New Security for New Threats:

The Case for Reforming the Interagency Process

Kenneth R. Dahl, Colonel, U.S. Army

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Research Methodology and Acknowledgement

From October 2006 to May 2007 I spent a great deal of time on Capitol Hill trying to convince Congress of the need for reform in our national security interagency apparatus and the critical role that Congress must play in that reform. This paper is a narrative summary of the discussions I had during meetings and office calls with the members and staff listed below. On the vast majority of these occasions I was assisting Jim Locher, Executive Director of the Project on National Security Reform.

Meetings with Members of Congress
Senator Byron Dorgan, D-ND
Senator James Inhofe, R-OK
Senator Carl Levin, D-MI
Senator Jack Reed, D-RI
Senator John Warner, R-VA
Congressman Roy Blunt, R-7th/MO
Congressman Charles Boustany Jr. R-7th/LA
Congressman Mike Conaway, R-11th/TX
Congressman Geoff Davis, R-4th/KY
Congressman Randy Forbes, R-4th/VA
Congressman Steve Israel, D-2nd/NY
Congressman Thaddeus McCotter, R-11th/MI
Congresswoman Ileana Ros-Lehtinen, R-18th/FL
Congressman Jim Saxton, R-3rd/NJ
Congressman Ike Skelton, D-4th/MO
Congressman Vic Snyder, D-2nd/AR
Congressman William "Mac" Thornberry, R-13th/TX
Congressman Frank Wolf, R-10th/VA

Meetings with Personal Staff, names follow that of the *Senator/Congressman*
Senator Sherrod Brown, D-OH: Gordon "Jack" Dover, SA, Doug Babcock, MLA
Senator Chuck Hagel, R-NE: Rexon Ryu, LA, Eric Rosenbach, NSA
Senator Frank Lautenberg, D-NJ: Joel Rubin, LA
Senator Richard Lugar, R-IN: Geneve Mantri, Stimson Center Fellow
Speaker of the House Nancy Pelosi, D-8th/CA: Mike Sheehy, LA
Congressman Sam Far, D-17th/CA: Anna Vaughan, LA
Congressman Barney Frank, D-4th/MA: Bruno Freitas
Congressman Mark Kirk, R-10th/IL: Mike Maughan, Stimson Center Fellow
Congressman John F. Tierney, D-6th/MA: Kevin McDermott, Legislative Director
Congressman C.W. Bill Young, R-10th/FL Tom Rice, Defense Appropriations

LA is Legislative Assistant, MLA is Military Legislative Assistant, NSA is National Security Assistant, and SA is Special Assistant

Meetings with Committee Staff

Senate Armed Services Committee: Bill Canniano, Regina Dubey, Evelyn Farkas PhD, Mike Kostiw, Kirk McConnell, Bill Monahan, Lynn Rusten

Senate Foreign Relations Committee: Mary Locke Minority Director, Brian McKeon Deputy Majority Director and Chief Counsel, Mike Phelan

House Armed Services Committee: Bob DeGrasse, Lorry Fenner PhD, Andrew Hunter, Alex Kugajevsky, Mark Lewis, Stephanie Sanok, Kyle Wilkins, Roger Zakheim

House Appropriations, Subcommittee on Foreign Operations, Export Financing and Related Programs: Betsy Phillips Majority Clerk

House Foreign Affairs Committee: Robert King PhD Majority Director

House Permanent Select Committee on Intelligence: Chris Donesa

House Committee on Oversight and Government Reform, Subcommittee on National Security and Foreign Affairs: Dave Turk, Staff Director, Andrew Wright, Professional Staff Member, Davis Hake, Staff Assistant

House Committee on Homeland Security: Matthew Allen, Bill Ellis PhD, Todd Gee, Jeff Greene, Jessica Herrera-Flanigan Majority Director, Joe Vealencis

Other Meetings

General Peter Pace, USMC, Chairman of the Joint Chiefs of Staff

General Joseph W Ralston, USAF, Retired, The Cohen Group

Brigadier General Keith Walker, Army Staff, G-35

Presentation to Graduate Students at LBJ School of Public Diplomacy, University of Texas, Austin.

Executive Summary

The United States Government interagency process is badly broken. This is especially true in the realm of national security. The federal government has archaic, vertical, "stove-pipe" organizational structure and processes that severely undermine success in operations and policy implementation. We are unable to achieve unity of effort and a whole-of-government approach to devising solutions to critical problems. Today's world is extremely complex and requires the horizontal integration of efforts from a variety of departments and agencies in our executive branch. National level reform of the interagency process is urgent, yet we have not even begun. It is unrealistic to expect the executive branch to reform itself. Administrations are too busy with day to day operations to see the need for change and presidential directives are insufficient and ineffective for this level of reform. Authorities and appropriations must be properly aligned to create flexibility and enable agile integrated solutions to the complex threats of the new century. Reform must be driven by Congress, in a manner similar to that achieved by the Goldwater-Nichols Act in 1986 that created horizontal structures and processes in the Department of Defense. While Congress is part of the solution it is also part of the problem and requires similar reform of its own. Piecemeal independent reform efforts are inadequate. It is absolutely vital to our national and homeland security that we produce a new National Security Act, complimentary executive directives, and an interagency mechanism in Congress.

The Current Structure is Obsolete

The United States Government interagency process is badly broken. This is especially true with regard to national security. The bottom line is that we are unable to achieve unity of effort and a whole-of-government approach in devising solutions to critical problems. Today's world is extremely complex and requires the horizontal integration of efforts from a variety of departments and agencies in our executive branch. This is true for counter-terrorism, counter-narcotics, counter-proliferation, counter-insurgency, homeland defense and a host of other top priority issues facing the nation. But our government is currently structured in vertical stove-pipes with traditional processes that do not allow for interagency planning, coordination, and synchronization of efforts. Until we achieve real reform, we will continue to suffer setbacks that have become increasingly unacceptable in terms of resources wasted, lives lost, and a failure to meet our objectives. This situation begs for reform and the time to begin is now.

The Executive Branch- and Why It Cannot Reform Itself

As the United States Government is presently organized, the only place the various federal departments and agencies truly come together in any meaningful way is in the Oval Office. There is no formal mechanism responsibile for ensuring that the departments are working to complement one another's efforts or in the least that they are not working at cross purposes. In business and military organizations this role is typically performed by a Chief of Staff or similar actor with authority over the subordinate elements and control over resources. In our executive branch, the National Security Council has performed a coordinating role at various times with mixed results. Each President will choose to use his National Security Advisor and National Security Council differently. In addition, there is a lack of sufficient authority over the Secretaries or control of resources to allow an integrated unity of effort. The most common method has been the "lead agency approach" in which it is recognized that various agencies have important contributions to make and one agency is designated to lead the others. There is no real authority over the other agencies or control over their manpower and resources. More often than not this leaves the lead agency with little ability to obtain the support and cooperation required of the other agencies and a coordinated effort is never fully achieved.

Example: Regime Crimes Liaison Office (RCLO).

The RCLO was established by the President to address the crimes committed by Saddam Hussein and his regime. The Department of Justice (DoJ) was the lead agency, and all other departments were tasked by the President to support DoJ on a non-reimbursable basis. The cost of life support and transportation, especially aviation support, was significant. As operations in Iraq continued longer than expected, competition for resources grew and this demanded greater accountability. DoJ did not forecast their requirements and did not submit them with their budget. Instead, the department relied on the non-reimbursable support of others. DoS and DoD, unaware of what support might be required of them, did not forecast or budget to support DoJ either. The result was a major operation of high priority with no funding. It was clear that someone needed to forecast and budget for the RCLO requirement, but there was no agreement on who that should be, and this conflict could not be resolved in Baghdad. Since it was not in the base budget, it was necessary to request funding in the supplemental budget but similar arguments ensued over which department would bring forward the request for emergency funding. A great many senior level man-hours, perhaps man-days, were spent in the field trying to overcome gaps in policy implementation that resulted from a failure of interagency cooperation in Washington. Unity of effort within the interagency community at the national level would better enable those in the field to implement policy decisions and establish conditions for their success.

In looking for reform options there are lessons to be drawn from the business community. Years ago, corporations and manufacturers were similarly organized in vertical stovepipes that were only integrated at the very top of senior management. One of the first places to reform was the competitive market place of the auto industry. The Japanese car makers recognized that they could be more responsive to the consumer and produce a better quality car, faster and more cheaply by integrating experts at lower levels. The emergence of horizontal process teams and the success of the Japanese car manufacturers were followed by similar reforms in other businesses who adapted their organizations in order to remain competitive. Examining this transformation in business could provide insight and understanding that could lead to better practices in government.

The problem in the whole of our executive branch is similar to the problem that existed within the Department of Defense (DoD) before the reform undertaken in the 1986 Goldwater-Nichols Act. Prior to Goldwater-Nichols, the military services operated independently and often in an unproductive competition with one another. Inter-service rivalries led to inefficient use of resources, redundancy in capability, poor interoperability, and a general lack of cooperation During Desert One. The failed effort to rescue our hostages from the American embassy in Tehran, Iran brought our interoperability problems

into full view. The inability of the services to integrate their operations led to loss of life and equipment and a failed mission. Operation Urgent Fury in Grenada also revealed an inability of the army ground forces to communicate with supporting aircraft from the air force. The extent to which the services were unable to integrate their operations was famously displayed when a soldier called back to the U.S. on a pay phone to ask for help in guiding the pilots. There had been a growing consensus in the ranks of the military that something needed to change and these defining moments in history provided concrete evidence of the problem. Still, many senior leaders in the Pentagon resisted change, and DoD was incapable of leading change internally. In 1986 Congress took action to reform DoD and over the past 21 years, their legislation has created a joint military with a high degree of interoperability, unity of effort, and a common culture of cooperation. It is said that prior to Goldwater-Nichols, the only thing the service chiefs agreed on was that they did not want the Goldwater-Nichols reforms to succeed. Today, although there are still some areas where DoD can improve, the joint reforms are a major success. In recent years, there has been a growing chorus calling for a Goldwater-Nichols-type act to improve our interagency process.

Example: Provincial Reconstruction Teams in Iraq

Achieving unity of effort at the national level, in the space between the President and the Secretaries, is critical to achieving greater unity of effort at the regional and country level. When we cannot agree on an approach in Washington our operations overseas are often disjointed and ineffective. Provincial Reconstruction Teams (PRT's) in Iraq provide a good example of the difficulties we face when policy decisions are not fully developed and resourced by a coherent interagency process. In the fall of 2005, DoS obtained the support of the President to establish PRT's in Iraq to help advance governance, rule of law, economic development and generally improve the situation in the provinces and better connect it to the central government in Baghdad. The Secretary of Defense was publicly opposed to the State initiative, but in this instance, the President approved it over his objection. With the policy decision made, those in Iraq set out to implement the policy and stand up the first PRT's. Almost immediately, there was conflict in the field over who would provide resources for security and life support. The Embassy insisted it should be the military, but the military resisted. For the military to provide security, it would take more troops and the money to support them. For the Embassy to arrange security, it meant more security contracts and the money to pay for them. Neither entity had anticipated these requirements, so neither had budgeted for it. After more than a year of frustration in the field, a compromise arrangement was formalized in a Memorandum of Agreement between the Departments of State and Defense. This unnecessary delay contributed to a loss of momentum in assisting the Iraqi government to provide basic services to the people. Success in the field depends upon better support than that from Washington. An effective interagency process that achieves unity of effort from the outset would better serve those civilians and military personnel on the front lines.

Many presidential administrations have themselves recognized the need to improve the effectiveness of the executive when implementing policy decisions and conducting operations and they have taken steps to implement change. None of these initiatives has taken hold. Most administrations have followed a common pattern. When taking office, they are least interested in considering reform. Much of their time is consumed with building their team, identifying political appointees and getting them confirmed. Their first priority is establishing their basic internal operating procedures. Additionally, the day-to-day running of the government will not wait, so they are immediately faced with urgent issues. It is easy to imagine the steep learning curve in any new administration.

They are also uninterested in reform because they tend to believe it is not necessary. Having just won an election, they justifiably have great confidence in their leadership, management skill, and the cohesion of their team. Interagency process failures are viewed mainly as failures of the previous administration that they will not repeat. They cannot immediately recognize the structural and organizational deficiencies. Late in the administration's time in office, after suffering shortcomings and failures of their own, they recognize the problems of interagency process and they attempt to fix them. These efforts at internal reform are formalized in an executive order or presidential directive, the most promising being Presidential Decision Directive (PDD) 56 in the Clinton administration. PDD 56 is the best example of the many change initiatives in the executive branch that contained workable solutions but were never fully implemented. Understanding why these internal efforts at reform were unsuccessful highlights the need for action by Congress.

One would think that a presidential directive is certain to be implemented, but that simply is not the case. As already mentioned, directives that aim to reform the interagency process typically come late in the administration's time in office. This does not allow enough time to implement the changes and also encourages those who resist the change to stall until the leadership departs. Resistance to change comes both from the cabinet Secretaries and from their department bureaucracies. Secretaries are political appointees that generally come from competitive backgrounds in business and law. They are predisposed to protect the interests of their departments and gain additional resources for their own objectives. Despite their loyalty to the President, they will resist efforts at reform they perceive as

having a negative impact on their core agenda. If the President were to gain the support of his Cabinet, the Secretaries themselves would face strong resistance within their own departments. The career bureaucrats within the departments and agencies have worked hard to advance specific programs that take years to implement. These experts are naturally protective of their life's work and will resist any change that they perceive as a threat. The ability of the bureaucrat to successfully fend off change is real. Finally, if the President was to win over his Cabinet and the Secretaries were to persuade their departments, the directive will almost certainly be rescinded when the next administration takes office. The new team tends to throw out all the previous team's policies and begin fresh. As the new President takes office, the pattern repeats itself with an administration confident in its inherent abilities to do better without formal reform.

The Role of Congress in Reforming the Interagency Process

Simply put, the Executive Branch is incapable of reforming itself much in the same way that the Department of Defense was incapable of reforming itself. Action must be taken by Congress for real reform to occur. There are a number of reasons to be confident that Congressional action would be effective. First of all, the reform vehicle would likely be a piece of legislation that carries the force of law and demands adherence. Resistance and non-compliance could be overcome with monitoring, accountability and penalties. Experience from Goldwater-Nichols tells us that, without this oversight, the change would suffer repeated delays and in the end never reach full implementation. Second, Congress can provide some of the necessary authorizations to formalize the reforms and ensure they endure from one administration to the next. Third, and perhaps most importantly, Congress appropriates the funding that puts the resources behind the reforms. Without the money and manpower to execute the reform, it is just a hollow concept.

The Time for Reform is Now

The interagency process begs for reform; Congress must initiate and oversee the reform, and the time to begin is now. Reform must occur under the present administration so the next President can form his team around the new structure and interagency process.

There are several compelling reasons for this imperative. If we wait until the new administration takes office, they will have no interest in reform as the well established pattern described earlier repeats itself. Essentially, the window of opportunity will close for a minimum of three years while the next President learns the same lessons as his or her predecessors. We cannot afford to wait that long. It is true that we have gotten by without this reform for decades. There is evidence that we have had these interagency process failures for more than forty years. However, in the past, our shortcomings have come at a price that we could afford. Our nation was wealthy and powerful enough, with geography in our favor to absorb the consequences of our failures. Today, that is no longer the case. With globalization, the world has reached an unprecedented level of interdependence and we are connected in a complex network of systems involving energy, the environment, economy, security, and health just to name a few. With the emergence of powerful non-state actors and the rise in terrorism, the cost of interagency failure is unacceptably high. The post 9-11 world is a world in which the United States must achieve greater effectiveness in interagency planning and policy implementation. We cannot mitigate the risk. We cannot delay reform. The stakes are just too high for us to continue to stumble along.

Some have argued that it is impossible to push such an agenda in the current national political environment. Relations between the Executive and Legislative branches are severely strained, partisan politics in the Congress seem to undermine any effort at cooperation and the 2008 presidential campaign is already underway. To get the government to work together in an enormous collaborative effort now seems very unlikely. It is possible that the opposite is also true. Democrats are hungry for a new approach to national security. Republicans are looking for a way to account for our recent difficulties in Iraq, Afghanistan and Hurricane Katrina that goes beyond simply blaming individuals in the Bush administration. For the first time in fifty years neither the President nor the Vice President is running for office, which is a political novelty for this generation. It is also possible that the Bush administration, concerned about its legacy, could see reform as a positive agenda. It may be possible that all of these divisions are necessary for reform to be given serious consideration. In this sense, this is exactly the right time. It is difficult to imagine the perfect set of political circumstances that would facilitate reform and in any case we cannot wait.

It is also true that now may be the best time for the broad American public to support reform. One problem for Congress in reforming the interagency process is that there is no natural constituency. Why would a member of Congress throw his or her energy behind something so complex that is of little direct interest to the citizens of his or her state or district? They would not and they do not. Today, members of Congress are being asked by the folks at home to explain why we are doing so poorly in our efforts in Iraq, Afghanistan and how we performed so poorly in response to Hurricane Katrina. Explanations that pin all of the blame on the current administration are inadequate. They serve a political purpose in the polls, but they produce no alternative. The mechanic in California and the teacher in Illinois both want to know why a nation as powerful as ours is struggling to deal with the challenges of the 21st Century. If we do not take advantage of the opportunity to change, while the need for change is so salient, the moment will slip away until the next major crisis. It is irresponsible leadership to fail to take action now.

We must make an effort to reform the interagency process now, even if, in the end, we are unsuccessful. If the nation recognizes the need for change, but our Executive and Legislative branches are unable to implement change, than we will have learned a valuable lesson about the limits of our capabilities as the world's greatest power. It is said that many nations believe the United States is capable of doing anything. Both our admirers and our enemies deduce that if we can put a man on the moon then there is no limit to what we can accomplish. As events have unfolded in Iraq and Afghanistan some people there see the setbacks and chaos as deliberately engineered by the U.S. as part of a secret grand strategic plan. In their minds it is inconceivable that the all powerful and capable United States could lose control of the situation. Many foreigners give the U.S. credit for being far more capable than we actually are. Are we making this same mistake? If we fail in an attempt to reform our current, vertically stove-piped interagency process to better meet the horizontal challenges we face in today's complex environment, we will at least know, collectively, that it cannot be done. We can at least open our eyes to our limitations and not fall victim to our own "man on the moon syndrome." With a clearer understanding of our limitations, we can reassess our place in the world, our strategic objectives, and our level of ambition and prepare ourselves accordingly. On the other hand, if we fail to attempt reform and continue

to believe we are capable of anything as we are currently structured; we risk one major strategic failure after another and our global power will erode.

The Challenge in Congress

The time is now and we must engage Congress to understand their role. In reforming the Department of Defense there was broad consensus that reform was necessary, there were defining moments in history at Desert One and Grenada and there were two champions in Congress who provided essential and sustained leadership to the endeavor, Goldwater and Nichols. Today there is growing consensus that interagency reform is urgently required. Recent difficulties in Iraq, Afghanistan and with Hurricane Katrina have presented a complex problem in more simple and understandable terms to every home in America. What we desperately need are champions in Congress. Unfortunately, although Congress is essential to the solution, it is also part of the problem.

As Congress performs its function of authorizing programs, appropriating funds and providing oversight of the Executive Branch, it is reinforcing the rigidness and vertical alignment that prevents better integration of efforts across departments. The committee and subcommittee structure of Congress is patterned directly after the structure of the Departments and agencies. Just as the Executive branch has no horizontal integration below the level of the White House and National Security Council, so too the Congress has no integration of committees, except potentially in the offices of the Speaker and Majority Leader. The jurisdiction of committee chairmen and ranking members is just as jealously guarded as that of the Secretaries and their Departments. A hypothetical example will illustrate the problem: Let's say the Departments of State, Justice and Defense have all been authorized by Congress to conduct certain activities, and they provide the White House with input to the President's budget request to resource these activities. The President forwards his budget submission to Congress which then breaks it out to the various appropriations subcommittees who approve the funding. Later, the nation is facing an unforeseen problem that requires action from various departments. So the President appoints the Department of State as the lead agency to coordinate the interagency response. Justice and Defense will send representatives to the interagency meetings, but they don't really work for the State

Department. The State Department has no real authority over Justice and Defense. When the interagency effort requires manpower or funding, we can expect that only State will be enthusiastic about committing these resources. Justice and Defense are not inclined and poorly motivated to contribute resources they have secured for their own priorities. Furthermore, the committees in Congress which have provided the authorizations and appropriations to Justice and Defense often prohibit their use for other purposes. So even if the non-lead agencies were inclined to support, in some cases they may be unable to do so. Here, Congress is making a bad situation worse. Clearly this means that meaningful reform of the interagency process will require similar reform in Congress.

So who are the Goldwater and Nichols that can champion interagency reform? As difficult as it was to reform the Department of Defense, at least it was clear who in Congress had jurisdiction: the Senate and House Armed Services Committees. But since no one committee in Congress is responsible for the interagency process or the horizontal integration of efforts in the executive, there are no natural champions to lead the reform effort. So the first order of business in Congress is for the leadership to sort out how they will organize themselves to create a jurisdiction for interagency process, and to do so without infringing on the jurisdiction of existing committees. One illustrative possibility is a Temporary Select Committee for Interagency Affairs, comprised of senior members from all those committees that currently have jurisdiction over national security matters, such as Armed Services, Intelligence, Foreign Relations, Justice and Treasury. The establishment of this committee, in whatever form it takes, is essential to hold hearings, pass the reform legislation, and provide oversight of implementation.

A Comprehensive Approach

There are a number of initiatives underway to address specific interagency shortcomings. For example, the National Security Council has approved an Interagency Management System to improve cooperation and planning between DoD, DoS and other departments. The National Security Education Consortium is designed to better integrate non-DoD security professionals into a system of professional education and development. While these measures are important components of progress, they are addressing symptoms

rather than root causes. To maximize the potential for real change, it is important that these corrections to current practice be nested in an overall structure and philosophy of interagency cooperation. Unless unity of effort springs from the space between the President and the Secretaries, initiatives to create unity of effort at subordinate agencies and among interagency professionals will fall short. A comprehensive and historical review of our interagency process is necessary to identify the common interagency failures over time and more importantly the root causes of those failures. This will provide an intellectual foundation to develop an exhaustive menu of recommendations for the President and Congress to consider in an integrated overarching reform agenda.

A look at National Security Presidential Directive (NSPD) 44 and the Department of Defense Directive 3000.05 illustrates the dangers of a piecemeal approach to reform. Issued in December 2005, NSPD 44, Management of Interagency Efforts Concerning Reconstruction and Stabilization, established the Coordinator for Reconstruction and Stabilization in the Department of State. NSPD 44 established a focal point to coordinate the multiple entities of the government in order to achieve maximum effect in our efforts to assist foreign states and regions facing the threat of civil strife or recovering from conflict. But the directive failed to provide the Coordinator with clear authority over other government entities and did not provide the resources necessary to implement the concept. Attempts by the Coordinator to obtain the authorities and appropriations from Congress that would put meat on the bones of the directive were unsuccessful and after nearly 18 months there has been only minimal progress.

In November 2005, a month prior to the launch of NSPD 44, the Secretary of Defense approved DoD Directive 3000.05, Military Support for Stability, Security, Transition, and Reconstruction (SSTR) Operations. For the first time, this directive established stability operations as a core mission of equal priority to combat operations within DoD. The directive acknowledges that this mission is best performed by civilian professionals but requires our military to be prepared to perform these tasks when the civilians cannot do so. So two separate entities are attempting to build the capacity to perform stability operations, DoS as the US government's primary effort and DoD as a second or temporary option. Given the progress made with NSPD 44 to date and the ability

of DoD to respond to this new mission there is a real danger that the civilian capability will never materialize.

The tremendous manpower and massive budget of the Department of Defense provides great flexibility and the ability to manage risk in some areas in order to provide resources for unforeseen requirements. As compared to DoS, the Pentagon has significantly greater resources available to implement their directive and it will outpace NSPD 44. Furthermore, DoD will incorporate this new mission into their legislative agenda and in a wartime environment is far more likely than DoS to obtain the authorities and resources from Congress. The legislative affairs apparatus of Defense dwarfs that of State and their relationship with lawmakers is stronger, more positive and yields better support. The fact of the matter is that the Secretary of Defense has put more energy behind this second option than the Secretary of State has put behind the primary effort. There is a real danger that NSPD 44 will never achieve a robust capability and that, by default, DoD will become the lead agent for stability operations. We should not launch independent initiatives in separate departments that are not tied to a larger holistic package. The bottom line is a piecemeal approach will not work.

Example: Rescinding DoD Directive 3000.05

There are a number of reasons why it would be wise for the Secretary of Defense to rescind Directive 3000.05 on his own initiative or for the President to order it:

1. We run the risk of militarizing our foreign policy. Military personnel engaged in assisting foreign states with governance, rule of law, economic development and other civic activities will continue to fall under the DoD chain of command. Guidance, execution and reporting of this mission will flow through the military commander in country to the Combatant Commander, Joint Chiefs of Staff and Secretary of Defense. Foreign policy and assistance is more appropriately the mission of State.
2. As Defense develops an independent capability, the distinction between security assistance and foreign assistance will continue to blur. They will become even less inclined to coordinate with State and other entities, exacerbating the current challenges of interagency coordination and unity of effort.
3. Bolstering the military in this area will only widen the capacity gap between Defense and the rest of government and further increase the already dominant influence Defense has in the White House and in national security decision-making.
4. While the DoD directive envisions the military performing stability operations as a second or temporary option, only when the civilians are not able to do it, the reality is there is serious risk of mission creep and the military becoming the primary or only credible option.

5. Stability operations are long-term activities and would require committing significant military effort for extended periods of time. This would leave some forces unavailable for combat operations.
6. The military's primary function and one that no other agency can perform is to win the nation's wars. Diverting attention to stability operations and away from this core role is risky, and could be misinterpreted by our potential enemies.
7. In a resource-constrained environment, Congress is unlikely to provide support for building capacity for stability operations in both Defense and State. The DoD Directive will capture too much attention and undermine efforts to obtain support for NSPD 44.

DoD should rescind the directive and make a more compelling case for NSPD 44. The success of NSPD 44 should be part of DoD's legislative agenda. The robust program, budgeting and legislative affairs apparatus in DoD should support DoS by assisting with planning, developing a strategic communications program to influence lawmakers, and preparing for interagency hearings on Capitol Hill. DoD should provide funding, manpower and expertise to assist State with organizing, training, and exercising a real capability. Members of the National Guard and Reserves with critical skills should be made available to State to execute stability operations under DoS, not DoD lead.

The Impact of Reform

To illustrate the benefit of a reformed interagency process, consider what might have happened in the preparation for the war in Iraq. As the President turned to the Secretary of Defense and the Pentagon, and asked for a plan for military action in Iraq, suppose that he also had an interagency team he could turn to and ask for a plan for post-conflict. Over the past several years, both critics and supporters of the war have stated that we would not be in the difficult situation we are in today if we had a plan for post-conflict. With a coordinated, integrated and synchronized plan involving all key interagency players, we would have been better prepared to address humanitarian assistance, rule of law, governance, the economy, regional diplomacy and other factors to provide real stability and the opportunity for reconstruction. Under the current, ad-hoc interagency system, this plan was never developed. The lead agency "pick-up game" is no way to approach such complex situations. It is also possible that, even with a perfectly developed plan, we might still have fallen short for lack of resources and capacity to execute the plan. This gets to the heart of national security decision-making and another flaw in the current system. Without a formal interagency team, the President has no one to look in the eye and ask, "Can you support this plan? Do you have all the resources you need? Who will train the police and establish the courts? What laws will be in effect? How will you transform the economy and who is doing

the work? Who will keep the food, water, fuel and electricity flowing? How long will this take and is it synchronized with the military plan to provide security?"

Had such an exchange occurred, what might have followed? The President may have directed the agencies to develop whatever capacities they needed for success and return to him when they were in a position to support the plan. If we were incapable of building the required support to execute the plan, he might have directed the interagency team to consider what gaps could be filled by our allies, international organizations, non-governmental organizations or the private sector. He might have concluded that we should not invade Iraq at all. The point is that interagency reform is not only critical to better planning and implementation, it is essential for better national security decision making. The current vertical stove-pipe structure of the executive is poorly suited to serve the President and the nation.

The United States has crossed the bridge for change. The current environment is too demanding to continue plodding forward as we have. A system designed for a slow-changing, bi-polar world is becoming less and less able to handle the demands of a rapidly shifting, context-sensitive world. The assumptions behind the National Security Act of 1947 are no longer valid and we need a new more comprehensive act in 2008. With every new threat, we incur an increasingly unacceptable level of risk in our own inability to deal with crises in a coordinated, efficient manner. The changing world, and the United States' position in it, has made the current interagency process of execution dangerous and obsolete.

The effects of globalization, the global war on terrorism, an age of asymmetric threats, and the proliferation of weapons of mass destruction brought about a broad consensus for change. September 11, 2001, Operations Enduring Freedom, and Iraqi Freedom are defining moments that demand our urgent attention for improvement. Current initiatives by senior senators and representatives indicate that champions in Congress are emerging to make this a legislative priority. The time to begin is now.

A Way Ahead

The purpose of this essay is to make the case for reform. The elements of the actual reform are best determined after a serious examination of the chronic problems over the past several decades. Then identification of the root and common causes of these historical problems can provide a menu of potential solutions for the Congress and the President to consider in creating a new National Security Act to replace the current act established in 1947. To the best of my knowledge the only activity underway to achieve these objectives is the Project on National Security Reform (PNSR). I have included a fact sheet on PNSR at Appendix 2. I strongly urge Congress, the President, our public policy institutions and our private sector leaders to embrace PNSR and put their full support behind it. Full cooperation of all those responsible for national and homeland security is absolutely essential to accomplish this monumental undertaking.

APPENDIX 1

FREQUENTLY ASKED QUESTIONS

In making the case on Capitol Hill for reform of our national security apparatus and interagency process a number of important questions have surfaced. Here are the most frequently asked questions and a response for each.

Isn't the real problem that we have some personalities in key leadership positions that simply exercised bad judgment and made poor decisions?

The historical record over the past 60 years provides compelling evidence that our interagency challenges are a chronic problem that has effected every administration, regardless of party and regardless of personalities. The organization, structure, authorities and resources of our interagency process clearly limits the effectiveness of the executive branch. Personalities certainly contribute to successes and failures from time to time but the national security apparatus itself accounts for a great deal more variance than the individual actors do. Afghanistan and Iraq are only the most recent cases of our interagency failures and there are ample case studies over several decades that support this notion. One example from the Clinton Administration is Operation Uphold Democracy in October 1994. Lack of sufficient interagency coordination and planning caused the various government entities to move along parallel paths with different timelines rather than a single integrated and synchronized approach. The Combined Joint Task Force rapidly achieved the military objectives long before the Departments of State, Justice and others were ready to execute their assigned tasks. As a result, while the military continued to provide security, there were significant delays in building a police force, establishing rule of law, lifting the embargo, improving the economy, providing basic services, and assisting the new Haitian government. The window of opportunity to achieve maximum effect was lost and this contributed to what is now viewed as a strategic failure. (When compared to other interagency failures the planning leading up to the invasion of Haiti was a relative success. An enormous amount of energy went into preparations and involved an impressive number of agencies and departments cooperating with one another. But at the end of the day the ad-hoc, lead agency approach was insufficient to achieve the desired effect. Credit also is due for capturing the lessons learned from this operation and developing PDD 56, The Clinton Administration's Policy on Managing Complex Contingency Operations, May 1997) Interagency failure is not unique to any one administration or political party but a long term deficiency of structure, organization and capacity.

Is this really necessary? If we pull out of Iraq and Afghanistan we won't have this problem anymore.

Iraq and Afghanistan are only the most recent cases in which the interagency has underperformed. Furthermore, effective interagency functioning is critical for much more than winning a counterinsurgency. Scholars agree that winning a counterinsurgency requires a vast application of capabilities outside the department of defense. It is debatable whether the mix is 50% non-military or 80% non-military, but the preponderance of work is best performed by civilian professionals. To varying degrees this is also true of counterterrorism, counter-narcotics, counter-proliferation, assisting failed states, stability and reconstruction, nation-building, homeland security, disaster response, and consequence management. The threats we face in the 21st century are increasingly complex and require a coordinated and integrated, whole of government approach. These are horizontal problems that our vertically

organized government is presently ill-prepared to address. These threats and challenges will not just go away.

Why don't we avoid nation-building and make the reform unnecessary?

There is a growing, if not already achieved, consensus that we no longer have the option of withdrawing from overseas engagements and simply protecting ourselves at home. Our economy is irreversibly linked to the global market which must be protected. We depend on imports to meet our demand for energy. Our security commitments have become more rather than less complex. The rise of non-state actors, asymmetric warfare and international terrorism require greater collaboration with our allies. Preventing failing states from becoming safe havens where terrorists can plan and prepare attacks is important to protecting our vital interests. Globalization has increased the interdependence of nations. This is not nation-building as we knew it in the past but a more complex and comprehensive approach necessary to face current and future threats.

What good does it do to coordinate interagency efforts and achieve unity of effort if we don't have the capacity to execute in our civilian agencies?

It does very little good if we don't also build civilian capacity. At present, we have only 6,000 foreign service officers to handle all of our worldwide diplomacy. Over the past several decades, the United States Agency for International Development (USAID) has atrophied to only a fraction of its former size and is now incapable of meeting our demand for development programs. Strategic planning capacity in all agencies outside the Pentagon is inadequate or non-existent. We have few professional civilians readily available to deploy for a contingency. The departments lack sufficient manpower and budget to send adequate numbers of professionals to training, exercises and educational experiences. Our executive branch lacks an interagency culture of cooperation and jointness as well as the proper incentives to inspire such a culture. Building capacity is as equally important as creating interagency unity of effort. In order to know what capacity we need to build we have to identify the requirements and those requirements must emerge from a comprehensive top down approach to reform. Later those requirements can be refined from the bottom up within the departments, reconciled by the Cabinet and National Security Council and approved by the President and Congress.

This sounds like a dramatic increase in the size of our federal work force. Do we really want more big government and bureaucracy?

What we need to build is a level of leadership that can conduct interagency planning, develop interagency programs to implement policy decisions and create and oversee contracts to ensure proper execution. In the absence of this cadre, we have contracted our program management, leadership, and decision-making. We do not need another Pentagon or Joint Staff and we do not need legions of federal employees to do the work at the sites in the field. We do need professionals to plan, lead, make decisions, and provide oversight. This cadre, unlike contractors, should be accountable to the American people through their representatives in Congress. In addition, this cadre must be sufficient in size to allow the opportunity for professional development opportunities in education, training and exercises. Interagency professionals must be given the opportunity and the incentives to periodically serve in other agencies to foster greater understanding and appreciation for their capabilities

and limitations. There will have to be some increase in federal manpower to meet these requirements, but some of the existing work force can be developed to join this professional cadre. As one member of Congress pointed out, you can literally walk miles in the halls of the Department of Agriculture but they are unable to find 10 people to deploy to Iraq. This must change.

Isn't this politically impossible with the Democrats in control of Congress and a Republican President?

It one sense it would be less likely to succeed with one party in control of both branches since political loyalty can undermine checks and balances and bringing problems into the daylight. A divided government and no White House incumbent in the 2008 presidential campaign presents a unique political opportunity. The mood of the country suggests a pent up frustration that demands major change with a pragmatic purpose, not incremental change with ideological purpose. All of the 2008 presidential candidates will want to break from the status quo, particularly with regard to national security. This national debate will drive reform.

Why would the President be interested in Congress telling him how to run the executive branch?

The President would not be interested in Congress telling him or her how to run the executive branch. But the President would be interested in more effective implementation of policy decisions to achieve greater effect while his administration is in office. Greater flexibility in authorities and appropriations in the space between the President and the Secretaries would create a more effective and efficient executive that can deliver better more timely results from policy decisions. On the other hand, Congress also has cause for concern in creating too much efficiency and centralized control near the Oval Office. But Congress will continue to control funding and depending on what provisions are included in the reform legislation could secure greater oversight in interagency planning and operations.

APPENDIX 2

PROJECT ON NATIONAL SECURITY REFORM

From 9/11 and Hurricane Katrina to the wars in Afghanistan and Iraq and looming challenges in Darfur, complex and rapid-paced contemporary operations demand more effective and timely integration of national capabilities. To achieve this integration, the United States Government requires comprehensive reform of the regulatory, statutory, and Congressional oversight authorities that govern the 60 year old interagency system. The Project on National Security Reform (PNSR), drawing on lessons from past reform efforts, including the Goldwater-Nichols Defense Reorganization Act of 1986, will advance such changes through a detailed study of our interagency system and legislative proposals that would replace many provisions of the National Security Act of 1947. PNSR works closely with Congress, the Executive Branch, nonprofit public policy organizations, universities, industry, and private foundations.

PROJECT APPROACH

The non-partisan Project on National Security Reform was established to assist the nation in reforming its national security system to meet the challenges of the 21st century. The Project is led by James R. Locher III, a principal architect of the Goldwater-Nichols Act that modernized the joint military system, and sponsored by Ambassador David Abshire within the Center for the Study of the Presidency, a 501(c) (3) organization.

The Project seeks to analyze the problems that inhibit interagency coordination and to formulate recommendations to address these problems. The Project is focused on the space between the President and Cabinet Secretaries and is not primarily concerned with the internal functioning of departments and agencies. Twenty-one case studies examine problems in interagency operations and their consequences over the past century. These case studies will inform the work of eight other analytic working groups that are examining different aspects of our national security system and developing recommendations for addressing problems within their respective domains. Three additional groups will take the products from the main analytic working groups and work with Congressional leadership to develop mechanisms for reform; draft legislative proposals, executive orders, and amendments to Senate and House rules; and assist in the implementation of reforms in the Executive Branch.

The Project's Guiding Coalition, a group of distinguished Americans with extensive service in the public and private sectors, sets strategic direction for the Project. These individuals ensure a comprehensive bipartisan view of major issues and will help communicate the ultimate findings and proposals of the Project to national-level constituencies and the general public. The Project's Executive Secretariat supports the Guiding Coalition in providing direction to the effort and performs an integrating function across the working groups.

The Project involves over 160 people working in collaborative relationships from an array of universities, think tanks, companies, including private intellectuals, current and former practitioners, former national leaders, military officers, and government personnel. The Project is expected to run for two years.

FINANCIAL SUPPORT

The Project has received an initial grant from the Carnegie Corporation of New York and is receiving pro bono support from the Institute for Defense Analysis, National Defense University, Science Applications International Corporation, Heritage Foundation, Hudson Institute, Brookings Institution, Hoover Institution, and Military Professional Resources, Inc. The Project is seeking additional public and private funding from a variety of sources.

GUIDING COALITION

David M. Abshire (*President and CEO, The Center for the Study of the Presidency*), Norman R. Augustine (*Retired Chairman and CEO, Lockheed Martin Corporation*), Dennis C. Blair (*Former President, Institute for Defense Analyses*), Charles G. Boyd (*President and CEO, Business Executives for National Security*), Daniel W. Christman (*Senior Vice President for International Affairs, U.S. Chamber of Commerce*), Wesley K. Clark (*former Supreme Allied Commander, Europe*), Newt Gingrich (*Former Speaker,U.S. House of Representatives*), James R. Locher III (*Executive Director, Project on National Security Reform*), Jessica Tuchman Mathews (*President, Carnegie Endowment for International Peace*), John McLaughlin (*Senior Fellow, Paul H. Nitze School of Advanced International Studies, The Johns Hopkins University*), Joseph S. Nye, Jr. (*Professor of International Relations, John F. Kennedy School of Government, Harvard University*), Carlos Pascual (*Vice President and Director, Foreign Policy Studies, The Brookings Institution*), Thomas R. Pickering (*Former U.S. Permanent Representative to the United Nations*), Brent Scowcroft (*President and Founder, The Scowcroft Group*), Jeffrey H. Smith (*Partner, Arnold & Porter*), James B. Steinberg (*Dean, Lyndon Johnson School of Public Affairs, University of Texas at Austin*), and Kenneth R. Weinstein (*CEO, Hudson Institute*).

WORKING GROUP LEADERS

Overarching Issues Kori Schake (*Hoover Institution*); **Case Studies** James Jay Carafano (*The Heritage Foundation*) and Richard Weitz (*Hudson Institute*); **Vision and Guiding Principles** Sheila R. Ronis (*Walsh College*); **Processes** Daniel M. Gerstein (*Military Professional Resources, Inc.*) and Kathleen Hicks (*Center for Strategic and International Studies*); **Structure** Christopher J. Lamb (*Institute for National Strategic Studies, National Defense University*); **People** Gary Matthews (*The Center for the Study of the Presidency*); **Knowledge Management** David C. Gompert (*The RAND Corporation*), **Congress and Oversight** Charles Stevenson (*Paul H. Nitze School of Advanced International Studies, The Johns Hopkins University*), **Congressional Information** Kenneth R. Dahl (*The Brookings Institution*), and **Legal** Gordon Lederman (*former staff member, 9/11 Commission*).

EXECUTIVE SECRETARIAT

James R. Locher III, *Executive Director* • Dennis C. Blair, *Deputy Executive Director*
Job C. Henning, *Chief of Staff*
Christopher J. Lamb, *Associate Director (Research and Analysis)*
Kenneth R. Dahl, *Associate Director (Congressional)*
Robert B. Polk, *Senior Advisor*
Michael B. Petring, *Chief Administrative Officer*
Daniel R. Langberg, *Personal Assistant*

Project on National Security Reform
The Center for the Study of the Presidency
1020 19th Street, N.W. (Suite 250)
Washington, D.C. 20036
(202) 872-9800
info@pnsr.org
www.pnsr.org

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