

**Commission on Security & Cooperation in Europe:
U.S. Helsinki Commission**

“The Cost of a Bad Deal in Ukraine”

Committee Members Present:

**Senator Roger Wicker (R-MS), Chairman;
Representative Joe Wilson (R-SC), Co-Chairman;
Senator Sheldon Whitehouse (D-RI);
Senator Jeanne Shaheen (D-NH);
Representative Emanuel Cleaver, II (D-MO);
Representative Marc Veasey (D-TX);
Representative Chrissy Houlahan (D-PA);
Representative Greg Murphy (R-NC)**

Witnesses:

**Michael Cecire, Policy Researcher, Defense and Security, RAND
Corporation;
Nerses Kopalyan, Assistant Professor-in-Residence of Political Science,
University of Nevada;
Hanna Liubakova, Journalist and Non-Resident Senior Fellow, Atlantic
Council**

**The Hearing Was Held From 11:04 a.m. To 12:23 p.m., Room 222, Russell
Senate Office Building, Senator Roger Wicker (R-MS), Chairman,
Commission for Security and Cooperation in Europe, presiding**

Date: Thursday, June 26, 2025

WICKER: We can begin this hearing. We're pleased to recognize our witnesses. I'm Roger Wicker, and I have the honor of chairing the Helsinki Commission on behalf of the United States Senate. And we're joined at the podium by Chairman Joe Wilson of the House of Representatives, and we have other members here. And we appreciate their attendance. I just left a hearing of the Senate Armed Services Committee. And I appreciate being indulged by being a bit late beginning. Thank you all for joining us.

Although our witnesses today will focus on the regional implications of Russia's war in Ukraine, it is Ukrainians themselves who will overwhelmingly bear the cost of a peace deal that rewards Russian aggression. Millions of Ukrainians already suffer under Russian occupation. They're subject to the lawlessness of Russian authorities who use violence and cruelty as they seek to subjugate the Ukrainian people, erase their identity, and break their will to resist – all in contravention of international law. Ukrainians in government-controlled areas endure daily strikes on apartment buildings, schools, hospitals, churches, and other public spaces. All Ukrainians will be worse off if Russia is emboldened to pursue its imperial agenda.

Belarus presents a striking example of Russia's goals in the region, the annexation of a state in all but name. Vladimir Putin has slowly captured the Belarusian state, beginning with seemingly innocuous plans for economic integration, and ultimately using Belarusian territory to host Russian weapons and troops, expanding Russia's physical reach to NATO's border. The West perhaps preferred not to deal with another unpleasant dictator in Alexander Lukashenko. It failed to take the problem seriously until it was too late and nearly all the opposition was forced out of Belarus, with the help of Moscow's apparatus of repression. Doubtless, Putin would love to accomplish the same feat in Georgia, where Georgian Dream has halted the country's path to Euro-Atlantic integration – tragically, I might add. By turning away from Europe and cultivating Russia as a partner Georgian Dream is free to engage in corruption and repression without accountability, just as their senior partner in Moscow does.

Our witnesses today will also discuss Armenia and Moldova. Both nations would be in a precarious position if Putin's designs on Ukraine succeed. Both countries, to varying degrees, have prioritized their sovereignty and democracy, much to the dismay of Moscow. These countries exist on a continuum, a range which runs from soft annexation by Russia at one end to an EU membership path on the other. There are even more at-risk states in between. To be sure, those with ill intent far beyond the region are also watching carefully to see if Russia gets away with its illegal aggression. The United States is uniquely positioned to withhold the stamp of legitimacy from a state territory or leader. Just as we refused to recognize the Soviet Union's forcible annexation of the Baltic states, we must not preclude the possibility of freedom in the region, regardless of the facts on the ground today.

Our witnesses will explain the practical necessity of doing just that. Joining us today are Michael Cecire, defense and security policy researcher at RAND Corporation, Nerses Kopalyan, assistant professor in residence of political science at the University of Nevada, and Hanna Liubakova, a Belarusian journalist in exile and nonresident senior fellow at the Atlantic Council. I welcome all three witnesses, look forward to their testimony today. And before we hear their opening statement, I will recognize my friend and colleague Chairman Joe Wilson.

WILSON: Thank you very much, Chairman Roger Wicker. And it's really impressive today that we have bipartisan participation in support of the people of Ukraine. While the title of the hearing is "The Cost of a Bad Deal," the only individual standing in the way of peace in Ukraine is war criminal Putin. President Trump has graciously offered Putin a way out of the horrific mess that Putin created, yet Putin continues to insult and mock President Trump, killing the people of Ukraine as they're in their homes. With the Putin invasion of February 24, 2022, the Russian troops were misled to be prepared with their dress uniforms for immediately a victory parade. But instead, the courageous President Volodymyr Zelensky and the brave Ukrainian people have stood firm and made such a difference on behalf of liberty and freedom in the world.

Putin victory in Ukraine would be a catastrophe, not just for the people of Ukraine but for every country living in the shadow of the Kremlin's imperial ambitions. Putin is waging a campaign of extermination against free people whose only crime is choosing liberty over tyranny. And he seeks to resurrect the failed Soviet Union. The stakes of the war stretch far beyond Ukraine's borders. If Putin is allowed to succeed, there will be more battered countries than Ukraine. We already see that Belarus has descended further into dictatorship. And we know that the actual president of Belarus is Sviatlana Tsikhanouskaya. And so she should be recognized as the legitimate president.

Additionally, we see that Moldova has been destabilized, with the Russian troops still remaining in Transnistria, and never leaving in the Soviet era. Armenia, which is such a great country and is really so strong today, could be dragged back into and be subverted by Putin. And then the Republic of Georgia was crushed under the weight of the puppet regime by Putinists. And also we have NATO allies of the Baltics that are threatened by Putin's attempt to resurrect the failed Soviet Union.

I have been very fortunate to see firsthand the people of these countries want democracy, prosperity, and peace. But Putin wants just the opposite. He wants them poor, dependent, divided, and afraid. In Belarus, he props up the illegitimate regime of Alexander Lukashenko, who violently crushed the protests and invited the Russian troops to maintain order. And again, the legitimate president is Sviatlana Tsikhanouskaya. And additionally, in Moldova, Russian troops, having never left Transnistria, in trying to subvert the most recent elections. And, fortunately, the people of Moldova stood firm.

In Armenia, even as the people turned toward the West, and with such an incredible Armenian-American community supporting, Russia has worked to undermine their sovereignty through military blackmail and economic pressure. Putin doesn't stop at propping up friendly dictators. He sows chaos wherever he can. He arms and finances extremists, spreads disinformation, exploits ethnic divisions to pit neighbors against neighbors. His goal is simple, to make democracy look weak and autocracy and authoritarianism inevitable. That is why peace in Ukraine, on Ukraine's terms, is critically important.

A just and lasting peace will not only liberate Ukraine, it will send a message to Moscow's other neighbors that freedom still has defenders and tyranny still has consequences. It

will strengthen the hand of reformers and weaken the grip of corrupt regimes backed by Putin. And make no mistake, this matters to American families. Putin victory will not stay continued to Eastern Europe. It will embolden America's enemies everywhere. But a Ukrainian victory will reinforce the message that aggression does not pay, and America stands for its values and interests alike. As I believe in America first, you must also believe in Putin last. A world where Moscow dominates its neighbors is not a world safe for American families or our allies. I yield back.

WICKER: Thank you very much for that fine statement.

Do any other members wish to make opening statements? Yes, Senator Whitehouse.

WHITEHOUSE: Thank you, Chairman Wicker. As I noted on the Senate floor upon Russia's full-scale invasion of Ukraine in 2022, kleptocracy is on the march in Eastern Europe. Vladimir Putin's corrupt regime fabricated a pretext to invade Ukraine, a sovereign and peaceful nation. Putin's war helps divert the Russian people from his festering corruption and misrule, as Alexei Navalny bravely exposed. Putin, for decades, deployed corruption and kleptocracy as tools to strengthen his grip on Russia's government and to project influence throughout the region. In the process, he decimated Russia's free press, ended all political opposition, and grew his personal fortune to what is thought to be the largest in the world. I say "thought to be" because Putin's wealth is hidden behind shell corporations and nestled in tax havens far from view of the people he robs and oppresses.

Along the way, he's cultivated a group of oligarchs who also serve him as they too feed off riches that belong to the Russian people. As in many criminal enterprises, oligarchs launder dirty money through legitimate businesses and assets. Recognizing this, previous U.S. administrations and their international partners created agile task forces to target corruption and the corrupt oligarchs. But in one of her first moves after being sworn in, Attorney General Bondi pulled down DOJ's kleptocracy Asset Recovery Initiative, which has recovered billions of dollars in ill-gotten gains from foreign kleptocrats, many Russian, many close to Putin. AG Bondi also inexplicably shut down DOJ's Task Force KleptoCapture, which was working to seize the assets of sanctioned Russian oligarchs who bankrolled the illegal invasion of Ukraine, and to provide those assets to the Ukrainians for rebuilding and defense. This, a result from bipartisan work in the Senate.

For a long time, I've warned that America is engaged in a clash of civilizations, with democracy and the free market on one side and kleptocracy and corruption on the other. We will prevail in this clash by pursuing a powerful value of a rule of law society, transparency. Kleptocrats and criminals seek the protection of America's rule of law and secure financial system to stow their illicit money. They don't want to hide what they stole in their own corrupt and crooked countries. But they need secrecy to avoid accountability. The Pandora Papers and the Panama Papers revealed webs of American shell corporations and trusts hiding dirty assets. They revealed professionals, wittingly or unwittingly, helping criminals and oligarchs hide dirty assets. Former Treasury Secretary Yellen said there's a good argument that the best place to hide and launder ill-gotten gains is actually the United States.

My bipartisan Corporate Transparency Act enacted in 2020 was one beam of light into our own dark shell corporation corners. The law established a Beneficial Ownership Register to sort out this anonymous shell company mess, helping law enforcement and national security officials identify who's behind webs of American shell companies. In March, the Treasury Department announced it would enforce the CTA reporting rule only for foreign reporting companies, less than 1 percent of corporations and LLCs. The proposal was quickly panned by national security experts and law enforcement. Chairman Grassley and I joined in a bipartisan comment letter urging Treasury to rescind this misguided rule and fully implement the CTA as envisioned by Congress.

It's not all doom and gloom. Treasury recently finalized proposals to shine light into the private investment advisor industry and into the residential real estate sector. The administration should also extend common-sense transparency guidelines to commercial real estate purchases. Another bipartisan effort to combat kleptocrats is my Foreign Extortion Prevention Act signed into law last Congress, co-led by several Helsinki commissioners, including co-Chair Wilson, Senator Tillis, and the late Representative Jackson Lee. The law empowers the government to go after foreign officials that request or receive a bribe from a U.S. individual or corporation, or from any person while on U.S. territory. Our bipartisan ENABLERS Act would crack down on the aiders and abettors of our enemies among American professionals – lawyers, accountants, and corporate formation agents – by requiring basic anti-money laundering guardrails that are commonplace in rule-of-law countries.

To prevail in this clash, we should reconstitute Task Force KleptoCapture and the Kleptocracy Asset Recovery Initiative, and provide greater resources to the offices of DOJ, Treasury, and other federal agencies on the front lines against financial crime and international corruption. Finally, we need to work together with allied nations to close off hidey-holes for oligarchs, bolster the rule of law, and increase access to justice in struggling jurisdictions. Kleptocrats, traffickers, and international criminals can be defeated. They don't need to be assisted. Free societies and the rule of law can win out. This is a national security matter. And the tools of transparency will secure our victory. I yield back to Chairman Wicker and thank him for his courtesy in allowing those remarks.

WICKER: I thank my colleague. And I – since Mr. Navalny has been mentioned, I would commend to members and to the audience the memoir “Patriot,” written by Alexei Navalny, who has since been killed in a Russian prison.

Are there other members who would like to be recognized for opening remarks? If not, we'll proceed to testimony by our witnesses. And, Mr. Cecire, we will begin with you. Welcome.

CECIRE: Chairman Wicker, co-Chairman Wilson, honorable members of the Commission, good morning and thank you for the opportunity to join with you today. I'm honored to offer my perspective on the threats to European security and U.S. national interests from a Russia-imposed peace on Ukraine. I have submitted my full remarks to the record, but today I'll focus briefly on three key elements related to the Republic of Moldova. First, the risks

to Moldova, specifically. Second, how Ukraine's defense is a bulwark for the entire region, and for U.S. national security. And third, how we can respond to these challenges.

Moldova is becoming a success story. Since independence, Moldova and its people have endured severe economic hardship, rampant corruption, and persistent Russian interference in its internal affairs, including illegal military deployments in the separatist region of Transnistria. Yet, Moldova has successfully fought corruption and undertaken major reforms. It has also increasingly integrated with Europe and ascended to EU candidate status in 2022, alongside Ukraine. Moldova's current government, led by President Maia Sandu and her Party of Action and Solidarity, is democratically elected, Western-oriented, and a reliable and responsive partner to the United States.

Moldova is a contributor to regional security. Its government is a trusted partner for U.S. and European efforts to stem the flow of illicit trade and human trafficking. On the front lines of Russian malign activities, Moldova has proven to be a formidable and resilient partner, absorbing Russian ill intentions and resources that might have been directed elsewhere. Notably, Moldova hosts the highest Ukrainian refugee population per capita in the world. However, Moldova is dependent on Ukraine's political and territorial independence. Should Russia fulfill its territorial goals in Ukraine, it will have contiguous access to Transnistria, where Russia still maintains a rump garrison illegally. It could also play a more overt role in other vulnerable regions of Moldova.

As a result, a Russian military victory or a Moscow-oriented ceasefire in Ukraine would destroy or diminish a values-aligned, resource-rich, and militarily powerful partner in Kiev, and could see Russian ambitions metastasize into Moldova and beyond. The result would be vectors of instability, illicit trade, and corruption across the Black Sea region and Europe. Further, the precedent would be stark. In Moldova, Ukraine, and Georgia, Russia will have strategically decapitated three EU candidate countries and key U.S. partners and could redirect its considerable hybrid operations and military power in the region.

In addition, Chinese interests would likely accompany Russia's. Russian aggression in Ukraine and Europe is financially and materially underwritten by the People's Republic of China, whose regional influence has increased through strategic infrastructure investments and local partnerships. A Russian peace imposed on Ukraine could usher in a new age of European conflict, Russian aggression, and Chinese influence, with inevitable implications for U.S. national security. Generations of relative European peace and security has been a de facto subsidy to U.S. military power and global influence.

Our grandparents knew well that the security of the United States was inseparable from that of Europe. Broadly, continued support to Ukraine, as well as to other vulnerable regional partners such as Moldova and Armenia, is crucial to counter Russian as well as Chinese efforts in the region and beyond. The administration's interest in ending Russia's war is laudable. And the recent U.S.-Ukraine Mineral Resources Agreement is a welcome expression of Ukraine's current and long-term strategic value. In the same vein, Ukraine security is greatly helped by continued U.S. military support, particularly for those capabilities that our European partners and allies cannot currently replicate.

For Moldova specifically, continued reform – continued support for its reform agenda, economic development, and security and resilience is a minor nominal investment with outsized strategic returns. Moldovan energy security and the development of its security forces, such as through its long-standing and successful partnership with North Carolina National Guard, are key priorities. In addition, continued U.S. official and congressional engagement with Moldova's people and government sends important signals.

Honorable commissioners, I see a Europe that is under strain and under attack. Ukraine is the front line, but the entire region is under threat, and buckling. Russian aggression in Ukraine, and its, as well as Chinese, efforts to push U.S. influence out of Europe are troubling, but they can be countered. Supporting valuable partners like Ukraine, Moldova, Armenia, and the Georgian and Belarusian people, is critical for holding the line and diminishing Russian imperial appetites and capacity. Over the long term, this frees U.S. resources to assist elsewhere in the world. Thank you for your time and I look forward to answering any questions that you may have.

WICKER: Thank you very, very much, sir.

Dr. Kopalyan. you are recognized.

KOPALYAN: Chairman Wicker, co-Chairman Wilson, distinguished members of the Commission, it is a privilege to address the Commission today.

A fundamental strategic endeavor of the United States in the Eurasian space is both the containment and weakening of Russia as a regional actor. Because of the Ukraine War, Russia is no longer the hegemon in the South Caucasus. Russian power and influence has exponentially diminished, while American power and influence, along with that of its transatlantic allies, has methodically increased.

For the first time, we have seen the development of geopolitical pluralism, and the dominant and powerful role of the United States as a constructive actor in the region. Instead of the South Caucasus and the young democracies in the post-Soviet space, like Armenia, Moldova, and Ukraine – instead of them consistently being under the homogeneous dominance of Moscow, these countries have robustly pivoted West and have become invaluable partners of America's transatlantic system. Indeed, during an April 8 hearing held by the House Armed Services Committee, U.S. European Command General Christopher Cavoli testified that Armenia is a good example of a country seeking to get out of Russia's shadows.

Due to Russia's invasion of Ukraine and its inability to achieve its set objectives, Russia finds itself at its most weakest, a Potemkin hegemon that is a failed regional actor whose primary goal remains the reestablishment of an authoritarian orbit in the post-Soviet space. The United States, for the first time, enjoys more soft power, prestige, and power projection capacity than ever in the South Caucasus. A bad deal in Ukraine will directly contradict America's strategic interests in the region, as this will allow Russia to reconstitute and reconcentrate its resources in

the South Caucasus, with the objective of kicking the United States and its partners out of the region, while strangling the region's young democracies.

But more to the point, we should understand that bad peace is not the achievement of a sustainable solution, but rather a mechanism that offers aggressive states like Russia, or at a lesser level, Azerbaijan, to advance their interests and prepare for the future reinitiation of conflict. Good peace entails some iteration of equity, arbitration, and absence of coercion. Bad peace building, bad deals on the other hand, are defined by coercion, militarized outcomes, arbitrary stipulations, and normalization of violence. For Russia, bad peace allows Moscow to have both leverage and a controlling stake in a process where the peace process is utilized to advance their interest at the expense of everyone else involved.

We have seen what Russian peace means in Abkhazia, South Ossetia, Nagorno-Karabakh, Transnistria, and Crimea. Russian peace is basically a form of frozen conflict that allows Russia to manage the conflict, institute instability, and thus produce a situation that is known as un-peace. In simpler terms, bad peace in Ukraine allows Russia to form and recalibrate its capabilities, push for sanctions relief, buy time to rebuild its war machine, and then unfreeze the conflict and initiate a return to war.

We see that Russia's objective, its foreign policy thinking, revolves around great-power dynamics. And Russia views itself as a great power only if it can absorb Ukraine. Without Ukraine, the Kremlin does not think it could be a great power. And this is why it proceeds with the policies that it does, and Putin's grand strategy. Now the consequences of this on nascent democracies are acute, especially those in the post-Soviet space. Armenia is a case in point. Armenia is a strategic partner of the United States, the most vibrant democracy in the region, and serves as an important foothold in U.S. interests.

Like Moldova, Armenia has been subjected to continuous hybrid operations, destabilization efforts, and persistent attempts by Russia to fracture and disrupt democratic consolidation. As we speak, Moscow is developing an expansive subversion, interference operation against Armenia's 2026 parliamentary elections by continuously utilizing economic blackmail and coercive diplomacy. Their objective is to stop Armenia's Western pivot, a pivot that is supported by Armenian society as well as important Armenian-American community members, and groups such as the immense work being done by Global ARM.

In this context, should a bad peace in Ukraine prevail, Russia's endeavors in the South Caucasus will succeed. And this will produce irreversible harm to American strategic interests. And so in similar demeanor, we have seen what Russia has done in Ukraine. We have seen what Azerbaijan has done in the South Caucasus. We have seen aggressive states, authoritarian regimes, utilizing their petro-autocratic capacities to suppress and subjugate nascent democracies who are trying to turn towards the West and towards the United States.

Within the confluence of this development, I would like to note that considering the immense soft power that America enjoys in Armenia and the region, the growing defense and security cooperation between Armenia and the United States, important developments in civilian nuclear energy cooperation, and the important role that Armenia's mines and rare earth minerals

are having in America's interests, and the growing role of America's and Armenia's collaboration in AI industries, we see that U.S. interests are multifaceted and wide ranging. A bad deal in Ukraine will threaten this important strategic partner, as well as vital American interests in the region. Thank you for the opportunity to speak.

WICKER: Thank you very, very much.

Ms. Liubakova, you are now recognized.

LIUBAKOVA: Thank you so much, Chairman Wicker, co-Chairman Wilson, honorable members of the Commission. It's an honor to speak here today. And I'm grateful to the Helsinki Commission for paying attention to the issue of Belarus, not only the past years, but actually in the past decades. And that's been really crucial.

And I'll start with something that is perhaps rare when it comes to my country, and perhaps rare when it comes to the topic of this hearing. I'll start with the good news. Just a few days ago we witnessed a rare moment of hope. Fourteen political prisoners were released in Belarus, including Siarhei Tsikhanouski, the husband of Sviatlana Tsikhanouskaya, the leader of the democratic forces. You know her perfectly well here. That effort was made possible thanks to strong U.S. diplomacy supported by President Donald Trump and allies. So we clearly see that the United States has leverage over dictator Lukashenko, and it works. But our work is far from over. Nearly 1,200 political prisoners are currently behind bars in Belarus, including my friend Ihar Losik, RFE/RL journalist who was arrested, actually, five years ago exactly, Ales Bialiatski, a Nobel laureate, and even Henryk Okolotowicz, a Catholic priest. So you see that freedom of speech, religion, and human rights are under assault in Belarus.

Let me turn to Belarus' position within Russia's sphere of influence. Repression at home fuels aggression abroad. Since the full-scale invasion of Ukraine, Belarus has been transformed into a Russian military outpost. Russian forces use Belarusian territory to launch attacks on Ukraine. This September, 13,000 Russian troops will be in Belarus for Zapad 2025 military drills, the biggest since the start of the invasion. Satellite imagery shows ongoing upgrades to tactical nuclear weapon storage sites. Lukashenko has welcomed Russian nuclear deployment. His regime has facilitated the transfer of more than 2,000 Ukrainian children to Belarus, a grave violation of international law. Russia is turning Belarus into a strategic launchpad for future escalation against NATO. Putin's ambitions stretch far beyond Ukraine. They threaten the entire region. And the danger for Belarus is real. A bad deal for Ukraine could mean the loss of Belarus' own sovereignty.

The Belarusian economy now fuels the Kremlin's war machine. Hundreds of Belarusian enterprises supply Russia's military, delivering microchips, equipment, and uniforms. More than 70 percent of Belarusian exports go to Russia. Nearly all energy imports come from Russia. Belarus is also a staging ground for hybrid warfare against the EU. The regime uses irregular migration to destabilize Poland, Lithuania, and Latvia. It committed an act of aviation piracy by forcing down a civilian plane. Even Belarusian identity is under attack. Less than 9 percent of schoolchildren in Belarus study in Belarusian. Kremlin propaganda dominates state media. Independent journalists are jailed or exiled, like myself.

And yet despite this immense repression, Belarusian society remains resilient. The vast majority of Belarusians don't want to be part of this war, are against the attacks launched from our territory, and the stationing of Russian nukes. Independent media continue to reach millions of people inside the country. The people of Belarus are your allies. And that's why the regime uses state terror against them, and why people in civil society should be supported. So what can be done? The situation is volatile, but that means we face a moment of opportunity. And a free, sovereign Belarus is not a side issue. It's a core national interest. It would weaken Moscow, stabilize NATO's frontier, and disrupt a key hub for sanction evasion, weapons logistics, and hybrid operations supporting Russia, Iran, and others. Just this week, Belarus and Iran's defense ministries agreed to deepen military cooperation at a meeting in China.

There can be no lasting peace while Russian troops and nuclear weapons remain in Belarus. Their permanent withdrawal must be a clear demand. The Belarus Democracy Act, introduced by Congress, is a vital tool. It increases pressure on the regime, closes sanction loopholes, supports civil society, and demands the release of political prisoners. We hope for its renewal. I also urge the administration to appoint a special envoy for Belarus to lead U.S. policy and coordinate with other countries. This would help the U.S. respond quickly to crisis, support democracy, and push for the release of political prisoners. I am grateful for the bipartisan caucuses supporting a free Belarus and hope this crucial work will continue.

Let me close with this. If we act now, we can resolve a tragedy that has lasted for over three decades. A free Belarus means a safer Europe and a safer Ukraine. U.S. leverage is essential. Together with the coordinated strategy and support from European allies, the United States can help end Belarus' role as a pawn of aggression, and shape it into a partner of peace. Thank you.

WICKER: Thank you very much.

Let me note for the record that we have an excellent attendance here today. In addition to Mr. Wilson and me as chairs, Senator Sheldon Whitehouse, who has already spoken, we are pleased to note the attendance of Representative Greg Murphy, Representative Marc Veasey, Representative Emanuel Cleaver, and Representative Chrissy Houlahan.

Let me ask one question, and then we'll recognize as many people as possible. This hearing is about consequences of a bad peace deal. I think a bad peace deal would include a deal that somehow attempted to suggest that Russian-speaking portions of Ukraine, naturally, because of that, would prefer to be dominated by Russia rather than governed by their own national government. How do we accurately assess for world public opinion the feeling of these people? In many of these areas of Ukraine they're occupied now by the Russian government and by the Russian Army. My position is that doesn't mean they want to be. They were close to the Russian border and they've been conquered, temporarily – occupied, at least, temporarily by a large invading army.

Ms. Liubakova, you mentioned that people in Belarus – that a large majority of people in Belarus do not wish to be dominated by Russia. So I'll start with you, but I'll take an answer

from each of you. How do we measure in a convincing way the attitude of people that are currently being dominated by Russia, in such a way as to convince leaders in our own country and public opinionmakers around the world as to how these people actually desire to be governed? And I'll start with you, Ms. Liubakova.

LIUBAKOVA: Thank you so much. That's a very important question.

WICKER: Yes, I think we need to press the microphone. Thank you.

LIUBAKOVA: (Comes on mic.) Thank you so much. That's a very important question.

So when it comes to Belarus, I think we've seen five years ago, in 2020, mass protests in Belarus, historic, the largest that we've ever had. Hundreds of thousands of people were on the streets. But they were met – they faced brutal repression, state terror. And we have a large number of political prisoners still today. And actually, repression continues still today. People are being arrested on a daily basis. That means that the regime also feels that they have not given up, even though they cannot, of course, come out to the streets and show their resistance. That's clear, because of fear and because of persecution. That's one thing. So let's remember that people resisted despite the fact that Belarus is not a young dictatorship—it's been a dictatorship for three decades. And people have always been arrested in our country. And they still came out to the streets and protested.

The second hard data that I have for you to prove that the people of Belarus are resisting, they are against Lukashenko, and they're against being part of this war, of the invasion, is actually sociology. And that's still possible. The Chatham House, a British think tank, published, actually, waves of surveys of Belarusians inside the country. And they consistently show that people are against Ukraine being attacked from the territory of Belarus, are against being part of the invasion, are against the deployment of nukes, right? So that's the data that we have. And I'm happy to share this and attach it to my testimony.

And then, of course, there's also the information coming from us, journalists. We, independent media, are reaching many people inside the country on a daily basis, on a weekly basis. This is millions of people. People are still willing to get information. We have the numbers. We see that that people still want that. And I think that's one of the best proof, also best evidence that people have not given up. And I think another, perhaps the last data and the last figure in the information that I would share, the absolute majority of people, more than 95 percent, want Belarus to be independent. They don't want Belarus to be part of Russia. Again, that has been consistent for decades. And I think that's another important piece of information.

WICKER: Mr. Kopalyan, would you like to make a comment?

KOPALYAN: Thank you. Methodologically speaking, it's quite difficult to measure in a convincing fashion the sentiments of a people when they are under an oppressive regime. Generally during times of war or occupation, because the system is so oppressive, it's really, really difficult to gauge the opinion of a people or their sentiments. But there are a few ways of looking at the developments in those situations. For example, when we look at Armenia, prior to

the Velvet Revolution, it was an under – it was dominated under a sort of a Russian puppet regime. And you had mass uprisings that overthrew that regime and had a democratic transition. So when you have organic movements led by people against an authoritarian regime, these are very clear indicators that previously we were not able to gauge convincingly proper sentiment, but subsequently the facts speak for themselves.

In the regions of Ukraine that are now under the occupation of Russia, it is very, very difficult to convincingly demonstrate – that is, empirically demonstrate in a percentile sense – what the sentiment of the people will be. But we could look at Euromaidan and see how popular it was throughout Ukraine, even in the Russian speaking areas. So in that context, we do have precedent that we could rely on which can allow us to understand and observe the extent to which no people want to be under the yoke of oppression. In the case of the Ukrainian Russian-speaking population that finds itself under Russian occupation, if we observe what their behavior was, what their sentiments were during Euromaidan, which is highly supportive of getting rid of Russia's influence, that, I think, stands, and even could be increased exponentially, in understanding where these individuals, these people, stand. Thank you.

WICKER: Mr. Cecire.

CECIRE: Thank you, Senator Wicker.

I'll make a few brief observations. First, when it comes to Ukraine, I think it's important to recall that there are millions of Russian-speaking Ukrainians who have been ejected or have fled from Russian-occupied regions, and would very much like to return. I think that's an important piece of information to consider when looking at the wider process. It's also true that we should look at Russia's actions in those regions, and that Russia is actively colonizing those regions by settling Russians from Russia in those regions by, in some cases, literally building new apartment blocks over the rubble of Ukrainian cities. And it is requiring that those that do remain take Russian passports, to adopt Russian curricula. So there is a settler-colonial element to this as well, that I think is very important.

We cannot look at the composition of the present state of occupied Ukrainian territory in a snapshot, but rather look at it in the context of the situation. That's true of Moldova as well. In Transnistria, for example, it is a complex demographic environment where there are not only ethnic Russians, but also substantial ethnic Moldovan and ethnic Ukrainian minorities that have been under a period of repression for decades, and have been normalized to a system of government – a repressive system of government, as well as an economic system that normalized a certain type of system. So being able to appreciate those things, I think, requires us to look at what Russia has done, is doing, and the ways by which it is artificially skewing the demographic composition of these places.

WICKER: Thank you. And just one follow up, Mr. Cecire. For a Western government official to cite the bogus elections that were forced upon the people in eastern Ukraine, it is a grave mistake, is it not?

CECIRE: Chairman Wicker, I cannot agree more with that statement. And I think that goes back to the point I was trying to articulate, in that such elections, for one, are artificially – to the extent that they're even properly counting anything, they're doing so on a skewed demographic that has been heavily engineered by repression, and repression that has been engineered by Russia.

WICKER: Thank you.

Mr. Wilson.

WILSON: Thank you very much, Mr. Chairman. And I hope that, with the leadership of Chairman Roger Wicker, that the people of the world actually see that we have a bicameral – that's Senate and House – support for the people of Ukraine. Remarkably enough, Republican and Democrat support for the people of Ukraine. And so this hearing should be very important, from that perspective. And then I really agree with Senator Sheldon Whitehouse. And that is that we're in a conflict we did not choose. And that is of dictators with rule of gun invading democracies with rule of law. And that means we need to stand with the people of Ukraine, with the people of Israel, with the people of Taiwan, to ultimately achieve – and it can be done – peace through strength.

I was grateful that President Donald Trump has acknowledged the war criminal's delusional goal of resurrecting the failed Soviet Union. Has got to be recognized and stopped. In 2008, war criminal Putin invaded Georgia and continues to occupy a third of the country, it being South Ossetia and Abkhazia. The Chinese Communist Party has subverted the Georgian Dream Party that currently is over the people of Georgia. It seeks – the CCP – to own the Republic of Georgia entire middle corridor, including access to Central Asian critical minerals. American companies have already been pushed out of the region. And additionally, the Black Sea port of Georgia has been stolen by the Chinese Communist Party. The Georgian Dream runs 24-hour anti-American propaganda.

The courageous Georgian people have risked their life and limb marching in the streets for over 200 days, draped in American flags, in defense of freedom and sovereign borders. In the last week, the Georgian Dream has locked up and illegally arrested nearly every opposition leader. So time is of the essence. The House of Representatives has already voted with 90 percent support – a remarkable vote – for the MEGOBARI bill, H.R. 36. And it's now calendar item 70, ready for immediate Senate consideration. And, Dr. Kopalyan, how urgent is it that we now take the effort to stop the anti-American Chinese Communist takeover of Georgia, which benefits, obviously, war criminal Putin? Doctor?

KOPALYAN: I'll take the question. Thank you for the question, co-chairman. So fundamentally what we have seen in the South Caucasus, as you noted, is an attempt by China to establish its influence in the region. And we have seen China sign a strategic partnership with Georgia and China sign a strategic partnership with Azerbaijan, while Armenia rejected that and signed a strategic partnership with the United States. And we are seeing sort of the growing dichotomy between preferences of authoritarian leadership in the region and the preference of democratic leadership in the region.

But to your point, absolutely. A regional fracture becomes conducive to the growth of authoritarianism, which is precisely what Russia prefers. And sadly, we have seen Azerbaijan be part of that same process, where the same way Russia occupies Ukrainian territory, the same way Russia occupies Georgian territory, Azerbaijan now occupies Armenian territory. So we are seeing nascent democracies that are trying to transition and consolidate being attacked by their authoritarian neighbors. And this creates fracture and instability, and thus diminishes or harms the consolidation process.

Georgia's situation, right, is a byproduct of regional fracture. And so while we saw from the Rose Revolution a continuous democratic growth, as the region became more fractured, as Russia initiated more destabilization, Georgia's domestic politics was also influenced by this. And so an important strategic endeavor of the United States, and one that I would commend the administration of having done an excellent job on this, is trying to introduce peace in the region. So if you have peace in the South Caucasus, it creates stability, and it allows for democratic growth. And it also allows for a reconcentration of efforts in Georgia to basically stop the backsliding. So in the confluence of these developments, we need to see the relationship between regional fracture, Russia's role in that, and the need to basically diminish Russia's influence in creating instability. Thank you.

WILSON: Indeed. I'd like to welcome back our alumnus, Michael Cecire, here. And any comment that you would like to make.

CECIRE: Thank you, Co-Chairman Wilson.

With regard to Georgia, I think it's evident that what we've seen in the country, as what is unfolding before our eyes over the last few days and certainly over the past few months and years, has been a tragedy for the country, as well as a tragedy for U.S.-Georgia bilateral relations. In terms of the directions that it's taking specifically, there seems to be, in the Georgian Dream Party, a calculation that its foreign policy is one that can both have a particular kind of relationship, a close relationship with the Russian Federation, with Beijing, with other unsavory regimes, while also continuing to gain from the succor and support of the United States and the European Union.

And that has been, I think, a tragic error on their part, and one that they have found over the past few months to be particularly problematic for their own internal propaganda purposes, as well as for their foreign policy prospects. I think there needs to be a real understanding of the ways by which Georgian Dream has sought to insert itself as a player in the region, without necessarily being willing to be responsive to the United States, to our interests, while also seeking to gain from that relationship, as they have in the past when they were seen as a reliable, responsive, and responsible partner.

WILSON: Again, thank you. And I'm grateful for President Salome Zourabichvili's courage, and the people of Georgia.

I yield back.

WICKER: Thank you very much.

Representative Cleaver, I believe you have seniority on this side of the table. And you're recognized for questions or comments.

CLEAVER: Mr. Chairman, thank you for the hearing. Let me – before I get into the main issue I'm concerned about – does Russia tend to claim territory based on whether the occupants of that land speak Russian? Is that – I mean, what are the other characteristics? Is that it? If they speak Russian, they're—?

KOPALYAN: That is one argument the Kremlin makes, but they have numerous arguments that the Kremlin has been making. One is sort of a form of historical revisionism, where they always argue that Ukraine was never a country, that it has never existed as one. It's an artificial construct. And therefore, Moscow reserves the right to reabsorb it. So that is one interpretation. Second, they did attempt a notion known as Novorossiia, a “new Russia” concept, that basically said they are the protectors of all Russian-speaking people. So in that context, the Kremlin reserved for itself the unilateral right to interfere into the sovereignty of other countries, to, quote/unquote, “protect” the Russian population. Even though there was no threat to the Russian population.

So they use different mechanisms to justify what is, in essence, a very irredentist foreign policy, to attack and absorb neighboring countries. So one argument they've made has been the Russian language speaking component. The other has been historical reconstruction of reality. And then, of course, there have been numerous ones such as denazifying Ukraine, and so on and so forth. On a daily basis, it's not uncommon for the Kremlin to come up with various reasons to justify – a pretext to justify their actions. But I will note, the Russian-speaking precept is one of those arguments that they propose.

LIUBAKOVA: If I may add here, so regarding Belarus – I'm going to speak about Belarus. That's my job here. So, indeed, Russians are saying that Belarusians are our brothers, right? So that's, I think, the ambition that Putin also has. They neither consider Ukraine deserving its nationhood nor Belarus. In the essay that Putin published in 2021 before the invasion, that was also clearly stated. We paid a lot of attention to Ukraine in that essay, but also there was Belarus mentioned there in this similar context. So that's something that Putin might use. However, at this point, because Lukashenko is so dependent and so – such an ally, right, and so willing to help Russia in every possible sphere, every possible way, Putin does not have any territorial wishes. But, of course, that might change.

What I think is also very dangerous is Russification itself, that has been happening in Belarus for decades. Not because of Putin, but because of Lukashenko. When Belarus got independence in 1994, we had quite a considerable amount of people who said that Belarusian is their native language. That number decreased. So from almost 90 (percent) that number decreased to less than 60 (percent). And that continues to happen. I mentioned this very small fraction – like amount of schoolchildren who are taught in Belarusian. And that's really dangerous.

But there is also another trend that I've noticed since 2020, and especially 2022, that people want to learn Belarusian. And that's really interesting. They do it in underground schools, of course, unofficial sort of classes, right, that they are doing. That's also a sign of resistance. But also, I think that shows that people want to rediscover their identity. And that's one of the directions and ways how to support Belarus and civil society, to invest in their efforts to discover national identity.

MR. CLEAVER: Thank you. If we can continue, to what extent – what is the extent of Russian military presence in Belarus?

LIUBAKOVA: Right. So at this point independent observers, investigators, were able to count that there are around 2,000 Russian troops in Belarus at this point. Which does not seem like a lot, but, of course, Russia needs troops somewhere else. But I mentioned the military drills that will happen this fall, will take place this fall. There will be 13,000 troops that will come from Russia. Again, this is not a considerable amount of troops. That's half of the amount that that was in 2022, when Russia attacked Ukraine, including from the territory of Belarus. We do not expect attacks at this point. And I think Western leaders agree here. But, again, at the same time, given the freedom with which Russia moves its troops to Belarus, that also might change. And I think that's where we also should pay increased attention to what Russia is doing.

CLEAVER: Thank you. Thank you, Mr. Chairman.

WICKER: Thank you very much, Representative Cleaver.

Representative Houlihan, do you have questions?

HOULAHAN: Thank you, Mr. Chair. And thank you very much to all of you for your testimony today.

I think that my biggest question is to answer the topic of the cost of a bad deal in Ukraine. Mr. Kopalyan, you spoke a little bit about a good deal, a bad deal, a good peace, a bad peace. You spoke also about un-peace. And you spoke, in relatively speaking, strategic and broad terms about what that looks like. What I was wondering is if each of you could kind of put on your more tactical hat and more of your diplomatic or even a general officer hat. What does a good peace look like, coming out of Ukraine? What markers are we looking for, as members of Congress, to indicate that this might be a good and lasting peace for the region, and for the world? And I'll start with you, sir, because you started this whole un-peace concept.

KOPALYAN: Thank you for the question. So when we look at what's known as liberal or illiberal peacebuilding, or bad peacebuilding, a bad peacebuilding is simply not peace. It's a model that allows for authoritarian conflict management. This is what Russia excels at. So if we look at any situation of post-Soviet space that Russia has been involved in peace negotiations, it's always led to frozen conflicts that have also led to more instability. So that peace is designed to basically, down the line, allow for reinitiation of conflict. So the first metric we need to pay

attention to is that if you look at the deal, what is the propensity of that deal to collapse and lead to more conflict?

And so whatever Russia proposes – currently, for example, hypothetically, you know, them absorbing the territories that they have conquered so far, or them being able to absorb Crimea into Russia, so on and so forth – these are stipulations that could never be acceptable to the Ukrainian people. And so in that context, even through pressure, let's say there's an agreement to hold those precepts, down the line that is not sustainable. This is why we speak of sustainable peace. So anything that does not appear to be sustainable, that seems to be forced, is simply a form of bad peace and it's not tenable.

There are a lot of examples of successful peace that have been negotiated, you know, in the post-Cold War period. For that to work, we need to look at a few things. One, the extent to which both sides have a full agreement on development. Not under coercion, right, not under pressure, but that they understand that this is something they could continue to sustain. That's the first metric. Second to pay attention to is that, is it commensurate with the will of the people, right? The government, for example, may be pressured to signing something, but that's not going to be sustainable a few years from that point if people rise up against what is, in essence, a form of injustice, right? So there has to be elements of equity and fairness in the notion of peace.

And, third, there have to be enforcement mechanisms, right? When we talk about peace for Ukraine, for example, are there international security guarantees? What will happen if Russia reneges on their commitments and invades a week, a month, or a year later? So international mechanisms of making sure that peace holds, the agreement sustains itself, is also another important metric. So these are kind of the main characteristics that members of Congress should pay attention to, to understand if it's on the trajectory of achieving good peace, a good deal.

HOULAHAN: Thank you. Anybody else?

CECIRE: So I would say, just to add to my colleague's, I think, terrific statement here, Russia has made it very clear that its intentions in Ukraine are quite maximalist and has not really rolled back any of those demands since it began the war in 2022 – the full-scale invasion in February 2022. Those demands remain maximalist. And they seek to create an environment in Ukraine where Ukraine is functionally unable to subsist as a sovereign, independent state. So I think that kind of firmly would fit the definition of what one might call a bad peace. And so far in the negotiations in which Russia has taken part, they have renewed those maximalist demands. And so that, I think, is a showstopper for the Ukrainians, and strategically, perhaps, ought to be one for the United States as well.

I think, looking at it more generally, in terms of the war and Russian aggression in Ukraine and throughout the region, fundamentally, Russia cannot be seen as having benefited from launching this illegal war. So a final peace or a deal cannot be seen as giving concessions to Russia, which is engaged in a war that is illegal. And it cannot be seen as being able to create an edifice upon which Russia can later somehow benefit into further aggression or other kinds of illegality.

HOULAHAN: I know I've run out of time, and so if – I don't know the procedures here, do I yield back or is there more time to –

WICKER: Well, why don't you ask one more question, and then we'll turn to Senator Shaheen, who has joined us.

HOULAHAN: To Ms. Liubakova, same kind of question. But you mentioned a permanent withdrawal of troops from Belarus. Would that be part of the parameters of a permanent peace, for you?

LIUBAKOVA: Thank you so much for giving me a chance to add. I actually wanted to mention that. When it comes to Belarus, the status quo would be also bad deal for Ukraine. Because if Russia – if Belarus stays under control of Russia, if Lukashenko stays as the dictator leader of Belarus, that would also mean that Putin in the future might use Belarus for attacks both on Ukraine but also on NATO countries. And Belarus, as you know, borders this. Russian troops must leave Belarus. Russian nukes must not be deployed in Belarus. I think what is also crucial is that democratic forces should be present. Democratic forces of Belarus should be present when it comes to negotiations of peace, because nothing about Belarus without Belarusians. And I think what is also important is transition to democracy in my country.

HOULAHAN: Thank you, Mr. Chair, for indulging me. And I yield back.

WICKER: Thank you very, very much, Representative Houlahan.

Senator Shaheen, welcome back to continental United States, having represented our interest at the NATO conference. You're recognized for questions.

SHAHEEN: Well, thank you very much, Mr. Chairman. And one of the real high spots about the NATO summit for me was seeing Sviatlana Tsikhanouskaya, and seeing her joy at finally having her husband released.

WICKER: Hear, hear. Hear, hear.

SHAHEEN: And I wonder, Ms. Liubakova, if you think there was any particular significance to Lukashenko releasing those prisoners? And my understanding, based on what we've been able to determine, is that there was nothing promised to him in that prison release, except for a public presentation with the prisoners. So can you tell us anything about that, and what you think it means?

LIUBAKOVA: Again, as I said in my opening remarks, I'm really grateful to the United States and to President Donald Trump for this leadership. I think it's really important. And it saves lives, as we see. And that also gave a lot of hope to the movement, to the democratic movement of Belarus. Sviatlana Tsikhanouskaya is now with Sergei Tikhanovsky in Poland. And they're actually meeting with President Duda and later with Minister Radosław Sikorski, who really supported Sergei while he was in prison. And then they actually have a rally when

people would appear and would protest. So I think that's also significant, that people can unite once again. That became such a hopeful and emotional moment for everyone.

When it comes to concessions and what Aleksandr Lukashenko might have got from it, of course, we don't have these details at this point. And I think he's so desperate to get out of isolation that this meeting, this handshake and these hugs that he was presented with, that was enough. The question is, what he would need next to release more prisoners? And I believe that pressure here is important because that's, again, the tool and leverage over Lukashenko. He wants sanctions to be lifted. And that's something where we can negotiate with him regarding this. So that's crucial. And it's also important not to legitimize Lukashenko before, of course, he gives concessions, and all political prisoners are released, and repression stops.

SHAHEEN: I certainly agree with that. There was a great deal of interest at the summit with all the people – players that we met with about the status of the Graham-Blumenthal sanctions legislation, and the importance of passing that to put pressure on Russia. Can each of you speak to whether you think that would be important for us to do, and whether that might help to move Russia?

CECIRE: Generally, we don't comment on ongoing legislation, but I will say that any pressure – any pressure on the Russian regime, on President Putin, and his oligarchs and cronies is generally positive, for a couple of reasons. One, for demonstrating and exercising leverage, and the ability for the United States to use that leverage in service of a particular end. But, second, I think it's also a real symbol of United States' resolve, that the United States is – continues to be very concerned about this, that we are united, and that there are policies that are in place, and there are efforts being made to do something about that. And I think that sends a very powerful signal.

KOPALYAN: So, generally speaking, targeted sanctions that tries to limit or curtail the ability of an autocratic elite –

SHAHEEN: Yeah, maybe I should be clear about what's in this bill. This is secondary sanctions on those countries who would do business with Russia for their oil.

KOPALYAN: Right. Yeah, so – absolutely. So generally speaking, sanctions do serve as a specific, important instrument of leverage. So we begin, there's literature on targeted sanctions and then there's a lot of literature on secondary sanctions. These work as mechanisms of curtailing the ability of given countries, such as Russia, to basically proceed with whatever their game plan is. And so it offers the United States and its allies a toolkit that could be utilized against Putin's regime. Obviously, it's not a silver bullet. But –

SHAHEEN: No, I understand that.

KOPALYAN: Of course. But in of itself, it does offer us an important mechanism of leverage in curtailing some of their capabilities.

SHAHEEN: Thank you. Do you agree with that?

LIUBAKOVA: I certainly agree that this is important. Belarus became a loophole for Russia. Russia is avoiding sanctions, thanks to Belarus, thanks to the regime. And Belarus is also collaborating a lot now with China and Iran. There was even a project to build a production site for Iranian drones in Belarus. So that's one of the examples how this collaboration looks like. China has become the second trade partner of Belarus. That's now around 10 percent, but – of trade that goes to China. But that's still significant, because, again, that's the second trade partner. And, of course, when it comes to banks, Russia is also avoiding sanctions via Belarus through banks. So I think all of this would be really important to tackle these loopholes, because what the regime is striving on is this kind of loopholes where it can still do their businesses. And there have been also numerous examples of this.

SHAHEEN: Mr. Chairman, can I raise one other issue?

WICKER: Yes, ma'am.

SHAHEEN: Last week in the Foreign Relations Committee we had several experts testifying in advance of the NATO summit. It was on NATO. And they both made a point that I think is sometimes overlooked, and that is – two points, actually. One is that Russia is militarizing in a way that goes beyond their capability – or, their capacity and need to address the war in Ukraine. And they are doing it with a very deliberate intent to, after Ukraine, attack another NATO country. The second point they made was that it is not in America or Europe's interest to lose Ukraine as an ally because they have the biggest army in Europe, they have the most technologically equipped fighting force in Europe. And to allow that army and that capacity to go into the Russian orbit would be a huge detriment both to the NATO alliance and to the United States. Again, is that something that you all would say is an analysis that you could agree with?

CECIRE: Thank you, Senator Shaheen. I absolutely agree with that. I think there's – it's very clear that Russia, although it has referred to its war footing as partial mobilization, that by any kind of conventional measure that it is a total war footing. The mobilization of vast sectors of the of the economy, and the impressing of hundreds of thousands of people into military service every year, and also other means of, you know, producing the materiel and the means of war-making, not just on Ukraine but broader aggression in Europe. I think there's a number of assessments that have been made by our allies in Europe, including intelligence chiefs, saying that they believe that Russia's rather impressive, I should say, powers of regeneration would likely be able to be used against a NATO state within five to 10 years.

And so that's something I think we all have to be thinking about when we're looking at the cost of a bad peace, because what we have in Ukraine is a country that has shown itself to be battle tested, militarily potent, and a society that is resilient and strong, and has withstood, I think, something that is unimaginable. And yet has, in many cases, bested the Russians, with meager support, when it comes down to it, from the world. So, in that case – in that sense, I think that there's a really strong case to want to work with the Ukrainians and to try and do everything we can to ensure that Russian aggression does not spread elsewhere in Europe.

SHAHEEN: Thank you.

I know I'm out of time. Thank you very much, Mr. Chairman.

WICKER: And that Russian aggression not be rewarded.

Senator Whitehouse.

WHITEHOUSE: Thank you, Mr. Chairman. I want to go back to the point I made in my opening statement, related to the effects in areas under Russian influence of our rule-of-law country's willingness to provide rule-of-law shelter to corruptly obtained assets, and further provide anonymity to the thieves and the criminals and the traffickers and the kleptocrats and oligarchs who stole them. And, you know, I see that happening. And I see that it is wrong. Where you have more expertise than I do is what effect that operation, that ability to hide anonymously their stolen assets behind rule-of-law protections, has for their power, their strength, their dominion over countries that are in Russia's shadow. In a nutshell, how much does that hurt?

CECIRE: Thank you, Senator Whitehouse. I think it absolutely hurts quite a bit. And in the case of a number of countries, but I'll speak briefly about Moldova. Moldova has been in the past a regular vector of Russian illicit finance, corruption, and kleptocracy. And it has been a success story that our partnership with the Moldovans and Moldova's integration into Europe has been a real impediment to that flow of illicit finance, irregular migration, even the flow of fissile materials. And, you know, there's a number of cases, but, I mean, one of the largest is the Russian laundromat case, between a period of 2010 to 2014, where there was something like tens of billions, some estimates go upwards of \$80 billion, that was facilitated from Russia through Moldova into hundreds, if not thousands, of companies in the West, including about 2,000 companies registered in the United Kingdom, several hundred companies here in the United States.

And that was orchestrated by a Moldovan oligarch, Veaceslav Platon. And it was that Russian laundromat that sort of put on display the powers by which Russia could employ illicit finance to do two things. One, to cleanse dirty money and to spread its influence, its financial influence but also its political and strategic influence, into Europe and into the West. And also, to undermine and cripple states in the region, including in Moldova. Wherever this money goes, it taints. It taints the companies, the governments that flow with it. And so being able to have reliable partners in the region who can be responsive, who have the same goals that the United States has to undermine these financial flows, is incredibly important.

KOPALYAN: Yes, I agree. And I will note that there are two tiers to this. Russia actually funds a lot of their hybrid operations in Europe and outside of Russia through this type of funding. So this isn't simply a financial, monetary issue. It's a concrete national security issue for a lot of our partners. So in that context, laundering money for political, diplomatic, and even then operational objectives is a playbook that Russia has developed. We've seen, for example, at a lower level, Azerbaijan uses as well with caviar diplomacy in Europe. So this is becoming a playbook for authoritarian regimes. And, of course, Russia wrote the book on this.

And just as similarly we've noted the extensive subversions in Moldova, right now Russia is precisely using oligarchic money to disrupt the democratic transition process in Armenia. They're using oligarchic money to basically fracture the democratic process and, in essence, subvert developments. So they view this entire process as an important instrument of the state to achieve its set objectives. But they do this through illicit means, which creates a notion known as traceless manipulation, where they could achieve their objectives but it becomes really difficult to accuse them. So they claim plausible deniability. And is a very, very important tool they've been using, both in Europe and now we're seeing a lot of that used in Moldova and Armenia as well.

LIUBAKOVA: Thank you. I'll add on Belarus and militarization of economy, something that they also mentioned in the beginning. So there are currently more than 280 companies and enterprises that support Russia's invasion. They deliver all goods, from microchips to even uniforms. There are testimonies from political prisoners who were released saying that they were involved in sewing of uniforms that went to Russia afterwards. There is even an enterprise that was producing skis, and now this enterprise supports the invasion of Ukraine by delivering products to Russia. So you see this collaboration. Belarus is using around 20 ports in Russia because of the Lithuanian decision to close its territory for transition of potash. So Belarus is now using Russian ports.

In 2022, when most important, painful sanctions were imposed, Belarus lost 4 percent of GDP as the result of these sanctions. But now it recovered because of this collaboration with Russia, and because of this kind of economy helping Russia's war machine. But sanctions is something that can make a difference here, especially sanctions on the militarized economy. I think that's really crucial. And that would also weaken Russia.

WHITEHOUSE: Thank you, Chairman.

WICKER: Senator Whitehouse, let me follow up on that. Mr. Cecire, where does Global Magnitsky need to be strengthened or amended to address this problem that Senator Whitehouse just raised?

CECIRE: Thank you for the question. I think there's kind of two areas when it comes to Global Magnitsky. The first being just a willingness, you know, by the administration, by policymakers to use those particular authorities for going after corruption and other illicit means. Because of the way that Global Magnitsky is structured, it's not – it's not always a perfect fit. There might be other authorities that might be a better fit for a particular case or set of cases. And in terms of – you know, in terms of restructuring Global Magnitsky itself, that's something I'd have to get back to you on with some more detailed guidance.

WICKER: I think it's something for members of this Commission to look at, too. I want to thank everyone for participating. There's indeed, obviously, a lot of interest in this topic. And we've had great participation. And so, Chairman Wilson, unless you have something else to add –

WILSON: I would just – again, I think it’s so important to see that it’s bicameral. Who would imagine the House and Senate agreeing on very much? And bipartisan, Republicans and Democrats standing together for the people of Ukraine, who have been so brave and so successful in maintaining the liberty they have, and then supporting the people of Belarus, supporting the people of Moldova, of Republic of Georgia. Just goes on and on. And just, again, we appreciate the courage to the people of Eastern Europe who want to live in freedom and success. Thank you.

WICKER: And I’m sure, Mr. Wilson, you join me in expressing our deep gratitude to the very talented staff we have here at Helsinki, and appreciate that very much. And with that, we stand adjourned.

[Whereupon, at 12:23 p.m., the hearing ended.]