

U.S. House Committee on Foreign Affairs
Subcommittee on East Asia and the Pacific and
Subcommittee on the Middle East and North Africa

Hearing: Modernizing U.S. Commercial Diplomacy for Strategic Competition

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I. Opening Statement

Chairman, Ranking Member, and distinguished Members of the Committee: thank you for the opportunity to appear before you today.

I began my career with the U.S. Foreign Commercial Service as a GS-7 International Trade Specialist, supporting offices covering South Asia. Over the years that followed, I grew with the organization, serving in postings across Asia, the Middle East, and Europe, as well as at the U.S. Export Assistance Center in San Francisco. I returned to Washington to serve as the Career Development and Assignments Officer in the Office of Global Talent Management, where I saw firsthand the challenges of building and sustaining a world-class commercial diplomacy workforce. I concluded my career as Acting Executive Director for the Western Hemisphere, overseeing commercial operations across 15 U.S. embassies from Canada to Argentina.

That arc, from an entry-level specialist to regional leadership, gave me a perspective on this work that I hope will be useful to the Committee today. I have seen commercial diplomacy from the ground up, and I have seen it from the top down. I know what it looks like when it works. And I have a clear sense of what it will take to make it work even better.

Commercial diplomacy is a term that encompasses a great deal. This Committee understands well its role in trade policy, in market access negotiations, in breaking down barriers, in advocating for American industries at the highest levels of foreign governments. That work is vital, and I will address it. But I want to begin somewhere else, with the part of this work that is perhaps less visible in Washington, but is felt most directly by American businesses and workers every day.

II. What Commercial Diplomacy Actually Does: The Full Picture

I want to begin with a moment from the floor of the World of Concrete trade show, in 2010, during the depths of the Great Recession.

The World of Concrete trade show was part of the Commercial Service's International Buyers Program, where the international offices recruit qualified foreign buyers from around the world and bring them directly to American exhibitors. I was there working out of the U.S. Export Assistance Center, helping an Algerian delegation make connections on the show floor. During that work, I stopped to speak with the owner of a small manufacturer of machines that produce

concrete curbs. His company had worked with North Carolina Export Assistance Center to develop export markets for his products. And when I asked him how things were going, he told me that decision had saved his company.

When domestic orders collapsed, his international customers sustained the business. International sales, markets the Commercial Service had helped him find and enter, were the reason his employees still had jobs.

That story has played out over and over again. The numbers tell you the scale.

In fiscal year 2023, the U.S. and Foreign Commercial Service assisted more than 33,600 U.S. export clients and more than 10,600 inward investment clients, companies seeking to bring foreign capital and jobs to American communities. Eighty-one percent of those export clients were small and medium-sized businesses. Ninety percent achieved their stated objectives, a performance standard that would be remarkable in any sector.

These are not estimates. They are documented, transaction by transaction, in a performance tracking system that records every company assisted, every service provided, every outcome reported. The Commercial Service tracks these key performance indicators (KPIs) just as any other company and diligently measures success against defined goals and targets.

I am certain that every district represented in this committee has a constituent business that has benefited directly from these services.

Export Promotion: Helping American Companies Compete and Win

The U.S. and Foreign Commercial Service was established under the Foreign Service Act of 1980 and the Foreign Service Reorganization plan of 1979. Through subsequent congressional direction, the Service has been charged with prioritizing support for small and medium-sized enterprises. That is not an accident. Small and medium-sized businesses represent approximately 97 percent of U.S. exporters. They are the backbone of the American export economy, and they are the companies that most need help navigating the complexity of foreign markets.

What makes the model distinctive is that it works at both ends. Overseas, commercial officers and local staff embedded in U.S. embassies and consulates open doors with foreign buyers, distributors, and government officials that American companies simply cannot access on their own. But the work begins at home. The network of U.S. Export Assistance Centers, located in cities across the country, is where a first-time exporter walks in the door. An international trade specialist sits down with them, assesses their readiness, identifies their best markets, and connects them to the overseas team that will take it from there. That domestic-to-international linkage is essential.

The scale of this model is reflected in programming like Trade Winds, an annual business development forum organized by the Commercial Service that brings together American companies, U.S. commercial diplomats, and pre-screened foreign buyers, distributors, and potential partners from across a target region. It is a model that works precisely because it draws on the full depth of the Commercial Service network, from domestic field offices that recruit and prepare U.S. companies, to headquarters that leads the event organization, to overseas officers who identify and vet the foreign participants. At the most recent Americas edition, held in Sao Paulo, Brazil, 260 attendees convened with commercial diplomats representing 16 countries. Fifty-eight

U.S. businesses conducted 494 one-on-one matchmaking meetings with pre-screened partners in Brazil, Colombia, Uruguay, Argentina, and Chile. Those are not passive networking conversations. Those are qualified business relationships, built in days, that would have taken years to develop independently.

Investment Promotion: Bringing Jobs and Capital to American Communities

Export promotion is only part of the story. Investment promotion, attracting foreign capital and jobs to American communities, is an equally important part of the mission.

SelectUSA is the banner under which the Commercial Service promotes foreign direct investment into the United States, and Commercial staff from embassies around the world are the ones identifying foreign companies with the capital, the strategic interest, and the right profile to invest in American facilities, American supply chains, and American workers. They are making the case for the United States as a destination every day, and then connecting those investors to the state and local economic development officials who can close the deal.

In fiscal year 2023, the Foreign Commercial Service assisted more than 10,600 inward investment clients. Those are not inquiries or contacts. Those are companies that received substantive assistance in exploring investment in the United States.

Every one of those potential investments represents jobs. It represents a facility sited in an American community, a supply chain anchored to American workers, a foreign company that chose the United States because someone in a U.S. embassy made the case and made the connection.

This work belongs in any honest accounting of what commercial diplomacy delivers for the American people.

Advocacy and Trade Policy: Opening Markets for American Industry

The third pillar is the one most commonly associated with commercial diplomacy, and for good reason. Advocating for American companies and industries in foreign regulatory and policy environments, supporting U.S. positions in trade negotiations, and working to dismantle the barriers, both tariff and non-tariff, that prevent American goods and services from competing on a level playing field. This is consequential work, and it requires access and relationships that only diplomatic presence can provide.

A single successful advocacy case can be worth billions of dollars to an American industry. A foreign government reconsidering a discriminatory procurement policy, a regulatory barrier lifted, a standards regime aligned with American industry practice: these outcomes do not make headlines, but they open markets. They create the conditions under which American companies can compete and win.

I have seen this work at the highest levels. Commercial Officers and Washington regional trade specialists are translating industry concerns into informed reports like the National Trade Estimate that provide for the basis of trade negotiations today. Commerce operates at every level of this work, from supporting a single company facing a discriminatory tender to advancing broader industry coalitions on regulatory alignment.

It is quiet, persistent, and consequential.

III. A System That Delivers, But Is Running on Empty

I have described what the Foreign Commercial Service does. Now I need to tell you what it cannot do, and why.

The answer, in a word, is resources.

The Foreign Commercial Service has operated under chronic funding constraints for most of my career. This is not a recent development, and it is not a partisan one. It is a structural reality that has compounded quietly over time, eroding capacity in ways that are not always visible until the moment a company needs help and no one is available to provide it.

The numbers are stark. Today, the entire Foreign Commercial Service officer corps is smaller than a single A-100 incoming class at the State Department. Let that land for a moment. The whole of that officer workforce, the people responsible for supporting American exporters and attracting foreign investment across more than 70 markets worldwide, would fit inside one entry-level Foreign Service orientation cohort.

The consequences are felt everywhere. Overseas officers cover multiple sectors across large and complex markets with limited programming budgets and very little slack. Domestic Export Assistance Centers stretch to maintain service levels with fewer staff. Headquarters and support functions operate lean. Locally employed staff, who are the backbone of overseas operations, work with resources and salaries that have not kept pace with the demands placed on them.

My first instinct, and my first wish, is straightforward: fund the Foreign Commercial Service generously. Not just adequately, but exceptionally. The return on investment is documented, the mission is clear, and the need is real. An organization that generates billions in export value and supports tens of thousands of American companies deserves to be resourced like the strategic asset it is.

But having spent a career in this organization, I want to be honest with this Committee. That has not happened. And after years of budgets that have kept the Service functional without making it exceptional, I have come to believe that the path to a better-resourced, better-positioned commercial diplomacy enterprise runs through a structural change, one that aligns the Commercial Service with an institution that has the diplomatic standing, the global reach, and yes, the funding base, to support this mission at the scale it deserves.

That is the case for moving the Foreign Commercial Service to the Department of State.

IV. The Case for Moving to State: What We Gain

Better Coverage for American Business

The State Department maintains a diplomatic presence in virtually every country on earth. The Foreign Commercial Service does not. Today, in markets where there is no commercial officer, American companies seeking support must either go without or rely on colleagues who, however talented and well-intentioned, were not trained in export promotion or investment facilitation and are not measured by those outcomes.

Integration offers the opportunity to change that. With commercial officers embedded across the full breadth of State's global network, trade promotion and export assistance could reach every

embassy, bringing the entrepreneurial spirit of the Foreign Commercial Service and real access to global markets to American small and medium-sized businesses that currently have no one in their corner in some of the world's most complex and yet fastest-growing economies.

That is not a marginal improvement. For a small manufacturer trying to enter a market where the Commercial Service currently has no presence, it is the difference between having a door opened and having no door at all.

A Better Institution for the People Who Carry Out This Mission

I also want to speak plainly about what chronic funding constraints have meant for the officers and staff who carry out this mission, because it is a part of this conversation that rarely gets the attention it deserves.

The Foreign Commercial Service has had to forgo language training for officers because of cost. Retirement planning courses for officers approaching the end of their careers have gone unprovided. Mid-career and senior leadership development, the kind of training that builds the next generation of senior officers, has been inconsistent or frankly non-existent. Spousal employment and transition support, which is essential to recruiting and retaining talented people willing to move their families overseas repeatedly, has been limited. Locally employed staff, who are the backbone of overseas operations, have had restricted access to the professional development opportunities available to their State Department counterparts in the same buildings.

I will say carefully but clearly: the absence of sustained professional development has consequences. A well-trained, well-supported officer corps reflects well on the United States. The inverse is also true. Integration with State would open access to one of the most comprehensive professional development systems in the federal government, including leadership training, language programs, mid-career education, spousal support, and a human resources infrastructure that actually understands the Foreign Service.

Commercial officers would have more opportunities to serve in Washington, deepening their policy experience and their connections across the interagency. They would have clearer promotion pathways and a personnel system designed for the kind of career they have chosen.

These are not perks. They are the foundations of a professional, effective, and accountable workforce. The men and women of the Foreign Commercial Service have earned them.

V. The US&FCS Culture Must Be Protected

The U.S. and Foreign Commercial Service has an organizational culture that is fundamentally different from the State Department's. It is not better or worse. It is different in ways that matter enormously to the mission supporting American industry. Commercial officers are doers. They are measured by results, by the number of companies assisted, the value of deals supported, the outcomes delivered. They are trained to look at a problem and ask: what can we do to move American industry into this space? They do not wait for guidance. They build programs, convene stakeholders, and create opportunities where none existed before.

Let me give you a concrete example of what that looks like.

When Russia invaded Ukraine in February 2022, I was serving in Prague. Within weeks, my team had mobilized on multiple fronts simultaneously. We organized a seminar on sanctions and export

controls for Czech importers of U.S. products, because American companies needed their partners to understand the new landscape immediately. We hosted a nuclear energy trade mission that resulted in new fuel contracts for U.S. industry, because the Czech Republic was accelerating its move away from Russian energy and U.S. companies were ready to compete. We convened a dialogue with industry and EU partners on getting U.S. liquefied natural gas into a landlocked country, because the energy security crisis demanded creative solutions, not just reporting on the problem. We supported U.S. defense industry efforts to advance defense modernization with American solutions. And we hosted a U.S.-Czech business forum alongside investment promotion programming to reinforce the United States as a partner of first choice.

That response came from my small team of commercial specialists who looked at a strategic crisis, asked what American industry needed, and went and made it happen. That is the culture that must survive this transition.

The strength of the U.S. and Foreign Commercial Service has always been its orientation toward action, toward results for American businesses, measured and documented. That is not a critique of the Department of State, which brings extraordinary strengths of its own: global reach, diplomatic depth, and relationships cultivated at the highest levels of foreign governments. Those are precisely the assets that would make commercial diplomacy more powerful under integration.

But a successful transition will require deliberate effort to ensure that commercial officers remain commercial officers, doers and conveners, measured by outcomes, oriented toward industry. The goal is not to absorb the U.S. and Foreign Commercial Service into State's culture, but to build something better than either institution has achieved alone. State's global platform and diplomatic standing, combined with the Commercial Service's execution culture and entrepreneurial spirit, is the instrument American businesses deserve.

That combination does not happen automatically. It requires leadership commitment from both institutions, clear performance expectations for commercial officers, and a mandate from Congress that preserves the results-oriented model that has made this work effective. Get that right, and the whole becomes greater than the sum of its parts.

VI. Recommendations

I offer the following recommendations:

First, direct a formal review of the options for integrating the U.S. and Foreign Commercial Service into the Department of State. That review should include input from current and former commercial officers, American businesses (particularly small and medium-sized exporters), State Department leadership, and the private sector organizations that work most closely with the Commercial Service. It should establish explicit criteria for preserving the operational strengths of the Commercial Service, including the Export Assistance Center network, the SME service mandate, and the performance tracking infrastructure that makes this work accountable.

Second, ensure that any integration legislation includes enforceable protections for small and medium-sized business services and the domestic Export Assistance Center network.

Third, increase resources for commercial diplomacy regardless of structural outcome. The resource deficit is real and it is damaging American competitiveness today. More commercial officers in

more markets, with adequate programming budgets, will produce measurable returns for American companies and workers. That case does not require a reorganization to make. It stands on its own.

Fourth, invest in the people who carry out this mission. Develop a commercial training program that expands the services offered to more Embassies and more State Department Generalists and locally hired staff to build out a robust and effective Commercial cone.

VII. Conclusion

America is engaged in a competition for global economic influence. Our competitors are not standing still. They are investing in their commercial diplomacy infrastructure, expanding their reach, and working systematically to advance their companies and industries in markets around the world.

We have a tool that works. The U.S. and Foreign Commercial Service has demonstrated, year after year, that it delivers measurable results for American businesses and workers. From the small manufacturer in North Carolina whose export sales kept his company alive during the Great Recession, to the commercial team in Prague that organized a nuclear energy trade mission weeks after a land war began in Europe, this organization has shown what it can do when it is pointed at a problem and given the freedom to act.

The question before this Committee is not whether to value that tool. The question is how to make it stronger. The answer requires sustained resources, structural reform done carefully and with the right safeguards, and an unwavering commitment to the small and medium-sized businesses that are the foundation of the American export economy.

The U.S. and Foreign Commercial Service has earned its place at the table. With the right structure, the right resources, and the right mandate, it can do even more.

I am grateful for this Committee's attention and look forward to your questions.