



**United States Department of State
and the Broadcasting Board of Governors
Office of Inspector General**

**Inspection of
Embassy Manama, Bahrain**



Chancery, Embassy Manama

Embassy Manama is very well run. Its policy advocacy is tightly keyed to U.S. strategic goals in the Middle East, and its resource management is efficient and economical. Although security and counterterrorism are post management's top concerns, regional stability, democratic reform, and trade and investment are strategic goals.

The Bahraini government provides a cooperative environment for embassy operations, but the country's internal divisions and the government's diminished authority impose shifting limits on its ability to do so consistently.

The embassy's policy instruments include a grant-based military assistance program and the Middle East Partnership Initiative. In the latter case, however, uncoordinated proposals in a variety of channels limit the embassy's ability to supervise local projects and thereby threaten the initiative's overall effectiveness and efficiency. The Office of Inspector General (OIG) also found that the embassy's grants management must meet standard criteria through better documentation and communication.

The embassy's public diplomacy effort is imaginative and expansive, but the embassy should determine whether the information resource center's space could be better used for other purposes when American Corners are established. Recent training of a program assistant will bring the public diplomacy effort's grant management into line with established procedures.

There is high personal security awareness and a lack of outside attractions. Together, this causes the post to need to pay regular attention to morale. Conversely, the same realities induce excellent daily cooperation and coordination among all U.S. agencies at the embassy and with the dominant U.S. presence in Bahrain, the naval forces of Central Command.

The management office is effective and has creatively distributed responsibilities to ensure the minimum number of employees provide excellent service. However, the human resource section's regional responsibilities should be better defined. In addition, the embassy receives regional support, but it is inadequate. The embassy is rightsized, but security and U.S. interests regionally may generate pressures for growth.

Though well managed, the consular function has been under pressure from extended staffing gaps and its limited space. However, renovation of the workspace is almost completed, and the arrival of a second Foreign Service officer in 2006 will bring the section up to full strength. This and a revamped embassy duty officer program will eliminate most overtime. The information management program is comprehensive and highly rated. Information systems security could be improved, and the locally hired employees need training in consular systems.

Background



Map of Bahrain

Mutual security interests dominate U.S. relations with the Kingdom of Bahrain, a small archipelago located off the eastern coast of Saudi Arabia, 150 miles across the Persian Gulf from Iran. The nation's population of 670,000 is 70 percent Bahraini and 30 percent foreign nationals. In 2002, a national referendum effectively transformed Bahrain from a hereditary emirate into a constitutional monarchy with the king as hereditary ruler, assisted by a prime minister and an appointed council. Parliamentary and local council elections are scheduled for 2006.

Bahrain's petroleum production, traditionally the major source of government revenue, has tapered off in recent years, and Bahrain

increasingly depends on the Saudi's sharing of their nearby petroleum reserves. The government of Bahrain has sought to diversify the economy and create a tolerant culture that accommodates both Islamic and Western lifestyles, aiming to secure Bahrain's reputation as a relatively liberal and modern Gulf State that welcomes foreign investment. This strategy has broadened the country's economic base and made it a regional hub for the service sector, especially financial services. Tourism and industries such as aluminum smelting and oil refining have created additional employment opportunities, although not enough new jobs to address an estimated 15 percent unemployment, a potentially destabilizing wedge between Bahrainis and foreign residents and the Sunni and Shiite populations. Privatization has occurred, although the government of Bahrain still controls most large industrial enterprises.

U.S.-Bahraini relations remain close and mutually supportive. The Navy's Fifth Fleet is headquartered in Bahrain and remains the linchpin of a close security relationship. In 2004, Bahrain became the first member of the Gulf Cooperation Council to sign a free trade agreement with the United States. Bahrain has been at the regional forefront of efforts to combat terrorist financing and has supported U.S. foreign policy goals in Iraq, Iran, Afghanistan, and the Israeli-Palestinian peace process. Although generally positive, the bilateral relationship has experienced some turbulence. Although the Bahraini population has a largely favorable view of the West and the United States, this does not extend to U. S. policies in the Middle East, and the government is sensitive to this dichotomy. Bahrain has remained a generally reliable partner of the United States in the post-September 11, 2001, period, and the United States has designated Bahrain as a major non-North Atlantic Treaty Organization ally for its support in the Iraq conflict. But there is also concern over growing Islamic radicalism in the country, and this also worries the government.

Office of Inspector General

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