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# **NOMINATIONS**

[Tefft, Heflin, Miller, Allen, Sison, Haney, and Adams]

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*Tuesday, July 29, 2014*

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UNITED STATES SENATE COMMITTEE ON  
FOREIGN RELATIONS

113<sup>TH</sup> Congress, Second Session

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**UNEDITED TRANSCRIPT  
NOT FOR DISTRIBUTION**

# NOMINEES

**HON. JOHN FRANCIS TEFFT**, of Virginia, to be Ambassador of the United States of America to the Russian Federation

**DONALD L. HEFLIN**, of Virginia, to be Ambassador of the United States of America to the Republic of Cabo Verde

**EARL ROBERT MILLER**, of Michigan, to be Ambassador of the United States of America to the Republic of Botswana

**CRAIG B. ALLEN**, of Virginia, to be Ambassador of the United States of America to Brunei Darussalam

**HON. MICHELE JEANNE SISON**, of Maryland, to be the Deputy Representative of the United States of America to the United Nations, with the rank of Ambassador, and Deputy Representative of the United States of America in the Security Council of the United Nations; and to be Representative of the United States of America to the sessions of the General Assembly of the United States during her tenure of service as Deputy Representative of the United States of America to the United Nations

**STAFFORD FITZGERALD HANEY**, of New Jersey, to be Ambassador of the United States of America to the Republic of Costa Rica

**CHARLES C. ADAMS, JR.**, of Maryland, to be Ambassador of the United States of America to the Republic of Finland

# NOMINATIONS

[Tefft, Heflin, Miller, Allen, Sison, Haney, and Adams]

*Tuesday, July 29, 2014*

U.S. SENATE  
COMMITTEE ON FOREIGN RELATIONS  
WASHINGTON, D.C.

1 The committee met, pursuant to notice, at 2:32 p.m. in Room SD-419, Dirksen  
2 Senate Office Building, Hon. Robert Menendez, chairman of the committee, presiding.

3 **PRESENT:** Senators Menendez (presiding), Cardin, Shaheen, Coons, Udall,  
4 Murphy, Kaine, Markey, Corker, Flake, and McCain.

## **OPENING STATEMENT OF HON. ROBERT MENENDEZ, U.S. SENATOR FROM NEW JERSEY**

5 **THE CHAIRMAN.** We have three panels today. I will chair the first panel, which will  
6 be the nomination of John Francis Tefft to be Ambassador to Russia. We will then pass  
7 the gavel to Senator Coons, who will chair our second panel of nominees: Donald  
8 Heflin, to be Ambassador to Cabo Verde; Craig Allen, to be Ambassador to Brunei  
9 Darussalam; and Earl Robert Miller, to be Ambassador to the Republic of Botswana.  
10 Then Senator Coons will pass the gavel to Senator Kaine, who will chair our third panel  
11 of nominees: Michele Sisan, to be Deputy Representative to the UN with the rank of  
12 Ambassador, along with two associated positions; Stafford Fitzgerald Haney, to be  
13 Ambassador to Costa Rica; and Charles Adams, to be our Ambassador to Finland.

14 Let me first welcome our first nominee, John Tefft. Ambassador Tefft has been a  
15 career Foreign Service officer since 1972 and deserves at this critical time to be given  
16 every consideration of the committee. Let me say the geopolitics is vastly different from  
17 what we confronted during the last hearing for a U.S. Ambassador to Russia in 2011. In  
18 my view, we cannot afford to wait to send an Ambassador to Moscow, as Senator  
19 McCain just urged us to do.

1           Before we begin, I just want to express my concern about Russia's violation of its  
2 obligations under the Intermediate Range Nuclear Forces Treaty. Russia's violation is a  
3 very serious matter and it is vital that it comply with its obligations under the treaty  
4 and eliminate any prohibited items in a verifiable manner.

5           The INF Treaty is a cornerstone of European security and was one of the first  
6 steps the United States and the Soviet Union, the then-Soviet Union, took to end their  
7 Cold War confrontation. The treaty sought to eliminate the nuclear threat to Western  
8 Europe and the European parts of the Soviet Union. The fact that Russia is now  
9 violating its obligation is another sign that under President Putin Russia is operating in  
10 a manner that threatens the security of all European states.

11           We cannot delay in sending someone, in view of that reality, I view that  
12 President Putin enjoys soaring domestic approval ratings, but continues to double  
13 down on his reckless course in Ukraine that has resulted in terrible tragedy and loss of  
14 innocent life with the downing of the Malaysian Flight 17 by pro-Russian rebels  
15 supported and supplied by Putin, not when the Ukrainian army is making advances in  
16 the east and Moscow is answering by putting more heavy weaponry into the  
17 irresponsible hands of rebel militias.

18           In fact, last week, along with the chairs of other committees responsible for  
19 national security, I signed a letter to President Obama asking for immediate sanctions  
20 against Russia's defense sector, including state-owned Rosoboronexport, to prevent  
21 Russia from providing weaponry, equipment, or assistance and training to separatists in  
22 Ukraine.

23           It is my view that we must also consider broader sanctions on Russia's energy  
24 and financial industries and other sectors of the Russian economy as appropriate. And  
25 we need an Ambassador in Moscow as events continue to unfold. I hope that both sides  
26 of the aisle will agree to expedite Ambassador Tefft's nomination at a critical time. He

1 has served as U.S. Ambassador a total of three times and each time to a country of the  
2 former Soviet Union — Ukraine, the Republic of Georgia, and Lithuania. He is also a  
3 lifelong student of Russia and the former Soviet republics. We need Ambassador Tefft's  
4 knowledge and experience in Moscow to address not only the crisis in Ukraine, but  
5 President Putin's blatant disrespect for human rights, complete control of media,  
6 systematic erosion of the rule of law, flouting of international law and norms, all which  
7 affect our bilateral relationship.

8         So we welcome you, Ambassador, to the committee. I am going to call upon  
9 Senator Corker for his remarks. When Senator Corker is finished, please invite,  
10 recognize, any of the members of your family who are here. I understand you have had  
11 a multi-decade partner in your effort, and we appreciate her willingness to once again  
12 allow you to serve your Nation, and we understand the sacrifices that she and other  
13 members of families, both in your case as well as the other nominees, face when they  
14 are willing to serve their country abroad.

15         Senator Corker.

16         **SENATOR CORKER.** Well, thank you, Mr. Chairman. I will be brief. I want to second  
17 the comments, the laudable comments that have been made about your previous  
18 service, and also thank your spouse for her willingness to come out of retirement. I  
19 know you were living here. I know there are grandbabies in the region, and yet you are  
20 heading back to Russia to serve our country.

21         I think everybody on this committee just about has expressed strongly their  
22 concern about Russia's actions in Crimea and eastern Ukraine. I think there has been a  
23 lot of frustration, I know there has been by most, relative to the sanctions that have been  
24 put in place. I do want to say I applaud the sanctions that were put in place the day  
25 before the Malaysia flight was shot down. I think there may be something much — we

1 have not seen the details yet, but it looks like that us and Europe have come more  
2 closely together, and hopefully we will know the details of that soon.

3 But you go to Russia at a time that, as was mentioned, it is very important. I  
4 think your service in the other countries nearby are very helpful, not only to all of us,  
5 but to those countries and to Russia. I might add, everyone here knows that Russia had  
6 to agree, in spite of his service in these other countries which obviously geopolitically  
7 they believe pose some threat to them, they have to agree to the fact that he is our  
8 nominee. So you are going there under challenging circumstances, as has been  
9 mentioned, as the chairman mentioned this morning, the news that all of us have  
10 known previously, that it was announced that we are actually going to bring forth these  
11 charges relative to the INF Treaty; it really makes it an additionally challenging time.

12 This is — the type of issues that we are seeing in eastern Ukraine and in Crimea  
13 are the kind of, that should they get out of hand, could lead to some really terrible  
14 global issues. I think all of us have been concerned again, many of us, that the tepid  
15 response we have had may lead an emboldened Putin to continue on.

16 It now appears that possibly he is beginning to get some degree of pushback  
17 within the country. Hopefully that is the case. I know he has been riding a strong  
18 nationalistic popularity because of what he has been doing, but I do hope our Nation  
19 and Europe will continue to work together to put pressure on him to get him to move  
20 away from the types of actions that he has taken.

21 Importantly, I hope you as Ambassador will do everything you can as one  
22 Ambassador to make that happen. I know your access to Putin will be a little different  
23 than the access you had in the other countries that you served, but I am very glad you  
24 are willing to do this and look forward to your testimony.

25 I will say, on the confirmation, this committee has actually been really incredible  
26 as far as getting nominees out on a bipartisan basis very quickly to the floor. I do hope

1 in this case — many of them have been held up, as we know. But I do hope in this case  
2 we will figure out a way to get you out very, very quickly and get you on your way to  
3 Russia. So thank you.

4 **THE CHAIRMAN.** Ambassador Tefft, your full statement will be included in the  
5 record, without objection. I may have to interrupt you if we get — we have a tenth  
6 member who is on his way here. I believe Senator Durbin is on his way. So I may have  
7 to interrupt you at that moment, which I hope we will get through your testimony  
8 before I have to interrupt you. But I just excuse myself up front.

9 With that, the floor is yours.

**STATEMENT OF HON. JOHN FRANCIS TEFFT, OF VIRGINIA, NOMINATED TO BE  
AMBASSADOR OF THE UNITED STATES OF AMERICA TO THE RUSSIAN FEDERATION**

10 **AMBASSADOR TEFFT:** Thank you very much, Mr. Chairman. I am very grateful for  
11 the opportunity to appear before you today as President Obama's nominee to be the  
12 next Ambassador of the United States to the Russian Federation. I am grateful to you  
13 and to Senator Corker and Senator McCain for the kind remarks you have made about  
14 me and my wife. I have to say to you as someone who has been a private citizen  
15 working in the private sector for the better part of the last year, I have appreciated and  
16 admired the work of this committee and the leadership you have provided on not only  
17 the situation in Russia and Ukraine, but also more broadly on foreign affairs. So I thank  
18 you for that.

19 If I am confirmed, I will continue to work closely with the members of this  
20 committee and your staff, as I have done before in my various assignments. Clearly we  
21 face, as you have said, some of the most challenging times in the relations between the  
22 U.S. and Russia since the end of the Cold War.

23 I would just like to say a couple of words from my prepared remarks that we  
24 have submitted to the record. I would like to say that our relations with Russia today  
25 are obviously, as you said, in serious trouble. The future is uncertain. The U.S. cannot

1 ignore the fundamental challenge to the international order posed by Russia's actions in  
2 the Ukraine crisis. Russia's efforts to annex Crimea, which we will never accept, have  
3 violated the core precepts of intelligence law and have shredded the very fabric of  
4 freely adopted obligations among Europe's nations that have kept the peace for nearly  
5 70 years.

6 Russia's policy of destabilizing parts of eastern Ukraine violates the sovereignty  
7 of its neighbor. They also undercut the solemn obligations Russia itself undertook to  
8 observe the independence and territorial integrity of Ukraine.

9 As you said, Mr. Chairman, and as President Obama and many European leaders  
10 have emphasized, adherence to the structure of European security is vital. The  
11 horrendous shutdown of the Malaysian airliner and the loss of almost 300 innocent  
12 lives has truly shocked the world and underlined the importance of resolving this crisis  
13 quickly and peacefully.

14 In this environment, I believe we must continue to talk clearly to our Russian  
15 interlocutors and to make sure Russian officials and citizens understand American  
16 policy, our interests, and our values. At the same time, managing this crisis effectively  
17 and wisely will require that our own government continues to know as precisely as we  
18 can what the Russian side is thinking, what their objectives are, and why they are taking  
19 the approaches they do even when we find them unacceptable.

20 If given the opportunity to serve, I will try to do just that, to engage in frank and  
21 difficult diplomacy.

22 Mr. Chairman, one of the great privileges of my career has been to lead the teams  
23 of committed Americans serving our country at embassies overseas. If confirmed, I will  
24 do my best to lead the highly professional and motivated team that we have at our  
25 embassy in Moscow and at our three consulates across Russia.



1 Finally, I appreciate very much what you said about my wife. I would like to  
2 recognize her in front of all of you. She has been my indispensable partner in this career  
3 from the very beginning. In addition to her own professional accomplishments as a  
4 biostatistician and a nurse, she has made her own unique contributions to representing  
5 our country in every post in which we have served. I know she will do that again and  
6 bring her invaluable experience to bear in Moscow.

7 I would also like to thank my wonderful daughters, Christine and Kathleen.  
8 They make me proud every day. They have been supportive of my work throughout  
9 my career. Kathleen is here today along with her husband Andy Horowitz. My  
10 daughter Christine is unfortunately at home, or fortunately at home, taking care of our  
11 ten-day-old second granddaughter. Her husband, Paul Stronsky, is here with us today,  
12 as is my wife's cousin Margie Klick and her husband Randy, and Jose Yacub, who is my  
13 administrative assistant at the Rand Corporation.

14 Mr. Chairman, thank you for letting me make those remarks. I am prepared now  
15 to answer any questions you might have.

**[The prepared statement of Ambassador Tefft follows:]**

**[COMMITTEE INSERT]**

16 **THE CHAIRMAN.** Well, most nominees take a full five minutes, so I want to  
17 congratulate you on your brevity.

18 **AMBASSADOR TEFFT:** This is the experience after you do this four time, sir.

19 [Laughter.]

20 **THE CHAIRMAN.** Let me first welcome all of your family, and we appreciate again  
21 their willingness to share you with the Nation, and your service.

22 Since I am sanctioned and cannot go to Russia to visit you if you get confirmed, I  
23 hope to be able to have an open line of communication with you so that we can talk  
24 about issues as we move forward.

1           **AMBASSADOR TEFFT:** Absolutely, sir.

2           **THE CHAIRMAN.** What is — I thought that after the tragedy of the Malaysian Airline  
3 flight that President Putin would have a different vision of where he was at, that he  
4 would change course, that it would be an off ramp. But he seems to have doubled  
5 down. So how is it — and his invasion of Crimea, what is going on here, upends the  
6 international order. I know that when I was in Europe the Europeans are shocked  
7 because they never thought that that was going to be one of their challenges. They  
8 thought security challenges were more in the context of modern day terrorism, but not  
9 of a state actor.

10           So how do you look at that reality, knowing that you are going into a set of  
11 circumstances under which, instead of what we would think would be the normal  
12 course of events, that deescalating, moving in a different direction, would be the  
13 response, to a response where we see Putin doubling down? How do you view that?  
14 How do you engage in that as you go to Russia?

15           **AMBASSADOR TEFFT:** I think, as you say, the \$64,000 question is what is exactly  
16 President Putin's approach at this point. You were not the only one, Senator, who  
17 thought that this horrible tragedy provided an opportunity to disengage, to find a way  
18 to resolve this horrible conflict that is killing people every day in eastern Ukraine.

19           I do not know specifically what President Putin's plans are. I note, like you, that  
20 the sanctions — that Europe has increased substantially its sanctions today, going into  
21 sectoral areas, according to what I have read in the press. My understanding is that we  
22 are now going to add some additional sanctions ourselves.

23           I would also note, as you mentioned, that we saw this week criticism of President  
24 Putin, specifically the press interview that was given by his very old friend and adviser,  
25 former deputy prime minister Kudryn, who was quite clear about his concern, not just

1 with the Ukraine crisis and the impact this was going to have on the economy, but also  
2 the individuals in the society, the ultranationalists, who he was quite critical of.

3 We know from different press articles and other things that many in the business  
4 community are very concerned at the way things are going. This is not just sanctions. I  
5 know from my work at Rand that there are businessmen who are not sanctioned or not  
6 party to this, but they have lost deals because they have lost foreign capital that they  
7 had counted on to either expand or to even continue operating.

8 So the pressure is clearly there. I cannot tell you — I wish I could tell you how I  
9 could see the denouement of this. But I think we need to, as I said, keep the pressure on  
10 and to continue to give President Putin an opportunity to find a way to deescalate this  
11 crisis and to bring an end to the conflict in Ukraine along the lines that President  
12 Poroshenko has outlined.

13 **THE CHAIRMAN.** What do you think should be our response to the administration's  
14 statement that Russia has violated their treaty obligations?

15 **AMBASSADOR TEFFT:** I think this is a very serious matter, Senator. It obviously goes  
16 to the core of trust. I understand that in international relations trust is one component,  
17 but I hope that the Russians will seize the opportunity that we have offered to come to  
18 the table, to meet with our experts, to try to resolve this, to shelve this particular  
19 weapons system and to bring themselves back in compliance with the INF Treaty.

20 **THE CHAIRMAN.** I would assume that if you are confirmed this is an issue on behalf  
21 of the administration that you will drive significantly, because there are those of us in  
22 the Congress who knew about this, based upon what was then classified information,  
23 and now that it has become public have been very concerned about where this is  
24 leading and where it is heading.

1           If you look at the multiplicity of actions that Russia has taken and now you add  
2 this dimension to it, you begin to wonder how much the international order has been  
3 upended by President Putin.

4           **AMBASSADOR TEFFT:** I agree with you, sir. I would say that back during the Soviet  
5 days, I was on the Soviet desk twice, two three-year tours, and one of the things I spent  
6 a lot of time on was arms control. So I have got to dust off some of my knowledge and  
7 bring it to bear. But I will do my best to press this issue when I am in Moscow if  
8 confirmed.

9           **THE CHAIRMAN.** Finally, if we cannot go ahead and deter or change, get Russia to  
10 change course, one of my hopes is is that we will look at in the sectoral sanctions that  
11 we are looking at at energy. I am really concerned that we who lead the world in a  
12 shale revolution are going to help the Russians create a Russian shale revolution that  
13 will give them more gas and greater ability to leverage it, as they have leveraged it in  
14 Ukraine, as they are leveraging it against Europe.

15           The last thing I think that is in the national intelligence and security of the United  
16 States is to have our technology sold to the Russians so that they can have a shale  
17 revolution, so they can have more energy, so they can have more resources and more  
18 leverage against Europe and similar countries. So I hope you are going to look at that  
19 closely with the Department and members of the U.S. Department of Energy, because I  
20 think that is a sanction that has long-term consequences for the Russians in terms of  
21 both what they can do moving forward and what the consequences are economically.

22           **AMBASSADOR TEFFT:** I will, sir.

23           **THE CHAIRMAN.** Senator Corker.

24           **SENATOR CORKER.** Thank you, Mr. Chairman. Again, thank you for your opening  
25 comments.

1           The INF Treaty obviously was relative to proximate locations to Russia.  
2           Therefore the violations were violations that, if they continued, were violations that  
3           would have had an impact on Europe in general. My guess is some of them already  
4           were aware of these violations due to their intelligence. But do you see this having any  
5           impact relative to the other issues we are dealing with Russia on right now?

6           **AMBASSADOR TEFFT:** Well, I think it goes to the —

7           **SENATOR CORKER.** I am talking about with the European community that we are  
8           working with.

9           **AMBASSADOR TEFFT:** Right, I understand. My understanding, Senator, is that the  
10          allies are being briefed at NATO today or tomorrow — I am not sure exactly when — to  
11          go over this. They, like the committee, have been apprised of the problem before; they  
12          have known of it. I think our European allies should be very concerned because, as we  
13          all know, the INF missiles are the ones that most apply to the European continent. We  
14          worked very hard back in the eighties to get that INF Treaty to preserve the security  
15          and to make the security of Europe indivisible from our own.

16          **SENATOR CORKER.** When you talked about offramps, hopefully we will continue to  
17          look at possible offramps for Putin. As the chairman mentioned, you would have  
18          thought the downing of the passenger aircraft would have been the perfect offramp.  
19          Instead, he turned into the wind and doubled down.

20          What types of offramps do you see as being possible in the future with actions  
21          being as they have been from him?

22          **AMBASSADOR TEFFT:** Well, I watched Secretary Kerry this morning on television  
23          when he appeared with the foreign minister of Ukraine, my friend Pavlo Klimkin. And  
24          the Secretary was again emphasizing, sir, that he had talked apparently to Foreign  
25          Minister Lavrov this morning, reiterated the readiness of the United States and Ukraine

1 to engage in negotiations at any stage, to meet at any time to try to do this, based on the  
2 peace plan that President Poroshenko has outlined.

3 I am not aware of any particular meeting coming up that would provide an  
4 opportunity like that, but the Secretary seemed to indicate that he was ready at any  
5 stage to engage in something like that. I think a lot depends on what the policies of  
6 President Putin are.

7 **SENATOR CORKER.** The Hague recently ruled that Russia had basically stolen \$50  
8 billion from shareholders of Yukos. It seems like there are numbers of issues that are  
9 occurring right now. Hopefully, that will affect some of the elite. But I know we talked  
10 some about that yesterday. I assume that you will be forceful in pursuing that to its  
11 end, and that we have U.S. shareholders who also were damaged in that process.

12 **AMBASSADOR TEFFT:** Yes, sir. In all my career in my other assignments, I have  
13 made promoting the fair treatment of American businesses and investors one of my top  
14 priorities, and I will certainly do that. I am also cognizant that there is a provision in the  
15 Russian-Moldova Jackson-Vanik Repeal and the Sergei Magnitsky Rule of Law  
16 Accountability Act which obliges the administration to help American investors who  
17 were victims of this, and I will certainly do that. My embassy and I — I think the  
18 embassy has already been engaged on this and I will certainly continue to do that.

19 **THE CHAIRMAN.** Senator Corker, if you would yield for just a moment.

20 Just for members of the committee, what I intend to do is when Senator Corker  
21 finishes his line of questioning, recess the nomination hearing, meet off the floor  
22 quickly, reconvene the business meeting, have hopefully a successful vote, come back  
23 and continue the nomination hearing.

24 Senator Corker.

25 **SENATOR CORKER.** I have had ample time to spend with our nominee. I am  
26 thankful that he is willing to do this. We had a long, long conversation yesterday. So in

1 order to expedite our business meeting, I will stop and thank him again for his  
2 willingness to serve our country in this way.

3 **AMBASSADOR TEFFT:** Thank you, Senator.

4 **THE CHAIRMAN.** Thank you, Senator Corker.

5 Ambassador, we have a vote for the head of the Veterans Administration, so we  
6 are going to go do that. And I urge members who want to come back for this hearing to  
7 come back immediately thereafter. So we will briefly recess, subject to the call of the  
8 chair.

**[Recess from 2:55 p.m. to 3:17 p.m.]**

9 **THE CHAIRMAN.** This hearing will come back to order. Ambassador, thank you for  
10 your forbearance.

11 I believe that Senator Corker was the last member, so Senator Murphy.

12 **SENATOR MURPHY.** Thank you very much, Mr. Chairman.

13 Mr. Ambassador, thank you very much for sticking with us today. This is  
14 important, so we want to be able to get the nominees that were underlying in the  
15 business meeting through, but also make sure that we get a chance, as Senator McCain  
16 and Senator Menendez have stated, to get you through this process and through the  
17 Senate by the end of the week.

18 Thank you for spending a little bit of time with me earlier this week. I maybe  
19 want to allow you to elaborate on a conversation that we were having about how you  
20 interpret the events of the last six months with respect to whether or not it is a display  
21 of Russian strength or Russian weakness. Nothing is that simple, but there have been a  
22 lot of pundits who have suggested that this is Putin pushing around the rest of the  
23 world, getting his way in essentially resetting international norms through aggressive  
24 behavior. Then there is a whole other school of thought which suggests that this was a  
25 panicked reaction by a leader of a nation who is in retreat in a lot of ways, unable to

1 control the allegiances of former republics, an economy which has failed to diversify in  
2 any meaningful way.

3 I know it is not simple to just sort of suggest which direction Russia is heading in,  
4 but tell me sort of how you interpret the motivations for these exceptional actions in  
5 Ukraine?

6 **AMBASSADOR TEFFT:** Thank you very much, Senator. When I have been in Moscow  
7 recently in May and in April working, doing my job for the Rand Corporation, I have  
8 met with many Russians. Certainly the predominant view there was that the decision  
9 to go into Crimea was something of an impulsive decision following the breakdown of  
10 the agreement that had been brokered by the three European Union foreign ministers  
11 back in late March.

12 I know that that agreement — that while there are many in Russia who think that  
13 it was something that was broken down by some kind of plot or some kind of plan, was  
14 in fact something spontaneous. Nobody knew that President Yanukovich was leaving,  
15 was leaving.

16 But I think the other thing as I look back on the Ukraine crisis, I think there is a  
17 fundamental misunderstanding on the part of many in the Russian leadership. I have  
18 had this conversation, private conversations as well. They did not understand what  
19 was really at stake on the Maidan. When I left Ukraine it was very clear if you looked at  
20 the polling that President Yanukovich was not only very unpopular, but something on  
21 the order of 74 percent of the people said they thought the country was going in the  
22 wrong direction.

23 When I left it was still — the plans were still on the books to move ahead with  
24 becoming a member of the European — an associate member, an association agreement  
25 with the EU. When that fell apart and the demonstrations developed, it was not hard to  
26 understand why that was happening.



1 I think that for me personally one of the things that is so frustrating here is that  
2 this did not need to happen. A lot of the things that have occurred in Ukraine and the  
3 Russian response did not have to happen. They could have had a better relationship  
4 with Ukraine if they had tried.

5 But there is this strong view that President Putin has enunciated many times of a  
6 Eurasian union. It is pretty clear that not just the people of Ukraine do not want to be  
7 part of a Eurasian union. They wanted to have a good relationship with Russia. I will  
8 be honest. When I was in Moscow — or I was in Ukraine, I, speaking on behalf of the  
9 administration and the United States, said we supported the EU association agreement,  
10 but we also believe strongly that there should be a good relationship between Ukraine  
11 and Russia. And most Ukrainians I knew understood that very, very clearly.

12 Unfortunately, choices were made the other way. I hope that this is an  
13 aberration. I think the strong international response to this has sent a pretty clear  
14 message. I think you can read some of the commentaries in Russia and see that there  
15 are a lot of people raising the larger question of is this the right policy approach, is this  
16 the best way to build relationships with our neighbors, is this the best way, in the words  
17 of some Ukrainians — of some Russians, is this the way we should treat our cousins  
18 across the border in Ukraine?

19 **SENATOR MURPHY.** I want to ask one more question. You had this challenge in  
20 Ukraine. You will have it again in Russia. How do you continue to advance a dialogue  
21 that is happening with the Russians on a number of fronts, whether it be Iran or  
22 Afghanistan, while pressing the case for more political discourse and the greater ability  
23 for dissidents to express themselves?

24 What has been remarkable during this period of time over the last six months is  
25 very quietly Putin has also been increasing a crackdown on political discourse, most  
26 recently essentially eliminating the ability of small television channels in that country to

1 advertise, to receive revenues necessary for their existence, essentially shutting the  
2 doors on a number of different independent outlets throughout the country.

3 So you have gotten real good at this over the years. What do you see in Moscow  
4 as the ability of our embassy to continue to promote freedom of expression, to continue  
5 to promote those who would try to protest this government with an increasing foot on  
6 their neck as they try to do it?

7 **AMBASSADOR TEFFT:** Well, I will very much try to, as I said, have very candid and  
8 serious talks with the Russian leaders. The embassy, the U.S. Government as a whole,  
9 has developed ways to get our message out and our support for those themes.

10 The other thing that I have done in my previous assignment and I would expect  
11 to do in Moscow is work very closely with our European allies, with the EU  
12 ambassador, who is a very distinguished diplomat, the former foreign minister of  
13 Lithuania, who I know well, along with other ambassadors, to try to bring to bear, if  
14 you will, the predominance of persuasiveness, I would hope.

15 I have no illusions in saying this. In one of my conversations yesterday with one  
16 of the other Senators I made the point that, looking at how we actually conduct our  
17 public diplomacy, looking at not just how we are doing, but how effective we are being  
18 with social media and other things, in a society that, as you say, is very increasingly  
19 restricted in terms of the ability of embassies and other governments to get their  
20 message out, it is going to be something I will spend a lot of time on. One of the things  
21 as I prepare to go out in consultations here is to be hard-minded about the effectiveness  
22 of that and to try to come up with the best ways we can move forward.

23 **SENATOR MURPHY.** Thank you, Mr. Chairman.

24 **THE CHAIRMAN.** Senator Flake.

25 **SENATOR FLAKE.** No, thank you.

1           **THE CHAIRMAN.** Ambassador, let me ask you some final questions, unless a  
2 member returns. You were our Ambassador in Georgia in 2008.

3           **AMBASSADOR TEFFT:** Yes, sir.

4           **THE CHAIRMAN.** And you experienced Russia's provocative behavior in that regard.  
5 How do you compare what Russia did in Georgia in 2008 with what you see in Ukraine  
6 in 2014?

7           **AMBASSADOR TEFFT:** I think what we have seen in Ukraine is actually a much more  
8 organized, at least as I understand it, operation. Certainly the Russians prepared their  
9 forces before the war actually broke out. They were massed north of the border. But  
10 the operation as it came into Georgia did not — was not militarily as well organized, I  
11 think, as certainly what we have seen in Ukraine, not just in Crimea, but I also have the  
12 sense that there was — that in Ukraine there was much more direct coordination  
13 between Moscow and these fellows that they have on the ground out there. At least  
14 that is the impression I have in reading about it.

15           Then there are lots of articles in the newspaper about the various people of the  
16 Russian Special Services, as well as the GRU, the intelligence side of the military, and  
17 their direct involvement, people who were involved not just in Georgia, but in  
18 Chechnya and Crimea. I saw the other night a CBS correspondent who said: This is the  
19 same fellow I saw in Crimea back last fall and I have seen him once before in another  
20 place.

21           Clearly there is a coterie of people who have been designated, who are the ones  
22 who do these things.

23           **THE CHAIRMAN.** Some of us look at what happened in the Ukraine and in part in  
24 Moldova and say to ourselves, well, this is a repeat of a game plan, maybe a little  
25 difference in terms of the specificity or exactness or Russian troops versus those who are

1 not insignia-ed being sent in, but in essence creating frozen conflicts, which serves his  
2 purpose equally maybe as well than an actual outright invasion.

3 What do you think about that?

4 **AMBASSADOR TEFFT:** I always have the impression in Georgia that there was a  
5 fundamental miscalculation. You remember early on in the conflict they bombed some  
6 of these apartment buildings in Gori, the city right in the center of Georgia. I think the  
7 calculus was somehow we are going to get these people angry and they are going to  
8 turn against President Shakashvili, turn against their government. Actually, what  
9 happened was the exact opposite. Even people who were bitter political enemies of  
10 President Shakashvili's came out and said: He is our president, he is the president of  
11 independent Georgia, and we support him for that, even as we criticize him.

12 I think there was a miscalculation, and I do not know in the Russian system who  
13 was responsible for that, but I think that is there.

14 I think you could also — I think historians will know better when we have more  
15 information, but I think some of the things that have been done in eastern Ukraine have  
16 been done — have been a miscalculation. The impression I always had when I left a  
17 year ago was that there was a very big generational difference in east Ukraine. I found  
18 many of the students and younger generation people there very much — they are  
19 critical of their own government in Kiev, but not wanting to be a part of Russia. They  
20 wanted to be a part of an independent Ukraine. They wanted to see that Ukraine  
21 changed.

22 So I think there was a miscalculation on the part of Russia that somehow saw all  
23 these huge numbers of people, the Novi Rossiya, as President Putin called it, as being  
24 ready just to kind of embrace Russia and become a part of Russia. And I do not think  
25 that was ever in the cards.

1           **THE CHAIRMAN.** One final question. Some of us read the responses about Russia  
2 becoming self-dependent, insular in terms of global economic issues, which I find  
3 incredibly hard to believe. I believe that what Putin has done here is actually, maybe  
4 not in the short term, but in the mid to longer term, has real consequences for Russia  
5 economically.

6           **AMBASSADOR TEFFT:** Absolutely.

7           **SENATOR MURPHY.** And woke up the Europeans to think about how they diversify  
8 and become more energy independent, as well as others. What do you think is some of  
9 the inherent problems Russia would face if it tried to become autodependent?

10          **AMBASSADOR TEFFT:** I just do not see in this global market, in this globalized world  
11 that we live in, how withdrawing into yourself, into an insular kind of nation, is going  
12 to help you. Number one, economically you are not going to succeed. We all know that  
13 you need capital, you need foreign customers. Russia needs to develop manufactures  
14 and things that it can sell in the world, not just extractive minerals that are the  
15 fundamentals of their national economy today.

16           I just think that it is really a big danger. I was very intrigued, as I mentioned to  
17 you yesterday, the comments that were made by former deputy prime minister Kudryn,  
18 who was very clear in a Tass interview, not just that the Ukraine policy was wrong, but  
19 that those — he spoke out very strongly against the ultranationalists and saw them  
20 taking Russia in the wrong direction.

21           Clearly, this is going to be one of the key things that I and my staff are going to  
22 have to watch in Russia as the battle between the ultranationalists, if you will, and the  
23 modernizers or those who want to have Russia as part of the global economy and the  
24 global political system push ahead. It is going to be a key, I think, a key part of any  
25 analysis of Russia.

1           **THE CHAIRMAN.** Well, thank you for your insights. Clearly, having a Russia that is  
2 part of the international order, both in terms of security as well as economic issues, is  
3 the preferable course of events. But how we get there is still a road map to be  
4 determined.

5           Senator Corker, are there any other questions?

6           **SENATOR CORKER.** No.

7           **THE CHAIRMAN.** All right. There are no other questions for you, Ambassador. We  
8 are in the midst of discussions as to how we might accelerate your nomination to be  
9 considered by the full Senate.

10          Excuse me a moment.

11          [Pause.]

12          **THE CHAIRMAN.** So, with the thanks of the committee for your testimony, you are  
13 excused.

14          **AMBASSADOR TEFFT:** Thank you very much, Senator.

15          **THE CHAIRMAN.** I do not know if there will be any questions for the record. If there  
16 are, I would urge you to answer them expeditiously so that we can move your  
17 nomination.

18          **AMBASSADOR TEFFT:** We are poised and ready. Thank you, sir.

19          **THE CHAIRMAN.** That is what we want to hear.

20          At this point Senator Coons is going to preside over our next panel of nominees,  
21 and I thank Senator Coons for his willingness to do so.

22          [Pause.]

23          **SENATOR COONS** [presiding]: Ladies and gentlemen, I would like to call to order  
24 the second panel of the United States Senate Committee on Foreign Relations,  
25 considering three ambassadorial nominees. I am pleased to chair this hearing to  
26 consider the nominees for Botswana, Cabo Verde, and Brunei. All three of our nominees

1 have impressive records of accomplishment and I look forward to hearing their  
2 priorities for advancing U.S. interests.

3 Our first nominee is for Botswana, long known as one of the most stable and  
4 democratic countries on the continent, a close ally of the United States. It has made  
5 smart investments in education and health care, dedicated a large portion of its capable  
6 military to addressing wildlife trafficking. But despite these positive trends, there are  
7 challenges in terms of having the second highest HIV-AIDS rate in the world, rising  
8 wildlife trafficking challenges, and reports of marginalization of the San people.

9 Earl Miller, the nominee for Botswana, is a career Foreign Service officer  
10 currently serving as consul general in Johannesburg, and is deeply familiar with  
11 regional issues as a result of his posting in Southern Africa. His knowledge of the  
12 region, his previous service in Botswana, and his leadership skills will allow him to  
13 bring strong contributions to this mission.

14 Next we consider Cabo Verde, an island nation off the northwest coast of Africa,  
15 known for having grown to become a stable, democratic, lower middle income country,  
16 a strong ally and partner of the U.S., in part due to our strong investment ties and  
17 shared regional concerns, such as countering narco trafficking off the coast. In addition,  
18 there is a sizable Cabo Verdean diaspora community in the northeastern United States,  
19 with which I have long been familiar.

20 Mr. Donald Heflin brings extensive regional leadership experience. A career  
21 Foreign Service officer, he currently serves as the director for consular affairs visa office  
22 and previously served as principal officer in Nuevo Laredo in Mexico, and gained  
23 regional expertise as the deputy and later acting director of the State Department's  
24 Office of West African Affairs.

25 Last but certainly not least, we consider Brunei, a small country in Southeast  
26 Asia. Brunei recently implemented a new penal code rooted in a strict interpretation of

1 sharia law, which includes measures such as the death penalty for adultery, homosexual  
2 acts, and insulting the Koran, prison sentences for pregnancy out of wedlock or failing  
3 to pray on Friday. These new restrictions will, moreover, apply to all Bruneians,  
4 including the 22 percent who are not Moslem. These regulations are troubling and I am  
5 hopeful our next U.S. Ambassador will encourage the government to protect human  
6 rights, dignity, and freedom of belief for its people.

7 Brunei is also an increasingly important partner for achieving U.S. objectives, one  
8 of four states that launched the TPP, a cornerstone of the administration's economic  
9 engagement strategy in Asia. It also opposes territorial aggression by China in the  
10 South China Sea and therefore it is imperative our Ambassador skillfully manage  
11 bilateral relations in order to achieve regional goals.

12 For this post, the President has nominated Mr. Craig Allen, who has spent three  
13 decades living and working in Asia. A career member of the Foreign Commercial  
14 Service, class of minister counselor, Mr. Allen most recently served as deputy assistant  
15 secretary for China at the Department of Commerce. He also served as senior  
16 commercial officer at the U.S. consulate in Johannesburg, senior commercial officer in  
17 Beijing, and deputy senior commercial officer in Tokyo.

18 I would now like to invite my colleague Senator Flake to make any opening  
19 statement he would like before I invite our nominees to make their opening statements.  
20 Senator Flake.

21 **SENATOR FLAKE.** Thank you, Mr. Chairman.

22 Thanks for being here. I have met with two of you in the last little bit in my  
23 office. I look forward to your testimony and thank you for your service.

24 **SENATOR COONS.** Thank you, Senator Flake.

25 I would like to welcome our nominees and encourage you to take the time to  
26 introduce your families and friends, who we all know are an essential part of your



1 service in government. We are grateful for their sacrifices as well as yours and for their  
2 ongoing support.

3 Mr. Heflin.

**STATEMENT OF DONALD L. HEFLIN, OF VIRGINIA, NOMINATED TO BE AMBASSADOR  
OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CABO VERDE**

4 **MR. HEFLIN:** Thank you, Mr. Chairman. Chairman Coons, members of the  
5 committee: It is my honor to appear here today as the President's nominee to be the  
6 next U.S. Ambassador to the Republic of Cabo Verde. I am grateful to President Obama  
7 and Secretary Kerry for this tremendous vote of confidence and for this opportunity to  
8 come before you.

9 I wish to acknowledge my daughter Sara, who is here with us today. Sara is  
10 currently a junior at Austin Peay State University in Tennessee and lived in six  
11 countries growing up. Her first posting as a Foreign Service kid started when she was  
12 eight weeks old.

13 I regret my parents did not live long enough to be here today. They both  
14 devoted their entire adult lifetimes to public service, highlighted by my father's four  
15 years as a pilot during World War II.

16 The ten islands that make up the Republic of Cabo Verde are just off the west  
17 coast of Africa. Cabo Verde enjoys a vibrant, multiparty political system and an  
18 unbroken history of civilian rule since its independence in 1975. It is a success story of  
19 progress, prosperity, political stability, and democracy. Cabo Verde and the United  
20 States have enjoyed warm relations since we first opened our consulate there nearly 200  
21 years ago.

22 There are more than 450,000 Americans of Cabo Verdean origin. Many of these  
23 families immigrated to New England during the days of the great nineteenth century  
24 whaling fleets, which they worked on. They participate fully in the life of our great  
25 country and many of them wish to invest in the prosperous future of Cabo Verde.

1           The United States and Cabo Verde are partners on a number of important  
2 matters. Among them maritime security and transnational crime are key. The  
3 government of Cabo Verde strongly supports counternarcotics maneuvers and is a  
4 gracious host to U.S. ship visits. Cabo Verde is a model in the region for strategic  
5 partnership. If confirmed, it is my goal to maintain and enhance this multilateral and  
6 interagency cooperation.

7           U.S. engagement and support of Cabo Verde's economic and commercial  
8 development is bearing fruit. Cabo Verde's first Millennium Challenge Account  
9 compact was successfully completed in 2010, producing significant gains in all three of  
10 its projects: first, improvements in transportation networks, facilitating integration of  
11 internal markets; second, improvements in water management and soil conservation,  
12 which promoted increases in farm profits and incomes; and third, support to Cabo  
13 Verdean microfinance institutions. It is my hope if confirmed to engage Cabo Verde in  
14 consolidating these gains.

15           Cabo Verde's continued strong government performance resulted in its selection  
16 as the first country in the world to qualify for a second Millennium Challenge  
17 Corporation compact, which began in 2012 and is focused on carrying out wide-  
18 reaching reforms in the water and sanitation and land management sectors. These two  
19 compacts support Cabo Verde's overall national development goal of transforming its  
20 economy from aid dependency to sustainable private sector-led growth.

21           Mr. Chairman, prior assignments in Africa and in African affairs have equipped  
22 me with the cultural and regional knowledge and language skills to relate to the Cabo  
23 Verdean government and people. Similarly, if confirmed I will draw upon my 27-year  
24 career in the Foreign Service, including my experience as principal officer in Nuevo  
25 Laredo, Mexico, to effectively lead the U.S. mission in Praia, Cabo Verde. I look  
26 forward to entering entry-level officers who staff many of the embassy's positions.

1           If confirmed, my number one priority will be to promote the safety and welfare  
2 of American citizens in Cabo Verde.

3           I would be pleased to answer any of your questions.

**[The prepared statement of Mr. Heflin follows:]**

**[COMMITTEE INSERT]**

4           **SENATOR COONS.** Thank you very much, Mr. Heflin.

5           Mr. Miller.

**STATEMENT OF EARL ROBERT MILLER, OF MICHIGAN, NOMINATED TO BE AMBASSADOR  
OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BOTSWANA**

6           **MR. MILLER:** Mr. Chairman, Ranking Member Flake, and members of the  
7 committee: It is a great honor to appear before you today as President Obama's  
8 nominee to serve as the next Ambassador to the Republic of Botswana. I appreciate the  
9 confidence the President and Secretary Kerry have placed in me by putting my name  
10 forward for your consideration.

11           I am also deeply grateful for the support of my wife Ana and sons Andrew and  
12 Alexander. They are back in Johannesburg, sir. Our first overseas assignment in the  
13 Foreign Service was in Botswana, a country we love dearly.

14           During my 27 years in the Foreign Service, I have had the privilege of serving in  
15 senior leadership positions at a variety of challenging posts. Over the past three years,  
16 as the U.S. consul general in Johannesburg, South Africa, I managed the rapid growth of  
17 one of our busiest regional support and training centers. Our multi-agency consulate  
18 general in Johannesburg is now larger than many U.S. embassies in Africa, an expansion  
19 reflecting in particular our growing economic partnership with southern Africa.

20           Mr. Chairman, Botswana is one of Africa's great success stories. It is one of the  
21 continent's longest-standing multiparty democracies and one of the United States' most  
22 reliable partners in Africa.

1           Our current engagement in Botswana across a range of issues underscores the  
2 country's potential as a regional and in some instances global partner for the United  
3 States. Our joint efforts to combat HIV-AIDS has made a worldwide contribution to the  
4 global evidence base on HIV treatment and prevention. If confirmed, I would draw on  
5 my law enforcement experience to be a strong advocate for the International Law  
6 Enforcement Academy in Botswana, a partnership between our two nations that trains  
7 police officials from 34 African countries. Botswana also hosts the International  
8 Broadcasting Bureau's Voice of America relay station, serving most of the African  
9 continent.

10           Botswana has worked with us to promote democracy, good governance, and  
11 human rights. It has taken principled stands on these issues at the United Nations, the  
12 African Union, and the Southern African Development Community. Botswana has a  
13 strong military-to-military relationship with the United States. The Botswana Defense  
14 Forces' current leadership is U.S. trained and is one of the continent's strongest  
15 supporters of AFRICOM.

16           Botswana has many key assets U.S. investors look for: stability, a reputation for  
17 transparency, respect for rule of law, and generally favorable investment conditions.

18           The Southern African Development Community is headquartered in Gaborone.  
19 If confirmed, I will serve as the United States representative to SADC, recognizing  
20 regional integration is essential to the long-term stability and prosperity of southern  
21 Africa.

22           Botswana is a regional leader and strong partner on conservation and  
23 environmental issues, such as managing regional water supplies and combatting  
24 wildlife trafficking, a serious and growing problem across the continent.

25           Botswana does confront serious challenges. Botswana's HIV prevalence of 25  
26 percent among young adults is the second highest in the world. The decline in

1 diamond reserves constitutes Botswana's greatest strategic challenge since its  
2 independence. As diamond resources dwindle, the country must find an alternate  
3 source of revenue or it could upend the country's development trajectory.

4 Botswana suffers from income inequality, poverty, high unemployment, aging  
5 infrastructure, and a need for a more skilled labor market. Women are  
6 disproportionately affected by HIV and gender-based violence is a serious problem.

7 The United States is keenly interested in Botswana maintaining a strong, stable,  
8 and reliable partner. Botswana is an example of what is possible in Africa and why it  
9 matters. If confirmed, I would work to enhance Botswana's potential and support the  
10 country as it addresses its economic, environmental, and health challenges to the  
11 benefits of both our nations.

12 Mr. Chairman and members of the committee, thank you again for the  
13 opportunity to appear before you today. I will be happy to answer any questions you  
14 may have.

**[The prepared statement of Mr. Miller follows:]**

**[COMMITTEE INSERT]**

15 **SENATOR COONS.** Thank you, Mr. Chairman.

16 Mr. Allen.

**STATEMENT OF CRAIG B. ALLEN, OF VIRGINIA, NOMINATED TO BE AMBASSADOR  
OF THE UNITED STATES OF AMERICA TO BRUNEI DARUSSALAM**

17 **MR. ALLEN:** Mr. Chairman, Ranking Member Flake, members of the committee:  
18 Thank you very much. It is a great honor to appear before you today.

19 Before beginning my testimony, it is my privilege to introduce to you my family:  
20 my wife Micheline Tusenius, our two children, Christopher and Caroline. It also gives  
21 me great pleasure to introduce my very proud 90-year-old mom, Betty Allen, my  
22 brother Scott Allen, and my three nieces Lisa, Jessica, and Sarah.

1           As a veteran Foreign Service officer with six previous assignments, I want to  
2 thank my family for their extraordinary flexibility, patience, and many sacrifices. In  
3 particular, I would like to thank my wife Micheline, who has forsaken her own career  
4 for our family, giving me the opportunity to serve the American people overseas.

5           Mr. Chairman, if confirmed it would be an honor to serve my country as the  
6 United States Ambassador to Brunei. The United States and Brunei have enjoyed strong  
7 and prosperous relations since 1850, when our two countries signed a treaty of peace,  
8 friendship, commerce, and navigation. Still in effect today, this treaty has underpinned  
9 our close cooperation for 160 years.

10           The United States and Brunei have a long history of working together to promote  
11 peace, stability, and development. If confirmed, I hope to continue that tradition and  
12 strengthen our relationship for the 21st century.

13           Today the United States' relationship the Brunei rests on two central pillars. The  
14 first is growing economic partnership and the second is expanding regional  
15 cooperation. Our economic partnership is manifest through rapidly expanding trade. In  
16 2013 American companies exported \$559 million worth of goods and services to Brunei  
17 and we regularly enjoy large bilateral trade surpluses. Recently Brunei purchased \$600  
18 million worth of U.S. military and civilian aircraft.

19           Our bilateral economic cooperation is further demonstrated by rapidly increasing  
20 investment flows, including \$116 million worth of American investment in Brunei in  
21 2012.

22           Finally, as you noted, Mr. Chair, Brunei was a founding member in the launch of  
23 TPP negotiations, and indeed they are a key part of our effort to finalize a high standard  
24 agreement for the 21st century.

25           The second pillar of our relationship with Brunei concerns regional issues.  
26 Brunei successfully chaired ASEAN last year. They have long been an important

1 member of the region, and recently the United States and Brunei have cooperated on a  
2 number of matters of great importance to Southeast Asia. For example, we have  
3 launched the joint English language enrichment program for ASEAN, a \$25 million,  
4 five-year initiative funded by the Bruneian government. Also, Brunei and Indonesia  
5 joined us in founding the U.S.-Asia Comprehensive Energy Partnership, and to support  
6 this goal the Export-Import Bank of the United States and the energy department of  
7 Brunei's prime minister's office are collaborating on a \$1 billion Ex-Im program to  
8 further finance U.S. exports to the region.

9 In addition, we have an active and growing defense cooperation relationship,  
10 highlighted by Brunei's active participation in annual exercises with the U.S. Pacific  
11 Fleet. Brunei has hosted a large humanitarian assistance exercise which brought  
12 together service members from the United States and the region.

13 Certainly there are challenges, Mr. Chairman. As you noted, Brunei's sharia law  
14 has caused serious concerns. The first phase of this law went into effect on May 1. We  
15 are concerned that the code criminalizes several aspects of freedom of religion,  
16 including apostasy, and we are concerned over some of the punishments that have been  
17 announced for future implementation. We are also concerned, as you noted, Mr.  
18 Chairman, that it criminalizes consensual same-sex conduct between adults.

19 Freedom of expression and freedom of religion, which includes the right to  
20 change one's religion, are fundamental human rights enshrined in the Universal  
21 Declaration of Human Rights. While we understand that no physical punishments have  
22 been implemented under the current phase of the law, Brunei should ensure that its law  
23 prohibits torture or other cruel, inhumane, or degrading treatment or punishment.

24 While Bruneian officials have offered assurances that the standards that will be  
25 applied under the sharia system will be so exacting that it will be almost impossible for

1 there to be a conviction that would result in sentences such as stoning or amputation,  
2 the threat of such extreme punishment still raises concern.

3 To these ends, we regularly communicate with Brunei regarding fundamental  
4 human rights and encourage the government of Brunei to uphold its international  
5 commitments. We are watching closely to see how the law is being implemented.

6 Mr. Chairman, Ranking Member Flake, members of the committee, thank you for  
7 inviting me to testify before you today and giving my nomination your kind  
8 consideration. I am pleased to answer any questions you may have. Thank you.

**[The prepared statement of Mr. Allen follows:]**

**[COMMITTEE INSERT]**

9 **SENATOR COONS.** Thank you, Mr. Allen.

10 Then we will start five-minute rounds. If I could first, Mr. Heflin, just two  
11 questions on maritime security and the diaspora. I am particularly interested in how  
12 we engage the diaspora in the United States in economic investment, in deployment  
13 and in political relations back to their country of origin. As you referenced there is a  
14 sizable Cabo Verdean community in New England. What could we do to more  
15 successfully engage the African diaspora in the United States, which is a critical  
16 competitive advantage lacked by China, Brazil, Russia, India, others? What more could  
17 we do?

18 **MR. HEFLIN:** Mr. Chairman, as you know, the diaspora from Africa and other  
19 countries often leads the way in our relationships, including our economic relationships,  
20 with African countries. The Cabo Verdean community in New England has already  
21 shown interest in investing in the open economy of Cabo Verde.

22 Right now the sky is the limit. For instance, looking at trade figures recently  
23 between the U.S. and Cabo Verde, they are fairly low. Typical exports from Cabo Verde  
24 to the U.S. in a given year are about a million, two million dollars, and from the U.S.



1 back to Cabo Verde 8, 9, \$10 million. Those could go up dramatically. If confirmed, I  
2 intend to work on fostering trade ties.

3 There is also a very interesting proposal on the table from one of the New  
4 England colleges to open a campus in Praia to begin to prepare Cabo Verdean students  
5 to come up and study at the university level in the U.S. That is something my successor  
6 may well push over the top — my predecessor may well push over the top during our  
7 time there, and if not if confirmed I intend to.

8 **SENATOR COONS.** I would be interested in follow-up from you once confirmed,  
9 presuming confirmation, about exactly how we can do a better job at engaging diaspora  
10 communities.

11 Second, on maritime security. You referenced narcotrafficking as a major  
12 concern for me and for many off the coast of West Africa, in addition to illegal fishing.  
13 Could you just explain the extent of the cooperation between the United States and  
14 Cabo Verde in combatting both narcotrafficking and illegal fishing in the western coast  
15 of Africa?

16 **MR. HEFLIN:** Happy to, Mr. Chairman. We have had engagement on a lot of  
17 different levels with a lot of different agencies between the United States and Cabo  
18 Verde. AFRICOM's naval assets regularly conduct exercises and ship visits down there  
19 and over the years we have given the Cabo Verdeans three ships, including a 51-footer,  
20 that they put to good use. Their problem obviously is in the sea lanes between them  
21 and West Africa and traffic coming over from South America and heading up towards  
22 Europe.

23 We also helped them start a command center, called COSMAR, in which they  
24 have formed an inter-agency group to start to get control of their own water, which, as  
25 you know, in African countries the problem sometimes is narcotraffickers, but  
26 sometimes overfishing or other economic losses from their waters. So with a small and

1 very able coast guard-type navy, this command center that we have worked with them  
2 on, our Coast Guard works with them closely, and the State Department's Bureau of  
3 International Narcotics and Law Enforcement also has programs with the Cabo  
4 Verdeans. They have been a very good partner.

5 **SENATOR COONS.** Thank you.

6 Mr. Miller, you referenced Botswana has one of the most stable, capable  
7 militaries. We have a close police training relationship in Botswana. They are also a  
8 strong supporter of AFRICOM. What else do you think Botswana could do to play  
9 more of a role in supporting regional security efforts and what more could we be doing  
10 to combat wildlife trafficking? Botswana has historically done very well, but issues  
11 with some of its neighbors are preventing predictable long-term success and we have, I  
12 think, a real challenge, not just in Botswana, but in the entire region in wildlife  
13 trafficking.

14 **MR. MILLER:** Thank you for the question, Senator. I have seen firsthand in South  
15 Africa over the last three years the devastation caused by the increasingly sophisticated  
16 and lethal wildlife trafficking syndicates. The Botswana Defense Force is the first line of  
17 defense in Botswana to combat wildlife trafficking. It is a highly regarded, well  
18 respected defense force.

19 We have a number of programs in place to assist the BDF and the government of  
20 Botswana with anti-poaching operations, including classes on anti-trafficking  
21 investigations, money-laundering investigative courses to strike at the roots of the  
22 syndicates that are behind many of the trafficking outfits in the region.

23 We are strong supporters of Botswana's establishing a wildlife enforcement  
24 network for southern Africa in Botswana. The only way we will solve this problem is  
25 through a regional and ultimately a global approach.

26 **SENATOR COONS.** Thank you.

1 Senator Flake.

2 **SENATOR FLAKE.** Thank you, and thank you to your families as well for the  
3 sacrifices that they have made and continue to make. I know it is quite a commitment. I  
4 spent one year overseas — we had a child just a year and a half old — in Namibia, and I  
5 look at that and think of the difficulty that is, to have one child away from cousins and  
6 parents, grandparents and everything else, and you have done it many, many times.  
7 Your service is appreciated, all the families in particular.

8 Mr. Heflin, with regard to Cabo Verde, the Millennium Challenge, again we are  
9 in the second iteration. What did we learn in the first? What lessons are we taking  
10 forward and how can we make sure that we expand on the benefits?

11 **MR. HEFLIN:** Millennium Challenge Corporation has not quite finished its after-  
12 action report on the first compact. The second compact, it was decided to spend the first  
13 two years getting the legal and regulatory framework in place, and it is coming along  
14 nicely. Once that is done and only once that is done will we move on to construction  
15 and other spending.

16 **SENATOR FLAKE.** Mr. Allen, the trade surplus, that is a pretty good surplus we have  
17 got. How much of it traditionally is military equipment or planes? Is that typical year  
18 to year or is that just a bump lately?

19 **MR. ALLEN:** Thank you, Ranking Member Flake. The trade surplus and the trade  
20 numbers are quite volatile. Last year we delivered several aircraft and that skewed the  
21 numbers. We have a number of other aircraft, large aircraft deals in the pipeline, and  
22 thus I would consider it a rising trend in U.S. exports to Brunei in the foreseeable future  
23 — aircraft, oil equipment, consumer goods, food, and a good number of other  
24 commodities as well.

25 **SENATOR FLAKE.** The only economy is certainly shrinking from where it was. How  
26 much longer? They are looking to revive it for as long as they can. They are certainly

1 looking to diversify and that will be a lot of your role, and certainly I think why they  
2 have so much interest in the TPP. We appreciate their leadership and help there. I hope  
3 it is something that the Congress can give the President the tools to actually give effect  
4 to.

5 But in the area of diversification, what are they doing?

6 **MR. ALLEN:** Sir, I share your sentiments entirely with regard to TPP. The IMF just  
7 this week or last week released a report suggesting that Brunei's GDP would be  
8 trending upwards towards 6 percent this year and next. So their economy is doing  
9 quite well.

10 In terms of diversification, they are trying to move downstream in the petroleum  
11 business, develop tourism and other service exports, and develop other segments of  
12 their economy that employ more Bruneian citizens, and integrate themselves better in  
13 ASEAN and in the region.

14 **SENATOR FLAKE.** Thank you.

15 Mr. Miller, I have not spent much time in Botswana. I spent a year in South  
16 Africa, a year in Namibia, and six months in Zimbabwe, so I have kind of surrounded it.  
17 But actually when I got back to college I wrote my master's thesis trying to explain  
18 Mugabe's hold on the electorate in Zimbabwe during the eighties. Now I think we have  
19 determined what that hold is. It is brute force and chicanery lately.

20 But now I think all of us are trying to explain the hold he has on the rest of  
21 Africa. It has been very disappointing to see particularly the other SADC countries  
22 countenance what has gone on in Zimbabwe. Botswana I will note was the one  
23 country to be somewhat critical initially, but then kind of fell in line with the other  
24 southern African countries.

1           What can you do in your role to make sure that there is the appropriate pressure  
2 and the appropriate stand taken by SADC countries at least standing up to what should  
3 not be countenanced in Zimbabwe? Long question, sorry.

4           **MR. MILLER:** Thank you for that question, Senator. President Khama has taken  
5 some lonely and courageous and principled stands within SADC as a proponent of  
6 human rights and democracy across Africa, including Zimbabwe. He supported the  
7 global political agreement and sent a robust election observer delegation to Zimbabwe  
8 for the recent elections and was critical within SADC for the elections failing to abide by  
9 SADC's own standards.

10           Botswana and Zimbabwe enjoy full diplomatic relations, but Botswana is not shy  
11 about criticizing what it sees as violations of human rights in Zimbabwe.

12           I will take every opportunity to engage at the highest levels with the government  
13 of Botswana and within SADC on issues of human rights. I would look forward to  
14 working with Ambassador Bruce Wharton and his fine team in Harare on regional  
15 human rights and good governance issues.

16           **SENATOR FLAKE.** Well, thank you. In most cases here — I mean, SADC has some  
17 great governing principles, as does the AU, and I think all we need to do is make sure  
18 these countries stand up for their own standards. Certainly Botswana has been more  
19 willing to do so than other countries in the region. Please pass on our thanks for that,  
20 and hopefully we can foster that kind of attitude to stand up for not western standards  
21 or U.S. standards, but the standards, the election standards and otherwise, human  
22 rights standards, that SADC has itself propounded and other countries in the region.

23           But again, thank you all for your service. I have no doubt that you will serve the  
24 country well in this capacity.

25           **MR. MILLER:** Thank you, Senator.

26           **THE CHAIRMAN.** Thank you, Senator Flake.

1 I have just a few more questions, if I might, for Mr. Allen, who I did not get to in  
2 my first round. If you would, just speak further about how you are going to address  
3 the issue of sharia law and some challenges that may create for us in terms of further  
4 progress on TPP or our relationship with Brunei?

5 **MR. ALLEN:** Thank you, chairman. Firstly, I share your sentiments exactly on  
6 sharia, Brunei's sharia penal code. I think that the first thing that we need to do is  
7 monitor implementation, watch very closely. Thus far they are in the very early stages  
8 of this and we therefore need to monitor closely. We need to increase our dialogue on  
9 the importance of human rights and our expectations of human rights in Brunei.

10 We need to remind the government of Brunei when and if it becomes necessary,  
11 when it becomes necessary, of their international human rights obligations. We need to  
12 speak out in favor of our principles, and I will not be shy in upholding our principles  
13 with the government and the people of Brunei.

14 With regard to TPP, it is useful to note that Brunei was a founding member, part  
15 of the P4. It is also important to note that trade is an important — trade and investment,  
16 economic exchange, is an important way to broaden support for the universal values  
17 that we hold dear. We have not used trade agreements in the past to address religious  
18 concerns.

19 Vis a vis the specific strategy for TPP, I would have to refer you to USTR, which  
20 is of course leading those important negotiations. But I look forward to being a partner  
21 with them to ensure the passage of TPP and also ensuring that our views on human  
22 rights are known and hopefully respected in Brunei.

23 Thank you.

24 **SENATOR COONS.** Well, given your long career service in Commerce, I would also  
25 be interested in how you view intellectual property rights, whether you view them as  
26 central to our making progress on TPP with Brunei and how essential you think

1 advocating for a regime in trade that respects and protects American intellectual  
2 property rights, how central you think that is.

3 **MR. ALLEN:** Thank you, Senator. I believe it is absolutely essential. Intellectual  
4 property rights are core to our economy and, more particularly, to our future economic  
5 growth.

6 With regard to Brunei, there still are some intellectual property right problems,  
7 but they were lifted off of USTR's special watch list recently, thus indicating some  
8 progress made. That said, I understand that there still are problems and I look forward  
9 to working with the government of Brunei to further clean up and improve the  
10 protection for intellectual property rights.

11 Within the context of TPP, those negotiations are ongoing and clearly very  
12 important to our future economic prosperity and growth.

13 Thank you.

14 **SENATOR COONS.** Thank you very much, Mr. Allen.

15 Senator Flake, any further questions?

16 **SENATOR FLAKE.** No, Mr. Chairman.

17 **SENATOR COONS.** Well, with that I would like to thank all three of our nominees  
18 today. I would like to also thank, if I might, Mr. Heflin's daughter Sara, Mr. Miller's  
19 wife Ana and sons Andrew and Alexander, and of course Micheline Tusenius and  
20 Christopher and Caroline. Thank you all for your support. I know there are many  
21 others here as well. We are grateful that you stuck with us and we are grateful for your  
22 willingness to serve.

23 Then we will keep the record of this panel open until noon tomorrow,  
24 Wednesday July 30th, and I will recess for a third panel.

**[Recess from 4:08 p.m. to 4:10 p.m.]**

1           **SENATOR KAINE** [presiding]: This third panel of the Senate Committee on Foreign  
2 Relations is now called to order. When I asked folks to assemble, I betrayed my trial  
3 lawyer roots by indicating that the "witnesses" should take their places. These are not  
4 witnesses; they are nominees, and we are very, very glad to have all three of them here.

5           What we will do is I will do a brief introduction of each of the three. Then I will  
6 ask them to make opening statements in the order that I introduced you, and following  
7 that I will have questions for each of you. Normally we would have other committee  
8 members here, but normally we do not do three panels. So you may only have to face  
9 my withering cross-examination this afternoon.

10           But again, welcome to all. These are all quite important positions.

11           So, to begin with introductions: Michele Sison has served as U.S. Ambassador to  
12 Sri Lanka and the Maldives since 2012. She previously served as assistant chief of  
13 mission in Baghdad, Iraq, U.S. Ambassador to Lebanon, and U.S. Ambassador to the  
14 UAE. She holds the rank of career minister in the U.S. Foreign Service. Her early  
15 assignments include: service as principal deputy assistant secretary of state for south  
16 Asian affairs and positions in Pakistan, India, Cote d'Ivoire, Cameroon, Benin, Togo,  
17 and Haiti, in the 32 years since 1982 when she joined the Foreign Service.

18           Sison also served as the State Department's director of career development in  
19 assignments in 2010 and 2011. She received her bachelor degree in political science  
20 from Wellesley and also studied at the London School of Economics. She is the mother  
21 of two grown daughters.

22           Ambassador Sison, welcome.

23           Our next two nominees are ambassadors in different ways. While they have not  
24 served in the Foreign Service, they have both served a huge percentage of their  
25 professional career as Americans abroad. The millions of Americans we have who live



1 abroad, who proudly represent the United States as they do their business and raise  
2 their families abroad are ambassadors in a different way.

3 S. Fitzgerald Haney is a Principal and Head of Business Development in Client  
4 Service for Pzena Investment Management. He also has served as a member of the  
5 United States Holocaust Memorial Council since 2013. Quickly, his business  
6 background: from 2006 to 2007 he served with International Discount  
7 Telecommunication; '02 to '06 he was director of strategic planning at Depository Trust  
8 and Clearing Corporation; from 1999 to 2001 he was a senior associate at Israel Seed  
9 Partners in Jerusalem, Israel; previously vice president of marketing and strategic  
10 planning at Citicorp-Citibank in Mexico City and Monterrey. Prior to that, he had  
11 various positions with Pepsico, including significant stints in Sao Paolo, Brazil, and also  
12 in Mexico City and San Juan, Puerto Rico.

13 He began his career after his bachelor's and master's degree from Georgetown,  
14 serving as a Procter and Gamble assistant brand manager in San Juan, Puerto Rico.

15 Welcome, Mr. Haney. It is good to have you here.

16 Finally, Charles Adams is the Managing Partner of the Geneva office of the  
17 international law firm Akin Gump Strauss Hauer and Feld. He has worked in Geneva  
18 for over 20 years, serving as managing partner for two law firms, and his practice  
19 focuses heavily on international arbitrations in Europe and around the world.

20 He is a graduate of Dartmouth College and the University of Virginia School of  
21 Law, was a Peace Corps volunteer in Kenya from 1968 to 1970, and grew up living the  
22 patriotic and peripatetic life of a child of a long-time member of the American Foreign  
23 Service.

24 So, Mr. Adams, welcome to you as well.

25 I would like to ask you each now to make opening statements. Your written  
26 statements will be submitted for the record, but if you could speak for about five

1 minutes that would be great, and then I will ask each of you questions. I will begin with  
2 Ambassador Sison.

**STATEMENT OF HON. MICHELE JEANNE SISON, OF MARYLAND, NOMINATED  
TO BE THE DEPUTY REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE  
UNITED NATIONS, WITH THE RANK OF AMBASSADOR, AND DEPUTY REPRESENTATIVE  
OF THE UNITED STATES OF AMERICA IN THE SECURITY COUNCIL OF THE  
UNITED NATIONS; AND TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA  
TO THE SESSIONS OF THE GENERAL ASSEMBLY OF THE UNITED STATES DURING  
HER TENURE OF SERVICE AS DEPUTY REPRESENTATIVE OF THE UNITED STATES OF  
AMERICA TO THE UNITED NATIONS**

3 **AMBASSADOR SISON:** Mr. Chairman, it is an honor to appear before you today as  
4 President Obama's nominee to be the Deputy Permanent Representative of the United  
5 States to the United Nations. I am grateful to the President, Secretary Kerry,  
6 Ambassador Power for their faith and confidence in my ability to represent the  
7 American people at the United Nations.

8 I know my daughters Allie and Jessica are watching this hearing out in Arizona  
9 on their laptops and I would like to give them a heartfelt shout-out in recognition of the  
10 many years they spent accompanying me around the globe as Foreign Service kids. My  
11 two girls truly are my pride and joy.

12 Mr. Chairman, if confirmed I look forward to advancing America's interests at  
13 the United Nations at a time of unprecedented challenges. President Obama has  
14 stressed that the global nature of the threats facing the world today cannot be  
15 adequately addressed by one nation alone. For that reason, America depends upon and  
16 must continue to demonstrate leadership within an effective, responsive, and  
17 responsible international system.

18 I have been privileged to serve our country three times as U.S. Ambassador, as  
19 you mentioned, in the United Arab Emirates, Lebanon, and Sri Lanka, and Maldives.  
20 Throughout my career I have worked with our international partners on issues as  
21 varied as nonproliferation, counterterrorism, climate change, and post-conflict

1 transition. Representing our Nation in challenging posts around the world from Haiti  
2 to Cote d'Ivoire and Pakistan to Iraq, I have seen the United Nations — I have seen that  
3 the United Nations, for all its shortcomings, has the ability to complement and amplify  
4 U.S. efforts to achieve a number of our foreign policy goals, including to prevent and  
5 end armed conflicts, ensure accountability, and build the conditions for a lasting peace.

6 On the ground, I have worked alongside UN colleagues to deliver life-saving  
7 humanitarian assistance to communities racked by conflict and natural disaster. And I  
8 have coordinated closely with UN personnel on efforts to aid refugees and internally  
9 displaced persons.

10 As U.S. Ambassador to Lebanon, I witnessed how UN peacekeepers contribute  
11 to allaying tensions along the blue line between Israel and Lebanon. I have vigorously  
12 promoted U.S. interests by urging our partners overseas to adhere to UN Security  
13 Council resolutions designed to deter the proliferation efforts of Iran and North Korea,  
14 al Qaeda-linked terrorism, and other grave threats to peace.

15 Of course, there can be no sustainable peace without justice and the rule of law. I  
16 have worked closely with the UN throughout my career to promote accountability and  
17 respect for human rights, as well as to address the issue of sexual or gender-based  
18 violence in conflict. While I believe no country can lead as effectively as the United  
19 States, it is not our Nation's job to solve every crisis around the world. The UN is an  
20 important forum for sharing that burden internationally.

21 If confirmed, I will seek to expand the number of capable and willing partners  
22 working with us at the UN on each of the issues I have mentioned and will seek to unite  
23 them in a common cause in tackling our many common challenges.

24 Finally, although I recognize the UN's potential to advance critical U.S. priorities,  
25 I am also well aware of the UN system's limitations and the challenges it faces to ensure  
26 that its important work is performed efficiently and effectively. Some of these

1 challenges are internal to the UN system and some reflect the competing priorities of its  
2 member states.

3 If confirmed, I will actively pursue our shared priority of ensuring that American  
4 taxpayer resources are used effectively to advance U.S. goals and objectives. I pledge to  
5 work to ensure UN fiscal discipline, transparency, ethics, oversight, and reform. I will  
6 also continue this administration's firm commitment to fight any unfair bias against  
7 Israel at the UN.

8 Mr. Chairman, I have worked closely with this committee throughout my career  
9 and I greatly respect the active role of the committee in shaping American foreign  
10 policy. If confirmed, I look forward to the opportunity to continue to work with you to  
11 advance U.S. national interests at the United Nations. I am honored to appear before  
12 you today and I appreciate your consideration of my nomination.

13 I would be happy to answer any questions you may have for me. Thank you.

**[The prepared statement of Ambassador Sison follows:]**

**[COMMITTEE INSERT]**

14 **SENATOR KAINE.** Thank you, Ambassador Sison.

15 Mr. Haney.

**STATEMENT OF STAFFORD FITZGERALD HANEY, OF NEW JERSEY, NOMINATED TO BE  
AMBASSADOR OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF COSTA RICA**

16 **MR. HANEY:** Chairman Kaine, it is an honor to appear before you today as  
17 President Obama's nominee to serve as the next United States Ambassador to Costa  
18 Rica. I am profoundly humbled by this opportunity to serve and thank the President  
19 and the Secretary of State for the confidence they have placed in me. If confirmed, I look  
20 forward to working with you and your colleagues to protect U.S. citizens in Costa Rica,  
21 deepen the bonds that unite our countries, and advance U.S. interests in Central  
22 America.

1           With the chairman's permission, I would like to acknowledge my family who are  
2 here with me today, starting with my wife, Rabbi Andrea Haney, and my children  
3 Asher, Nava, Eden, and Shaia. If I am confirmed, my wife and our four children will be  
4 joining me in San Jose, and it is only through their love and support that I am here  
5 today.

6           I would also like to acknowledge my brother-in-law Adam Dobrick and my  
7 sister-in-law Alison Dobrick and various friends supporting us today.

8           Finally, I would also like to mention my mother, father, and brother, who are  
9 here with us in our hearts. My mother, Sandra Haney, was and still is my hero.  
10 Working days and studying at night, she showed us by her example that the United  
11 States is truly a land of opportunity. She was also a link in a long line of family that has  
12 in various ways served our Nation proudly. From a fifth great-grand uncle who fought  
13 in the Revolutionary War, to my brother who served both overseas and at home, to my  
14 great uncle who recently received an honorary doctorate in public service, we have a  
15 long and proud tradition of serving our Nation. It is in my mother's honor and in her  
16 memory that I hope if I am confirmed to dedicate my service.

17           Costa Rica is an important ally in a region of critical strategic importance to the  
18 United States. It is the most stable democracy in Central America. Its strong  
19 commitment to investing in education and health has helped it achieve literacy, life  
20 expectancy, infant mortality, and income levels that are considered among the best in  
21 the region.

22           It is no surprise that these positive attributes have attracted significant numbers  
23 of U.S. citizens and today approximately 100,000 call Costa Rica home and more than  
24 one million visit annually. If confirmed, their safety and wellbeing will be my top  
25 priority.

1           Despite its successes, Costa Rica, like its neighbors, confronts many challenges,  
2 including security challenges, as international drug trafficking organizations and  
3 organized crime increasingly penetrate Central America. The United States and Costa  
4 Rica enjoy an excellent partnership in security cooperation. If confirmed, I will continue  
5 to work with the government of Costa Rica to ensure that organized crime does not  
6 undermine the country's economy and democratic institutions.

7           Another of my highest priorities if confirmed will be promoting greater Central  
8 American integration. The region will not prosper without better regional cooperation  
9 on trade, infrastructure development, energy integration, and investment.

10           Given its stability and relative prosperity, Costa Rica is not a source of the  
11 unaccompanied young people who have been streaming north to escape poverty,  
12 violence, and hopelessness, and in fact is itself a destination. Costa Rica can play a  
13 constructive role in working to create conditions in Central America that are conducive  
14 to reducing poverty and violence. President Solis has emphasized he is committed to  
15 working to promote regional integration and prosperity, and if I am confirmed I will  
16 support him in those efforts.

17           I have many years experience living and working in the international businesses  
18 in Latin America and understand the region and its challenges. As was made clear  
19 during the recent investment promotion visit to the United States, Costa Rica is serious  
20 about improving its business climate and attracting foreign investment. If confirmed,  
21 my private sector experience would be an asset in helping Costa Rica advance in those  
22 areas. It would also serve me in working to advocate for stronger intellectual property  
23 protection, promote entrepreneurship and private-public partnerships, and ensure that  
24 U.S. companies and investors encounter a fair and level playing field for doing business  
25 in Costa Rica.

1           If confirmed, I will also work closely with Costa Rica to advance the many other  
2 policy objectives and priorities the United States and Costa Rica share. Costa Rica  
3 shares our commitment to protecting democratic freedoms and human rights and has  
4 made it clear it will resist any attempts to weaken the inter-American human rights  
5 system. Costa Rica will also continue to be a strong partner with the United States on  
6 initiatives to mitigate and adapt to climate change and promote renewable energy use  
7 and sustainable development.

8           I believe Costa Rica has the opportunity to become a regional hub of innovation,  
9 good governance, and increased competitiveness. As our dedicated team at Embassy  
10 San Jose states, a safe, prosperous, and green Costa Rica benefits the citizens of both our  
11 nations.

12           Mr. Chairman, I thank you again for your consideration of my nomination and I  
13 welcome your questions.

**[The prepared statement of Mr. Haney follows:]**

**[COMMITTEE INSERT]**

14           **SENATOR KAINE.** Thank you, Mr. Haney.

15           Mr. Adams.

**STATEMENT OF CHARLES C. ADAMS, JR., OF MARYLAND, NOMINATED TO BE  
AMBASSADOR OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF FINLAND**

16           **MR. ADAMS:** Thank you, Mr. Chairman. It is a privilege to appear before you  
17 today as the President's nominee to be Ambassador to the Republic of Finland, and it is  
18 a tremendous honor to have been asked to serve in this post. Like my colleagues, I  
19 thank President Obama and Senator Kerry for the confidence that they have shown in  
20 me and if confirmed very much look forward to working with you and your colleagues  
21 in Congress to further U.S. interests in Finland.

22           I regret only that my wife Vera and my 12-year-old daughter Maya, who if I am  
23 confirmed will accompany me to Helsinki, could not be here with me today. I hope that

1 they are watching on the Internet back at home in Geneva, although it is way past  
2 Maya's bedtime by now.

3 I hope also watching is my son Matthew, who is 31, who lives and works in Los  
4 Angeles, of whom I am very proud and who has been a great support to me throughout  
5 the process leading up to my appearance here before you today.

6 I do have here a group of dear friends and law partners whose support I very  
7 much appreciate also.

8 If I may, I would like to say just a few words about why my appearance here  
9 today before you is of such personal significance to me. As you mentioned, Mr.  
10 Chairman, my late father Charles C. Adams dedicated the entirety of his professional  
11 career to representing the United States as a Foreign Service officer, devotedly  
12 supported throughout by my late mother Florence Schneider Adams.

13 They and what came over time to be a family of six kids spent many years in  
14 posts all over the world, principally in Europe and Africa, between assignments back  
15 home here in the United States. I thus had the opportunity to witness at firsthand  
16 through the eyes of the Foreign Service brat that I was the tremendous skill and savvy  
17 and dedication and courage that my parents and all other professionals of the Foreign  
18 Service brought to their service to their country and the burdens and the sacrifices that  
19 they were prepared to endure.

20 After service in the Peace Corps in Kenya in 1968 to 1970 and after law school at  
21 Mr. Jefferson's university in Charlottesville, I chose to enter the private sector, and I  
22 have practiced international law and international arbitration at high levels for now  
23 over 40 years. But I always have had very close to my heart the idea that as a salute to  
24 the memory of my mom and dad and to the magnificent men and women of the  
25 Foreign Service with whom they served, that I might some day be afforded the



1 opportunity and the extraordinary privilege to serve my country as an Ambassador of  
2 the United States.

3 And should I be honored by the confirmation of this nomination, that long-held  
4 aspiration will have been fulfilled.

5 I am very excited that the President has asked me to represent the United States  
6 in Finland. Finland is a very close U.S. partner. During the Cold War Finland served as  
7 a key interlocutor between East and West, hosting numerous international summits,  
8 including those leading to the Helsinki Final Act, the founding document of the  
9 Organization for Security and Cooperation in Europe, which will celebrate its 40th  
10 anniversary next year.

11 Finland has been a member of the European Union since 1995, has developed an  
12 innovation-led economy, engages closely with the U.S. and the NATO Partnership for  
13 Peace program, including in Afghanistan, and leads in promoting human rights around  
14 the globe. Finland's participation in multilateral fora is a core component of its foreign  
15 policy. Finland is an important partner of the United States in international  
16 organizations like the United Nations and the Organization for Security and  
17 Cooperation in Europe. And if confirmed, I will work to sustain and advance the strong  
18 U.S.-Finland bilateral relationship.

19 I will work to do so by championing U.S. national interests across three areas:  
20 our shared security, shared prosperity, and shared values. First, on our shared security,  
21 ever since 1950 Finland has been a dedicated participant in U.S. peacekeeping missions  
22 around the world and, although not a member of NATO, Finland is a participant, as I  
23 said, in the Partnership for Peace and maintains very high levels of cooperation with us.

24 Finland has also played a critical role in addressing the crisis in Syria through its  
25 participation in the mission to transport and destroy Syrian chemical weapons and has  
26 provided \$21.9 million in humanitarian assistance to the Syrian people.

1           Second, the United States and Finland share the vision of a strong, robust, trans-  
2 Atlantic economy that delivers for all of our citizens, and if confirmed one of my top  
3 priorities will be to increase economic cooperation between Finland and the United  
4 States through expedited, expanded bilateral trade through the TTIP, Trans-Atlantic  
5 Trade and Investment Partnership.

6           Finland has played a very active role in advancing our shared security, economic  
7 and social values, and if confirmed I look forward to representing my country and  
8 advancing a still deeper connection between the United States and Finland. I am very  
9 grateful for the opportunity to address you and am at your disposal to answer any  
10 questions you may have. Thank you very much.

**[The prepared statement of Mr. Adams follows:]**

**[COMMITTEE INSERT]**

11           **SENATOR KAINE.** Thank you very much, Mr. Adams. Wonderful testimony, both  
12 written and oral presentations from each of you.

13           I will start, Ambassador Sison, with you. I share your opening comments about  
14 the UN, were my views exactly. The UN is frequently vexing and frustrating and yet it  
15 is a proud U.S. accomplishment. Even as the League of Nations was unwinding in the  
16 1930's, long before the Second World War started, President Roosevelt in his first term  
17 knew there would need to be a successor and began to plan for the creation of the UN  
18 as early as 1933 or '34. The war delayed it, but obviously it was — the U.S.'s  
19 participation, leadership, financial support, has been critical to the organization, and I  
20 think we can be proud of many of the accomplishments of the UN over the course of its  
21 history.

22           Still, there are challenges at the UN. One of the ones that has sort of been most  
23 vexing to me has been the relative impotence of the Security Council in dealing with the  
24 civil war in Syria. The U.S. is the largest provider of humanitarian aid to Syrian

1 refugees in the world, but much of that aid has been to Syrian refugees outside of Syria.  
2 The Bashar Al-Assad government has not been cooperating significantly with  
3 humanitarian aid delivery, except in various fits and starts when the PR would suggest  
4 that he should. But often in the UN Security Council, except for one or two occasions,  
5 Russia, usually with the agreement of China, has blocked resolutions to take a more  
6 vigorous posture.

7 If you would, offer your thoughts on the Syrian refugee crisis, which I think is  
8 one of the greatest humanitarian crises of the last 50 years, and what the UN can do  
9 more, especially in light of the recent resolution that Russia signed onto, even to allow  
10 cross-border humanitarian aid without the agreement of the Bashar Al-Assad  
11 government?

12 **AMBASSADOR SISON:** Thank you, Senator. Indeed, after three years of fighting  
13 there are more than 10.8 million people in need of assistance and 6.4 million internally  
14 displaced, due of course to the actions of the Assad regime and its actions against the  
15 Syrian people.

16 U.S. leadership has been critical at the United Nations in addressing these  
17 pressing humanitarian assistance needs. As you noted, the second humanitarian  
18 assistance UN Security Council resolution was just passed this month, July, July 14.  
19 UNSCR 2165, as you noted, authorized the UN's use of four border crossings from  
20 Turkey, Jordan, and Iraq to deliver the humanitarian assistance. And just last Thursday  
21 we saw the first convoy of nine trucks cross into Syria with nine truck loads of badly  
22 needed foodstuffs and medicines.

23 Of course, there is also pressure on the countries outside of Syria, Syria's  
24 neighbors: Lebanon, I understand you recently traveled out there; Jordan, Turkey, of  
25 course. That has impacted those neighboring countries as well, and I will get back to  
26 that in a moment.

1 U.S. leadership at the UN has been critical in focusing an overall strategy to  
2 continue to push as much humanitarian assistance into Syria through, as possible,  
3 through all available channels. There is a dual strategy that we are promoting with the  
4 UN, funding organizations with a presence in Damascus, yes, including the UN, but  
5 also funding organizations, NGO's and UN agencies, to conduct this cross-border  
6 humanitarian assistance deliveries into the areas where the most vulnerable populations  
7 are located.

8 Of course, this is very challenging for the UN agencies on the ground. Severe  
9 security challenges. The Assad regime's minimal steps to facilitate cross-line and cross-  
10 border access. Those aid agencies out there are having a challenging time to get this  
11 assistance to the millions of people in need.

12 Now, I mentioned the focus also on the neighboring countries, because of course  
13 there have been outflows of Syrian refugees into Lebanon, into Turkey, into Jordan. So  
14 U.S. leadership is also working to keep those borders open to those seeking to flee;  
15 advocacy for increased donor support to assist these vulnerable populations, and to  
16 provide not just humanitarian assistance, but development aid, in those neighboring  
17 countries.

18 The UN is now integrating what they call the resilience pillar, having a regional  
19 response plan that addresses the economic and development needs of these receiving  
20 countries. So again, U.S. leadership has been critical in addressing the needs on the  
21 ground, and of course in getting those two humanitarian assistance resolutions through  
22 the Security Council, as well as the chemical weapons UN Security Council resolution.

23 **SENATOR KAINE.** I am so glad that you mentioned your service in Lebanon and  
24 connected it to it. When I was in Lebanon in February, talking to a nation with a  
25 population of about four million that is dealing with a million refugees that have  
26 arrived in the space of three years made me wonder, how would the United States deal

1 with people fleeing violence from other countries in those numbers. We have seen a  
2 little bit of how we would respond recently as people fleeing violence in Central  
3 America have come to our southern border.

4 But the challenges that — I believe the challenges that this humanitarian crisis  
5 will continue to present will be a major part of your daily headache and responsibility  
6 there.

7 It has to my way of thinking disclosed some continuing challenges with the  
8 Security Council and they may not be easy to fix. But what are your thoughts about  
9 proposals that are on the table to potentially consider either enlarging the membership  
10 of the Security Council or changing the way that the membership is chosen?

11 **AMBASSADOR SISON:** Thank you, Senator. In terms of UN Security Council reform,  
12 of course the U.S. believes that the Security Council and the UN in general need to  
13 reflect the world that we live in, 21st century. The administration is open in principle to  
14 a modest expansion of the permanent and non-permanent memberships, although I  
15 would underscore that any consideration of expansion of the permanent membership  
16 would of course need to take into consideration the ability to contribute  
17 commensurately to the UN Charter's requirements of maintaining peace and security  
18 around the world. We would remain opposed, however, to any alteration or expansion  
19 of the veto.

20 **SENATOR KAINE.** What is the current status of the U.S. contributions to the UN  
21 peacekeeping operations, since you mentioned that very important mission? There has  
22 been some controversy about the status of U.S. contributions to that particular mission  
23 in general. We have been such a sizable funder of UN operations. Talk a little about  
24 that and whether you see the need for any additional U.S. peacekeeping operations in  
25 response to security challenges that are out there now?

1           **AMBASSADOR SISON:** The U.S. indeed is the major contributor to peacekeeping  
2 operations with our assessment at 28.4 percent now, Senator. Of course, UN  
3 peacekeeping operations in many of the hot spots around the world promote U.S.  
4 national security interests by helping preserve or stabilize, restore international peace  
5 and security, including in places of direct U.S. national interest. Here I am thinking of  
6 Mali, for example, where we saw al Qaeda-linked terrorists threaten not only Mali, but  
7 the region.

8           Moreover, UN peacekeeping operations help us maintain global stability, avoid  
9 the need for more costly intervention. Yes, we do contribute over a quarter of UN  
10 peacekeeping operations' costs. Other member states, however, share that burden with  
11 the remaining 70-plus percent, as well as contributing their troops and police.

12           So we can think of this as a global bargain, if you will, with over 100,000  
13 peacekeepers deployed, coming from 122 countries around the world into these hot  
14 spots around the world, over 16 multidimensional UN peacekeeping operations.

15           **SENATOR KAINE.** How about financial reform? I spent a day at the UN when  
16 Ambassador Rice was the UN Ambassador. I would recommend it to all my colleagues  
17 on Foreign Relations to go spend a day at the UN, visiting various missions, visiting the  
18 Secretary General. I went to a Security Council meeting.

19           I asked Ambassador Rice when I walked into my meeting with the Secretary  
20 General: Is there something that you want me to say that will be helpful to you? Very  
21 high on her very short list was to continue to press the case for management and  
22 budgetary reforms at the UN. You alluded to that in your testimony as a priority.  
23 Would you talk a little bit more about that?

24           **AMBASSADOR SISON:** Thank you, Senator. If confirmed, one of my top priorities of  
25 course would be to be very focused on making sure that U.S. taxpayer dollars going  
26 into the regular budget assessment or peacekeeping budget assessment, that those U.S.

1 taxpayer dollars are being used wisely and well, and that our U.S. leadership at the UN  
2 is focused on making it more transparent, more effective, more efficient.

3 I can see as I prepared for this hearing, sir, that this has been a very successful  
4 focus for our U.S. UN team up there in New York. U.S. leadership at the UN, for  
5 example, in the 68th session achieved a one-year freeze in professional staff salaries and  
6 a two-year freeze in benefits. This is path-breaking, groundbreaking, up at the UN.

7 U.S. leadership continues with a focus on curbing growth in the compensation  
8 costs up there at the UN. In April of this year the U.S. co-chaired the Geneva Group,  
9 which is a group that looks at these management and budgetary issues, and we  
10 advocated additional measures to reduce staff compensation growth across the UN  
11 common system. We have also focused on the ballooning UN air travel expenditures.  
12 We have focused on our U.S. Government UN transparency and accountability  
13 initiative, which is a comprehensive review of each UN entity's audit and whistleblower  
14 protections. We are working closely with the UN's Office of Internal Oversight  
15 Services, which is the entity that focuses on waste, fraud, and abuse. Of course, the U.S.  
16 has been right up there in front, strongly supporting efforts to further strengthen  
17 OIOS's audit and investigation functions.

18 **SENATOR KAINE.** Could you talk a little bit — I am very happy you mentioned one  
19 of the areas that we often find vexing, which is some reflexive anti-Israel policies in the  
20 UN. I remember when I was in Israel in April of 2009 as Governor of Virginia. There  
21 was a UN — I believe it was UNESCO — meeting in Geneva that one of the invited  
22 keynote speakers was Ahmedinejad, Mahmoud Ahmedinejad of Iran, and to have a  
23 Holocaust denier speaking to an international organization of that kind — and the sad  
24 coincidence of timing, it was during Yom Hashoah in Israel, and it just seemed so odd.

25 There are many instances like that, where in the UN, as an American audience  
26 looking on, we see that reflexive anti-Israel attitude. What can you do to deal with that?

1 Let us bring it to a point that we are all very concerned about now. Talk a little bit  
2 about the role that the UN can play in trying to find a path to a ceasefire in Gaza, where  
3 in the calm of a ceasefire the issues and grievances can be put on the table so that we can  
4 continue the quest to find that path to what the UN called for in 1947, which is a  
5 peaceful Israel and Palestine living side by side?

6 **AMBASSADOR SISON:** Yes, thank you, Senator. Indeed there is all too often an  
7 unfair, biased targeting of Israel in many UN fora, and if confirmed I would certainly  
8 work and do my utmost to fight against this type of unfair and biased targeting of our  
9 friend and ally, Israel.

10 There have been a number of positive agenda actions, if you will, including Israel  
11 in a number of key consultative groups recently. For example, the Western European  
12 and Others grouping out in Geneva, the so-called Juice Cans human rights consultative  
13 group up in New York. These consultative groupings are really where a lot of the work  
14 behind the scenes at the UN is accomplished, and by bringing Israel into these  
15 consultative groupings I believe we can definitely move forward in addressing some of  
16 our mutual concerns.

17 On the second aspect of your question, Senator, of course we saw yesterday, just  
18 after midnight Monday, the UN Security Council calling for immediate and  
19 unconditional humanitarian ceasefire. Of course, we have seen Secretary Kerry and  
20 Secretary General Ban Ki-Moon out in the region over the last several days, last week.  
21 Of course, the immediate goal for all of us is stopping the violence, to look for a  
22 cessation of hostilities, to look for a ceasefire along the contours of the November 2012  
23 Israel-Hamas ceasefire.

24 So the UN of course is out there with U.S. support, providing assistance to the  
25 civilian population through the UN Relief Works Agency. But the bottom line — and  
26 this is the political good offices, of course, of the UN, the U.S., and many others — is to



1 work for a ceasefire, an end to the violence. Of course we condemn Hamas's attacks  
2 against Israel, support Israel's right to defend itself, but at the same time — at the same  
3 time, are very concerned about the civilian deaths, Palestinian civilians, Israeli civilians,  
4 Israeli IDF soldiers.

5 So the bottom line is all of us working together to stop the violence, to promote a  
6 ceasefire agreement.

7 **SENATOR KAINE.** Well, you are coming to the position at a challenging time. There  
8 are so many other issues I could ask you about, but in September we have both the  
9 visits of the heads of state to the United Nations as well as the U.S. turn to be in the lead  
10 position in the Security Council, and much work to do. But I appreciate your service  
11 and congratulate you on your nomination.

12 Let me move to questions for Mr. Haney. We have really been grappling with  
13 this issue of the unaccompanied minors coming to the border. We are trying to learn a  
14 little bit from Costa Rica because, while the countries in the northern triangle are the  
15 three countries, are the primary countries where these youngsters are coming from,  
16 including seeking asylum in Costa Rica and other nations, they are generally, the  
17 countries where these countries are coming from struggle with high levels of corruption  
18 in law enforcement and the judiciary.

19 But Costa Rica is known for a largely uncorrupt police force. Along with  
20 effective law enforcement, Costa Rica enjoys low levels of impunity compared to  
21 northern triangle neighbors, where roughly nine of ten cases are never even prosecuted.

22 You alluded to this a bit in your testimony, but what are some of the factors that  
23 explain this difference and how can Costa Rica potentially serve as a model for the other  
24 nations in the region?

25 **MR. HANEY:** Senator, thank you. Mr. Chairman, thank you for your question. As  
26 you said, I think Costa Rica can — has the opportunity to serve as a model for the rest

1 of the region as a home-grown success story, if you may, of what the emphasis on  
2 human rights and democratic institutions that have been long established within the  
3 Costa Rica history.

4 Costa Rica has, because of its investment it has made in education and in health,  
5 it has achieved a level of prosperity, and without violence, that its neighbors lack,  
6 unfortunately, today. I think with the help of President Solis, who is very focused on  
7 regional integration and very focused on how Costa Rica is not an island, it is part of the  
8 isthmus, and will face the same challenges sooner or later as its neighbors do if it does  
9 not help come to some kind of agreement on how we can best face these challenges.

10 So I think Costa Rica just by its following the current path that it is on can set a  
11 good example. I think you mentioned the judiciary and the police. We have done a lot  
12 of work with both in Costa Rica. We have a very strong partnership as far as security  
13 cooperation, as far as capacity-building and training. I think that with our ongoing  
14 support Costa Rica will maintain that and can actually serve as a center for training for  
15 the rest of the region as well.

16 I think it is very important that we always do remember that you cannot be more  
17 willing than your partner and you cannot will get your partner to be more able than  
18 they are. I think in Costa Rica we have a very unique opportunity for a very willing and  
19 capable partner at the same time.

20 **SENATOR KAINE.** I share your assessment. One danger that I would see that we  
21 might have in Costa Rica is — I lived in Honduras 30 years or so ago and I kind of pay  
22 attention, special attention to Honduras, which is now, sadly, the murder capital of the  
23 world. It was not that way when I lived there. It was not that way 15 years ago. But it  
24 seemed to be that there was some significant success in U.S. efforts to fight drug trade in  
25 Mexico and Colombia, but drug trade is mobile, almost like capital is, and as there were  
26 more effective law enforcement efforts in the countries where there were serious

1 problems some of the traffickers and transit routes rerouted. And to the extent that we  
2 take some significant steps with respect to the northern triangle countries, there could  
3 be pressure for them to reroute to Costa Rica as well.

4 So that is something that will require ongoing significant security work between  
5 the nations. It is good to know that the partnership is strong and that the civil  
6 institutions begin with a strength.

7 Let me switch to a strength of yours, which is on the international economic side,  
8 given your background. Costa Rica has been the most stable, not just from a security  
9 standpoint, but economically, of the countries in Central America. But recently there  
10 have been some concerns. American firms have done some downsizing and at least  
11 cited as a reason for the downsizing — there may be other reasons — that they were  
12 concerned about some of the potential fiscal policies of the incoming President Solis. So  
13 we saw some American firms, like Intel and Citibank, reduce some of their presence — I  
14 am sorry, Bank of America, not Citibank — reduce some of their presence, citing that.

15 What do you think of the current sort of economic climate, fiscal climate, in Costa  
16 Rica, and what can you do with the experience you bring to the table to promote U.S.  
17 foreign direct investment there and find opportunities for American businesses as well?

18 **MR. HANEY:** Thank you, Mr. Chairman. I think the best example, the best  
19 indication we have had of the current administration, President Solis's, commitment to  
20 making Costa Rica as attractive as possible for U.S. and other foreign investment is the  
21 fact that his first trip outside of the region as president was an investment promotion  
22 trip here to the United States, where he went to Silicon Valley, to New York, and then  
23 eventually D.C.

24 I think that he very well made the case that Costa Rica realizes that it has some  
25 challenges around some bureaucracy, around infrastructure, that it needs to work on,  
26 both physical as well as investment, but overall that the country was very willing and

1 looking for that FDI, that foreign direct investment, and to work with U.S. corporations  
2 in country.

3 So while Intel did, for example, shut one of its fab plants down in Costa Rica or is  
4 in the process of doing so, at the same time it announced that it is opening up a mega-  
5 lab, an R and D center, within the country. So I think that also points to one of my key  
6 priorities, which is Costa Rica can serve as a hub of innovation. It has the human capital  
7 because it has invested in education over the last few generations.

8 So I think my private sector background of working both with entrepreneurs as  
9 well as with the broad overall international business, I would hope to help Costa Rica  
10 address some of the issues that might be limiting additional investment from U.S. firms  
11 within the country.

12 **SENATOR KAINE.** What is your sense of how Costa Rica has taken advantage of  
13 CAFTA? have they tried to leverage the free trade agreement in Central America and  
14 the Dominican Republic effectively or do you think there is still some significantly  
15 greater up side that could be realized in looking at trade?

16 **MR. HANEY:** Thank you, Senator. I think as far as Costa Rica goes, by almost any  
17 measure of success it has been the most successful country within CAFTA. It was the  
18 last one, as you know, to actually implement after a national referendum. But it today  
19 accounts for about 40 percent of all CAFTA trade, just Costa Rica alone.

20 So I think — but I still think there are opportunities within Costa Rica's ability to  
21 leverage CAFTA to its benefit, both within country — I think it can go deeper into the  
22 Costa Rica economy. So we are looking at additional inclusion around development.  
23 So not just the first tier, not just the export sector, but we are really thinking of how do  
24 you drive the benefits of CAFTA into the small and medium enterprises, which will be  
25 really the engine for ongoing continued economic development within Costa Rica.

1 I think on the second point, that Costa Rica and I think all the CAFTA countries  
2 themselves have not taken as much advantage of the intra-regional trade as they can.  
3 So while they have been very focused on exporting to the United States and taking  
4 advantage of the CAFTA-DR that way, the trade within the seven countries themselves  
5 has not blossomed as one would hope. I think that is one of the tools we have to help  
6 address some of these core issues that are driving some of what we have seen of late  
7 within Central America.

8 **SENATOR KAINE.** And President Solis's regional integration goal would suggest that  
9 would be something that he would also share, a priority he would share.

10 **MR. HANEY:** Correct. He has stated many times that he believes that only with  
11 regional integration will Costa Rica and the region itself be able to be competitive in the  
12 21st century. When you think about Costa Rica, which has done fairly well for itself —  
13 it is an upper middle income country — but it is under five million people. President  
14 Solis recognizes that a market of five million versus a market of 43 million, which is all  
15 the Central American countries together, is a vast difference on investment and  
16 scalability.

17 **SENATOR KAINE.** Mr. Haney, thank you very much for your answers.

18 Let me move to Mr. Adams now. Talk about the very delicate issue of the  
19 Russia-Finland relationship? Even to today, as the EU in the last couple days have been  
20 grappling with sanctions of Russia following activities in the Ukraine and the downing  
21 of the Air Malaysia flight, Finland's economy is very connected to the Russian economy,  
22 tourism and other ways. They have been a little bit reluctant, but seem to be a solid  
23 partner in the announcements we are seeing come out of the EU today.

24 But talk a little bit about that relationship and the current status of it especially in  
25 light of the activities involving Russia and its neighbor in Ukraine?

1           **MR. ADAMS:** Thank you, Mr. Chairman. Recent events in the Crimea and in the  
2 Ukraine have put something of a spotlight on precisely the subject that you have  
3 mentioned, the long historical relationship of Finland and Russia. As you know,  
4 Finland at one time, from 1809 to 1917, was part of Russia as an autonomous grand  
5 duchy of the tsar. And from December 6, 1917, forward, the date of Finland's  
6 independence, its relationship with Russia has been a complex and delicate one.

7           Naturally, with 1300 kilometers of border, this is the second longest border of  
8 Russia with its neighbors to the west after the Ukraine. The economic ties have been  
9 very strong. Russia is Finland's single largest export market. It is its second largest  
10 supplier after Sweden in the most recent statistics, for fiscal 2013.

11           It is true that Finland's economy to a substantial degree is interlinked with that of  
12 Russia. On the other hand, Finland has been a staunch supporter of the EU and has  
13 stated its intention of implementing and enforcing to the fullest degree the EU sanctions  
14 recently announced against Russia, this notwithstanding the fact that of all the members  
15 of the EU it is Finland which in proportional terms could be said to have the most to  
16 lose. But notwithstanding, Finland is very much behind the full set of sanctions recently  
17 announced.

18           What also I think is important to take note of is the fact that Finland is in a  
19 unique position, because of its proximity and historical connection to Russia, to state the  
20 position of the EU and to state the position of the United States as Finland's partner  
21 within the Partnership for Peace in NATO on the issues which have brought this crisis  
22 to a head.

23           Just last week, President Niinisto in a telephone conversation with President  
24 Putin emphasized the necessity of Russia's doing that which would be required to  
25 resolve the crisis and to get past the matter of sanctions in the interest of Russia and in

1 the interests of Finland as well, in order that the matter of the sanctions could be  
2 addressed in the context of a resolution of the crisis which is at hand.

3 Finland has played a constructive role, will continue to play a constructive role,  
4 and if confirmed I will continue to encourage Finland in taking a strong stand in  
5 alliance with its partners within the EU and in also implementation of the policy which  
6 has been that of the United States.

7 **SENATOR KAINE.** You indicated in your opening testimony that Finland had often  
8 played a role of an interlocutor between the United States and the old Soviet Union.  
9 That role of interlocutor could be as important in the 21st century as it was in the 20th.  
10 As you point out, for cultural reasons they have a unique ability to do that. I would  
11 encourage you in that regard.

12 Are there any issues with respect to the negotiation of the TTIP that either will  
13 cause controversy in Finland or where Finland and the United States are currently likely  
14 to not see eye to eye?

15 Mr. Adams: Actually, Mr. Chairman, Finland is a particularly strong proponent  
16 of TTIP and has taken positions within the councils of the EU which are much more  
17 aligned with those of the United States with respect to the issues currently under  
18 discussion than some of the countries of the EU to the south, particularly when it comes  
19 to issues pertaining to agriculture and to geographic indicators.

20 Finland has been looking forward to a successful conclusion of the round of  
21 negotiations on TTIP because Finland, as does the United States, views this accord or  
22 the potentiality of this accord as a strong impetus to increase trade, to increase shared  
23 prosperity, to increase job creation, both within the EU and in the United States.

24 **SENATOR KAINE.** One of the areas where the United States and Finland would seem  
25 to have a lot in common and the ability to learn from one another is the great  
26 innovation culture that Finland has been known for. I doubt it is — I suspect it is a

1 causal relationship, not even — more than even a correlation, that they are also known  
2 for educational success. My wife is secretary of education in Virginia and recently met  
3 with the minister of education from Finland on a trip to the United States.

4 Talk a little about that sort of innovation and education success culture in  
5 Finland and how you might as Ambassador share best practices back and forth between  
6 the United States and Finland?

7 **MR. ADAMS:** I would be happy to do that, Mr. Chairman. You correctly say that  
8 innovation has been a hallmark of modern day Finland and the source of its quite  
9 remarkable success. For a country of 5.3 million people, Finland punches far above its  
10 weight in matters of innovation, in matters of technological development.

11 The United States has recognized this. The United States has looked for ways to  
12 enhance its cooperation with Finland in areas of innovation. In point of fact, the United  
13 States embassy in Helsinki in February of last year inaugurated its own innovation  
14 center as a part of the embassy complex in the presence of President Niinisto and  
15 members of his cabinet, the purpose of the innovation center being to function as a focal  
16 point and as a forum for interchange between the United States and Finland in precisely  
17 this area.

18 Another way in which I think these shared exchanges can be enhanced is  
19 through the International Visitor Leadership Program, of which Finland has been a very  
20 active participant. In fact, President Niinisto himself is an alumnus of an International  
21 Visitor Leadership Program visit to the United States, as are several of the members of  
22 his cabinet. And many of these exchanges have focused on the area of education,  
23 where, as you say, Finland and the United States each will greatly benefit from a  
24 continuation of these exchanges in looking to further the excellence of the respective  
25 systems of education.



1           **SENATOR KAINE.** One last question for you, Mr. Adams, and you alluded a little bit  
2 to this in your testimony. But just talk about the current status of U.S.-Finish defense  
3 cooperation, which I know would have a sensitivity because of Finland's geography and  
4 proximity to Russia. But it seems like the partnership has been a good one and I would  
5 like you to elaborate a little bit on that.

6           **MR. ADAMS:** It has been an excellent one, Mr. Chairman. As I mentioned, Finland  
7 is not a member of NATO. It is a member and full participant in NATO's Partnership  
8 for Peace program. Currently Finland has 95 troops in Afghanistan. There are 21 in  
9 Kosovo in the context of the NATO peacekeeping program in that country. Finland has  
10 also been a participant over the years in various UN peacekeeping missions.

11           The U.S. and Finland have emphasized the point of the interoperability of  
12 Finland's military and of its equipment with that of NATO, and Finland has proven to  
13 be a very strong customer of the United States in military procurements. So that,  
14 notwithstanding the sensitive aspects of the issue of the defense relationship and the  
15 military relationship and security relationship between Finland and the United States,  
16 given the geographical proximity of Finland's neighbor to the east, this is an area which,  
17 if confirmed as Ambassador, I would look forward to continuing to consolidate and  
18 enhance.

19           **SENATOR KAINE.** Great. Thank you, Mr. Adams.

20           Well, a few concluding remarks that I have. The testimony and questions have  
21 been thorough and impressive. One of the wonderful things about being on the Foreign  
22 Relations Committee is the opportunity to travel, especially to the Near East, South, and  
23 Central Asia, where my subcommittee chairmanship is, but also to Latin America  
24 because of personal interest. When I do travel, I have an opportunity to interact with a  
25 lot of wonderful Foreign Service professionals.

1           This post will be a great honor to you because it is an honor to represent the  
2 country, it is an honor to be nominated by the President. But it is also an honor to lead  
3 wonderful people, and you will each have the opportunity to do that in your capacities.

4           I try to make it a habit when I travel to have a roundtable meeting with young  
5 Foreign Service officers who are in their first or second tour, often working in the  
6 consular desk, and talk to them about what they are doing. I am just so impressed.

7           Sometimes the experiences are a little grave. I was with a number of young  
8 Foreign Service officers who showed me around the memorial in the embassy  
9 compound in Beirut. I think Americans in our collective memory, we remember well  
10 the bombing of the Marine barracks, but the U.S. embassy was bombed and many were  
11 killed. And the U.S. embassy annex was bombed and many were killed. And others  
12 who served in ambassadorial posts lost their lives as well. The commitment that people  
13 have who serve in very dangerous parts of the world is something that is really notable.

14           Sometimes it is more lighthearted. I was in Egypt and met with young Foreign  
15 Service officers, and a woman on her first tour, who was I think a Virginia resident, was  
16 talking about needing to leave our meeting for her Friday Skype date. When I asked  
17 what that was, her husband is in the Foreign Service too and he is serving thousands of  
18 miles away and they dress up and get a glass of wine in front of each other and they  
19 talk by Skype across the miles.

20           The service provided by our men and women who serve in the State Department  
21 is superb. I think the American public now, thank God, we reflexively and sincerely  
22 offer thanks to men and women in the military who serve all over the country. But we  
23 have an awful lot of public servants who might be in the Foreign service or the DEA or  
24 the Department of Commerce or billets of the Peace Corps all over the world, and that  
25 service is impressive, too. I have a feeling that one of the honors that will be the most  
26 powerful in your experience, should you be confirmed — and I am confident you will

1 be — will be the opportunity to lead some many wonderful public servants. That is  
2 something that would be a very exciting aspect of the job, I am sure.

3 So thank you for the testimony today and your willingness to serve.

4 Congratulations on your nomination. I will announce that we will keep the record of  
5 this hearing open until noon tomorrow in case there are any members of the committee  
6 who have questions who were not able to attend today that they would like to submit  
7 for the record. I would urge all of you to respond promptly to written questions should  
8 they be submitted.

9 But with that, the hearing is adjourned.

**[Whereupon, at 5:08 p.m., the hearing was adjourned.]**