



OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE
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Chairman Schiff, Ranking Member Turner, members of the Committee, thank you for the opportunity to speak with you today and to provide testimony, alongside my wonderful colleagues and on behalf of the Intelligence Community, on the IC's 2022 assessment of worldwide threats to U.S. national security.

Before I start, I just want to take a moment to express to you how much I have appreciated your thoughtful support and partnership this last year and to publicly thank the men and women of the Intelligence Community for their extraordinary work to keep us safe. I know how privileged I am to be a part of the Intelligence community at this time and with extraordinarily talented people, to be given a chance to do something useful in service to my country and I thank you for the opportunity.

Broadly speaking, this year's assessment focuses on adversaries and competitors, critical transnational threats, and conflicts and instability. These categories often overlap and one of the key challenges of this era is assessing how many various threats and trends are likely to intersect, so as to identify where their interactions may result in fundamentally greater risk to our interests than one might otherwise expect or where they introduce new opportunities. The 2022 Annual Threat Assessment highlights some of these connections as it provides the IC's baseline of the most pressing threats to U.S. national interests.

The Assessment starts with threats from key state actors, beginning with the People's Republic of China, which remains an unparalleled priority for the Intelligence Community, and then turns to Russia, Iran and North Korea. All four governments have demonstrated the capability and intent to promote their interests in ways that cut against U.S. interests and allied interests.

The PRC is coming ever closer to being a peer competitor in areas of relevance to national security, is pushing to revise global norms and institutions to its advantage, and is challenging the United States in multiple arenas, but particularly economically, militarily, and technologically. China is especially effective at bringing together a coordinated, whole of government approach to demonstrate its strength and to compel neighbors to acquiesce to its preferences, including its territorial and maritime claims and assertions of sovereignty over Taiwan.

President Xi Jinping and China's other leaders are determined to force unification with Taiwan on Beijing's terms. China would prefer coerced unification that avoids armed conflict, and it has been stepping up diplomatic, economic, and military pressure on the island for years to isolate it and weaken confidence in its democratically elected leaders. And at the same time, Beijing is preparing to use military force if it decides this is necessary.

The PRC is also engaged in the largest ever nuclear force expansion and arsenal diversification in its history, is working to match or exceed U.S. capabilities in space, and presents the broadest, most active, and persistent cyber espionage threat to U.S. government and private sector networks.

Russia, of course, also remains a critical priority, and is a significant focus right now, in light of President Putin's recent and tragic invasion of Ukraine, which has produced a shock to the geopolitical order with implications for the future that we are only beginning to understand but are sure to be consequential. The IC, as you know, provided warning of President Putin's plans but this is a case where I think all of us wish we had been wrong.

The invasion has, in fact, proceeded consistent with the plan we assessed the Russian military would follow—only they are facing significantly more resistance from the Ukrainians than they expected and encountering serious military shortcomings.

Russia's failure to rapidly seize Kyiv and overwhelm Ukrainian forces has deprived Moscow of the quick military victory that it probably had originally expected would prevent the United States and NATO from being able to provide meaningful military aid to Ukraine. Moreover, we assess Moscow underestimated the strength of Ukraine's resistance and the degree of internal military challenges we are observing, which include an ill-constructed plan, morale issues, and considerable logistical issues.

What is unclear at this stage is whether Russia will continue to pursue a maximalist plan to capture all or most of Ukraine, which we assess would require more resources, even as the Russian military has begun to loosen its rules of engagements to achieve their military objectives. And if they pursue the maximalist plan, we judge it will be especially challenging for the Russians to hold and control Ukrainian territory and install a sustainable pro-Russian regime in Kyiv in the face of what we assess is likely to be a persistent and significant insurgency.

And of course, the human toll of the conflict is already considerable and only increasing. Thus far, the Russian and Ukrainian militaries have probably suffered thousands of casualties, along with numerous civilian deaths, and of course well more than a million people have fled Ukraine since Russia invaded.

Moreover, Russian forces are, at the very least, operating with reckless disregard for the safety of noncombatants, as Russian units launch artillery and airstrikes into urban areas, as they have done in cities across Ukraine, and near critical infrastructure, such as the Enerhodar nuclear plant. The IC is engaged across the interagency to document and hold Russia and Russian actors accountable for their actions.

The reaction to the invasion from countries around the world has been severe. Western unity in imposing far-reaching sanctions and export controls, as well as foreign commercial decisions are having cascading effects on the Russian economy. The economic crisis that Russia is experiencing is also exacerbating the domestic political opposition to Putin's decision to invade.

NATO's unified response, the significant resistance that the Ukrainians have demonstrated on the battlefield, Europe's rapid response to Russia's invasion, not just in terms of economic measures, but also actions long thought to be off the table, such as the provision of lethal aid to Ukraine and shutting down EU airspace to Russian planes – almost certainly surprised Moscow.

In particular, while Putin probably anticipated many of the current sanctions to be imposed when he weighed the cost of the invasion, we judge that he did not anticipate either the degree to which the United States and its allies and partners would take steps to undermine his capacity to mitigate Western actions or the pullback from Russia initiated by non-state actors in the private sector.

And, nevertheless, our analysts assess that Putin is unlikely to be deterred by such setbacks and instead may escalate—essentially doubling down—to achieve Ukrainian disarmament and neutrality to prevent it from further integrating with the U.S. and NATO, if he doesn't reach some diplomatic negotiation. We assess Putin feels aggrieved the West does not give him proper deference and perceives this is a war he cannot afford to lose, but what he might be willing to accept as a victory may change over time, given the significant costs he is incurring.

Putin's nuclear saber rattling is very much in line with this assessment. Putin's public announcement that he ordered Russia's strategic nuclear forces to go on "special alert" in response to "aggressive statements," as he called them, from NATO leaders was extremely unusual. We have not seen a public announcement from the Russians regarding a heightened nuclear alert status since the 1960s but we also have not observed force-wide nuclear posture changes that go beyond what we have seen in prior moments of heightened tensions during the last few decades.

Our analysts assess that Putin's current posturing in this arena is probably intended to deter the West from providing additional support to Ukraine as he weighs an escalation of the conflict. Putin probably still remains confident that Russia can militarily defeat Ukraine and wants to prevent Western support from tipping the balance and forcing a conflict with NATO.

Regardless, our number one intelligence priority is defense of the homeland and we will remain vigilant in monitoring every aspect of Russia's strategic nuclear forces. With tensions this high, there is always an enhanced potential for miscalculation and unintended escalation, which we hope our intelligence can help to mitigate.

Furthermore, beyond its invasion of Ukraine, Moscow presents a serious cyber threat, a key space competitor, and one of the most serious foreign influence threats to the United States. Using its intelligence services, proxies, and wide-ranging influence tools, the Russian government seeks to not only pursue its own interests but also to divide Western alliances, undermine U.S. global standing, amplify discord inside the United States, and influence U.S. voters and decision making.

And to finish with our state actor threats, Iran continues to threaten U.S. interests as it tries to erode U.S. influence in the Middle East, entrench its influence and project power in neighboring states, and minimize threats to regime stability. Meanwhile, Kim Jong Un continues to steadily expand and enhance Pyongyang's nuclear and conventional capabilities targeting the United States and its allies, periodically using aggressive and potentially destabilizing actions to reshape the regional security environment in his favor and to reinforce its status as a *de facto* nuclear power.

The Assessment focuses next on a number of key global and transnational threats, including global health security, transnational organized crime, the rapid development of destabilizing technologies, climate, migration, and terrorism. And I raise these because they pose challenges of a fundamentally different nature in our national security than those posed by the actions of nation states, even powerful ones like China.

We look at the Russia-Ukraine war and can imagine outcomes to resolve the crisis and the steps needed to get there, even though they are unpalatable and difficult. Similarly, we view the array of challenges Chinese actions pose and can discuss what is required and how we think about trade-offs.

Transnational issues are more complex, require multilateral collaboration, and although we can discuss ways of managing them, all of them pose a set of choices that will be more difficult to untangle and will perhaps require more sacrifice to bring about meaningful change. This reflects not just the interconnected nature of the problems but also the significant impact increasingly empowered non-state actors have on the outcomes and the reality that some of the countries who are key to mitigating threats posed by nation states are also the ones we will be asking to do more in the transnational space.

For example, the lingering effects of the COVID-19 pandemic is putting a strain on governments and societies, fueling humanitarian and economic crises, political unrest, and geopolitical competition as countries, such as China and Russia, seek to exploit the crisis to their own advantage.

And no country has been completely spared, and even when a vaccine is widely distributed globally, the economic and political aftershocks will be felt for years. Low-income countries with high debts face particularly challenging recoveries and the potential for cascading crises that lead to regional instability, whereas others will turn inward or be distracted by other challenges.

These shifts will spur migration around the world, including on our southern border. The economic impact has set many poor and middle income countries back years in terms of economic development and is encouraging some in Latin America, Africa and Asia to look to China and Russia for quick economic and security assistance to manage their new reality. We see the same complex mix of interlocking challenges stemming from climate change, which is exacerbating risks to U.S. national security interests across the board but particularly as it intersects with environmental degradation and global health challenges.

And terrorism, of course, remains a persistent threat to U.S. persons and interests at home and abroad, and the implications of the problem are evolving. In Africa, for example, where terrorist groups are clearly gaining strength, the growing overlap between terrorism, criminal activity, and smuggling networks has undermined stability, contributed to coups and an erosion of democracy, and resulted in countries turning to Russian entities to help manage these problems.

Global transnational criminal organizations continue to pose a direct threat to the United States through the production and trafficking of lethal illicit drugs, massive theft—including cyber crime—human trafficking, and financial crimes and money laundering schemes. In particular, the threat from illicit drugs is at historic levels, with more than 100,000 American drug-overdose deaths for the first time annually, driven mainly by a robust supply of synthetic opioids from Mexican transnational criminal organizations.

In short, the interconnected global security environment is marked by the growing specter of great power competition and conflict, while transnational threats to all nations and actors compete not only for our attention but also our finite resources.

And finally, the Assessment turns to conflicts and instability, highlighting a series of regional challenges of importance to the United States. Iterative violence between Israel and Iran, and conflicts in other areas—including Africa, Asia, and the Middle East—have the potential to escalate or spread, fueling humanitarian crises and threatening U.S. persons. Africa, for example, has seen six irregular transfers of power since 2020 and probably will see new bouts of conflict in the coming year as the region becomes increasingly strained by a volatile mixture of democratic backsliding, intercommunal violence, and the continued threat of cross-border terrorism.

We are also focused on our workforce and their families. The IC continues to contribute to the government-wide effort to better understand potential causal mechanisms of Anomalous Health Incidents and remains committed to ensuring afflicted individuals receive the quality care they need. The safety and well-being of our workforce is our highest priority, and we are grateful to members of this committee for your continued support on this issue.

In closing, I just want to note how much effort has gone into improving our capacity to share intelligence and analysis with our partners and allies across the Intelligence Community. We have seen in our approach to the threat to Ukraine, the sharing of intelligence and analysis has paid real dividends in helping to facilitate collective action against the renewed threat of nation-state aggression.

And while such efforts must be done with care to ensure we are able to protect our sources and methods, we are laying the groundwork to broaden our work where doing so creates the conditions for a more united focus on other emerging challenges and we appreciate your support in these efforts as well.

Thank you, we look forward to your questions.