CATO HANDBOOK FOR CONGRESS

Policy Recommendations for the 108th Congress

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6. Homeland Security

Congress should

- monitor closely the implementation of the new Department of Homeland Security and instruct the president to trim and streamline the disparate bureaucracies incorporated into it so that the department can be effective in fighting agile terrorist groups;
- prune and then consolidate the agencies of the intelligence community to reduce the coordination problems that led to the events of September 11, 2001;
- abolish the Office of Homeland Security and the Homeland Security Council and the position of the homeland security adviser (now that a Department of Homeland Security has been established) and use the existing National Security Council and national security adviser to coordinate homeland security issues among agencies; and
- ensure that the new department does not undertake measures that improve homeland security only at the margins, while undermining America's unique and cherished civil liberties.

In the largest open society in the world, improving homeland security is a daunting task. Among other vulnerable targets, the United States has thousands of miles of borders; thousands of bridges, sports stadiums, and shopping malls; and hundreds of skyscrapers and nuclear power plants. Defending against terrorist attacks perpetrated with weapons of mass destruction or disruption may be even more challenging. According to the 1997 Defense Science Board report, *DoD Responses to Transnational Threats*, ''There are a number of challenges that have been regarded as 'too hard' to solve: the nuclear terrorism challenge, defense against biological and chemical warfare threat, and defense against the information warfare threat.'' Yet the September 11, 2001, attacks on the Pentagon and

World Trade Center put intense pressures on Congress and the Bush administration to show that security against future attacks is being enhanced. The key question is whether rearranging boxes on the government's organizational chart and adding new bureaucracy will make the average American safer from terrorist attacks. Unless the agencies being incorporated into the new Department of Homeland Security are trimmed and streamlined in order to fight agile terrorists, the answer is no.

Adding New Bureaucracy May Reduce Security Rather Than Enhance It

Originally, the Bush administration opposed the Democratic proposal to create a new department charged with homeland security. Then revelations about the existence of intelligence information that might have helped uncover the September 11 attacks before they occurred and about the lack of coordination in and among government agencies—within the Federal Bureau of Investigation and between the FBI and the Central Intelligence Agency—which led to failure to piece the information together and act on it, caused the administration to reverse its opposition to the creation of a new security bureaucracy.

As usual, Washington's response to a crisis is a reorganization of government, and this one is the largest since 1947. Bits and pieces of disparate departments and agencies will be pasted together to form the new department. For example, among other federal entities, the Federal Emergency Management Agency, the Customs Service and Secret Service (from the Treasury Department), the Coast Guard and Transportation Security Administration (from the Transportation Department), the Animal and Plant Health Inspection Service (from the Agriculture Department), and the Border Patrol and Immigration and Naturalization Service (from the Justice Department) will be included in the new department.

The threat from al-Qaeda and other terrorist groups is one of agile, nonbureaucratic adversaries who have the great advantage of being on the offense—knowing where, when, and how they will attack. Terrorists take advantage of the sluggishness of and the poor coordination among military, intelligence, law enforcement, and domestic response bureaucracies to attack gaps in the defenses. Yet the Bush administration rushed—before the congressional intelligence panels had completed their work to determine the exact nature of the government lapses prior to September 11—to propose a solution that did not seem to deal with preliminary indications of what the major problem seems to have been: a lack of

coordination between and within the intelligence agencies that make up the vast U.S. intelligence bureaucracy. Instead, the president has proposed reorganizing other government agencies into a new super bureaucracy, leaving out the CIA and FBI. Furthermore, although seeming to consolidate federal efforts at homeland defense, the new department may actually reduce U.S. security by adding bureaucracy rather than reducing it. More bureaucracy means more coordination problems of the kind that seem to have been prevalent in the intelligence community prior to September 11.

The intelligence community and other agencies involved in security have traditionally battled nation-states. Fortunately, those states have governments with bureaucracies that are often more sluggish than our own government's agencies. In contrast, terrorist groups have always been nimble opponents that were difficult to stop, but they were not a strategic threat to the U.S. homeland. As dramatically illustrated by the attacks of September 11, terrorists willing to engage in mass slaughter (with conventional weapons or weapons of mass destruction) and commit suicide now pose a strategic threat to the U.S. territory and population.

No security threat to the United States matches this one. To fight this nontraditional threat, the U.S. government must think outside the box and try to be as nimble as the opponent (a difficult task). The Bush administration is correct that the current U.S. government structure—with more than 100 federal entities involved in homeland security—is not optimal for defending the nation against the new strategic threat. Although consolidating federal efforts is not a bad idea in itself, creating a new department does not ensure that the bureaucracy will be more streamlined, experience fewer coordination problems, or be more effective in the fight against terrorism.

In fact, the reorganization will add yet another layer of bureaucracy to the fight against terrorism. In his message to Congress urging the passage of his proposal to create the new department, the president made a favorable reference to the National Security Act of 1947, which merged the Departments of War and the Navy to create the Department of Defense and created an Office of the Secretary of Defense to oversee the military services. But today, 55 years after the act's passage, that office is a bloated bureaucracy that exercises comparatively weak oversight of military services whose failure to coordinate and cooperate even during wartime is legendary. Even Secretary of Defense Donald Rumsfeld has compared the efficiency and responsiveness of the DoD bureaucracy to Soviet central planning.

The proposed new department is similar to DoD because it will bring together agencies with very different missions and methods of operation and create a large new departmental bureaucracy to try to rein them all in. As was the case when DoD was created, consolidation of the government's efforts is laudable, but it may be unhelpful or even counterproductive to establish another layer of bureaucracy without cutting out layers of management from the agencies being merged or removing some agencies entirely from the homeland security arena and giving their functions to other agencies. Interagency coordination problems may become intra-agency coordination problems.

Consolidation of agencies would have been fine had cutting come before pasting rather than vice versa. In other words, agencies should have been trimmed and reformed (and some totally eliminated) before they were consolidated. Instead, the agencies will be consolidated, with cuts or savings to come later. That promise is not likely to be fulfilled. Once the new, large, consolidated department is created—it will be one of the largest departments in the government—the new department head will be a powerful advocate for more money and people rather than the opposite.

Although the Bush administration did promise some efficiencies from consolidation, the administration did not project overall net savings from the reorganization. At best, policymakers in the administration promised that a consolidated department would not increase costs. But it is telling that the president's plan had no cost estimates accompanying it. Historically, mergers of government agencies have increased costs rather than decreased them. Although some longer-term savings from consolidation of payroll and computer systems may occur, creating the new secretary's bureaucracy to ride herd on all of the agencies will likely increase net costs. The president's proposal for the department calls for adding one deputy secretary, five under secretaries, and up to 16 assistant secretaries. According to the Congressional Budget Office, the new department could cost as much as $4.5 billion more (from 2003 to 2007) than operating the disparate agencies separately.

So the president's plan is likely to cost more rather than less. Following the money is important; if costs are not going down, the plan is unlikely to streamline the government's efforts at counterterrorism and homeland defense. With too many federal entities already involved in homeland security, more government is not better than less. With so many agencies involved, if a catastrophic attack with weapons of mass destruction occurred, administrative chaos would be the probable outcome. After creation

of the new department, there will be fewer organizational entities but probably more government. A stealthy and nimble enemy is at the gates, and there is not much time to put the government on a diet. Instead, the government may be headed to the pastry shop. More bureaucracy means more coordination problems and more opportunities for terrorists.

Bush's Plan Does Not Solve the Problem with Intelligence and May Make It Worse

The president's plan for a new department does not solve what seems to be the primary problem—the lack of coordination within and between U.S. intelligence agencies, specifically the FBI and the CIA. Those agencies are conspicuously missing from the new department.

Yet, for enhanced homeland security, intelligence is the key ingredient. The U.S. government has infinitely more resources for use against al-Qaeda and other terrorist groups than they do against it. If the U.S. government can discover plots or the location of targets and terrorists in time to take action, the overwhelming U.S. superiority in military and law enforcement resources can be brought to bear to foil the plot. Mitigating the effects of the attack after it happens is important, but, in many cases, the government may be able to only marginally help reduce casualties. Without good intelligence, that may be the government's only role. The United States already has an unparalleled ability to collect vast amounts of raw intelligence data—the pieces of the jigsaw puzzle—but the already too numerous agencies in the U.S. intelligence community have had trouble fusing it into a complete picture.

Regrettably, in intelligence, as in the overall homeland security realm, the reorganization will make the government even less likely to put the jigsaw puzzle together and even more ungainly and sluggish in combating terrorists. A new intelligence analysis center will be created in the new Department of Homeland Security to analyze threats to the U.S. homeland. However, the FBI, the CIA, and other intelligence agencies already analyze such threats. Thus, the new agency will be analyzing the analyses of other agencies. If the new analysis center is supposed to be fusing the analyses of those agencies, it would seem to be usurping the role of the intelligence community staff under the director of central intelligence. Furthermore, if the FBI and the CIA fail to fully cooperate or coordinate with each other because of turf jealousies, excessive secrecy, or burdensome bureaucratic rules for interagency coordination, the problem is likely to get worse as another competing bureaucracy is added.

The Government Already Had the Machinery to Coordinate Homeland Security

The National Security Council includes the heads of the major departments and agencies that are responsible for the nation's security. The president's powerful national security adviser officially only coordinates policy among the agencies but in reality is a potent independent voice in the policymaking process. It would seem logical that catastrophic terrorism against the U.S. homeland would affect national security and thus fit under the purview of the NSC and the national security adviser. But apparently not.

Before proposing the new Department of Homeland Security, the president created a White House Office of Homeland Security, a homeland security adviser, and a Homeland Security Council. Even with the creation of the new department, all of this bureaucracy remains. The president maintains that protecting America from terrorism will remain a multidepartmental issue and will continue to require those entities to oversee interagency coordination. But the roles of the homeland security adviser and the Homeland Security Council appear to be redundant with those of the national security adviser and the NSC. For 55 years, the NSC existed to provide for the national security, but as soon as the nation was attacked at home, a new security bureaucracy was thought to be needed. By creating a new cabinet department, U.S. policymakers appear to subscribe to the strange notion that the NSC should provide for security only overseas.

Piling new bureaucracy on new bureaucracy is not the way to fight nimble terrorists. Sen. Richard Shelby (R-Ala.), vice chairman of the Senate Select Committee on Intelligence, noted that the FBI and the CIA are not very agile, and the General Accounting Office has recommended reducing the layers, levels, and units within the FBI. That recommendation should apply to all agencies that remain in the homeland security arena. Many of the more than 100 federal entities involved in homeland security need to be removed from performing the mission. To reduce the chances of lapses in intelligence coordination and chaos in domestic crisis response, there should be fewer government entities in need of coordination. Although reducing the number of people and the amount of bureaucracy seems to go against the tide in the present crisis atmosphere, preliminary indications are that the main problem is coordination among governmental entities, not a lack of raw information or insufficient resources. In short, Congress should not be afraid to streamline or even eliminate agencies involved in homeland security—both within and outside the new department.

Homeland Security and Civil Liberties

Congress should carefully scrutinize any new security measures to make sure they really enhance security and do not merely erode the civil liberties that make America unique. Osama bin Laden is a sophisticated operative who has stated that one of his major goals is to change the U.S. system. If America's civil liberties are eroded needlessly, bin Laden may achieve an even bigger victory than he did with the horrific attacks of September 11.

In a crisis, the government has an incentive to take measures designed to show progress in dealing with it. In the wake of the September 11 attacks, many of the measures proposed or implemented by the Justice Department to restrict civil liberties seemed to be ''for show,'' with little hope of effectively fighting terrorism—for example, the Terrorism Information and Prevention System program that would have inundated law enforcement agencies with dead-end leads from postal and utility workers spying on private residences and businesses. Congress needs to make sure the new department avoids such fiascos. In short, Congress needs to make sure that any new security measures are needed and effective and do not unduly restrict civil liberties.

Suggested Readings

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