

**NOMINATIONS OF THE 112TH
CONGRESS—FIRST SESSION**

HEARINGS

BEFORE THE

**COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE**

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

—————
MARCH 16 THROUGH DECEMBER 8, 2011
—————

Printed for the use of the Committee on Foreign Relations



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COMMITTEE ON FOREIGN RELATIONS
112TH CONGRESS—FIRST SESSION

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NOMINATIONS

WEDNESDAY, APRIL 6, 2011

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

David Bruce Shear, of New York, to be Ambassador to the Socialist Republic of Vietnam
Kurt Walter Tong, of Maryland, for the rank of Ambassador during his tenure as U.S. Senior Official for the Asia-Pacific Economic Cooperation (APEC) Forum

The committee met, pursuant to notice, at 2:33 p.m., in room SD-419, Dirksen Office Building, Hon. Jim Webb, presiding.
Present: Senator Webb.

OPENING STATEMENT OF HON. JIM WEBB, U.S. SENATOR FROM VIRGINIA

Senator WEBB. This hearing will come to order.

Today the subcommittee will consider the nominations of Mr. David Shear to be the U.S. Ambassador to the Socialist Republic of Vietnam and Mr. Kurt Tong to have the rank of Ambassador while serving as the U.S. Senior Official to the Asia-Pacific Economic Cooperation Forum (APEC).

I would like to begin this hearing, as chair of the Subcommittee on East Asia, by expressing my condolences to the people of Japan and commending them for their courage and tenacity in facing the recovery from the terrible earthquake and tsunami that occurred nearly 1 month ago. Japan is a key security ally, a diplomatic partner and a great friend of the United States. And as these events have tragically illustrated, the nations of East Asia and Southeast Asia remain of critical importance to our economic, strategic and diplomatic interests.

Following the earthquake and tsunami, the United States military and civilian agencies rapidly offered support to the Japanese Government to assist in the search and rescue of civilians. To date, the United States has delivered more than 200 tons of food, 2 million gallons of water, 16,000 gallons of fuel, and 186,000 tons of other relief commodities. Also, teams from the Department of Energy and the Nuclear Regulatory Commission continue to actively monitor and support the Government of Japan, as needed, and to mitigate the situation at the Fukushima Nuclear Power Plant.

Japan's economy and social system face enormous ramifications from this disaster, with the World Bank now estimating the cost of an economic recovery at more than \$230 billion. Our assistance and attention to this issue obviously will be for the long term, given the close relationship that we have with Japan and the role that Japan plays in the regional and global economy.

It is vital that we remain engaged in this region, even as we balance diplomatic engagement in Asia with other global crises, particularly again in the Middle East. And for this reason, our relationship with Vietnam and our leadership in multilateral organizations such as APEC, will play a key role in promoting stability and prosperity in the region.

I have had the good fortune to have observed and participated in United States/Vietnam relations now for more than 40 years. In the past 16 years, since the normalization of our relationship, I have seen dramatic improvements in the relationship, especially in the past 6 or 7 years. Our military effort in Vietnam, during that war, was characterized by strongly held and differing views, both here and there. Views that were sincerely held by well-meaning people across the spectrum. These divisions, the terrible cost of the war and its bitter aftermath, have made reconciliation between our two countries a long and complicated process. The process of reconciliation has been even more challenging for the 2 million overseas Vietnamese in the United States, many of whom suffered greatly under the victorious communist regime and have had to build new lives and chart a new course to reconnect with their homeland.

In the years since normalization our governments have carefully, but demonstrably, come to communicate openly and positively. We have begun to cooperate on bilateral and regional challenges, including sovereignty disputes in the South China Sea and water security challenges along the Mekong River region.

Last year, in large part due to Vietnam's successful chairmanship of the Association of Southeast Asian Nations, ASEAN, we saw increasing momentum in our relationship. At the ASEAN regional forum, in July of last year, Secretary Clinton announced a new American policy on sovereignty disputes in the South China Sea, arguing that the resolution of these disputes and freedom of navigation in the South China Sea are American national interests. This new policy offers American Government assistance to facilitate a multilateral resolution in these disputes. I will say for the record that I have not only supported these initiatives, but also suggested them, including while chairing a subcommittee hearing on maritime territorial disputes in July 2009.

In addition to our regional cooperation, our trade relationship with Vietnam has grown, from \$220 million in 1994 to more than \$18 billion 2010. The United States was the leading source of foreign direct investment in Vietnam in 2009 and Vietnam is the second largest source of American clothing imports.

Building off its 2007 entry into the World Trade Organization, Vietnam is moving to implement the structural reforms needed to modernize and open its economy. Moreover, Vietnam has joined the Trans-Pacific Partnership trade negotiations for an agreement, that

if successfully implemented, will further open Vietnam's market and allow American trade with Vietnam to grow.

With these developments there remain challenges to our relationship. The United States continues to encourage Vietnam to protect individual freedoms, including religious freedom, freedom of the press, expression and labor rights. In this process it is also important for both countries to make efforts to bridge the deep divisions affecting both American and Vietnamese societies, some of which still languish from the war and from the treatment of those who fought alongside Americans in that war. We must continue to push forward with an inclusive dialogue that allows for meaningful reconciliation among all sides.

Just as our engagement with Southeast Asia has grown through ASEAN, our participation in APEC has illustrated the benefits of expanded American involvement in East Asia multilateral organizations. Our active participation in APEC supports our strategic and economic interests and it demonstrates that our commitment to this region's growth is permanent.

Furthermore, this year the United States will serve as host for the annual APEC meetings, including the leaders' meeting in November. This role will allow us to continue the discussion initiated by Japan last year on regional economic integration, development and human security. Regional economic integration with likeminded trade partners, such as Japan and Korea, will be an important step forward in our long-term economic recovery, especially as Japan recovers from the recent earthquake and tsunami. This integration is best implemented in a way that maximizes the advantages of our respective economies and also protects our workers from unfair competition. And this principle is even more important when considering the growing interdependence of our economy with many of the economies of East Asia.

The 21 member economies at APEC generate more than half of global trade. Five of our fifteen top trading partners are in East Asia and six of the top fifteen are members of APEC. This demonstrates that the United States is truly an Asia-Pacific nation and it is important to recognize that our economic and strategic future will be tied to this region. Therefore, I hope American participation in APEC can encourage an economic recovery for all members based on reduced barriers to trade, sustainable growth, and improved transparency. For our part, fulfilling commitments on free trade agreements, such as ratifying the United States-Korea free trade agreement and putting forward a comprehensive trade policy for the 21st century, can support these efforts.

I look forward to the testimony of our nominees. I welcome both of them. And before we hear their remarks, I would like to briefly introduce them and then invite them to recognize those who have come with them today to support their nomination.

And I would also state at this point that Senator Inhofe has an opening statement which will be included in the record at this point.

[The prepared statement of Senator Inhofe follows:]

PREPARED STATEMENT OF HON. JAMES M. INHOFE, U.S. SENATOR FROM OKLAHOMA

Thank you, Senator Webb, for chairing this full committee confirmation hearing today for Kurt Walter Tong and David Bruce Shear to be Ambassadors for the Asia-Pacific Economic Cooperation and the Socialist Republic of Vietnam, respectively.

Mr. Tong is currently the Economic Coordinator for the Bureau of East Asian and Pacific Affairs, organizing bureauwide efforts on economic policy issues. He is also U.S. Senior Official for APEC (Asia Pacific Economic Cooperation), managing all aspects of U.S. participation in the organization. Mr. Tong has spent 17 years working and studying in East Asia, including service at the U.S. Embassies in Manila, Tokyo, Beijing, and Seoul. Most recently, he served as Director for Korean Affairs at the Department of State from 2008 to 2009. Prior to that, he was Director for Asian Economic Affairs at the National Security Council from 2006 to 2008. He was a Visiting Scholar at the Tokyo University Faculty of Economics from 1995 to 1996. Prior to joining the Foreign Service, Mr. Tong was an Associate with the Boston Consulting Group in Tokyo.

I have met with Mr. Tong and am convinced that his long and distinguished diplomatic record has prepared him well to be the Ambassador to APEC.

APEC is the premier economic organization in the Asia-Pacific region. It was founded in 1989 for the purpose of promoting trade and investment liberalization in the Asia-Pacific as a means of fostering sustainable economic growth and prosperity in the region. APEC is one of a few international fora in which both China and Taiwan are members. And has made trade facilitation a major priority, something that I strongly support.

APEC has two distinct features among multilateral trade organizations. First, all the liberalization measures taken by its members are voluntary. Members announce their liberalization measures via "Individual Action Plans." Second, these liberalization measures are generally extended to all economies—not just APEC members—under the concept of "open regionalism." However, there have also been criticisms that the United States is not sufficiently emphasizing U.S. ties to Asia. In 2010, plans for a Presidential trip to Australia, Indonesia, and other countries were repeatedly postponed due to domestic events. In addition, while the United States was the first nation to announce it would appoint a full-time, resident ambassador to the Asian Association of Southeast Asian Nations (ASEAN), David Lee Cardin was not confirmed until March 3, 2011. The delay in appointing a U.S. Senior Official for APEC, especially when the United States is hosting the ongoing 2011 APEC meetings can be seen by some in Asia as another sign of insufficient prioritization of this important region.

The U.S. is hosting APEC in 2011 for the first time since 1993. The United States has chosen for its theme, "Creating a seamless economy in the Asia-Pacific region by strengthening regional integration and expanding trade, promoting a green economy, and better coordinating trade regulations." Mr. Tong commented on the significance of this before House Foreign Affairs Committee in 2009 by stating that, "Hosting APEC will be a tremendous opportunity for the United States to promote U.S. business and investment opportunities, which will benefit American workers, farmers, and businesses of all sizes. It will also be an important opportunity for the United States to define a new, 21st century economic policy agenda for the Asia-Pacific region." I agree.

I support the nomination of Mr. Tong, and I believe he will work with Congress, the business community, and his colleagues in the executive branch to utilize our hosting of APEC this year to the fullest as an opportunity to both restore confidence at home and promote new opportunities for our exporters overseas. If confirmed, Kurt Tong will work to advance U.S. interests through the Asia-Pacific Economic Cooperation (APEC) forum as we strive to create an economic system in the Asia-Pacific region that supports growth and job creation here at home.

Mr. Shear is also a career Foreign Service officer—joining in 1982—and is currently serving as Deputy Assistant Secretary for East Asian and Pacific Affairs. He has a distinguished overseas career serving in Sapporo, Beijing, Tokyo, and Kuala Lumpur. In Washington, he has served in the Offices of Japanese, Chinese, and Korean Affairs and as the Special Assistant to the Under Secretary for Political Affairs. He was Director of the Office of Chinese and Mongolian Affairs in 2008–09. With this distinguished background, I believe that Mr. David Shear will serve honorably and effectively as our Ambassador to the Socialist Republic of Vietnam.

Although U.S. relations with Vietnam have become increasingly cooperative in the years since political normalization, the freedom to practice religion and to express religious thought—an inalienable right to all individuals—is still not fully recognized in Vietnam. I feel that there is a dire need to focus on religious freedom in

Vietnam, and should you be confirmed Mr. Shear, I charge you with taking up this dire need.

In 2005, Vietnam passed comprehensive religious freedom legislation, outlawing forced renunciations and permitting the official recognition of new denominations. Since that time, the government has granted official national recognition or registration to a number of new religions and religious groups, including eight more Protestant denominations, and has registered hundreds of local congregations particularly in the central highlands. As a result, in November 2006, the Department of State lifted the designation of Vietnam as a "Country of Particular Concern," based on a determination that the country was no longer a serious violator of religious freedoms, as defined by the International Religious Freedom Act. This decision was reaffirmed by the Department of State in 2007, 2008, and 2009.

Nevertheless, I strongly feel there is room for further progress. The government's slow pace of church registration, particularly in the northwest highlands, and harassment of certain religious leaders for their political activism (especially Father Ly Tong), including leaders of the unrecognized United Buddhist Church of Vietnam and Hoa Hao faith were an ongoing source of U.S. concern. Violence against the Plum Village Buddhist order at the Bat Nha Pagoda in Lam Dong and Catholic parishioners in Con Dau parish outside of Danang and outside of Hanoi at Dong Chiem parish at the hands of the police and organized mobs is particularly troubling.

Thus, there must remain focus on increasing the Vietnamese Government's respect for human rights and religious freedom. There remains a deep concern about the imprisonment of dissidents, restrictions on the media and the Internet, and the harassment of religious groups. Vietnam will not realize its full potential without greater respect for human rights, and its troubling record in this area could limit the growth of our relationship. I believe that if Mr. Shear is confirmed, and I will support his nomination, he will make human rights and religious freedom a central part of his conversations with Vietnam's communist leaders.

Thank you again, Senator Webb, for chairing this full committee nomination hearing for ambassadorial posts in the East Asian and Pacific Affairs region.

Senator WEBB. First I would like to welcome David Shear, the nominee to be the Ambassador to Vietnam. He currently serves as the Deputy Assistant Secretary for East Asian and Pacific Affairs at the State Department. Previously he was Director of the Office of Chinese and Mongolian Affairs. His overseas assignments include Sapporo, Beijing, Tokyo, and Kuala Lumpur and he has served several assignments here in Washington.

Deputy Assistant Secretary Shear speaks Chinese, Japanese, and is practicing Vietnamese. He just tried some on me when I said hello. And has a first degree rank in Kendo Japanese fencing.

Kurt Tong, who is the nominee for the rank of Ambassador while serving as the U.S. senior official to the APEC Forum, is with us also. Prior to this assignment, Mr. Tong was the Director for Korean Affairs in the Bureau of East Asia and Pacific Affairs. He led the White House National Security Council's Asian Economic Affairs Bureau from 2006 to 2008. In his 17 years of work and study in Asia, Mr. Tong has completed assignments in Manila, Tokyo, Beijing and Seoul and was a visiting scholar at the Tokyo University Faculty of Economics. He speaks Japanese, Mandarin Chinese, Korean and Tagalog.

And again, I welcome both of you here today. I will look forward to your testimony.

And Mr. Shear, why don't you begin and please feel free to recognize anyone who has come to support you in the hearing today.

**STATEMENT OF DAVID BRUCE SHEAR, NEW YORK, TO BE
AMBASSADOR TO THE SOCIALIST REPUBLIC OF VIETNAM**

Mr. SHEAR. Thank you, Mr. Chairman. Before I introduce my family members I would like to make sure that everybody understands that a first degree rank in Kendo is the lowest rank—

[Laughter.]

Mr. SHEAR [continuing]. Not the highest rank. It took a few years to get to—

Senator WEBB. You still swing a bad stick, I am sure.

Mr. SHEAR. Sir, I have a large family cheering section here and I will—I would like to introduce my wife, Barbara, and my daughter, Jennifer, and my sister, Laurel. And I have a whole crowd of nieces and nephews here today, too, as well as our family friend, Dr. Barry Manning.

Senator WEBB. Well, we welcome all of you to the hearing today.

Mr. SHEAR. Thank you, Mr. Chairman.

I am honored to appear before you as the President's nominee to serve as Ambassador to the Socialist Republic of Vietnam. I am deeply grateful for the confidence that President Obama and Secretary Clinton have shown in me. And if confirmed, I look forward to working closely with Congress to advance U.S. interests in Vietnam.

Thirty-five years ago our two countries ended a war that left an indelible mark on both of our peoples. For Americans of my generation, the experience of that war represents an important juncture in our history. Yet today, just 16 years after restoring diplomatic relations, we are already seeing the benefits of the commitment, on both sides, to move beyond our difficult past and forge a constructive relationship.

As Secretary Clinton said in Hanoi last year, our two countries have reached a level of cooperation that would have been unimaginable just a few years ago. That is why, in her conversations with Vietnam's senior leaders in Hanoi last year, she proposed that we consider establishing a strategic partnership with Vietnam. This is the logical next step for a relationship that has moved toward increased cooperation and dialogue.

The range of senior level engagement last year was quite extraordinary. If confirmed, I will continue to deepen our engagement in areas such as regional security, nonproliferation, law enforcement, health and climate change.

I am also committed to increasing educational and other people-to-people exchanges. These people-to-people connections enrich us and strengthen the bonds between our two societies.

Trade, of course, will remain a lynchpin of our relationship. Our two-way trade continues to grow, from \$15.7 billion in 2009 to \$18.5 billion last year. If confirmed, I will do everything I can to increase U.S. exports to Vietnam through the President's National Export Initiative. I also look forward to continued negotiations with the Vietnamese to advance the Trans-Pacific Partnership.

Improved military-to-military ties will also contribute to stronger bilateral relations. Currently we already cooperate in such areas as maritime security, search and rescue, humanitarian assistance and disaster relief and peacekeeping operations. We have also estab-

lished a successful record of ship visits including an historic port call to Da Nang by the USS *John S. McCain* last year.

As we develop a strategy partnership with Vietnam, we must remain focused on increasing the Vietnamese Government's respect for human rights and religious freedom. We remain concerned about the imprisonment of dissidents, restrictions on the media and the Internet and the harassment of religious groups. Vietnam will not realize its full potential without greater respect for human rights, and its troubling record in this area could limit the growth of our relationship. If confirmed, I will make human rights and religious freedom a central part of my conversations with Vietnam's leaders and with the Vietnamese people.

Mr. Chairman, while major strides have been made in our relationship, 16 years is still too short to have completely overcome the painful legacy of our past. If confirmed, I will continue to strengthen our cooperation with Vietnam on the solemn task of accounting for Americans missing from the war. I will work hard to maintain our assistance with efforts to remove unexploded ordnance. And by January 2012 I expect that we will have broken ground on a major effort to remediate dioxin residue from the soil at Da Nang Airport, one of several hotspots where the defoliant, Agent Orange, was stored during the war. We also continue to provide assistance to Vietnam's disabled citizens, without regard to cause.

Sir, I have spent my career in the Asia-Pacific region and I am personally committed to using all of the knowledge and skills I have gained over the past 29 years to pursue the American peoples' interests in Vietnam. If confirmed, I will do my utmost to ensure that our relationship with Vietnam is among the strongest in the East Asia region.

There is much work to be done and I look forward to earning your confidence. Thank you for your consideration of my nomination and I welcome your questions.

[The prepared statement of Mr. Shear follows:]

PREPARED STATEMENT OF DAVID BRUCE SHEAR

Mr. Chairman and members of the committee, I am honored to appear before you as the President's nominee to serve as Ambassador to the Socialist Republic of Vietnam. I am deeply grateful for the confidence that President Obama and Secretary Clinton have shown in me and, if confirmed, I look forward to working closely with Congress to advance U.S. interests in Vietnam.

Thirty-five years ago our two countries ended a war that left an indelible mark on both of our peoples. For Americans of my generation, the experience of that war represents an important juncture in our history. Yet today, just 15 years after restoring diplomatic relations, we are already seeing the benefits of a commitment on both sides to move beyond our difficult past and forge a constructive relationship.

As Secretary Clinton said in Hanoi last year, our two countries have reached a level of cooperation that would have been unimaginable just a few years ago. That is why in her conversations with Vietnam's senior leaders in Hanoi last July, and again in October, she proposed that we consider establishing a strategic partnership with Vietnam. This is the logical next step for a relationship that has moved consistently toward increased cooperation and dialogue.

The range of U.S. senior-level engagement last year was extraordinary. If confirmed, I will continue to deepen our engagement in areas such as regional security, nonproliferation, law enforcement, health, climate change, and science and technology. I am also committed to increasing educational and other people-to-people exchanges. These connections enrich us and strengthen the bonds between our two societies.

Trade will remain a linchpin of our relationship with Vietnam. Our two-way trade continues to grow—from \$15.7 billion in 2009 to \$18.5 billion last year. If confirmed,

I will do everything I can to increase U.S. exports to Vietnam through the President's National Export Initiative; in addition to continuing negotiations with the Vietnamese to advance the Trans-Pacific Partnership.

Improved military-to-military ties will also contribute to stronger bilateral relations. Currently, there is already cooperation on maritime security, search and rescue, humanitarian assistance and disaster relief, peacekeeping operations, defense academy exchanges, and military medicine. There is also a successful record of ship visits, including a historic port call to Danang by the USS *John S. McCain* last year.

Additionally, I hope that we will continue to provide funding to strengthen Vietnam's health systems and to help the country build the capacity it needs to address the scourge of HIV/AIDS and emerging pandemic threats.

As we develop a strategic partnership with Vietnam, we must remain focused on increasing the Vietnamese Government's respect for human rights and religious freedom. There remains a deep concern about the imprisonment of dissidents, restrictions on the media and the Internet, and the harassment of religious groups. Vietnam will not realize its full potential without greater respect for human rights, and its troubling record in this area could limit the growth of our relationship. If confirmed, I will make human rights and religious freedom a central part of my conversations with Vietnam's leaders and with the Vietnamese people.

While major strides have been made in our relationship, 15 years is still too short to have completely overcome the painful legacy of our past. If confirmed, I will continue to strengthen our cooperation with Vietnam on the solemn task of accounting for Americans missing from the war. I will work hard to maintain our assistance with demining and efforts to remove unexploded ordnance. By January 2012, we will have broken ground on a major effort to remediate dioxin residue from the soil at Danang Airport, one of several "hotspots" where the defoliant Agent Orange was stored during the war. We also continue to provide assistance for Vietnam's disabled citizens, without regard to cause.

I have spent my career in the Asia-Pacific region, and I am personally committed to using all of the knowledge and skills I have gained over the past 29 years to pursue the American people's interests in Vietnam. If confirmed, I will do my utmost to ensure that our relationship with Vietnam is among the most successful in the East Asian region. There is much work to be done, and I look forward to earning your confidence.

Thank you for your consideration of my nomination. I welcome your questions.

Senator WEBB. Thank you very much.

Mr. Tong, welcome and if there are people you would like to introduce, please feel free to do so.

STATEMENT OF KURT WALTER TONG, MARYLAND, FOR THE RANK OF AMBASSADOR DURING HIS TENURE AS U.S. SENIOR OFFICIAL FOR THE ASIA-PACIFIC ECONOMIC COOPERATION (APEC) FORUM

Mr. TONG. Yes. Thank you, Mr. Chairman.

I would like to introduce my wonderful wife, Mika, and daughter, Reia. I have another daughter, Mia, and a son, Kyle. They were not able to make it today. They are equally wonderful children as well.

Senator WEBB. Let the record show, you love all your children equally. [Laughter.]

Welcome to those of you who are here. And I know it's a great day for you.

Mr. TONG. Thank you. Thank you very much.

I've also submitted a written record—written statement for the record.

Senator WEBB. Yes. Both of your full statements will be entered into the record of this hearing.

Mr. TONG. So thank you, Mr. Chairman.

I am truly honored to appear before you today to seek Senate confirmation as the U.S. Senior Official for APEC with the rank of Ambassador. Mr. Chairman, if confirmed, I look forward to working

very closely with you and with other Members of Congress to leverage the considerable potential of APEC to build an economic system in the Asia-Pacific region that supports growth and job creation here at home.

As you know, APEC is the premier economic organization in the Asia-Pacific region and a key venue for engaging the most economically dynamic region of the world. APEC's 21 members, stretching from Chile to China, account for more than half of the global economy. They purchase 58 percent of our goods exports and comprise a market of \$2.7 billion consumers. Through APEC the United States aims to tackle a wide range of issues critical to long-term prosperity around the Pacific rim.

Most important, the United States uses APEC to open markets in the Asia-Pacific region, and to connect those markets to American exporters. Our focus includes eliminating barriers to trade and investment and creating better environments for our citizens to do business overseas. APEC initiatives lay the foundation for high standard, comprehensive trade agreements such as the Trans-Pacific Partnership now being negotiated, that can help deepen America's economic ties to the region and build a more level economic playing field for Americans to compete successfully.

At the same time, the United States and the other APEC members recognize that rapid growth is not the sole objective. We must also achieve high quality growth to provide widespread benefits to society. APEC has undertaken useful initiatives to help promote growth that is balanced between and within economies, includes all segments of society, and is sustainable in the environmental sense.

In 2011, as you noted, the United States is hosting APEC for the first time since 1993. This is a tremendous opportunity for the United States to exhibit leadership by forging a 21st century economic agenda for the Asia-Pacific and by building an enduring economic architecture for the region that is open, free, transparent and fair.

Mr. Chairman, much is at stake. As President Obama has stated, if we can increase our exports to APEC countries by just 5 percent we can increase the number of U.S. jobs by hundreds of thousands. In 2010, a recovery year, U.S. exports to APEC actually expanded by 25 percent. American products, innovation and know-how are competitive and in high demand in Asia.

APEC 2011 is a critical chance to showcase our strengths. If confirmed as U.S. Senior Official for APEC with the rank of Ambassador, I pledge to work tirelessly with Congress, the business community and my colleagues in the executive branch to leverage APEC to both restore confidence at home and to promote new opportunities for our exporters overseas. If confirmed, I pledge to put all of my experience and energy to work to advance our overall economic interests in the Asia-Pacific region.

During my 21 years as a career Foreign Service officer, as you noted, I have handled trade, finance, and development issues at our Embassies in Manila, Tokyo, Beijing, and Seoul and have also served at the Department of State and in the National Security Council.

Mr. Chairman, it would be a great privilege to serve my country as the U.S. Senior Official for APEC with a rank of Ambassador.

The Asia-Pacific region represents the future of the global economy, but the exact contours of that future have yet to be fully defined. APEC plays a key role in shaping the region and I stand ready to help seize this opportunity to promote growth and job-creating opportunities in the Asia-Pacific for American businesses and citizens.

And finally before closing, Mr. Chairman, I would like to take note of the condolences which you offered to Japan and share those condolences and also pledge that we will look for ways to utilize our hosting of APEC in 2011 to consider ways that that organization can be of assistance, both to Japan and to future sufferers of similar tragedies.

Thank you for considering my nomination and I look forward to your questions.

[The prepared statement of Mr. Tong follows:]

PREPARED STATEMENT OF KURT WALTER TONG

Mr. Chairman, and members of the committee, I am honored to appear before you today as the President's nominee to serve as the U.S. Senior Official for APEC with the rank of Ambassador. I appreciate the confidence that President Obama and Secretary Clinton have shown in me and, if confirmed, I look forward to working with you to advance U.S. interests through the Asia-Pacific Economic Cooperation (APEC) forum as we strive to create an economic system in the Asia-Pacific region that supports growth and job creation here at home.

APEC is the premier economic organization in the Asia-Pacific region and a key venue for engaging the most economically dynamic region of the world. APEC's 21 members, stretching from Chile to China, account for more than half of the global economy. They purchase 58 percent of our goods exports, and comprise a market of \$2.7 billion potential consumers.

Through APEC, the United States works to tackle a wide range of issues critical to long-term prosperity around the Pacific Rim.

For example, the United States works within APEC to open markets in the Asia-Pacific region and connect them to American exporters. Their focus includes eliminating barriers to trade and investment and creating better environments for our citizens to do business overseas. APEC initiatives also lay the foundation for high-standard, comprehensive trade agreements—including the Trans-Pacific Partnership—that can deepen America's economic ties to the region and build a more level economic playing field that will help Americans to compete successfully.

At the same time, the United States and the other APEC members recognize that attaining high rates of growth is not enough to ensure meaningful prosperity. We must also achieve high quality growth that provides widespread benefits to society. This is why efforts have been made to work within APEC to promote growth that is balanced between and within economies, sustainable environmentally, fosters innovation, and empowers all citizens with the skills and opportunities to prosper in the global economy.

In 2011, the United States is hosting APEC for the first time since 1993. In early March, we successfully held the first APEC Senior Officials Meeting of the year here in Washington. Hosting APEC this year presents a tremendous opportunity for the United States to exhibit leadership by forging a 21st century economic agenda for the Asia-Pacific, and by building an enduring economic architecture for the region that is open, free, transparent, and fair.

Much is at stake. As President Obama has stated, "if we can increase our exports to APEC countries by just 5 percent, we can increase the number of U.S. jobs supported by exports by hundreds of thousands." American products, innovation, and know-how are competitive and in high demand in Asia. APEC 2011 is a critical chance to showcase our strengths. If confirmed, I will work with Congress, the business community, and my colleagues in the executive branch to utilize our hosting of APEC this year to the fullest as an opportunity to both restore confidence at home and promote new opportunities for our exporters overseas.

If confirmed, I will put my experience and energy to work to advance our overall economic interests in the Asia-Pacific region. During my 21 years as a career Foreign Service officer, I have handled trade, finance, and development issues at our Embassies in Manila, Tokyo, Beijing, and Seoul. I have also served as Director for

Korean Affairs at the State Department and Director for Asian Economic Affairs at the National Security Council.

Mr. Chairman, it would be a great privilege to serve my country as the U.S. Senior Official for APEC with the rank of Ambassador. The Asia-Pacific region represents the future of the global economy, but the exact contours of that future have yet to be fully defined. APEC plays a key role in shaping the region, and I am ready to help the United States work through the organization to promote growth and job-creating opportunities in the Asia-Pacific for American businesses and citizens.

Thank you for considering my nomination. I look forward to your questions.

Senator WEBB. Thank you very much and again both of your full statements will be entered into the record.

And what I would like to do, and I will have some specific questions obviously, but there are a couple of areas that I may ask both of you to comment on that I think overlap in where your interests are and your future responsibilities will be.

First, Mr. Shear, you have had a distinguished career in Asia, but this will be your first posting to Vietnam. Would you like to tell us how you prepared for this position?

Mr. SHEAR. Well, Mr. Chairman I started to prepare by taking Vietnamese language training. And I have got about a month under my belt and I've got 4 months to go.

Senator WEBB. [Speaking in Vietnamese] [Laughter.]

OK. You don't need to try on that.

Mr. SHEAR. Thank you very much for that lesson. I started by studying Vietnamese with my wife. She will be working with me in Hanoi and we both hope to interact very intensively not only with the Vietnamese Government but with the Vietnamese people. And I hope that what little Vietnamese language I can cram in before that time helps me do that.

Second, I have done a fair amount of reading, both on attitudes toward our history as well as on the international relations of Vietnam and the region since learning of my nomination.

And third, I think my experience in the region, both in Northeast Asia and Southeast Asia as well as with China, will suit me well for conducting the kind of intensive diplomacy we need to conduct both with Vietnam and in the region to continue pursuing our interests there.

Senator WEBB. To what extent have you reached out to the Vietnamese community here in the United States?

Mr. SHEAR. Sir, I have not yet begun to reach out to the Vietnamese community, because I have not been confirmed. But as soon as I am confirmed I hope to start doing that. I will—

Senator WEBB. Well, I hope you will.

Mr. SHEAR [continuing]. The Vietnamese community in the United States it plays an important role in this relationship. Their support for us during the war was important during that time and I recognize that importance. And it is my intention to stay very closely connected with the Vietnamese American community here.

Senator WEBB. I don't even think you need to be confirmed, quite frankly, to do that. But I hope you will take that opportunity before you post.

As you know, this is probably one of the most complex relationships in American foreign policy because, I like to say, there are four different components that have had to come together in the aftermath of the war: those who fought the war here and those who

opposed it; and those who were with us over there and those who opposed us. I have spent a great deal of my adult life, as you know, trying to build bridges so that we could move it forward. And the biggest hurdle, really, is the people who were with us, inside Vietnam, who remain inside Vietnam and also the involvement of the Vietnamese community here, in terms of the policies that we implement.

In that respect, the issue inside Vietnam, when it comes to human rights, is supplemented by the issue of how people who were with us and their families are able to be embraced inside Vietnam itself.

Would you comment on that?

Mr. SHEAR. Well, I think that first of all, with regard to the Vietnamese community here and the four elements you mentioned, I agree with you completely. And I would like to stay in touch with you as I stay in touch with the Vietnamese community as well here, both before I leave for Hanoi and after I have gotten out there.

Certainly continued contacts between the Vietnamese diaspora and their home country will be important, I think, for the development—social—both the social and the economic development of Vietnam and I look forward to encouraging those contacts as—if confirmed as Ambassador.

Senator WEBB. Another question with respect to religious and other freedoms inside Vietnam today. I would say, first of all, we would be remiss if we did not recognize that there has been dramatic improvement in this area over the years. The first time I returned to Vietnam after the war was almost 20 years ago today. I was in Hanoi on Easter. I went to Easter Mass at the Cathedral in Hanoi and there were maybe 10 people in there and they were older people. I went to Christmas Mass in 2008 in that same chapel and there were probably 2,000 people in there. So credit needs to be given where it is deserved.

And, at the same time there are issues that have come up over the past several months with respect to religious freedom and others areas and I wonder if you have any comment on that.

Mr. SHEAR. Mr. Chairman, we agree with you that there have been improvements in religious freedom in Vietnam and the government's treatment of this issue. And that is why we removed Vietnam from the countries of concern list in 2006.

This does not mean that we no longer have concerns about religious freedom in Vietnam, in fact we watch the issue very closely. We recognize that there continue to be improvements in religious practice in Vietnam, more religious organizations are being registered by the government and thereby made legal, more kinds of religious gatherings are being allowed to take place, more priests are being ordained. And with regard to Catholicism, the relationship between Hanoi and the Vatican has improved considerably over the past year or so.

So we recognize that improvements have taken place, while at the same time, watching for setbacks very closely. And we are particularly concerned about the treatment of religious practices by the government in the Central Highlands, among the Montagnards, for example. This remains an issue in which frictions continue to

be generated. We are also watching land disputes involving several church groups, particularly in Northern Vietnam. So while we recognize that improvements have taken place, we also believe that much more can be done and I hope to work with the Vietnamese Government and people to improve the basis for religious freedom.

Senator WEBB. Thank you. This week a Vietnamese legal scholar, Co Huy Ha Vu, who is a member of a prominent Communist family that was revolutionary antecedents—was convicted of propaganda against the State, sentenced to 7 years in prison, and 3 years house arrest. Are you familiar with this case?

Mr. SHEAR. I am, sir.

Senator WEBB. What is the administration's position?

Mr. SHEAR. The State Department issued a public statement the day after we heard that Dr. Vu had been sentenced. We stated in that release that we were deeply concerned by the sentencing and we called for the release of Dr. Vu.

We've also noticed that two human—other activists, Pham Hong Sun and Le Quoc Quan had been detained since the sentencing of Dr. Vu and we are watching that situation very closely as well.

Senator WEBB. I personally have had strong concerns over many years about territorial claims in the South China Sea by the Chinese. Their activities have increased over the past several years, and particularly over the last year. And, part of these relate to claims by the Vietnamese Government that are in dispute. When Secretary Clinton was in Vietnam last year she raised these issues and announced that the administration was interested in pursuing a strategic partnership with Vietnam with respect to those issues. Would you have a comment on what that partnership would entail?

Mr. SHEAR. The strategic partnership has yet to be defined. And I expect that one of my main tasks as Ambassador, if I am confirmed, will be to define and implement that strategic partnership.

I think it will basically consist of four parts:

First, we hope to intensify and deepen our exchanges at the senior-most levels of government. Last year marked a good start to that with two visits, for example, by Secretary Clinton to Hanoi in July and October. We hope to continue that trend.

A second aspect of a strategic partnership would be enhanced diplomatic cooperation with Vietnam in regional diplomacy. And again, we've already seen a good example of how that might work in the way in which we coordinated with the Vietnamese in the runup to the ASEAN regional forum last July. We think that the Secretary's statement on the South China Sea was very effective and since she made that statement the Chinese and the ASEAN claimants to the South China Sea have conducted, I believe, two or three meetings at the working level to discuss how to move forward, now to manage their conflicting claims and perhaps how to conclude a code of conduct for claimants in the South China Sea. So we consider the Secretary's intervention on this subject at the ARF last July to have been successful.

A third area in which we will pursue a strategic partnership will be in improving military-to-military ties. As I mentioned in my statement, we are already implementing a fairly broad range of activities at the military-to-military level. We hope to further broaden those activities and deepen them as well.

And fourth, the economic relationship, of course, will be key. The good news about the economic relationship is that we did almost \$4 billion in export business with Vietnam last year. The bad news we have an \$11 billion trade deficit and I hope that that trade deficit will narrow during my tenure, if I am confirmed. And I will do whatever I can to increase American exports and help create more American jobs back here.

So those, I think, are four essential components to a strategic partnership. Of course, as we move forward in those areas we would also like to see progress on the human rights piece as well.

Senator WEBB. Thank you. There is another issue with respect to sovereignty, if not directly then certainly indirectly, and that relates to Mekong River and other riparian water areas. And actually, I would like to get an answer or an observation from both of you.

I will start with you, Mr. Tong, on this. I have been among those here who are very concerned about what is happening in the Mekong River Delta. Also, in terms of Vietnam, if you have been following what has been happening with the Red River in North Vietnam, and north of Hanoi with the impact of hydroelectric damming of these waterways and other environmental concerns, but particularly the impact of the hydroelectric dams and the plans to do more of them. China, and in particular Laos, which has recently indicated it wants to become the battery of Asia with hydroelectric dams on the Mekong River.

My understanding is China is one of the few countries in the world that does not recognize downstream water rights of other countries, that is riparian water rights. And Laos apparently is intent on moving forward with some of these larger dam projects without respect to what is happening downstream. I was in the Mekong River area in Vietnam last July, where I was briefed about what is happening with the increased salinity moving up as the water levels have gone down. Some people say this is simply climate change or industrial pollution. Certainly there may be elements of that, but I would say that the real challenge in the region is for a multilateral approach toward trying to resolve these issues. There is not one country in the region that has the diplomatic power in and of itself to stand up and start talking with the Chinese about the impact of what is going on.

I introduced, or developed, a piece of legislation that would require environmental standards to be met before moneys from organizations like the ADB would go into the construction of these dam projects.

Mr. Tong, because APEC strongly supports sustainable, green growth model, and you mentioned in your own testimony about the environmental considerations that were on the table with APEC, is this a matter that could be raised in an energetic way in an APEC environment?

Mr. TONG. Thank you, Mr. Chairman, for an opportunity to comment on this problem that is very important to the Lower Mekong Region, and as you noted, the Red River, which runs from China into Vietnam.

Exactly as you pointed out, although advocates of hydroelectric dams point to the benefits from electricity as well as flood control,

these dams can have a major and negative impact on downstream residents, in terms of issues like salinity, as you pointed out, and also fisheries. There is a natural rhythm to the flood cycle that replenishes the soil for agriculture. And so these are very legitimate concerns that residents downstream have regarding the resources that come from upstream.

APEC, I think, would be a good venue to raise this question and consider it, and if confirmed I will certainly look into doing so. I would also like to point out the Lower Mekong Initiative that the State Department has initiated to work with the countries of the Lower Mekong on development issues and try to foster a sense of shared mission with regard to that river basin. It seems to be having a useful impact on that dialogue and hopefully using that we can then work with China to foster a greater dialogue in that region. Certainly it is the view of the United States that that kind of upstream/downstream communication needs to be enhanced and improved.

Senator WEBB. Thank you.

Mr. Shear, any comment on that?

Mr. SHEAR. Senator, you are absolutely right about the strategic importance of these rivers and many of these rivers that rise in China, including the Red River and the Mekong River. A variety of rivers that flow through Southeast Asia and South Asia all rise in China. All of the downstream countries have expressed concern about possible Chinese damming on the upstream portions of these rivers and while the Chinese have disclosed—recently started disclosing more information, for example, about conditions of river flow on the Mekong to Lower Mekong countries, certainly we believe that more Chinese transparency in this regard is called for. And we would like to see the Chinese interact more intensively with those Mekong River Commission, for example, as the Mekong River Commission considers future mainstream dams on the Lower Mekong.

The Lower Mekong Initiative is a primary way in which we have been interacting with the countries of the Lower Mekong, including Laos, Thailand, Cambodia, and Vietnam. The Vietnamese are particularly concerned about the proposed construction of a dam in Xayaburi in Laos, south of Luang Prabang. The Mekong River Commission I expect will meet to determine whether or not to move forward on this dam project later this month.

For our part, Secretary Clinton announced at the Mekong River summit in October in Hanoi, that we supported a pause in dam construction that would allow Mekong River countries to better assess the environmental and economic impacts that damming the Lower Mekong will have. We are very sympathetic in this regard to Vietnamese concerns, and we will be watching, very closely, in the run up to the next Mekong River Commission meeting how this decision plays out.

Senator WEBB. Thank you.

I visited the Mekong River Commission headquarters in Laos nearly 2 years ago. First of all, I would point out that the Vietnamese representatives there were very bright and focused on this and quite impressive.

But what I did not hear there, and what I wasn't hearing last year when I was visiting the Mekong areas and having discussions inside Vietnam, was anybody taking a deep breath and saying this is going to have to be a riparian water rights issue. This is, indirectly, a sovereignty issue. Water, that is the availability of water in that region, can become a national security issue too if one country or another decides they can shut water off. Seventy million people are in that Lower Mekong area, the Red River, from what I am reading, is at the lowest level it has been in decades, at least decades and only through a rational, but multinational approach, are we going to be able to get our arms around this.

Mr. Tong, I would like your thoughts on the situation in Japan in terms of the devastation and the clear slowdown impacting other countries as a result. There was a figure that I saw the other day of about 40 percent slowdown in terms of automobile manufacturing or portions of the automobile industry that will trickle out in terms of the impact on other countries.

What are your thoughts about that, and is there any role that APEC could play in assisting this recovery?

Mr. TONG. Thank you, Mr. Chairman.

I think that the impact of this natural disaster on the Japanese economy and how that impacts other economies plays out in several ways. One is through financial markets, and fortunately to date we have not seen that much impact through that channel. One is through trade: Japan's role both as a buyer of goods from other nations and an exporter in gross terms of its products. And again, in that area there has been, thus far, limited impact.

This was an enormous natural disaster affecting hundreds of thousands of people, however the Japanese economy is very large and very resilient and has a strong capacity to, in a macroeconomic sense—in the broadest sense of that term—bounce back very quickly.

The issue of most concern perhaps at this point is with regard to specific products where particular Japanese factories produce important inputs into other processes around the world, including the United States. And the various elements of the U.S. Government, not necessarily the State Department, but a number of them have been watching this and with an eye toward seeing if there are issues of concern. I would say at this point that the jury is still out on that question. It may be that there will be, but it may be that these will be only short-term concerns. And so I think we need to keep an eye on it.

The March 11 tragedy happened the day before the last Senior Officials' Meeting here in Washington. And the Senior Officials took some special time to consider what we can do as an organization, as a collection of economies, to address this kind of situation. Two things happened, really. There was a renewed sense of shared mission which is useful and important, and then some discussion about whether, through the APEC Emergency Preparedness Working Group, we can implement some projects that help private sector businesses, in particular small or medium enterprises, prepare for these kind of disasters so that they can recover more quickly in a financial sense or in a production sense.

And we hope to, and if confirmed, I hope to continue this work and accelerate it. And I believe we have the support of the other APEC economies in this regard as well. We did ask that one project which had not received APEC funding, be renewed, and Senior Officials agreed to do that on an accelerated basis as a result of the events in Japan.

Senator WEBB. Thank you.

I'm interested in your thoughts with respect to the Trans-Pacific Partnership as a concept and how it is evolving and whether and how developed economies can also proceed in this arrangement with developing economies given the standards and those sorts of things. What do you think about that?

Mr. TONG. Thank you, sir. The Trans-Pacific Partnership really is an enormously important initiative for the United States in several respects. And I would refer you to the speech that Secretary Clinton gave on this matter on March 9. This agreement, if we are able to conclude it, has some very unique characteristics which would set up the region very well for a much faster pace of economic integration going forward. And you have pointed to one very important aspect of that, which is the fact that TPP includes both developed and developing countries.

So if we can, through that negotiation, come up with ways that developing countries find it within their means and their interests to sign up to some very tough disciplines as envisioned for this agreement, and see that the kind of rapid economic change that this sort of agreement will foster is in their interest, then we will have made some good progress toward really bringing a very diverse economic region together under this idea of a platform for economic activity which is free and open and transparent and fair.

You know, with my colleague headed to Hanoi here I think we should make special mention of the fact that Vietnam, which has the lowest per capita income of all the TPP partners, has made a very, if you will, courageous decision to pursue a negotiation on terms which are quite challenging.

Senator WEBB. That actually was my next question, with respect to Vietnam and the hurdles that it faces in order to participate in TPP.

Mr. SHEAR. I'll ask my colleague to chime in in the areas in which he is much stronger than I am. But, I think the TPP and Vietnamese participation in TPP offers the United States an opportunity to further increase our exports and to broadly strengthen our economic relationship with Vietnam and to further bring Vietnam into the international economic community.

In the process, in the course of our negotiations on TPP we of course will also be looking at Vietnamese labor and environmental practices and we hope that as a result of concluding the TPP that those practices in Vietnam will improve.

Mr. TONG. Well, I certainly share those sentiments and would just emphasize again that I do believe that it is a challenging negotiation—we are, collectively, the nine countries of TPP negotiation, setting the bar quite high. That is an intentional strategy which they have all bought into of establishing a state-of-the-art agreement which other economies in the future can join. We will find out this year really, whether this is an achievable objective, but it is

certainly, I believe, a very strategically intelligent objective on the part of all nine countries.

Senator WEBB. Thank you. I would like to thank both of you for your willingness to serve and wish you both the best in your positions, should you be confirmed and I think you will be confirmed.

Let me close with just a few thoughts. I have been very, very concerned for a number of years, and particularly over the last 10 or 11 years, that the United States has been ignoring this part of the world, as our attention has been so distracted with what happened after 9/11. This was something I was writing about and speaking about before 9/11, but it certainly is true today. The future of this country is so inextricably intertwined with this region, as both of you know, and as I think everyone in this room appreciates. There is no more vital place for the future of the United States than in East and Southeast Asia.

And I have done everything I can since I have been in the Senate, to reinvigorate—do my part in reinvigorating our relationships with this part of the world. I hesitate to say the second tier countries, but the countries that are not China, which I think have fallen off the radar screen here in the Congress.

I was very proud to have served as a Marine in Vietnam. I believed then that Vietnam was one of the most important countries in terms of our relationships in this part of the world, and I continue to believe it today. Vietnam is 86 million people, a country larger in population than Germany.

It has an enormous future and in terms of our own strategic interests I think we need to do everything we can, under the rubric of fairness and being loyal to the people who were with us when times were different, to strengthen this relationship and others on the mainland of Southeast Asia for the stability of the region and for the good of our own country.

And that has been our focus here on this committee. And both of you, I think, will play a vital role in doing this. And I look forward to working with you in the future.

This hearing is adjourned.

[Whereupon, at 3:25 p.m., the hearing was adjourned.]

ADDITIONAL QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD

RESPONSES OF DAVID BRUCE SHEAR TO QUESTIONS SUBMITTED BY
SENATOR JOHN F. KERRY

SECURITY

Question. Responding to concerns expressed by the United States, Vietnam, and many other Southeast Asian countries, China recently entered into multilateral negotiations with other claimants to reach a code of conduct for managing territorial disputes in the South China Sea. How do the United States and Vietnam plan to coordinate to achieve a successful conclusion to these negotiations?

Answer. Secretary Clinton's statement on the South China Sea at last year's ASEAN Regional Forum (ARF) Ministerial Retreat in Hanoi was very effective in generating action on the South China Sea. Since the Secretary's remarks, ASEAN member countries and China have conducted several working-level meetings to discuss how to move forward on implementing guidelines for the 2002 Declaration on the Conduct of Parties in the South China Sea. The United States encourages the parties to reach agreement on a full code of conduct. The United States is prepared to facilitate initiatives and confidence-building measures consistent with the Declaration.

The United States will continue to discuss South China Sea issues, and broader maritime security, with Vietnam, as well as the other members of ASEAN and China. We will discuss how the United States can be helpful in advancing our shared interests and promoting peace and stability in the South China Sea.

Secretary Clinton made it clear in her ARF remarks that the United States has enduring national interests in the South China Sea, including continued peace and stability and respect for international law, including freedom of navigation and unimpeded lawful commerce. We oppose the use of force or threat of force by any claimant to advance its claim. We share these interests with the region, as well as other maritime states and the broader international community.

While the United States does not take sides on the competing territorial disputes over land features in the South China Sea, the United States supports a collaborative diplomatic process by the claimants for addressing the territorial disputes and finding means to build trust and reduce tensions in the region.

ENVIRONMENT

Question. Recent U.N. and Asian Development Bank reports—along with Vietnamese Government studies—describe how rising sea levels, increasingly frequent and intense typhoons and drought, and salt-water intrusion could affect Vietnam, with its heavily populated, low-lying areas. These reports also highlight that the future impacts of climate change will only serve to exacerbate these conditions. I have discussed the potentially far-reaching consequences with Vietnam's leaders, and they have expressed a willingness to work together to address this challenge, in areas like data collection and dissemination and transitioning to renewable energy sources. What steps will you take, if confirmed, to broaden and deepen cooperation to enhance climate security?

Answer. If confirmed, I will both build on our existing cooperation and seek new opportunities to work with Vietnam to enhance climate security, which is advanced by our work on climate change mitigation and adaptation. The U.S.-Vietnam Climate Change Working Group established under the bilateral Science and Technology Agreement is one avenue I will use to promote cooperation on climate change adaptation and mitigation. Another program for continued support and possible expansion is the DRAGON Institute, which the U.S. Geological Survey launched with Can Tho University to facilitate joint research on climate change and other environmental issues threatening the Mekong Delta.

In regard to new programs, Vietnam will be one of the first countries worldwide to participate in a new Low-Emission Development Strategy (LEDS) interagency initiative, under which the United States will support the development of a long-term strategy for robust, low-carbon growth. As part of the Reducing Emissions from Deforestation and Forest Degradation (REDD+) initiative, the United States will offer training and technical cooperation to government agencies and NGOs to improve forest and watershed management capability and to better respond to the impacts of climate change on forests.

If confirmed, I will also encourage Vietnam's continued participation in the Lower Mekong Initiative, our partnership with the countries of the Lower Mekong Basin, to build capacity in tackling regional and global challenges, including adaptation to and mitigation of climate change impacts.

GOVERNANCE

Question. Some observers see the Vietnamese National Assembly assuming a greater role in domestic policymaking. How do you assess the National Assembly's evolving role in Vietnam?

Answer. Although the Communist Party of Vietnam exerts ultimate influence and control over all governing bodies, primarily through its Central Committee and Politburo, the National Assembly, once a mere legislative arm of the Party, has taken on a more significant and quasi-independent role in recent years. The 493-member body, elected to a 5-year term, has a variety of powers, including the ability to amend the constitution and elect members of the Council of Ministers. Members of the National Assembly have openly debated sensitive political issues and produced original legislation. Over 1,000 candidates, including nonparty members, will contest an election in May to seat Vietnam's 13th National Assembly. Although the process falls significantly short of a full-fledged democratic undertaking, it may produce a legislative body that better represents the interests of the Vietnamese people than in past versions.

HUMAN RIGHTS AND RELIGIOUS FREEDOM

Question. How will your experience working with the Chinese Government on human rights concerns inform your thinking on these issues with respect to Vietnam?

Answer. My work on human rights in China and elsewhere throughout my career has underscored for me the importance of human rights in overall U.S. foreign policy. My experience has also demonstrated for me our ability to achieve progress when we combine persistence with a well-defined agenda.

Over the past year, we have seen an increase in suppression of political dissent by the Vietnamese Government, a worsening of the respect for rule of law, the imprisonment of dozens of activists, and new restrictions on the media and the Internet. If confirmed, I will seek an active and open dialogue with my Vietnamese counterparts. Vietnam cannot achieve its full potential without greater respect for the rights of its citizens.

If confirmed, I will continue to seek progress on human rights issues, partly through the Human Rights Dialogue we have established with Vietnam. In December 2010, Democracy, Human Rights, and Labor Assistant Secretary Michael Posner led an interagency delegation in a successful 2-day visit to Vietnam to participate in the 15th round of the dialogue with the Vietnamese Government. The U.S. delegation expressed its concern about a wide range of human rights issues, including freedom of expression, freedom of the press, and Internet freedom. These meetings followed up on Secretary Clinton's July and October visits to Vietnam and yielded concrete outcomes and next steps.

HUMAN RIGHTS

Question. I was disappointed to hear of Cu Huy Ha Vu's sentencing this week and am concerned that Vietnam may be following the example of intolerance being established elsewhere. Cu's conviction is the latest evidence of a troubling crackdown against freedom of expression in Vietnam. If confirmed, what steps will you take to encourage greater official tolerance for the views of Vietnam's people?

Answer. If confirmed, I will regularly engage the Vietnamese Government at the highest levels to express our concerns about the country's recent increase in suppression of political dissent. The bilateral Human Rights Dialogue with Vietnam held last December in Hanoi was successful in raising a wide range of human rights concerns, including freedom of expression. The Department of State continues to press those points with the Government of Vietnam. The long-term success of our growing relationship, and the long-term prosperity of Vietnam, depends in large part on its people enjoying the freedom to freely express their views.

Question. Can the full potential of this growing bilateral partnership be realized in the absence of greater official respect for freedom of expression?

Answer. I strongly believe that the strength of our long-term bilateral relationship depends heavily on the ability of the Vietnamese people to freely express their views, including political opinions that challenge the policies or positions of the government. If confirmed, I will encourage the government to respect the freedom of expression as enshrined in Vietnamese law, bolster the rule of law, end restrictions on the media and the Internet, and engage all political voices in Vietnam in meaningful dialogue.

HUMAN RIGHTS AND RELIGIOUS FREEDOM

Question. What is your assessment of Vietnam's progress in enlarging religious freedom, including its treatment of Montagnard Christians?

Answer. Since 2006, the overall situation in Vietnam has improved, prompting the Department of State to remove Vietnam from the Country of Particular Concern list. Nevertheless, freedom of religion continues to be subject to uneven interpretation and protection by the Government of Vietnam. Significant problems remain, especially at the provincial and village levels and for some minority groups, such as the Montagnard Christians. The Vietnamese Government can and should do more. If confirmed, I will make the promotion of religious freedom one of my top priorities.

Among the problems that remain on this issue are occasional harassment and excessive use of force by local government officials against religious groups in some outlying locations. Specifically, there were several problematic high-profile incidents in 2009 and 2010 when authorities used excessive force against Catholic parishioners in land disputes outside of Hanoi at Dong Chiem parish, against the Plum Village Buddhist Community in Lam Dong province, and against Catholic parishioners outside of Danang at Con Dau parish. Registration of Protestant congrega-

tions also remains slow and cumbersome in some areas of the country, especially in the Northwest Highlands.

However, Protestants and Catholics throughout the country continue to report significant improvements in their situation despite occasional setbacks. The government granted national-level recognition or registration to eight new Protestant churches, the Baha'i faith, the Bani Muslim Sect, and four indigenous Vietnamese religious organizations. Over 1,000 meeting points that had been closed in the Central Highlands were reopened with additional meeting points registered, and hundreds of new pastors were ordained and assigned to newly registered meeting points. Over 228 Protestant congregations were registered in the Northwest Highlands. The Catholic Church of Vietnam also continues to report that its ability to gather and worship has improved and restrictions have eased on the training and assignment of clergy. In January 2011, the Vatican named a nonresident representative as a first step toward full diplomatic relations with Vietnam.

AGENT ORANGE/DIOXIN REMEDIATION

Question. Last spring, Senators Whitehouse and Kerry, along with seven other senators, submitted a letter to Chairman Leahy and former Ranking Member Gregg of the Subcommittee on State, Foreign Operations and Related Programs of the Senate Committee on Appropriations requesting \$26 million for dioxin remediation in Vietnam. As you know, \$12 million was appropriated to commence cleanup efforts at Danang International Airport. What is the status of these efforts, and how do you assess their impact on United States-Vietnam relations? What additional efforts in Danang would the outstanding sum (that is yet to be appropriated) be able to sustain?

Answer. We expect to have contracts in place by the end of this year and excavation to start about January 2012. New data (as of February 2011) show the need to excavate roughly 18 percent more soil and sediment than originally planned. Because we now have a more comprehensive understanding of site conditions and ongoing and future expansion plans at the Danang airport, the project is now anticipated to be completed by the end of 2015 and cost about \$43 million.

FY 2010 funding, including \$12 million in supplemental funds, will enable USAID to fund contracts for project planning, construction management and oversight, and thermal design between now and the end of 2011. However, with the anticipated award around November or December 2011 of the excavation and the thermal construction contracts, estimated at \$11.5 million and \$21.6 million, respectively, the FY 2011 requested \$18 million would enable us to sufficiently fund these contracts initially. Both contracts will have major upfront costs. If the \$18 million in FY 2011 funding is approved, additional funding of between \$8 and \$9 million would be required to meet total project cost requirements.

Successful project completion will result in the elimination of the risk of future exposure to dioxin due to Agent Orange for the estimated 800,000 Vietnamese living near the Danang airport. As we advance to each new project milestone with our Vietnamese partners, they continue to express heartfelt appreciation for this U.S. assistance.

RESPONSES OF DAVID SHEAR TO QUESTIONS SUBMITTED BY SENATOR RICHARD G. LUGAR

Question. In 2010, President Obama announced his intention to double U.S. exports in 5 years. If confirmed as U.S. Ambassador to Vietnam, what strategy will you employ to double U.S. exports to Vietnam by 2015?

Answer. Providing greater opportunities for U.S. companies in Vietnam will be one of my core goals, if I am confirmed. U.S. exports to Vietnam in 2010 totaled US\$3.7 billion, up 19.8 percent compared to 2009. This increase follows equally impressive growth in 2009 when U.S. exports to Vietnam increased by 11 percent. However, U.S. exports accounted for just 4.2 percent of Vietnam's merchandise imports in 2010, indicating a major opportunity to expand our limited share of this growing market and deepen our bilateral relationship through trade.

Under the National Export Initiative (NEI), State Department, U.S. Commercial Service, and Foreign Agricultural Service officers at Embassy Hanoi and Consulate General Ho Chi Minh City work as a team to support the NEI Country Plan for Vietnam, which has been designated as a "high priority market" in Asia under the NEI. USAID also provides support for capacity development and technical assistance in establishing new legal mechanisms to facilitate trade and investment.

If confirmed, with support from this strong Country Team, I would work to eliminate both tariff and nontariff barriers to U.S. exports of goods and services as well as advocate for implementation of commitments under existing agreements. I would also work with Vietnam to encourage them to meet the high standards of the Trans-Pacific Partnership free trade agreement that is currently being negotiated. Helping U.S. industry identify new export opportunities would be another key component of my strategy, particularly in the areas of energy, information and communication technology, education, transportation, infrastructure development, and agricultural products. I would also work closely with the American business community in Vietnam to maintain a favorable environment for business and U.S. goods and take action on concerns as they arise. I would actively reach out to U.S. companies interested in doing business in Vietnam and would advocate for U.S. business at all appropriate opportunities.

Question. Several American families, including four from Indiana, have adoptions pending for Vietnamese children. This has been a long and laborious process with families frustrated by inconsistencies in information received from U.S. authorities as well as other challenges, some of which result from an evolving adoption mechanism and process on the part of the Government of Vietnam.

Although Vietnam recently became a signatory to The Hague Convention on Protection of Children and Cooperation in Respect of Intercountry Adoption, U.S. officials indicate it will be several months before a formal agreement is implemented.

Although the United States is awaiting the formal implementation of a new adoption agreement, it's my understanding that the two countries had agreed that six of the pending adoptions, "already in the pipeline," could go forward. Your full assessment of this situation would be appreciated. Please inform me how you intend to proceed.

Answer. Following the expiration of our bilateral agreement, the United States and Vietnam continued to process adoption cases for U.S. prospective adoptive parents who had received an official referral prior to September 1, 2008. The Department of State made every effort to encourage the Vietnamese to expeditiously complete all investigations and seek resolutions as quickly as possible in the best interest of each child.

The Government of Vietnam took significant time to make a final decision in many of the cases in the province of Bac Lieu in part because of delays by the Bac Lieu orphanage in providing the government with needed documentation. In order to approve each case, the Government of Vietnam had to determine that each child was eligible for intercountry adoption and that the dossier could be processed.

On September 14, 2010, the Ministry of Justice sent the U.S. Embassy in Hanoi a diplomatic note denying the remaining pipeline cases because of a lack of sufficient legal grounds on which to approve them. The U.S. Embassy has followed up with the Vietnamese Government on these cases and provided available information to all of the families.

In order for intercountry adoptions to resume from Vietnam, Vietnamese law requires that either a new bilateral agreement must be in place between the United States and Vietnam, or Vietnam must ratify The Hague Convention on Protection of Children and Co-Operation in Respect of Intercountry Adoption (the Convention). Vietnam has stated its intention to ratify the Convention and in June 2010, the Vietnamese legislature passed a new adoption law which took effect January 1, 2011. Vietnamese officials have recently finished drafting necessary regulations and will now need to implement the new law and regulations prior to their ratification and compliance with the standards established by the Convention.

While the Government of Vietnam's steps toward Hague ratification and implementation are encouraging, we remain concerned that sufficient safeguards may not be in place and that the proposed implementation timeline may be too short. Under U.S. law, if/when Vietnam becomes a party to the Convention, the U.S. Central Authority must be able to certify that procedures leading to the adoption of a child in Vietnam conform to both the standards established by the Convention and the U.S. Intercountry Adoption Act. This decision, however, cannot be made prior to Vietnam's Hague ratification.

Following the resolution of all pipeline cases, the Department of Adoptions has informed the Department of State that the children previously matched with U.S. prospective adoptive parents are now subject to the country's new adoption law. The new law requires that Vietnamese officials follow different procedures from those in the past, such as making children available for adoption for 2 months at the communal level, 2 months at the provincial level, and 2 months at the national level. If no qualified domestic family successfully completes an adoption of the child, the Department of Adoptions (DA) will then determine the eligibility of the child for

intercountry adoption based on Vietnamese laws and regulations. The DA Director has expressed willingness to rematch the final remaining group of six children with their previously matched U.S. prospective adoptive parents under the new adoption law (i.e., that they first be made available for adoption in Vietnam.)

The DA Director, however, has confirmed that Bac Lieu provincial officials have thus far refused to comply with Vietnam's new adoption law requirements for making the six children whose adoptions were denied in September 2010 available for domestic adoption at the provincial level. In addition, officials have refused to correct birth certificates with fraudulent information. The DA Director said he was not certain why these officials were unwilling to move forward and noted that he did not have authority to compel them to act. He said he will continue to communicate with these officials on the requirements of the new law necessary for these children to be eligible for intercountry adoption. When Special Advisor for Children's Issues Susan Jacobs was in Vietnam in March, she discussed these cases at length with the Director of the Department of Adoptions and urged him to find a way to provide these children with permanent homes. Special Advisor Jacobs urged him to rematch the children and the parents. The Director said he planned to hold a training seminar on the new law in the Bac Lieu province and he hoped the seminar would prompt local officials to comply with the new law's provisions.

The Department of State has pressed for a strong regulatory framework and continues to communicate directly with the Government of Vietnam on implementation efforts. The U.S. Embassy in Hanoi has also worked closely with other countries in the Inter-Embassy Adoption Working Group in addressing concerns within the adoption process and regulations.

The Office of Children's Issues and Embassy Hanoi continue to communicate directly with all of the Bac Lieu families regarding Vietnam's efforts to ratify the Hague Adoption Convention and to explain the processing of cases under the Convention if/when Vietnam ratifies the Convention.

Question. Within Vietnam, there appears to be decreasing emphasis on matters related to human rights. Is this perception correct, and if so, what is the basis?

Answer. The Vietnamese Government increased the suppression of dissent over the past year, arresting over two dozen political activists and convicting over a dozen more arrested over the last 3 years. The government also increased measures to limit privacy rights and tightened controls over the press and Internet. Freedom of religion continued to be subject to uneven interpretation and protection; in spite of some progress, significant problems remained, especially at the provincial and village levels, including for some ethnic minority residents in the Central and Northwest Highlands. At the same time, the Vietnamese Government continues to engage with the United States and other countries in a series of regular human rights dialogues.

Question. Some suggest that select Communist Party leaders in Vietnam are in large part responsible for limits on political dissent within the country. Is this accurate? Please describe the nature of interaction between the Communist Party leaders in Vietnam and Communist Party leaders in China.

Answer. Vietnam is an authoritarian state ruled by the Communist Party of Vietnam (CPV). Political opposition movements are prohibited and Vietnamese citizens cannot change their government. Under Article 4 of the Vietnamese Constitution, the CPV assumes the leading role in leadership of the state and society. As such, the highest levels of the Vietnamese Communist Party are aware of, and most likely approve, the prosecution and imprisonment of high visibility dissidents. We regularly urge the Vietnamese Government to engage all political opinions in a genuine dialogue and to respect fundamental human rights, including freedom of expression.

As the United States and Vietnam celebrated 15 years of normal diplomatic ties in 2010, Vietnam and China were celebrating their 60th anniversary of relations. Vietnam was among the first countries to recognize the People's Republic of China, and China was the first country to establish official diplomatic ties with Vietnam. While China-Vietnam relations have been marked by periods of conflict over territorial and other issues, it appears that the deep historical ties between the CPV and the Chinese Communist Party (CCP) remain strong.

Mao Zedong and Ho Chi Minh famously summarized their friendship ties as "both comrades and brothers." More recently, President Hu Jintao described China-Vietnam relations as a "treasure" of the two parties. Lines between party and government are blurred in both countries, making it difficult to differentiate between official government interaction and party-to-party interaction, but the two parties appear to maintain a robust schedule of senior-level visits and consultations.

Question. Le Cong Dinh and Nguyen Tien Trung were among political reformers arrested in June of last year by Vietnamese officials and found guilty of "organizing to overthrow the State." They received lengthy prison terms. Has the U.S. Government expressed concern regarding those political reformers arrested last June? What is the present status of Le Cong Dinh and Nguyen Tien Trung? Both have pending invitations from the Indiana University Maurer School of Law to study law at the Center for Constitutional Democracy at Indiana University.

Answer. We are aware of the cases of Le Cong Dinh and Nguyen Tien Trung and remain very concerned over their continued imprisonment. Dinh and Trung were arrested in June and July 2009, respectively. Both were tried and convicted in January 2010, in a joint trial with two other activists. Dinh received a sentence of 5 years in prison; Trung was sentenced to 7 years. The U.S. Consul General in Ho Chi Minh City sought and was granted permission to attend both trials.

The State Department has repeatedly condemned the arrests and convictions in strong terms, both publicly and privately, including in the form of public statements issued at the time of the arrests and convictions. Former Ambassador Michael Michalak and current Chargé d'Affaires Virginia Palmer have regularly called for the release of Dinh and Trung. Assistant Secretary for Democracy, Human Rights, and Labor (DRL) Michael Posner also pressed for their release during the 2009 and 2010 human rights dialogues with Vietnam. DRL Deputy Assistant Secretary Dan Baer just reiterated these concerns during his visit to Vietnam in February, as did Deputy Assistant Secretary for East Asia Pacific Affairs Joe Yun in March.

The Embassy and the Consulate General keep in regular contact with family members of Dinh and Trung, and officials at the State Department have met with both Mr. Trung's fiance and with Professor David Williams, Director of the Center for Constitutional Democracy at Indiana University.

RESPONSES OF KURT TONG TO QUESTIONS SUBMITTED BY
SENATOR RICHARD G. LUGAR

Question. In 2010, President Obama announced his intention to double U.S. exports in 5 years. If confirmed as U.S. Ambassador to APEC, what strategy will you employ to double U.S. exports to APEC countries by 2015?

Answer. The Asia-Pacific region is essential to the success of the President's National Export Initiative (NEI) and our goal of doubling U.S. exports by 2015 to help create jobs at home. In the first year of the NEI, U.S. exports to APEC economies totaled \$774 billion, up 25 percent from 2009, while U.S. exports to non-APEC member economies grew about 15 percent to reach \$503 billion. We need to work hard to maintain this momentum.

This year is particularly important as we host APEC for the first time since 1993. If confirmed, I will work with my interagency colleagues to increase the private sector engagement and input into the APEC discussions, and exercise U.S. leadership in delivering concrete outcomes through the APEC process to address barriers to trade and investment that American companies face and enhance regional economic integration. We will leverage APEC 2011 to advance work to make it cheaper, easier, and faster to do business in the Asia-Pacific, which will increase export opportunities for our businesses, particularly small- and medium-sized enterprises. Specifically, we will address nontariff barriers to trade and work to prevent new barriers from emerging; foster greater openness in the trade in green technology; and promote regulatory convergence and cooperation to tackle the regulatory issues within and between economies that increasingly inhibit trade and investment.

Question. What is your perspective on the United States establishing a long-term strategy toward pursuing a Free Trade Agreement (FTA) with ASEAN?

Answer. In Asia-Pacific trade negotiations, the administration is currently focusing on developing the Trans-Pacific Partnership (TPP) as an advantageous pathway toward regional economic integration and an eventual Free Trade Area of the Asia Pacific (FTAAP) that could include all 21 members of APEC. APEC leaders last year endorsed the TPP as one of possible pathways toward FTAAP, and four ASEAN member countries, Malaysia, Singapore, Vietnam, and Brunei, are already party to the negotiations; others may be interested in joining in the future.

At the same time, I believe the administration should continue and expand its efforts to deepen relations with the ASEAN nations, and ASEAN as an organization, on both strategic and economic issues. In particular, on trade policy, it makes sense for the United States to make concerted efforts to work with the ASEAN nations and the ASEAN Secretariat on issues such as trade facilitation and regulatory reform. Working hard on these matters will help build capacity and accelerate the re-

form and opening of the non-TPP ASEAN economies, increasing their readiness to negotiate high-standard free trade agreements with the United States.

The U.S.-ASEAN Trade and Investment Framework Agreement (TIFA) process is an especially useful channel in this regard, along with the U.S.-ASEAN Enhanced Partnership.

Question. What is your perspective on the so-called "centrality of ASEAN"?

Answer. ASEAN, as an organization and as a group of nations, is playing an absolutely critical role in the development of the Asia-Pacific's emerging regional architecture. ASEAN plays a formative and essential role in each of the ASEAN-centered institutions and summits such as the ASEAN Regional Forum, ASEAN+3, ASEAN+6, ASEAN Defense Ministers Meeting Plus, the Asia Regional Forum, and the East Asia summit. Many of these institutions include the United States. In addition to engaging these institutions, the United States is strengthening its engagement with ASEAN by sending our first Resident Representative to ASEAN, Ambassador David Carden, to Jakarta this month. If confirmed, I look forward to working closely with Ambassador Carden and other colleagues to develop new areas of cooperation with ASEAN.

Question. Do you envision a situation whereby the United States could participate in the Trans-Pacific Partnership (TPP) while concurrently working to develop a long-term strategy toward pursuing an FTA with ASEAN?

Answer. Through the Trans-Pacific Partnership process, the United States is negotiating a high-standard free trade agreement with four ASEAN members, plus four other partners. We will continue to work for the successful conclusion of these negotiations on an ambitious timetable.

At the same time, considering the great strategic and economic importance of ASEAN, I do believe it makes sense for the United States to continue to consider long-term strategies that would most effectively expand the United States trade and investment relationships with the ASEAN member nations, individually and as a group. The main issue, of course, is the readiness of partner economies and their governments to enter into high-quality, comprehensive trade and investment arrangements with the United States, on terms that would be of benefit to our economy and be acceptable to the U.S. Congress. In order to lay a foundation, we should continue to work intensively with the ASEAN Secretariat and the ASEAN governments, including through the U.S.-ASEAN Trade and Investment Framework Agreement (TIFA) process, as well as our bilateral TIFAs and other dialogues, to help build their capacity, accelerate reform, and create opportunities for realizing long-term trade goals.

