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The American Foreign Service Association (AFSA)
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Testimony Addressing the Foreign Service at the Department of State and United States Agency
for International Development

The American Foreign Service Association (AFSA) is concerned about the 6 percent decrease to the Fiscal Year (FY) 2024 International Affairs Budget from the FY23 enacted level. In FY25, AFSA hopes this trend is reversed and significant hiring increases in the Foreign Service can resume with a corresponding boost in funding. Specifically, this testimony will address AFSA's appropriations requests for the U.S. Department of State and the U.S. Agency for International Development.

In the FY25 State, Foreign Operations, and Related Programs (SFOPS) Appropriations bill, AFSA is seeking an increase in funds for the State Department's "Human Resources" account to hire and continue to fill Foreign Service positions. AFSA also requests an increase in funds for USAID's "Operating Expenses" account to hire and continue to fill Foreign Service positions. Additionally, these operational accounts aid in retention efforts for members of the Foreign Service. AFSA strongly opposes any proposed cuts to the operational accounts of foreign affairs agencies, which enable the hiring and retention of career members of the Foreign Service.

Maintaining a robust diplomatic capability is vital to preserving America's global leadership role. Our leadership was built on a foundation of military might, economic primacy, good governance, democratic values, tremendous cultural appeal—and the diplomatic prowess to channel all that power, hard and soft, into global leadership and multilateral alliances that have kept us safe and prosperous at home. We would like to partner with our congressional supporters to ensure that today and for years to come, the full complement of U.S. diplomats is in the field, deployed around the world to promote and protect our interests. For a tiny percentage of the overall budget, the Foreign Service is America's first line of defense. Its members build the relationships that enable Americans to conduct business all around the world, keeping threats at bay and reducing the need for military action.

If the United States retreats diplomatically, we leave a vacuum that *will* be filled by others. According to an April 2nd, 2024, "People's Republic of China (PRC) Influence and Confirmations" presentation from the State Department, "susceptibility to PRC influence is high in countries without Senate-confirmed ambassadors." In the face of aggressive competition from countries such as China, the opportunity costs of leaving American embassies short staffed and without confirmed, empowered ambassadors are rapidly increasing. Doing so erodes our nation's diplomatic power at our own peril.

Growing cost-of-living concerns have also become a challenge in retaining members of the Foreign Service, as evidenced by an AFSA Fall 2023 survey. Given the very mobile lifestyle and thus frequent relocations, our members cite moving and re-establishing households every few years, especially with domestic transfers, as growing expenditures. These costs are made even more onerous due to frequent career disruptions for partners and spouses of Foreign Service members and the challenge of looking for housing, childcare, eldercare, and setting up commuting routines every time a move is made. Thus, many Foreign Service households rely on just one income, or with one spouse earning well below their potential, throughout most of a Foreign Service career. Our members also overwhelmingly identified the cost of housing in the Washington D.C. region to be the most significant challenge of serving in domestic positions. Ensuring that we can hire, and then retain, U.S. Foreign Service members serves as another reason for our ask to increase funding of operational accounts.

State Department

An increase in the number of members of the Foreign Service will help accomplish three major goals: help facilitate a training float so that members of the Foreign Service are better prepared for their jobs, allow expanded intake from an increasingly diverse U.S. population, and enable the Department to meet expanding mission requirements.

1. Members of the Foreign Service receive quality training on the front end and on the basics of diplomatic work before they go to their first assignment, including language and functional training. However, limited funding for leadership and other specialized training hamper career-long training opportunities for our Foreign Service members. The officers are usually shuttled between language training and their next post, without the opportunity to simply study their lessons learned or gain new leadership skills in the classroom setting. A sustained and fully funded training float will enable members of the Foreign Service to perform higher quality work, accelerate out-of-cone, cross-functional skills building, and provide temporary duty officers to perform jobs while others attend training. An increase will help ensure that enough personnel are in place to support a training float for the Foreign Service.
2. A significant increase in the number of Foreign Service members provides the opportunity to expand representation to traditionally underrepresented groups. General expansion of the Foreign Service aids in both the recruitment and retention of a more diverse Foreign Service. While there has recently been greater intake from traditionally underrepresented groups, which should continue to expand, retention remains an ongoing concern. While U.S. Foreign Service members identify as being from or growing up in all 50 states, according to an AFSA June 2023 survey, expanded intake would also allow for even more geographical and socioeconomic diversity.
3. Today, the U.S. is facing new threats and issues diplomats did not have to reckon with 10 years ago. Russia has re-emerged as a major national security threat, especially after its invasion of Ukraine in early 2022. China now has a larger diplomatic presence than the U.S. It has more posts overseas and outnumbers American diplomats five to one in

African countries. Additional hiring and greater retention of the current workforce will enable the Foreign Service to meet its expanded mission requirements to counter the ever-growing threats to our global leadership and influence.

Our nation needs a full team of diplomats and development professionals in the field keeping threats at bay and safeguarding our prosperity—combating the conditions that enable terrorism to take root, protecting against pandemics, and promoting the rule of law and international rules and norms that level the playing field for U.S. companies to compete and thrive. This deficit of Foreign Service members needs to be addressed as soon as possible if we are to avoid losing further commercial, economic, and even political ground to rising great powers and peer competitors. AFSA’s request for funding to support Foreign Service hiring and retention will enable America to have a full team in the field and at home.

USAID

AFSA also greatly appreciates bipartisan support for foreign assistance, including increases to USAID’s Operating Expenses (OE) account to permit hiring of career personnel and filling positions. We regard this support as a critical component of U.S. national security. AFSA recognizes the steady increase in the USAID OE budget since FY2019, which has allowed USAID to increase both career Foreign Service officers (FSO) and Civil Service (CS) staff. Largely done under the auspices of the Global Development Partnership Initiative (GDPI), USAID career FSOs are nearing the FY 23 target of 1,980 and an increase of over 300 career FSOs since 2019. This has been a good start. However, USAID still faces critical shortages of career Foreign Service employees. In the field, USAID Missions continue to struggle to fill Contracting Officer, Controller, technical, and programmatic positions with career FSOs. As a result, the Agency maintains its reliance on temporary contractors, short-term fixes, or simply making do without.

Decades of OE shortages, career hiring caps, fragmented internal budget processes, and an under-resourced and unempowered Human Capital and Talent Management (HCTM) Office have distorted both USAID’s workforce composition and processes. Today, Institutional Support Contractors (ISC), Personal Service Contractors (PSC), and non-career Foreign Service Limited (FSL) employees account for nearly 25 percent of staff. In some critical Washington Bureaus, such as Conflict Prevention & Stabilization (CPS), Humanitarian Affairs (HA), Resilience, Environment and Food Security (REFS) and Global Health (GH), an overwhelming majority of personnel are short-term non-career staff (PSCs, ISC, and FSLs). The continued reliance on non-career staff affects how USAID works, limits career opportunities for FSOs, and undermines overall morale across hiring categories.

AFSA recognizes the efforts USAID has made under GDPI to increase career FSO staff. As reported in the FY 22 Transforming Workforce Report to Congress, USAID will meet its FY2023 goal of a career Foreign Service totaling 1,980. However, there is growing uncertainty over whether USAID will be able to reach its FY2025 target of 2,500 career FSOs. Furthermore, the addition of a new hiring authority, Civil Service Excepted (CSE), and an increase in hiring

authority for FSLs to 700, are troubling signs that USAID will continue to rely on temporary short-term employment options.

For years, Congress and AFSA have been asking USAID to develop a comprehensive workforce strategy. In January 2024, the comprehensive strategic workforce plan (CSWP) was finally established, a positive first step. AFSA is committed to working with USAID to ensure that the CSWP captures and effectively utilizes the required and necessary data to allow leadership to make and implement decisions in an open and transparent manner that promotes a strong career FSO workforce while minimizing the need for continued short-term solutions. The CSWP and its first and future reports are essential in ensuring a growing and strong career workforce capable of implementing effective programming in support of our foreign policy goals.

While GDPI and the SWPC are positive steps, there is still a need for vigilance. Turnover and vacancy rates of critical Senior FSO (SFS) and FSO positions across Washington Bureaus remain high. High SFS turnover in the Bureau of Human Capital and Talent Management (HCTM), coupled with continued vacancy in the Chief Human Capital Officer (CHCO) position, holds back growing and strengthening the career FSO corps. It is essential for USAID to better understand why both its SFS and FSO domestic positions are going unfilled, or when filled, why career staff often depart early.

Finally, recent authority to increase the number of FSLs to 700 (a potential of over 250 new positions), along with new CSE mechanisms, give AFSA pause. FSLs and CSEs are professional and respected colleagues, many of whom would welcome the chance to compete for a career position with USAID if opportunities arose. However, USAID has seemingly chosen to meet its needs with temporary term-limited fixes, further limiting opportunities for its career FSOs. The continued use of these mechanisms and the explosion in the number of ISCs create not only a huge management and unknown budget burden, but further entrench perceptions of an unsupportive leadership for career FSOs.

Again, AFSA requests an increase in OE funding that recognizes the urgent need for a larger, robustly resourced career Foreign Service at USAID. We hope this budget and on-going efforts by USAID are part of a larger, sustained, concerted effort to rebuild and empower USAID's career cadre to better serve the interests of the American people.

Thank you for your consideration of these requests.

Sincerely,

Tom Yazdgerdi, AFSA President