Testimony of Andrew Schapiro Ambassador-Designate to the Czech Republic Senate Foreign Relations Committee May 15, 2014

Thank you Mr. Chairman, Ranking Member Johnson, and Members of the Committee. It is an honor to come before you as the President's nominee to be our next ambassador to the Czech Republic.

75 years ago, my late mother – then a small girl – watched from the window of her family's apartment in Prague as German soldiers marched in to occupy her city. Czechoslovakia, as it was then known, had been a flourishing outpost of Western democracy and culture prior to those tragic events. Our family -- like all the Czech people -- learned the hard way that you cannot take liberty and security for granted. And we ultimately learned something else: that the United States of America – the nation that gave my mother and her parents refuge when they fled the Nazis, literally saving their lives – is a force for good in the world like no other.

I want to thank President Obama and Secretary Kerry for the trust in me that they have shown with this nomination. And I am very pleased that, if I am confirmed, my wife and children will join me in representing America in the Czech Republic. They mean everything to me, and they are here with us today. My wife Tamar; our 13-year-old daughter Galia; and our ten-year old son, Alexander. They will be "force multipliers" in Prague if I am confirmed for this position. I would also like to acknowledge my sister -- also named Tamar -- who has come in from California to be here today. Sadly my parents are no longer with us -- but their wisdom and their examples are ever-present.

Mr. Chairman and members of the committee, at this critical time, the Czech Republic is a staunch, important ally in the heart of Europe. We have a deep relationship in three key areas: our shared security; our shared prosperity; and our shared values. Let me address each in turn.

First, our defense and security relationship has flourished in the decades since the end of the Cold War. As an active member of NATO, the EU, and the OSCE, the Czech Republic plays a role in global affairs that is disproportionate to its relatively small size. Czech military forces serve side by side with U.S. soldiers in Afghanistan; they are currently in charge of base protection at Bagram Air Force base and contribute helicopter training units and special forces troops. The Czechs

have promised that they will draw down only in consultation with Allies, and have pledged to be "in together, out together" with us in Afghanistan.

The Czechs have also made important contributions to peace and stability in the Balkans, providing units for both NATO's force in Kosovo and the EU's mission in Bosnia. Today Czech soldiers are deployed with the EU Training Mission in Mali, and with the Multinational Force Observers mission in the Sinai. Additionally, the Czechs have courageously served as our protecting power in Syria since the closure of our embassy there in 2012. If confirmed, I will work to fortify our bilateral and multilateral cooperation in promoting democracy and building security around the world.

And while Czech forces have proven their mettle in expeditionary missions, Russia's actions in Ukraine now remind us and our Allies of the role that NATO was originally created to perform, the defense of transatlantic security. Here again the Czechs are making important contributions. They have offered fighter jets to reinforce Baltic airspace and troops to support the NATO Response Force. They have also provided monitors for OSCE missions; indeed a Czech was among the OSCE monitors recently taken captive and then released in Eastern Ukraine.

The Czech Republic has quickly and faithfully implemented the targeted sanctions and asset freezes that have been imposed on Russia. If confirmed, I will make sure that we continue to coordinate closely with our Czech allies as we jointly address the situation in Ukraine. I will also take every opportunity to reaffirm our ironclad commitment to mutual self-defense under NATO's Article 5.

Today the Czech defense budget totals just over one percent of GDP, falling well short of NATO targets and placing the Czechs in the middle of the pack among our European Allies in terms defense spending. If confirmed, I will urge the Czech government to boost the share of resources that it dedicates to defense. I know that Defense Secretary Hagel and Czech Defense Minister Stropnicky discussed Czech modernization efforts and the need to maintain readiness and capabilities to support NATO when they met here in Washington last month. If confirmed, I will continue to engage on this high priority topic.

The events in Ukraine also starkly demonstrate the need for greater attention to European energy security. The Czech Republic -- which gets about 75% of its oil and gas from Russia -- understands that predictable and uninterrupted access to energy is fundamental to both national security and economic prosperity. With the cancellation of the Temelin nuclear power plant tender, the Czech government is

re-examining its energy security strategy. If confirmed, I will work with the Czech Republic to help increase its energy security through diversification of energy sources and routes.

Next -- I want to build on our two nations' growing economic and commercial ties. Over the last four years, bilateral trade between the U.S. and the Czech Republic has doubled -- to nearly \$6 billion. With a prosperous, industrialized economy, the Czech Republic provides substantial export opportunities for the U.S. in high-tech, manufacturing, and other sectors. Last year, with the support of the U.S. Commercial Service, we exported almost two billion dollars of goods to the Czech Republic -- more than at any other time in our history. In fact, the Czech Republic has become one of the United States' fastest growing export markets in Europe. If confirmed, I will be a strong advocate for U.S. business interests to support job creation back home, and will make expanding our trade ties and ensuring that U.S. firms can compete on the ground a top priority.

Completing an ambitious Transatlantic Trade and Investment Partnership, or T-TIP, is a key strategic goal for both the United States and the European Union and its Member States, including the Czech Republic. The Czechs will benefit from the expansion of trade and reduction in the cost of doing business through lowering tariffs and removing "behind the border" barriers. U.S. companies will benefit from the opening of opportunities -- especially for small and medium-sized businesses -- to trade with and invest in the Czech Republic. I promise that -- along with our excellent interagency team at our Embassy in Prague -- I will work to maintain the support of the Czech government for T-TIP and help to promote awareness that a mutually beneficial agreement will ensure continued growth and prosperity on both sides of the Atlantic.

Finally, on our shared values, if confirmed, I will advocate for transparency and rule of law in the business sector and encourage the Czech government to continue its anti-corruption efforts to help improve the overall business climate. Last year, several prominent Czech NGOs came together to speak with one voice on anti-corruption issues. Their efforts led to creation of several distinct pieces of anti-corruption legislation which a majority of parliamentarians have publicly supported. If confirmed, I look forward to working with Czech civil society organizations to support and amplify their efforts.

Confronting all forms of racism and intolerance reinforces the values and security of both the United States and the Czech Republic. I will work with the Czech Government and civil society organizations on building a more inclusive society to

ensure that all Czechs, regardless of ethnicity, religion, or sexual orientation benefit from equal opportunity and the full protection of the law.

In all of these efforts, I will draw upon my experience as an advocate, a public speaker, a student of economics and politics, and a manager of large and diverse teams to advance the goals of our nation.

Mr. Chairman and Members of the Committee, I noted at the outset that in 1939 my mother and grandparents watched Nazi troops enter their city from their apartment window in Prague. That building still stands, and it is within walking distance of the U.S. Ambassador's residence where -- if confirmed -- I will soon be living with my own family. It is not a long walk, but it is quite a journey that has taken us from the apartment to the Residence. I am deeply honored to have been asked to represent the United States in Prague. I thank you for this opportunity to appear before you. I welcome any questions you may have.