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Responsible Statecraft Requires Remaking America's Foreign Relations Tool Kit

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Executive Summary

- To meet today's foreign policy challenges, the United States needs to end its overreliance on military superiority and intervention and instead put creative and persistent diplomacy in the lead to promote locally owned solutions to national, bilateral, and regional security issues and to address global challenges not amenable to military force.
- This rebalancing will not succeed if civilian statecraft is dysfunctional and unprepared. More funding and more diplomats will not solve this problem.
- What is needed is fundamental reform of structures, processes, and personnel practices, particularly at the State Department. These include strategic planning, resource planning, institutional integration, clear authority over security assistance programs, and moving away from nation-building and toward conflict prevention. Far-reaching changes in the way diplomats are recruited, trained, and promoted are also required.
- Without such changes, there is substantial risk that our diplomatic tools will be ineffective, resulting in even greater militarization of U.S. foreign policy when diplomacy fails.

Introduction

American statecraft is in urgent need of change. The United States faces a more imposing set of international realities and challenges than any it has faced for the past 70 years, and its foreign policy institutions are poorly prepared to deal with them. Dreams of restoring past U.S. dominance as “leader of the free world” or sitting “at the head of the table,” as President Biden has put it, are today illusory, or even dangerous. From a traditional realist perspective, global and regional power balances have been shifting over the past 30 years, a shift accelerated over the past four, substantially reducing America’s economic and military power position.¹ Moreover, the most significant security challenges the United States faces today do not lend themselves to military force, at present the dominant tool of American statecraft. From pandemics to climate change, from economic inequality, racial tensions, and instability to threats to accountable governance, the agenda of global peace and security is now focused on problems that require multilateral answers and more capable diplomacy, not the application of military force.

Reliance for decades on global military primacy has not only failed in Iraq and Afghanistan; it has also proven counterproductive. Endless wars have helped stimulate the global power rebalancing now under way, eroded U.S. credibility, and raised concern among allies and partners about Washington’s strategic judgment. Equally serious, continuous reliance on the expansion of the military’s missions into nation-building, economic reconstruction, foreign assistance, and governance has further biased American statecraft toward the use of the military as its principal tool of global engagement.² What is called for today is restraint in American military engagement and

¹ Adams, Gordon. “U.S. Global Engagement and the Military.” *Great Decisions 2018*. Foreign Policy Association. 69–78.

² See Gates, Robert. “The Overmilitarization of American Foreign Policy: The United States Must Recover the Full Range of Its Power.” *Foreign Affairs*, July/August 2020.

<https://www.foreignaffairs.com/articles/united-states/2020-06-02/robert-gates-overmilitarization-american-foreign-policy>; Gordon Adams. “The Institutional Imbalance of American Statecraft.” Gordon Adams and Shoon Murray, eds. *Mission Creep: The Militarization of US Foreign Policy?* Washington. Georgetown University Press, 2014. 22–45; Jim Mattis. “Over the last 25 years we’ve over militarized US foreign policy, and [Secretary Lloyd Austin] is going to have to deal with that.” Philip Athey. “Mattis takes a swipe at Trump, gives advice to new secretary of defense.” *Marine Times*, January 28, 2021.

a rebalancing of the American foreign policy tool kit to strengthen civilian capacities for multilateral engagement. While others have also drawn this conclusion, the need for change and for more effective U.S. diplomacy now grows urgent.³

At the same time, advocates for policies that would “end endless wars” and “put diplomacy first” have paid little attention to whether civilian institutions, especially the State Department, are up to these tasks. There has been far too little focus on the dysfunctions and disorganization of U.S. diplomatic institutions.⁴ Without major structural, process, and personnel reforms, the effort to civilianize American statecraft and ensure greater military restraint risks failure. That failure could compromise American security and lead to even greater reliance on the military as the leading edge of American engagement.

From pandemics to climate change, from economic inequality, racial tensions, and instability to threats to accountable governance, the agenda of global peace and security is now focused on problems that require multilateral answers and more capable diplomacy, not the application of military force.

Policy is developed and implemented within and among institutions. The structure of those institutions and the processes they use to formulate and implement policy matter. The weaknesses of America’s foreign policy institutions have made it too easy, over the past six decades, for presidents to reach for the military as a “can do” organization to get the job done. The job has now changed. The institutional balance needs to change

³ See, for example, Wertheim, Stephen. “Delusions of Dominance: Biden Can’t Restore American Primacy – and Shouldn’t Try.” *Foreign Affairs*, January 25, 2021. <https://www.foreignaffairs.com/articles/foreign-policy/2021-01-25/delusions-dominance>; Jake Sullivan “The World After Trump: How the System Can Endure.” *Foreign Affairs*, March/April 2018. <https://www.foreignaffairs.com/articles/2018-03-05/world-after-trump>.

⁴ Even articles and books that urge institutional reform at the State Department and other agencies focus on policy change, skimming rapidly over the institutional agenda. See Walt, Stephen M. “A Face Lift Can’t Fix the State Department.” *Foreign Policy*, January 21, 2021. <https://foreignpolicy.com/2021/01/21/a-face-lift-cant-fix-the-state-department/>; John Glaser, Christopher A. Preble, and A. Trevor Thrall. *Fuel to the Fire: How Trump Made America’s Foreign Policy Even Worse (And How We Can Recover)*. Cato Institute, 2019. The authors devote a single paragraph (pp.177–78) to questions of structure, process, and personnel in the civilian foreign policy institutions.

with it if diplomacy is to take the lead, if warfare is to be reduced, and if multilateral engagement in a multipolar world is to succeed. The capabilities of foreign service officers and civil servants and the structures and processes in which they work need to be retooled to meet these challenges.

The institutional weaknesses of civilian agencies have not gone entirely unnoticed, and, particularly during the past decade, these agencies have had increasingly effective advocates on Capitol Hill.⁵ The core argument many advocates make is that the weaknesses of the State Department and other foreign policy agencies can be fixed simply by adding more money and more diplomats.⁶ The reality is that both have already been done, but civilian foreign policy institutions have nonetheless continued to underperform.

Funding for diplomacy and foreign assistance has grown significantly over the past 20 years. Overall, budgets for international affairs more than doubled from fiscal year 2000 to FY 2018, to \$56.3 billion from \$23.5 billion, and funding for State Department operations grew almost fourfold, to \$28.9 billion from \$7.8 billion. At the same time, funding for State Department personnel roughly doubled, while funding for international assistance programs (separate from operational spending) nearly doubled, to \$24.4 billion from \$13.6 billion.⁷

The State Department's workforce has also grown significantly, in response to appeals by Secretaries of State Colin Powell, Condoleezza Rice, and Hillary Clinton for additional people.⁸ Today, the United States has the largest diplomatic presence in the world, with 13,750 foreign service officers and specialists, 10,500 civil servants, and more than

⁵ See, among others, U.S. Global Leadership Coalition. <https://www.usglc.org/our-issue/>.

⁶ Recent reports making the case for more funding include Burns, R. Nicholas, Marc Grossman, and Marcie Ries. *A U.S. Diplomatic Service for the 21st Century*. Harvard Belfer Center, November 2020.

<https://www.belfercenter.org/publication/us-diplomatic-service-21st-century> (hereafter the Belfer Report); Uzra S. Zeya and Jon Finer, *Revitalizing the State Department and American Diplomacy*. Council on Foreign Relations Special Report No. 89, November 2020. https://cdn.cfr.org/sites/default/files/report_pdf/csr89_final.pdf; *Strengthening the Department of State*. American Academy of Diplomacy, May 2019. <https://www.academyofdiplomacy.org/wp-content/uploads/2021/01/AADStrengtheningState.pdf>.

⁷ Office of Management and Budget. *Historical Tables*. <https://www.whitehouse.gov/omb/historical-tables/>;

U.S. Department of State. *Budget Justifications*, FY 2000–FY 2021.

⁸ <https://www.afsa.org/building-foreign-service-2025-and-beyond>. See also Schake, Kori. *State of Disrepair: Fixing the Culture and Practices of the State Department*. Stanford. Hoover Institution Press, 2012. 9–10.

50,000 non-Americans and direct-hire contractors in Washington and in the 276 American embassies and consulates around the world.⁹ The growth in personnel from 2000 to 2012 has been significant. The Foreign Service expanded by 4,509 members (+48.5 percent) during this period, while the State Department's civil service staff grew by 3,560 (+51.2 percent).¹⁰ These numbers have remained constant since 2012.¹¹

Despite this growth in funding and personnel, America's reliance on its military has continued while the effectiveness of civilian statecraft has not improved. More money and more people are not the answer; the structural, process, and personnel practices of these institutions frustrate the purposes for which the money and people were provided.

Recent failures of the American military, when asked to be the cutting edge of American engagement, make the need for stronger civilian foreign policy institutions urgent.

Without substantial reform, more foreign service officers and funding will not restore diplomacy to its proper place in the conduct of American foreign policy. Moreover, for U.S. engagement to shift from military dominance and global primacy to leading with diplomacy, priority needs to be given to the civilian capacity for strategic thinking and planning, for integrated and strategically focused resource planning, for civilian oversight of U.S. military engagements with the security forces of other countries, and for conflict prevention and resolution. Without such changes, military restraint and responsible statecraft are at risk of failure.

⁹ <https://www.afsa.org/foreign-service-numbers>. The State Department employs 13,790 of these, with the rest at USAID, the Foreign and Commercial Service, the Foreign Agricultural Service, and the U.S. Agency for Global Media.

¹⁰ The 2000 data are from the U.S. Department of State. "Department of State FS & CS Full-Time Permanent Employees, 1970-Present," April 18, 2013. <http://www.afsa.org/sites/default/files/Portals/0/Dept%20of%20State%20Stats%20042313.pdf>; 2020 data from U.S. Department of State. "GTM Fact Sheet," September 30, 2020. In contrast, DoD's military personnel shrank 1.5 percent over the same period, while civilian employment at DoD increased by 15.6 percent. U.S. Department of Defense. "National Defense Budget Estimates for FY 2021." 287-88.

¹¹ There has been concern about State Department personnel shrinkage with the departure of employees unhappy with the contempt shown them by the Trump White House. State Department data referred to above do not show a dramatic decrease, but fewer applicants are taking the foreign service exam, and there have been significant departures from the senior Foreign Service.

This brief proposes an agenda for such reforms. While it acknowledges and endorses the important personnel changes others have articulated, it outlines personnel changes that are even more comprehensive. Similarly, it goes well beyond other studies in addressing the problems of structure and process that hobble America's civilian statecraft. The proposals presented here are fundamental. Some will require heavy lifting, including legislation; some may be relatively easy to achieve with appropriate leadership. None of these proposals is likely to require additional people or budgets. Rather, they will require different people and budgets spent in a different way by institutions empowered to do the job. They would result in a more powerful civilian foreign policy tool kit that is durable enough to hold its own inside the U.S. government, cope effectively with the global realities America faces, and execute a more restrained, responsible, and effective statecraft.

Issues of structure and process

The diaspora of civilian engagement overseas

A core weakness of the civilian foreign policy tool kit is the diaspora of institutions and programs, most of them independent of the State Department. The expanding global agenda of policy issues is addressed by different, sometimes overlapping agencies: global warming at the Environmental Protection Agency, health and pandemics at the Health and Human Services Department and the Centers for Disease Control and Prevention, immigration at the Department of Homeland Security, overseas economic assistance at the Agency for International Development, the Millennium Challenge Corporation, the Treasury Department, and the new International Development Finance Corporation, and counterterrorism at Justice/FBI, the Defense Department, and the intelligence community.

In all, more than 30 federal departments and agencies have a presence overseas.¹² American embassies struggle to shape and execute mandated country strategies, and

¹² Congressional Research Service. "U.S. Overseas Diplomatic Presence: Background and Issues for Congress," June 6, 2019. <https://fas.org/sqp/crs/row/IF11242.pdf>

ambassadors frequently have to rely on personal skills to broker this diaspora while lacking authority over the programs and funds of other agencies. In Washington, the State Department has no formal, effective, strategic or budgetary planning process to bring these multiple vectors of engagement together, link them to a national strategy, or budget decisions across the range of global engagements. Nor are foreign service officers or most civil servants trained to do such planning or budgeting.¹³

This institutional diaspora has its origins in the dominant culture of the State Department. Since the Marshall Plan (the European Recovery Program) in the late 1940s, the State Department and the Foreign Service have been consistently reluctant to incorporate operating programs into their mission and activities.¹⁴ The State Department, especially the Foreign Service, has focused, instead, on the classic, core missions of diplomats – representing the United States generally, reporting on overseas events, and negotiating with host governments based on country knowledge and language skills.

As a result, the diaspora of U.S. agencies involved abroad has emerged *ad hoc*, rather than as the result of strategic design. The State Department simply pushed aside such programs as European recovery, public diplomacy, foreign economic assistance, international economic and financial relationships, and even arms control, leaving them to other established or newly created institutions. These have included, among many others, the United States Information Agency and the Voice of America, USAID, the international programs at the Treasury Department (via funds for the World Bank and the regional development banks), the Overseas Private Investment Corporation, the Trade and Development Agency, the Arms Control and Disarmament Agency, the Peace

¹³On the problem of inadequate knowledge and training, Ambassador William J. Burns noted meetings at the State Department and in the White House Situation Room “with smart, dedicated colleagues, collectively faking it on problems and opportunities flowing from the technology revolution.” William J. Burns. *The Back Channel: A Memoir of American Diplomacy and the Case for Its Renewal*. New York. Random House, 2019. 414–15. One of the exceptions is the Office of the U.S. Global AIDS Coordinator, which coordinates multi-agency programs to deal with the global HIV crisis under the name of the President’s Emergency Program for AIDS Relief.

¹⁴ Adams, Gordon, and Cindy Williams. *Buying National Security: How America Plans and Pays for Its Global Role and Safety at Home*. Abingdon, Oxon. Routledge. 8–11. As a result, the State Department has lost some capabilities, with the Foreign Commercial Service spinning out from State to Commerce in 1979.

Corps, and the Millennium Challenge Corporation.¹⁵ This self-inflicted cultural and institutional dispersal has embedded equities and “turf” in other agencies, which, in turn, resist attempts at coordination and overall strategic planning by the State Department.

The diaspora of economic and development assistance

This institutional diaspora is especially consequential with respect to U.S. foreign assistance. A large number of institutions beyond USAID provide foreign assistance, including many of the organizations noted above. With the partial exception of USAID, these assistance programs lack common strategic planning and budgeting.¹⁶

The relationship between State and USAID, while closer, is also fraught with tension. USAID was created as a separate agency in 1961 to provide assistance focused on long-term economic development goals and the reduction of poverty. Meanwhile, the Department of State, acting principally through its regional bureaus,¹⁷ has been in charge of economic support funds, provided to strategically key countries such as Egypt, Israel, Jordan, Colombia, and Pakistan. The institutional separation between the two agencies gave rise to two myths that seriously inhibit integrated strategic planning and foreign assistance reform.

The first myth is that, somehow, USAID is or should be in charge of all development assistance across the government. There is a long history of struggle over this coordination function, but USAID has never been able to fulfill this role – nor should it today.¹⁸

¹⁵ USIA, VOA, and ACDA were absorbed by the State Department in 1999. OPIC and the development-financing programs of USAID were combined in a new, separate U.S. International Development Finance Agency in 2019. See <https://www.dfc.gov/who-we-are/overview>.

¹⁶ Some interagency coordination occurs at the country level in U.S. embassies. But the strategy and budget planning for these agency programs is done agency-by-agency in Washington. See Adams and Williams. *Buying National Security*. 32–65.

¹⁷ The State Department has six regional bureaus covering Asia and the Pacific, Europe and Eurasia, the Western Hemisphere, Africa, the Near East, and South and Central Asia. They are responsible for policy issues and some funding decisions by region. Ambassadors, however, are appointed by the president and report to the secretary, not to the regional bureaus. <https://www.state.gov/wp-content/uploads/2021/01/Dept-Org-Chart-Feb-2020-508.pdf>

¹⁸ There was an attempt in the late 1970s to give USAID responsibility for coordination, but the effort was largely stillborn due to resistance in the agency to such a role. See General Accounting Office. *Coordinating U.S. Development Assistance: Problems Facing the International Development Cooperation Agency (IDCA)*. ID-80-13, Feb 1, 1980. <https://www.gao.gov/assets/130/128689.pdf>. IDCA was abolished in 1998.

The second myth is that USAID's focus is purely on long-term economic development, unconnected to the short-term strategic goals of U.S. foreign policy. While many USAID programs do focus on long-term development, historically the aid agency has had its largest and most influential presence when it has been directly connected to U.S. political and strategic activity. As cases in point: During the Vietnam war, USAID had many thousands of employees and contractors ostensibly doing development work on the ground; post-Warsaw Pact and after the Soviet collapse, USAID was fully engaged in Eastern Europe and Russia. USAID followed the military into Iraq and Afghanistan with a substantial assistance program in support of the occupation.

Moreover, development assistance and economic support funds are thoroughly intertwined. The State Department's economic support funding is larger than USAID's development assistance. However, since most foreign service officers and civil servants at State are not trained in program planning and implementation, the actual shaping of detailed programs and projects in strategically important countries is done largely by USAID and is often linked to the agency's own development-assistance projects and objectives.

Faced with this intimate relationship, in 2005 Secretary of State Rice created the Office of Foreign Assistance inside the State Department to integrate resource (but not strategic) planning for both agencies, staffing it largely with USAID resource planners.¹⁹ However, USAID has continued to resist this joint framework, and the budget planning that results is not connected to a broader strategic planning process.

Limited capacity for strategic and resource planning

The State Department and the Foreign Service do not have a strategic planning culture or capability. Nor does the State Department have an integrated resource-planning process linking funding and personnel decisions to overall strategic goals. The department's Policy Planning Staff, which reports to the secretary of state, is at best

¹⁹ Adams and Williams. *Buying National Security*. 67–69. USAID has systematically resisted the absorption of its budget planning into the Office of Foreign Assistance and, in 2010, recreated a separate Office of Budget and Resource Management at USAID for this purpose.

irregularly tasked with long-range thinking and frequently is asked to perform operational activities in support of the secretary. It does not coordinate strategic planning within the department or with the other U.S. agencies active abroad.

There is a small strategic planning cell, the Bureau of Budget and Planning (reporting to the under secretary of state for management), which regularly prepares something called the Joint State–USAID Strategic Plan.²⁰ Although this “plan” is loosely coordinated with the Office of Foreign Assistance, State’s policy institutions (the regional bureaus and Political/Military Affairs, for example) are not systematically involved in this process, nor is there any follow-up with respect to the implementation of what is essentially a compilation in one place of the activities of the various bureaus and offices at State and USAID.

During the Obama administration, the State Department did carry out two *ad hoc* Quadrennial Diplomacy and Development Reviews.²¹ However, neither review focused on strategy and resources. Both focused on how to build capabilities at the State Department but not on the link between those capabilities and foreign policy strategy, goals, or resources. Moreover, the State Department devotes virtually no funds to support strategic planning in-house or at the Foreign Service Institute (its principal training institution), or to acquire strategic planning support from outside contracting or research institutions.

Nor is State Department budget planning organized in an integrated way. Personnel, administration, buildings, and security budgets are planned at the Bureau of Budget and Planning under the authority of the management under secretary. While this office communicates with the Office of Foreign Assistance, there is no integrated process for planning budgets for State’s substantial program activity in areas such as law

²⁰ The most recent plan was published in February 2018. U.S. Department of State–United States Agency for International Development. *Joint Strategic Plan, FY 2018–FY 2022*. <https://www.state.gov/joint-strategic-plan/>

²¹ See U.S. Department of State. *Leading Through Civilian Power: The 1st Quadrennial Diplomacy and Development Review*. 2010. <https://2009-2017.state.gov/documents/organization/153142.pdf>;
U.S. Department of State. *Enduring Leadership in a Dynamic World: Quadrennial Diplomacy and Development Review*. 2015. <https://2009-2017.state.gov/documents/organization/241429.pdf>.

enforcement, counter-narcotics, economic support, development, or security assistance.

All of this contrasts with the Department of Defense and the military services, which dedicate billions of dollars to internal and external support for both strategy and resource planning.²² DoD also has an integrated system for strategic planning related to budgeting, the Planning, Programming, Budgeting, and Execution System, as well as conducting regular reviews of defense strategy.²³ The defense secretary has permanent offices to oversee the strategic planning and cost analysis part of this effort (Cost Assessment and Program Evaluation) and to prepare budget choices for all DoD activities (under secretary of defense comptroller). As a result, the justifications for diplomatic and foreign assistance activities at the State Department lack a clear statement of strategic rationale for the requested funds.²⁴

The diaspora of security assistance authorities

The United States provides substantially more than \$20 billion a year to support militaries and security forces in other countries, greatly exceeding the level of such assistance provided by any other country. Lacking a strategic planning process, the State Department has ceded ground for planning and oversight of this important foreign policy area and many of these programs to DoD, whose role and authority has expanded, further adding to the militarization of U.S. global engagement.

Here, as with foreign assistance generally, there is a myth that the State Department does not implement programs. Security assistance is assigned to the State Department under the Foreign Assistance Act and the Arms Export Control Act. The State Department has policy lead on the sale of military equipment to allies and partners and

²² DoD makes extensive use of outside strategy organizations such as the Center for Strategic and International Studies and the Center for a New American Security, as well as federally funded research and development centers such as the RAND Corporation, the Center for Naval Analysis, and LMI.

²³ For a description of the PPBES, see *Defense Planning, Programming, Budgeting and Execution (PPBE) Process*. <https://www.hsdl.org/?view&did=444026>.

²⁴ As considered later, Foreign Service culture and training also do not focus on strategic planning, program development, and budgeting. See Adams and Murray. *Mission Creep*, especially Chapter 2 by Gordon Adams, "The Institutional Imbalance of American Statecraft." 34–37.

the allocation of Foreign Military Fund grants to a number of countries around the world, particularly in the Middle East.²⁵ The department's regional bureaus and its Bureau of Political–Military Affairs have long played and continue to play a role in determining the overall size of overseas military funding for such key partners as Egypt, Israel, Jordan, and Pakistan. But much of the planning and implementation of these programs is actually done through the Defense Department, combatant commands, defense officials in embassies, and the Defense Security Cooperation Agency at DoD.

Several additional programs for security assistance have emerged at the State Department since the 1990s. They include more than \$1 billion a year in security assistance to Colombia and other Andean countries through the State Department's Bureau of International Narcotics and Law Enforcement Affairs, several hundred million dollars a year to train and support primarily African militaries for peacekeeping and other military operations across Africa, and support for counterterrorism and nonproliferation training. Given the lack of program development and implementation capacity at the State Department, it turned, once again, to DoD and private contractors to take on these tasks.

In addition, over time, the Defense Department has created a substantial portfolio of its own security-cooperation programs funded through its own budget. It started in earnest with counterterrorism support, now a global program, substantial support for the militaries of Iraq and Afghanistan, and Special Forces training and assistance in more than 80 countries.²⁶ The State Department's leadership of and authority over U.S. foreign policy have considerably eroded with the emergence of these programs.

²⁵ Adams and Williams. *Buying National Security*. 78–85.

²⁶ DoD and the military began to take an active role in counter-narcotics activities in the 1980s, but little of this was security assistance. For an overview of DoD security-cooperation programs, see Serafino, Nina M. "Security Assistance and Cooperation: Shared Responsibility of the Departments of State and Defense." Congressional Research Service, Report R44444, May 26, 2016. <https://fas.org/sqp/crs/natsec/R44444.pdf>; David E. Thaler, Michael J. McNerney, Beth Grill, Jefferson P. Marquis, Amanda Kadec. *From Patchwork to Framework: A Review of Title 10 Authorities for Security Cooperation*. RAND, 2016. https://www.rand.org/pubs/research_reports/RR1438.html; Nina M. Sarafino. "Foreign Assistance in Camouflage: Measuring the Military Security Cooperation Role," in Adams and Murray, *Buying National Security*. 120–44.

In sum, the State Department lacks the capacity to plan security-assistance efforts in tandem with other foreign-assistance goals, to plan personnel commitments to support this responsibility, to evaluate the impact of these programs, and to exercise its statutory role vis-à-vis the Department of Defense.

Conflict prevention and resolution

The ill-conceived U.S. military occupations of Iraq and Afghanistan misled a generation of analysts into thinking that what the civilian tool kit lacked was a whole-of-government “nation-building” capacity – a civilian work force that could help rebuild another country’s economy or stimulate democratic governance. In the absence of a force of nation-builders at State and USAID, the U.S. military took on the missions of economic restoration and governance advice – and largely failed.²⁷

The response to failure, for many officials and outside analysts, was to advocate a more centralized interagency mechanism for planning such operations and the creation of niche capacities at State and USAID to support these efforts.²⁸ This restructuring largely failed. Few other agencies accepted the State Department’s leadership in coordinating nation-building, and the offices were too poorly funded to have an impact.

Nation-building is not a mission the U.S. military or civilian agencies can or should execute. Instead, what the civilian institutions need is a strategic view of how the U.S. can better identify emerging conflicts and training for its diplomats in the arts of conflict prevention and resolution. Greater humility as to the capacity of any outside country to prevent conflict and the ability to work multilaterally to achieve this goal would also strengthen U.S. diplomacy.

²⁷ Special Inspector General for Iraq Reconstruction. *Hard Lessons: the Iraq Reconstruction Experience*. Washington. U.S. Government Printing Office, 2009; Special Inspector General for Afghanistan Reconstruction. “Lessons Learned.” Report series. <https://www.sigar.mil/lessonslearned/>

²⁸ Kori Schake. *State of Disrepair*; Andrew R. Hoehn, Adam Grissom, et al. *A New Division of Labor: Meeting America’s Security Challenges Beyond Iraq*. RAND/Project Air Force, 2007. <https://www.rand.org/pubs/monographs/MG499.html>; Hans Binnendijk and Stuart E. Johnson, eds. *Transforming for Stabilization and Reconstruction Operations*. National Defense University, 2004. The State Department created an Office for Complex Stabilization Operations, while USAID tried to reinforce its Office of Transition Initiatives.

Personnel issues

Using current practices, it is virtually impossible to determine the most effective size for the U.S. Foreign Service. The overseas requirement for foreign service officers is not driven by a strategic plan, but by the State Department's "overseas staffing model" based on the size of a typical embassy and the importance of the host country to the United States.²⁹ In the absence of a clear, strategically driven road map for personnel needs, there may be too many foreign service officers, not too few.

Moreover, the effectiveness of U.S. diplomacy depends on who is recruited, how they are trained and educated, the career paths they follow, and incentives for promotion. The current personnel system focuses on a narrow universe of skills and, as numerous reports have noted, has not created a Foreign Service that reflects the diversity of American society.³⁰

Recruitment and training

Despite some important fellowship programs, the Foreign Service has not succeeded in recruiting or retaining a diversity of Americans. Nor does it recruit among those who bring a breadth of skills and knowledge consistent with the broader challenges America faces in many areas, notably economics, climate change, energy, health, regional conflict, migration, and technology.³¹

Nor do America's diplomats learn strategic planning, program development, implementation and evaluation skills, or budgeting – all increasingly necessary for an effective Foreign Service and State Department.

²⁹ See 2 *Foreign Affairs Manual (FAM)* 130. <https://fam.state.gov/fam/02fam/02fam0130.html>

³⁰ Zeya and Finer note, "As of March 2020, the Senior Foreign Service was 90 percent white and 69 percent male, with the proportion of African-American senior officers below 3 percent," citing data from American Foreign Service Association. "Foreign Service Statistics," March 2020. http://afsa.org/sites/default/files/0320_diversity_data_for_web.pdf. The Government Accountability Office reported in January 2020 that the share of the State Department's total workforce (including the civil service) that was African-American had fallen to 15 percent from 17 percent from 2002 to 2018. General Accounting Office. *State Department: Additional Steps Are Needed to Identify Potential Barriers to Diversity*. GAO-20-237, January 27, 2020. <https://www.gao.gov/reports/GAO-20-237/>.

³¹ See the Belfer Report and Zeya and Finer, op. cit. None of the various reform reports, however, advocate training on the full set of issues listed here. Schake covers some but not all of them. *State of Disrepair*. 45.

Rather, the Foreign Service recruits with the historical model of a diplomat in mind: someone who represents the United States, negotiates, reports back to Washington, and is familiar with the language and culture of the country to which they are assigned. Training reinforces this approach: Initial training focuses on diplomatic skills, country knowledge, and language. While these skills are important, this approach no longer reflects what the United States asks its diplomats to do. By and large, there is no further training or education provided during a diplomat's career, in contrast to the typical practice at the Defense Department, where rising officers are given broad training and education opportunities throughout their careers.

Career paths and promotion incentives

The State Department does not currently have a program that allows mid-career accession into the Foreign Service.³² Yet the private sector could provide immediate expertise on the substantive and program sides. There is concern in the Foreign Service that lateral entrants will lack traditional diplomatic skills and could limit upward promotion for foreign service officers to the small number of senior posts in the senior Foreign Service.

The State Department does not incentivize rotation across its different "cones" or career foci (political, economic, consular, management, and public diplomacy), so limiting the breadth of knowledge officers have of the department's operations. Rather, in the Foreign Service's culture, the political and economic cones are considered the best career paths for promotion to senior ranks, limiting mobility for those officers in other cones.³³

Nor are there incentives within the Foreign Service for serving officers to take leave for education and outside training or to seek interagency assignments that might provide new skills and knowledge useful to the department. Since 1986, by contrast, the military

³² Several efforts to create a mid-career program have been abandoned. The Belfer Report makes this recommendation. 7.

³³ The Belfer Report recommends abolishing the cones altogether, urging "multifunctional competence." 6.

services have made cross-service assignments necessary for promotions to senior officer levels.³⁴

Civil service issues

As earlier noted, the State Department's civil service is nearly as large as the foreign service and carries much of the department's program activity, particularly in the functional bureaus and offices. But the department provides few training and education opportunities and little career counseling for the civil service workforce; it also limits the overseas assignments available to civil servants. This creates obstacles to movement between functional and regional bureaus, where the civil servant's experience of designing and implementing programs would enrich policymaking at the country and regional levels. Overseas assignments for the State Department's civil servants would be valuable for the department, but they are difficult: They require leaving the civil service to accept an overseas appointment, making it hard to find an appropriate position in Washington after the civil servant's return.

Recommendations

➤ Fill the position of second deputy secretary of state for management and resources

The State Department needs an accountable senior official to oversee its management and fiscal processes, a chief operating officer similar to the role played by the deputy secretary of defense.³⁵ A second deputy secretary position, deputy secretary of state for management and resources, was created by statute in 2000.³⁶ It was filled in the Obama presidency, then left empty. It will be filled in 2021. This official urgently needs to focus on the reform agenda more broadly than any previous incumbent. And the secretary needs to make it clear that the Office of Foreign Assistance and the undersecretary for management report to the secretary through this deputy.

³⁴ An assignment to DoD for an FSO is a partial exception to this generalization. The military services also incentivize officers to take interagency assignments at agencies such as the State Department and National Security Council, as well as Congress and think tanks.

³⁵ Traditionally, the secretary of state and the deputy secretary have focused on policy and negotiations, with the deputy assuming policy responsibilities in Washington when the secretary is traveling.

³⁶ PL 106-533, Section 404 created this new deputy position.

- *Difficulty: Moderate; the position will be filled, but the focus on reform needs to be made clear and the reporting relationship needs to be clarified early*

➤ **Build a strategic-planning capability**

The State Department urgently needs to create a strategic-planning capability, merging the small strategy cell under the deputy secretary of state for management with its Policy Planning Staff. That new bureau, similar to DoD's Office of Cost Assessment and Program Evaluation, should be tasked with strategic and program planning and with acquiring outside strategic planning support as needed. It should report to the secretary of state through the deputy secretary for management and resources. The department also needs to develop strategic thinking and planning capabilities at the Foreign Service Institute, as well as a budget to acquire outside strategic-thinking support.

- *Difficulty: Easy; can be done inside the department*

➤ **Create a unified organization to manage the budget process**

The State Department's and USAID's budget planning should also be merged into one organization, folding together the Office of Foreign Assistance and the Bureau of Budget and Planning (under the management undersecretary) at State and the Office of Budget and Resource Management at USAID.³⁷ A budget should be created to fund strategic planning and analytical support from the private sector.

- *Difficulty: Moderate; the secretary can execute but needs to overcome bureaucratic resistance to do so*

³⁷ There was some risk in 2009 that the Office of Foreign Assistance and the budget process it created might be abolished. It has survived to become the first overall, institutionalized budget planning capability the State Department has ever had.

➤ **Reinforce the authority of the secretary of state to coordinate diplomatic engagement and foreign assistance activities across the government**

The secretary’s role in coordinating the diaspora of agencies engaged overseas is critical – and perhaps the most difficult reform challenge. Congress is unlikely to provide greater statutory authority, but the White House could establish a formal framework for interagency coordination on planning and budget goals. To enhance such consultation, the Office of Management and Budget could work with agencies to write a single budget document covering the foreign policy programs of the many agencies involved.³⁸

- *Difficulty: Considerable, but a less formal process is possible*

➤ **Reassert the State Department’s authority over security-assistance planning and approval**

Security assistance is an important place to start demilitarizing U.S. foreign policy. While the military has accumulated the knowledge and capabilities to execute these programs, the State Department needs the capacity to plan strategically for such programs, budget for them, and oversee them, empowering the Bureau of Political–Military Affairs to do so.³⁹ In particular, Congress must amend the DoD’s authorities to ensure that the secretary of state must concur, or sign off, on all DoD–funded security-cooperation programs.

- *Difficulty: Medium to considerable; congressional action would be hard to achieve; internal changes manageable*

³⁸ There has been advocacy for an integrated budget process and a “national security budget” that would combine State, the other international affairs agencies, and DoD. This would be an additional and cumbersome process, however, and one likely to be firmly resisted by both the agencies and particularly the appropriations committees in Congress. See Rosenberg, Brett, and Jake Sullivan. “The Case for a National Security Budget.” *Foreign Affairs*, November 19, 2019.

<https://www.foreignaffairs.com/articles/2019-11-19/case-national-security-budget>.

³⁹ See Adams and Williams. *Buying National Security*. See also Jackson, Rose. *Untangling the Web: A Blueprint for Reforming American Security Sector Assistance*. Open Society Foundations, January 2017.

https://www.opensocietyfoundations.org/publications/untangling-web-blueprint-reforming-american-security-sector-assistance#publications_download.

➤ **Make conflict analysis, prevention, and resolution a core part of the State**

Department's mission

The State Department and USAID should eschew nation-building.⁴⁰ Identifying risks of conflict should be part of State's strategic planning, as should training and participation by U.S. diplomats and assistance providers in multilateral efforts to reduce the risks of conflict.

- *Difficulty: Modest; can be done internally at State*

➤ **Create a single, integrated foreign policy institution responsible for diplomacy, economic support, and development assistance**⁴¹

The capacities and heft of the State Department would be considerably greater if there were one institution charged with these missions. Strategic planning could incorporate all dimensions of civilian statecraft. But it would require a dramatic culture change at State and USAID, including redesigned training to incorporate the diplomatic, security, and economic missions. The intent should not be to absorb all agencies into the existing State Department, but to create a new, integrated department with a significant restructuring of activities and programs, including organizations for political and security affairs; development, economics, and trade; humanitarian support; public diplomacy, and consular affairs.⁴² Such a reform would significantly rationalize existing operations and programs and strengthen the new Department's capabilities, effectiveness, and role in the interagency process on foreign and national security policy, helping reverse the militarization of U.S. foreign policy.

- *Difficulty: Considerable, as it requires institutional change, legislation, and clear leadership at the very top of the administration*

⁴⁰ See

<https://www.state.gov/briefing-with-state-department-director-of-foreign-assistance-james-l-richardson-assistant-secretary-for-conflict-and-stabilization-operations-dr-denise-natali-and-usaid-bureau-for-conflict-preven/>

⁴¹ This proposal is similar to one made in 2007 by the majority of HELP Commission members. *Beyond Assistance: The HELP Commission Report on Foreign Assistance Reform*. Washington: The HELP Commission, December 2007.

https://www.americanprogress.org/wp-content/uploads/issues/2007/12/pdf/beyond_assistance.pdf, pp.75–82.

⁴² The training reforms proposed would strengthen the agency by providing incentives for cross-agency service and a more comprehensive focus of training.

Human resources recommendations

➤ Reform the Foreign Service, integrating personnel decisions with strategic priorities

There is no clear requirement today to add to the Foreign Service, given its historic growth from 2000 to 2012 to a size that has since been maintained. Any future decisions about the size should be based on the strategic planning, programming, and budget processes recommended above. Recruitment priorities, both initial entry and mid-career, should also be based on the results of those processes.

Moreover, contrary to many recommendations, the State Department does not need a “float” of personnel to allow cross-agency or cross-cone assignments or leave for education, given the growth of the Foreign Service over the past 20 years.⁴³ A strategy-driven personnel model is likely to identify a “float” that already exists. Proposals to create a State Department “reserve” force, like the military reserves, may also not be needed, given current “callback” authorities.⁴⁴ It seems unlikely that there will be a future Iraq or Afghanistan scenario that would drive such a need.⁴⁵

- *Difficulty: Easy to control the requests for personnel; difficult when it comes to creating and institutionalizing the new processes and defining mission-driven personnel needs*

➤ Refocus recruitment to target broader skills and greater diversity

Recruitment for the Foreign Service should focus on the 21st century skills needed for an effective American diplomacy: economics, conflict mitigation, migration, climate change, health, technology and science, and traditional diplomacy. Equally important

⁴³ The Belfer Report and Zeya and Finer also make this argument, as did Stimson in 2008. Gordon Adams, et al. *A Foreign Affairs Budget for the Future*. Stimson Center, October 2008.

<https://www.stimson.org/2008/foreign-affairs-budget-future-fixing-crisis-diplomatic-readiness/>

⁴⁴ Belfer Report. 7.

⁴⁵ The Belfer Report proposes that the reserve could respond to natural disasters. Belfer, 7. This seems redundant with existing USAID Disaster Assistance Response Teams, which have been used successfully for decades to assess the need for external assistance and coordinate government-wide responses, as in the Haiti earthquake and the Indonesian tsunami. See <https://www.usaid.gov/who-we-are/organization/bureaus/bureau-democracy-conflict-and-humanitarian-assistance/office-us>

and as often noted, the Foreign Service should look like America. In addition, recruitment should include a fully developed mid-career accession effort to bring these critical skills into the department, including a training program focused on career expectations and State Department operations.

- *Difficulty: Moderate; takes time but can be developed and managed by State*

➤ **Thoroughly restructure State’s training and education programs**

The Foreign Service Institute should remain the cornerstone for training and education, but its curriculum needs to be redesigned. Language, country knowledge, and negotiation can remain the core, but a significant investment needs to be made in a curriculum that includes strategic planning and budgeting; program conception, planning, implementation, oversight/management, and evaluation; conflict prevention and resolution, and congressional relations. In addition, FSI education needs to invest in the new issue areas in which diplomats will work.

Equally important, a career as a foreign service officer needs to include continual training and education. A new mid-career curriculum in strategic planning, program development and management, and budgeting needs to be developed to ensure that the State Department has skilled managers and planners who can justify programs and budget requests.

- *Difficulty: Can be done inside State; will require time to shift the culture*

➤ **Make career-long education and training and cross-agency and cross-cone assignments integral parts of career planning for foreign service officers**

Personnel regulations and criteria for promotion to senior Foreign Service positions need to incentivize training and education as well as cross-cone and cross-agency assignments, much as joint service is expected for military officers being considered for promotion to flag rank.

- *Difficulty: Can be done inside State; will require time to shift the culture, as it did at DoD*

➤ **Bring the civil service into the reform effort**

The State Department needs to make full use of its large civil service. While the difference in personnel systems makes movement between Washington and foreign postings difficult, the department needs to explore innovative ways to make such moves easier. State could reap huge benefits from such overseas service, as well as from a program that provides its civil servants with training and education inside and outside State and in cross-agency assignments that will bring helpful interagency knowledge back to State.

- *Difficulty: Moderately difficult, given the need to resolve civil service/Foreign Service conflicts*

Conclusion

America's civilian statecraft faces challenges today that are unprecedented. America's role in the world is undergoing a metamorphosis, from a dominant power to one of many, from a nation that presumed it could shape the globe and insist others come along to one that must find cooperative ways to resolve a wide array of new security imperatives. While it does not explain every dimension of changing power relationships, America's military dominance and economic power over the past 70 years has accelerated the rebalancing phenomenon. And the recent failures of the American military, when asked to be the cutting edge of American engagement, make the need for stronger civilian foreign policy institutions urgent.

It would be an act of supreme risk to assert that diplomacy should lead America's global engagement when U.S. diplomatic institutions are dysfunctional and inappropriately prepared to assume such leadership.

It would be an act of supreme risk, however, to assert that diplomacy should lead America's global engagement when U.S. diplomatic institutions are dysfunctional and inappropriately prepared to assume such leadership. More funds and more diplomats will not fix this problem. They would not reverse the course of a militarized statecraft. The reform agenda proposed here outlines the structural, process, and personnel changes that would repair what doesn't work and build on what does. It would create a civilian foreign policy institution capable of taking the lead role in U.S. policy creation and implementation and engaging a world where military restraint and global negotiations with equals to address common security dilemmas becomes possible.

About the Author

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