



Organizing the U.S. Government for National Security: Overview of the Interagency Reform Debates

Catherine Dale

Specialist in International Security

Nina M. Serafino

Specialist in International Security Affairs

Pat Towell

Specialist in U.S. Defense Policy and Budget

December 16, 2008

Congressional Research Service

7-5700

www.crs.gov

RL34455

CRS Report for Congress

Prepared for Members and Committees of Congress

Summary

A growing community of interest, including Members of Congress, senior officials in the executive branch, and think-tank analysts, is calling for a reexamination of how well the U.S. government, including both the executive branch and Congress, is organized to apply all instruments of national power to national security activities. The organizations and procedures used today to formulate strategy, support presidential decision-making, plan and execute missions, and budget for those activities are based on a framework established just after World War II. That framework was designed to address a very different global strategic context: a bipolar world with a single peer competitor state, the Soviet Union, which was driven by an expansionist ideology and backed by a massive military force.

Six decades later, in the wake of 9/11, many observers and practitioners note, the United States faces greater uncertainty and a broader array of security challenges than before, including non-state as well as traditional state-based threats, and transnational challenges such as organized crime, energy security concerns, cyber attacks, and epidemic disease. The “outdated bureaucratic superstructure” of the 20th century is an inadequate basis for protecting the nation from 21st century security challenges, critics contend, and the system itself, or alternatively, some of its key components, requires revision.

Doubts about the adequacy of the system to meet 21st century security challenges have been catalyzed by recent operational experiences, including Operation Iraqi Freedom, Operation Enduring Freedom, and responses to Hurricane Katrina. In the view of many defense and foreign affairs analysts, these operations revealed deep flaws in the ability of the U.S. government to make timely decisions, to develop prioritized strategies and integrated plans, to resource those efforts, and to effectively coordinate and execute complex missions. Such shortcomings, some argue, have had a deleterious impact on the success of those missions and on the reputation of the United States as a reliable partner.

Should these “national security reform” debates continue to gain momentum, Congress could choose to weigh in by holding further hearings to clarify identified problems and to consider the advantages and risks of proposed solutions; by developing legislation ranging from a new National Security Act to specific changes in executive branch organization, authorities, or resourcing; or by considering adjustments in Congress’s own arrangements for providing holistic oversight of national security issues.

The purpose of this report, which will be updated as events warrant, is to help frame the emerging debates for the 111th Congress by taking note of the leading advocates for change, highlighting identified shortcomings in key elements of the current system, and describing categories of emerging proposals for change.

Contents

Introduction	1
Contours of the Debates	2
Terms of the Debates.....	2
Key Proponents of Change.....	3
Congressional Actors	3
Executive Branch.....	4
Think-Tank Efforts.....	5
Identified Problems	6
Executive Branch Key Players: “Civilian Agency Capacity is Too Limited”.....	6
Executive Branch Key Players: “DOD Role is Too Large”	7
Interagency Coordination and Integration Mechanisms: “Insufficient”	8
National Security Decision-Making: “Not Rigorous”.....	9
National Security Strategy-Making: “Insufficient Guidelines”.....	10
Resource Distribution within the Executive Branch: “Resources and Strategy Do Not Match”.....	11
Congressional Oversight: “Poorly Structured”	11
Proposed Reforms	12
Executive Branch Key Players: Adjust the Balance of Roles and Responsibilities	12
Interagency Coordination and Integration: Foster Horizontal Integration	12
Interagency Coordination and Integration: Create a New Position.....	13
National Security Decision-Making: Require Greater Rigor	13
National Security Strategy: Strengthen the Guidance	13
Resources for National Security: Create a National Security Budget.....	14
Congressional Oversight: Reorganize or Restructure	14
What the Debates Might Be Missing.....	14

Contacts

Author Contact Information	15
----------------------------------	----

Introduction

A growing community of interest, including Members of Congress, senior officials in the executive branch, and think-tank analysts, is calling for a reexamination of how well the U.S. Government, including both the executive branch and Congress, is organized to apply all instruments of national power to national security activities. The organizations and procedures used today to formulate strategy, support presidential decision-making, plan and execute missions, and budget for those activities are based on a framework established just after World War II. That framework was designed to address a very different global strategic context: a bipolar world with a single peer competitor state, the Soviet Union, which was driven by an expansionist ideology and backed by a massive military force.¹

Six decades later, in the wake of 9/11, many observers and practitioners note, the United States faces greater uncertainty and a broader array of security challenges than before, including non-state as well as traditional state-based threats, and transnational challenges such as organized crime, energy security concerns, cyber attacks, and epidemic disease. The “outdated bureaucratic superstructure”² of the 20th century is an inadequate basis for protecting the nation from 21st century security challenges, critics contend, and the system itself, or alternatively, some of its key components, requires revision.³

Doubts about the adequacy of the system to meet 21st century security challenges have been catalyzed by recent operational experiences, including Operation Iraqi Freedom, Operation Enduring Freedom, and responses to Hurricane Katrina. In the view of many defense and foreign affairs analysts, these operations revealed deep flaws in the ability of the U.S. government to make timely decisions, to develop prioritized strategies and integrated plans, to resource those efforts, and to effectively coordinate and execute complex missions. Such shortcomings, some argue, have had a deleterious impact on the success of those missions and on the reputation of the United States as a reliable partner.

¹ With the National Security Act of 1947 and its 1949 Amendment, Congress explicitly aimed “to provide a comprehensive program for the future security of the United States,” including “... the establishment of integrated policies and procedures for the departments, agencies, and functions of the Government relating to the national security.” The legislation laid the foundation of a new national security regime, including the creation of the National Security Council, the Central Intelligence Agency, the Department of Defense, an independent Department of the Air Force, and a permanent Joint Chiefs of Staff. National Security Act of 1947 (P.L. 80-235), as amended in 1949, (P.L. 216) and subsequently, Section 401.

² Secretary of Defense Robert Gates has used the phrase in a number of contexts, including at the April 15, 2008, House Armed Services Committee hearing, “Building Partnership Capacity and Development of the Interagency Process.”

³ In broad terms, the debates could follow the model of the Goldwater-Nichols process of the 1980s, which led to the Goldwater-Nichols Department of Defense Reorganization Act of 1986, October 1, 1986 (P.L. 99-433). That landmark legislation ushered in fundamental defense reorganization aimed at diminishing inter-Service rivalries and promoting greater jointness, through streamlining the chain of command, enhancing the military advisory role of the Chairman of the Joint Chiefs of Staff, and adjusting personnel policies and the budgeting process. For an account of that process by a key participant, see James R. Locher III, *Victory on the Potomac: The Goldwater-Nichols Act Unifies the Pentagon*, College Station, TX: Texas A&M University Press, 2002. In the current debates, calls for a “Goldwater-Nichols for the Interagency” typically refer not to the content of the 1986 Act, but to aspects of the process that produced it: a comprehensive review of current legislation and approaches; bipartisan leadership of the reform effort; relatively sweeping solutions; the use of legislation to prompt closer integration.

The “national security reform” debates appeared to gain momentum in anticipation of the change of administration and the convening of the 111th Congress. Congress could choose to weigh in by holding further hearings to clarify identified problems and to consider the advantages and risks of proposed solutions; or by developing legislation ranging from a new National Security Act to specific changes in executive branch organization, authorities, or resourcing; or by considering adjustments in Congress’s own arrangements for providing holistic oversight of national security issues.

The purpose of this report, which will be updated as events warrant, is to help frame the emerging debates by taking note of the leading advocates for change, highlighting identified shortcomings in key elements of the current system, and describing categories of emerging proposals for change.

Contours of the Debates

Current national security reform debates are still highly inchoate, with some emerging points of consensus or disagreement, but without clearly defined schools of thought. They include participants from across the political spectrum, from a wide variety of leading think-tanks, and from key “national security” agencies.⁴

Terms of the Debates

The scope of topics addressed in the debates includes the following:

- the distribution of national security roles and responsibilities among executive branch key players;
- the capacity of individual agencies on the basis of their current structure, organization, policies, mandates, and institutional culture to fulfill their national security responsibilities;
- coordination and integration among agencies with national security responsibilities, for both planning and execution in the field;
- national security decision-making;
- national security strategy-making;
- the distribution of resources to support national security activities; and
- congressional oversight.

The debates are somewhat unfocused because there is still no clear consensus about the proper boundaries of “national security” concerns in the 21st century global security context.⁵ Some

⁴ In recent years, students at continuing education programs for government officials, such as DOD’s senior service schools, have made substantial contributions to the debates, often drawing on their personal operational experiences. See, for example, Martin J. Gorman and Alexander Krongard, “A Goldwater-Nichols Act for the U.S. Government: Institutionalizing the Interagency Process,” *Joint Forces Quarterly*, no. 39 (October 2005), pp. 51-58. The authors are a Department of Defense civilian and U.S. Navy officer, who wrote during their year at the National War College.

⁵ National Security Presidential Directive-1 (see below) defines the term “national security” this way: “National (continued...)”

observers, pointing to the vulnerability of U.S. territory to terrorist attacks, argue that “homeland security” should be considered an integral part of national security. Other observers, stressing that international partnerships are key to security, include the full array of foreign affairs activities under the “national security rubric.” Some observers emphasize that energy security and economic prosperity are essential to the nation’s security and should therefore be considered “national security” concerns. Still others use the term “national security” in a more narrow sense.

Another point of confusion is that critics of the current system use different starting points for their analysis. Some take a top-down approach, focused on optimizing the national security regime at the systemic level, while others begin with a specific issue—such as foreign assistance, stabilization and reconstruction, or counter-terrorism—and discuss systemic-level reform as it relates to that topic.⁶

Arguments vary concerning how sweeping national security reform ought to be. It seems reasonable to suppose the existence of a constituency for the status quo—that is, observers and practitioners who prefer the current regime to proposed reforms—but those voices have not yet joined the debates.

Key Proponents of Change

Several major players and organizations are spearheading the debates by calling for fundamental change.

Congressional Actors

In 2008, several congressional committees of jurisdiction for the Department of State and the Department of Defense explored national security-related reform initiatives with the potential to have an impact on multiple departments and agencies.

(...continued)

security includes the defense of the United States of America, protection of our constitutional system of government, and the advancement of United States interests around the globe. National security also depends on America’s opportunity to prosper in the world economy.” See President George W. Bush, National Security Presidential Directive-1, “Organization of the National Security Council System,” February 15, 2001.

⁶ For example, Phase II of the “Beyond Goldwater-Nichols” project, based at the Center for Strategic and International Studies (CSIS), specifically addressed interagency-level reforms, including shortcomings and proposals for policymaking and execution, as part of a four-phase project on defense reform broadly defined. See Clark Murdock and Michele Flournoy, lead investigators, “Beyond Goldwater-Nichols: U.S. Government and Defense Reform for a New Strategic Era, Phase 2 Report,” Center for Strategic and International Studies, July 2005. The Project on National Security Reform (PNSR), led by James Locher III, which released its final report “Forging a New Shield” in November 2008, also focuses at the “systemic,” or inter-agency, level. In turn, a CSIS study addressing foreign assistance derived some systemic-level recommendations from its primary focus on three specific areas: counter-terrorism, post-conflict operations, and humanitarian assistance. See J. Stephen Morrison and Kathleen Hicks, project directors, “Integrating 21st Century Development and Security Assistance: Final Report of the Task Force on Nontraditional Security Assistance,” Center for Strategic and International Studies, January 2008. And the CSIS Commission on Smart Power noted the importance of some systemic-level reforms without offering detailed recommendations, while focusing on problems and proposals in five specific issue areas: international partnerships, global development, public diplomacy, economic integration, and climate change and energy security. See Richard L. Armitage and Joseph S. Nye, Jr., co-chairs, “A Smarter, More Secure America,” Center for Strategic and International Studies, November 2007.

The Senate Foreign Relations Committee (SFRC) conducted a series of hearings broadly addressing the integration of military and non-military components of national power. In a March 5, 2008, hearing, Committee Chairman Joseph Biden explicitly stated an interest in a “2009 National Security Act.”⁷ On April 24, the SFRC held a hearing entitled “Implementing Smart Power: Setting an Agenda for National Security Reforms,” and on July 31, the committee held a hearing entitled “Defining the Military’s Role Towards Foreign Policy.”

In March 2008, the House Armed Services Committee’s (HASC) Panel on Roles and Missions released the final report of its work. That Report, on protecting American security, included “interagency coordination” as one of three primary lines of inquiry and invited fellow Members and citizens “to join us in rethinking national security.”⁸ On April 15, the full HASC continued the dialogue by holding a hearing addressing the Interagency process. There, Ranking Member Duncan Hunter called for an “updated national security architecture that is adapted to the full range of 21st century challenges.”⁹ On April 17, 2008, following a series of hearings on Provincial Reconstruction Teams (PRTs), the HASC Subcommittee on Oversight and Investigation issued a study of interagency coordination mechanisms based on PRT “lessons learned.”¹⁰ In September, the full HASC held two hearings entitled “Considerations for an American Grand Strategy,” which drew on two July hearings by the Oversight and Investigations Subcommittee on the same subject.

In March 2008, the House Committee on Foreign Affairs held the first of a series of three hearings on foreign assistance reform; those hearings included consideration of the role of the Department of Defense, and of interagency coordination.

Executive Branch

Secretary of Defense Robert Gates has emerged as one of the leading proponents for national security reform, reflecting a long-standing view of some Pentagon officials that the Department of Defense (DOD) cannot meet the nation’s security challenges alone. At the April 15, 2008, House Armed Services Committee hearing, Secretary Gates urged thinking “... about how to restructure the national security apparatus of this government for the long term.”¹¹ In September

⁷ Senate Foreign Relations Committee, “Strengthening National Security through Smart Power—a Military Perspective,” March 5, 2008, with General Anthony Zinni and Admiral Leighton Smith Jr. Senator Lugar described the focus as “how we can improve our diplomatic and foreign assistance capabilities and integrate them more effectively with the military components of national power.” The concept of “smart power” refers to an integration of traditional hard power (the use of military and economic carrots and sticks to achieve desired ends) with soft power (“the ability to attract people to our side without coercion”). The concept is drawn from the study, CSIS Commission on Smart Power, Richard Armitage and Joseph Nye, Jr., Co-Chairs, “A Smarter, More Secure America,” Center for Strategic and International Studies, November 2007.

⁸ See House Armed Services Committee, Panel on Roles and Missions, “Initial Perspectives,” January 2008, p. 7.

⁹ See hearing transcript, House Armed Services Committee, “Building Partnership Capacity and Development of the Interagency Process,” April 15, 2008.

¹⁰ House Armed Services Committee, Subcommittee on Oversight and Investigation, “Agency Stovepipes vs. Strategic Agility: Lessons We Need to Learn from Provincial Reconstruction Teams in Iraq and Afghanistan,” April 2008.

¹¹ House Armed Services Committee hearing transcript, “Building Partnership Capacity and Development of the Interagency Process,” April 15, 2008. Secretary Gates also posed the question: “How can we improve and integrate America’s instruments of national power to reflect the new realities and requirements of this century?” His testimony built on the themes of his November 2007 “Landon Lecture,” where he raised the possibility of a new National Security Act and remarked: “... if we are to meet the myriad challenges around the world in the coming decades, this country must strengthen other important elements of national power both institutionally and financially, and create the (continued...)”

2008, speaking at National Defense University, he stated, “It seems to me that there needs to be a new National Security Act ... for the 21st century, to update the institutions and the framework that helped us wage and win the Cold War.”¹²

Think-Tank Efforts

In recent years, a wide variety of think-tanks, ad hoc commissions, and congressionally mandated studies have put forward proposals to reform part or all of the current national security system. One of the most comprehensive efforts is the Project on National Security Reform (PNSR), led by James Locher III, who, as a Senate Armed Services Committee staffer in the 1980s, directed the development of the Goldwater-Nichols legislation.¹³ PNSR, self-consciously modeled on Goldwater-Nichols in the scope of its ambition, aims at “improving the U.S. government’s ability to effectively provide for the nation’s security in the 21st century” and, more explicitly, at helping craft a new National Security Act.¹⁴ PNSR, brought together, on its Guiding coalition and on its working groups, many of the key institutional and individual “thought leaders” on national security reform in the Washington policy community, as well as representation across the political spectrum. PNSR issued its final report, entitled “Forging a New Shield,” in late 2008.¹⁵

The Center for Strategic and International Studies (CSIS) has provided a platform for a series of major projects on national security reform-related issues, incorporating senior practitioners and outside thought leaders as well as its own experts. These efforts have included the four-phase “Beyond Goldwater-Nichols” project, which “presents an integrated set of practical and actionable recommendations for organizing the U.S. defense and national security apparatus to meet 21st century challenges”; the Task Force on Nontraditional Security Assistance co-chaired by Representative Robert Andrews and Representative Mark Kirk; and the Commission on Smart Power co-chaired by Richard L. Armitage and Joseph S. Nye, Jr. Other illustrative major initiatives with a relatively broad scope have included a two-year collaboration between the American Academy of Diplomacy and the Stimson Center, which produced the report “A Foreign Affairs Budget for the Future,”¹⁶ and the bipartisan, congressionally mandated “HELP” Commission, which examined foreign assistance.¹⁷

(...continued)

capability to integrate and apply all of the elements of national power to problems and challenges abroad.” See Secretary of Defense Robert Gates, Landon Lecture, Manhattan Kansas, November 26, 2007, available at <http://www.defenselink.mil/speeches/speech.aspx?speechid=1199>.

¹² See Secretary of Defense Robert Gates, Question and Answer Session following remarks at National Defense University’s Distinguished Lecturer Program, Ft. Leslie J. McNair, Washington, D.C., September 29, 2008.

¹³ The FY2008 *National Defense Authorization Act* (H.R. 4986; P.L. 110-181) authorized the Secretary of Defense to contract with an independent, nonpartisan, nonprofit organization for up to \$3 million to conduct a study of the national security interagency process. The provision requires that the report be completed by September 1, 2008. Pursuant to that authorization, such a contract was awarded on February 22, 2008, to PNSR. The project also has received grants and *pro bono* support from several private firms and think-tanks.

¹⁴ See the PNSR website at <http://www.pnsr.org>.

¹⁵ Available at PNSR’s website, <http://www.pnsr.org/>.

¹⁶ Ambassador Thomas Boyatt, et.al., *A Foreign Affairs Budget for the Future: Fixing the Crisis in Diplomatic Readiness*, American Academy of Diplomacy and Stimson Center, October 2008.

¹⁷ “HELP” stands for Helping to Enhance the Livelihood of People around the Globe. The Commission carried out its work pursuant to P.L. 108-199, Consolidated Appropriations Act, 2004, January 23, 2004, §637. See the Commission’s final report, “Beyond Assistance,” December 7, 2007, available at http://www.helpcommission.gov/portals/0/Beyond%20Assistance_HELP_Commission_Report.pdf.

Identified Problems

The “national security system” is a descriptive term, rather than a legal one, and includes individuals, organizations, structures, and processes. In practice, key elements include executive branch agencies, formal and informal mechanisms for coordinating and integrating national security planning and execution among those agencies, the process for supporting presidential decision-making, guidance from national security strategy, resource distribution within the executive branch, and congressional oversight.

Different debate participants, reviewing these elements, describe the “problem”—and thus the rationale for change—in different ways. In some cases, this is because they disagree about the “diagnosis.” In others, it is because they focus on different elements of the system, and in still others, it is because they use different arguments to point to the same underlying concerns. An unfortunate tendency throughout the debates is to identify “what’s wrong” primarily in terms of a proposed “fix”, rather than explaining why a given arrangement is non-optimal. This section reviews major “problems” identified with each of the key elements of the system.

Executive Branch Key Players: “Civilian Agency Capacity is Too Limited”

National security “key players” within the executive branch include both agencies and sub-agencies, and their relative weight varies over time in accordance with the specific issue in question, the global context, and presidential direction.

Key players include, for example, those agencies represented on the National Security Council and Homeland Security Council. Under the George W. Bush Administration, the National Security Council included the Secretaries of State, Defense, and Energy as statutory members; the Secretary of the Treasury; and the Chairman of the Joint Chiefs of Staff and the Director of National Intelligence in advisory capacities.¹⁸ The Homeland Security Council included the Secretaries of Homeland Security, Treasury, Defense, Health and Human Services, and Transportation, as well as the Directors of National Intelligence and the Federal Bureau of Investigation.¹⁹

Some activities of many other agencies, such as the U.S. Agency for International Development (USAID)²⁰ and the Departments of Commerce, Justice, and Agriculture, also have a bearing on national security. “Key players” also include agencies’ representatives serving around the world, such as members of country teams at U.S. embassies, and staff of, or liaisons to, military Combatant Commands and task forces.

¹⁸ The Energy Independence and Security Act of 2007 (P.L. 110-140), Section 932, December 19, 2007, amended the National Security Act of 1947 to include the Secretary of Energy as a statutory member of the National Security Council. The NSC website does not yet reflect this change.

¹⁹ The Homeland Security Council, the Department of Homeland Security (DHS), and the office of the Director of National Intelligence were created in the wake of 9/11. The creation of DHS, which became operational in 2003, consolidated 22 different agencies. See the Homeland Security Act of 2002, November 25, 2002 (P.L. 107-296), and the Intelligence Reform and Terrorism Prevention Act of 2004, December 17, 2004 (P.L. 108-458).

²⁰ Since 2006, the Administrator of USAID has served concurrently as the Director of U.S. Foreign Assistance at the Department of State.

Many debate participants argue that civilian agencies do not have sufficient capacity, or the necessary capabilities, to support their national security roles and responsibilities. This is due in part to an overall growth in requirements for civilian engagement—for the flexible use of soft power—in the post-9/11, globalized world.

Civilian agencies, it is argued, are under-resourced, under-staffed, non-optimally organized and trained, and/or lack the necessary expeditionary institutional culture. For example, civilian agencies were not prepared to quickly deploy large numbers of personnel to carry out reconstruction work in the immediate aftermath of major combat in Iraq and Afghanistan. Debate participants focus primarily on the Department of State and USAID, but also refer to other agencies, such as Justice and Treasury, that might play roles in complex contingencies.

“Limited civilian capacity” is a problem primarily, it is argued, because it may leave unmet important requirements that support U.S. national security goals. Alternatively, missions for which civilian agencies would be best qualified are passed to other entities that are available but less qualified, such as DOD, or to contractors. Some debate participants, particularly in the defense community, argue that using DOD as the default solution places additional stress on already stretched forces and reduces their ability to train and prepare for other requirements.²¹ Some of the sharpest critiques have come from deployed U.S. Commanders who have wondered, “Where is the State Department?”²²

Executive Branch Key Players: “DOD Role is Too Large”

Other critics of the current balance of roles and responsibilities among executive branch key players identify the same problem from a different angle, arguing that DOD has assumed too large a role in various foreign affairs activities such as economic reconstruction, the training of foreign police forces, and humanitarian assistance. Some of the sharpest critiques in this category suggest that DOD is “encroaching” on the purview of civilian agencies, in terms of both the role it is playing in the field and the share of resources it is receiving to execute those missions.

Some of these observers argue that an expanded DOD role is a problem primarily because DOD personnel do not have the expertise for many foreign assistance missions, and that therefore, their efforts in such areas may do more harm than good. Others stress that a U.S. military lead role on the ground may send the wrong messages to international partner states and organizations. Still others stress that, even when DOD’s stop-gap efforts successfully meet short-term needs, this problem-solving reduces the impetus in Washington for more adequately resourcing and preparing civilian agencies to do the job.

²¹ For an institutional view, see General Richard Cody, Statement for the Record, House Armed Services Committee, April 10, 2008, which notes: “Today’s Army is out of balance. The current demand for our forces in Iraq and Afghanistan exceeds the sustainable supply and limits our ability to provide ready forces for other contingencies.” How broadly to define the range of missions for which U.S. should prepare, and whether to dedicate forces to non-traditional missions, are current topics of debate within the Office of the Secretary of Defense and the Services.

²² Information from U.S. Commanders, Multi-National Force-Iraq, January 2008.

Interagency Coordination and Integration Mechanisms: “Insufficient”

In general, interagency coordination for planning and executing national security activities is based on an array of formal mechanisms and informal practices. Factors that may affect the effectiveness of any of these methods include the authorities of the coordinating bodies or individuals, the resources they control, and the access they enjoy to top decision-makers.

In some cases, responsibility for coordination, or oversight of implementation, is assigned to the White House staff. One example from the George W. Bush Administration is the role of the Assistant to the President and Deputy National Security Advisor for Iraq and Afghanistan, responsible for coordinating executive branch efforts in these two major complex operations. Another Bush Administration example is the U.S.A. Freedom Corps, whose leadership Council, like the NSC, included cabinet members. The Director of the Freedom Corps served as Deputy Administrator to the President and was responsible, from that White House office, for coordinating input from all participating agencies and overseeing implementation of Freedom Corps initiatives.²³

In other cases, responsibility is assigned to a “lead agency,” a flexible concept that refers to giving a single department or agency the responsibility, in a given issue area, for coordinating efforts by multiple agencies. A “lead agency” may be permanent or temporary, and it may or may not be authorized to give direction to other agencies. During Operation Iraqi Freedom, for example, the Department of Defense served temporarily as the assigned “lead agency.” At the Department of State, the Office of the Coordinator for Reconstruction and Stabilization (S/CRS) has been assigned a permanent “lead agency” role in coordinating planning and execution for complex contingencies.²⁴

In other cases, to provide coordination among agencies, an “extra-agency” body is created, whose personnel are drawn from all key concerned agencies. The National Counter-Terrorism Center follows this model by bringing together experts from various departments and agencies to integrate and analyze counter-terrorism-related intelligence and to conduct joint planning.²⁵

In practice, interagency coordination mechanisms often develop more quickly in the field, driven by operational exigencies. Country teams at U.S. embassies around the world, under the authority of the Chief of Mission (Ambassador), are the long-standing model.²⁶ Key recent organizational

²³ See President George W. Bush, Executive Order 13254, January 29, 2002, “Establishing the USA Freedom Corps,” *Federal Register*, vol. 67, February 1, 2002, pp. 4869-4871.

²⁴ See National Security Presidential Directive/NSPD-44, “Management of Interagency Efforts Concerning Reconstruction and Stabilization,” December 7, 2005, which describes the “lead agency” responsibilities of the State Department to lead and coordinate reconstruction and stabilization efforts, as well as the support responsibilities of other departments and agencies.

²⁵ The NCTC was created by Executive Order 13354, August 27, 2004, and further codified by Congress in the Intelligence Reform and Terrorism Prevention Act, December 17, 2004 (P.L. 108-458). According to the 2004 Act, Section 1021, the Director of the NCTC reports directly to the President on joint counterterrorism operations, and to the Director of National Intelligence on the activities of its Directorate of Intelligence, and on budgetary and programmatic issues.

²⁶ See National Security Decision Directive 38 (NSDD-38), “Staffing at Diplomatic Missions and Their Overseas Posts,” June 2, 1982, which confirmed certain authorities of chiefs of mission over personnel assigned from other agencies to serve on their country teams.

initiatives include the civil-military Provincial Reconstructions Teams in Iraq and Afghanistan; Joint Interagency Coordination Groups (JIACGs) at Combatant Commands, which include representatives of civilian agencies in advisory roles; and U.S. Africa Command, a DOD combatant command in which representatives of civilian agencies hold formal staff positions.²⁷

Many debate participants argue that agencies do not coordinate sufficiently, in Washington or the field, on planning or execution of national security activities. This is a problem, it is argued, for many reasons: it can leave gaps in planning undetected; it can lead to wasted resources, duplication of effort, or even working at cross purposes; it can send conflicting messages to partner states; it can inadvertently demonstrate a lack of national unity; and most of all, it can lead to failures in execution.

National Security Decision-Making: “Not Rigorous”

The National Security Council system, established by the National Security Act of 1947, was designed in part to support presidential decision-making on national security issues.²⁸ It is the system by which designated leaders of executive branch agencies and presidential advisors review, clarify, and prepare specific issues for presidential decisions. As a rule, how that decision-support function works in practice depends on the discretion of each President.²⁹

For example, President Eisenhower, perhaps drawing on his military background, established a relatively formal NSC system, including a Planning Board, composed of senior officials, to thoroughly review each issue prior to consideration by the National Security Council itself, and an Operations Coordinating Board to oversee implementation.³⁰ His immediate successor, President Kennedy, responding in part to critiques that the Eisenhower system had been too rigid, began his administration by abolishing the Operations Board and adopting a less formal approach.³¹

Under the Administration of President George W. Bush, the decision-making system was based on National Security Presidential Directive-1, which established a system of Policy Coordination

²⁷ For further information, see CRS Report RL34003, *Africa Command: U.S. Strategic Interests and the Role of the U.S. Military in Africa*, by Lauren Ploch.

²⁸ The National Security Act of 1947 (P.L. 80-235), as amended in 1949, (P.L. 216). Section 402(a) notes: “The function of the Council shall be to advise the President with respect to the integration of domestic, foreign and military policies relating to the national security so as to enable the military services and other departments and agencies of the Government to cooperate more effectively in matters involving the national security.”

²⁹ See CRS Report RL30840, *The National Security Council: An Organizational Assessment*, by (name redacted) For a legal analysis of NSC arrangements over time, see Cody M. Brown, *The National Security Council: A Legal History of the President’s Most Powerful Advisers*, Project on National Security Reform, December 2008. For an overview of NSC arrangements over time, including primary source documents, see Karl F. Inderfurth and Loch K. Johnson, *Fateful Decisions: Inside the National Security Council*, New York: Oxford University Press USA, 2004. Citing the Tower Commission report, the authors note: “There is no magic formula which can be applied to the NSC structure and process to produce an optimal system ... it must adapt to each individual President’s style and management philosophy.” The Tower Commission was established in 1986 to review the Iran-Contra affair, and it issued recommendations for NSC staff reform. See John Tower, Edmund Muskie, and Brent Scowcroft, *The Tower Commission Report*, New York: Random House, 1987.

³⁰ See President Dwight D. Eisenhower, Executive Order 10483, September 2, 1953.

³¹ Kennedy’s changes were prompted in part by the “Jackson Subcommittee” report that criticized the Eisenhower system as overly bureaucratic. See “Organizing for National Security,” Staff Reports and Recommendations, Subcommittee on National Policy Machinery, Committee on Government Operations, U.S. Senate, December 12, 1960.

Committees, a Deputies' Committee, and a Principals' Committee, composed, respectively, of departmental Assistant Secretaries or other senior officials, Deputy Secretaries, and Secretaries. At each level, the interagency body considered issues of cross-cutting concern, weighed options, and made recommendations to the next higher level, in order to tee up well-considered issues for decision by the President.³² That basic structure, with slightly different terminology, was relatively consistent since the first Bush Administration.³³

Over time, a number of observers have commented that the U.S. national security decision-making process—the “NSC process”—is insufficiently rigorous. “Rigor” may refer, for example, to the timeliness of information- and proposal-sharing among agencies before committee meetings or to the demonstrated ability of the process to highlight all important sides of an issue. By failing to ensure what Ambassador James Dobbins has called a “disciplined, adversarial debate,” it is argued, the system may not fully and effectively take account of input from key advisors. In addition, important logical gaps may go undetected or unquestioned.

National Security Strategy-Making: “Insufficient Guidelines”³⁴

The 1986 Goldwater-Nichols Act required the President to submit an annual “comprehensive written report on the national security strategy of the United States.” That statement is to include a “comprehensive discussion of the vital interests, goals and objectives of the United States throughout the world,” the capabilities needed to implement the strategy, the proposed uses of political, economic, military and other elements of national power; and a discussion of the adequacy of available capabilities.³⁵ Each strategy is thus intended to provide guidance for carrying out national security activities. In practice, strategies have been submitted periodically but not always annually.³⁶

Some critics point out that, as a rule, National Security Strategies crafted under this mandate describe, but do not prioritize, national security challenges and goals, and they do not describe how the various instruments of national power are to be applied and integrated to achieve each of those goals.³⁷ The problem, it is argued, is that individual agencies, in developing their own

³² President George W. Bush, National Security Presidential Directive-1 (“NSPD-1”), “Organization of the National Security Council System,” February 15, 2001. In NSPD-1, President Bush describes the purpose of the NSC this way: “The NSC shall advise and assist me in integrating all aspects of national security policy as it affects the United States—domestic, foreign, military, intelligence, and economics (in conjunction with the National Economic Council (NEC). The National Security Council system is a process to coordinate executive departments and agencies in the effective development and implementation of those national security policies.” See also Homeland Security Presidential Directive-1, October 29, 2001, on the organization and function of the Homeland Security Council.

³³ See President George H. W. Bush, National Security Directive-1, and President William Clinton, Presidential Decision Directive-1.

³⁴ For a more detailed analysis of national security strategy and other guidance documents, see CRS Report RL34505, *National Security Strategy: Legislative Mandates, Execution to Date, and Considerations for Congress*, by (name redacted).

³⁵ See the Goldwater-Nichols Department of Defense Reorganization Act of 1986, October 1, 1986 (P.L. 99-433), Section 603.

³⁶ The current Bush Administration issued *The National Security Strategy of the United States of America* in September 2002, and a document with the same title in March 2006.

³⁷ A singular historical contrast was NSC-68, “United States Objectives and Programs for National Security,” a (now de-classified) top secret document produced by President Truman’s National Security Council on April 14, 1950. NSC-68 described in detail the (Cold War) strategic context, noted the intentions and capabilities of both the United States and the Soviet Union, and provided possible courses of action together with assessments.

strategies, doctrines, and requirements, receive too little guidance about balancing their own capabilities with those of other agencies.

Resource Distribution within the Executive Branch: “Resources and Strategy Do Not Match”

The categories of the President’s annual budget request to Congress are based on agencies, such as the Departments of State and Defense, rather than on functional areas, such as “national security” or “foreign assistance.” Each agency prepares its own portion of the budget request, on the basis of a working topline provided by the Office of Management and Budget.³⁸

Some debate participants stress that within the executive branch, insufficient efforts are made to match strategy to resources. In the development of the President’s budget request, there is no regular forum to rigorously debate which resources, or which combinations of resources, to apply to holistic efforts like “national security” that involve multiple agencies. The problem, it is argued, is that, absent clearly articulated national priorities or rigorous systemic-level debate, the President’s budget requests tend to reflect individual agency equities and concerns.³⁹

Congressional Oversight: “Poorly Structured”

In general, Congress’s oversight role includes reviewing, monitoring, and supervising the implementation of public policy.⁴⁰ That role includes, for example, conducting the budget, authorization, and appropriations processes; ensuring that execution by the executive branch matches legislative intent; evaluating program performance; and specifying the organization, functions, and authorities of federal agencies.

Most oversight is carried out through Congress’s committee structure, including Appropriations Subcommittee review of fiscal matters and standing and select committee review of activities in their areas of jurisdiction; these portfolios roughly correspond to those of key national security departments.

Some debate participants argue that these congressional oversight mechanisms are poorly designed for holistic consideration of issues such as national security that involve multiple agencies. Budget requests are considered by agency, rather than functional area. Although full Appropriations Committees arguably take a “systemic” view when they divide the budget among their subcommittees, they do not have the time or ability, it is argued, for detailed consideration of possible areas of overlap or of tradespace among the elements of national power.

In turn, ongoing oversight mechanisms by standing committees do not provide, it is argued, any regular forum for systemic-level consideration of cross-departmental challenges and possible

³⁸ For background, see CRS Report 98-721, *Introduction to the Federal Budget Process*, by (name redacted).

³⁹ For a critique of U.S. government budgeting and resource planning for national security, including proposed reforms, see (forthcoming) Gordon Adams, *Buying National Security: How America Plans and Pays for Its Global Role and Safety at Home*, New York: Routledge Press, September 2008.

⁴⁰ For a comprehensive overview, see CRS Report RL30240, *Congressional Oversight Manual*, by (name redacted) et al.

solutions. Joint hearings, and some overlap in committee membership, may provide some limited cross-fertilization.

This arrangement is a problem, it is argued, because it gives agencies an incentive to demonstrate fulfillment of their individual mandates, but it does not necessarily reward contributions to systemic-level efforts. Further, the arrangement does not foster development of systemic-level expertise on the Hill, like the ability, for example, to weigh the use of hard and soft power to achieve national objectives.

Proposed Reforms

The current debates, informed by a wealth of large-scale studies and individual assessments, include a broad array of specific proposals for change. Many but not all are theoretically mutually compatible. These proposals tend to be presented as laundry lists, rather than as carefully crafted strategies including timing and sequencing of proposed reform measures, together with their likely ramifications. This section highlights proposals for adjusting the major elements of the national security system.

Executive Branch Key Players: Adjust the Balance of Roles and Responsibilities

A number of participants in the national security reform debates urge adjusting the balance of roles and responsibilities among executive branch agencies. This group of observers includes those concerned that DOD is doing “too much” and those worried that the Department of State (DOS) is doing “too little.” It is frequently noted, for example, that for foreign affairs activities, DOS has most of the authorities while DOD has most of the resources, including personnel; adjustments could target either of those categories.

Interagency Coordination and Integration: Foster Horizontal Integration

Other debate participants focus on improving “horizontal integration” among executive branch agencies as a means to improve coordination in planning and execution. This emphasis is distinct from, but theoretically mutually compatible with, calls to adjust the division of labor among agencies.

Some proposals follow the Goldwater-Nichols emphasis on human capital. These include calls for greater opportunities for interagency shared training, exercising, and education, as well as enhanced exchange programs supporting tours of duty in other agencies.⁴¹

⁴¹ For a detailed analysis of these issues, and of the National Security Professional Development Program launched by the George W. Bush Administration, see CRS Report RL34565, *Building an Interagency Cadre of National Security Professionals: Proposals, Recent Experience, and Issues for Congress*, by (name redacted).

Proponents of such approaches usually note that they would likely require personnel policy adjustments, ensuring, for example, that such interagency service figures positively in promotion criteria and creating a sufficient personnel “float” in civilian agencies to backfill posts.⁴²

Other proposals seek to adjust and synchronize U.S. government agency representation in the field. These include, for example, giving greater authority to Chiefs of Mission to coordinate or direct representatives of other agencies serving in their country teams; aligning the definitions of geographical regions of the world used by various U.S. government agencies; creating and empowering “regional ambassadors”, with areas of responsibility corresponding to those of military combatant commands; or strengthening the representation of civilian agencies at regional combatant commands.

Interagency Coordination and Integration: Create a New Position

To foster stronger coordination of national security efforts, a number of debate participants have proposed creating a new position, based at the White House, for example an NSC Senior Director, or a more senior Assistant to the President. One version of this school of thought suggests a very senior new post, with responsibility for overseeing the conduct of strategic reviews and the issuance of guidance. Another version focuses primarily on implementation, proposing a post responsible for coordination and execution of “national security operations.”

National Security Decision-Making: Require Greater Rigor

Although many observers note that the national security decision-making process is imperfect, most add that its dynamics depend greatly on presidential discretion and the personalities of key participants. Some observers propose that the Senate confirmation process could pay more attention to how a prospective Department Secretary would play his or her role as a member of the NSC. Others propose that the position of Assistant to the President for National Security Affairs be subject to Senate confirmation.

National Security Strategy: Strengthen the Guidance

Some observers, emphasizing that national security guidance is key to effective national security efforts, call for the preparation of more focused National Security Strategies, including clear priorities and timelines. Some suggest that national security strategy would benefit from a more rigorous—and possibly congressionally mandated—review process, modeled on the Quadrennial Defense Review process at the Department of Defense.⁴³ In turn, some observers have called for

⁴² The study “A Foreign Affairs Budget for the Future”, went a step further, arguing that the creation of a civilian float is a prerequisite for developing inter-agency coordination and integration mechanisms. To that end, the study recommended enhancing Department of State civilian capacity by a total of 4,735 new billets between 2010 and 2014, including a “float” of 1,287 for training. See Ambassador Thomas Boyatt, et al., *A Foreign Affairs Budget for the Future: Fixing the Crisis in Diplomatic Readiness*, American Academy of Diplomacy and Stimson Center, October 2008.

⁴³ The Beyond Goldwater-Nichols project advocated a “Quadrennial National Security Review”, involving participation from all departments and agencies concerned with national security, and including an assessment of challenges, an articulation of objectives, a strategy for achieving those objectives, and clarification of roles and responsibilities in implementing that strategy. See Clark A. Murdock and Michele A. Flournoy, Lead Investigators, *Beyond Goldwater-Nichols: U.S. Government and Defense Reform for a New Strategic Era, Phase 2 Report*, Center for (continued...)

capturing strategic guidance in a document—National Security Planning Guidance—that would convey the President’s intent and direction to departments and agencies.⁴⁴ The guidance would set priorities and assign tasks to specific agencies, and it could also include fiscal guidance.

Resources for National Security: Create a National Security Budget

To foster holistic consideration of national security challenges and solutions, a number of debate participants propose instituting a “national security” budget request, as a separate section of the President’s budget request to Congress.

Congressional Oversight: Reorganize or Restructure

Some debate participants suggest the establishment of House and Senate Select Committees on National Security. Such committees could play a role in considering budget requests related to national security (whether or not submitted as a discrete request) and could take a holistic approach to national security challenges.

Others have suggested appointing some Members to serve on committees of jurisdiction for multiple key national security agencies, such as Armed Services and Foreign Relations/Affairs, to provide some over-arching visibility. Still others have proposed the more frequent convening of joint sessions of committees with related national security interests.

What the Debates Might Be Missing

To help sharpen and focus the emerging, multi-faceted debates about national security reform, the following areas may merit further exploration.

As a rule, reform proposals are based, usually explicitly, on some assumptions about the global security context, including for how long those identified conditions are likely to persist. In theory, there might be some advantages in orienting a “national security system” toward the major challenges of its day, just as the National Security Act of 1947 was designed for the post-WWII Cold War world. On the other hand, there might be different advantages in building some flexibility into the system, to allow for both unexpected events and change over time.

Most national security reform proposals to date list specific initiatives but do not bring them together in a single plan of action. For example, most proposals do not prioritize their recommendations, and most do not propose a sequence for the introduction of changes. Most do

(...continued)

Strategic and International Studies, July 2005, p. 28. In December 2008, the Project on National Security Reform (PNSR) echoed the recommendation, calling for a “National Security Review” that would “prioritize objectives, establish risk management criteria, specify roles and responsibilities for priority missions, assess required capabilities, and identify capability gaps”.

⁴⁴ See Clark A. Murdock and Michele A. Flournoy, Lead Investigators, *Beyond Goldwater-Nichols: U.S. Government and Defense Reform for a New Strategic Era, Phase 2 Report*, Center for Strategic and International Studies, July 2005, p. 29, and Secretary of Defense, *Quadrennial Defense Review Report*, February 6, 2006, p. 85. See Project on National Security Reform, “Forging a New Shield,” November 2008, p.xii.

not spell out what might be accomplished through presidential directive alone, versus what might require congressional action.

Almost entirely missing from the debates, to this point, are counter-arguments about the strengths of the status quo. The nature of such arguments, and the strength of various constituencies in favor of the status quo, is not yet clear.

Even small-scale or incremental change would affect some current ways of doing business. It might be useful to consider the possible risks and unintended consequences of various change proposals, such as whether they might negatively affect some current processes and efforts that appear to be working effectively.

Author Contact Information

(name redacted)
Specialist in International Security
/redacted/@crs.loc.gov, 7-....

(name redacted)
Specialist in U.S. Defense Policy and Budget
/redacted/@crs.loc.gov, 7-....

(name redacted)
Specialist in International Security Affairs
/redacted/@crs.loc.gov, 7-....

EveryCRSReport.com

The Congressional Research Service (CRS) is a federal legislative branch agency, housed inside the Library of Congress, charged with providing the United States Congress non-partisan advice on issues that may come before Congress.

EveryCRSReport.com republishes CRS reports that are available to all Congressional staff. The reports are not classified, and Members of Congress routinely make individual reports available to the public.

Prior to our republication, we redacted names, phone numbers and email addresses of analysts who produced the reports. We also added this page to the report. We have not intentionally made any other changes to any report published on EveryCRSReport.com.

CRS reports, as a work of the United States government, are not subject to copyright protection in the United States. Any CRS report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS report may include copyrighted images or material from a third party, you may need to obtain permission of the copyright holder if you wish to copy or otherwise use copyrighted material.

Information in a CRS report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to members of Congress in connection with CRS' institutional role.

EveryCRSReport.com is not a government website and is not affiliated with CRS. We do not claim copyright on any CRS report we have republished.