Testimony of

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The attacks of September 11, 2001 illustrated dramatically that the U.S. governmental security apparatus has paid too much attention to the defense of other nations and too little to the security of the U.S. homeland. But in the wake of this horrible event, Washington policymakers in the Executive Branch and Congress may feel so much pressure to act that they will make hasty decisions on policies that actually might reduce U.S. homeland security further.

Specifically, I believe that the Bush administration's plan to merge disparate agencies into a new Department of Homeland Security will do nothing to enhance homeland security and may actually reduced it. The threat we face from al Qaeda and other terrorist groups is one of agile, non-bureaucratic 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 and poor coordination among military, intelligence, law enforcement, and domestic response bureaucracies to attack gaps in the defenses. Yet the Bush administration has rushed, before the congressional intelligence panels have completed their work to determine the exact nature of the problem prior to September 11, to propose a solution that does not seem to deal with preliminary indications of what the major problem seems to have been--lack of coordination between and inside the intelligence agencies making up the vast U.S. intelligence bureaucracy. Instead, the president has proposed reorganizing other agencies into a new super bureaucracy, while 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 subtracting 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 United States Now Faces a Non-Traditional Strategic Threat

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 attack on 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, we must think outside 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, it does not

ensure that the bureaucracy will be more streamlined, experience fewer coordination problems, or be more effective in the fight against terrorism.

Bush's Proposal May Make the Government Less Agile When Fighting Terrorists

The Bush administration's merging of parts of other agencies into a Department of Homeland Security 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 (DoD) and created an Office of the Secretary of Defense (OSD) to oversee the military services. But today, 55 years after the act's passage, OSD is a bloated bureaucracy that exercises comparatively weak oversight of military services whose failure to coordinate and cooperate even during wartime is legion. Even Secretary of Defense Donald Rumsfeld has compared the efficiency and responsiveness of the DoD bureaucracy to Soviet central planning.

Fifty-five years from today, I hope we will not have created another organization like today's Department of Defense. Yet the new proposed 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 not a bad idea, 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 existing agencies. Interagency coordination problems may just become intra-agency coordination problems--agencies with each other and with the secretary's office.

A good analogy to use may be the creation of the European Union. Creating a consolidated market for goods, services and financial transactions was a good idea. But a bloated EU bureaucracy has now been superimposed over the already intrusive national governments in Europe. It is yet another layer of bureaucracy for people living in Europe to deal with.

In short, consolidation is fine as long as we cut before pasting rather than paste before cutting. In other words, agencies should be trimmed and reformed (and some totally eliminated) before consolidating them. If the agencies are consolidated with the pledge of 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. Yet the Bush administration proposes pasting agencies together first, but does not even promise savings. At best, policymakers in the administration have promised that a consolidated department will 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 by consolidation of payroll and computer systems may occur, creating the new secretary's bureaucracy to ride herd over all of the agencies will likely increase net costs. The president's proposal calls for adding one deputy secretary, five undersecretaries, and up to 16 assistant secretaries.

So the president's plan is likely to cost more rather than less. More importantly, we must follow the money; if costs are not going down, the plan is unlikely to streamline the government's efforts in counterterrorism and homeland defense. With more than 100 federal entities already involved in homeland security, more government is not better than less. With so many agencies involved, in the event of a catastrophic attack with weapons of mass destruction, we are likely to have chaos. With the president's plan, we may get fewer agencies, but probably more government. A stealthy and nimble enemy is at the gates and we do not have 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' plan for a new department does not solve what at least preliminarily seems to be the primary problem--the lack of coordination within and between U.S. intelligence agencies, specifically the FBI and CIA. Those agencies are conspicuously missing from the president's plan.

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, that overwhelming superiority in military or 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 only be able to marginally help reduce casualties. Yet, without good intelligence, that may be the government's only role. The United States 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 his overall homeland security proposal, the president's plan 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. Yet the FBI and CIA and other intelligence agencies already analyze such threats. Apparently, the new analysis center will not be able to get raw intelligence from those agencies unless the president personally approves it. Thus, the new agency will be analyzing the analysis 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 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.

If interagency coordination was the main problem prior to September 11 and parts of the FBI and CIA are not folded into the new department (some members of Congress have proposed including them), interagency coordination problems are likely to worsen. Even if parts of the two agencies are included in the reorganization, once again the interagency coordination problems will most likely be turned into intra-agency ones. Again, the only solution is to reduce not only the number of agencies, but also the layers of bureaucracy. To reduce the number of agencies in

the intelligence community means getting rid of some, not just folding them into one super agency that will act as an advocate of more funding and personnel. Once again, we need to cut before pasting rather than vice versa. And while we are at it, the plethora of federal law enforcement agencies need to be pruned too.

The Government Already Has the Machinery to Coordinate Homeland Security

The old maxim that a crisis leads to bigger government has never been more true than in the wake of the September 11 attacks. In Washington, the typical response to such an event is to show the public that something is being done by rearranging organizational charts and adding bureaucracies. And after this horrendous incident, everyone in Washington is racing to fix the problem before we are sure what it is. And, as noted earlier, we seem to be fixing something entirely different (not that it may not need improving) from what the intelligence hearings are preliminarily pointing to as the main problem.

But whether or not lack of coordination among the intelligence agencies turns out to be the major or the only problem, we already have the governmental machinery to fix them. In his message, the president also mentioned that the National Security Act of 1947 also created the National Security Council (NSC), on which sit the heads of the major departments and agencies that are responsible for the nation's security. The president's powerful National Security Advisor 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 the national security and thus fit under the purview of the NSC and National Security Advisor. But apparently not.

Before proposing the new Department of Homeland Security, the president created a White Office of Homeland Security (OHS), a Homeland Security Advisor, and a Homeland Security Council (HSC). Yet even with the creation of the new department, all of this bureaucracy will remain. The president maintains that protecting America from terrorism will remain a multi-departmental issue and will continue to require those entities to oversee interagency coordination. But the roles of the Homeland Security Advisor and Homeland Security Council appear to be redundant with the National Security Advisor and the NSC. For 55 years, the National Security Council existed to provide for the national security, but as soon as the nation is attacked we apparently need a new homeland security bureaucracy to provide national security at home. Both the president's statement and his proposal for a new cabinet department appear to subscribe to the strange notion that the National Security Council should provide for security only overseas.

What Should Be Done

? The whole process to find a "fix" for 9/11 "failures" should be slowed down. This deceleration would allow the main problem (or problems) prior to September 11 to be discovered by Congress. It would also allow cooler heads to prevail so that we do not end up with new bureaucracies piled on top of each other (the new department on top of the OHS, the homeland security advisor, and the HSC) and on top of the old ones (a new secretary's bureaucracy on top of existing agencies).
? The NSC and National Security Advisor could adequately coordinate homeland security

without a new department if the intelligence and law enforcement communities were pruned (of agencies and layers of bureaucracy). Senator Richard Shelby, Vice Chairman of the Senate Select Committee on Intelligence, noted that the FBI (and CIA) are not very agile, and GAO has recommended reducing the layers, levels, and units within the FBI. Such a recommendation should apply for all agencies that remain in the homeland security arena. But many of the more than 100 federal entities also need to be ejected from homeland security mission. To reduce the chances of lapses in intelligence coordination and chaos in domestic crisis response, there needs to be fewer government entities in need of coordination.

? Although reducing the number of people and amount of bureaucracy seems to go against the tide in the present crisis atmosphere, preliminary indications are that coordination among governmental entities is the main problem, not a lack of raw information or insufficient resources.

? Fighting a new stealthy, agile enemy is not like fighting cold or hot wars against nation-states. In the rush to "do something" Congress--by enlarging an already huge and sluggish national security bureaucracy--might make the risk of another successful catastrophic terrorist more likely.

? Even with real improvements to the intelligence and homeland defense machinery (rather than adding bureaucracy), it is probably only a matter of time before the terrorists strike again. Most high-level Bush administration officials say that it will be "when and not if." Of course, in the short-term, we must decisively take down the rest of the al Qaeda terrorist network militarily and with law enforcement but, in the long-term, we might want to take steps to lower our target profile to terrorists. The United States could do this by reducing unneeded interventions, both politically and militarily, in the world--particularly in the Middle East. According to a recent Zogby poll, a majority of the populations of all Islamic states polled liked U.S. culture, including movies and television, but disliked U.S. policies toward the Middle East. Because intelligence and homeland security cannot be perfect, a change in U.S. foreign policy might lessen the chance that terrorist groups would be motivated to launch catastrophic attacks against the U.S. homeland.