

**FOR THE SENATE FOREIGN RELATIONS SUBCOMMITTEE ON STATE
DEPARTMENT AND USAID MANAGEMENT, INTERNATIONAL OPERATIONS,
AND BILATERAL INTERNATIONAL DEVELOPMENT ON “MODERNIZING THE
STATE DEPARTMENT FOR THE 21ST CENTURY”**

TESTIMONY BY FORMER DEPUTY SECRETARY OF STATE STEPHEN E. BIEGUN

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Chairman Cardin, Ranking Member Hagerty, and distinguished members of this Subcommittee: I am honored to appear before you today to discuss the important topic of modernizing the State Department for the 21st Century.

One week from today will mark the 232nd anniversary of the founding of this historic institution, which has played a central role in shaping the policies of our Nation, and shaping the outcome of world events. The organization and structure of the State Department, much less its role in the affairs of the country, has never been set in stone. Our Founding Fathers contended with this important topic in the early days of the Republic. Congress required Secretary of State John Quincy Adams, our 8th Secretary of State, to—in addition to leading the diplomatic corps—also oversee the census and the Patent Office, monitor the laws of various states on the Union, and produce a report on the viability of national standards for weights and measures. All with a staff of ten! Adams would eventually install a management structure and system that would be adapted and revamped over the years, and would serve the State Department into the 21st century. I find confidence in knowing that our institutions are capable of evolving and improving over time.

For the State Department, its greatest asset has always been its people—their intelligence, commitment, and when called upon, their bravery, in the service of the American people. It was my great honor to work alongside those talented and dedicated public servants of the State Department. I am also honored to be on this panel with my two distinguished colleagues. Professor Slaughter’s leadership in launching the State Department’s first Quadrennial Diplomacy and Development Review or QDDR while she served as the Director of Policy Planning was particularly important in highlighting the growing role of our embassies as platforms for interagency coordination. And Ambassador Ries’s recent report with Nick Burns and Marc Grossman on The Future of the Foreign Service is an important contribution to charting a way ahead for our diplomatic corps by some of its most distinguished alumni. Throughout my time in the Department we strove, together, to make the world more free, more prosperous, and more democratic. As I told the Department’s 76,000-person workforce — Foreign Service, Civil Service, and locally employed staff—in my first communication as Deputy Secretary of State, America’s greatest strength has always been its hopeful vision of human progress.

But change is desperately, urgently needed if the Department is to continue to serve the interests of the United States of America, and the interests of the people in the employ of the Department of State. For my part, I approach the question of how to design and create a modern State Department from the lessons I have learned about people, process, and policy during my more

than three decades in government, the private sector, and the non-governmental community. I have seen the Department most recently from within, as the Deputy Secretary of State, but also from the vantage of the White House National Security Council, from the perspective of a major, global, American corporation that worked closely with markets around the world, from the perspective of several non-governmental entities engaged in advancing U.S. values overseas, and most importantly, from the oversight perspective of the Congress — to include as a staff member on this Committee.

My call for reform is not intended to be a criticism of the people working at the Department. There is no question in my mind that the American people owe a deep gratitude for myriad acts of sacrifice by State Department personnel. During my recent tenure at State, I witnessed how officers in Washington and around the world helped more than 100,000 Americans return home from COVID-19 hotspots, and the expertise and stamina they brought to bear in relentless negotiations to bring peace to conflicts. I saw brave men and women who stayed at their posts in desperate conditions during this terrible pandemic, who took assignments in warzones like Iraq, where all too frequent attacks on our Embassy served as a constant risk to our diplomats. I have seen our teams deploy to South America, Africa, the Middle East and the Korean Peninsula in attempt to end conflicts or limit the spread of dangerous weapons of mass destruction. And I have seen our people lead and show the best of our Nation in globally aiding against famine and disease, helping refugees, and those who live under dictatorships. There is much in the efforts of the State Department team for our government and our people to be proud. But, those same, able public servants, if they were with us today, would likely be the most demanding of the voices calling for the modernization and reform of the Department.

This need for reform is seen in the stultifying effect of layers of bureaucracy that suffocate and discourage our diplomats. While immense improvements have been made in the infrastructure of the Department, it is in my view too costly, too slow to be executed, and still incapable of protecting the security of our electronic communications. The footprint of the Department needs close scrutiny as well. How do we perform at our most agile? Do we need fortress-like Embassies—sometimes from which our diplomats cannot even venture in the face of local threats? And finally, how can the Department partner with the other instruments of American power and influence in the world as a force multiplier, including civil society groups and the enormous reach of the US private sector? All of these are among the many worthy areas of review to ensure the Department is fit, agile and prepared to serve its critical role in the world. And that review needs to come from here, the United States Congress.

In the post-World War II era, Congress led the way in supporting several important organizational reforms of the State Department, particularly in the 1980s and 90s, relating to embassy security; post-Cold War integration of U.S. Information Agency, Arms Control and Disarmament Agency, and integrating USAID more closely into the Department's organization; the creation of several additional bureaus and offices focused on transnational challenges like the environment, trafficking in persons, and religious freedom; and the creation of a State Department-led campaign against HIV, Malaria and Tuberculosis that turned the global tide on the AIDS epidemic. But these structural changes to the State Department have tended to be additive or around the margins and not part of a comprehensive in-depth review of the Department's mission and role in today's world. Much has changed since adoption of the 1980

Foreign Service Act, the last time major restructuring of the State Department's diplomatic corps took place. Not everything should be tossed aside, but a zero-based review should have a broad mandate to look at every element of the Department from its mission to its budget and structure to its management and personnel practices.

There is much that functions well at the State Department, and it is important to state at the outset that these aspects must not be lost as you set out to modernize the State Department. Our diplomats deserve to have the tools, skills, and resources to work on our behalf to advocate for American values and interests in today's world. But I hope you agree, Senators, that simply adding resources without a thoughtful review of the Department's mission, organization, personnel systems, and effectiveness will not meet the moment. As President Biden accurately states in the 2021 Interim National Security Strategic Guidance, our world is at an inflection point. Global dynamics have shifted, and new emerging challenges demand our immediate attention. We see authoritarianism on the march in some corners of the world, and increased strategic competition that will shape the next century and our nation's prosperity.

For this reason, I believe that Congress should move now to form a bipartisan commission to formally examine ways to modernize the State Department for the 21st century. In a Foreign Affairs article last year, Ambassadors Linda Thomas-Greenfield and Bill Burns wrote about the transformation of diplomacy and acknowledged that many of the reforms that are necessary for the State Department were considered too hard when they were in the position to lead. Their admission reflects the reality that institutional and cultural change is difficult and often set aside when confronted with pressing policy challenges or when those in the senior leadership positions have benefitted from the system they are asked to review and reform. A high-level commission should examine every aspect of U.S. diplomacy, not shying away from dealing with challenges, to include a review of:

- Our State Department organization in Washington,
- Our overseas organization and presence,
- The structure and qualities of our diplomatic corps,
- Civil service recruitment and retention,
- Barriers to recruitment, promotion, and retention of a diverse and inclusive workforce,
- Investment in the professional development of the Department's personnel,
- The role of security of our embassies and people on the diplomatic mission,
- Infrastructure in all its forms to include information technology, transportation, and the Department's sprawling global real estate,
- Diplomacy's inextricable links with defense, development, commercial, health, law enforcement, and other core American interests,
- Core legislation that authorize U.S. diplomacy: the State Department Basic Authorities Act, the Foreign Service Act of 1980, and
- Treaties that impact our overseas presence: Vienna Convention on Diplomatic Relations, Vienna Convention on Consular Relations, and other important frameworks developed largely in the 1960s.

As you can see from this list, the task is too complex, and in some case has too many vested interests and fixed viewpoints, to come from within. At the same time, previous efforts have

failed when detached from the institution and its realities. Such a commission must rely in part on the individuals who have worked from within and have experience with the daily work of diplomacy and living and serving our country overseas. As the Deputy Secretary I engaged our workforce and thought about my work in three general lines of effort around people, policy, and process. I talked regularly with affinity groups representing diverse elements of the Department's workforce. When I traveled overseas, I tried to meet with officers on their way up to hear what they were thinking about and the changes they sought. I also talked routinely with the leaders of American Foreign Service Association and of course with management. To a person, these professionals talked about change in the context of an institution they loved and sought to improve.

Let me close by sharing just a few of the thoughts I heard while listening to the mid-career officers—those closer to the day they entered the Department than to the day they will receive their retirement from the Department. These officers talked to me about: the pace of rotations, the flexibilities for remote work for partners and spouses, the transparency of opportunities, barriers to diversity and inclusion, the promotion of Department internships overseas to more diverse (less wealthy) students, increased access to the Department's oral entrance exams, accountability for bad-behaving managers, the attrition of parents as the challenges of their career and family became more challenging to balance, an overhaul of the community liaison offices overseas that had origins as a program for a trailing homemaker wife but now must serve dual-income couples and partners, improved flexibilities for family member careers that can be hindered by local tax and security rules, nationwide recruitment of Foreign Service Officers outside non-traditional schools, the Department's antiquated rules on security restrictions.

This small snapshot speaks to a need to also review and adapt the Department to support today's modern workforce. If the global pandemic has taught us something positive, it is that we can adapt and create flexibilities and reimagine our workforce. I am pleased to be part of that discussion today, and hope this is the start of an in-depth, serious, and results oriented approach.

Thank you.