imagine the ambition that
4 will be raised? If he is stopped in Ukraine, that will not
5 only stop him from meddling in other countries, but could
6 have a blowback inside Russia as well.

7 Ms. Samp: I would just add that I think Putin has
8 already been successful in Ukraine. I do not think his
9 intention was ever to take Kiev. I think it was to
10 destabilize just enough to make Ukraine an unattractive
11 partner for NATO and for the West. How do we support these
12 governments? I support arming them not quite to giving them
13 any weapon they would want, but they do need lethal
14 assistance.

15 A bigger challenge, though, is making sure the part of
16 the country that has not fallen under Russian control
17 continues to integrate with the West, continues on its path
18 of anti-corruption and transparency measures to be the best
19 model of governance it can be so that the part of the
20 country that is inside of a frozen conflict sort of falls
21 under the weight of its own corruption and problems and
22 challenges. And now you have sort of the other half --
23 three-fourths of a country that is successful and that
24 creates its own magnetism and draw.

25 And then finally, the most probably important piece of

1 the equation is patience. None of these frozen conflicts
2 are going to be resolved in the near future. But having a
3 clear non-recognition policy which is tied up in our
4 sanctions I think is important. We had a non-recognition
5 policy with the Baltic states for 50 years, and that was
6 very important to their prospects for one day integrating
7 with the West.

8 Senator Perdue: Thank you.

9 Mr. Wilson?

10 Mr. Wilson: Thank you, Senator. I would just add that
11 the frozen conflicts are a means for the Russians to take
12 out a long-term insurance policy that these countries will
13 never be able to join NATO or the EU because they have been
14 occupied. This is their objective. They do not need to
15 depend on the word or commitment of one political leader
16 that may come or go with an election. It is their insurance
17 policy.

18 The status quo in these endless negotiations, five plus
19 two for Transnistria, the Geneva process in Georgia, Minsk
20 with Ukraine -- suit the Russian interests and get us
21 trapped in a kabuki game. And many of our allies are quite
22 pleased to have a process at least ongoing, but I actually
23 do not think they serve our interests. So I think we need
24 to change the equation. In part, we told the Russians or
25 the Russians read our own doctrines that say if there is

1 occupied territory in a country, it cannot join our
2 Alliance. That is in NATO study in 1996 as we were
3 beginning our enlargement process to incentivize nations,
4 essentially Europe, to resolve their borders. It made sense
5 at that time.

6 I think we should be a little bit more brazen and
7 change that and say Russian occupation will not stand as a
8 permanent block on nations joining the EU and NATO even if
9 that means the jurisdiction of the EU or NATO may not apply
10 to those territories. Simply the rhetorical switch of that
11 is how you begin to change Russia's calculations.

12 And I do agree with my colleagues on I think it is
13 important that we give them the strength of a porcupine
14 defense and help arm them in a way that it makes the costs
15 too high for the Russians to invade.

16 Senator Perdue: Thank you all.

17 Thank you, Chair.

18 Senator Reed: Thank you, Senator.

19 Senator Peters, please, on behalf of the chairman.

20 Senator Peters: Thank you, Senator Reed.

21 And thank you to each of our panelists today for some
22 excellent testimony, very thought-provoking testimony.

23 I serve as the co-chair of the Senate Albanian Issues
24 Caucus with my colleague Senator Ernst, who you heard from
25 earlier. I am certainly very proud to represent a very

1 dynamic, very active Albanian American community in
2 Michigan, many of which have very strong roots to
3 Montenegro. So I am sure they are watching and following
4 the discussion here today. But they also have roots in
5 Kosovo and in Macedonia as well. And I know Senator Ernst
6 brought up the issue of Kosovo. So I would like to talk a
7 little bit about what we are seeing in Macedonia.

8 Mr. Bugajski, you suggested in your opening statement
9 the clashes between Albanians and Macedonians may be
10 engineered by Moscow as part of its efforts to destabilize
11 the region, as we have been discussing today, test NATO
12 resolve, which is a huge issue, and distract attention from
13 their other interventions.

14 I understand that ethnic Albanians in Macedonia have
15 been frustrated with government policy and political
16 polarization and are demanding greater rights for their
17 community in Macedonia. In turn, Macedonian politics has
18 been increasingly disruptive, and there is a growing
19 nationalist movement as well that threatens to fracture the
20 society and perhaps weaken government structures.

21 If you could provide some more context to us on the
22 tensions between Albanians and Macedonians, the current
23 level of severity of that tension, and expand on possible
24 Russian involvement fostering that.

25 Mr. Bugajski: Thank you very much, Senator.

1 Macedonia is stuck because of its name dispute with
2 Greece. A country that has actually qualified for NATO
3 cannot make any progress because of the fact that it cannot
4 resolve that name dispute. That is having an effect on
5 internal politics and inter-ethnic relations in Macedonia
6 because, as you know from your constituents, Albanians,
7 being probably some of the most pro-American and pro-NATO
8 populations anywhere in Europe, would like to follow Albania
9 in pulling Macedonia into NATO as well.

10 The longer that conflict continues, that standoff
11 continues, the more that nationalists will exploit them. We
12 saw this during the previous administration that nationalism
13 was manipulated in an international but also a domestic
14 context.

15 Macedonia now has a new chance. It has a new
16 government. It is a coalition government with an Albanian
17 partner. I think it is very important -- and I know Vice
18 President Pence has talked to Zaev -- for the United States
19 to become more closely involved in resolving this name
20 dispute, or at least getting Macedonia into NATO even if
21 that dispute is not finally resolved. That would help to if
22 not settle at least to pacify any possibilities for inter-
23 ethnic conflicts within Macedonia.

24 Senator Peters: You mentioned the strong relationship
25 between Albania and the United States. Do you want to

1 elaborate on how important our relationship with Albania is
2 to securing that region?

3 Mr. Bugajski: Albania is one of the key countries in
4 the region. Let us say it is still a developing democracy.
5 It is a NATO member. It contributes to security. It is
6 very pro-American. It sends a very positive message to
7 other Albanian communities in terms of their Western and
8 NATO aspirations.

9 The problems, of course, they have internally are
10 problems common to many Balkan states, lack of judicial
11 reform, corruption, poor governance in some places. Again,
12 these are areas where we have to, let us say, not cut our
13 funding but help them to achieve the standards of other
14 European countries, not only in Albania but elsewhere. And
15 as I said earlier, there is not a more pro-American
16 population -- maybe in Kosovo. But we had a strong role in
17 helping to create -- President Berisha, as you know, in
18 creating the first Albania and several recent presidents in
19 creating -- consolidating Kosovo as a state. And they
20 remember that and they will always remember that.

21 The Albanian population, I would say, in the Balkans is
22 one of the key factors that we need to keep our eye on and
23 to make sure that any kind of program for greater Albania is
24 resisted, but the Albanians are integrated and empowered in
25 each of the countries that should be part of NATO,

1 including, as we have said, Macedonia and Montenegro, which
2 has already entered.

3 Senator Peters: Well, thank you.

4 I am running out of time. So I am not going to have an
5 opportunity to get an answer to this question, but I will
6 submit it to you and hopefully we will hear back.

7 I just recently returned from a trip to Latvia and
8 Lithuania, folks who have been dealing with miscommunication
9 and propaganda from Russian media. In fact, when I was
10 there at the NATO STRATCOM, they showed me a Facebook post
11 that the Russians were sending around the country that the
12 Americans had apparently bombed a building in Latvia. It
13 had pictures of a burning building, but of course, did not
14 exist, but nevertheless, was being used to create anti-
15 American tensions.

16 I know, however, that the Baltic states have also been
17 pretty effective in pushing back against some of that
18 misinformation. I met with a group of journalists who are
19 working actively to get folks to question what they see and
20 what they hear.

21 But I would certainly love to have each of your
22 assessments as to lessons learned in the Baltics that may
23 apply to us broadly. We are out of time, but would hope
24 that you could respond in written form to me. I appreciate
25 it. Thank you.

1 [The information referred to follows:]
2 [COMMITTEE INSERT]
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 Senator Reed: Thank you, Senator Peters.

2 On behalf of the chairman, Senator Warren.

3 Senator Warren: Thank you, Mr. Chairman.

4 And I want to thank you all for your work for many
5 decades.

6 It looks like I am in final position here. So I just
7 want to start by summarizing where I think we are from this.
8 Russia is actively working to destabilize countries along
9 its borders and to undermine European Union and NATO. And
10 they are doing it through indirect tactics like enabling
11 separatist forces and disseminating propaganda and fake
12 news, as well as launching cyberattacks against the American
13 electoral system and others in Europe.

14 Now, all of you have said this requires a strong
15 response. And last month, the Senate tried to do something
16 about it by passing a bill that both expands sanctions and
17 ensures enforcement of existing sanctions against Russia. I
18 know you touched on this in your testimony, but I just want
19 to draw a line under it because I think it is so important
20 right now.

21 Ms. Samp and Mr. Wilson, would these new Russia
22 sanctions passed by the Senate be helpful or harmful in
23 responding to Russian aggression? Ms. Samp?

24 Ms. Samp: Thank you.

25 I think they would be extremely helpful. We have to do

1 more to change Russia's risk calculus. We are all saying
2 the same thing here, Democrats and Republicans alike.
3 Ultimately, this comes down to how serious do we want to be
4 about Russia's interference in our election? If this was a
5 fundamental assault on our democracy, then we need to be
6 pretty serious. The Russia Sanctions Act is a monumental
7 piece of legislation that says to Russia, enough. You are
8 not going to get away with it anymore. I know that the
9 longer we wait to act, the more emboldened Russia is going
10 to feel. The Germans have elections coming up. I do not
11 think we want them feeling emboldened going into the fall or
12 even into 2018 in our own society.

13 So I think the House should take immediate action to
14 pass the bill as is. I think any efforts to water it down
15 or delay it should be considered a dereliction of duty on
16 their part.

17 Senator Warren: Thank you. That is pretty strong.
18 And I appreciate that and agree with it.

19 Mr. Wilson, would you like to add anything?

20 Mr. Wilson: Yes. I very much agree that it is
21 extraordinarily helpful. I am in Europe a lot. And one of
22 the things that is coming through is despite sometimes the
23 nature of our partisan debate and lack of clarity in
24 messaging, it is coming through loud and clear, an
25 extraordinarily strong bipartisan consensus in the United

1 States on standing up to Russian revisionism and aggression.
2 And that is coming through loud and clear. Essentially the
3 vote for Montenegro, 97 to 2, was whether the United States
4 would leave a vacuum in the Balkans and stand up to Russia.
5 The vote on the sanctions -- every one we speak to, when we
6 were traveling through Europe, watches that in great detail
7 and sees it is very helpful to get done.

8 We do need to recognize that Russia is doing this in
9 part because Putin is insecure at home. He does want to
10 demonize the West as a threat to Russia, and so he will use
11 what we do to play up the nationalist card at home. And so
12 we need to combine raising the costs with Russia with a real
13 strength of confidence in our own democracies and democratic
14 institutions because that is actually what he is afraid of.

15 Senator Warren: I very much appreciate your comments
16 on this. And you are right. This was strongly bipartisan.
17 I was one of the cosponsors. Many others were, both sides
18 of the aisle.

19 The fact that the House is dragging its feet is not
20 only bad for us here at home, but as you say, this sends a
21 terrible signal both to Europe and to NATO and to Russia.
22 And I think it is time for the House just to do this, to
23 pass this bill and for the President to sign it into law.

24 I am really concerned, after the President's behavior
25 at the G20, that we cannot keep waiting for the President of

1 the United States to take leadership on this. And I think
2 this is a place where Congress has to step up, and we have
3 really got to put it out there and get this bill passed and
4 put it on the President's desk and urge the President to
5 sign it.

6 Did you want to add here?

7 Mr. Bugajski: I just want to add one thing. We keep
8 talking about information and disinformation. I think it is
9 very important that we underscore why sanctions are
10 important, and I do not think we have done enough of that.
11 I think a lot of times people will say -- in fact, the
12 Russians are saying, well, the sanctions do not really
13 affect us. You should lift them because they are actually
14 just spoiling relations. But they are having an impact on
15 the oligarchs, the companies that are closely tied to the
16 Kremlin that engage in some of these human rights and
17 subversive activities abroad. We need to be a little bit
18 clear in getting the information out on why sanctions are
19 important and why this bill is now extremely important.

20 Senator Warren: I very embrace your point on this.
21 You know, we had hearings on this over in the Banking
22 Committee, and one of the points raised there is it does
23 have an economic impact. But as you all say, it also has a
24 powerful political impact.

25 So I think we speak with one voice on both sides of the

1 aisle. The House needs to pass the sanctions bill now, and
2 we need to get it over to the President to be signed.

3 Thank you.

4 Thank you, Mr. Chairman.

5 Senator Reed: Thank you, Senator.

6 And on behalf of Chairman McCain, let me thank you for
7 your excellence testimony. We look forward to working with
8 you as we go forward on these issues and many more. But,
9 again, thank you very much.

10 And on behalf of the chairman, let me call this hearing
11 adjourned.

12 [Whereupon, at 11:48 a.m., the hearing was adjourned.]

13

14

15

16

17

18

19

20

21

22

23

24

25