

Permanent Subcommittee on Investigations

Hearing on “The U.S. Technology Fueling Russia’s War in Ukraine: How and Why“

Chairman Richard Blumenthal, Opening Statement

The hearing of the Permanent Subcommittee on Investigations will come to order. Welcome everyone, particularly to our witnesses. Some of you have come a long way, and we greatly appreciate it.

Just three days ago, I sat across from President Zelenskyy in Ukraine, along with my colleague Senator Hassan and three other members of the United States Senate. As I sat across from him, what I saw was a steely determination to continue to fight, and that determination is shared by the Ukraine people overwhelmingly. Their courage and strength again on this fifth visit inspired me anew.

President Zelenskyy handed me a folder that I took from him then. It was the result of a conversation I had with him just about a week earlier in Munich, asking for evidence, if he had any, of American manufacturers’ parts and components in weapons used by Russia on the battlefield in Ukraine. The folder that he handed me was a powerful indictment of our export, control, and sanctions system—a really searing piece of evidence that contained a listing of 211 high-technology chips, semiconductors, and other technology in numerous missiles and other products used to kill Ukrainians on the battlefield. I'm going to ask that this folder be made part of the record, without objection.

Of those 211 separate components, 87 were made by just four U.S. companies: Intel, Analog Devices, AMD, and Texas Instruments, and their subsidiaries. But they are just the four leading sources of American technology going into the Russian war machine. The simple truth is that a vast number of United States parts and components are found in Russian weapons recovered on the battlefield. American manufacturers are fueling and supporting the growing and gargantuan Russian war machine. And they are used in missiles, drones, munitions, and other weapons of war.

The Russians are relying on American technology. Our sanctions system is a sieve. Our export control regime is lethally ineffective. And something has to be done.

That’s the reason we are here today. And we are here with three experts who can tell us about how these parts can be traced and tracked, how potentially their flow to Russia can be choked, stemmed, and stopped. The evidence points overwhelmingly to the fact that Russia relies on Western technology to power its military capabilities. And United States companies produce the majority of components found in Russian weapons.

President Zelenskyy told me how cutting off Russia’s supply of these components is crucial to Ukraine’s defense. This stack of documents that he handed me bolster the evidence that the technology used to fuel Russia's war machine flows through third-party intermediaries and bordering countries. United States companies know, or should know, whether they violated the

law. We are not concluding at this point, but we certainly have questions for them and questions for the United States Department of Commerce and the Department of the Treasury.

Russia's success in its efforts to evade export controls can be seen in the very weapons recovered on the battlefield. And I am appalled that American technology breakthroughs are sustaining Russian belligerence. We opened this inquiry last year in order to understand this absolutely astonishing and appalling pattern. We focused on four American companies whose products have been repeatedly identified in greater number and frequency as continually and disproportionately showing up in Russian weapon systems. We need to understand how these American products are getting to Russia despite export controls and what more can be done to stop them.

Although our inquiry is ongoing, our initial findings show that those third-party intermediaries located in countries bordering Russia are used to evade U.S. export controls. This is a secret hidden in plain sight. I would like to enter into the record the subcommittee memorandum that we prepared providing evidence of this fact, and I see no objection.

The astronomic increases in exports to Kazakhstan—which went up a thousand times from 2021 to 2022—are matched in the same period by exports to Georgia, which were 34 times greater, and exports to Armenia, 28 times greater. Exports to Turkey more than doubled, and exports to Finland were roughly 1.5 times higher. These stark increases are part of a larger trend. We know that other bordering countries outside of these five, notably China, are home to entities being used by Russia to evade our export controls. I hope this hearing will enable us to understand what more can be done to prevent technology from going to Russia.

Russia has been so successful in evading U.S. export controls that its ability to import critical battlefield goods has nearly recovered to levels seen before the invasion of Ukraine. That status quo is unacceptable.

This issue is critical not only to defeating Russia, but also beyond that conflict. It has implications for our national security across the globe. Semiconductor export controls are an increasingly important part of our national security. Export controls are one of the ways we hope to maintain our dominant position in artificial intelligence and constrain countries like China from surpassing our capabilities in AI. They are also crucial to our security in other parts of the world, including defending ourselves from overtly hostile regimes like Iran and North Korea.

We need effective semiconductor export controls. Our technology cannot simply be available for whoever wants to access it. The evidence collected from the battlefield in Ukraine can provide guidance to us in defending our national security on technology in many other areas.

I hope our work will uncover not just what has gone wrong but recommendations and solutions to stop future exports of United States technology and from keeping it out of the hands of the Russian war machine. Again, whether there have been violations of law, we are not concluding at this point, but we have strong questions for these companies, and we know that enforcement has been lacking.

I commend the Biden administration for imposing additional sanctions, which they announced just days ago. But sanctions are dead letter unless they are enforced, and we are writing to the Commerce Department in a letter that I am also making part of the record today, without objection, to ask many of these same questions.