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

Report of Inspection

Interim Review of the Global Repositioning Program

Report Number ISP-I-09-09, November 2008

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PREFACE

This report was prepared by the Office of Inspector General (OIG) pursuant to the Inspector General Act of 1978, as amended, Section 209 of the Foreign Service Act of 1980, the Arms Control and Disarmament Amendments Act of 1987, and the Department of State and Related Agencies Appropriations Act, FY 1996. It is one of a series of audit, inspection, investigative, and special reports prepared by OIG periodically as part of its oversight responsibility with respect to the Department of State and the Broadcasting Board of Governors to identify and prevent fraud, waste, abuse, and mismanagement.

This report is the result of an assessment of the strengths and weaknesses of the office, post, or function under review. It is based on interviews with employees and officials of relevant agencies and institutions, direct observation, and a review of applicable documents.

The recommendations therein have been developed on the basis of the best knowledge available to the OIG, and have been discussed in draft with those responsible for implementation. It is my hope that these recommendations will result in more effective, efficient, and/or economical operations.

I express my appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in black ink, appearing to read "H.W. Geisel".

Harold W. Geisel
Acting Inspector General

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KEY JUDGMENTS

- The Global Repositioning Program (GRP) achieved a significant reallocation of staff (primarily economic, political and public diplomacy positions) across bureau and regional lines. It enabled a number of diplomatic posts to strengthen their engagement with key countries such as China, India and Indonesia.
- In general, the new GRP positions are being used effectively and are furthering the overarching strategy of transformational diplomacy (TD). Strong leadership at post and flexibility in deploying these positions are important in this regard. However, the lack of supporting resources has hindered the full utilization of these positions.
- Repositioning should be a more regular feature of the Department's human resource management and should be done in a way which utilizes fully the Department's strategic planning mechanisms.
- The creation of American Presence Posts (APPs), a key part of the GRP, is on hold for budgetary and other reasons. The Department should take this opportunity to create a central point of contact to provide bureaus and posts with authoritative guidance on how to set up and manage APPs.
- The Department should coordinate future rounds of repositioning with USAID, which is undertaking a similar process and plays a major role in transformational diplomacy.
- The Department should seek additional assistance funds to strengthen efforts of State officers to conduct transformational diplomacy. This is especially important in countries without USAID programs.
- The Department should undertake a major effort to achieve the Secretary of State's goal that U.S. diplomats spend less time in their offices and more time getting out and around their host countries. This means better leadership and management at post and especially a streamlining of requirements from Washington.

- While the GRP has helped some posts, it has impaired the ability of others to carry out their work. The OIG's inspections of posts and bureaus have generally not found an excess of staff that could be cut without reducing their ability to advance U.S. interests. Important work is not being done and there is a serious deficit in training and gaps in staffing. The Department should make a greater effort to provide guidance to posts losing positions on which functions and activities they should cut.

EXECUTIVE SUMMARY

The Secretary of State's Global Repositioning Program (GRP) was designed to increase U.S. diplomatic engagement with a number of high-priority countries around the world. It is an integral part of her overarching strategy of transformational diplomacy (TD). It was a bold initiative, strategic in its concept and rapid in its implementation. It was not done through an intensive analysis of workload, staffing levels and costs; nor did it rely extensively on mission and bureau strategic plans (which in any event may not have been adequate for this process). The GRP was implemented through a senior-level working group that represented considerable experience in the Department of State (Department) and overseas. Major decisions were made by the Secretary of State.

The GRP produced the desired results in that it broke through various constraints to achieve, in a short period of time, a significant reallocation of positions across regional and bureau lines. Two of its major beneficiaries, U.S. Embassies in Beijing and New Delhi, are now the first and third largest in the world in terms of Department economic, political, public diplomacy (PD); and environment, science, and technology (ES&T) officers – the primary focus of this initiative. In fact, the economic section and the political section in Beijing each has about as many officers as the combined total of economic, political, and PD officers at Embassy Berlin.

In general, the new positions are being used effectively. However, their effectiveness is limited by a lack of resources to support their work, including travel and representation funds and locally employed (LE) staff. As expected, the shift has reduced the ability of those posts and offices that lost positions to accomplish necessary work, including outreach and voluntary reporting. If repositioning becomes regularized, it can be done in a way that takes greater account of the Department's strategic planning mechanisms and involves prioritizing of posts in terms of overall U.S. interests, and assessments of relative workload. This should be done largely through additional rather than repositioned personnel. The Secretary's budget proposals requested new positions, but they were not approved by the Congress. Repositioning is a necessary process at all times – in feast and in famine. But in times of tight staffing, the scale of repositioning may have to be smaller, and the impact on losing posts and bureaus given more attention. (As it turned out, staff shortages and budget shortfalls caused the GRP to be scaled back.) In any event, the Secretary

of State's repositioning initiative sets an important precedent that should become a more regular part of the allocation and management of Department personnel.

This interim review of the implementation of the GRP makes the following findings:

Post leadership is critical. The clear commitment of the Ambassador and the deputy chief of mission (DCM) is essential if a post is to utilize its GRP and other personnel effectively to advance the strategy of transformational diplomacy. China and Indonesia are particularly good examples. Brazil falls short.

GRP positions should be used flexibly to achieve TD goals. At some posts, the extra capacity provided by GRP positions is being used to enable existing as well as GRP staff to increase TD activities. Many officers in GRP positions have been assigned traditional duties that reflect, with some necessary changes, the position descriptions that formed the basis for their inclusion in the GRP program. These positions also have an explicit or implied outreach element. Apart from American presence post (APP) and PD staff, it is unrealistic to expect that GRP positions will be focused primarily on outreach. Also, language, personality, and other skills may warrant assigning an existing officer to do more outreach than someone in a GRP position. Flexibility is necessary to accomplish the program's goals.

Resource support for the GRP positions is insufficient. The GRP process focused on the transfer of economic, political, and PD positions; it was expected that existing systems would ensure that additional resources would be transferred to GRP posts to cover support costs. Posts generally received funds to cover recurring costs such as allowances, and in some cases, start-up costs. Expectations that the International Cooperative Administrative Support Services (ICASS) system could provide adequate support funds proved unrealistic, primarily because of difficulties in implementing the ICASS system and a global shortfall in the ICASS account. Also, because of the generally tight budget situation, the additional GRP positions were not accompanied by an increase in program funds to cover travel, representation, and, with a few exceptions, LE staff – all of which are essential to support expanded outreach. Embassy New Delhi, for example, now has a large, enthusiastic political section that has the time and desire to increase significantly its level of outreach around its very large district. However, it has no money to do so, and travel funds are likely to decrease further as the post has to fund an increase in LE staff salaries with no increase in budget.

APPs need a home office in the Department. APPs can be a very effective diplomatic tool, but setting them up is a complicated process. Host country approval can be difficult. Meeting security requirements can be challenging and expensive. Is-

sues such as diplomatic versus consular status have to be resolved. The information available on an APP website is helpful but not sufficient, so each post has to address these and other issues on its own by contacting other posts or individuals informally. This is inefficient and risks serious error. A central point of contact in the Department is necessary.

APPs in Medan (pre-GRP) and Wuhan are proving to be successful. Bangalore, Danang, and other cities appear to be promising sites for APPs. But bureaus and posts have to carefully examine cost effectiveness, particularly taking into account security costs. In the meantime, embassies must develop plans to utilize GRP positions that were intended for APPs that are not yet open. Under the GRP, they are to be used primarily as “circuit riders” building a relationship with the APP city and region through frequent travel. This circuit rider concept is being tested as APP officers arrive in Brazil, China, and elsewhere before their APPs are established. (Most APPs are now on hold because of the Department’s serious budget situation.) This test can also demonstrate whether circuit riders, while probably less effective, can be an acceptable, cheaper alternative to an APP.

Virtual presence posts (VPPs) are a useful way of structuring outreach, but there is confusion about what they are. Despite the good work of a home office for VPPs, some posts still think of them primarily as websites and thus question whether they add much value beyond existing embassy websites. The more effective VPP concept puts the focus on “presence” rather than “virtual.” China’s virtual presence program and Indonesia’s virtual liaison officer posts – which emphasize repeated visits to a single city and region – constitute a best practice. A Foreign Service officer is given responsibility for a city or region, often in partnership with officers from other sections or agencies. That officer and team are charged with traveling to the region on a regular basis, developing contacts and programs, and building a relationship not only between that region and the embassy, but also between the region and U.S. counterparts, including government and educational institutions and businesses. A website is useful to support this process by publicizing a growing relationship and providing information of use to regional contacts. Again, for VPPs to be successful, adequate travel, representational, and LE staff resources must be provided.

There should be more coordination with the U.S. Agency for International Development (USAID) in the GRP and TD processes. The GRP was not coordinated with USAID, which was undertaking its own repositioning of programs and staff. In India, the expansion of the political and PD sections to increase the embassy’s capability to conduct transformational diplomacy coincided with a significant reduction in the staff and programs of USAID, the major U.S. vehicle for transformational

diplomacy in India. USAID's programs in education, investment law, women's rights, and the environment were essentially terminated, leaving health as the one significant area remaining. The cancelled USAID programs were mostly technical assistance programs that mobilized a large amount of local funding based on the success of pilot projects. If the Department is redeploying diplomats to advance TD, it seems inconsistent – even potentially self-defeating – to do so without at least taking USAID's programs and staffing into account.

A key issue is whether the Department and USAID are looking at wealthier countries such as India, Brazil, and Russia more in terms of traditional development assistance, where there may be a less compelling case to maintain USAID programs, than in terms of transformational diplomacy where USAID's technical assistance and capacity building programs can play a critically important role in achieving U.S. objectives.

The Department needs more funds for programs in priority TD countries, particularly if USAID is not present. If the U.S. goal is to shape policies and developments in other countries, as the Secretary explained it, then money for programs is needed. Programs of the Bureau of Democracy, Human Rights, and Labor (DRL), Bureau of International Narcotics and Law Enforcement Affairs (INL), Office to Monitor and Combat Trafficking in Persons, Ambassador's self-help funds, etc. are all important tools, but larger, flexible sources of funds, such as the Middle East Partnership Initiative (MEPI) program (though not necessarily that large), would be very useful for all regions if the Department is to more effectively advance transformational diplomacy goals. This would also require more program management training for political and economic officers, a need the Foreign Service Institute is striving to meet.

The Department should undertake a concerted effort to achieve the Secretary of State's goal that diplomats should spend less time behind their desks and more time getting out and around their host country. The Office of Inspector General (OIG) found that most diplomats share that goal but that other forces, largely Washington generated, are keeping them in the office. Visitors, policy advocacy, required reporting, and other taskings, along with administrative requirements and demands from post leadership, keep too many diplomats inside the embassy and in the capital. As staffing levels have shrunk and the above demands increased, the nonrequired functions of voluntary reporting and outreach have suffered. The Secretary has wisely put a high priority on outreach, but without a reduction in other demands and an increase in travel and other resources, this priority will not be realized. Post leadership can in some cases make more efficient use of staff, providing greater opportunity for outreach. OIG can monitor this through the inspection process. But the

Department can do more to reduce visitor support requirements and consolidate or streamline required reporting and other taskings. Particular attention should be paid to reducing the time consuming negotiations among bureaus and posts on certain required reports.

OIG, in its inspections of posts and bureaus over the past five years, has generally not found an excess of staff that could be cut without impairing U.S. interests. To the contrary, it has found that because of short staffing, much important work is not being done adequately and that there is a serious deficit in training, and too many gaps in staffing. The Secretary of State's proposed increase in staffing will address some but not all of these problems.

While the GRP has eased the workload problem in some key posts, it has exacerbated the situation in others. Besides reducing the capability to do outreach and voluntary reporting, as mentioned above, the GRP and other cuts have had a negative effect on some posts' ability to develop contacts and engage in effective advocacy. Reductions in the staff of bureaus in the Department have reduced support for posts, in some cases resulting in work being done abroad that could be done more cheaply in Washington.

Bureaus were given a target for the number of positions to be cut in the GRP process; they then identified the specific positions. One of the two major losing posts, Berlin, was probably cut too far. It could productively use a few more officers to increase its advocacy, outreach, and reporting. Germany is one of the most important countries in terms of overall U.S. interests, and the relationship with the German public and Government can use more attention. The post that lost the most, Moscow, was inspected in 2005, before GRP. That inspection found that the post could manage with fewer diplomats if mid-level jobs were filled by mid-level officers with necessary language and tradecraft skills, rather than inexperienced entry-level officers who had insufficient language training. Russia is a country where transformational diplomacy is a high priority, and there is plenty of important TD work for capable staff to do. Both Russia and Germany warrant an investment in developing a stronger cadre of officers with good language skills to manage these relationships over the next decades.

Guidance should be given to "losing" posts as to what functions they can cut. Many posts and bureaus have lost positions over the past few years for a variety of reasons, but in few if any cases were they informed of work that they no longer have to perform.

Given tight staffing and shortages of resources, future GRP efforts should be well prepared through a rigorous “business” plan. Global repositioning should be a continual concern. Staffing has to be adjusted across as well as within regions to take account of changing priorities. The GRP, particularly phases I and II, was a reflection of strategic choices made by the Department’s top leadership. It was done in a way to cut through barriers and constraints to make significant changes in a short time frame. In this respect, it was very effective. But it also entailed serious costs. Going forward from here will require more planning, including more use of the Department’s strategic planning mechanisms and development of a better methodology to enable the Department to reposition its personnel and supporting resources in a more analytically rigorous, cost-effective manner.

This review was prepared by two senior inspectors, Ambassador Richard Hecklinger and Keith McCormick, based on consultations in Washington, visits to U.S. embassies in China, India, Indonesia, Vietnam, and Germany, regular OIG inspections of overseas posts in 2007-08, and responses by posts to an OIG survey.

FINDINGS

THE SCOPE OF THIS REVIEW

This Interim Review of the Global Repositioning Program stems from a suggestion by the former Director General to the Inspector General that OIG monitor how the program was being implemented, including whether the new positions were being used in a way consistent with the objectives of the program and whether they were adequately supported. OIG decided to conduct a thematic review that drew upon the various inspections already planned or underway plus visits to certain key GRP posts that were not scheduled for a normal inspection. An OIG team of two persons went to Beijing, New Delhi, Jakarta, and Vietnam, all posts that gained staff, as well as Berlin, which, along with Moscow, lost the most positions in the GRP process. The team also met in Bangkok with DCMs from Bureau of East Asian and Pacific Affairs posts, and the OIG team met in Washington with selected DCMs from Bureau of European and Eurasian Affairs (EUR) posts. Regular inspections covered GRP “gaining” posts in Brazil, Bolivia, Nicaragua, Nigeria, Liberia, Morocco, Algeria, and Burma, among others, as well as “losing” posts in Japan, Canada, and elsewhere. A prior inspection in 2005 covered Russia. A survey was sent to selected posts not visited or inspected, and the responses are incorporated into this review. The GRP did not cover reallocation of staff to Iraq.

ARE GRP OFFICERS PERFORMING TRANSFORMATIONAL DIPLOMACY?

The first question the OIG team faced was what are the GRP positions expected to do? The GRP was specifically designed to advance the Secretary of State’s strategy of transformational diplomacy. Her speeches and statements thus were key to understanding the overall mission of GRP officers (as well as of Department bureaus and posts more generally). Each position approved for the GRP had a description of duties, which in many cases looked quite standard or traditional. Were these compatible with the Secretary’s strategy?

In fact they were. The broad definition put forward by the Secretary encompasses much of the work that diplomats have long been doing, and now they are being asked to do more of it. The Secretary is also asking them to spend more time on outreach – to get out of their embassies and capitals to build contacts and relationships with people and institutions around the country, and “work on the front lines of domestic reform as well as the back rooms of foreign ministries.”¹ The objective of transformational diplomacy, she said, is “to work with our many partners around the world, to build and sustain democratic, well-governed states that will respond to the needs of their people and conduct themselves responsibly in the international system.” She has identified areas such as improving the business climate, education, health care, and the environment in addition to development of democracy.

In this context, economic officers in China working to promote implementation of WTO obligations, financial sector reform, and respect for intellectual property are engaging in transformational diplomacy. Political officers in Indonesia who are helping implement programs to train police and the judiciary are engaging in transformational diplomacy. Other examples include political officers around the world promoting human rights and protection of women and children, economic officers in Liberia and Nigeria working with host governments to help them adopt the policies and institutions that could improve their economic performance, and PD officers running programs to help strengthen local educational systems and English language instruction.

How about getting out of the embassy and the capital? Should all the GRP officers be doing this? Those serving in APPs and consulates are by definition going to do this much of their time. But in embassies? The OIG conclusion is that posts have to have some flexibility. Most new GRP positions have capital/embassy based responsibilities and cannot be fenced off from this type of work; it is part of their job descriptions. Yet we looked to see whether they also engaged in outreach activities. In Beijing and Jakarta, the GRP positions are being used to provide the capacity for existing as well as new staff to spend more time on outreach. Post leadership has placed a high priority on outreach for all economic, political, and, of course, PD officers. Those in existing positions are often able to do more outreach than those in GRP positions because of stronger language skills. In general, we found a high level of attention to outreach among the GRP positions, depending on job responsibilities, language skills, and the availability of travel funds. The country summaries at the end of this report will cover this point in greater detail.

¹Speech by Secretary Condoleezza Rice at Georgetown University, January 18, 2006

The OIG team found some confusion in the Department and in posts overseas as to the precise meaning of transformational diplomacy. Some people think it is primarily outreach as opposed to the broader definition described above. The Department may wish to clarify this matter, though the OIG team believes that the Secretary's statements provide sufficient guidance, and that an attempt to narrow the definition could be counterproductive.

The Secretary's concept of transformational diplomacy is very similar to the active, engaged diplomacy of the Cold War era. During that period, the Department, the U.S. Information Agency and USAID, with more generous staffing and program funding, played a key role in a global competition between two economic, political and social systems. They worked "on the front lines of domestic reform" to help countries achieve the economic progress and democratic political systems that would ensure a better life for their citizens and a more stable, peaceful global community. Department officers had the time and resources to move around host countries and establish relationships with key elements of their societies, such as youth, labor, business, academia, and of course, political parties. The U.S. Information Agency had large, active programs and a significant number of America Centers outside capitals. USAID assistance programs were more robust and had a major influence in host countries. As staffing and budgets became tighter, the engagement in many countries weakened, but the goals remained the same. The Secretary of State's transformational diplomacy initiative thus was planted in already fertile ground, and the support it has received from outside sources such as the Embassy of the Future Study and the Report of the Advisory Committee on Transformational Diplomacy (as well as the statements of the current Secretary of Defense), indicates that it will likely be part of the policy of future Administrations.

THE NEW LINEUP: RESULTS OF REPOSITIONING

While the GRP was not based primarily on an assessment of relative staffing levels, it is useful to look at these levels to see how the GRP has changed the deployment of political, economic, ES&T, and PD officers around the world (apart from Iraq) from 2005 to 2008. As a result of GRP (as well as some other more minor repositionings):

- The U.S. mission in China (embassy and constituent posts) has expanded its lead as having the largest number of Department political, economic, ES&T, and PD officers countrywide. Embassy Beijing passed Embassy Moscow by a wide margin to be the largest embassy in terms of these categories of officers.

- The U.S. mission in India has moved from fifth to second place overall and first in PD officers. Embassy New Delhi moved from sixth to third place.
- The U.S. mission in Russia dropped from second to third; Embassy Moscow from first to second.
- Embassy Tokyo and U.S. Mission Japan dropped from third to fourth.
- Embassy Jakarta moved from tenth to fifth, Indonesia from eleventh to eighth.
- Mexico and Brazil are fifth and sixth overall. Germany is seventh. Embassies London and Paris are sixth and seventh followed by Mexico City, Berlin, Brasilia, and Rome.

The impact of GRP was affected in a number of posts by the loss of temporary Diplomatic Readiness Initiative (DRI) positions, the “Iraq tax”, and other cutbacks. For example, GRP added five officers each to the political and economic sections in Beijing. However, each section lost two DRI positions. Vietnam gained four positions from GRP, including two economic positions, but lost two economic/political DRI positions, so its net gain was one PD officer and an APP officer for Danang. The impact on GRP losing posts was in most cases exacerbated by these other cutbacks.

A number of factors should determine appropriate staffing levels. Among them are U.S. interests (including global and regional as well as bilateral interests), level of U.S. Government engagement, difficulty of dealing with host governments and societies (this could work both ways), degree of nongovernmental engagement, availability of facilities and other living and working conditions, and prospects for successful transformational diplomacy. Population is important as it relates to U.S. interests and the level of engagement necessary to further those interests, but in and of itself should not dictate level of representation.

GRP AND TRANSFORMATIONAL DIPLOMACY: POST LEADERSHIP IS CRUCIAL

As mentioned in the key judgments above, post leadership is an essential factor in pursuing the Secretary’s strategy of transformational diplomacy, whether in GRP or non-GRP posts. In particular, ambassadors have to raise the priority of outreach and sacrifice some other work to ensure that it receives due attention. Outreach is

time and resource intensive for officers and staff. In China, which received an additional 26 positions, the Ambassador and DCM have placed a high priority on TD, including outreach to areas of the country that have previously received little attention. Section chiefs and the management staff know of this priority and therefore adjust workload and resources to make it happen. The ambassador and DCM have also used one of the new GRP positions as a full-time coordinator of TD, including setting up APPs and VPPs. This position, which reports to the DCM and also does strategic planning for the mission, plays an essential role in the development and implementation of the mission wide TD program. The OIG team considered creation of this position to be a best practice. As noted above, the ambassador and DCM in Jakarta have provided the same type of strong leadership. Embassy Quito created an interagency TD coordinating committee that meets with the ambassador quarterly and, as in Beijing, all economic, political, and PD officers have outreach responsibilities incorporated into their work objectives.

Embassy Rome, which lost positions in GRP and other cutbacks, and has had to reduce certain activities such as analytical reporting, has nonetheless implemented an ambitious, issue-oriented outreach program involving all sections, agencies, and importantly, LE staff. Strong leadership from the ambassador, including personal engagement and creative management of staff, was the key.

Brazil is at the other end of the spectrum. There an ambassador, though personally very active, has so dominated the time and resources of the political, economic, PD, and other sections that they are not able to get out of the office and the capital to the extent that would be necessary to achieve the Secretary's goal.

The OIG team recommends that even more emphasis be given in training for new ambassadors, DCMs, and section chiefs on the need to ensure that officers on their staff are more personally engaged in outreach and other TD activities. While mission leadership has to be given appropriate support, front offices in many posts tend to over-utilize staff resources. Officers are not free goods. They have functions they have to perform and now a clear mission from the Secretary of State to be more engaged in reaching out to key individuals and groups and trying to help host countries shape new policies. Work requirements of Foreign Service officers should reflect this priority. OIG can reinforce this point in post inspections.

RESOURCES: ALL DRESSED UP AND NO MONEY TO GO

By far the major complaint from the GRP posts is the lack of supporting resources. This is a result of inadequate transfer of funds under the GRP process and, more importantly, the serious budget situation at the Department. Few posts seemed to have a problem covering the recurring cost (allowances, etc.) of the transferred positions. Some received start-up funds (office equipment/furniture/etc.); others did not. With the exception of a few PD LE staff positions reallocated by the Office of the Undersecretary for Public Diplomacy, posts generally did not receive additional program funds under GRP to cover travel, representation, and LE staff costs. This may be largely the result of a global shortfall in program funds, but in any case it has hindered the effective deployment of the new positions. Finally, ICASS did not seem to be able to provide adequate resources to the GRP posts. There were a number of reasons offered for this, including difficulties in implementing the ICASS system and the global shortage of funding from the Department to meet ICASS obligations.

The most striking evidence of the shortfall in resources was in India, where a large political section, reinforced with five GRP positions, was willing and able to get out and around the country but had virtually no additional travel monies to do so. Travel funds were also inadequate in other posts, both winners and losers in the GRP process. In many of the countries where new GRP positions were created, the effective use of American officers requires more local staff, but few gaining posts have been able to hire them. In India, Vietnam, and elsewhere, this has proved to be a serious limitation on new travel and outreach efforts.

If there are future rounds of the GRP and if outreach is still a major objective of the program, then more attention needs to be given to supporting resources even if that would mean creating fewer new positions. Generally, more travel funds as well as money to run programs (see below) will be essential to implement the Secretary's transformational diplomacy strategy.

APP CALL HOME

APPs can be an effective way to extend our diplomatic reach. Primarily one to two American officer posts, they are predominantly representational and PD operations, with some commercial, reporting, and other work thrown in. They require a certain type of person – a self starter who is more a politician than an analyst, and fluency in the local language is essential. (These skills have to be taken into account

in the assignment process). Whether APPs are cost effective depends on the country. Security considerations have increased their cost significantly in many countries and have thus modified the bare-bones concept introduced in France in the 1990s.

Setting up an APP is not easy. Whatever it is called, it is a consulate under international law. Getting permission from a host government to establish a consulate can take time and effort and often reciprocal permission to open a consulate in the United States. Governments such as China and India are not particularly enthusiastic about such posts. First, they prefer that any new post offer visa services to their citizens. Second, the fact that such posts are a key part of a “transformational diplomacy” strategy makes them suspicious. However, a mixture of creative persuasion and incentives, particularly accepting new posts in the United States, could win out, though it will take time, particularly in China. The fact that a number of APPs are now on hold because of Department budget issues provides more time to work this out. However, at some point the plug has to be pulled on some pending APPs, or at least assignments of officers held up. For example, an OIG inspection recommended that the APP officer for Santa Cruz, Bolivia, now traveling to the region from La Paz, not be replaced when her assignment ends because there is little prospect that the APP will open and the Embassy can cover the region adequately.

The OIG team found that posts trying to set up APPs are hampered by the absence of a home office in the Department. Despite the body of information available on the APP website, action officers in need of additional information are calling colleagues in posts that have more experience, are and trying to find anyone in the Department who can offer advice. There is a lot of reinventing the wheel and a lack of coordination and control. Some posts have received confusing or contradictory advice, including on issues such as whether APPs can be opened in cities where the post has a local consular agent. The Department needs to create or designate an office to act as coordinator for the global APP program. It should handle not just the nuts and bolts of setting up an APP, but should be able to provide advice on issues such as scope of responsibility and reporting channels.

One potential problem with APPs is that some embassy offices may try to load them up with additional administrative and program responsibilities, thereby cutting the time available to do outreach and PD. A related issue is whether the APP officer should oversee other agencies present in the district. Another issue is whether an APP should report to the nearest full-service consulate or to the embassy. This was a matter of some controversy regarding the three planned APPs in Brazil. Yet another issue is what to do with APP officers who come to an embassy or consulate before their APP is established. Under the GRP, those officers should be dedicated to setting up their APP and “circuit riding” to their new district. Could they also

spend some time on other business in their temporary post? A home office could provide guidance or help a post or bureau contact the best authority. It could also create an electronic newsletter in which APPs could exchange experiences, information and best practices.

VIRTUAL PRESENCE POSTS: IS IT VIRTUAL OR IS IT PRESENCE?

There is a home office for VPPs. But that doesn't mean there is no confusion about what they are. A different name might be helpful. Some posts still think of VPPs as primarily websites. As such, they don't offer much beyond the normal embassy website and may not be worth the effort. The VPP concept elaborated by the e-diplomacy office at the Department and some posts overseas entails embassy or consulate officers establishing a program of regular visits to a region and reinforcing it through electronic communication. This is certainly the better way to do it.

This VPP concept – with sustained, physical presence as the primary goal – is a promising way for posts to structure their outreach. As implemented in Indonesia and China, one officer takes the lead, and officers from other sections and embassies participate. Officers are selected in part for their area of substantive expertise, e.g., a financial center would be the VPP for the economic officer responsible for finance. A consular officer would be on each team. PD officers would either be on the team or provide contacts and advice, and the PD section would help set up a website. Other agencies, particularly the Foreign Commercial Service, would be encouraged to participate. The VPP team would also establish contact with other American individuals and institutions active in that region to reinforce each other's efforts.

Not all posts, not even all GRP posts, are in a position to set up effective VPP programs. They are time and resource intensive. But though expensive, they are a very promising outreach and TD tool. The OIG team would recommend that in any future repositioning/reallocation, particularly one carried out under a strategy of transformational diplomacy, consideration be given to transferring (and fencing-off) resources for VPPs.

LEFT HAND - RIGHT HAND: COORDINATION WITH THE USAID

The GRP was carried out with little or no coordination and consultation with USAID. This would have been useful, particularly since USAID was carrying out its own repositioning. USAID has long been one of the U.S. Government's key instru-

ments of transformational diplomacy. While the main responsibility of Department diplomats is advocacy and implementation of U.S. policies, USAID development officers have had the lead on technical assistance and capacity building, working on the “front lines of domestic reform” to help partner countries “build and sustain democratic, well-governed states that will respond to the needs of their people,” as the Secretary of State defined TD.

Promoting domestic reform in foreign countries requires sustained, well-constructed programs drawing upon public and private funding. That is why the OIG team found it difficult to understand why in India, a major priority of GRP, a series of well-developed USAID technical assistance programs in important TD fields such as education, environment, democracy, human rights and the role of women, and improving the business environment was eliminated. While India is getting wealthier, it still is beset with serious problems in all areas and can benefit greatly from a continued partnership with USAID. Also, many of the USAID programs earn multiples of funding from Indian sources. These programs cannot be replaced by the work of additional Department diplomats. A similar situation exists in Brazil. Are we looking at these wealthier but critically important countries as targets of broad development assistance where it is more difficult to make a convincing case, rather than as targets for TD programs like technical assistance and capacity building where the case is much stronger?

Indonesia presents a different picture. USAID programs have increased in size and scope, and the Millennium Challenge Corporation has a threshold program. The areas covered by these and other sources such as International Military Education and Training and INL/Justice include education, health, anticorruption/good governance, democracy, economic growth, environment, counterterrorism, judicial reform, and training for police and military. This is a broad TD agenda, and there is close interagency cooperation. GRP officers are actively involved in programs on environment, anticorruption, and judicial and police training.

Future rounds of GRP, especially if they are carried out under a broad strategy such as transformational diplomacy (rather than simply workload based), should assess Department staffing in the context of the programs and staffing of other agencies that are integral to that strategy. Staffing and programs in international organizations relevant to that strategy should also be taken into account.

FUNDING FOR DEPARTMENT-ADMINISTERED PROGRAMS

Securing more program funds and improving Department officers' ability to manage them should also be a part of a comprehensive TD strategy.

Particularly in those countries where there is no USAID presence, Department administered programs play a critical role in pursuing a TD strategy. Money is needed to make things happen – to help shape policies and developments in host countries. It doesn't have to be a lot. Small amounts, wisely spent, can have a significant impact in certain areas. Ambassadors' self-help funds, monies from INL, DRL, and others are all important tools. But it would be helpful if more program funds could be allocated to TD priority, non-USAID countries. Regional programs like MEPI would be most useful, though they do not have to be that large and could have a higher share of post-generated programs. The GRP has improved the Department's ability to handle such programs in some countries, and some GRP officers are already actively engaged in program management. This has long been a normal part of the responsibilities of PD officers, but because political and economic officers, GRP and non-GRP, are doing more of this, the Foreign Service Institute training is essential.

HOW CAN WE GET OFFICERS OUT FROM BEHIND THEIR DESKS?

The Secretary of State wants Foreign Service officers to spend more time out of their offices and out of the capitals extending their reach more widely around their host countries. The importance of this message has been reinforced by reports of nongovernmental bodies such as the Embassy of the Future project and the Advisory Committee on Transformational Diplomacy. Because many diplomats like nothing better than doing outreach, the essential question is, what is keeping them tied to their desks?

The main answer, of course, is workload, much of it Washington-generated. For a number of posts, handling visits is the largest element of their work. For all embassies, it is also policy advocacy, required reporting, various taskings from Washington agencies through cables or e-mail, management/administrative requirements, supporting the Ambassador and DCM, and intraembassy coordination. Nonrequired but important work such as voluntary reporting, contact development, and outreach are being squeezed out. Even important required tasks are being shortchanged. More and more posts are having difficulty carrying out effective, face-to-face advocacy rather than simply "delivering the mail." Some posts lament that there is not

enough time to do the follow-up, the persuasion (which requires researching the substance), and the advance contact work to build a relationship of trust with host country interlocutors.

The Department should undertake a systematic review of how to reduce or streamline the overseas workload. Visitors are an essential element of the relationship with other countries and warrant significant attention from embassy officers and staff. But are there ways, in addition to the country clearance process, to limit their number and size, particularly at stressed posts? Can required reporting be rationalized though combining some reports (e.g., human rights and religious freedom) or at least harmonizing their deadlines? Can the Department also do something to streamline the contentious editing and approval process for some required reports, particularly those on trafficking in persons, which take excessive time and effort of posts and bureaus? Can offices and agencies tasking posts through cables and e-mail be obligated to take into account the costs they are imposing on posts, particularly for global or regional demarches? These are not new issues, and they are difficult to address. The Department recently made an attempt to work with the Congress to rationalize mandated reports but was not successful. But these and other reforms need to be pursued if the Department is serious about wanting more outreach and other work.

The importance of post leadership in terms of making more efficient use of staff was already covered above. That is an essential part of this effort and, unlike the factors under control of Washington, can produce immediate and often significant results. In addition, OIG inspections have found that some posts could improve their efficiency through such measures as developing better guidelines for handling visitors and more effective contact management systems.

One must also take into account the fact that moving embassies out of the city for security reasons can add to the time burden shouldered by Foreign Service officers. In some capitals, a normal working day can be lengthened by up to two hours by the need to travel from the new locations to government ministries and parliaments. Security controls within embassies also consume time. A political officer in one large, high-threat post had to pass through 12 controlled doors to go from her office to the secure space to discuss or draft classified materials. Do the Bureau of Overseas Buildings Operations and the Bureau of Diplomatic Security have adequate metrics in their planning processes to address these hidden costs? The Bureau of Overseas Buildings Operations' urban embassy model could help cut down travel time.

The cost-effectiveness of bureaus and posts overseas is also impaired by the Department's antiquated system of payment of personnel. Paying American direct hires centrally and having the bureaus and posts pay everyone else undercuts the incentives for optimum utilization of personnel. It promotes greater demand for the most expensive category – direct-hire Americans. That leads to another issue – the “empowerment” of LE staff. In some countries LE staff can do much of what direct-hire Americans can do. In other countries, the amount spent on one direct-hire American could be used to hire a team of capable LE staff. But are there sufficient incentives to make this happen?

LOSING POSTS: WHAT IS THE IMPACT?

As explained in the key judgments (above), OIG has generally found staffing overseas and in the Department to be tight and that useful and even important work was often not being done. The GRP, as well as other cutbacks, exacerbated this situation in some losing posts and bureaus. OIG discussions with representatives from various posts, including a meeting with DCMs from selected European embassies, identified some common problems, most of which were identified in the previous section: less capability to develop and cultivate contacts, participate in outreach activities, perform effective advocacy and persuasion, and do voluntary reporting. As “global platforms,” embassies were seeing their workload/visits increase including dealing frequently with “transformational” issues in other parts of the world. There was also concern about reduction of staff in Washington. In EUR, the creation of merged, super-sized offices handling multiple countries has reduced attention to posts large and small. (For example, the largest Western European countries have one and a half to two and a half desk officers when fully staffed.) While there may be enough people to do the memos and the mail, they may not have enough time to do all the interagency work, the outreach, and the reading/research to provide the expertise and support necessary for both the posts and the bureau. One possible result is that more work will be done by the posts, at a higher cost.

Two of the largest posts in terms of political, economic, ES&T, and PD officers - Moscow and Tokyo – undertook their own restructuring programs that reduced positions in these and other categories. Moscow lost the greatest number of positions in the GRP – 13; Germany lost the second most – six in Berlin and six in the consulates; London, Tokyo, Warsaw, Oslo, Budapest, and Hong Kong lost three apiece; Paris and a number of others lost two. EUR lost about 13 positions in the Department.

It is important to note that the bureaus identified which positions to cut in order to meet an overall target they were given by the Department's leadership. New GRP positions, on the other hand, were approved, based on proposals by the bureaus, and by the Secretary on the advice of a working group reporting to the Undersecretaries for Political Affairs and Management.

The impact of these losses varies. Recent inspections of Japan and Canada concluded that staffing levels in the political, economic/ES&T, and PD sections were adequate. The OIG team that visited Berlin concluded that staffing levels were not really adequate to carry out their mission. Too many areas were not accorded sufficient attention in the relationship with this very important but sometimes difficult ally. There was also concern at post that cuts in staff dedicated to Germany in EUR and abroad would not allow the Department to maintain an adequate German "cadre" to manage this relationship over the next decades. This same concern was raised with regard to Russia.

A recent inspection of posts in Russia, before the Ambassador's restructuring plan and the GRP cuts had been implemented, concluded that while some paring back was warranted, the major problem was that too many of the officers did not have the language and experience to be effective, in large part because too many jobs were being filled with entry-level officers who could not receive enough language training. The potential role for qualified diplomats in Russia is significant, particularly for transformational diplomacy. The Department may have reduced staff too much in Russia if a primary U.S. objective is TD.

Smaller embassies in Western Europe have lost a considerable number of political, economic and PD officers over the past decade, making it difficult for them to keep up with mandatory work. The U.S. Mission to the European Communities expressed concern that posts were less able to lobby European Union members in their capitals.

In the Bureau of East Asian and Pacific Affairs, Hong Kong, which lost three positions, and Vientiane, which lost a DRI position and did not receive a GRP slot, stressed the importance of covering Chinese activities from the periphery, something they felt less able to do now.

The OIG team found no case in which posts that lost positions were informed of work that they no longer need to perform. The Department, in addition to undertaking an effort to try to reduce Washington-generated workload on posts generally, should also try to give guidance to posts losing positions as to which functions they can reduce or eliminate. This will not be easy, but it should be pursued. Posts would welcome such guidance.

FUTURE REPOSITIONING

The periodic repositioning of economic, ES&T, political, and PD personnel within and across regions and bureaus is simply sound management. The Department laid the groundwork to do this, as well as reposition other personnel, in the mid-1990s with the creation of the Overseas Staffing Model (OSM). But while the OSM was used as a basis for the allocation of new DRI positions and for overall workforce planning, it was not used extensively in the GRP.

If repositioning becomes regularized, it can be done in a way that takes greater account of the Department's strategic planning mechanisms and involves prioritizing of posts in terms of overall U.S. interests and assessments of relative workload. It should also be based on a full and accurate account of global staffing levels – post by post – that should be available to all bureaus. As in the early stages of the OSM process in 1995-96, a discussion among bureaus of staffing levels, which allows comparisons among posts and regions, can be very useful in determining which posts need more and which can manage with fewer personnel. Functional bureaus must also be brought into this process. (Unfortunately, in the GRP bureaus such as DRL and Economic, Energy, and Business Affairs were not adequately consulted). This will be a longer, more complicated process than the GRP and will require improvements in existing planning tools.

While it is more difficult to create a quantitative model for determining how many economic, ES&T, political, and PD officers are necessary in each post than it is for consular, management, and other officers where workload is more easily identifiable, a methodology with clear criteria, including ratings of subjective factors such as level of importance to the United States, and quantification of factors such as number of visitors, can be combined with other considerations to produce a more analytically sound result. The OSM provides a basis for doing this, but it doesn't seem to be used much by regional bureaus. It may be time to reexamine how the OSM can be made more useful.

The GRP was designed to produce a more rapid, strategic result, even if that meant breaking some crockery (such as assignments) along the way. It was implemented through a senior level working group that represented broad experience overseas and in Washington and had ready access to the leadership of the Department. Even if there were time in the future for a lengthier process with more reliance on planning tools and wider consultation, strong seventh floor involvement remains essential.

If repositioning is done under a strategy such as transformational diplomacy, the analysis becomes more complex. The objectives have to be well defined. Because an increase in personnel in a particular post is just one means of many in achieving those objectives, the cost of that increase should be set off against those other means of reaching U.S. goals. For example, some of the most important transformational programs and initiatives have come from diplomats in the Department working with international organizations, other agencies, and the private and nongovernmental sectors. A diplomat overseas costs about \$450,000 per year. What that person can do should be compared to what two to three officers in the Department can accomplish. One of the most successful examples of transformational diplomacy was the work of a Foreign Service officer in the Department who conceived and led the development of the Democracy Initiative in the early 1980s that entailed the creation of the National Endowment for Democracy and the associated party, labor, and business institutes. While this may be the most dramatic, there are numerous other examples. For a post to be effective in conducting TD as well as its other work, it needs to have strong support in the Department. That means a country office that has sufficient staff to do its own outreach to mobilize other agencies, the private sector, and other nongovernmental actors rather than just having enough staff to keep up with briefing papers and cables.

COUNTRY SUMMARIES

Three categories of posts are included in this section. First are those visited by the two-person OIG team that conducted this review. These include the major gaining posts, Beijing and Delhi, as well as Jakarta, and Hanoi, and one of the primary losing posts, Berlin. These brief visits were not inspections, and focused primarily on how the new GRP positions were being utilized and any problems encountered in their support and deployment. They did not assess overall staffing levels, as would a regular inspection. The second category includes a number of GRP-related posts that were inspected during 2007-08. The third consists of a sample of posts that responded to an OIG survey. Because of their unique needs, Kabul and Islamabad were not included in this survey.

POSTS VISITED BY THE OIG REVIEW TEAM

China

GRP created 27 new positions in China, two of which are on hold because of budget shortfalls. Beijing received six political, five economic, and three PD officers (including a regional English language officer and a VPP coordinator (which is on hold)), one information management officer (also on hold), and an office management specialist rover. Guangzhou received one PD and one economic officer. Shanghai received one political/economic officer and two economic officers, Shenyang one political/economic officer and Chengdu one economic/political officer. Four officers were assigned to prospective APPs in Wuhan, Nanjing, Xiamen, and Zhengzhou.

The APP in Wuhan was formally established in the summer of 2008. The APP officer is resident in Wuhan and is working well. Thanks to an experienced officer, fluent in Chinese, the APP is off to a fast start. Wuhan is one of five cities approved by the Chinese for the opening of new consulates when diplomatic relations were established. Chinese approval for the additional APPs will be more difficult to obtain and may require reciprocal rights in U.S. cities such as Atlanta and Boston. The APP officers for these posts will arrive in the summer of 2008 and will “circuit ride” to

the APP cities until permission is granted to open the posts. The APP officers will be based in Shanghai, Guangzhou, and Beijing. The importance of China, the necessity of building personal contacts and the great demand on the Chinese side for such contacts, the fact that future top leaders usually serve much of their career in the provinces, and the growing economic activity throughout the country, make China a prime candidate for APPs.

The embassy has launched a VPP program covering eight cities. A team of officers is selected for each VPP, mostly from the political, economic, and consular sections and sometimes other agencies. The main feature is a program of visits to build a relationship with key officials and influential individuals and institutions. These are followed up with participation in International Visitor Programs and other programs, with coordination with Americans in the region and counterparts in the United States, and with a website in those provinces where Internet connection is important. The websites concentrate on activities of the VPP itself, with plenty of photos of local participants in meetings and programs. So far, the early stages of the program have been successful. Groundwork has to be carefully laid with the local offices of the Ministry of Foreign Affairs, which manages all contacts between foreign officials and local institutions.

The GRP positions have made Beijing the largest embassy in the world (apart from Iraq) in terms of economic, political, ES&T, and PD officers by quite a margin. One of the political positions is used as the TD coordinator, overseeing the APPs and VPPs, and as the embassy's strategic planner. He reports directly to the DCM. While smaller posts could probably not afford to have an officer devote full time to this functions, all sections find the coordinator position to be necessary in Beijing. Cooperation between and among the sections and agencies is excellent.

The Ambassador and DCM have provided strong leadership for using the additional capacity provided by the new positions to increase the outreach of existing as well as new officers. All officers now have outreach as part of their work-requirements. This is the best way to utilize the new GRP positions because all have traditional responsibilities, such as WTO implementation, intellectual property rights, financial sector reform, counterterrorism/nonproliferation, human rights and democracy, etc., all of which are "transformational" in the Chinese context. These responsibilities generally track with the position descriptions upon which the GRP decisions were made. There have been some changes to take account of openings due to people leaving post early and other factors.

One question is whether all these positions are necessary. Because of the loss of two DRI positions in each section, and one political slot being used as the TD coordinator, the net addition to the political and economic sections is three apiece. Given the immense visitor load, made more burdensome by the difficulty of making arrangements with the Chinese, the ever growing substantive agenda, the reporting demanded by Washington, and now the outreach program, the economic, political, PD, and ES&T sections are very busy. They still work long hours, but they now have more flexibility to fulfill their outreach commitments even if an unexpected visiting delegation arrives; they leave the office before nine or 10 in the evening, do more voluntary reporting, etc. Generally, morale and effectiveness have improved as the GRP reinforcements have arrived.

The PD section in Beijing has as yet received just one new officer, the regional English language officer, who has an almost limitless mandate in a country making a huge push to improve its English language skills. Another new PD position will be filled in the summer of 2008. Given the need to program a large number of senior level visitors, and to participate in the active VPP program, the new PD officer will be more than fully employed.

On management support, the embassy has not yet had to cut back on travel, but that could change given the severe budget constraints of this fiscal year. The embassy has had to cut funds for training, furniture/equipment, and other accounts to ensure adequate travel funds given the high priority the ambassador places on outreach.

In sum, the embassy is doing an excellent job of using GRP position to fulfill the mandate of the GRP and of the Secretary's broader strategy of transformational diplomacy.

India

India was the second largest gainer in the GRP, receiving 21 new political, economic, and PD positions. The GRP did not concentrate them solely in New Delhi but assigned them also to constituent posts in Mumbai, Calcutta, and Madras, as well as using them to open a new consulate in Hyderabad and staff a proposed new APP in Bangalore. This approach reflected the importance of the states in India's federal system and enabled the mission as a whole to increase both outreach and reporting on key issues centered outside the capital. For the first time in years, for example, Consulate General Calcutta was able to report in depth on the insurgency in Assam.

The new positions transformed Embassy New Delhi's medium-sized political section into one of the largest in the world. It suddenly had the resources to create a new external affairs/political-military unit made up entirely of GRP positions; subdivide portfolios; and increase reporting while deepening its understanding of India through visits to local nongovernmental organizations and institutions such as shelters for victims of trafficking. At the same time, the section contained five officers with no previous political experience. It reacted by investing heavily – and effectively – in training, for example sending officers for three-week “exchanges” in constituent posts. The Embassy's ability to deploy this new resource effectively to outreach was undercut, however, by a lack of language training, travel funds, and local staff. The addition of new American positions was not accompanied by the creation of new LE staff positions. As a result, the mission has a political section ready and eager to carry out the outreach element of transformational diplomacy but lacks the local staff and travel money necessary to support it.

By contrast, the economic section did not receive new positions to enable it to meet its current workload, let alone expand into more transformational diplomacy. Because of the elimination of DRI and other positions, the section has less than half the number of the political section. Embassy New Delhi now believes it should have requested more economic positions. It has temporarily reassigned one political officer to the economic section and another to the management section, which is also understaffed. Both moves should be made permanent, and additional resources should be moved to the economic section.

The number of PD officers in India was expanded significantly by the GRP, so it is now the largest in the world. As noted above, PD positions were added not only in the capital but in constituent posts. However, only a single new LE staff position was created, and there was no additional program money, including travel, for PD. This, of course, has an impact on how well the new officer positions can be utilized. The LE staff in PD is large, and that may be why additional positions were not allocated, but it was already occupied in existing programs and facilities.

While almost all positions transferred by the GRP worldwide were in the political, economic, ES&T, or public diplomacy areas, in India the program also provided three management positions, a principal officer and a PD officer for a new consulate in Hyderabad.

The Embassy also planned to use one GRP position to open an APP in Bangalore. This remains a viable possibility; while India is suspicious of new “transformational” positions and wants any new consulate to do visas, it will likely agree in the end to the establishment of an APP in Bangalore. The city is now being covered by the economic officer in Chennai who has had to handle between 40-50 visits since

last summer. Because there is little travel money, Chennai has to charge the visitors for part of the expenses of this control officer. Given the importance of Bangalore and the frequent official visits, an APP is certainly warranted. However, both the APP and the position to staff it were placed on hold in early 2008 because of budget shortfalls.

Indonesia

Embassy Jakarta received six GRP positions: two each in economic/environmental, science, technology and health, political, and PD. One PD position, the assistant cultural affairs officer, is vacant because of the unexpected departure of the incumbent. The second political (international relations officer) officer will arrive in the summer of 2008. Jakarta now ranks fifth among embassies in the world in the total of these categories of personnel.

The Ambassador and DCM are providing strong leadership to ensure that the additional positions are being used in a way to fulfill the TD objectives of the GRP. Like Beijing they are using the additional capacity to increase the outreach activities of the staff in general. To provide structure they are launching a “virtual principal liaison officer” initiative in which two person teams jointly act as liaison officers to key areas of the country. They are supported by a Foreign Service national and other officers and agencies as appropriate. There is a consular officer on each team. The teams will build on current PD programs such as exchange and visitors programs and American Corners; they will develop a network of local leaders, stimulate travel to the regions by other embassy personnel, and enhance the embassy’s knowledge of the regions.

The GRP ES&T position is the sole environment officer and also takes on the Association of Southeast Asian Nations portfolio. The incumbent is lead on the Kalimantan virtual liaison post since environment is the key issue for that region. The environment workload is a heavy one, given major international conferences and environment related programs. There is plenty of contact with experts and nongovernmental organizations as well as with government agencies. The GRP economic officer coordinates, on behalf of the DCM, the Embassy’s extensive anticorruption programs. He stimulated the creation of a privately funded program at the University of Indonesia, and, because anticorruption programs target regional governments, he gets out and around the country and also supports the embassy’s parliamentary outreach strategy.

The assistant information officer position has widened and deepened the Embassy's contact with the media. The political officer has focused on antiterrorism, particularly police training, which has expanded significantly. The incumbent, a management officer, actually runs programs and gets out and around the country.

Like other posts, Jakarta has seen no increase in travel or representation funds or LE staff, with the exception of one LE staff to support the assistant cultural affairs officer. The public affairs section pointed out that their increase in program funds was not accompanied by an increase in LE staff, and they are having difficulty managing their programs.

Indonesia also has a pre-GRP APP in Medan. This has been successful, primarily because of the language and outreach skills of two successive, energetic APP officers. The current incumbent stresses the importance of being there – he can take advantage of many more opportunities than could a circuit rider. He described the evolution of his relationship with the local Islamic University. When he first arrived, the students would demonstrate in front of the office. Then, they would call before coming over to give him a heads-up and ensure he would not be concerned. Then, they would not come over, but would invite him instead to come to the university to talk with them. He also underscored the need for embassies not to load up an APP with regular duties. The APP officer has to have the flexibility to get around the district, playing more of a political than administrative role. The APP costs more than expected because of security requirements, and the question that will go to the heart of the APP concept is whether less expensive approaches to security can be developed. In sum, Medan is a good example of the utility of APPs.

Indonesia is a favored mission for the tools of transformational diplomacy. USAID has a large and varied program and is also administering a Millennium Challenge Corporation threshold program. Justice through the International Criminal Investigative Training and Assistance Program and other funds has an active presence, and military assistance is resuming. Because of accessibility and a large Moslem population, Embassy Jakarta also receives significant PD resources. Given the size and importance of the country and a rapidly expanding relationship, this attention and the increased staffing appear to be warranted.

Vietnam

Four new positions were created in Vietnam: one each for political, economic, PD, and environmental, science, technology and health work. One was assigned to Embassy Hanoi and two to the busy consulate general in Ho Chi Minh City. The fourth was intended to open an APP in the central city of Danang.

This strategy close matched the mission's goals and needs. It also took advantage of a new and cautious opening on the part of Vietnam to greater engagement with the United States. Vietnam remains suspicious of any attempt at "transformation," especially if this would undermine the Communist Party's monopoly on power, but in certain technical and economic areas it is more prepared than ever to discuss ideas and reduce restrictions on internal travel by U.S. diplomats. The addition of three entry-level officers in 2007 gave the mission an important new ability to take advantage of this opening.

Much of this new capacity was, however, cancelled out by staffing losses under other programs. At the same time that it created two new positions in Ho Chi Minh City through the GRP, for example, the Department eliminated two other positions of similar rank that had been created under the DRI. The GRP officer who arrived in Hanoi took over a portfolio that had been temporarily managed by an eligible family member because the work was too important to ignore. The net gain in actual personnel was zero.

Delays in opening APP Danang prevented the filling of the fourth position. The officer assigned to it completed language training in Vietnamese, but took advantage of an offer by the Director General that anyone volunteering to study Arabic could cancel his current assignment. As a result, the mission has not been able to meet the goals it set for itself in political and human rights work in the southern and central parts of the country.

Germany

Germany lost the second largest number of positions, after Russia, to the global repositioning initiative. Ordered under GRP to cut positions in Europe to fund the creation of new positions elsewhere, EUR elected to eliminate 13 of them at Embassy Berlin and constituent posts in Frankfurt, Hamburg, Cologne, and Dusseldorf.

Because positions in Asia often require longer and more expensive language training than ones in Western Europe, the Department could not simply transfer them from one region to another. Creating a new position in China, for example, requires a two-year investment in language training before an officer arrives to serve a three-year tour. Repositioning therefore forced the Department to eliminate more positions in Europe and Washington than it created in Asia and elsewhere.

In Germany, as elsewhere in Europe, these cuts came on top of a series of others, dating back to the Department's decision to staff new embassies in the former Soviet Union by reducing staff in Western Europe. While there may be widespread

assumptions in some other regions and in Washington, that embassies in Europe tend to be generously staffed, the OIG team found that in the case of Germany, this assumption did not correspond to the facts. After global repositioning, Embassy Berlin now has about as many officers devoted to political, economic, science and PD work combined than Embassy Beijing has in its economic or political section alone.

The reduction of staff in Germany did not lead to anticipated savings in LE staff positions, with the exception of some PD LE staff in Hamburg and Cologne. In theory, with fewer American officers to support, the Embassy should have been able to reduce its local program (not necessarily ICASS) staff. However, such reductions were extremely difficult in practice. In part this was because of local labor laws restricting job eliminations. But more importantly, the embassy had been forced to shift more work to local staff because the Department had reduced American staff without reducing demands or workload.

Overall, assumptions made about how many positions could be cut in Europe may have underestimated the percentage of the work of major embassies in EUR aimed at gaining support for U.S. goals in other parts of the world. That, plus a significant visitor workload, and a steady demand for demarches on European issues (e.g., North American Treaty Organization and the European Union) as well as global issues has left the economic, political, and PD staff stretched.

In the absence of instructions from the Department on what work to cut, Embassy Berlin had to carry out a triage of its own in order to prioritize the work of its remaining staff. Ironically, because Washington continued to need the same amount of advocacy, visitor support, required reporting, and other traditional diplomatic work, the net effect of repositioning in Germany was to cut back voluntary reporting and outreach. The latter, which is resource intensive, is needed more now in Germany in light of the strain in the relationship and the more negative views toward the United States in influential parts of German society.

The mission in Germany is now supported by a mega-office in EUR, which has allocated about two and a half desk officers to Germany, a substantial come down from what was a large and active office primarily dedicated to the country. This is a consequence of the general reduction in the number of desk officers in EUR. This plus the cutbacks in the Embassy and the consulates has raised concern at post and in EUR about the loss of a “cadre” to help manage the relationship with Germany over the next decades. That is worth a closer examination in a future inspection of EUR and posts in Germany.

POSTS THAT WERE INSPECTED OR THAT RESPONDED TO THE OIG SURVEY

Bureau of African Affairs

Nigeria (OIG Inspection)

The U.S. Mission in Nigeria received three additional positions: two political officers and one economic. A fourth, a PD position allocated in phase III, has been put on hold. An OIG inspection in February 2008 concluded that the three new positions at post were needed and were being used appropriately. One political position was dedicated primarily to outreach to the Moslem north. The officer spoke Arabic and Hausa, and was particularly effective in establishing relationships with key individuals and institutions in this important region. The other two positions, both graded at the FS-02 level, provided much needed management and mentoring to the political and economic sections, which were staffed, apart from the FS-01 counselors, by entry-level officers. Both sections were engaging in transformational diplomacy through supporting economic and political reform efforts in this critically important country. The two new FS-02 positions were able to mobilize and guide the more junior officers in carrying out this work. The embassy is trying to expand its outreach, though severe crime and infrastructure problems make this difficult and expensive. Cooperation with USAID is good. USAID has a large program, about \$575 million, of which 87 percent is President's Emergency Plan for AIDS Relief (PEPFAR). The embassy, which has grown by 27 positions in the last five years, is short of support funds and staff, including 28 ICASS positions. As a result, the Ambassador has instituted a moratorium on National Security Decision Directive-38 requests for additional positions until adequate support resources are allocated.

Kenya (response to survey)

Embassy Nairobi received four GRP positions: a PD and a political/economic officer to focus on Somalia, a regional political/economic officer to cover counter-terrorism/crime and related issues, and one officer for a planned APP in Mombassa. The PD officer is the public affairs officer for Somalia having set up an independently functioning Somalia-dedicated PD unit. He engages with the Somali population in Nairobi and has found ways to reach Somalia-based audiences through telephone and electronic media appearances, using contacts and International Visitors Program alumni to execute PD projects in Somalia, and traveling to the border to interact with the Somalis who regularly cross into Kenya and return to Somalia. He has a LE staff

assistant, but the post believes that its PD budget for Somalia, at just \$30,000, is woefully inadequate. The Somalia-focused political/economic officer covers economic issues and is engaging with business and women's leaders who have influence in Somalia. Given the large workload of the Embassy, he also has been assigned some embassy duties including writing Congressionally mandated reports. The counterterrorism/crime officer has done some regular embassy work, such as reporting on war crimes and observing elections, but spends most of his time on his primary portfolio. The position has received travel and program funds from the Office of the Coordinator for Counterterrorism but no representational funds, and the funds of the political section are stretched very thin.

The APP officer travels to her region about 10 days per month; the Department provided sufficient funding to cover her travel through the end of the fiscal year, but no additional representation funds. The Embassy incurred substantial costs in arranging for the establishment of the APP in Mombassa, but that is now lost because of the freeze. Unlike some other host governments, the Kenyans are eager for this APP to open. Finally, the post recommends that additional training is provided to the replacements of these GRP officers, particularly in grants management and tradecraft.

Liberia (OIG Inspection)

Liberia received two GRP positions, one political and one economic. An OIG inspection of the post in October, 2007 found that given the heavy workload, both positions were well utilized. The work of the two officers and their sections was largely transformational in nature as the embassy is closely involved with the host government in formulating and implementing economic and political reforms. Given the special role the United States plays in Liberia, the two GRP positions seem fully justified.

South Africa (response to survey)

The mission in South Africa received two GRP positions: an economic/political officer in Durban and an economic officer, focused on health/PEPFAR, in Pretoria. The Durban officer is the only economic/political officer at this post, which covers South Africa's most populous province. The position has increased the consulate's outreach to key political and economic actors, businesses and police as well as PEPFAR partners. The resulting reporting has benefited the mission as a whole as perspectives in this part of South Africa are different from other parts of the country. The post has received adequate funding for this position. The Pretoria position is based in the Office of International Health of Health and Human Services. It

has enhanced the Embassy's ability to increase its outreach to key stakeholders in the host government, international and bilateral partners, and members of the business community and to coordinate the work of five U.S. Government agencies implementing the PEPFAR program, the mission's top priority. The PEPFAR program has covered the additional costs associated with this position.

Bureau of Western Hemisphere Affairs

Bolivia (OIG Inspection)

The U.S. Mission in Bolivia received four GRP positions: two in the economic/political section, one PD, and an officer for a planned APP in Santa Cruz. The rationale apparently was to increase our engagement in a country that was on a path of greater antagonism toward the United States. An OIG inspection of Bolivia conducted in June 2008 found that the economic/political section was, if anything, overstaffed and that the two additional positions were not essential, particularly in light of the decreased access because of the hostility of the host government. The addition of a PD officer made for a section that was comfortably but not overly staffed on paper but was struggling because of the temporary unavailability of two of its officers. The APP officer was based in the embassy and traveled to Santa Cruz monthly as a circuit rider; she was spared from regular embassy work. The establishment of the APP was held up by two factors: the unresolved problem of how to set up an APP in a city where the United States has a consular agency, and the decision by the Department to put creation of APPs on hold for budgetary reasons. If those problems were resolved, the next difficult hurdle would be securing approval from the Bolivian Government. The inspection recommended that the APP officer not be replaced until it was clear the post could be established. It also observed that the flow of information from the Department on APPs, including the decision to put them on hold, was inadequate and should be improved. Finally, it recommended the embassy and the Bureau of Western Hemisphere Affairs undertake an immediate review of the staffing profile of all agencies in the mission to determine which could not function effectively in the current political environment and that such positions be vacated, at least temporarily, until operational conditions improve.

Brazil (OIG Inspection)

Repositioning created three new positions in Brazil. All were intended to be in APPs that had not yet been opened. At the same time, three PD positions were eliminated. The result was no net gain and a shift of the mission's emphasis, reducing PD work in Brasilia and Sao Paulo but setting the stage for greater outreach to

the cities of Porto Alegre, Belo Horizonte, and Belem. This was a departure from the normal GRP process, which tried to ensure that posts that gained positions did not lose positions as well.

Unfortunately, all three APPs proved more difficult to open than anticipated. In part this was because of issues unique to Brazil, including a bilateral dispute involving property and taxes. In part, however, it was also due to incomplete advice from Washington regarding APPs and their relationship to global repositioning. Too much of it came through individual replies to ad hoc questions rather than a comprehensive message laying out the entire process. As a result, the mission lacked clear guidance to resolve disputes over who would supervise the APPs and whether they could be opened in cities with a consular agent.

Unable to deploy its new positions for the purpose the Department had approved, the embassy assigned them as full-time “circuit riders.” This decision led to tensions as traditional PD functions were cut back to accommodate more outreach in provincial cities where an APP was planned. Lack of travel funds has reduced the ability to “circuit ride,” and the APP officers have to spend more time in their base posts where they can fill some of the void left by the loss of PD officers.

The purpose of adding GRP positions was also affected by a lack of leadership in the embassy on promoting outreach more generally. The Ambassador did not encourage outreach, travel, or engagement by the mission’s officers, preferring that they remain at their desks in order to support his own extensive travel. By using virtually all the mission’s travel funds himself, for example, he prevented other officers from visiting states outside their city of assignment, undercutting the goal of transformational diplomacy.

Ironically, at the same time GRP was adding APP positions in Brazil, USAID was preparing for a possible withdrawal. As appropriate as this might be in terms of traditional development assistance given Brazil’s increasing gross domestic product, it threatened to deprive the mission as a whole of one of its most effective instruments for transformational diplomacy. Political and economic officers worked closely with their USAID counterparts, but no technical assistance or capacity-building programs were envisioned or funded for the new Department GRP or existing positions.

Ecuador (post response to survey)

The mission received three GRP positions: a PD and an economic officer in Quito and a PD officer in Guayaquil. It also received two PD Foreign Service national positions. The embassy created a mission-wide TD effort. The GRP PD officer in Quito and one of the new Foreign Service national positions form a “TD Unit” that has planned dozens of outreach events around the country involving Foreign Service officers, LE staff, and family members. The PD officer chairs an interagency TD working group to expand and coordinate the mission’s TD activities, according to an overall TD plan. The GRP position in Guayaquil is the only PD officer at that post but has been spared most traditional duties to focus on outreach, with a special emphasis on nontraditional and youth audiences. The officer has also stimulated and supported outreach activities by others in the consulate. The economic position in Quito has become the deputy chief of the section, which has enabled the post to assign another officer to handle TD responsibilities close to full time.

The mission has held two annual retreats of all country team members to brainstorm on transformational diplomacy goals, created the TD working group, which meets quarterly with the ambassador, required all policy sections to develop TD plans and roadmaps, and included TD and outreach activities in the goals and objectives of Department officers.

The three GRP positions have required additional resources, particularly for travel for themselves and for others in the mission who are participating in outreach opportunities created by the new officers. No additional resources were provided to post (except for the two Foreign Service national positions) so travel, information technology, and communications expenses had to be taken out of the current budget. This meant reducing other activities including PD programs. The mission points out that the main help it could use from Washington is additional program and travel funds for TD/outreach activities.

Nicaragua (OIG Inspection)

Embassy Managua received four GRP positions: two political officers, one economic officer, and one PD officer. The PD position, the second most senior in a section of four officers, is not being renewed. The FS-02 political officer is the deputy in the section. The FS-03 officer handles trafficking in persons, human rights, gender, and civil society movements – all important issues in Nicaragua. The section lost a non-GRP position in December 2007 so its net gain was one position. The FS-03 economic position handles trade and commercial issues and in view of

the probable loss of the economic counselor position to the 2008 freeze, will probably take over as economic counselor. The four GRP positions were added because of concern over the political situation in Nicaragua including the return to power of Daniel Ortega. The net gain to the post is two positions. That said, the inspection found that the political and economic sections are relatively large and could accommodate a reduction of at least one position.

Venezuela (partial response to survey)

Embassy Caracas initially received six GRP positions: two PD officers, one economic officer, one political officer, and two officers (PD and political/economic) for a planned APP in Maracaibo that has not opened and may not be able to open given the hostility of the government in Caracas. The GRP took back one of the PD officers in the embassy, making a total of five GRP positions. From the information provided by the post, the PD officer assigned to the planned APP has become, according to the public affairs officer, “essentially the branch public affairs officer for Zulia state” developing contacts with a wide range of Maracaibo institutions, appearing in the local media, identifying participants for exchange programs, and generally being the contact/action person for the region. He tries to travel there at least monthly. According to the public affairs officer, this APP position is paying rich dividends for the mission and its relationship with Venezuela’s second city.

According to information current as of the end of 2007, the political/economic officer assigned to the APP is spending at least one third of his time doing regular work for the political section because of staff shortages in that section, but tries to get out to Maracaibo at least once a quarter. His work for the political section includes high priority issues such as relations with Columbia and counternarcotics and political/military matters. There was no information on the status of the two GRP political and economic officers, but the embassy noted that the political section was down two people, and an OIG inspection at the beginning of 2007 found that the section needed two more officers. The Department’s GRP working group may wish to monitor the status of the APP and consider, once the staffing of the political section is adequate, pulling back the APP political/economic officer and leave the PD position as a circuit rider. While the GRP positions are allocated centrally, the Bureau of Western Hemisphere Affairs will likely have views on how that position could be used more effectively.

Bureau of Near East Asia Affairs

Algeria (post response to survey plus inspection conducted in February 2007)

Algiers received three GRP positions: two PD positions filled in 2007 and a political/economic position to be filled in August 2008. Two of the GRP positions offset the loss of DRI and Washington complement positions. The additional PD positions have enabled the public affairs section to get out of the embassy to develop the contacts in the government, media, and academia necessary for creating and expanding PD programs. They have also permitted the section to, for the first time in a decade, travel outside the capital to meet with Algerians who have rarely if ever had contact with American officials. The political/economic officer will be the primary action officer for MEPI and other technical assistance programs, the primary point of contact for the “F” process, and will assist the single economic/commercial officer. There was not time to train the two PD officers adequately in Arabic or French. Fortunately, one already had both languages. The post eventually received adequate funding for the PD positions and increases in Department ICASS invoices have been provided.

Jerusalem (post response to survey)

Consulate General Jerusalem received three GRP positions: a political, an economic and a PD officer. The political and economic officers, because of their rank, became deputy chiefs of their sections, providing welcome contributions to post management. Each is primarily responsible for following issues and events relating to Gaza, a high priority portfolio. Both officers arrived just in time to cover the momentous changes in Gaza, which have been of frequent and direct interest to policy makers. The assistant information officer has become the post’s press officer, handling a large number of high-level visits (40 Congressional delegations and 12 visits by the Secretary of State), drafting press releases and guidance and coordinating with other agencies, and acting as spokesperson when the public affairs officer is absent. This position has freed the public affairs officer to focus on the full range of PD programs and activities.

Jordan (post response to survey)

Embassy Amman received two GRP positions, one PD and the other political. The PD position has enabled the post to do reporting on the media, organize press events, get more placements in the press, and increase outreach to news websites

including Islamist sites. The political officer has increased reporting and outreach in areas such as Jordanians of Palestinian origin and internal political reform and is handling the freedom agenda. This gain to the political section has been more than offset by the loss of two positions to Baghdad. The political officer received only half of the Arabic language training. The post did not receive additional funds to cover travel or office configuration. It notes that no management positions were provided to cover this or other initiatives.

Lebanon (post response to survey)

Embassy Beirut gained three GRP positions: an FO-02 political officer, an FS-03 political officer and an FS-03 political/economic officer. The post points out that the three positions gave it significant new capability, and without them it could not have coped with the major increase in workload associated with over \$1 billion in civilian and military assistance since 2006 and the several political crises over the past two years. The FS-02 officer coordinates foreign assistance activities, ensuring that programs under USAID, PD, MEPI, INL, DRL, and military assistance are coordinated with mission goals. This officer also has responsibility for managing the MEPI program. One of the FS-03 positions reports to the FS-02 officer and works on assistance plus women's issues, trafficking, and political/military programs such as one on border control. The other FS-03 officer does more traditional work, handling visitors, advocacy, and reporting, all of which have expanded as a result of the crises. The two officers covering foreign assistance would have benefited from training. Only one of the officers received Arabic training prior to arrival. While the post received start-up costs for the positions, it did not receive any additional ICASS resources. That has created a problem because the post already suffered from an inadequate ICASS budget and staff.

Morocco (post response plus February 2007 inspection)

Embassy Rabat received two GRP PD positions. It was offered an APP for either Marrakech or Tangier, but security requirements made the proposed sites either unaffordable or unsuitable. The new officers are being used primarily for transformational diplomacy, especially outreach, and including programs and taskings related to MEPI and the Trans-Saharan Counterterrorism Partnership. Both officers received adequate training. The mission received start-up costs and two LE staff PD positions, but the LE staff salaries were not included in the PD budget allocation so the PD section has had to cover most salary costs out of program funds. The mission did not receive additional travel, training, representational, or ICASS funding.

(This at a time when the dollar has lost value in Morocco). The flat-lined program and ICASS budgets present, in post's view, the biggest challenge to effective deployment of the GRP positions.

Bureau of East Asia and Pacific Affairs

Burma (OIG Inspection)

OIG inspected Burma in March, 2008. The post received one new GRP position. This political/economic officer was managing a series of small grants that were supporting programs of various groups/nongovernmental organizations in Burma. This position gave this post an important additional capability that is directly relevant to TD objectives.

Malaysia (response to OIG survey)

Embassy Kuala Lumpur gained an APP officer for Kota Kinabalu in Sabah, an assistant cultural affairs officer for outreach to Muslim communities, and a regional strategic initiative coordinator covering seven embassies in the region. It lost its deputy political counselor position. The APP officer arrived in December 2007, but the establishment of the APP was put on hold by the Department shortly thereafter. The APP officer has become a circuit rider making three trips to East Malaysia since his arrival. The embassy has received no additional funds to establish the APP and no travel funds for the APP officer. It has used its own funds to cover trips to East Malaysia by the APP officer in FY 2008 and travel of two teams in FY 2007 to identify possible sites, security concerns, logistical support, etc. The post has found it difficult to obtain clear guidance from Washington on security, site, and other concerns. It could benefit from a single point of contact but only if that office had interdisciplinary expertise or could coordinate with other relevant offices. (In one example, the embassy had chosen to save money by forgoing installation of OpenNet servers opting instead for Internet access Blackberries with OpenNet and FOBs. Washington then put a full OpenNet system back in the budget requiring a secure server room within the office suite).

The assistant cultural affairs officer has been able to reach out to Muslim nongovernmental organizations and others, including universities in the Kuala Lumpur area. The post received one LE staff position to support the officer but did not receive additional travel funds or program funding. Instead, its "I-bucks" for speaker

programs were cut by over 40 percent for FY 2008. The lack of additional funds has meant that the assistant cultural affairs officer has a more limited role than planned, but she has been able to carry out her mandate in the Kuala Lumpur area. The post is pressing for additional funding.

The embassy was told by the Bureau of East Asian and Pacific Affairs that it had to cut a political or economic officer as part of the GRP. It lost the deputy political counselor position, increasing the burden on the counselor and reducing the section's ability to perform outreach, political/military work, counseling its inexperienced officers, and other functions. The new regional officer serves as the post's counterterrorism officer but is not able to do much more on the bilateral agenda.

Philippines (response to survey)

Embassy Manila gained two GRP political positions in 2006-7 and will receive a PD position in fall 2008. An economic position, approved in phase three, has been put on hold. All four positions are or will be focused primarily on Mindano, a largely Muslim area beset by conflicts and poverty and currently a very high priority for the mission. The two political officers have enabled the political section to expand its outreach, reporting, and support for humanitarian activities in the region. One officer will pick up additional responsibilities when an analyst position also focused on Mindanao is withdrawn in 2008. The embassy is planning a substantial increase in PD programs in Mindanao when the third officer arrives this fall; these will include media relations, exchanges, small grants programs, English teaching, etc. all addressing the Muslim population and supporting the peace process and U.S. counterterrorism efforts. The post received adequate funding for allowances, start-up costs, and ICASS services (one of the few posts to do so) but has had to cover travel costs out of existing resources. It has, however, been able to get some logistical support from USAID.

Fiji (response to survey)

Embassy Suva received a regional PD officer who is covering five embassies and 11 countries – the first PD officer to do so. The officer has increased the number of visits and exchanges including restarting a Fulbright program, launched new small grants and other programs, and expanded media programs. The post received resources to hire three PD local staff, additional funds for PD programs, and additional travel funds. It did not receive additional ICASS funding and this plus other new positions (Defense attaché office and a regional environment office) have put a strain on management/general services office staff and office space.

Bureau of European Affairs

Italy (discussion with DCM)

The U.S. Mission in Italy lost three positions, and that plus other cutbacks have left the Embassy at about number 11 in the world. The post has had to cut back on voluntary reporting and can spend less time on required reporting. However, the ambassador has been very energetic and creative in mobilizing the resources of the embassy to engage the Italians, both government and nongovernment, in issues and programs of importance to the United States. He has held off sites at his residence for embassy personnel from all agencies to identify key goals and develop plans to achieve them. He has expanded the role of LE staff, of locally hired interns, and all consulates and agencies, giving people responsibilities that go well beyond their regular duties. Outreach and engagement is a major element of this effort. The post could productively use more officers, but thanks to creative leadership it is more effectively using the staff it has.

Norway (response to survey)

Embassy Oslo lost three political/economic positions. According to the embassy, this had a significant effect on its ES&T (climate change and polar issues) and economic (agriculture, fishing, whaling) work and its coordination with Norway on third-country issues (e.g., negotiations on Sudan and Sri Lanka). Given the high level of activity by Norway in all these areas, including in its development programs, the embassy believes it is not able to give sufficient attention to issues important to U.S. interests and where Norwegian views are often quite different from ours. The Embassy noted that required reporting, the number of visitors, demarches, and requests from the Department and other agencies have not decreased and has served to keep the remaining officers at their desks rather than moving around the capital and the country and building contacts.

Russia (OIG Inspection and subsequent consultation)

Embassy Moscow lost more positions to global repositioning – 13 in all -- than any other mission. In part, the cuts were imposed. Even more importantly, however, the embassy had concluded that it had too many junior diplomats and could accomplish more with fewer but more experienced ones. Because of a worldwide shortage of mid-level officers, many FS-02 and FS-03 political and economic positions in Moscow are filled by entry-level officers. Many are on their first reporting tour. The positions normally require fluent Russian, but this substitution forced the

Embassy to waive the language skills requirement because Department policy limits the amount of language training entry-level officers can take. As a result, many lack the language training needed for effective diplomatic work. The problem was compounded when these officers were rushed to post to fill key gaps without the normal training in political or economic tradecraft.

A second reason for encouraging the cuts was to help the chief of mission carry out a restructuring of personnel from other agencies. Department personnel are far outnumbered in Moscow by employees from other agencies. The Embassy saw a reduction in the number of diplomats as a necessary first step in a broader rightsizing of the mission as a whole.

The cuts required to carry out GRP were not without their costs. The economic section could no longer carry out important work in civil aviation or support visiting delegations from the Department of Transportation. The political section was forced to do without a separate unit for political/military issues that had focused on the verification of compliance with agreements. Ironically, many cutbacks had to be made in transformational diplomacy as well: with fewer officers now available for political work in Russia than in India, Embassy Moscow found itself less able to report on developments and attitudes outside the capital city and to influence the building of new civil institutions in post-Communist Russia.

Turkey (response to survey)

GRP allocated three positions to the U.S. Mission in Turkey: a regional counterterrorism officer in Ankara, an Iran watcher in Istanbul, and a PD officer in the consulate in Adana, which covers the sensitive Southeast region. The counterterrorism officer had no travel money for the first months of her assignment so she focused on the international aspects of Turkey's domestic terrorist threat. She has since been able to do more regional work. The Iran watch position is one of four created by the GRP along with the core group in Dubai. While that officer is concentrating on outreach to the Iranian community, the Embassy believes that the position could be better placed in Ankara, when space became available, so it could also be directly involved in the U.S.-Turkish dialog on Iran (as is the case in Berlin and London). The PD position in Adana, which will be filled this summer, is the first in this post and will focus on Kurdish communities, youth and women, and on developing new programs and partnerships.

The embassy points out that the 10 percent cut in Department Program and ICASS funding has made support of these and other positions especially challenging. The embassy has turned down practically all requests for new positions because of severe space and funding constraints.

Bureau of International Organization Affairs

Geneva (OIG Inspection)

The U.S. mission to the UN organizations in Geneva lost a single position to the GRP, but the change was not coordinated well and caused an unintended ripple effect. Ordered to cut a quota of positions, the Bureau of International Organization Affairs eliminated the labor position in Geneva. However, the change was not coordinated with the Bureau of Democracy, Human Rights and Labor. That bureau continued to require significant work relating to the International Labor Organization, because many U.S. international labor goals can be advanced more efficiently through the ILO in Geneva than bilaterally.

As a result, the mission was forced to reassign another officer to cover the ILO half time. That officer had previously spent full-time promoting budget and management reform in UN agencies. Elimination of the labor position thus effectively reduced the mission's ability to press for UN budget reforms, a top priority. Mission officials told inspectors that such glitches were inevitable in a program carried out as urgently as GRP, which bypassed many of the Department's normal bureaucratic channels for making personnel decisions.

ABBREVIATIONS

APP	American presence post
DCM	Deputy chief of mission
DRI	Diplomatic Readiness Initiative
DRL	Bureau of Democracy, Human Rights, and Labor
ES&T	Environment, science & technology
EUR	Bureau of European and Eurasian Affairs
GRP	Global Repositioning Program
ICASS	International Cooperative Administrative Support Services
INL	Bureau of International Narcotics and Law Enforcement Affairs
LE	Locally employed
MEPI	Middle East Partnership Initiative
OIG	Office of Inspector General
OSM	Overseas Staffing Model
PD	Public diplomacy
PEPFAR	President's Emergency Plan for AIDS Relief
TD	Transformational diplomacy
USAID	U.S. Agency for International Development
VPP	Virtual presence post

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