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Steven Hall

Opening Statement to the House Intel Committee Hearing on the Russian Playbook

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[AUTHENTICITY CERTIFIED: Text version below transcribed directly from audio]

Good morning. Happy to be here with you today to share my thoughts on Vladimir Putin's Russia, gleaned from working in the CIA's Clandestine Service for over 30 years.

During my time at CIA, from when I started out as a line case officer, through when I retired in 2015 as a member of the Senior Intelligence Service, most of my time and efforts were focused on Russia. I retired as -- as the Chief of Central Eurasia Division, responsible for managing CIA's Russian operations -- Russian operations worldwide. I'm not a trained Russian historian. I'm not an analyst. Rather, my views on Putin's Russia come from my experiences as a former intelligence officer. I believe that it's an important perspective -- and here's why.



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I'm often asked for my thoughts on who Putin really is, what makes him tick, how he thinks -- you know, how much of a threat is he really? My best response is that Vladimir Putin is, first and foremost, a Chekist whose primary goal is the weakening of democracy in the United States and the West.

The Cheka was the Lenin-era secret police, the precursor to the KGB, of which the -- of which Putin was a member, as well as the modern day Russian intelligence services. It was the Cheka and its successors that built and ran the Soviet system of concentration camps, the Gulag. It was the Cheka that executed thousands of its own citizens in the basement of the Lubyanka, its headquarters in Moscow.

The history of the Russian intelligence services is one of unalloyed brutality. Every year, on the 20th of December, Chekist Day, Vladimir Putin calls and congratulates the members of the Russian intelligence services on their historical successes. This is how seriously Putin views his role as a Chekist. These Chekist traditions persist in Russia today.

I once had a conversation with a Russian intelligence officer who made the argument that all countries, even Western democracies, had intelligence agencies. The Russian argued that the CIA was not that different from the KGB. I disagreed vehemently. CIA has certainly made its share of mistakes over the decades, but we have never built concentrations camps to imprison Americans, nor did we murder American citizens in the basement of Langley, or anywhere else, for that matter.

I mention this story because it illustrates the need for the West, and particularly the United States, to resist the temptation of seeing Putin's Russia through a Western lens. Most Americans were raised to believe in the things like fair play, giving others the benefit of the doubt, and a generally optimistic outlook on life. Putin and his lieutenants understand this, and they use this out -- this outlook effectively against us. "Look," they argue, "we have many similarities."



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Indeed, when I was most recently in Moscow, I could walk down the street and visit McDonald's for a Big Mac, or drop into Starbuck's for a latte. There are large, luxurious hotels, some of them American chain[s]. Businesses appear to be operating normally. There are even governmental structures that seem comfortably similar. There's the Duma, which looks a little bit like Congress. There's a President, a Prime Minister, positions we as Westerners have heard of and can relate to.

But...what one really sees in Moscow is a thin veneer of normalcy designed to cover how things really work. Putin's Russia is an autocratic Chekist system. It is a kleptocracy run by the mob in the Kremlin, many of whom work formally for the Russian security services.

I'm also asked often about Russian organized crime. Again, it's important to avoid asking this question through a Western lens. Broadly, Putin runs Russia as a crime boss runs his organizations. Those who Putin finds useful and effective, he rewards. If someone falls out of favor, punishment usually follows. Enemies of the -- Enemies of the Putin organization, either internal or external, are neutralized. Independent journalists are killed. Political opponents are flooded with lawsuits, incarcerated, or assassinated.

Oligarchs are not exempt, and Putin uses his intelligence services to collect damaging information on all of them, just in case they fail to produce for him in the future. Like fast food restaurants in Moscow, the rule of law in Russia is a caricature, created to make us in the West believe that Putin's system really is not that bad. Like any place run by the mafia, businesses, foreign and Russian, are allowed to operate, but only under the rules set by the mob, in this case the Kremlin.

Prior to my retirement, both staff in HPSCI [United States House Permanent Select Committee on Intelligence] and SSCI [United States Senate Select Committee on Intelligence] asked for CIA's thoughts on the Kaspersky Labs, a cyber and technology company run by Eugene Kaspersky. My response was that Kaspersky understood that when Putin or one of his men called and needed something from the company, he had no choice but to comply.



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When Putin knows in which Russian banks your fortunes are held, when he knows your net worth, when he knows where your wife and your children and your mother live, you do as you're told. If you flaunt the system, it usually doesn't end well. Ask Mikhail Khodorkovsky, a rich Russian oligarch who Putin sent to jail for almost 10 years on trumped-up charges, now in exile in the U.K.

Getting out of Russia, however, does not necessarily protect even once powerful oligarchs and other enemies of the state. Putin is the intellectual author of dozens of murders and attempted assassinations abroad -- people like Alexander Litvinenko, poisoned by radioactive tea; Sergei Skripal and his daughter, attacked by GRU -- the GRU using a Russian nerve agent; and the former oligarch Boris Berezovsky, found hanged in his London home. These are all lessons from which other -- which other powerful Russians understand well.

This is a key component to how the oligarch system works in Russia. Putin will help you become very rich as an oligarch and allow you to maintain your riches as long as you support the Kremlin when required. If you fail, the consequences, as noted above, are -- are severe.

Over the past several years, Putin has -- has included the oligarchy as part of his larger reliance on hybrid warfare against the United States and the West. We now need to understand that, in addition to defending against conventional attacks from Russia, Putin is also using nontraditional means to threaten us -- to include using his oligarchs. Maria Butina's association with several oligarchs, and her work for Russia in the United States, is a good example of this.

Putin controls Russia and his oligarchs using a complex system which bears many of the traits of a Chekist state. The intelligence services play a key role in neutralizing both internal and external threats. Internally, Putin uses the FSB [Federal Security Service of the Russian Federation], the -- the Investigative Committee, and other entities to gather information against companies and individuals that can be leveraged later should they need to be brought back into line. Putin can also use his oligarchs to exert economic and financial pressure on targets inside and outside of Russia.



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The Kremlin also controls the information that flows to the majority of Russians, and so anti-West and pro-Putin propaganda themes keep most Russians where Putin wants them: under his control.

The same organized crime rules hold for foreign businesses in Russia. Putin will have his intelligence services collect intelligence on any American businessman in which he has an interest. Such efforts would include both physical surveillance as well as audio and visual collection against the target while in Russia.

Entrapment and arrests have been used against American businessmen in the past. More recently, Russian intelligence framed and arrested American businessman Paul Whelan, who, as far as I understand, is still languishing in a Russian -- in a Russian prison.

All of the Russian intelligence services play important roles in collecting the information which can be used to control all businesses, foreign and domestic, in Russia. This is not to say that -- that foreign businesses have never been successful in Russia. What it is to say is that success is contingent upon Russia -- upon the Kremlin's approval of such business activity. If an American businessperson runs afoul of the Kremlin -- Kremlin, all of the *Kompromat* collected against him or her can be quickly and efficiently leveraged.

The Russian intelligence services are expert at collecting compromising information that can later be used to blackmail anyone Putin wants. They have collected information against American businesspeople in the past. They have collected against me and my family while I was in Russia, as well as Ambassador [Michael] McFaul. If you have ever traveled to Russia, any of you, you've been collected against as well. No one is immune.

In an open session like this, I won't be able to address in great detail what I know of how the Russian intelligence services specifically do their work. I cannot risk exposing the sources and methods of our own intelligence services, nor those of our allies, who often work very closely with us on counterintelligence issues. But I would be more than happy to address any questions you might have. Thank you.