

From: ed.drusina@ibwc.gov
To: Sally Spener, Russell Frisbie
Subject: Re: FW: WHA Excerpts INTERNAL TRANSCRIPT: Senate Confirmation Hearing for Secretary-Designate Tillerson
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Thanks

Sincerely,

Edward Drusina, P.E.
Commissioner
USIBWC
"Excellence Through Teamwork"

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>>> "Frisbie, Russell L" <FrisbieRL@state.gov> 1/12/2017 12:07 PM >>>

>All 160 pages, if you care to peruse. The excerpts below highlight WHA, Mexico-related testimony in yellow (plus one Venezuela-related bit that I have been unable to erase)

Regards,

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From: (b) (6)
Sent: Thursday, January 12, 2017 11:26 AM
To: WHA-Venezuela Desk Officers; WHA-MEX Only; (b) (6)

[REDACTED]

Subject: Fw: WHA Excerpts INTERNAL TRANSCRIPT: Senate Confirmation Hearing for Secretary-Designate Tillerson

FYI, Venezuela and Mexico references (among other WHA references) from Tillerson's hearing.

Sent from my BlackBerry 10 smartphone.

From: Janik, Jonathan <janikj@state.gov>

Sent: Thursday, January 12, 2017 11:20 AM

To: WHA-PAO; WHA-PDA IO

Subject: WHA Excerpts INTERNAL TRANSCRIPT: Senate Confirmation Hearing for Secretary-Designate Tillerson

Colleagues,

Here are WHA excerpts from yesterday's Senate Confirmation Hearing for Secretary-Designate Tillerson. A complete transcript is attached.

(Page 10) CHAIRMAN CORKER: ... And while we should also always focus on trade as it relates to improving the standard of living of Americans, an ancillary benefit is that people within those countries begin to adopt the values that we hold so dear here in our country. One of the things that many of us on the committee and so many in the audience have been able to do is also to see the importance of American values around the world.

It's an amazing thing to be in Afghanistan, for instance, and to see women at 4:30 in the morning – who, by the way, do all of the hard work in Afghanistan – up and ready to vote in the first election that they've voted in. Or to see young girls going to schools that they never had the opportunity to go to. To be in refugee camps where truly every eye is on the American that's there with hope. To be in Venezuela and to see families whose loved ones are in prison for political reasons and looking to us to change that. To be in villages in Africa where, for the first time, because of American ingenuity, people – 600 million people without power now have hope, with very little in the way of U.S. resources but our leadership in setting a vision and working with others. The elimination almost of HIV, the dealing with malaria, the dealing with other diseases like Ebola. (page 10)

...

SENATOR CARDIN: ... As you may know, over the course of my tenure in the House and Senate, I've championed the cause of human rights and the importance of democratic process and good governance. So when I see violations of the sovereignty by China in the South China Sea, I speak out. When I see gross human rights violations in Ethiopia, I speak out. When I see massive corruption in countries with extreme poverty like Equatorial Guinea, I speak out. And when I see severe erosion of democratic institutions in Venezuela, I speak out.

Indeed, events over the past year serve as a stark reminder that democracy will not defend itself. It requires those of us who believe in the enduring values of the democratic experiment to nurture and support it and to defend it from authoritarian opponents who do not share our values. Perhaps the most egregious events we've seen recently has been what has happened by President Putin of Russia. Having effectively killed the nation's nuanced democracy has led efforts across Europe and the former Soviet Union to erode support for democratic institutions and calls into question well-established rules of the road. Moscow directs efforts to undermine democracy through propaganda, false news, cyberattacks, and funding for populist political parties abroad. ... (page 12)

...

(Page 72) SENATOR PAUL: And then one final point I would make – and you don't necessarily need to comment on this – is that it's not only corruption, but it's unintended consequences. As a businessperson, you'll immediately recognize

this, and I think even right and left actually agree on some of this. If you dump Haiti with rice for 10 years, you ruin the ability of them to have their own rice market and to grow their own rice. If you want to give them rice during the middle of a famine, that's one thing; but you have to be very careful about having a big heart/small brain syndrome that we ruin their local economy sometimes with aid as well.

But I appreciate you thinking about corruption and then also thinking about unintended consequences of our aid. Thank you.

...

(Page 73) SENATOR MERKLEY: Thank you, Mr. Chairman, and it's a pleasure to join the committee. Mr. Tillerson, during his campaign, the president-elect talked a lot about what he saw as major mistakes with NAFTA and with giving China full access to our market in terms of its impact on American manufacturing. He was very critical of the TPP. Do you share his vision that NAFTA and WTO China access and the TPP are big mistakes in terms of creating living-wage American jobs?

SECRETARY-DESIGNATE TILLERSON: Senator, my understanding of the issue that the president-elect has with those trade agreements is – in the case of NAFTA, it's an agreement that's been in place for decades now. And I think even President Pena Nieto of Mexico has indicated that yes, perhaps it needs a relook, that we're in a different era now both in terms of the type of trade and technology, but also the global trading environment has changed since that agreement was put in place.

SENATOR MERKLEY: And do you share his opposition to the TPP?

SECRETARY-DESIGNATE TILLERSON: I do not oppose TPP. I share some of his views regarding whether the agreement that was negotiated serves all of America's interest best. (Page 73)

...

(Page 98) SENATOR MENENDEZ: All right. Let me turn to Mexico, a little different part of the world than we've been discussing. Some of us care about the Western Hemisphere.

Last week, the president-elect tweeted that any money spent on building the great wall will be paid by Mexico. Mr. Tillerson, building a wall on the southern border and having Mexico pay for it has been a hallmark chant at Trump rallies. Now the president-elect says the American people will pay for it and then that the Mexicans will reimburse us. I also want to point out that the last time a country tried to wall itself completely from its neighbor was in Berlin in 1961, and that wall was constructed by communist East Germany. A former Mexican president last week tweeted – and it seems that somehow we are conducting foreign policy by tweets these days – that “Trump may ask whoever he wants, but still neither myself nor Mexico are going to pay for his racist monument. Another promise he can't keep,” close quotes. As you're well aware, the president-elect has repeatedly referred to Mexican citizens who have come to the United States as saying they're sending, quote, “people that have lots of problems and they're bringing those problems with us. They're bringing drugs. They're bringing crime. They're rapists. And some” – some – “I assume, are good people.”

So Mr. Tillerson, do you think Mexicans are criminals, drug dealers, and rapists?

SECRETARY-DESIGNATE TILLERSON: I would never characterize an entire population of people with any single term at all.

SENATOR MENENDEZ: Do you think that those comments help our relationship with Mexico, our third largest trading partner, a trading partner that represents \$583 billion in trade of goods and services, including our second largest goods export market?

SECRETARY-DESIGNATE TILLERSON: Mexico is a longstanding neighbor and friend of this country.

SENATOR MENENDEZ: And so that doesn't help your job as the secretary of state, does it, if you are to achieve nomination?

SECRETARY-DESIGNATE TILLERSON: Well, we're going to engage with Mexico because of their importance to us in this hemisphere, and we have many, many common issues, common areas of concern.

SENATOR MENENDEZ: Let me turn to another part in the Western Hemisphere. Senator Rubio referred to it, so he took care of some of the things I cared about. When you and I met, you indicated to me on Cuba that you needed more time, which is fair, to come to a conclusion about your opinion on U.S.-Cuba policy and the Obama Administration changes. I want to share with you the latest report by – it's not me, okay? – by Amnesty International that noted, quote, "Despite increasingly open diplomatic relations, severe restrictions on freedom of expression, association, and movement continue. Thousands of cases of harassment of government critics and arbitrary arrests and detentions were reported." Thousands – that's their quote. The Cuban Commission for Human Rights and National Reconciliation, which works within Cuba, documented more than 8,600 politically motivated detentions of government opponents and activists during the year. There is a group of women who march every Sunday to church with gladiolas; they're called the Women in White*. They get beaten savagely simply because of their peaceful protests.

Now, I would hope that you would agree with me that if our engagement is still going to allow that to take place, then something is wrong with our engagement, something fell short. And I have a specific question on Cuba. Do you think that as a condition of establishing diplomatic relations with Cuba, we, at a minimum, should have insisted on the return of fugitives, cop-killers, like New Jersey cop-killer Joanne Chesimard and other American fugitives of justice being harbored by the Castro regime?

SECRETARY-DESIGNATE TILLERSON: I do, Senator.

SENATOR MENENDEZ: Thank you very much. Now, would you finally commit yourself, if you are confirmed as secretary of state, to work with us and others – New Mexico, others have cop-killers that are in and other fugitives that are in Cuba – to make that conditioning of any future transactions as it relates to Cuba?

SECRETARY-DESIGNATE TILLERSON: Senator, if confirmed, I look forward to working with you most specifically as well as Senator Rubio and others who I know have a great depth of knowledge on Cuba to ensure that we are not relaxing the pressure on Cuba to reform its oppressive regime. And certainly, as I indicated in response to a question earlier and in my opening remarks, the Cuban leadership got a lot out of the most recent deal. We need to make no mistake about where the flows of funds are going inside of Cuba. And the Cuban people got almost nothing. And as I indicated, the president-elect I think has been very clear on his intent to direct a bottoms-up review of the entire relationship with Cuba.

SENATOR MENENDEZ: Thank you.

CHAIRMAN CORKER: I appreciate the great senator from New Jersey acknowledging that when our nominee has left an impression that I don't think he is wishing to leave, that I'm giving him an opportunity to change that. Thank you. (page 100)

...

(Page 110) SENATOR UDALL: And I think you understand that it's been a generation or more that it's taken to get all the countries at the table to sign an agreement, be willing to move forward with targets, and it would be very unfortunate, I think, to move away from the table. So thank you for your answer there.

I just wanted to follow up on a discussion Senator Flake had with you in the first round, urging you to look at the successes of our policy change in Cuba, and this is mainly because you as a CEO at Exxon – I suspect that you had a low tolerance for old ideas that had failed to produce positive results. Regardless of what one thinks about the Cuban Government, no one can argue that the policy of embargo and isolation has achieved any progress. The proof is right in front of us: The Castro regime endures. And I'm a strong supporter of the policy of re-engagement, which has already produced results.

And you mentioned you're going to do a bottoms-up review. In thinking about that bottoms-up review, I would just point out that these things that I'm going to mention have happened and are very positive. First of all, we've worked with the Cubans to combat diseases such as Zika, diabetes, and a multinational effort to combat Ebola in Africa. Efforts to

increase access to the internet have paid off with new Wi-Fi hotspots in Havana and increased efforts to bring improved cellular access to the island, including roaming deals with U.S. carriers. Increased bilateral business activity supported by the U.S. Chamber of Commerce and the Hispano Chamber of Commerce. And last week, the United States and Cuba signed a bilateral agreement to prepare for and respond to oil spills and hazardous substance pollution in the Gulf of Mexico and the Straits of Florida. Our new policy towards Cuba, according to a 2015 Pew Research poll, shows that 72 percent of Americans support the renewed diplomatic relations and 73 percent support ending the embargo. I doubt that there are many issues where such a vast majority of the American people agree, and I hope we will not be letting those Americans down by returning to a period where such efforts are made impossible by a failed policy that showed no results.

Instead, I hope you will continue to work to support the Cuban small business owner – almost 500,000 licensed businesses and growing – and to continue the engagement which has led to increased opportunities for both Cuban and American businesses in Cuba.

Will you recommend to President-elect Trump a policy of engagement with Cuba in order to foster the change that is needed on the island, or do you prefer to go back to the old policy of the past 50 years that failed to bring real change or undermine the Castro regime?

SECRETARY-DESIGNATE TILLERSON: Well, Senator, again, if confirmed, the job of the diplomat is to engage, and so engagement is always preferred and our door is always open to want to engage to effect change. But I think we have to be – we have to be honest with ourselves about the engagement with Cuba. There is longstanding – there are longstanding statutes in place that govern that relationship: the Helms-Burton amendment, the trading – the designated list of state sponsors of terrorism, and there are specific criteria around whether we and organizations and those who are doing – conducting affairs in Cuba are in compliance with those statutory requirements. So if we are able to engage in a positive way and still meet all of the compliance of those statutes, then that's a good thing. I don't know because I've not had the opportunity to have a fulsome examination, as I said earlier, of what changed, because there's a lot of activity that's been enabled and obviously someone had to make a determination that something changed. Has – did it in fact change? I'd like to see the – all of the documentation, the information around that. Otherwise, if we're going to change the relationship, we've got to change those statutes as well.

So I'm – again, kind of this common theme maybe you're hearing from me is I believe we live up to the agreements and we live up to the laws and we fully enforce them. They were put there for a reason. If circumstances change, then we need to change our posture on those as well. But that's the reason I think it demands a bottoms-up review, because a lot of things have been changed in the recent past here, much of it by executive order, and I think the president-elect has indicated he'd really like to understand all of that. What was the criteria that the State Department used to make its determinations? That's what he's going to be asking me.

SENATOR UDALL: Yeah. Well, I – the reason I cited those polls is I think the American people are at the point of wanting those statutes to be set aside, and I quoted one. And so I don't want to argue with you, but I very much appreciate your answers in terms of consulting State Department people, and I can't think of better professionals than these State Department professionals who spend decades learning about the regions that they serve in, the specific countries they work on, and I appreciate your thoughtfulness in terms of doing that.

And just a final question here is: Senator Menendez mentioned the whole issue of fugitives. We also have a fugitive by the name of Charlie Hill who's – I believe should be brought to justice. And I really believe that we have a better chance at getting him out – we're already having discussions – if we engage with them rather than going back to a policy of isolation. So with that that, thank you very much, Mr. Chairman.

CHAIRMAN CORKER: Thank you, sir. Senator Flake.

SENATOR FLAKE: Thank you. I will continue on the same theme for just a bit. I want to talk for a minute about what is a – we hear the word "concession" a lot and we shouldn't make concessions to dictators or despots. Part of the – some of

the executive orders that have been taken over the past couple of years, one of the first of which was in 2009 – we found that Cuban Americans who had families still in Cuba would have to choose between going to their mother’s funeral or their father’s funeral if their parents died within the same three years. What a horrible thing to ask of an American. Do you believe that it is a concession to the regime to allow a Cuban American to visit or to go to his father or mother’s funeral in Cuba?

SECRETARY-DESIGNATE TILLERSON: Senator, these are really heartbreaking questions that, again, I take – I have to take us back to what – what are our statutes, what are the provisions that govern that, and these are where exceptions become really difficult. And so I want to be honest with you when I say my expectation is, if confirmed, is to do a complete bottoms-up review of all these issues. Under what provisions are we making exceptions? What provisions allow for a waiver? Under what conditions can we grant perhaps an exception for someone to resolve these really – these difficult personal issues for people, but not undermine our American values, which is the leadership of Cuba must change the way it treats its people?

SENATOR FLAKE: Right. I don’t think it was – the President’s executive authority to make that change I don’t think was questioned. There were certainly no lawsuits filed or any real resistance. As soon as a Cuban American started to travel back to Cuba, it was assumed this was a great thing and hundreds of thousands of them have, and have remitted more money. It was illegal for them to send fishhooks to their family members on the island before. Those are some of the restrictions that were removed. I would submit that those are not concessions to a regime. It’s not a concession to a regime to allow Americans to travel. Those sanctions are on Americans, not Cubans.

In the same vein, with regard to diplomatic relations, we have diplomatic relations with some pretty unsavory countries, or the leadership of some countries is pretty unsavory. We have diplomatic relations with Saudi Arabia. We don’t agree with how they treat women and political opponents in that country. Is it a concession to the regime to have diplomatic relations with the country?

SECRETARY-DESIGNATE TILLERSON: Well, this is a question, again, that is grounded in longstanding historic policy of the United States.

SENATOR FLAKE: Right.

SECRETARY-DESIGNATE TILLERSON: And that policy and the statutes that govern that policy – if the time has come for statutes to be altered, that will be the role of Congress to alter those statutes.

SENATOR FLAKE: Right, exactly.

SECRETARY-DESIGNATE TILLERSON: In the meantime, at the State Department, if I’m there and confirmed to be there, it’s our role to enforce what Congress has expressed its desire. And so if the judgment of the Congress and the judgment of the State Department, the president-elect, through consultation, views that we have moved to a different place, then we should address that but not just ignore what the law of the land is.

SENATOR FLAKE: Right. No, I understand that completely. I’m just saying that diplomatic relations with countries is not a concession to those countries. It is in our national interest. It is the way we practice statecraft, and diplomacy is to have diplomatic relations, and I would suggest that that’s the same with Cuba. As mentioned, there are fugitives from justice in Cuba that we would like back. There are fugitives from justice in a number of other countries that we’d like back as well. We use our diplomatic relations, we use statecraft and diplomacy to try to arrange those things. If we said to every country that held fugitives from justice we’re going to withhold diplomatic relations, recall our ambassadors, where would we be?

And so I would suggest that a review is prudent. I’m glad that the administration is undertaking a review. I believe that a review will conclude that some of the measures that have been taken allowing Americans to travel to Cuba – we still have restrictions. I would suggest that the restrictions that are still in place simply force Americans to place more money in the government’s hands when they do travel to Cuba – Cuban Americans and other citizens of this country – that if we just lifted the travel ban completely, and they could more easily ensure that more money goes to family members and

entrepreneurs on that island. So I'm glad the review is taking – is going to take place. And I'm glad that you're going to be a part of that review.

Just in a minute and a half left, you've talked a lot about sanctions. As I mentioned in the beginning, I share your aversion to sanctions, particularly when they're practiced unilaterally. What other – sanctions are simply a method we have or a tool to change behavior or to induce or to punish countries. What other tools do we have without resorting to sanctions?

SECRETARY-DESIGNATE TILLERSON: Well, depending on exactly what the issue is and what the target country is, certainly we have other tools related to our trade policies in general. We have tools related to our immigration and visa exchange policies in particular in terms of the soft power side of this. Obviously, we always have the hard power tool to use. And so I think it does depend on the specific country, the specific issue, what our relationship has been, what are the pressure points that are going to – if they're going to feel it. Because just – and that's the issue I have around ensuring that sanctions are properly structured so that we hit the proper pressure point that causes the change in the way that party's thinking or change in the direction they're going. So it's – it is very much case by case in terms of what we can use to apply pressure to whatever government we are wanting to alter their course.

SENATOR: Thank you, Mr. Chairman.

CHAIRMAN CORKER: Thank you very much. I appreciate your comments on Cuba and the multilateral sanctions issue. And I will say you're going to find on both sides of the aisle strong divisions on the issue of Cuba – people sitting next to each other, having very, very different views – and I do hope you'll seek input of all as you move ahead and do this top-to-bottom review.

Having sat here the whole hearing, I do want to just clarify: I don't think that necessarily you've expressed an aversion to sanctions. I think what you may have expressed, if I heard correctly, is just ensuring that when they're implemented, they're implemented in a way that is appropriate. Is that correct?

SECRETARY-DESIGNATE TILLERSON: That's correct, Senator – Chairman. And as I – I mean, I think I commented at one point this morning having ineffective sanctions is worse than having no sanctions at all, because it sends a weak signal to the target country, and then they say, "Oh, well, they're not really serious after all." And so that's why if we're going to have sanctions, they need to be carefully crafted so that they are effective.

MR CORKER: Senator Kaine. (Page 113)

(Page 114) SENATOR KAINE: Great. Thank you, Mr. Chair. And thanks again, Mr. Tillerson. I want to stay in the Americas. You and I had a good discussion in my office about the Americas. And you've done work in the Americas. And also, being a Texan, I think you understand the importance of the relationships. We've been grappling on this committee and in this country with unaccompanied minors coming from the Northern Triangle. That migration from Mexico is now kind of almost at an even zero point, but the instability in the Northern Triangle – violence, drug trade, weak civil institutions – has created some challenges. We've supported in a bipartisan way investments in the Northern Triangle, but we want to make sure that the investments are kind of targeted the right way to accomplish the objective of bringing more stability and creating more opportunity there so people don't feel a need to flee.

Talk a little bit about that part of our foreign affairs portfolio, and how would you approach those issues?

SECRETARY-DESIGNATE TILLERSON: Senator, I really appreciate you bringing us back to the Western Hemisphere –
SENATOR KAINE: Yeah.

SECRETARY-DESIGNATE TILLERSON: -- because we've talked about the hot spots. But I – and I say that in all seriousness, because I don't think we should in any way downgrade the importance of the Western Hemisphere and what's going on not just in Central America, but South America as well. There are important relationships. There are not unimportant national security issues in this hemisphere also.

But as to the immigration challenge – and I think you described it pretty well, that what's happened over the last – the most recent time is a real shift in where these people coming across the border in an illegal fashion, where are they coming from? And they're largely transiting through Mexico, coming from south of Mexico's border. I'm aware of the

Northern Triangle project which is trying to strengthen law enforcement, because a lot of people are motivated to run from high-crime-ridden areas, anti-narcotics trafficking, helping strengthen the governance institutions, and providing a safer environment for people down there. And to the extent we can direct assistance programs that then gets it some economic development as well, some of which is simple infrastructure projects, and – some of this, again, it gets back to: How do you use not just this special targeted effort and the funds that have been made available there, but also how we use other aid programs like the Millennium Challenge Corporation to develop the capabilities of these countries to perform better. I do think – and I know you and I spoke about this when we were in your office – that out of our true compassion for these people that are coming across the border, many of which are unaccompanied minors, how to deal with that. And I know in response to that challenge there's been some well-intended action taken, programs like DACA, the deferred treatment of adjudication of these cases – all well-intended, but when those got translated back to the host country – the places these people are leaving from – we know that it got misinterpreted. And even the leaders of those countries have spoken in public and indicated that, look, the wrong signals are being sent down here as a result of this effort to be compassionate. And in fact, it's incentivizing some, because it's misunderstood, to take even greater risk to themselves, to their children, to try to make this journey across Mexico, largely using illegal smugglers to get them to this country. So I think we just have to be very thoughtful about the signals we're sending, the messages we're signaling, and I think go back – as you say, go back and try to address some of the issues in the host country; also work with Mexico, our partner right next door. Now, this is not – this is a challenge for them, how to secure their southern, porous border, and deal with all of this transiting of their country to get to the land of the free and the home of the brave where everybody wants to be. So I acknowledge the challenge that we have before us. We're going to have to deal with the situation that we have today, the reality of it. I think this is where the intent of the president-elect – and while he does express it in the view of the wall, but what he's really expressing is we've got to get control of this border. We've got to prevent and stop the flow of people coming across. And how we do that, what policies and how we execute those, are yet to be developed. But certainly the State Department, if I'm confirmed, will have a big role in the foreign aspects of that. Once they come across the border, they're largely the Department of Homeland Security's responsibility. The State Department's role will be: What actions can we take to prevent the movement of the people in an illegal fashion? We want people to come legally. This is – the history of the country is that people came here legally.

SENATOR KAIN: Mr. Tillerson, thank you for that. And I – as I said in my office, I always encourage a secretary of state to fly north-south and not just east-west. I think there's huge opportunities in the Americas that we sometimes don't take advantage of, and other parts of the world have a claim on our attention, obviously, but there's some real opportunities.

I assume you support the U.S. position that has been in place since the 1940s to do what we can, even if it's hard, to promote a two-state solution in Israel and Palestine with a Jewish state of Israel and an independent state of Palestine living peacefully side by side, that that is the dream that we hope for that region, and I assume that you support that.

(page 115)

(Page 139) SENATOR MENENDEZ: Thank you. Mr. Tillerson, I admire your stamina. You've been through several rounds here. And from my perspective, I hope you understand that my questions, while they may seem tough in some respects – I take my role in advise and consent of any nominee really important. And in your case, you have a very unique background coming to this job, so trying to understand, as the person who's going to be the chief advisor to the president-elect in that meetings that you just described, where everybody gets around the table – but in foreign policy, it's going to be you. And so I try to get from the past, a gleaming of it so I understand where you're going to be in the future. So I hope you understand the nature of my questions.

Let me take a quick moment on Cuba. You've heard a lot about Cuba here – maybe disproportionately to the things in the world, but I think it is rewarding a regime when the only way you can do business in Cuba is with Castro's son or son-in-law. They head the two monopolies inside of Cuba that control tourism and everything hotel-and-tourism-related, and

everything agriculture-related, which are the two main areas that people want to do business with in Cuba. And who are they? Not only are they the son and son-in-law, but they are high-ranking officials of the Cuban military.

So what do we do? When we allow business to take place with them – and you can only do business with them; I wish you could do business with the average Cuban and empower them and make those economic decisions that would free them in some respects – then you strengthen what? They are both high-ranking officials of the Cuban military. So you ultimately fund the very oppressive regime that you are trying to get them to change in terms of human rights and democracy. So when you do your bottoms-up review, that's another element I'd like you to take into consideration. ...

(Page 140)

(Page 153) SENATOR MARKEY: Yeah, but we're not just talking about economic activity any longer, Mr. Tillerson. We're now talking about the impact which that barrel of oil coming in from Saudi Arabia, coming in from another country, has upon the leverage they have over any discussion that the United States is having with that country about other issues. And it's on the table even as we're asking them to give us help in other issue areas. So I'm not just talking about what the global price of oil may be; I'm also talking about where that barrel of oil comes from and that the less it comes from a country that we don't want to allow them to use oil as a leverage point is the more leverage the secretary of state or president will have in telling them, "We don't need you. We don't need your oil to run our country. We are energy independent."

So do you think that energy independence, again, should be our goal and that the 5 million barrels of oil that we're still importing should be something that we're trying to keep out of our country's economic system?

SECRETARY-DESIGNATE TILLERSON: No, I have never supported energy independence. I have supported energy security. And I guess if – to go to your concerns – our largest supplier of imported oil is Canada.

SENATOR MARKEY: No, I appreciate that, but we still --

SECRETARY-DESIGNATE TILLERSON: So I got – I don't whether we feel hostage to them or not.

SENATOR MARKEY: Well, I don't – well, I appreciate that, but I also appreciate the fact that we're still importing from Saudi Arabia and other countries in the Middle East. And – and I do feel that that's unnecessary if we could develop our capacity within our own country to be able to develop oil. So Canada is one thing, Saudi Arabia is another thing altogether. And I just – I just don't think that a barrel of oil is a barrel of oil. I think it has real consequences when it's coming from a country that has itself a strategic vulnerability that can be bolstered by the fact that we need, or other countries need, their oil.

Thank you, Mr. Chairman. (Page 153)

(Page 157) SENATOR CARDIN: ... I'll make one quick comment about the role of Congress. We've talked about this many times. You're pretty strong about the role to confirm, ratify treaties. You've talked very firmly about complying with our laws in regards to Cuba. And you then talked very firmly about having enforceable sanctions. I would just point out when we do mandatory sanctions or sanctions with tight waiver language, it makes it much more likely we'll have strong enforcement. So I'd just point that out and hope that we can work together on that. ...

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Thanks

Sincerely,

Edward Drusina, P.E.
Commissioner
USIBWC
"Excellence Through Teamwork"

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>>> "Frisbie, Russell L" <FrisbieRL@state.gov> 1/12/2017 12:07 PM >>>

>

All 160 pages, if you care to peruse. The excerpts below highlight WHA, Mexico-related testimony in yellow (plus one Venezuela-related bit that I have been unable to erase)

Regards,

[cid:image002.png@01D0031C.0C319CD0]

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[small seal.jpg]"Excellence Through Teamwork"

Official

UNCLASSIFIED

From: Ortega, Luke D

Sent: Thursday, January 12, 2017 11:26 AM

To: WHA-Venezuela Desk Officers; WHA-MEX Only; Straight, Brian M (Caracas); Simon, Jessica L (Mexico City); Thompson, Rebecca B (Mexico City)

Subject: Fw: WHA Excerpts INTERNAL TRANSCRIPT: Senate Confirmation Hearing for Secretary-Designate Tillerson

FYI, Venezuela and Mexico references (among other WHA references) from Tillerson's hearing.

Sent from my BlackBerry 10 smartphone.

From: Janik, Jonathan <janikj@state.gov <mailto:janikj@state.gov> >

Sent: Thursday, January 12, 2017 11:20 AM

To: WHA-PAO; WHA-PDA IO

Subject: WHA Excerpts INTERNAL TRANSCRIPT: Senate Confirmation Hearing for Secretary-Designate Tillerson

Colleagues,

Here are WHA excerpts from yesterday's Senate Confirmation Hearing for Secretary-Designate Tillerson. A complete transcript is attached.

(Page 10) CHAIRMAN CORKER: ... And while we should also always focus on trade as it relates to improving the standard of living of Americans, an ancillary benefit is that people within those countries begin to adopt the values that we hold so dear here in our country. One of the things that many of us on the committee and so many in the audience have been able to do is also to see the importance of American values around the world.

It's an amazing thing to be in Afghanistan, for instance, and to see women at 4:30 in the morning – who, by the way, do all of the hard work in Afghanistan – up and ready to vote in the first election that they've voted in. Or to see young girls going to schools that they never had the opportunity to go to. To be in refugee camps where truly every eye is on the American that's there with hope. To be in Venezuela and to see families whose loved ones are in prison for political reasons and looking to us to change that. To be in villages in Africa where, for the first time, because of American ingenuity, people – 600 million people without power now have hope, with very little in the way of U.S. resources but our leadership in setting a vision and working with others. The elimination almost of HIV, the dealing with malaria, the dealing with other diseases like Ebola. (page 10)

...

SENATOR CARDIN: ... As you may know, over the course of my tenure in the House and Senate, I've championed the cause of human rights and the importance of democratic process and good governance. So when I see

violations of the sovereignty by China in the South China Sea, I speak out. When I see gross human rights violations in Ethiopia, I speak out. When I see massive corruption in countries with extreme poverty like Equatorial Guinea, I speak out. And when I see severe erosion of democratic institutions in Venezuela, I speak out.

Indeed, events over the past year serve as a stark reminder that democracy will not defend itself. It requires those of us who believe in the enduring values of the democratic experiment to nurture and support it and to defend it from authoritarian opponents who do not share our values. Perhaps the most egregious events we've seen recently has been what has happened by President Putin of Russia. Having effectively killed the nation's nuanced democracy has led efforts across Europe and the former Soviet Union to erode support for democratic institutions and calls into question well-established rules of the road. Moscow directs efforts to undermine democracy through propaganda, false news, cyberattacks, and funding for populist political parties abroad. ... (page 12)

...

(Page 72) SENATOR PAUL: And then one final point I would make – and you don't necessarily need to comment on this – is that it's not only corruption, but it's unintended consequences. As a businessperson, you'll immediately recognize this, and I think even right and left actually agree on some of this. If you dump Haiti with rice for 10 years, you ruin the ability of them to have their own rice market and to grow their own rice. If you want to give them rice during the middle of a famine, that's one thing; but you have to be very careful about having a big heart/small brain syndrome that we ruin their local economy sometimes with aid as well.

But I appreciate you thinking about corruption and then also thinking about unintended consequences of our aid. Thank you.

...

(Page 73) SENATOR MERKLEY: Thank you, Mr. Chairman, and it's a pleasure to join the committee. Mr. Tillerson, during his campaign, the president-elect talked a lot about what he saw as major mistakes with NAFTA and with giving China full access to our market in terms of its impact on American manufacturing. He was very critical of the TPP. Do you share his vision that NAFTA and WTO China access and the TPP are big mistakes in terms of creating living-wage American jobs?

SECRETARY-DESIGNATE TILLERSON: Senator, my understanding of the issue that the president-elect has with those trade agreements is – in the case of NAFTA, it's an agreement that's been in place for decades now. And I think even President Pena Nieto of Mexico has indicated that yes, perhaps it needs a relook, that we're in a different era now both in terms of the type of trade and technology, but also the global trading environment has changed since that agreement was put in place.

SENATOR MERKLEY: And do you share his opposition to the TPP?

SECRETARY-DESIGNATE TILLERSON: I do not oppose TPP. I share some of his views regarding whether the agreement that was negotiated serves all of America's interest best. (Page 73)

...

(Page 98) SENATOR MENENDEZ: All right. Let me turn to Mexico, a little different part of the world than we've been discussing. Some of us care about the Western Hemisphere.

Last week, the president-elected tweeted that any money spent on building the great wall will be paid by Mexico. Mr. Tillerson, building a wall on the southern border and having Mexico pay for it has been a hallmark chant at Trump rallies. Now the president-elect says the American people will pay for it and then that the Mexicans will reimburse us. I also want to point out that the last time a country tried to wall itself completely from its neighbor was in Berlin in 1961, and that wall was constructed by communist East Germany. A former Mexican president last week tweeted – and it seems that somehow we are conducting foreign policy by tweets these days – that “Trump may ask whoever he wants, but still neither myself nor Mexico are going to pay for his racist monument. Another promise he can't keep,” close quotes.

As you're well aware, the president-elect has repeatedly referred to Mexican citizens who have come to the United States as saying they're sending, quote, “people that have lots of problems and they're bringing those problems with us. They're bringing drugs. They're bringing crime. They're rapists. And some” – some – “I assume, are good people.”

So Mr. Tillerson, do you think Mexicans are criminals, drug dealers, and rapists?

SECRETARY-DESIGNATE TILLERSON: I would never characterize an entire population of people with any single term at all.

SENATOR MENENDEZ: Do you think that those comments help our relationship with Mexico, our third largest trading partner, a trading partner that represents \$583 billion in trade of goods and services, including our second largest goods export market?

SECRETARY-DESIGNATE TILLERSON: Mexico is a longstanding neighbor and friend of this country.

SENATOR MENENDEZ: And so that doesn't help your job as the secretary of state, does it, if you are to achieve nomination?

SECRETARY-DESIGNATE TILLERSON: Well, we're going to engage with Mexico because of their importance to us in this hemisphere, and we have many, many common issues, common areas of concern.

SENATOR MENENDEZ: Let me turn to another part in the Western Hemisphere. Senator Rubio referred to it, so he took care of some of the things I cared about. When you and I met, you indicated to me on Cuba that you needed more time, which is fair, to come to a conclusion about your opinion on U.S.-Cuba policy and the Obama Administration changes. I want to share with you the latest report by – it's not me, okay? – by Amnesty International that noted, quote, "Despite increasingly open diplomatic relations, severe restrictions on freedom of expression, association, and movement continue. Thousands of cases of harassment of government critics and arbitrary arrests and detentions were reported." Thousands – that's their quote. The Cuban Commission for Human Rights and National Reconciliation, which works within Cuba, documented more than 8,600 politically motivated detentions of government opponents and activists during the year. There is a group of women who march every Sunday to church with gladiolas; they're called the Women in White*. They get beaten savagely simply because of their peaceful protests.

Now, I would hope that you would agree with me that if our engagement is still going to allow that to take place, then something is wrong with our engagement, something fell short. And I have a specific question on Cuba. Do you think that as a condition of establishing diplomatic relations with Cuba, we, at a minimum, should have insisted on the return of fugitives,

cop-killers, like New Jersey cop-killer Joanne Chesimard and other American fugitives of justice being harbored by the Castro regime?

SECRETARY-DESIGNATE TILLERSON: I do, Senator.

SENATOR MENEDEZ: Thank you very much. Now, would you finally commit yourself, if you are confirmed as secretary of state, to work with us and others – New Mexico, others have cop-killers that are in and other fugitives that are in Cuba – to make that conditioning of any future transactions as it relates to Cuba?

SECRETARY-DESIGNATE TILLERSON: Senator, if confirmed, I look forward to working with you most specifically as well as Senator Rubio and others who I know have a great depth of knowledge on Cuba to ensure that we are not relaxing the pressure on Cuba to reform its oppressive regime. And certainly, as I indicated in response to a question earlier and in my opening remarks, the Cuban leadership got a lot out of the most recent deal. We need to make no mistake about where the flows of funds are going inside of Cuba. And the Cuban people got almost nothing. And as I indicated, the president-elect I think has been very clear on his intent to direct a bottoms-up review of the entire relationship with Cuba.

SENATOR MENEDEZ: Thank you.

CHAIRMAN CORKER: I appreciate the great senator from New Jersey acknowledging that when our nominee has left an impression that I don't think he is wishing to leave, that I'm giving him an opportunity to change that. Thank you. (page 100)

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(Page 110) SENATOR UDALL: And I think you understand that it's been a generation or more that it's taken to get all the countries at the table to sign an agreement, be willing to move forward with targets, and it would be very unfortunate, I think, to move away from the table. So thank you for your answer there.

I just wanted to follow up on a discussion Senator Flake had with you in the first round, urging you to look at the successes of our policy change in Cuba, and this is mainly because you as a CEO at Exxon – I suspect that you had a low tolerance for old ideas that had failed to produce positive results. Regardless of what one thinks about the Cuban Government, no one can argue that the policy of embargo and isolation has achieved any

progress. The proof is right in front of us: The Castro regime endures. And I'm a strong supporter of the policy of re-engagement, which has already produced results.

And you mentioned you're going to do a bottoms-up review. In thinking about that bottoms-up review, I would just point out that these things that I'm going to mention have happened and are very positive. First of all, we've worked with the Cubans to combat diseases such as Zika, diabetes, and a multinational effort to combat Ebola in Africa. Efforts to increase access to the internet have paid off with new Wi-Fi hotspots in Havana and increased efforts to bring improved cellular access to the island, including roaming deals with U.S. carriers. Increased bilateral business activity supported by the U.S. Chamber of Commerce and the Hispano Chamber of Commerce. And last week, the United States and Cuba signed a bilateral agreement to prepare for and respond to oil spills and hazardous substance pollution in the Gulf of Mexico and the Straits of Florida. Our new policy towards Cuba, according to a 2015 Pew Research poll, shows that 72 percent of Americans support the renewed diplomatic relations and 73 percent support ending the embargo. I doubt that there are many issues where such a vast majority of the American people agree, and I hope we will not be letting those Americans down by returning to a period where such efforts are made impossible by a failed policy that showed no results.

Instead, I hope you will continue to work to support the Cuban small business owner – almost 500,000 licensed businesses and growing – and to continue the engagement which has led to increased opportunities for both Cuban and American businesses in Cuba.

Will you recommend to President-elect Trump a policy of engagement with Cuba in order to foster the change that is needed on the island, or do you prefer to go back to the old policy of the past 50 years that failed to bring real change or undermine the Castro regime?

SECRETARY-DESIGNATE TILLERSON: Well, Senator, again, if confirmed, the job of the diplomat is to engage, and so engagement is always preferred and our door is always open to want to engage to effect change. But I think we have to be – we have to be honest with ourselves about the engagement with Cuba. There is longstanding – there are longstanding statutes in place that govern that relationship: the Helms-Burton amendment, the trading – the designated list of state sponsors of terrorism, and there are specific criteria around whether we and organizations and those who are doing – conducting affairs in Cuba are in compliance with those statutory requirements. So if we are able to engage in a positive way and still meet

all of the compliance of those statutes, then that's a good thing. I don't know because I've not had the opportunity to have a fulsome examination, as I said earlier, of what changed, because there's a lot of activity that's been enabled and obviously someone had to make a determination that something changed. Has – did it in fact change? I'd like to see the – all of the documentation, the information around that. Otherwise, if we're going to change the relationship, we've got to change those statutes as well.

So I'm – again, kind of this common theme maybe you're hearing from me is I believe we live up to the agreements and we live up to the laws and we fully enforce them. They were put there for a reason. If circumstances change, then we need to change our posture on those as well. But that's the reason I think it demands a bottoms-up review, because a lot of things have been changed in the recent past here, much of it by executive order, and I think the president-elect has indicated he'd really like to understand all of that. What was the criteria that the State Department used to make its determinations? That's what he's going to be asking me.

SENATOR UDALL: Yeah. Well, I – the reason I cited those polls is I think the American people are at the point of wanting those statutes to be set aside, and I quoted one. And so I don't want to argue with you, but I very much appreciate your answers in terms of consulting State Department people, and I can't think of better professionals than these State Department professionals who spend decades learning about the regions that they serve in, the specific countries they work on, and I appreciate your thoughtfulness in terms of doing that.

And just a final question here is: Senator Menendez mentioned the whole issue of fugitives. We also have a fugitive by the name of Charlie Hill who's – I believe should be brought to justice. And I really believe that we have a better chance at getting him out – we're already having discussions – if we engage with them rather than going back to a policy of isolation. So with that that, thank you very much, Mr. Chairman.

CHAIRMAN CORKER: Thank you, sir. Senator Flake.

SENATOR FLAKE: Thank you. I will continue on the same theme for just a bit. I want to talk for a minute about what is a – we hear the word “concession” a lot and we shouldn't make concessions to dictators or despots. Part of the – some of the executive orders that have been taken over the past couple of years, one of the first of which was in 2009 – we found that Cuban Americans who had families still in Cuba would have to

choose between going to their mother's funeral or their father's funeral if their parents died within the same three years. What a horrible thing to ask of an American. Do you believe that it is a concession to the regime to allow a Cuban American to visit or to go to his father or mother's funeral in Cuba?

SECRETARY-DESIGNATE TILLERSON: Senator, these are really heartbreaking questions that, again, I take – I have to take us back to what – what are our statutes, what are the provisions that govern that, and these are where exceptions become really difficult. And so I want to be honest with you when I say my expectation is, if confirmed, is to do a complete bottoms-up review of all these issues. Under what provisions are we making exceptions? What provisions allow for a waiver? Under what conditions can we grant perhaps an exception for someone to resolve these really – these difficult personal issues for people, but not undermine our American values, which is the leadership of Cuba must change the way it treats its people?

SENATOR FLAKE: Right. I don't think it was – the President's executive authority to make that change I don't think was questioned. There were certainly no lawsuits filed or any real resistance. As soon as a Cuban American started to travel back to Cuba, it was assumed this was a great thing and hundreds of thousands of them have, and have remitted more money. It was illegal for them to send fishhooks to their family members on the island before. Those are some of the restrictions that were removed. I would submit that those are not concessions to a regime. It's not a concession to a regime to allow Americans to travel. Those sanctions are on Americans, not Cubans.

In the same vein, with regard to diplomatic relations, we have diplomatic relations with some pretty unsavory countries, or the leadership of some countries is pretty unsavory. We have diplomatic relations with Saudi Arabia. We don't agree with how they treat women and political opponents in that country. Is it a concession to the regime to have diplomatic relations with the country?

SECRETARY-DESIGNATE TILLERSON: Well, this is a question, again, that is grounded in longstanding historic policy of the United States.

SENATOR FLAKE: Right.

SECRETARY-DESIGNATE TILLERSON: And that policy and the statutes that govern that policy – if the time has come for statutes to be altered, that

will be the role of Congress to alter those statutes.

SENATOR FLAKE: Right, exactly.

SECRETARY-DESIGNATE TILLERSON: In the meantime, at the State Department, if I'm there and confirmed to be there, it's our role to enforce what Congress has expressed its desire. And so if the judgment of the Congress and the judgment of the State Department, the president-elect, through consultation, views that we have moved to a different place, then we should address that but not just ignore what the law of the land is.

SENATOR FLAKE: Right. No, I understand that completely. I'm just saying that diplomatic relations with countries is not a concession to those countries. It is in our national interest. It is the way we practice statecraft, and diplomacy is to have diplomatic relations, and I would suggest that that's the same with Cuba. As mentioned, there are fugitives from justice in Cuba that we would like back. There are fugitives from justice in a number of other countries that we'd like back as well. We use our diplomatic relations, we use statecraft and diplomacy to try to arrange those things. If we said to every country that held fugitives from justice we're going to withhold diplomatic relations, recall our ambassadors, where would we be?

And so I would suggest that a review is prudent. I'm glad that the administration is undertaking a review. I believe that a review will conclude that some of the measures that have been taken allowing Americans to travel to Cuba – we still have restrictions. I would suggest that the restrictions that are still in place simply force Americans to place more money in the government's hands when they do travel to Cuba – Cuban Americans and other citizens of this country – that if we just lifted the travel ban completely, and they could more easily ensure that more money goes to family members and entrepreneurs on that island. So I'm glad the review is taking – is going to take place. And I'm glad that you're going to be a part of that review.

Just in a minute and a half left, you've talked a lot about sanctions. As I mentioned in the beginning, I share your aversion to sanctions, particularly when they're practiced unilaterally. What other – sanctions are simply a method we have or a tool to change behavior or to induce or to punish countries. What other tools do we have without resorting to sanctions?

SECRETARY-DESIGNATE TILLERSON: Well, depending on exactly what the issue

is and what the target country is, certainly we have other tools related to our trade policies in general. We have tools related to our immigration and visa exchange policies in particular in terms of the soft power side of this. Obviously, we always have the hard power tool to use. And so I think it does depend on the specific country, the specific issue, what our relationship has been, what are the pressure points that are going to – if they're going to feel it. Because just – and that's the issue I have around ensuring that sanctions are properly structured so that we hit the proper pressure point that causes the change in the way that party's thinking or change in the direction they're going. So it's – it is very much case by case in terms of what we can use to apply pressure to whatever government we are wanting to alter their course.

SENATOR: Thank you, Mr. Chairman.

CHAIRMAN CORKER: Thank you very much. I appreciate your comments on Cuba and the multilateral sanctions issue. And I will say you're going to find on both sides of the aisle strong divisions on the issue of Cuba – people sitting next to each other, having very, very different views – and I do hope you'll seek input of all as you move ahead and do this top-to-bottom review.

Having sat here the whole hearing, I do want to just clarify: I don't think that necessarily you've expressed an aversion to sanctions. I think what you may have expressed, if I heard correctly, is just ensuring that when they're implemented, they're implemented in a way that is appropriate. Is that correct?

SECRETARY-DESIGNATE TILLERSON: That's correct, Senator – Chairman. And as I – I mean, I think I commented at one point this morning having ineffective sanctions is worse than having no sanctions at all, because it sends a weak signal to the target country, and then they say, "Oh, well, they're not really serious after all." And so that's why if we're going to have sanctions, they need to be carefully crafted so that they are effective.

MR CORKER: Senator Kaine. (Page 113)

(Page 114) SENATOR KAINE: Great. Thank you, Mr. Chair. And thanks again, Mr. Tillerson. I want to stay in the Americas. You and I had a good discussion in my office about the Americas. And you've done work in the Americas. And also, being a Texan, I think you understand the importance of the relationships. We've been grappling on this committee and in this

country with unaccompanied minors coming from the Northern Triangle. That migration from Mexico is now kind of almost at an even zero point, but the instability in the Northern Triangle – violence, drug trade, weak civil institutions – has created some challenges. We've supported in a bipartisan way investments in the Northern Triangle, but we want to make sure that the investments are kind of targeted the right way to accomplish the objective of bringing more stability and creating more opportunity there so people don't feel a need to flee.

Talk a little bit about that part of our foreign affairs portfolio, and how would you approach those issues?

SECRETARY-DESIGNATE TILLERSON: Senator, I really appreciate you bringing us back to the Western Hemisphere –

SENATOR KAINE: Yeah.

SECRETARY-DESIGNATE TILLERSON: -- because we've talked about the hot spots. But I – and I say that in all seriousness, because I don't think we should in any way downgrade the importance of the Western Hemisphere and what's going on not just in Central America, but South America as well. There are important relationships. There are not unimportant national security issues in this hemisphere also.

But as to the immigration challenge – and I think you described it pretty well, that what's happened over the last – the most recent time is a real shift in where these people coming across the border in an illegal fashion, where are they coming from? And they're largely transiting through Mexico, coming from south of Mexico's border. I'm aware of the Northern Triangle project which is trying to strengthen law enforcement, because a lot of people are motivated to run from high-crime-ridden areas, anti-narcotics trafficking, helping strengthen the governance institutions, and providing a safer environment for people down there. And to the extent we can direct assistance programs that then gets it some economic development as well, some of which is simple infrastructure projects, and – some of this, again, it gets back to: How do you use not just this special targeted effort and the funds that have been made available there, but also how we use other aid programs like the Millennium Challenge Corporation to develop the capabilities of these countries to perform better.

I do think – and I know you and I spoke about this when we were in your office – that out of our true compassion for these people that are coming across the border, many of which are unaccompanied minors, how to deal with

that. And I know in response to that challenge there's been some well-intended action taken, programs like DACA, the deferred treatment of adjudication of these cases – all well-intended, but when those got translated back to the host country – the places these people are leaving from – we know that it got misinterpreted. And even the leaders of those countries have spoken in public and indicated that, look, the wrong signals are being sent down here as a result of this effort to be compassionate. And in fact, it's incentivizing some, because it's misunderstood, to take even greater risk to themselves, to their children, to try to make this journey across Mexico, largely using illegal smugglers to get them to this country.

So I think we just have to be very thoughtful about the signals we're sending, the messages we're signaling, and I think go back – as you say, go back and try to address some of the issues in the host country; also work with Mexico, our partner right next door. Now, this is not – this is a challenge for them, how to secure their southern, porous border, and deal with all of this transiting of their country to get to the land of the free and the home of the brave where everybody wants to be.

So I acknowledge the challenge that we have before us. We're going to have to deal with the situation that we have today, the reality of it. I think this is where the intent of the president-elect – and while he does express it in the view of the wall, but what he's really expressing is we've got to get control of this border. We've got to prevent and stop the flow of people coming across. And how we do that, what policies and how we execute those, are yet to be developed. But certainly the State Department, if I'm confirmed, will have a big role in the foreign aspects of that. Once they come across the border, they're largely the Department of Homeland Security's responsibility. The State Department's role will be: What actions can we take to prevent the movement of the people in an illegal fashion? We want people to come legally. This is – the history of the country is that people came here legally.

SENATOR KAIN: Mr. Tillerson, thank you for that. And I – as I said in my office, I always encourage a secretary of state to fly north-south and not just east-west. I think there's huge opportunities in the Americas that we sometimes don't take advantage of, and other parts of the world have a claim on our attention, obviously, but there's some real opportunities.

I assume you support the U.S. position that has been in place since the 1940s to do what we can, even if it's hard, to promote a two-state solution in Israel and Palestine with a Jewish state of Israel and an independent

state of Palestine living peacefully side by side, that that is the dream that we hope for that region, and I assume that you support that. (page 115)

(Page 139) SENATOR MENENDEZ: Thank you. Mr. Tillerson, I admire your stamina. You've been through several rounds here. And from my perspective, I hope you understand that my questions, while they may seem tough in some respects – I take my role in advise and consent of any nominee really important. And in your case, you have a very unique background coming to this job, so trying to understand, as the person who's going to be the chief advisor to the president-elect in that meetings that you just described, where everybody gets around the table – but in foreign policy, it's going to be you. And so I try to get from the past, a gleaming of it so I understand where you're going to be in the future. So I hope you understand the nature of my questions.

Let me take a quick moment on Cuba. You've heard a lot about Cuba here – maybe disproportionately to the things in the world, but I think it is rewarding a regime when the only way you can do business in Cuba is with Castro's son or son-in-law. They head the two monopolies inside of Cuba that control tourism and everything hotel-and-tourism-related, and everything agriculture-related, which are the two main areas that people want to do business with in Cuba. And who are they? Not only are they the son and son-in-law, but they are high-ranking officials of the Cuban military.

So what do we do? When we allow business to take place with them – and you can only do business with them; I wish you could do business with the average Cuban and empower them and make those economic decisions that would free them in some respects – then you strengthen what? They are both high-ranking officials of the Cuban military. So you ultimately fund the very oppressive regime that you are trying to get them to change in terms of human rights and democracy. So when you do your bottoms-up review, that's another element I'd like you to take into consideration. ... (Page 140)

(Page 153) SENATOR MARKEY: Yeah, but we're not just talking about economic activity any longer, Mr. Tillerson. We're now talking about the impact which that barrel of oil coming in from Saudi Arabia, coming in from another country, has upon the leverage they have over any discussion that the United States is having with that country about other issues. And it's on the table even as we're asking them to give us help in other issue areas. So I'm not just talking about what the global price of oil may be;

I'm also talking about where that barrel of oil comes from and that the less it comes from a country that we don't want to allow them to use oil as a leverage point is the more leverage the secretary of state or president will have in telling them, "We don't need you. We don't need your oil to run our country. We are energy independent."

So do you think that energy independence, again, should be our goal and that the 5 million barrels of oil that we're still importing should be something that we're trying to keep out of our country's economic system?

SECRETARY-DESIGNATE TILLERSON: No, I have never supported energy independence. I have supported energy security. And I guess if – to go to your concerns – our largest supplier of imported oil is Canada.

SENATOR MARKEY: No, I appreciate that, but we still --

SECRETARY-DESIGNATE TILLERSON: So I got – I don't whether we feel hostage to them or not.

SENATOR MARKEY: Well, I don't – well, I appreciate that, but I also appreciate the fact that we're still importing from Saudi Arabia and other countries in the Middle East. And – and I do feel that that's unnecessary if we could develop our capacity within our own country to be able to develop oil. So Canada is one thing, Saudi Arabia is another thing altogether. And I just – I just don't think that a barrel of oil is a barrel of oil. I think it has real consequences when it's coming from a country that has itself a strategic vulnerability that can be bolstered by the fact that we need, or other countries need, their oil.

Thank you, Mr. Chairman. (Page 153)

(Page 157) SENATOR CARDIN: ... I'll make one quick comment about the role of Congress. We've talked about this many times. You're pretty strong about the role to confirm, ratify treaties. You've talked very firmly about complying with our laws in regards to Cuba. And you then talked very firmly about having enforceable sanctions. I would just point out when we do mandatory sanctions or sanctions with tight waiver language, it makes it much more likely we'll have strong enforcement. So I'd just point that out and hope that we can work together on that. ...

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