

# COUNTERING RUSSIA'S TERRORISTIC MERCENARIES

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## HEARING BEFORE THE COMMISSION ON SECURITY & COOPERATION IN EUROPE U.S. HELSINKI COMMISSION U.S. HOUSE OF REPRESENTATIVES ONE HUNDRED EIGHTEENTH CONGRESS SECOND SESSION

MARCH 9, 2023

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## COUNTERING RUSSIA'S TERRORISTIC MERCENARIES

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COMMISSION ON SECURITY & COOPERATION  
IN EUROPE,  
U.S. HELSINKI COMMISSION,  
HOUSE OF REPRESENTATIVES,  
*Thursday, March 9, 2023*

The Hearing Was Held From 10:11 a.m. To 11:35 a.m., Room 2020 Rayburn House Office Building, Washington, DC, Representative Joe Wilson [R-SC], Chairman, Commission for Security and Cooperation in Europe, presiding.

**Committee Members Present:** Representative Joe Wilson [R-SC], Chairman; Representative Steve Cohen [D-TN], Ranking Member; Senator Jeanne Shaheen [D-NH]; Representative Victoria Spartz [R-IN]; Senator Sheldon Whitehouse [D-RI]; Representative Mike Lawler [R-NY]; Senator Richard Blumenthal [D-CT].

**Witnesses:** Justyna Gudowska, Director of Illicit Finance Policy, The Sentry; Jason Blazakis, Director, Middlebury Institute of International Studies [MIIS] Center on Terrorism, Extremism, and Counterterrorism [CTEC]; Jason Wright, Partner, Curtis, Mallet-Prevost, Colt & Mosle LLP.

### OPENING STATEMENT OF HON. JOE WILSON, CHAIRMAN, U.S. HOUSE FROM SOUTH CAROLINA

Chairman WILSON: Ladies and gentlemen, representatives of the Ukrainian embassy here in Washington, and friends of democracy, I am just so grateful to have you here today, and what an extraordinary time. The Commission will come to order. Good morning to all of you who have joined us today.

It is real impressive, this is a full house. It actually is an indication of the interest by the people of the United States, obviously, Western civilization, of the interest that there is in terms of opposing authoritarians around the world. Again last night, the Ukraine National Information Service had a reception here on Capitol Hill. I have been to a lot of receptions, but I have never been to one where during the course of it, because of people pressing against the windows and doors as sardines, it was just—to see the resolve of so many people, and the interest, and love, and affection that the people of America have for the courage and inspiration of the people of Ukraine.

Before we begin, I would like to acknowledge that we do have embassy officials here. I want to thank them for coming. Gosh, the Ukrainian embassy here in Washington, with the Ambassador, has just made such a difference communicating with the people of the

United States. Commission members will be coming and going. So grateful to me that it is bipartisan. On the House side, I am grateful to work with Congressman Steve Cohen, who's the ranking member on the Democratic side. Then I'm grateful that our Senate colleagues, Senator Ben Cardin, is going to be leading co-chair along with Senator Roger Wicker.

So people are coming and going. Then, as an indication of why they are coming and going, it is—I was here last night for an Education and Workforce Committee meeting until 2:00 in the morning. So it is always a reminder to me that democracy is the worst system there is, except for all the others. So—because we should not be meeting at 2:00 in the morning, Okay? But that is what is called reflecting the views of the people, and it can lead to some level of inconvenience—understatement.

Today's hearing will focus on, gruesomely, the notorious proxy war criminal Putin has deployed in Putin's murderous war on the Ukrainian people. The Wagner Group, owned by Yevgeny Prigozhin, is the organization that we will be discussing today. This shadowy paramilitary organization operating in Ukraine since 2014 has also served as a blunt instrument of the Kremlin's murderous attacks across Africa in Mali, Sudan, Libya, and the Central Africa Republic, as well as Syria. The Wagner Group has spread terror far and wide, committing acts of political violence resulting in the massacre of thousands of civilians in mass atrocities, as in Bucha in Ukraine and Moura in Mali. Wherever Wagner goes, atrocities are soon to follow.

The mercenaries rape, plunder, kidnap, torture, and exploit on a massive scale, traffic children, kill and threaten journalists, and are credibly accused of placing landmines in cities and nuclear power plants, even abusing nerve agents in Libya. When one sees the propaganda videos that have earned Wagner the moniker "Putin's bloody sledgehammer" they are actually no different from videos of the Islamic State decapitating its captives. It is past the time to recognize the Wagner Group for what it is, a foreign terrorist organization operating at the—Putin's behest.

I recognize that the Wagner Group has not operated with total impunity. Administrations past and present have levied sanctions against Wagner and its owner for violating Ukraine's sovereignty as an arm of Russia's defense and intelligence agencies, as a violator of religious freedom and human rights. The State Department recently designated Wagner a transnational criminal organization. Yet, Wagner has not faced the full face of the U.S. law as a consequence of being designated as a foreign terrorist organization. In fact, just yesterday there was an annual threat assessment by the U.S. intelligence community. It states that, indeed, Putin will continue to use Wagner to increase its influence, undercut U.S. leadership, and gain access to valuable resources being stolen from different countries that they operate in, and subjecting the people there to servitude.

This hearing will assess the case for a terrorist designation and explore how doing so could vastly strengthen and expand the reach of U.S. sanctions. I believe the case is clear. Wagner is no mere criminal enterprise in it for profit. It is not the mafia. Wagner commits political violence to advance Putin's interests, terrorism pure

and simple. Those who aid and abet Wagner, whoever they are and wherever they may be, materially support terrorism. It is no accident that Wagner receives weapons from the Democratic People's Republic of North Korea, a State sponsor of terrorism. Designating Wagner as a foreign terrorist organization would undermine its operations and networks of support, and act as a powerful deterrent to recruitment. It would also deter other authoritarian states, such as the Chinese Communist Party, that might be inclined to emulate Putin's use of Wagner.

To this end, I have joined with the ranking member Steve Cohen in sponsoring the Holding Accountable Russian Mercenaries Act, also known as the HARM Act, introduced along with the companion legislation in the Senate by Commission Co-chair Senator Ben Cardin of Maryland and ranking member Roger Wicker of Mississippi. This bipartisan legislation, cosponsored by many of our fellow commissioners along with prominent Members of Congress, would direct the Secretary of State to designate of the Wagner Group and its affiliates and successors as a foreign terrorist organization. Our esteemed witnesses today include former counterterrorism officials and attorneys involved in the prosecution of terrorism, well-placed to make this case for a Foreign Terrorist Organization or FTO designation.

We have with us Justyna Gudowska, director of illicit finance policy at The Sentry, a nongovernmental investigative and policy organization that seeks to disable multinational predatory networks that benefit from violent conflict, repression, and kleptocracy. We look forward to your testimony, which will provide an overview of the Wagner's terrorist activities, including in Ukraine and Africa. She will draw on her expertise as a former attorney advisor for the Department of the Treasury's Office of Foreign Assets Control and the U.N. Security Council on ISIS and Al-Qaida.

We have with us Jason Blazakis, former director of the Counterterrorism Finance and Designations Office in the Bureau of Counterterrorism at the U.S. Department of State, who will explain how terrorist designations are made, whether Wagner deserves such a designation, and what it would accomplish. Mr. Blazakis is currently with both the Middlebury Institute of International Studies and the Soufan Center.

Finally, we have Jason Wright, partner of Curtis, Mallet-Prevost, Cold & Mosle LLP, a former judge advocate of the U.S. Army. He is the kind of attorney we hope we will practically empower by designating the Wagner Group a terrorist organization. I will also note that he has a very distinguished service in the Law School of Washington and Lee University of Lexington, Virginia, as a graduate of James Madison University right up the valley. So, Mr. Wright, is quite familiar with western Virginia. We look forward to hearing what additional tools he and his legal colleagues will have at their disposal to pursue Wagner once it is so designated.

I am so grateful that we have Victoria Spartz with us today, and all the way from Indiana. Then Congressman Mike Lawler. It is hard to imagine—a brand-new Member of Congress, but he has really jumped in, from the State of New York. Hey, I left out, with Victoria, she is the first Member of Congress who was born in the

Ukraine to serve in Congress. So—and then Mike is pretty smart. He married a beautiful young—he married over his head, right? A beautiful young lady from Moldova. So we have got people who have family association. Then with my oldest son marrying a Polish American, we can talk about how much we appreciate Central and Eastern Europe. Well, many of our families have married into that, and we have certainly all benefited.

Before we turn to witnesses, I am really grateful to show you something that even Victoria will be surprised about. This I—this is a fragment of a wing of a Russian SU24—M, a supersonic tactical bomber. It belongs to a fleet of aircraft piloted by Wagner terrorists and was given to the Helsinki Commission in January as a concrete example of the murderous power of this organization. Can you imagine a supersonic tactical bomber being controlled by terrorists? This particular jet was downed over Bakhmut by Ukraine's brave defenders on December the 2nd, 2022. As the courageous men and women of Ukraine's armed forces continue their valiant struggle against Wagner and, indeed, the full force of Putin's military, they look to us to do our part legislatively and diplomatically to take similarly bold actions against Wagner and the Putin State to limit their ability to cause death and destruction, not just in Ukraine but, sadly, around the world.

With that, we will begin immediately with our witnesses. Justyna, look forward to hearing from you.

Ms. GUDZOWSKA: Thank you very much, Chairman Wilson. Distinguished Members of Congress, distinguished guests, thank you so much for holding this hearing. It is truly an honor to testify on such a critical issue.

My name is Justyna Gudzowska. I am the director of illicit finance policy at The Sentry, a nonprofit organization that follows the dirty money connected to war crimes and atrocities. I have spent my career countering financial crime. Previously I worked for the Treasury Department on sanctions against Iran and for the U.N. Security Council on countering the financing of terrorist groups such as ISIS and Al-Qaida. Most recently, I was the lead sanctions attorney for the global bank Morgan Stanley.

So today's hearing fits squarely within my work and The Sentry's mission. But this subject is also personal for me, like it is for you. I spent my childhood in Poland living behind the Iron Curtain. I know what it is like to live under Russia's thumb. It could not be more clear to me that the Ukrainian people are fighting not only for their own freedom, but for all of our freedom.

The chief focus of my testimony today is the history and conduct of the Wagner Group, which is ostensibly a private outfit but actually functions as an armed proxy of the Kremlin. Against the backdrop of Russian expansionism and the illegal invasion of Ukraine, we have witnessed a surge in the Wagner Group's involvement on the battlefield and an elevation of the group's profile more generally. You have likely heard about the extreme brutality practiced by Wagner in Ukraine, including human wave attacks, mass atrocities against civilians, and extrajudicial executions, such as the recent killing of a defector with a sledgehammer, a crime that was videotaped and widely distributed on social media.



What is less well known is that for years prior to the invasion of Ukraine, Russia has been steadily expanding its influence with the help of the Wagner Group, leaving a trail of death and devastation around the world. In addition to Ukraine, Wagner has deployed to other trouble spots—Syria, Sudan, Libya, the Central African Republic, Mozambique, Mali. It may seem that since invading Ukraine, Russia has been increasingly isolated as a global pariah, but in Africa the Wagner Group has continued to project Russian influence. Wagner has reportedly laid the groundwork in Burkina Faso and has its eyes on Cameroon and Chad where, according to U.S. intelligence, it may be trying to assassinate the country's pro-Western leader.

Simply put, the Wagner Group has become an integral component of Russia's geopolitical strategy. Although the group tends to adjust its playbook in response to specific circumstances in country, its operations in Africa tend to follow a pattern. Embed in resource-rich countries with volatile political and security environments. Forge symbiotic relationships with corrupt leaders. Provide training to security forces under the guise of counterinsurgency or counterterrorism. Pursue local business opportunities, and engage in elaborate pro-Russia and anti-Western propaganda, and carry out atrocities in furtherance of these aims. All while maintaining links to the Kremlin.

Wagner has been a destabilizing force since 2014, and the group's continued access to resources could undermine the unprecedented international sanctions effort to isolate Russia. The U.S. has responded to this pernicious threat by sanctioning the Wagner Group, its operatives, and some of its front companies under various sanctions regimes. Most recently, it has been mentioned already, the Biden administration labeled Wagner a transnational criminal organization, or TCO. What the U.S. Government has not done is used the most powerful economic tool in its arsenal. It is time for the U.S. to designate the Wagner Group as a foreign terrorist organization, or FTO, which, critically, would bring into play the extraterritorial and criminal material support statute.

This move would serve as a powerful deterrent for anyone who is thinking about working with Wagner. Designating Wagner as a criminal organization is a step in the right direction, but it does not carry the same powerful consequences as an FTO designation. This is why the bipartisan HARM Act is such a vital piece of legislation. I believe my colleagues will speak to the process and practical consequences of an FTO designation, but what I would like to do today is talk to you about why Wagner fits the definition of a foreign terrorist organization. I am going to do this by explaining the role of the group in the Central African Republic.

The Sentry has been investigating the Wagner Group since its arrival in the Central African Republic, or CAR, 5 years ago. When Wagner first arrived in CAR, the country had experienced decades of deadly and armed conflicts. Russia, through the Wagner Group, promised security to President Touadéra and his inner circle. A Wagner operative was installed as the president's national security advisor. In exchange for this security, CAR would provide Wagner with access to valuable natural resources, such as gold and diamonds. The fact that Wagner also spends money in CAR on sophis-

ticated Hollywood-style propaganda glorifying Russia makes it clear that the group is not there just for economic spoils, but also to project Russian power abroad.

Wagner fighters and Wagner-trained Central African soldiers have used terror as a weapon against the civilian population. They have committed mass rape, torture, forced disappearance and dislocation, and they have killed thousands of civilians. Wagner has given orders to cleanse areas purportedly occupied by rebel groups, which has resulted in atrocities committed against civilians, including women and children. A joint investigation by The Sentry and CNN of an incident in Bambari revealed that Wagner mercenaries indiscriminately killed civilians sheltering in and around a mosque. In addition to The Sentry, other groups and multiple U.N. bodies have documented such atrocities. The bottom line is, that Wagner targets civilians.

In fact, according to The Sentry's local sources in CAR, Wagner mercenaries give orders to kill everyone and leave no trace. In CAR, Wagner's atrocities are often concentrated around mining areas. In order to exploit the minerals, Wagner engages in cleansing operations around mines. The modus operandi is simple: The CAR government revokes licenses given to third-country companies and transfers the concession to Wagner-linked entities, while Wagner fighters come and secure the area for themselves. They execute local residents to create a climate of fear, and signal to others that the mines are off limits. A U.N. official stated, with respect to Wagner atrocities in CAR: People on the ground are absolutely terrified.

During the course of our investigations, civilians interviewed by The Sentry used the terms "Terror" and "Fear" repeatedly to describe Wagner's operations in the Central African Republic. The Wagner Group is a transnational threat, much like other terror organizations. Defeating this threat will require a genuinely international effort focused on the group's financing, propaganda, and movement of foreign fighters, as we saw in the successful international effort to combat ISIS. The U.S. needs to take the initiative here by leveraging one of its most powerful financial tools and calling the Wagner Group what it is, a terror group.

Before I finish, I want to leave you with one word of caution. An FTO designation is a powerful measure that can have negative humanitarian consequences by chilling the work of legitimate non-profit organizations that are afraid of running afoul of the material support statute. This is especially the case when the terrorist group has de facto control of territory, as Wagner does in CAR. CAR is one of the poorest countries in the world and is dependent on humanitarian aid. In order to prevent further harm to the population, it is important to ensure the humanitarian consequences of any designation are properly mitigated.

In conclusion, I urge Congress and the administration to implement the toughest economic tools the U.S. Government has at its disposal to counter the Wagner threat and choke off the group's resources, while minimizing negative impacts on civilians in fragile countries where Wagner operates. Thank you very much for your attention. I will be happy to answer any questions you may have.

Chairman WILSON: Thank you very much. As a true indication of bipartisanship, we have been joined by Senator Jeanne Shaheen, all the way from New Hampshire. So grateful—

Senator SHAHEEN: But really from the Senate. [LAUGHTER.]

Chairman WILSON: Okay.

Senator SHAHEEN: So that is a little farther.

Chairman WILSON: Okay. But from the House of Lords, all right? But, no, but we are so grateful, indeed, at this bipartisan—hey, the support of the people of Ukraine is bipartisan. Ms. Gudowska, your Polish background. Again, I am so grateful my daughter in law, Jennifer Miskewicz Wilson, family's from Krakow. So I identify—and then I was in Poland before the COVID. At that time something there was really startling, and that is that Poland was the only country in Europe that had 25 years of uninterrupted economic growth. You think of how far Poland's come, 200 years of division, and then the Hitler invasion of September the 1st, 1939, and the Stalin invasion from the other side, on September the 16th, the same month, 1939. To see where Poland is today, it is so exciting. That can be a message to the people of Ukraine. So thank you.

We are grateful to have with us all the way from Rhode Island, this is amazing, Senator Whitehouse. Just grateful for your service and honored to be here with you. Again, bipartisanship is live in front of you right here. I would—so with this, Mr. Blazakis.

Mr. BLAZAKIS: Good morning. Thank you, commissioners, for inviting me to testify today on the activities of the Russian-based organization that goes by the name Wagner. The work you are doing to examine whether this notorious organization should be sanctioned as a terrorist group is vitally important. Indeed, each day that goes by without new pressure exerting upon the group provide the Russian Federation an important source of finance, propaganda, manpower, natural resources, and access to geostrategically important countries and leaders across the globe.

My name is Jason Blazakis, and I am a professor at the Middlebury Institute of International Studies in Monterey, California. I am also the director of Middleburg's Center on Terrorism, Extremism, and Counterterrorism, CTEC for short. I have served in these dual roles since July 2018, and at the same time a senior research fellow at the Soufan Center, a nonprofit and nonpartisan think tank based in New York City. I want to emphasize that my testimony today contains my views, and are not necessarily reflective of the views of Middlebury or the Soufan Center. I also ask that my full written testimony be added to the congressional record.

Now, prior to joining the Middlebury Institute, CTEC, and the Soufan Center, I worked in the government for nearly 20 years. Of those years in government service, I worked across both Republican and Democratic administrations. The last 10 and a half years of my government service was spent at the Counter Terrorism Bureau, the CT Bureau, at the U.S. Department of State. At the CT Bureau, between early 2008 and July 2018, I directed the activities of the Office of Counter Terrorism Finance and Designations. Simply put, Myself and my team at the CT Bureau were responsible for evaluating and compiling the underlying evidence that led to

determinations made by the secretary of State regarding which groups should be labeled as foreign terrorist organizations, FTOs for short, pursuant to the Immigration and Nationality Act.

My office was also responsible for recommending which groups or individuals should be designated as specially designated global terrorists, pursuant to Executive Order 13224. Additionally, my office was responsible for developing the evidence required for the listing of State sponsors of terrorism to assist with various legal statutes. In my time at the State Department, I oversaw the designations of hundreds of individuals, organizations, and countries as terrorists. Based on my experience of adding groups to the FTO list, there is no question that the Wagner Group meets the legal criteria set forth in the Immigration and Nationality Act.

Wagner is a foreign-based organization engaged in terrorist activity that is a direct threat to U.S. national security interests. That is the criteria for adding FTOs to the list. My written testimony explores deeply the details of how the group meets the legal criteria, but instead of spending time on that I thought it beneficial to go over the practical benefits the designation of Wagner as an FTO would provide, especially in light of the fact that it is designated already pursuant to four different executive orders.

The three primary consequences of the FTO designation include an asset freeze, material support prosecutions, and there are immigration consequences connected to the FTO designation. The latter two consequences are important benefits that make the designation worth pursuing. The chief benefit of the FTO designation is the material support prosecution the U.S. Government could pursue against members and financial backers of the Wagner Group. In my years of government service, prosecutors have expressed an overwhelming preference for prosecuting individuals whose support can be traced back to an FTO. Not only are FTO cases easier to prosecute, but they often result often in much longer prison sentences than, say, individuals who are prosecuted for supporting a transnational criminal organization.

Furthermore, the reach of the FTO regime is much longer. It has extraterritorial effects. To summarize, the FTO designation would ratchet up law enforcement pressure against the Wagner Group, while also ensuring the group cannot gain entry into the United States. The FTO designation of the Wagner Group would also have intangible benefits. First, it could have a deterrent effect. The mere idea of someone working with a designated terrorist group could deter leaders in countries from inviting Wagner operatives to provide the so-called security that they provide, that Justyna mentioned. Further, it may change the calculations of countries that are already doing business with Wagner. The FTO designation ultimately could result in de-risking.

The FTO designation may also have an ability to affect Wagner's recruitment to the organization. Adding the Wagner Group to the FTO list may change the calculations of specific recruits if they knew that they were joining a terrorist group. Now, based on my direct experience, U.S. national security agencies focus more resources on terrorist groups than they do criminal enterprises. Labeling the Wagner Group as a terrorist group would possibly in-

crease the prioritization the United States intelligence community puts on the group.

This could result in more assets, human or technical, collecting information on Wagner, with additional analysts devoted to spending time uncovering Prigozhin's front companies, it also increases the likelihood the United States can shed more light on Wagner's money trail. The terrorist designation may also make it easier for U.S. intelligence agencies and U.S. law enforcement agencies to share and receive information from their overseas counterparts regarding the activities of the Wagner Group. All these things will make—become much easier, and easier to facilitate, if the State Department labels the Wagner Group as a foreign terrorist organization.

Finally, there are reports that the Wagner Group is trying to recruit Americans over social media. The Wagner Group also spews propaganda over U.S.-owned social media platforms. In my experience, once an organization is treated by the U.S. Government as a foreign terrorist organization, social media companies will remove content associated with that designated group very quickly. Designating the Wagner Group as a terrorist group will provide social media companies more leverage for content removals of Wagner-associated content.

My written testimony gets into those details and many more. I look forward to your questions.

Chairman WILSON: Thank you very much, Mr. Blazakis. Actually, your State Department background and your expertise is so much appreciated.

We are grateful for Jason Wright, formerly the director of the International Law Clinic at Washington and Lee University. Mr. Wright.

Mr. WRIGHT: Chairman Wilson and commission members, thank you for your time and for this opportunity to appear before your distinguished Commission. My name is Jason Wright and I am honored to highlight for you and the American people the legal reasons why an FTO designation matters.

For context, I would like to briefly share my background in this area. From 2005 to 2014, I served as an Army judge advocate during the global war on terrorism, with tours in Germany, Iraq, and Guantanamo Bay. I am now a litigation partner at Curtis, Mallet-Prevost, Colt & Mosle, where I chair the firm's national security law and sanctions and export control practice groups. I have taught international criminal law, terrorism, and the laws of war at Georgetown and Washington and Lee Universities. I continue to serve as a JAG in the Army Reserve and as an assistant professor of law at West Point, where I teach constitutional law, military law, national security law, and public international law.

Based on my Reserve military service, I am obliged to State this disclaimer, that my views are my own and do not necessarily represent those views of the Department of Defense or its components. I am also pleased to share, Mr. Wilson, that although I am a Virginian by birth and by education, I am also a constituent of Mr. Lawler's in the proud 17th. Thank you, sir.

Commissioners, based on my firsthand experience, similar to my colleagues, I am proud to testify that the might of the U.S. Govern-

ment to combat terrorist organizations through military, economic, and law enforcement means is unparalleled. But to be fully effective, these means must be enabled. In my testimony today, and also in my written testimony for the record, I will explain why the designation of the Wagner Group as a foreign terrorist organization can unlock a range of legal tools to neutralize, disrupt, and defeat their global ambitions. Most importantly, to deter others from providing material support to their activities.

As you have heard, since 2016 Prigozhin and his private military company have been sanctioned several times under various executive orders pursuant to the International Emergency Economic Powers Act, or IEEPA. Despite these sanctions imposed by the U.S. Treasury Department, Prigozhin has successfully evaded these sanctions. Just last month a Financial Times investigation found that Prigozhin has generated more than a quarter of a billion dollars in revenue while under these IEEPA sanctions. He has done this while continuing to expand his global ambitions in the Middle East, in Africa, and in Europe.

So why does an FTO designation address this problem set? There are several legal reasons. First, an FTO designation triggers the material support statutes by creating a strong prosecutorial tool. These laws would make it a crime for anybody in the world, such as fighters, trainers, suppliers, and financiers, to assist Prigozhin and the Wagner Group.

Second, an FTO designation helps the United States in its bilateral relationships with other countries to enforce the rule of law. It would enable U.S. prosecutors to provide meaningful mutual legal assistance for the prosecution of Wagner Group members in those countries.

Third, an FTO designation provides a focal point for interagency coordination or integrated deterrence. Simply put, it activates the resources of the U.S. national security might to counter Wagner's global terrorism. Right now, the Treasury Department is the lead, under IEEPA. But an FTO designation activates the coordinated interagency efforts of the National Security Council, the Department of Homeland Security, the Department of Defense, the CIA, the NSA, the FBI, the DOJ, and the State Department, among others.

Fourth, it provides greater leverage for international and diplomatic coordination to isolate the Wagner Group to protect U.S. nationals and to advance U.S. homeland and national security interests here and abroad. Finally, an FTO designation provides international legal clarity and U.S. legal stewardship.

Members, in my opinion, the global war on terrorism is not over. We have simply started a new chapter. A new threat has emerged. The world is watching Prigozhin, a real-life Bond villain, grow his global ambitions to disrupt international peace and security through his terrorist organization, the Wagner Group. An FTO designation provides essential tools to isolate Prigozhin and his terrorist network. An FTO designation also helps to protect Americans and to deter others from around the world from providing him and his network any form of assistance.

We won the first chapter in the global war on terrorism by subduing the threat posed by Al-Qaida and ISIS by using all of our

instruments of power. We may be able to close this second chapter quickly by acting decisively again, and by demonstrating U.S. global leadership. An FTO designation is a global and legal force multiplier that can help the U.S. and our allies to neutralize, disrupt, and defeat Prigozhin, and any other imitators who seek to counter U.S. national interest. Thank you.

Chairman WILSON: Thank you very much, Mr. Wright. As a former JAG myself, I appreciate your service continuing. That is fantastic. At this time, we are going to begin, 5 minutes. Gosh, we have been really fortunate. We have another member of the U.S. Senate, is not that amazing, to come to this side of the house. So Senator Richard Blumenthal.

Senator BLUMENTHAL: It took me a while to find it.

Chairman WILSON: No, no, hey, hey. [LAUGHTER.] Hey, hey—

Senator BLUMENTHAL: [?]: We are lost little lambs over here, Joe.

Chairman WILSON: No, no, no, hey, hey, hey. Anybody who is been in the Rayburn Building knows that it is easy to get lost, Okay? With that in mind, look how smart they are, they made it. [LAUGHTER.] So but with this in mind, we are going to have a 5-minute rule. The staff is going to be really good to make sure that we begin and control ourselves to 5 minutes. So please—and we will be alternating between the House, Senate, and even different political parties. So this is good.

I have got to restate again that sadly—and one of our commissioners is Congresswoman Shelia Jackson Lee. She once said good news has no feet bad news has wings. So the good news of Republicans and Democrats, House and Senate members working together to support the people of Ukraine, this needs to be understood by the people of Ukraine and it needs to also be understood by Mr. Putin. So as we proceed, I will begin.

Ms. Gudowska, I agree with you that we are actually seeing a worldwide competition, to me, between democracies with rule of law. I am really grateful the University of South Carolina, with the leadership of Lindsey Graham, we have—the law school has worked with the University of Kyiv on a rule of law program. So it's real live, and that is rule of law with democracies as opposed to authoritarians with rule of gun. It is so important. We see that today in Ukraine by Putin, but we know the Chinese Communist Party is threatening the people of Taiwan, and then so concerning additionally Iran is developing ICBMs, intercontinental ballistic missiles, to vaporize the people of Israel and to vaporize the people of the United States.

So with that in mind, how serious all of this is, Mr. Blazakis, some have indicated that the foreign terrorist organization designation for the Wagner Group would lead directly to a designation of Putin and Russia as a State sponsor of terrorism. Is this correct? Why or why not?

Mr. BLAZAKIS: It is incorrect. As somebody who was responsible for shaping the State sponsor of terrorism list—which, for the record, is very short, with just four countries on it—Iran, Syria, Cuba, and North Korea. There are many other countries that meet the legal criteria that are not on that list. So there is flexibility in the context of creating the State sponsor of terrorism list. Otherwise, you would have a number of countries—Afghanistan, as one

example, as currently led by the Taliban, a designated—specially designated global terrorist group pursuant to Executive Order 13224. The Haqqani Network has members within ministerial positions in Afghanistan. Yet, Afghanistan is not labeled a state sponsor of terrorism.

Russia could already be designated, quite frankly, as a state sponsor of terrorism today, right now, irrespective of whether or not the Wagner Group is listed as a terrorist group. The Russian Imperial Movement is an example of Russia providing support and sanctuary to a U.S.-designated terrorist group. The Russian imperial movement was designated by the Trump administration in April 2020. It has training camps in St. Petersburg. It trained an individual to carry out an attack in Sweden. The Russian Federation has carried out assassinations worldwide, assassinations very similar to the kind North Korea carried out, that led them to be added to the terrorism list in 2017.

All this to say, very quickly, there is no automaticity if you were to add Wagner to the terrorist list, the FTO rolls. It does not mean the State Department would have to designate Russia as a state sponsor of terrorism.

Chairman WILSON: Well, thank you. That is particularly revealing about Haqqani. So thank you for showing the differentiation. Hey, I have a great appreciation of trial lawyers. I know that they can be very innovative and enterprising. In fact, my oldest son, Alan Wilson, is the attorney general of South Carolina. So I know that if we can unleash trial lawyers in the world, gosh, how good that would be.

So new tools for prosecutors, Mr. Wright. How would a foreign terrorist organization designation empower you, i.e., trial lawyers, as a prosecutor or prosecutor, to go after the Wagner assets and disrupt its aspirations?

Mr. WRIGHT: Thank you, Chairman Wilson. First, if I can speak to the criminal aspects that Mr. Blazakis referred to and I also touched on as well. The FTO designation really opens up the world for prospective criminal prosecution for U.S. prosecutors. It has a very clear extraterritorial effect for anyone who finances, supports the Wagner Group, whether they're fighters, suppliers, you name it. So the material support statutes really provide a great extraterritorial hook for U.S. prosecutors to go after those individuals.

The material support statutes also have a lower standard of mens rea, or statement of mind, for prosecutors to prove whether someone knowingly commits a violation versus willfully. That is the current standard under IEEPA. There is also an extended statute of limitations for any injury or death for these statutes. So, criminally, it really provides a lot more advantages for U.S. prosecutors. In fact, there have been almost twice as many prosecutions under the material support statutes than there have been under those prosecutions pursuant to IEEPA.

Now, if I can touch on the civil aspects, Mr. Wilson, an FTO designation really helps Americans, those U.S. nationals who are injured by the activities of Wagner and by any other entities that aid or support Wagner. It would provide a private right of action in the United States for those individuals to go after Wagner as part of



an effort really to continue to deter not just Wagner, but any other entities that aid or abet Wagner in their activities.

Chairman WILSON: Well, thank you very much. Indeed, the thought of American and worldwide trial lawyers going after them is really exciting, because these are enterprising individuals. Thank you. I am really grateful, Ms. Gudzowska, that—a question and then we will proceed. That is, how do we know the Wagner Group operates to service Putin's interests rather than just simply for profit?

Ms. GUDZOWSKA: Well, there are a number of clear indications that Wagner serves Putin's interests. First of all, it was formed in 2014. The Wagner Group was the little green men you heard about in the Ukraine, in eastern Ukraine, that gave Putin plausible deniability at that time. Their operations have expanded. For example, if you look at the Central African Republic, they first came in after discussions between the Central African government and Russia. They came in on a Russian plane with Russian arms. So the link is clear. We know Prigozhin is also a long-time ally of Putin.

Third, we know they do not operate just for profit like a criminal group because they also spend money. One of the key goals in those countries is to project Russian power, Russian influence. They do that through elaborate propaganda, pro-Russia, anti-Western. That costs money. So they're not just there for the resources to make as much money as possible. They also spend money. So there is really two goals when they go into a country—access to resources and to project Russian power and Russian influence.

Chairman WILSON: Thank you very much. It was really interesting your estimation of their propaganda as Hollywood style. That is shocking.

But thank goodness we have got good people, like Senator Jeanne Shaheen is. We will proceed with here. We have been joined by Congressman Steve—the ranking member, Congressman Steve Cohen of the State of Tennessee. But we will proceed with Senator Shaheen.

Senator SHAHEEN: Thank you very much, Mr. Chairman. I am very pleased to be part of this bicameral, bipartisan show of support for Ukraine and opposition to the Wagner Group, and appreciate the work of the Helsinki Commission in bringing this hearing forth today. I am convinced, on the foreign terrorist designation. I am a co-sponsor of legislation in the Senate that is bipartisan that would do that. I think the sooner we do it, the better.

The question that I have is—a number of questions—more about the Wagner Group. In the Armed Services Committee in the Senate last week we heard testimony from one of the witnesses that there is growing friction between Prigozhin and the Wagner Group and Putin and the regular military. Can anybody here speak to that, and how you see that being resolved? I am sure most people here saw the video of Prigozhin asking for more support. So I do not know who would like to respond to that.

Ms. GUDZOWSKA: Well, I think it is—you know no one understands Putin's mind except for Putin. So it is very difficult to know what is really going on. Certainly, Prigozhin has been poking the ministry of defense. He has been, you know, very aggressively

speaking out against Shoigu and Gerasimov, the leaders, really, of the war. But it is unclear what Putin thinks about it. I have seen articles kind of saying both ways, that Putin likes this type of competition but also that Prigozhin might have political aspirations. So I think it is quite unclear. There is a lot of palace intrigue, but it is hard to say definitively whether there is a rift between Putin and Prigozhin. He certainly continues to act in Putin's interests.

Senator SHAHEEN: Does everybody agree with that? There is no—

Mr. BLAZAKIS: I would just add I think there is an interesting development with the possible creation of another PMC, PMC Gazprom. I think Putin has seen the success of the Wagner Group, but also Putin probably recognizes that Prigozhin is increasingly becoming an internal threat. When you have a private military company or a terrorist group like Wagner that has more than 60,000 members, with an arsenal of weapons and aircraft, as the chairman showed us—fighting aircraft—that is—that is potentially a threat, an internal threat. I think the creation of the PMC in Gazprom could be one way to think about the future of how the U.S.—or, how the Russian Federation projects power through PMCs in the future, should Prigozhin and the Wagner Group fold.

Senator SHAHEEN: I think you testified, Mr. Blazakis, that they have been recruiting in the U.S. Do we have any sense of the success that they have had recruiting?

Mr. BLAZAKIS: Thankfully, I have not seen any reflections of success, of individuals who are American citizens who have willfully joined the Wagner Group. So it is not been successful. But I would agree with Justyna that they are Hollywood-like productions. You can go see some of their movies and their ratings on IMDb. It is quite problematic. I think they are trying to continue to make inroads. If nothing else, they try to polarize the American public as it relates to its support to Ukraine during this time.

Senator SHAHEEN: Can you speak to the success that they have had in other places recruiting? There have been reports that they have been recruiting in the Balkans, in particular in Serbia. That was denied by the Serbs, but do we have any credible evidence of the success they are having?

Mr. BLAZAKIS: Yes, no, the Department of State has gone out there to Serbia to specifically bring this issue up. It is a real issue. Serbia does have individuals who have joined the Wagner Group. Interestingly enough, there have been multiple reports that former Afghan special operators, trained by United States, have also been recruited by the Wagner Group. The Wagner Group has also made an effort to recruit from Syria and Iraq individuals into the fold. So they have had some success recruiting on the outside of the Russian Federation. They do not just have to rely on recruitment from prisons.

Senator SHAHEEN: I am not sure who wants to answer this, maybe you Ms. Gudowska. But you talked about the theatrics of the Wagner Group. They have been very successful at disinformation. So what should we be doing to respond to that disinformation much more successfully than we have today?

Ms. GUDZOWSKA: I think we need to counter the disinformation. I think that is critical. When I was at the United Nations, we had the rise of ISIS. There was a coalition formed to combat ISIS. That

coalition focused on its financing, the movement of fighters—which Jason was just talking about—and the propaganda. So there needs to be a coalition, a global effort to counter its propaganda because it is so good at propaganda.

The perception that Wagner and Russia are a successful private military group, successful against fighting counterinsurgencies and counterterrorism, also needs to be countered, because that is actually false. We saw them routed in Mozambique. In Mali, the terrorism threat has actually grown since Wagner entered the picture. So I think we need to make an effort to counter that propaganda, that they are a successful outfit, by highlighting their failures and highlighting the atrocities, the steep price that these countries pay to get Wagner in. Of course, the resource predation—the economic predation they engage in.

Senator SHAHEEN: Thank you very much.

Chairman WILSON: Thank you so much, Senator Shaheen.

We now proceed—and we could tell you that Ukrainian Americans have significance and have been successful in America. We can tell you that every day, but we have a living example of success with Congresswoman Victoria Spartz. Born in Ukraine, representing the beautiful State of Indiana.

Representative SPARTZ: Thank you so much. Sorry for my Yankee accent. [LAUGHS.] But I actually was going to say Jason, I have a question, but we have two Jasons. So I have to say last names. So I have quick questions for Mr. Blazakis, if I say it right. Are you aware of any involvement of Wagner Group in Mexico, Central America?

Mr. BLAZAKIS: The indications I have seen in Wagner in the south of the United States is primarily focused on activities in Venezuela. I am not as familiar with activities they may be engaged in Mexico City.

Representative SPARTZ: Okay. Then from—you know, kind of ended a little bit, you know, sort of definitions. What do you believe would be probably the strongest examples of activities that pose a threat to our national security or the national security of other nationals? What would be the really the strongest examples?

Mr. BLAZAKIS: You know, the Wagner Group is obviously operating in Ukraine, projecting an important fighting force on behalf of the Russian Federation. The United States has a vested interest in preserving Ukraine's sovereignty. The criteria for designating foreign terrorist organization, the third criteria is, is the group's activity carrying out—being carried out by the group a threat to U.S. national security interests? So inherently the group's activities in Ukraine represent a threat to U.S. national security interests, specifically our foreign policy and broader geostrategic interests.

Then I think Justyna mentioned a specific attack the group was engaged in, in Bambari. Again, the activity in places like Bambari in the Central African Republic, the activity of the Wagner Group in Mali and elsewhere, that have been well documented, where civilians are being killed is providing propaganda coups also at the same time for groups like ISIS and Al-Qaida, who are reconstituting in that part of the world. So in fact, Wagner Group is not helping the situation. It is inflaming the situation and providing more leverage to ISIS and Al-Qaida, and more space to operate

freely. So in that sense, it is also a threat to U.S. national security interests.

Representative SPARTZ: Have you—actually, I have been, you know, working on European security, but I have a lot of different issues. Recently came up is the situation in Africa and really involvement of China. Have you seen any increasing activity or it is still the same, what really Wagner Group is doing and the collaboration with China—Chinese Communist Party—in Africa? Justyna?

Ms. GUDZOWSKA: I have not seen anything related to China specifically. Certainly, in Africa, the threat from Wagner is spreading. They are going into new countries. As the rest of the world is isolating Russia, Wagner threat is spreading. They are looking to join other countries all—you know, like Burkina Faso—all very resource-rich countries. I can not speak to the China—

Representative SPARTZ: But is not it, Wagner Group, really used to support a lot of corrupt governments in Africa that China likes to work with? Because our people do not want to work with them, right? There is a lot of control of resources that has really come out now with a lot of different issues. It seems like it is—you know, I hear from people from Africa that there is increasing activity there in the recent times. So maybe that is—maybe, Justyna, quickly about that. Do you believe designating the Wagner Group at FTO would have some—because we have so many loopholes in different sanctions. Would it allow them to maybe close some loopholes or make it harder—or, better enforcement of what Russia is doing, in the enforcement of sanctions against Russia?

Ms. GUDZOWSKA: Yes, definitely. I think the FTO tool is just a stronger tool than sanctions because it brings to bear another separate law. That is the material support statute. It is a criminal statute, as has been discussed. It is extraterritorial. So the prosecution can occur against foreign persons. For just sanctions, there are really limits on jurisdiction. You know, the conduct has to be in the U.S., or it has to be by a U.S. person. So the jurisdictional limits are more significant with an IEEPA designation, as strong as it is. It is just not as strong as an FTO designation.

Representative SPARTZ: Right. Maybe something—you know, any of you could comment, maybe Jason—do you—have you seen—because it seems like—you know, have they seen any ideological or—for recruitment or some motivation? Like, I could see how they could do it in Serbia, you know, some propaganda to do actually recruitment, you know, for Wagner Group. I can see it is happening in Africa right now. Russia is doing strong propaganda, I am sure, as it also allows some. You know, but have you seen any recruitment using ideological propaganda?

Mr. WRIGHT: Well, certainly. Thank you. That touches on some of my statements about essentially imposters. There is some reporting in Belarus that Wagner went and trained a private military company in Belarus to also engage in offensive operations. There is some news reporting about that. I believe the name of the entity is Gardservis. Then to speak—at least to address one of your earlier questions, there is also some reporting about Wagner's attempts to engage in disinformation campaigns in Mexico. This was allegedly pre-COVID, but that was a plan that was shut down, allegedly. There was a Politico report that came out in February ad-

dressings some of their global ambitions in this regard. So I think the risk is real, not just about recruitment but continued disinformation campaigns across continents.

Representative SPARTZ: My time expired. Thank you. I yield back.

Chairman WILSON: Thank you very much, Congresswoman Spartz. We appreciate her Indiana accent. It was very clear.

So with that, we are really grateful to be joined by Senator Sheldon Whitehouse from Rhode Island.

Senator WHITEHOUSE: Thank you, Chairman. Thanks to the Helsinki Commission for holding this, and to our witnesses for being with us. I should report that we are pushing for a date for a vote with Leader Schumer on the designation of the Wagner Group as a foreign terrorist organization. I want to salute Senator Blumenthal, who is sitting next to me, for his work and Senator Graham. We just were in Kyiv not long ago. One of our big takeaways is this really needed to be done. So I hope it will be shortly.

Ms. Gudowska, could you just give us a quick explanation on how the financial institutions, lawyers, company formation agents, and other enablers facilitate the Wagner Group's money laundering and financial crimes, and how the FTO designation would impair that?

Ms. GUDZOWSKA: Thank you very much. Thank you for this question. I am a big fan of the Enablers Act, so I am glad you asked this.

Senator WHITEHOUSE: We are still working on it.

Ms. GUDZOWSKA: Yes. [LAUGHS.] So I think that is a very critical component. That is because the Wagner Group works through front companies. Wherever it goes, it sets up front companies—in CAR, in Sudan. That is how it is able to exploit those resources. To set up front companies, you have to have people willing to do that. You need lawyers. You need company formation agents. So those people need to be targeted as well. Their obligations need to be higher. We also need to raise awareness—.

Senator WHITEHOUSE: An FTO designation would facilitate that?

Ms. GUDZOWSKA: Yes, because it just raises the bar. You can be prosecuted for doing business with the Wagner Group, whether you are sitting in the U.S. or a different country, if you are providing material support.

Senator WHITEHOUSE: Thank you. Thank you. Mr. Blazakis, what is your view on how other countries would view Wagner's actions? Would we be isolating ourselves by designating them a terrorist organization, or joining a consensus?

Mr. BLAZAKIS: I think for the designation to be as effective as it could be, it is important for the United States to align itself and to work with other countries to also designate under their own legal authorities the Wagner Group as a terrorist group. I testified in October—.

Senator WHITEHOUSE: Which is already beginning, correct?

Mr. BLAZAKIS: Which is, yes. I testified at the House of Commons Foreign Affairs Committee in the U.K. There is an initiative within the U.K. Parliament to proscribe the Wagner Group as a terrorist group. There was a report recently, about a month ago, that the

Home Office, who has the legal authority to designate terrorist groups in the U.K., is at the threshold of possibly designating the group. I don't think the United States would isolate itself by sanctioning the Wagner Group as a terrorist group, but rather it could serve as the inspiration for other countries to do the same.

Senator WHITEHOUSE: Mr. Wright, this will be my last question, the—in addition to being little green men, and in addition to being a mercenary army for Vladimir Putin, the Wagner Group also provides muscle for kleptocrats, at a price, usually out of the national revenues of the kleptocrats they are protecting. What is your assessment of how important it is to follow the money, to get at all these lines of business? How good do you think we are at it right now? How much room for improvement is there?

Mr. WRIGHT: Well, to address the first part of your question, it is critically important to follow the money. You take away the resources, and it certainly can restrict the scope of their activities. That is one of the goals really of an FTO designation, is its global deterrent effect. It can have a deterrent effect on those individuals that are willing to support their efforts.

Senator WHITEHOUSE: Do you have an assessment of how well we are doing or how much room for improvement there is?

Mr. WRIGHT: Well, I can not speak to that, as far as the Department of Justice internally or otherwise, but I can just speak to the statistics. Generally speaking, FTO prosecutions have been much more successful than any prosecutions under IEEPA. There is almost a two fold number of successful prosecutions under those statutes. So it has been an effective tool, at least in the fight against Al-Qaida and ISIS as well, by example.

Senator WHITEHOUSE: Great. Well, with colleagues joining, I do not want to take any more time. But I would invite the other witnesses if they have further comments on that to take the question as a question for the record. Would love to have any further response you can to offer in writing. Thank you. Thanks again, Chairman. This is a very good stuff.

Chairman WILSON: Hey, thank you so much, Senator. Appreciate your insight. It is exciting to hear the legislation proceeding. That is so positive. Thank you.

Indeed, next we will proceed to Congressman Mike Lawler of New York. I want to remind you again, his wife is from Moldova, and how insightful this is. By accident, dictator Lukashenko of Belarus was showing a map, and by accident it showed an error of the puppet troops proceeding into Moldova. So if anybody wonders what is happening, hey, it is so important for the victory of Ukraine, because we know that the next country that they would proceed to would be Moldova, and it, of course, would be the Republic of Georgia. Then Putin has expressed a keen interest in Narva, which happens to be in Estonia. It is shocking that there has been an indication that he would like to have a land route to Kaliningrad, which means going through Lithuania. Then who would imagine, last week there was an announcement of Putin being very interested in redrawing the national boundaries of Poland. Gee whiz.

With that, Congressman Mike Lawler.

Representative LAWLER: Thank you, Chairman. Thank you all for your testimony. Welcome Mr. Wright, my constituent. To the Chairman's point, my wife is from Moldova. Her family lives about 30 miles from the Ukraine border, near Transnistria. You know, obviously, the Wagner Group has been heavily involved in Ukraine. Have we seen activity spilling out into other former Soviet satellite countries to date?

Mr. BLAZAKIS: I have not seen any reflections of that. Although, obviously Wagner has operated, as my co-panelist has mentioned, in Belarus, reportedly. So there are indications of that.

Representative LAWLER: Okay. We know that North Korea has provided military assistance to the Wagner Group. How, in your estimation, has the United States responded to this intelligence? How do you think our government should respond—be responding to other nations, like China, who may provide military assistance to the Wagner Group, or directly to Russia, in the future?

Mr. BLAZAKIS: So North Korea is one of the most sanctioned countries in the world, but nonetheless the fact that it is providing military armaments to Wagner I think requires a stern response by the Biden administration to explore additional sanctions against specific individuals or organizations who may have provided those arms to the Wagner—the group. An interesting tool that is not—

Representative LAWLER: To date, have we seen any of those potential sanctions take place?

Mr. BLAZAKIS: No, I have not seen anything specifically. That is a relatively new development that occurred at the end of 2022. Designations do take some time to unroll. So they may be looking at potential targets still for possibly designation. So that is one thing about the designations process, generally it could take many months to unfold before a designation culminates.

Representative LAWLER: Understood. With respect to designating the Wagner Group as an FTO, how specifically—and I know you have all been touching on this in your testimony—but U.S. efforts to hold the company accountable for its continued threat to security. How would this designation really allow us to do that as an effective tool?

Mr. WRIGHT: Well, it empowers the full counterterrorism might of the U.S. Government, ultimately. Part of our national security strategy has been—and the national security strategies over the last several years is this concept of integrated deterrence. Really it activates our counterterrorism powers across the alphabet soup of military, defense, and intelligence agencies. Specifically, it empowers the Department of Justice, really, with a—with a very strong criminal law enforcement tool, that tool of deterrence which we have been speaking about.

Truly, any member, or any fighter, or any financier, any supplier who wants to provide beans, bullets, money to the Wagner group and their terrorist network anywhere in the world now falls under the jurisdiction for prosecution to the United States, which is an extraordinarily powerful tool that exists globally. That is—that is really, I think, the strongest benefit, if we are talking about that law enforcement tool. You know, certainly there is diplomatic pressure as well, and diplomatic aspects of such a designation, which

have been touched on a little bit here today. But in the end, really it is this criminal power that we have with a concentrated, coordinated focal point for U.S. Government efforts, is really the animating difference here, with an FTO designation versus the existing sanctions regime.

Then, Congressman, just to address one of our earlier questions, you know, under the IEEPA sanctions there is only been piecemeal designations in relation to the Wagner Group. The Wagner Group, as we all know, have been designated many times, and there is a history here. But in terms of other enablers, there is been some ad hoc designations as SDNs. Most recently, on January 23rd, there was a laundry list of companies in various countries—China, Russia, Luxembourg, Central African Republic, and UAE. Just those SDN designations, what it primarily does is just prevent U.S. persons from engaging in transactions with them, or conduct that occurs on U.S. soil, or transit through the U.S., or has a deterrent effect on these other non-U.S. persons.

Representative LAWLER: So you believe this designation would allow us to hold other countries and other bad actors accountable for engaging and cooperating with them?

Mr. WRIGHT: One hundred percent.

Representative LAWLER: Thank you.

Chairman WILSON: Thank you very much, Congressman Lawler. It is refreshing that Congressman Lawler has acknowledged that he married over his head. [LAUGHTER.] Which has certainly created the circumstance of his being elected to Congress. We are so fortunate to have, again, a member of the Senate come all the way over to the House. This is startling. Senator Richard Blumenthal of Connecticut.

Senator BLUMENTHAL: From Connecticut is right. Thank you, Mr. Chairman. Many of us both the House and the Senate married above ourselves. So that is true in my case as well. I appreciate your very warm welcome to the House. It would have been worth the price of admission just to hear you suggest that we ought to unleash the trial lawyers of the world. [LAUGHTER.] As a recovering trial lawyer myself, and former attorney general of Connecticut and U.S. attorney, which leads me really to my question.

As I think all of us know, these designations and laws are only as good as the enforcement of them. So when we apply sanctions—whether it is as a foreign terrorist organization or some other designation—my question always is: Who is enforcing these provisions? How effective has it been? Let me ask all the members of the panel, in terms of the present sanctions regime, are there companies that we ought to be looking at that may be violating these sanctions, because the Congress has investigatory powers? Is our Department of Treasury or State doing as much as they can or should?

I understand that designating the Wagner Group as a foreign terrorist organization would enable stronger sanctions on anybody dealing with it. I am the lead co-sponsor in the Senate, along with Senator Graham. It is bipartisan. As Senator Whitehouse said, we expect we'll get a vote if not next week, hopefully very, very soon. Then I hope we will have a House vote as well. I applaud Representative Cohen, I just read his bill which I think is very, very



effective, and that we will have bipartisan support here as well, which obviously this session is helping to build.

But I think in getting a vote, it helps to say: This is going to have real impact, because it will be enforced. So I would like to hear from you about the record so far, the companies we should be looking at. You do not have to name them here. You can do it in a private meeting. But I would be very thankful for your suggestions. I will just begin with you.

Ms. GUDZOWSKA: Happy to start. It is a great question. I think the difficulty with sanctions is that it is often a game of whack-a-mole. You sanction some entities, and unfortunately the sanctioning of Wagner Group front companies has been a bit sporadic, and it has not been well-coordinated with our allies, especially the EU and U.K. So I think we should continue the sanctions efforts, sanction more front companies as soon as we know about them, and at The Sentry we know of quite a few that have not been sanctioned, frankly. But we need to do it with our allies.

But you can not sanction everybody. So that is why the FTO designation is so important, because it has this deterrent effect. It ups the ante. It makes other actors, other companies, less likely to deal with Wagner, because they know that America's prosecutorial arm will come after them, and can come after them. So I think that is why it would have such an impact. It just really raises the bar. Dealing with a criminal organization does not scare people in the same way that dealing with an FTO would.

Senator BLUMENTHAL: Well said. Thank you.

Mr. BLAZAKIS: In terms of operationalizing sanctions, that is also the most important thing that can be done, with the current array of sanctions deployed against the Wagner Group, but also any future designations. Then speaking on designations, I agree with Justyna that if you look at the number of specially designated nationals, whether entities, businesses, or individuals heretofore designated by the U.S. Government, you are talking about 20 to 30 entities and individuals. You think about the scope and the size of Wagner, you're talking tens of thousands of individuals.

So there is certainly more designation targets that can be pursued. Which targets would be the best to pursue, I think, is dependent on intelligence, but in law enforcement-related expansion of authorities, which all the FTO designation would very likely provide. Because that would increase, in my mind, the prioritization the U.S. Government puts on the group if it is labeled a terrorist group. That could generate more intelligence and law enforcement sources, cultivation of sources, that could lead to more information, that can allow us to actually have some tangible assets frozen associated with this group.

To date, I am not aware of any assets associated with the Wagner Group that have been frozen because of the U.S. Government designations. Nor am I aware of any prosecutions of Wagner individuals heretofore.

Senator BLUMENTHAL: Mr. Wright.

Mr. WRIGHT: Thank you, Senator. I do not have much further to add, other than what we are dealing with here is certainly a terrorist network that is engaged in a number of shell companies all over the world. so it certainly is a monumental enterprise. What

really an FTO designation does is it helps unleash all of those tools. The focus can be much like ISIS and Al-Qaida in stopping the flow of funds, stopping the flow of fighters, and stopping the flow of arms and munitions.

Senator BLUMENTHAL: I want to thank all of you and regard this testimony the beginning of a conversation. We would like to reach out to each of you, Ms. Gudowska, Mr. Blazakis, Mr. Wright, because enforcement is so important. By the way, we have passed unanimously in the U.S. Senate a resolution sponsored by Senator Graham and myself to designate Russia as a State sponsor of terrorism. One of the high points of my service in the U.S. Senate was to present a copy of that resolution to President Zelensky in Kyiv, in his office.

We may doubt from time to time the moral force of what we do in the Congress. Very often we pass stuff and it seems to have no effect. But I can tell you, in terms of the morale for the people of Ukraine, that resolution, the visit of the president, all of these actions that we take have real impact. So I think designating the Wagner Group as a foreign terrorist organization would be in that—would be in that same spirit, and would have much the same effect. But when it comes right down to it, we do need enforcement. We need to make it count. So thank you all.

Thank you, Mr. Chairman.

Chairman WILSON: Thank you, Senator. Again, thank you for your courage to go to Kyiv to present that. Then it is—I know Mr. Wright will appreciate this—that I enjoy very much your working together, bipartisan, with Senator Lindsey Graham of South Carolina. He and I were fellow JAG officers. So that is how we got to know each other. So there is such a positive association. Thank you. Then, hey, again, showing the—

Senator BLUMENTHAL: It is only slightly harder to get to Kyiv than to get here from the Senate. [LAUGHTER.]

Chairman WILSON: Oh, no, no. Well, no, hey, hey.

Senator BLUMENTHAL: We do not have to take an overnight train.

Chairman WILSON: Oh, hey—oh, hey, Senator, coming from the Longworth Building was a challenge.

But with that in mind, someone who meets challenges is my Co-chair—and thank goodness for—of another political party—but Congressman Steve Cohen of Memphis, Tennessee.

Representative COHEN: Thank you, Mr. Chair. Thank our witnesses for being with us today. Mr. Chairman Wilson is the Co-sponsor of our legislation. We worked together in support of efforts to try to designate agents that are clearly terrorist groups or genociders. We had a bill last year to declare Russia a perpetrator of genocide, but for some reason the State Department did not work with us on that, and apparently my Chairman of—Democratic Chairman did not work with us either. It was rather difficult because, just like Mr. Blumenthal recognized—Senator Blumenthal—how much that is appreciated in Ukraine. They would have appreciated the designation. Zelensky particularly asked us when he came to the Congress to designate them as a genocider. Sometimes the State Department needs a kick in the rear. A strong kick in the rear. That is what this bill might do, what it is trying to do.

Mr. Wright, you might have discussed this—I was in the Transportation Committee—do you have any ideas, or anybody else have any ideas, why the State Department is being so reticent? I mean, I know about the theory of Africa countries, and blah, blah, blah, and may be a precursor to naming Russia a terrorist group. You know, are they afraid of shadows, or what is their reasons for being timid?

Mr. WRIGHT: Well, on the question of a genocide, generally speaking under the Genocide Convention there is an obligation, once an event or conflict or series of events is categorized as a genocide, it requires states to undertake affirmative obligations to stop and prevent the genocide. So I know historically the U.S. Government has been traditionally reluctant to call a spade a spade when, in fact, it is a spade, based on that international obligation.

Representative COHEN: But that obligation's when the government—the administration does it. If the Congress does it, it does not put those obligations on them.

Mr. WRIGHT: That is right. That is right. What I am speaking to is just really the obligation under the genocide convention more particularly. That is my understanding as to the general reluctance, not just within the United States, but within the international community. I think we all can observe what is happening and when it is happening. But when the issues of State responsibilities come into play, I think that is probably the resistance from the State Department. I have not studied this issue in particular. I can only speak to my understanding generally of those obligations. But that would be my assessment, sir. But perhaps my colleagues have some additional thoughts.

Representative COHEN: Please. I want to ask you another question, Mr. Blazakis. This is to educate me. I mean, I know a little bit about Ian Fleming, but I do not know a whole lot about international bad guys, like he did. He probably envisioned Prigozhin. How many other organizations like this have there been, or are there, that are just private groups that are just out there to do bad things in mass quantities?

Mr. BLAZAKIS: So I would love to also respond to your last question, since I used to be one of those people you probably kicked in the butt when I worked at the State Department as the head of the office that made the FTO designations. [LAUGHTER.] I will say, congressional pressure is actually really helpful to get things moving within the executive branch. I was there where there was a lot of controversy about the possible designation of Boko Haram as a foreign terrorist organization, and the Haqqani Network. Congressional bills were really important in terms of gathering momentum within the executive branch. So I think the HARM Act is particularly important.

The reasons why the State Department may not have designated the group—it could be a range of reasons. One reason could be very simply the process to designate foreign terrorist organizations can take up to a year gathering the evidence, compiling it, and coordinating it within the interagency to ensure that other national security agencies don't have equities that could be impaired with respect to the designation.

The other point I would make is the State Department has not added a foreign terrorist organization to the list since 2021. I think there could be a few reasons for that. One reason is I know they don't have the coordinator right now for counterterrorism. You know, fighting within the State Department on challenging issues like this could be where maybe, say, the European Affairs Bureau could be opposed to the designation, requires a political appointee that has some gumption, that can take on those interagency fights. So I think that might be another point that's important in the context of this conversation.

The other point I would make is there is a perception often in the State Department that designations or sanctions more generally can tie the hands of diplomats, and force them into boxes they do not want to be in. I think this is a perception that probably exists from the State Department thinking that if you were to add Wagner to the list, somehow it is going to result in some kind of State sponsor of terrorism designation for Russia. Which, as I mentioned earlier, would not be the case. So in the context of why there is a delay, I think this is perhaps why we are seeing some delay from the State Department.

Representative COHEN: How about these other groups? Are there other groups that are—you know, in the world, have there been other groups like the Wagner Group that have been so outrageous, and so large, and so effective?

Mr. BLAZAKIS: Yes. So Wagner is, in one sense, unique because it is a significantly large organizations, with tens of thousands of individuals, that have the full backing of a country that has significant power, Russia in this context. But we have seen the State Department designate paramilitary or PMC-like groups in the past. A really good example of that would be the AUC in Colombia. The AUC paramilitary force, created ostensibly by the Colombian government, to go after leftists within Colombia, to include the FARC. Went off the rails, carried out heinous acts against civilians at the same time. They were designated as a foreign terrorist organization.

So I think there is an analog where designating the PMC will not set a precedent for the State Department, because you have had organizations like it sanctioned before. Then, of course, Hezbollah is a foreign terrorist organization. It has very similar capabilities as the Wagner Group in terms of the scope of personnel and the backing it gets from States, particularly a State like Iran.

Representative COHEN: If I can just have one more question. Thank you. Assuming the sanctions are supposed to be effective, and we put more sanctions on them, and all these kind of things. If the Wagner Group is effective in fighting this war, is Putin going to do anything to stop the Wagner Group? Can he just take them and make them instead—appoint Prigozhin a deputy, and his group becomes part of the Russian military, and blah, blah, blah?

Mr. BLAZAKIS: Yes. I think the most likely scenario is Prigozhin gets a little too big for his britches and stops himself, and results to his ultimate demise, probably at the hands of Putin or others within Putin's inner circle. I do think Prigozhin has made an effort to not only project power in places like Ukraine and places like the

Central African Republic, but also is trying to make inroads internally within Russia.

You know, Prigozhin created a tech center in St. Petersburg because of the brain drain from Moscow in terms of skills that the country's losing, because people just do not want to get up and fight for Putin. In that sense, I think Prigozhin is trying to gain a bigger foothold within Russia, to have a domestic presence. I think that tech sector he is created is actually one way to do that. So I do see him trying to become perhaps more involved in domestic politics as well.

Representative COHEN: I yield back the remainder of my time.

Chairman WILSON: Hear, hear. Hey, I wanted to—absolutely. But I want to thank Congressman Cohen. Now you will see why my wife Roxanne thinks he is a superstar. So I am really grateful for this.

As we conclude, I want to thank the Helsinki Commission staff and Demitra Pappas has just been instrumental in providing extraordinary documentation as we have prepared today. But again, it is such an honor to have such distinguished individuals here as witnesses, and the credibility you have. But, again, to show the American people the bipartisan—so strongly in favor of victory for the people of Ukraine.

With that, I would also, as we adjourn, I would like for the three of us to join you back there for a picture. So please stay seated because it is just an honor to have you here. With this, and the Representatives from the Ukrainian Embassy, gosh, the Ukrainian Americans who are here, as we face just incredible situations I am just so hopeful for the people of Ukraine, people of United States, which is vital to our national security. With that, we are adjourned.  
[SOUNDS GAVEL.]

[Whereupon, at 11:35 a.m., the hearing ended.]



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ADDITIONAL SUBMISSIONS FOR THE RECORD

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## **Additional Submission for the Record**

### **OPENING STATEMENT OF HON. BEN CARDIN, CO-CHAIRMAN, U.S. HOUSE FROM MARYLAND**

Senator CARDIN: Thank you, Chairman Wilson, for convening this hearing of the Helsinki Commission to examine how Congress and the United States government can bring its most powerful tools to bare against one of the most dangerous entities currently in the international system, the Russian mercenary network that goes by the name Wagner Group.

Mr. Chairman, Putin unprovoked and illegal war against Ukraine has been made deadly because of the Wagner Group. As the Commission will hear from today's witnesses, these mercenaries have been credibly linked to countless atrocities in Ukraine and across the African continent, as well as other places including Syria.

I credited the administration with sanctioning Wagner and its leadership on several occasions, including on January 26, when the U.S. Department of the Treasury Sanctioned Wagner as a Transnational Criminal Organization.

However, I and many of my colleagues believe we can and must go further and designate the Wagner Group a Foreign Terrorist Organization.

First, let's be clear: Wagner is not simply some criminal organization that is in it for the money; yes, some people are getting rich, and certainly, criminal acts are taking place. But this is not a drug cartel or mafia group. Wagner, as the Administration has on numerous occasions asserted, operates in the service of Kremlin interests. The atrocities and terrorism are intrinsic to Wagner's operations in order to produce a political effect.

Secondly, designating Wagner as a Foreign Terrorist Organization would unlock additional tools and authorities that I believe would have a significant negative effect on Wagner's ability to rape and pillage in the service of Kremlin interests. Not only would it make material support to the group subject to U.S. criminal jurisdiction; it would also limit Wagner's recruitment, and deter others from working with or employing Wagner now and in the future. It would also send a strong message that we will not tolerate Wagner-type groups as an accepted actor in the international system; in short—no one should think that emulating Wagner is a good idea.

Mr. Chairman, it is for these reasons that I have been proud to co-sponsor, with a strong bipartisan group of Senate colleagues<sup>1</sup> led by Senator Wicker, the Holding Accountable Russian Mercenaries Act—also known as the HARM Act. This legislation would direct the Secretary of State to designate Wagner Group as a Foreign Terrorist Organization. I am also grateful to our colleagues in the House of Representatives, led by Congressman Cohen and a number of our fellow Helsinki Commissioners, who have introduced the HARM Act in their chamber. I thank the witnesses present at today's hearing for their important views on the merits of this legislation and the effects it is likely to have.

Mr. Chairman, there is a strong and growing bipartisan and international consensus that Wagner Group's uniquely destructive and terroristic actions merit the use of our strongest tools in response. I urge my colleagues, and the Administration, to join us on the right side of history in designating Wagner Group an Foreign Terrorist Organizations as soon as possible.

Senator WICKER: Chairman Wilson, thank you for bringing the Commission together to discuss what we should do about one of Putin's most deadly and vicious tools—the Wagner Group.

These Kremlin-directed mercenaries have in recent months made international headlines for their exceptional barbarism and brutality as lead elements of Putin's forces in Ukraine, where they have committed countless atrocities of the most vile sort.

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<sup>1</sup>[U.S. Senators Lindsey Graham, R-S.C., Jeanne Shaheen, D-N.H., Thom Tillis, R-N.C., Richard Blumenthal, D-Conn., Marco Rubio, R-Fla., and Sheldon Whitehouse, D-R.I.]

However, the people of countries such as Syria, the Central African Republic, or Mali know all too well that the Wagner Group is no new and emerging actor. In fact, for years this shadow army of thugs has expanded its reach throughout the Middle East and Africa, raping and pillaging at every stop. It has managed to corrupt the political systems in which it operates, securing rights to extract mineral resources that fund Wagner Group operations elsewhere, including in Ukraine.

Mr. Chairman, the United States should call this shadow army what it is: a foreign terrorist organization. We must hold the Wagner Group and any who support these terrorists accountable for the atrocities they have committed across the globe.

It's no secret to anyone in this room that since Putin launched his lawless and brutal invasion on Ukraine just more than a year ago, Congress has been out in front of the Administration every step of the way in ensuring the strongest possible support for the brave Ukrainian people as they fight for their freedom and independence—a fight that has direct implications for the national security of the United States. Eventually the Administration has, for the most part, come around to positions that were already largely in the Congressional mainstream.

That is why it is so important once again for Congress to lead the way, and why I am so proud to have introduced, with a strong bipartisan group of Senate colleagues<sup>1</sup>, the Holding Accountable Russian Mercenaries Act—also known as the HARM Act.

This legislation is both morally clear—Wagner Group clearly meets whatever standards you might want to measure it against as a terrorist group—and has a demonstrable impact, as it will hurt Wagner's operations immediately and definitively.

