

**Statement for the Record
of
The Honorable James R. Locher III**

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Committee on Homeland Security and Governmental Affairs
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Chairman Lieberman, Senator Collins, Members of the Committee, thank you for inviting me to discuss organizational structures for national security and homeland security in the White House and across the federal government. Most fundamentally, I believe that drawing a bright line between what is “national security” and what is “homeland security” is a mistake. The nation would be best served by merging the National Security Council and Homeland Security Council into a single council, but one that includes safeguards to ensure that homeland security issues are not lost in a unified system.

This hearing addresses an important issue: how should the highest level of the U.S. Government be organized to protect the nation’s security?

It is important to put this issue in a much larger context. The overall national security system – including its international security and homeland security components – is broken. As PNSR’s guiding coalition, made up of twenty-two distinguished Americans, stated in our recent report, *Forging a New Shield*, “We . . . affirm unanimously that the national security of the United States of America is fundamentally at risk.”

In response to the terrorist attacks of 9/11, we bifurcated international security into two ‘major’ components: international security and homeland security. This bifurcation served the

important function of jump starting our attention to many long neglected tasks in protecting the American homeland. Although many capabilities need additional improvements, we have succeeded in elevating these tasks to an appropriate level of attention.

The basic question now becomes: does this bifurcation at the very top of the government serve our needs in handling the increasingly complex and rapidly changing security environment of the 21st Century? The answer is no. Dividing our security components at the water's edge and borders is artificial and creates an organization boundary that weakens our overall security posture.

The security challenges that the United States face must be viewed in a global system. Homeland security is a subsystem of the larger global system. But the organizing principles for the U.S. national security system must be the global system. Decisions on our policy, strategy, planning, development of capabilities, and execution will maximize our security when they are taken in an integrated, system-wide context, not when they are artificially subdivided.

By having separate national security and homeland security councils, we force the president to integrate across this divide. He does not have the time or capacity to do so.

This past week, General Jim Jones, President Obama's national security advisor, discussed the major changes that the president and he intend to make at the top of the national security system. In an interview reported in the *Washington Post* this past Sunday and a speech on the same day at the Wehrkunde Conference in Munich, General Jones stated that the National Security Council would expand its membership and have increased authority to set strategy across a wide spectrum of international and domestic issues. He said,

The whole concept of what constitutes the membership of the national security community -- which, historically has been, let's face it, the Defense Department, the NSC itself and a little bit of

the State Department, to the exclusion perhaps of the Energy Department, Commerce Department and Treasury, all the law enforcement agencies, the Drug Enforcement Administration, all of those things -- especially in the moment we're currently in, has got to embrace a broader membership.

The Project on National Security Reform (PNSR) agrees fully with General Jones' arguments and observations. Our own recommendations parallel the direction that President Obama and General Jones have set. This convergence is not surprising. General Jones served on PNSR's Guiding Coalition, as did other Obama appointees – Admiral Denny Blair, Jim Steinberg and Michelle Flournoy.

As this committee approaches this issue, it has two hats to wear. The first hat is as the Senate's overseer of the homeland security function. The second hat – focused on government affairs – ranks more important in examining this issue. To make a wise decision on this organizational issue, we must take a whole-of-government perspective. If we do so, I believe that we will support the new direction that the Obama Administration intends to pursue.

I. Introduction

Let me begin by sharing with you some background about PNSR. PNSR was established in early 2007 to assist the nation in identifying and implementing the kind of comprehensive reform that the government urgently needs. PNSR recently completed the most comprehensive study of the U.S. national security system to date. Last November, PNSR released the culmination of this study, a 742-page report detailing problems inherent in the current system and proposing recommendations for a sweeping overhaul of the national security system. The report is the product of two years of rigorous analysis by more than 300 national security experts from academia, government, Congress, federal agencies and think tanks. The study was

overseen by a bipartisan Guiding Coalition comprised of former senior federal officials and others with extensive national security experience.

Our report illustrates that the legacy structures and processes of a national security system that is now more than 60 years old no longer help American leaders formulate coherent national strategy. We are not able to integrate the diverse expertise and capabilities of our departments and agencies. Our national security challenges require effective whole-of-government integration, but we remain dominated by outmoded, inward-looking, vertically oriented, competitive, stove-piped bureaucracies.

Our mechanisms for producing integration are weak compared to the power of the massive, departmental bureaucracies. We have “headquarters” – the National Security Council and Homeland Security Council and their staffs – that are understaffed and have only advisory responsibilities. Only the president has the authority to integrate the efforts of the departments and agencies, but he lacks the time and mechanisms to do so.

PNSR’s report recommends that in order to remedy the problems plaguing our system, we must focus on integrating efforts across the many departments and agencies that contribute to national security. Merging the NSC and HSC is a critical step towards building a more coherent and unified approach to national security – in the broadest sense of the term. Though I believe that merger is a necessity, it must not be undertaken without implementation of adequate safeguards that will ensure homeland security issues remain at the forefront of national security affairs.

II. Argument for Merging the NSC and HSC

Our Cold-War definition of “security” must be expanded. In an era of anthrax-filled envelopes and hurricanes that can devastate critical infrastructure, there can be no question that

homeland security issues are national security issues, and vice versa. Today virtually every department in the Executive Branch – from the Department of Agriculture to the Department of Transportation – plays some national security role. The separation of national security affairs and homeland security affairs weakens the management of both and hinders comprehensive policy development and strategic planning.

Merger of the NSC and HSC must be viewed in the larger context of national security reform. In practice, the National and Homeland Security Councils are the primary conduit between the President and the broader “national security system.” Yet because these small staffs are not “operational,” they do not have the authority to direct the large semi-autonomous bureaucracies that often must work together to implement a President’s stated policies. Burdening them with an artificial and often arbitrary separation between “homeland” and “national” security further undermines our nation’s ability to adapt quickly to the world’s changing circumstances.

Protecting the nation’s borders, combating the threat of terrorism and responding to devastating natural disasters all require the expertise and capabilities of both homeland and national security departments and agencies. For example, were the NSA to intercept a conversation about a terrorist planning to enter the United States with a suitcase bomb, the response would at minimum require the efforts of the CIA, DoT, State Department, DoD, DHS (including the TSA, Coast Guard, Border Patrol, and Customs and Border Protection Officers) – as well as the assistance of many state and local enforcement officials. The threats we face and the opportunities before us require an increasingly integrated response that incorporates elements of both homeland and national security departments.

Put differently – if state, local, and federal first responders will not distinguish between homeland and national security when responding to a crisis, policy makers should not do so when preparing for one.

Yet the current system does just that. The HSC and NSC are distinct bodies with their own unique sub-structures, have staffs that report to separate presidential advisors and often struggle to communicate effectively. Through no fault of their hard-working staff, lack of coordination inevitably leads to a lack of coherence in policy and strategic planning.

Moreover, separating the HSC and NSC strains limited resources. Even combined, the NSC and HSC are incredibly small compared to the size of the national security establishment they oversee. To put it in perspective, roughly 150–250 NSC staff members coordinate the activities of several million national security professionals – not counting the Central Intelligence Agency. This is at best a ratio of 1 to 12,000 and at worst, a ratio of more than 1 to 25,000. By comparison, a 50,000-employee corporation would have approximately a 1,000-person corporate headquarters staff – a ratio of 1 to 50. No matter how hard working, no staff of this size can manage such a broad range of responsibilities. They must coordinate a large, complex national security establishment that covers a multitude of complex, bilateral, regional, transnational, functional, and global issues.

Though the NSC is inadequately resourced to deal with the challenges it faces, it is robust in comparison to the HSC. In fact, the HSC has about one-fifth the staff as does the NSC, and reportedly offers lower compensation to the staff it does have.

Combining the HSC and NSC into one expanded council should improve overall system management and oversight capabilities by reducing redundancy and breaking down barriers. Simply put, a larger NSC could better manage and coordinate the vast national and homeland

security bureaucracy. And a properly integrated NSC and HSC would bring a whole-of-government, national perspective to homeland security issues and would streamline oversight of both homeland and national security affairs.

III. Implementing Safeguards

Let me be clear: though I believe that the President needs a robust National Security Council encompassing both national and homeland security affairs, integration for integration's sake would be a mistake. Merging the NSC and the HSC *must* be done in a way that ensures that homeland security issues receive the focus and resources they deserve.

Of course, nothing can elevate the importance of an issue like the attention of the President. But understanding that President Obama will always be pulled in numerous directions, we have several recommendations to help to make certain that homeland security issues do not get pushed to the back burner.

First, the Secretary of Homeland Security should be a default invitee to all NSC and Principals Committee meetings. This is not to say that Secretary Napolitano must be invited to all meetings; rather, it is meant to convey that when her attendance is not needed, this should be an affirmative decision based on the substance of the meeting rather than an inadvertent omission resulting from past practice.

Second, though we must be careful not to re-create the HSC/NSC division within a merged NSC, one senior individual must be tasked with overseeing core homeland security functions within the merged NSC as well as those “traditional” NSC issues that have significant homeland security aspects. The distinguishing factor is that this individual will have both a flexible mandate and a broad reach to overcome communication barriers while at the same time ensuring that true “homeland security” issues receive necessary attention.

Third, while the HSC should be incorporated into the NSC, much of the staff function of the HSC can and should endure. Just as we should not fold the current HSC staff structure into the NSC *in toto*, we should not summarily eliminate it. The desired end state is a merged council that has some attributes taken directly from the NSC, some that are taken directly from the HSC, and some that reflect a merger of the two.

Finally, as a fail-safe, Secretary Napolitano should have some mechanism for raising any “lost” issues directly with the President and the National Security Advisor. This could take the form of a regular meeting with the Advisor and possibly the President, or the ability to insert those concerns into the President’s Daily Brief. Secretary Napolitano could also submit reports – such as the “night notes” used by past Secretaries of State – to the President, detailing relevant DHS activities within the context of national security operations.

IV. Conclusions

I applaud the reforms and bold changes that President Obama and National Security Advisor General Jim Jones are bringing to the National Security Council. General Jones has said that the President intends to expand the reach and membership of the NSC, making it a more flexible body with its attendance determined on an issue-by-issue basis; to create new NSC directorates that will handle department-spanning issues such as cyber-security, energy, climate change, nation-building and infrastructure; to place portions, if not all, of the HSC within the NSC; to redraw and align regional directorates in the NSC and at relevant departments; and to bolster the role of the NSC so that it can actively oversee the implementation of presidential decisions.

The reforms described in Sunday’s *Washington Post* mirror PNSR’s. We concluded that the NSC and HSC system should be replaced with a more robust and expanded National Security

Council under the direction of an empowered National Security Adviser. PNSR's proposal would transform the NSC into a stronger and more flexible body, able to react to current security issues by having a membership that fluctuates by mission, rather than by statute as is now the case. This would enable the NSC to include agency heads from every department when necessary and where appropriate. Further, PNSR has recommended transforming the National Security Advisor into a national security manager. This national security manager would focus the national security system on high-level policy formulation and planning and would be given with actual authority to oversee implementation.

Merging the NSC and HSC into an expanded council will bring a broader whole-of-government perspective to both national and homeland security affairs. Though a combined council is essential, it must be accompanied with the implementation of prudent safeguards to ensure that homeland security issues remain at the forefront of national security affairs.

This committee worked hard to create the Department of Homeland Security and to guarantee in law a functioning Homeland Security Council. The idea of merging the HSC with the NSC is intended to preserve and enhance the key roles of both councils through integration, not subordination. And since the details of the integration are still under study by the new administration, I trust that this committee's views can help shape the final arrangements. I believe that you should view integration as an opportunity for preserving high-level focus on homeland security issues, not as a threat to that vital function.

Mr. Chairman, Senator Collins and Members of the Committee, once again, thank you for your time and for your attention to this critical matter, and I look forward to answering any questions you may have.