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BREAKING THE LOGJAM IN STATE DEPARTMENT REPORTS FROM OVERSEAS

INTRODUCTION

Knowledge of other countries is crucial to making and executing foreign policy. United States policymakers must understand the inner workings of other nations--their national culture, the thinking of their decisionmakers and molders of public opinion, and their economic and military strengths and weaknesses. Reporting to Washington on these matters from posts abroad is the most important function of the State Department's Foreign Service Officer corps. Foreign reporting is the *raison d'être* of maintaining U.S. foreign service staffs at 262 diplomatic and consular posts around the world at a cost of some \$1.7 billion per year.

The usefulness and quality of this reporting, however, are matters of mounting, though little publicized, concern. Senior policymakers in Washington have been complaining privately for years about the inadequacy of foreign service reporting, the excessive volume of reporting, and the shortage of good analyses of serious foreign policy issues, free of institutional bias. This inadequacy hampers the policymakers in the White House, on the National Security Council, and in the seventh floor executive suites of the State Department, and complicates the policy formulation process.

Heavy Overstaffing. The twin problems of an excessive volume of reporting and a lack of good analytical reporting are not due to a shortage of money or people. To the contrary. They are the result of heavy overstaffing, a promotion system that rewards quantity of reporting instead of quality, and the institutional self-interest of the foreign service. Breaking the logjam in State Department reports from overseas in fact will save money and allow the Department to meet the tighter budget imposed on it by attempts to cut the federal deficit.

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

A problem related to reporting is the lack of an adequate documents retrieval system, which makes it difficult if not impossible for end-users in Washington to retrieve from the State Department's voluminous files useful information by country or subject, rather than by individual telegram.

To resolve these problems, State Department reforms are needed to:

- ◆◆ Make reports from abroad more analytical and useful to the Washington decisionmakers;
- ◆◆ Avoid institutional biases as much as possible; and
- ◆◆ Make it easier to find reports and obtain information.

Specific reforms to achieve these goals include:

- ◆◆ Cutting the number of reporting officers drastically;
- ◆◆ Reducing reporting volume;
- ◆◆ Imposing higher standards on analytical reporting; and
- ◆◆ Establishing useful information retrieval systems.

Such reforms will be fought bitterly by the Foreign Service, its labor union, the Foreign Service Association, and its supporters in Congress. Nevertheless, these serious management problems cannot be solved without firm action, including major staff reductions.

"I HAVE THE HONOR TO REPORT"

Until World War II and for some years beyond, the principal State Department reporting instrument was the Foreign Service Despatch, then addressed directly to the Secretary of State with the engaging salutation: "Sir: I have the honor to report...." There followed a discursive, well thought-out report. Because the delivery time to Washington by boat from a far-off station would be as much as a month or more, the reporting officer was compelled to take a long-range view. Events requiring more urgent reporting could be sent by cable, but this was cumbersome and costly, and thus used sparingly. The communications technology of the day required the volume of foreign service reporting to be held to a minimum, while the quality was expected to be the highest.

These reporting standards of the "old foreign service" could still serve today's needs. But the electronic age has created a different kind of reporting. The ease of instant transmission has shifted emphasis from thoughtful analysis toward a simple, news wire service-style of reporting events with urgency. Volume, far from being restrained, is encouraged and praised as "productive."

A Million Telegrams to George Shultz. In the huge embassy staffs that characterize most foreign service posts today, political and economic officers compete with each other to report information in a frantic effort to demonstrate "productivity." The result: more than a million foreign service telegrams are addressed to the Secretary of State each year. Not only does this volume make analysis difficult, it also creates work for the thousands who staff the Washington offices of the Department of State.

Almost all reporting today is done by telegram, which has taken over from the "airgram" (as airmail overtook surface mail) which earlier replaced the despatch. Most foreign service reports no longer are thoughtful, discursive presentations, but imitations of the news media--hastily written descriptions of fast-breaking events with little thought to relevance or U.S. national interests.

Equating Volume with Productivity. No news service could survive financially handling the volume of reporting which the State Department receives from its overseas missions. Foreign Service Officers (FSOs) assigned abroad are allowed and even encouraged to report everything. Officers in the field believe that frequent and voluminous reporting shows Washington that they are busy. It keeps their name before the senior officers in the Department, of course, and when the annual performance reports are written it enables their superiors to certify that they are "productive." "Productivity" is a key buzzword in the annual performance evaluations that are prepared on all Foreign Service Officers. While it implies achievement, it is really synonymous with work volume. Officers are praised for thorough and detailed reporting, but rarely criticized for "over-reporting."

Not reporting events can be hazardous for a foreign service career. An FSO must worry about his future when Washington complains that the press asked questions about a fast-breaking story abroad and the Department had to reply "no comment" because a report on the matter had not been received. The moral is, when in doubt, send in a report.

Acute Overload. There is no evidence that foreign policy decisions or the decision-making process itself have improved because of the enormous increase in volume of foreign service reporting. Indeed, a case can be made that both have suffered. The Department's information system is a victim of acute overload.

To make matters worse, the information contained in the 12 million reports on file in the State Department is not retrievable in any systematic or useful fashion in spite of a costly computerized information system. As a result of this, position papers prepared in Washington still are formed in large part from the personal memories, impressions, and opinions of "experts" based on what they have learned and retained from their experience in particular regions and situations. It is a risky approach to policy-making.

THE PROBLEM OF QUANTITY

The length and quantity of reports from abroad is a major part of the problem because it wastes talent and clogs the information retrieval system. The

huge volume of reports flowing daily into the State Department has a paralyzing effect on end-users, who feel compelled to scrutinize many of the reports lest something of importance escape their review. Yet to read even a significant part of the mountain of reports would leave no time to do anything else, including acting on the information received.

Tennessee Valley in Switzerland. Over-reporting helps produce huge embassy staffs. Most American embassies dwarf those of all other countries, and in major foreign countries U.S. embassies have total staffs that number more than a thousand. There recently were 1,135 personnel, both American and local employees, at the embassy in Paris. The numbers at Rome and London are comparable and while precise data are difficult to obtain, insiders claim that the embassies in Cairo and Mexico City are even larger. Ironically, in major Western capitals and other attractive and comfortable locations, the State Department officers are a minority of the embassy staffs. Dozens of U.S. government agencies have offices and staffs, all reporting to Washington. Some 43 U.S. government agencies have personnel somewhere abroad. Thirty-five have offices in Paris alone, and about the same number are in London and Rome. Embassy officials at such posts may include maritime attaches, graves attaches, Social Security attaches, and others whose need to be there is at least questionable. Even the Tennessee Valley Authority has found the need to have an office in Switzerland.

In some developing countries, U.S. embassies, bloated with personnel from the Agency for International Development, often rival major branches of the local government in size. Most embassy operations, other than consular services and a few special units, either support or complement the information gathering and reporting function.

The enormous volume of reports emanating from the field generates readers at the Washington end. In a manner similar to their overseas counterparts, the Washington staff finds that maintaining an impressive flow of paper to posts overseas and to other offices in the State Department, or within the Washington foreign affairs community, contributes to their "productivity." These end-users, in turn, stimulate even more reporting, often to satisfy their own interests and ambitions.

A Huge Manpower Requirement

This huge excess of foreign reporting requires a long tail of foreign service support services. Directly involved are the elaborate communications systems with staffs of round-the-clock personnel, the distribution systems within each sending and receiving unit, and the technical staff required to operate, maintain, and keep secure the sophisticated equipment required for modern cryptographic communications.

Indirect support is provided by other administrative staff who specialize in assigning and moving personnel, managing space, ordering supplies, handling travel and, of increasing importance, maintaining security. Also needed are records keepers, required by law to keep track of all these activities and to maintain and catalog every document received by the Department of State.

Abroad, there is a contract force of some 30,000 servants, gardeners, maintenance men, mechanics, guards, and local service personnel of every description in addition to the Department's 25,000 employees. Thus, the reporting process, the most time-consuming of all foreign service functions, cascades into a personnel and funding requirement many times the size of the reporting staff itself.

Excessive Reporting

The excessive volume of overseas reporting is well known inside the State Department. It is the bane of most senior officers, who regularly work long hours and on weekends just to read the most "important" reports, leaving little time to think about or act on policy matters. Yet, efforts to correct the problem have been perfunctory at best. Typically, working groups are established to interview "end-users," reporting guidelines are re-hashed, modified, and re-issued, and a new message is sent to all posts, over the Secretary of State's signature, exhorting all reporting officers to greater achievement.

One of the most candid messages was sent to all State Department staff by Henry Kissinger shortly after he became Secretary of State.¹ Recalling his service as National Security Advisor, Kissinger noted, "...Over the last four years, I have been struck...by the sheer volume of information which flows into the Department, contrasted with the paucity of good analytical material whether from the Department or the field. Mere reportage of events which have already taken place and about which in many cases we can do little is not sufficient."

Kissinger's Admonitions. Yet after correctly identifying the problem, Kissinger left the solution to the very people who were causing the problem and had a vested interest in continuing excess reporting. Kissinger ordered each Chief of Mission in each post "to review most carefully field reporting. I have the impression we can eliminate many items of minimal and marginal interest." Continued Kissinger: "I am asking the Under Secretary for Political Affairs to study reporting requirements to eliminate as many marginal requirements as possible."

Yet little came of Kissinger's insights and admonitions. The reason: He did little to reduce the excess staff responsible for the excess reporting. Nor was it fruitful to call for a study of "reporting requirements." Very little reporting results from formal reporting requirements. Voluntary reporting makes up the overwhelming share of foreign service reports. Voluntarily reporting everything of any possible interest to any federal agency is ingrained among FSOs.

THE PROBLEM OF QUALITY

There is an inverse relationship between quality and quantity in foreign service reports. Quality of information, style, and analysis suffer because of the compulsion to report events as fast as they occur. This adds to the volume of reports and further aggravates the problem.

1. "Reporting from the Field." A message from Secretary of State Henry Kissinger to all staff. Reprinted in Department of State Newsletter No. 150, November 1973.

Criticism of foreign service reporting quality is common. This criticism generally has focused on "lack of analysis," although opinions differ as to what constitutes "analysis."

A 1977 review of reporting was conducted by an "in-house" operation called OASIS.² In this review, the four major attributes of reporting were identified as: source, analysis, relevance to U.S. interests, and overall usefulness. Panels of experienced FSOs were convened to evaluate a sampling of reports from a series of posts. Judgments were expressed in numerical terms based on a scientific system worked out jointly with an outside expert in such techniques. Some 46 posts were judged by career officials, all experienced reporting officers. The judgments among members of the panels showed amazing agreement. Only ten posts rated a mean score of 50 percent or better for "overall usefulness" of its reporting. About 20 percent of the reports reviewed were given the lowest grade, classified as "useless" to Washington users. The OASIS report was sent to the Under Secretary for Management, where it promptly disappeared.

UNDERLYING CAUSES OF REPORTING PROBLEMS

The OASIS and other studies of reporting deficiencies have identified symptoms rather than causes. Had they sought causes, they would have discovered two.

1) A lack of clear instructions from the State Department on general reporting requirements.

On some topics, such as certain kinds of economic reporting, for example, the requirements are defined with too much precision. Typical are the so-called CERP, or Comprehensive Economic Reporting Program, requirements. Because reporting on foreign postal services, health care systems or other non-foreign policy matters holds little appeal for most FSOs, the CERP requirements were viewed as essential.

The lack of good quality analytical reporting led other government departments to establish their own staffs at the major embassies abroad to report on matters of interest to them. This aggravated the overstaffing abroad and led the State Department to establish the CERP requirements for regular reports of information, generally economic, needed by other departments. The CERP requirements, however, have not led other departments to reduce their overseas staffs, with the result that there are still more reporting officers abroad and increased foreign reporting. There is a reluctance to interfere with voluntary reporting in most areas of politics and economics. A *de facto* competition with press and even television means that almost any event must be reported immediately so the Department hears it from the post before the story hits the news at home.

2. OASIS, Unpublished series of panel evaluations of random samples of economic and political reports from 46 embassies over a period of one year.

2) Too many reporters.

Typically, the State Department interprets criticism of its reporting as meaning that it needs more reporting officers. When critics cite a lack of analytical reporting, the usual response is that the staff is already overworked and that better analysis can be provided only by increased staff. ... Yet excess staff is the problem. Overstaffing abroad, by the State Department and other government agencies, creates competition among reporting officers in the speed and volume of their reporting of events. Consequently, a great deal of marginal or even useless reporting is generated. The FSO perceives that the competitive game of over-reporting will best serve his career advancement.

THE STORAGE AND RETRIEVAL OF DATA

The issues of quantity and quality of reporting affect the ability to retrieve and use information. Much reporting from the field is redundant because end-users frequently request information already reported, often more than once. The Murphy Commission Report, commissioned by Congress in the mid-1970s to study all aspects of foreign policymaking, found that a commonly held view among both political and economic reporting officers was that "much of the requested information is already available in Washington....However, it is easier for them to ask us for it again than to retrieve it themselves."³

The retrieval of useful information, particularly if it is old enough to be in central files, is almost impossible unless either the number of the message or a fairly precise date of the message is known. The Department's information center, though automated, is overwhelmed by the volume and has no effective system for data retrieval by subject. Reports, understandably, often do not deal with just one clearly identifiable subject. This makes cross-filing essential, yet no adequate cross-filing system exists. Even when a report focuses mainly on a single topic, the report frequently is not drafted in a way permitting the Foreign Affairs Information Management staff, which disseminates and files documents, to discern the nature of the main topic (or topics) of the report.

The administrative staff in the State Department in Washington is almost completely divorced from the substantive staff that produces and reads reports. Neither staff is very familiar with the work of the other. Yet the information storage and retrieval system has been designed by and is operated by the administrative staff, largely to meet objectives of file administration rather than the management of information for end-users.

Freedom of Information Requests

The difficulty of retrieving information from the automated document storage system has produced some bizarre situations. For example, under the Freedom of

3. *Report of the Commission on the Organization of the Government for the Conduct of Foreign Policy* (the Murphy Commission; named after its chairman, retired Ambassador Robert Murphy), June, 1975, Vol. 2.

Information Act, the Department receives a multitude of requests daily from researchers, journalists, and writers for documents related to a certain international situation or event. Those seeking information, by and large, have no understanding of the inner workings of the Department and believe that a request such as "all exchanges of correspondence related to Allende's downfall" can be readily produced. The system, however, does not provide a basis for such a specific search of the files. It has happened that two separate but similar requests for information have resulted in totally separate sets of documents being delivered.

Inaccessible Files. A highly efficient information management system would obviate the need for much of the current reporting. If information were stored so that it could be retrieved as information, not just as specific documents, such time-consuming tasks as preparing briefing and background papers could be performed almost as computer exercises. Currently, with material in central files practically inaccessible, and with overseas communications now fast and easy, when information is needed the field will simply be asked to compile and report it, even if it previously had been reported.

The Department is revamping and updating its automated document storage system. Millions of dollars are being spent on new equipment and in redesigning the system. As in the past, the Department is treating information retrieval as a technical problem. As such, the staff that will use the system has only limited involvement in the redesign. What is needed is a key word search system that includes a mandatory summary sentence based on certain approved key words. The development of the new system must be coordinated closely with the Washington users.

WHAT SHOULD BE DONE

To be effective, any reform of the management of State Department information must involve both producers and users of information and be integrated with a major reform of the reporting system. Such reform would save manpower, cut costs, make information more accessible, reduce paperwork, enhance the objective analysis of events and situations abroad, and improve the ability of an Administration to make sound policy judgments. Because policy-level officials in the State Department, at the White House and elsewhere often must rely on information presented orally or in quickly prepared memos, these presentations usually are strongly colored by personal biases and institutional preferences. Narrow bureaucratic interests, moreover, frequently will dominate the judgment of career officers.

Creating a Country "Book"

In reorienting the foreign service to more useful reporting, a new type of report could be introduced. It would be in a booklet-type format containing detailed information about aspects of political, military, or economic affairs in each country. Such a document might be soft-bound and bear the reporting officer's name. The appearance of the document as a short book or monograph would give the reporter some pride of authorship and contribute toward quality work. It could

be prepared as an unclassified report with a classified appendix filed separately. A model of this, albeit much more comprehensive, is the briefing book now prepared by the State Department for presidential trips abroad.

A country book could provide background for officers new to the area. It could be a reference work when issues arose in the future and as a source of historical perspective as events evolved over the years. Reporting officers, rather than shunning such long-range reporting as they do now, probably would take pride in authoring reports likely to be maintained as "books" and used for years as reference works. A designated editor for each country book would be responsible for keeping it current and bias-free, with editorial oversight by a presidential appointee to assure that it stays that way. Storage could be in a special section of the State Department Library, providing a resource for the use of journalists and other non-government personnel in addition to the official end-users.

Instructions on the preparation of performance evaluations of reporting officers should be revised to encourage more credit for quality reporting. Rating officers should be instructed to be critical of excess quantity and of when quantity reporting adversely affects quality.

More Efficient Files

A more efficient information storage system is needed to support the new reporting orientation. Automated files could be constructed to include all of the basic information about a country or an issue necessary for a quick review, in addition to the country book. They might include standard country data such as population, leaders, political orientation, growth rates, size of military, alliances, debt position, and key biographical materials. Information analysts in a new Bureau of Information Management (now called the Bureau of Intelligence and Research) could be assigned to keep these files up-to-date, including the name, office, and home telephone number of the responsible officer (thus providing a powerful inducement to keep the file current).

As reports come in from the field or, for that matter, as information is developed from any source, the responsible officer would extract whatever information might alter the data in the file. The files would be maintained so that the Secretary of State, the National Security Advisor, or any other authorized official could call up the data on a computer monitor and obtain a quick printout of the current status of events in any country or on any major issue, without the data being colored by the opinions or biases of an individual briefing officer. If judgments or opinions were desired they could be requested from experts and be considered in addition to the factual information from the official record. Such a system would save the substantial amount of time and manpower now used to prepare position and background papers for senior officials.

The Storage Problem

The problem of storing documents to meet both information needs and the Department's legal obligation to maintain archives is very complex. There are some 12 million documents stored in the Department's central files with about 80,000

added monthly. To make it easier to retrieve data, a new format should be devised that would require a compulsory brief summary paragraph for any document more than one page in length. This opening paragraph should include a general description of the contents, written in a way that will make it susceptible to a computer "key word" search. For general information needs, the country and subject files would constitute the basic sources. Over time, these could be expanded and made more comprehensive.

CONCLUSION

Every year, the State Department asks for more money and more people. For the past six years, the Administration and the Congress have granted most of those requests. This year, with the State Department budget in excess of \$4 billion and 25,800 employees, Congress finally made modest cuts in the Department's request for operating funds.

For fiscal year 1988, the Department asked for an increase in salaries and expenses from \$1.319 billion to \$1.461 billion. Both houses of Congress have approved about \$1.35 billion. While this is an increase, it is less than the Department wanted. As a result, Department management has proposed modest cuts of \$59 million in salaries and benefits, leading to cries of anguish that this will adversely affect foreign policy.

For years the State Department has been living high on the hog, with little or no pressure to economize or to find less expensive ways of operating. The acknowledged problems of excess reporting and inadequate analytical reporting have not been addressed. If these problems can be corrected, much greater savings can be realized over the long run in the budgets of both the State Department and the 43 other agencies that maintain personnel abroad.

Reform must encompass five separate but related actions:

- 1) **Eliminate routine and redundant reporting;**
- 2) **Reduce substantially the number of reporting officers;**
- 3) **Reorient reporting priorities by encouraging more comprehensive, analytical reports with long-term value;**
- 4) **File data in a way that permits retrieval as useful information rather than as individual documents; and**
- 5) **Establish an efficient retrieval system.**

Elimination of useless reporting can be achieved by a firm directive describing reporting needs with precision. This must be accompanied by a major reduction of reporting staffs, both State Department and other agency personnel, worldwide. This will require a major initiative by the White House, with the Office of Management and Budget and the Office of Personnel Management overseeing the staff reduction

and the elimination of positions. Legislation is not required to achieve this, but Congress can assist the effort by reducing the State Department's authorized staffing and encouraging reform of foreign reporting procedures.

Staff reductions will be bitterly opposed by the foreign service and its supporters in Congress and the media. The result, however, would give the State Department an information system suitable to its global responsibilities, while providing U.S. leaders the kind of information they need to make effective policy decisions at less cost and with smaller staff.

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