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THE STATE DEPARTMENT'S STRUCTURE PUTS IT AT ODDS WITH THE WHITE HOUSE

INTRODUCTION

Every President seems to have problems with the State Department. Typically, it seems, the Department's career officials, known as Foreign Service Officers or FSOs, resist White House leadership, pursuing instead a personal agenda that often has little in common with the mandate given to the President by voters or even, at times, with the national interest.

An important cause of this is that FSOs, as experts in foreign countries and issues, often become so immersed in understanding the foreign countries for which they are responsible that they begin to view these countries as "clients," whose interests must be explained, defended, and advanced in Washington. At times, this comes (albeit unintentionally) at the cost of American interests. This problem has been called "clientitis."

Another reason for discordance between the White House and FSOs is that a main goal of most career diplomats is to achieve "warm relations" and conclude agreements with foreign governments. This often inhibits FSOs from acting tough, even if that would be more in the interest of the United States.

Watering Down Policy. Another problem is the FSOs' regional parochialism. Officials who work day after day on the problems of a particular geographic area can acquire an exaggerated sense of the importance of that area and its problems. FSOs become advocates of geographic areas, causing conflict within the State Department on policy issues that cut across bureau lines. The result often is the watering down of policy positions or proposals to accommodate the concerns of regional bureaus or country offices. This produces policy recommendations lacking clarity, firmness, and decisiveness. The policy-making officials of

This is the fifth in a series by the Heritage Foundation State Department Assessment Project. Upcoming studies will address such issues as how the State Department manages U.S.-Soviet relations, the Department's approach to Soviet espionage, and an analysis of the role of Foreign Service Officers.

government, at the White House and within the State Department, need better guidance than they often receive now from the State Department's bureaucracy.

Possible solutions include the appointment of more policy-level officials who are dedicated to the President's agenda, making FSOs more accountable to the nation's political leadership, reducing the size of the Foreign Service, encouraging the assignment of FSOs outside the service, and redirecting the energies and abilities of FSOs. A serious effort to reform the present system along these lines could bring this career bureaucracy, and U.S. foreign policy, under the effective control of the President and the American people.

AN INSTITUTIONAL PROBLEM

Every President since Franklin Roosevelt has criticized the State Department, expressing dissatisfaction and even exasperation with the advice and recommendations emanating from "Foggy Bottom," the low-lying area of Washington where the State Department is located. This pervasive distrust of the State Department is partly the reflection of an institutional problem and partly the result of the attitude and agenda of FSOs, who dominate the staff both at the State Department in Washington and at Foreign Service posts abroad.

The institutional problem is common to professional diplomats everywhere. The foreign offices of most countries pursue friendly relations with other governments. Too often this means seeking negotiations and agreements between states as ends in themselves. Their business is to avoid confrontation and "unfriendly" relations. Thus, when Argentina invaded the Falkland Islands (called the Malvinas by the Argentines), the British Foreign Office advised Prime Minister Margaret Thatcher to use diplomacy instead of self-defense. She rejected the advice, her Foreign Secretary resigned, and she fought and won the Falklands war. The proclivity to accommodation shown in that instance by the British Foreign Office is an institutional characteristic of most foreign services.

THE FOREIGN SERVICE AGENDA

In addition to such institutional leanings, the U.S. Foreign Service has its own agenda. Often it differs considerably from that of the President. On the typical FSO agenda is a preference:

- ◆ ◆ To emphasize the interests of the country or area he or she is assigned to, or is working on;
- ◆ ◆ To pursue negotiations and accommodation as the preferred way of solving international problems;
- ◆ ◆ To protect the Foreign Service as an institution;

◆ ◆ To improve career status by obtaining an important title, good assignments, frequent promotions, and annual bonuses.

Carrying out the wishes of the President inevitably becomes secondary to these more specific concerns, which serve the best interests of the FSO and his peers in the Foreign Service. If the personal or Foreign Service interests conflict with the Administration's interests, the Foreign Service agenda nearly always takes precedence.

After all, Administrations come and go; the career officer remains. He therefore wants to please his superiors in the service and not the non-career presidential appointees, who cannot determine whether he is promoted, receives a bonus, is forced to leave the service early, or in many cases where and to what duties he is assigned. Those decisions are made either by boards of peers or by senior career officers who constitute an informal but close knit and highly effective "old boy network." Thus, to advance his career the FSO must satisfy his peers rather than the political appointees of a transitory Administration.

LACK OF PRESIDENTIAL CONFIDENCE IN STATE

Because of lack of confidence in the State Department, Franklin Roosevelt relied on special assistant Harry Hopkins and used the Navy communications system to deal directly with foreign leaders.¹ Harry Truman, according to his daughter Margaret, "never stopped wishing that someone would shake up the State Department."² Dwight Eisenhower relied on Secretary of State John Foster Dulles personally to formulate and to a large extent conduct foreign policy, while keeping the bulk of the State Department at arm's length.

Reflecting a continuing concern about the effects of overstaffing, Dulles asked why the State Department needed more than 25 or 30 people. John Kennedy³ also was annoyed at what he called the State Department's "elephantiasis," and said State was like a bowl full of jello. Richard Nixon was concerned about the State Department's "softness and disloyalty,"⁴ and gave Henry Kissinger unparalleled authority to formulate and conduct major foreign policy activities with little or no participation by the Department.

"No Survivors." Every memoir of Presidents and the Presidents' men contains critical references to the State Department. Even liberal former Ambassador to India John Kenneth Galbraith observed in a letter to President Kennedy, "If the State Department drives you crazy you might calm yourself by contemplating its effect on me. The other night I woke with a blissful feeling and discovered I had been dreaming that the whole Goddam place had burned down. I dozed off again hoping for a headline saying no survivors."⁵

Congress, too, has found cause to be critical of the State Department, demonstrating its concern by assigning numerous foreign affairs functions to other departments and agencies.

1 J.E. Trent, "Survey of Previous Reports on Organizational Reform in the Foreign Affairs Community," 1974.

2 Margaret Truman, *Harry S Truman* (New York: W. Morrow, 1973).

3 J.K. Galbraith, *Ambassador's Journal* (New York: Houghton Mifflin, 1969).

4 John Ehrlichman, *Witness to Power* (New York: Simon & Schuster, 1982).

5 Galbraith, *op. cit.*, p. 163.

Today, over 61 government agencies are involved in one way or another in the conduct of foreign affairs and nearly 50 have at least some personnel assigned abroad.

WHY THE STATE DEPARTMENT IS A PROBLEM FOR PRESIDENTS

Control of Information

Since the State Department controls the cables and reports from overseas posts and the rest of the global network of information on which the larger foreign affairs community must rely, it usually can control responses to events. It can interpret, delay, mold, and even thwart the stated policy positions of the nation's political leadership. The Foreign Service has been accused, by Democrats and Republicans alike, of doing all of these things at various times. Through strong Presidents and weak, the Department of State has retained impressive bureaucratic strength, which quickly emerges when the opportunity arises.

Placing Priority on Institutional Self-Interest

While the State Department has about 25,000 employees in Washington and abroad, the system is dominated by the corps of fewer than 4,000 FSOs. Within this exclusive club is an even more exclusive group of some 800 senior officers, the members of the Senior Foreign Service. They dominate and control the Foreign Service, the State Department and, sometimes, U.S. foreign policy. About 100 of them are ambassadors; dozens more serve in many of the top policy-making jobs in Washington. Their loyalty to the Foreign Service as an institution is fierce, born of a belief that their understanding of world affairs is unique, unassailable, and indispensable to the President, his senior advisers, and the Congress.

Foreign Service Officers consider themselves "professionals" with special knowledge of world affairs that is unmatched elsewhere and which should be accepted without question by political leaders. Few professional groups, other than medical doctors, lay claim to such exclusivity.

Ignoring American Interests

The Foreign Service Officer's detailed knowledge of foreign places, cultures, political systems, and foreign policy problems, gained in many cases through years of "on-the-scene" experience, gives him an ability to understand and explain the actions and interests of other countries. This background, however, does not aid in understanding the U.S. or its interests. In fact, deep immersion in foreign cultures can make an FSO a stranger in his own land or even alienate him from America's policies and values.

Nothing in Foreign Service work or training replenishes the knowledge of American interests which the young Foreign Service Officer may have brought with him into the service. As experience is acquired in foreign languages, cultures, and societies, whatever he knew about U.S. attitudes and politics fades. In this system, rewards accrue to those who demonstrate knowledge of international — not domestic — issues.

The Problem of Clientitis

This orientation of FSOs toward international issues leads to the “clientitis” predisposition to identify closely with a country or region and to sympathize with the problems or concerns of that area. Example: After years of intensive immersion in the language, culture, and morals of an Arabic society, it should not be surprising for an FSO to become more sensitive to Arabic views and values than to American.

It is natural that when political leaders propose a policy change or action likely to have an impact beyond America’s borders, the FSO will think first of the reaction of other countries. All the training and experience an FSO undergoes during his career relates to events in other countries. Even on assignment in Washington, his working hours deal not with issues of concern to Americans, but those of concern to foreign countries or areas:

Exasperated by Americans’ Reactions. His performance is judged by his superiors on the basis of his knowledge, understanding, and interpretation of such issues. His recommendation often will be to modify an Administration proposal to mollify or accommodate foreign reaction. That the reaction of Americans, in the White House or other government agencies, in the Congress, or in the country at large, might be different, is likely to be viewed more with exasperation than understanding.

A recent example was the vote by Congress to close the United Nations observer office in New York of the Palestine Liberation Organization (PLO), an acknowledged terrorist organization. The legislation passed the House by an overwhelming 365-47. Yet the State Department bitterly fought the closing because it was opposed by the U.N. Secretariat and most foreign countries, and complicated State’s plans to deal with the PLO.

Indeed, the FSO is likely to consider the elected official’s attitude naive and the result of inadequate information. As Truman wrote in his memoirs, “. . . many career officials. . . regard themselves as the men who really make policy and. . . look upon elected officials as just temporary occupants. And, this has happened at State.”⁶

The Quest for Warm Relations

By definition, a successful FSO builds good will and maintains good relations with the country to which he is assigned or for which he is responsible. The officer who takes a tough position toward a foreign government, if not specifically ordered to do so, may well be graded poorly in his performance ratings, no matter how anti-American or otherwise objectionable the foreign government may have behaved. It is not “diplomatic” to show toughness towards foreign governments.

The danger of making “warm relations” the top priority becomes clear, for example in economic issues. These often involve direct and obvious U.S. business and financial interests, that conflict with interests of other countries. Resolving such issues as the trade

6 Harry Truman, *Years of Trial and Hope* (New York: Doubleday, 1956).

imbalance with Japan, for example, to the satisfaction of U.S. interests while maintaining “warm relations” with Japan is very difficult.

Debt issues typically bring out the innate conflict between prudent economic policies and the propensity of the State Department to maintain “warm relations.” Insisting that countries pay their debts or reschedule them in a financially acceptable way almost always requires pressure on the debtor country to do things its government would rather avoid. In such matters FSOs tend to suggest that the U.S. interest should yield.

Because of this attitude, many State Department responsibilities have been given to other departments. The Department of Agriculture has its own mini-foreign service. Most foreign commercial functions have been transferred from State to the Department of Commerce, the Special Trade Representative has been put in charge of international trade negotiations, and attaches from the Treasury Department perform the most challenging economic and financial duties at key embassies. This transfer of functions and responsibilities from the State Department to other government departments is likely to continue, leading to a further fracturing of U.S. foreign policy, unless the State Department can become more responsive to the policy goals of the Administration in office.

The Promotion Process Promotes Conformity

The pursuit of personal advancement may be more vigorous in the Foreign Service than in any other personnel system. The performance of Foreign Service Officers is judged in agonizing detail every year. Panels of peers are convened annually to review the qualifications for advancement. Word of the promotions quickly is circulated to anxious hopefuls at posts around the world. The numbers promoted are small, from among a corps of professionals of whom virtually all aspire to the top ranks of the service.

The fanfare accompanying the process and the public release of the results makes the desire to be one of the chosen all the stronger. Promotion worthiness is based almost entirely on the record of an officer’s past performance, as written by his superior. The enormous influence of a single supervisor on the success or failure of the entire career of an FSO creates a strong tendency to conform; obsequiousness is common. It also compels the officer to pursue the service’s own unwritten agenda.

Regional Parochialism Distorts Analysis

The State Department in Washington and many American embassies and missions abroad have staffs far too large for effective operations. This confines the scope of most jobs to narrow areas of responsibility and an exaggerated emphasis on events occurring in a specific country. Most FSOs must focus their energies on narrow national or regional issues in a world where few international problems are so limited. The conduct of a global strategy runs contrary to the geographic orientation of most State Department officials. Rivalry for advancement compels the FSO to show his superiors that he will fight to support the interests of his country or area of responsibility, defending his area any time it is touched by a broader policy action or initiative. It is difficult for the State Department to establish global or even cross-regional policies or initiatives because of the intense geographic orientation of many FSOs, who see things only in the context of “their” area.

This regional parochialism is one of the reasons the State Department rarely develops clear recommendations and dislikes following strong policy positions. A firm posture in any part of the world is likely to have effects, however insignificant, in other parts. When regional specialists, protecting the interests of "their" region, insist on changes in policies global in scope or in policies intended primarily for a different region, the result can weaken the overall U.S. position.

Bureaucracy Encourages a Watering Down Process

The vigorous defense of the accepted approach to issues in each area inevitably leads to policy compromises, unclear recommendations, and weak policy positions. This is the result of a system where every office and bureau claims veto power over anything related to activities in its area of responsibility. Issues are "brokered out" by the Executive Secretariat to assure that the peculiar viewpoint of each geographic unit involved in any way is addressed and somehow accommodated, as though each was of equal importance. The country officer for Yemen, for example, will fight fiercely to revise a long cable even if the cable only mentions "his" country in passing. This tendency to water down policy issues often produces State Department positions lacking clarity and decisiveness.

These jurisdictional battles are hard fought, and often are far more difficult than negotiating with foreign governments. Theoretically, if units within the Department find themselves at loggerheads, the issue is supposed to be sent "upstairs" to a level beyond geographic distinctions. This is rarely done, however, because of time and workload constraints. The issue usually is "worked out," with policy concessions by the weaker office or offices. Once a position is decided within the Department through this process, there is a predictable reluctance to review or reconsider it, even when there is a different view at the White House or in Congress. The result sometimes is a State Department pursuing its own policies, which may be different from those of the President or the rest of the Administration.

Overstaffing Provides Time to Meddle in Policy

For years the State Department has suffered from overstaffing. Many well qualified officers are working at levels below their ability. This leads to make-work, nitpicking, and a tendency to revise cables or papers that are generated elsewhere. Within the State Department the illusion is created of understaffing and of FSOs who are greatly overworked. The apparent heavy workload is the result of excessive bureaucratic quibbling over minor issues, the wording of letters and cables, and even very routine matters. The workload is also the direct result of too many people whose work is divided into too many jurisdictions, which frequently overlap.

Conventional Wisdom. Idle senior officers have the opportunity, given the requirement for a dozen or more "clearances" on most telegrams or policy papers, to interject the views of their office into the Department's communications. Such views usually represent the conventional wisdom the office has been following for years, even though it may contradict or undermine policies of the Administration in office.

The result is a State Department approach to issues that often appears to be stagnant, unimaginative, accommodating to foreign governments, relatively soft on adversaries of the United States, and supportive of the status quo. It is unlikely that this can change unless excess FSOs are cut or assigned outside the State Department and those remaining are given more significant duties and responsibilities.

REQUIREMENTS FOR STATE DEPARTMENT REFORM

Efforts to reform the State Department have met with only limited success, if any. But it may be that these efforts failed because they proceeded from a wrong premise: that by adjusting the boxes of an organization chart the relationships could be altered to produce a new and better product.

Another approach has been to create new ways of motivating Foreign Service Officers to higher levels of production. This has included improved training programs, revisions in the grade structure, or increasing titles to enhance the influence of the FSO within the Washington bureaucracy. The main consequence of these attempts has been to increase fringe benefits and allowances. Needed reform has been avoided.

The State Department bureaucratic culture must be changed to encourage FSOs to put the success of the policies of the elected President above their personal interests and bureaucratic imperatives. This can be done by appointing to the Department's senior policy-making positions more individuals committed to the President's policies and willing to fight for them. At the same time, the size of the Department's career bureaucracy should be reduced; more FSOs should be detailed to other federal agencies, state and local governments, and private businesses to increase an FSO's understanding of American interests; and the President's policy-level appointees should assume greater authority over the benefits that motivate career officers.

Appoint Policy-Oriented Officials

The first step is the appointment of senior officials at the State Department who are fully committed to carrying out the policies of the President. This means very few career FSOs should hold such policy jobs as Under Secretary and Assistant Secretary. It makes more sense to appoint senior career officers as ambassadors abroad, where their long overseas experience, knowledge of foreign languages and cultures, and contacts with foreign political leaders can be used most effectively.

The senior policy positions in Washington should be filled by appointees of the President who share his vision and goals, as should more State Department jobs below the level of Assistant Secretary. Each senior level presidential appointee should have at least one deputy, one special assistant, and one staff assistant designated by the White House, in addition to the career staff, to assure that the Administration's policies are being carried out in the detailed decisions that are made in the day-to-day work of the Department.

Make Careerists Accountable to the Political Leadership

The most essential organizational change is the reduction of the State Department to a manageable size in terms of policy development and execution. Those careerists responsible for directing and carrying out the conduct of international relations must be directly accountable to political leadership.

This means that personal career interests, including promotions, assignments, bonuses, and even retention in the service, must be more directly related to the success or failure of the policies and goals of the President and his senior appointees. At present, there is almost no direct relationship between the success of these policies and the career success of FSOs responsible for advancing them. The root of this problem is the “peer review” concept, whereby FSOs are judged for promotions, bonuses, and retention by boards of peers rather than by appointees of the Administration.

Perhaps the easiest improvement would be to correct the system of executive bonuses established during the Carter Administration by the Foreign Service Act of 1980. Under this, bonuses for senior career executives are set by annual boards composed mainly of FSOs. Thus, the management of the Department cannot select the recipients of bonuses, even for the top officers in the Foreign Service. The result: many of the same members of the “old boy network” receive bonuses year after year that range up to \$10,000 and periodically may go as high as \$20,000. A change that would allow management to award executive bonuses is essential for the system of incentives to work as it should — to reward those who most help the President carry out his foreign policy.

Encourage Outside Assignments

Reducing the number of those involved in the conduct of foreign relations could go a long way toward establishing a more direct relationship between policy goals and performance. A smaller professional staff would have to concern itself with larger issues and would have less time or inclination to engage in petty disputes based on the defense of narrow geographic interests or bureaucratic “turf.” Fewer reports to write and read, fewer papers circulating within the Department, and fewer meetings would contribute to a more focused and objective operation.

The staff could be reduced without mass firings by assigning large numbers, perhaps hundreds, of FSOs for two or three years to fill vacancies or meet requirements in other government agencies in the U.S. and abroad. Working for other federal agencies, and for state and local governments, could help “Americanize” FSOs who may be succumbing to clientitis, while providing useful foreign perspectives on domestic issues.

Changing State’s Unique Perspective. In the past, there has been strong resistance within the Foreign Service to assignments outside the State Department, except for university training. The opposition stems from the belief that time spent outside the Department’s Foreign Service network harms career prospects. A former senior Department official has said that there is concern that FSOs on duty outside the Department will lose the “unique

perspective" that is shared by officers in the Department. Yet it is precisely the State Department's unique view of the world that needs to be changed.

The reluctance of FSOs to accept outside assignments could be met in part by having those assigned outside the State Department judged by a separate promotion panel authorized to promote a certain percentage of eligibles that is at least equal to the percentage promoted by the regular panels.

CONCLUSION

Imposing drastic change on a wary bureaucracy is never easy. State has proved particularly adept at deflecting reorganization proposals. To be successful, a reform plan needs to be carefully designed and must have the support of the President and Secretary of State. The Directors of the Office of Management and Budget and the Office of Personnel Management should oversee the reform project, perhaps coordinating the effort through a reconstituted Board of the Foreign Service.⁷ The appropriate congressional committees should be given a blueprint of the proposed reforms and then be consulted closely on the reform effort.

Creating a New Path. Reforms should be welcomed by the many FSOs frustrated by the present system. Reforms would not threaten the Foreign Service as a career. Instead they would create a new path that gives greater emphasis to American affairs and interests, an emphasis that should please Congress and the American people.

The FSO would have new opportunities to expand his knowledge of domestic affairs and gain experience working in the U.S. This should make it easier for FSOs to retire in their fifties and start second careers, as do their colleagues in the military. The results: greater control of foreign policy by the President and his appointees, a leaner and more efficient State Department, and an improved career pattern for FSOs.

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⁷ The Board of the Foreign Service is supposed to oversee activities that affect the Foreign Service, and coordinate such matters among the agencies that employ Foreign Service Officers. Prior to 1985, the law required the Chairman of the Board to be a career FSO, appointed by and reporting to the Secretary of State. In 1985, Congress passed legislation making the Chairman a presidential appointee and removing the prior requirement that he be a career FSO, in an effort to give the board greater oversight authority. However, the incumbent Chairman, career FSO George Vest, who also serves as Director General of the Foreign Service, was retained in the job by the Reagan Administration. This has frustrated the efforts of Congress to create a body with an independent Chairman that could provide effective oversight of the Foreign Service.

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