

**Statement of Senator Daniel K. Akaka**  
**A Global Crisis with Domestic Implications: A Review of the Human**  
**Capital Crisis at the State Department**  
**Subcommittee on Oversight of Government Management, the Federal**  
**Workforce, and the District of Columbia**  
**July 16, 2008**

Today, the Subcommittee on Oversight of Government Management will examine the State Department's human capital crisis. As we approach an administration transition, perhaps the greatest problem facing the State Department is the lack of adequate staffing resources needed to meet its mission.

Over 11,400 men and women bring U.S. diplomacy to 172 countries around the world through 266 embassies, consulates and other posts. This thin line of career foreign policy professionals and support staff are our first line of defense in most of the world. They are our eyes and ears. In most countries, they are the face of America.

Our standing and respect in the world is in dire need of improvement, and our national security relies heavily on our standing in the world. The ability of the U.S. to execute its foreign policy priorities depends on these professionals to implement the policy. However, I am concerned that we are not investing enough in these employees so that they have the capabilities and means to perform their critical mission.

Secretary Powell launched the Diplomatic Readiness Initiative in 2001 to boost the presence of U.S. foreign policy overseas. As a result, more than one-thousand-sixty-nine new positions were created. Since then, Iraq and Afghanistan have consumed our diplomatic readiness and placed high demands on resources and staffing of Foreign Service Officers and civil service personnel.

To address this issue Secretary Rice launched the Transformational Diplomacy Initiative in 2006, which included a global repositioning effort to move foreign service positions from Washington, D.C. and elsewhere to mostly hardship posts in critical emerging areas including Africa, South and East Asia, and the Middle East. However, according to the State Department's recent figures, there is a shortage of more than fifteen hundred Foreign Service staff worldwide.

As this chart shows, there is a 13.3 percent vacancy rate for the foreign service at home and abroad. Domestically the rate is 18.2 percent, and overseas the rate is 11.3 percent. The most striking number is the Near East Asia vacancy rate of nearly 20 percent.

I understand that this rate is inflated because many vacant positions are filled by Foreign Service Officers on temporary duty assignment from other locations. This is fuzzy math. Staff are being taken away from their home duty station, creating a deficit there, and filling slots that should be served by permanent staff. U.S. diplomacy deserves greater stability.

What this chart does not show is the staffing deficit of mid-level officers. A lack of mid-

career officers has left embassies with junior officers performing tasks above their grade, while senior officers are being pulled in too many directions. Furthermore, since the State Department does not hire new employees into mid-level positions, this shortage could follow that group of employees in the department for years to come.

There are issues in both the career Foreign Service and the civil service. In May and September 2007 the State Department Office of the Inspector General issued two reports with more than sixty recommendations for the Director General and the Bureau of Human Resources regarding the Department's human capital. The report highlighted a broad range of issues for the HR Bureau and Under Secretary for Management such as:

- The recruitment and hiring process needs to be improved;
- There is a deficit of human resources professionals;
- Employees need better training and professional development; and
- Overall, there needs to be greater use of authorized flexibilities and coordination on human capital issues Department-wide.

The Director General is aware of these issues and working with the IG's Office to address them. Progress has been made in developing a strategy to respond to most of the recommendations. Fewer than ten items remain open, but these include an external review of the future of the civil service, certification for human resources professionals, improvements to the Career Entry Program, and better financial controls. These are important issues and need to be resolved before the next administration takes over.

In addition to the IG report, the Foreign Affairs Council, the Center for Strategic and International Studies, the Project on National Security Reform, and the Government Accountability Office have weighed in on the readiness of our diplomatic corps. In the coming months, the American Academy of Diplomacy and the Stimson Center will provide a zero based budget report for investing in the State Department's human capital. I look forward to reviewing those recommendations.

Too often, human capital and agency management are lost amongst the many priorities of agency leadership. Senator Voinovich and I have worked for years to elevate the priority of these issues at all federal agencies. I am certain we will continue to do so with the next administration. I look forward to hearing your strategy for addressing these issues as we approach the transition.