

# **The United States: The Making of National Security Policy**

**John M. Deutch**

Remarks at conference on *The making of national security policy*

The Institute of National Security Studies,

Tel Aviv University – January 31 2011

---

The range of foreign policy issues that demand United States leadership as well as observation or involvement is vast. It begins with Afghanistan and Iraq and extends to China and East Asia. It includes Iran, Africa, the Middle East peace process, Russia, European affairs, functional areas of energy and climate, economic matters, non-proliferation and the role of nuclear weapons, counterterrorism, and the unrest in Egypt, Tunisia, Yemen, and Lebanon.

In the United States, national security affairs are managed by the National Security Council, which is established by law. There is a core set of agencies and figures that in all cases participate in this management process: the Department of State, the Department of Defense, the intelligence community, the Joint Chiefs of Staff, and the United Nations ambassador. The concern of that core group is with political-military affairs. With other matters, additional agencies may participate. For example, on issues of homeland security and terrorism, the FBI, the Department of Justice, and the Department of Homeland Security are added. In the case of economic affairs, the list is expanded to include the Department of Treasury, the National Economic Council, the trade representative, and other agencies that are warranted by a particular issue.

In practice, management of the National Security Council and its activities is conducted by the National Security Advisor, who works for the President and is the President's representative in discussions that define the issues, set the agenda, and regulate the process among the principals, the deputies, and the working groups that execute the business of the National Security Council. Several observations from an American perspective are in order here.

What does national security cover? How large a definition does it have or does it deserve? In Israel, the central issue is of national survival and continuity. In the United States, the definition of national security continues to expand. It begins with political military matters and goes on to address much broader economic questions, climate change, and issues having to do with the stability of the global financial system, such as poverty. Thus it is certainly true that while a good definition of national security covers all affairs that affect men and women and all affairs that affect international and domestic issues, as a practical matter the larger the definition, the more difficult it is to manage national security competently.

The second observation is that national security policy documents are almost always a disaster. This is because in formulating a national security policy, words are assembled by a large group of people who try either to cover up differences by ambiguity or to guess the intentions of the President. They therefore produce a document that usually overstates matters or does not clearly address issues in a way that is useful to the public and certainly not to allies. There are some marvelous examples of this. The national security policy issued at the beginning of the George W. Bush administration hounded him for a period of time because it left in such great ambiguity what he and his administration saw as the role of nuclear weapons for the present and for the future. The Obama administration has had a most difficult time

issuing a national security document that conveys clearly what its objectives are in Afghanistan. National security documents are therefore not useful in deciphering the policy, doctrine, or practices of the United States. For that, one must look at what is actually happening – which matters are being addressed and how.

The third remark has to do with the United States' untenable separation of domestic and foreign policy matters. The U.S. has a very well organized national security system that covers national security matters. But when domestic issues overlap with foreign policy issues, they have not been handled in any administration, now or in the past, with any coherent coordination between the domestic and the international aspects. Other countries, like France and Israel, undoubtedly do a better job of this. But in the United States it has been a chronic problem, especially in the area of energy. For example, the U.S. currently is hard pressed to reconcile its longterm concerns about strategic competition with China with the internal economic or political consequences of having China as such a large holder of U.S. dollars and such a large exporter of goods to the United States. This discord between domestic and foreign policy is extremely serious, especially when political leaders tend to speak to domestic audiences without considering the potential international implications – or vice versa.

The fourth point concerns a vital shortcoming, namely, that the National Security Council (and its apparatus) has very little analytic capability. In order to draft a coherent, national multi-year plan about where the country should be headed, there must be some capacity for planning and for assessment of the execution of programs. In the United States, however, there is very little capacity at the national security level for such coherent planning. That capacity, to the extent it exists, is in the component agencies.

The result of lack of long-term thinking and planning at the national security level is that the National Security Council policy process functions best when it is responding to short-term crises. In a crisis, the system works magnificently: working groups are formed from the component agencies, and they prepare papers that present options for the National Security Council principals, and ultimately, for the President to consider when making a decision. In the absence of a crisis, however, it is difficult to focus the attention of the principals on serious issues. Good crisis management does not lead to good long term policy, and there are many examples of this. The United States deployment of troops to Somalia, Haiti, and even Bosnia and Kosovo were done well as a response to a crisis, but less so as part of long term thinking about what such action would augur for United States foreign policy interests or for the people in need of help.

There are many current examples of where attention to the short term obstructs formation of a longer term view, including Iraq and Afghanistan. The U.S. approach to the Middle East and to Islam – as well as its current reaction to Egypt – reflects the same attention to a short term response as opposed to long term thinking about what its interests are over a multi-year period. This long term effort in defining national security policy refers not only to political and military activities, but also to economic assistance and cultural efforts.

Another vital shortcoming of the U.S. system is that the National Security Council is involved little in resource allocation. The problem of resource allocation, in terms of both quantity and purview, is left to the various departments and agencies that are only partially regulated by the Office of Management and Budget, and much more to the bilateral relationship between the Congressional committees that have authority for voting on allocations in Congress and the individual

agencies. The National Security Council can and sometimes does intervene in a particular situation, but it does not lay out a long term allocation of resources to different activities. This means that people who want to influence resource allocation (industries and their lobbyists in Washington, for example) respond at the agency level. They seek to apply their influence at that level, and they do so quite effectively, often misunderstanding U.S. intent. Consider, for example, the magnitude and character of arms sales to Taiwan, the competition between the European manufacturer EADS and the U.S. manufacturer Boeing to build a tanker, and the issue of export controls. All of these are matters handled at the departmental level, where the bureaucracy and the mission of that particular agency are frequently in conflict with a broader national purpose.

Only the Department of Defense has a resolute, multi-year, disciplined planning process that lays out for a five-year period the programs to be supported, the amount of money they will receive, and how they will be managed. Occasionally, the Department of Defense even outlines explicit measures and performance milestones to be achieved, because after all, the most important part of national security policy is the execution of the decisions that are made.

The strength of the Department of Defense in having a robust planning process notwithstanding, the political dynamic of each department negotiating largely separately with Congress for its funds means that the Department of Defense becomes stronger than other agencies. The latter do not catch up and gain the kind of capability that they need to address the new threats that the United States and the rest of the world face. This particular problem speaks to a very serious shortcoming in the United States.

Another observation concerns the role of the press. Despite the accepted idea of a free press in a democracy, this is a serious issue that significantly affects the effectiveness of diplomacy and the ability to reach responsible national security decisions. Indeed, the matter of leaks is of the utmost seriousness. The United States intelligence community has a history of producing national intelligence estimates. Today, they are frequently declassified in advance of their dissemination in order for the administration to give its explanation instead of relying on a leak to determine how the public will receive this information.

Finally, there is the issue of international cooperation. The United States is called upon in every situation to look for international justification for its foreign policy actions. It certainly is an active and enthusiastic member of ASEAN, perhaps a bit less so of NATO, and perhaps even a bit less so of the United Nations. But it appears that one aspect of United States national security policy will be a continual emphasis on U.S. interests and U.S. bilateral relationships rather than a rush towards a greater multilateralism, although that is certainly part of its approach.

Two important issues remain to be resolved in the United States' national security policy system. The first has to do with managing counterterrorism in homeland security. For historical reasons, the responsibility for domestic security and domestic intelligence collection – to the extent that it existed – has resided with the Federal Bureau of Investigation. All foreign intelligence matters, on the other hand, have resided with the CIA and its director. This came about because of a poor personal relationship between J. Edgar Hoover and Allen Dulles, and the current arrangement was implemented as a means to settle a quarrel between them.

That division worked well as long as the security concerns were sharply divided into peacetime and wartime, into domestic and foreign, and other antipodal issues (for example, was a U.S. citizen involved, or not). All of those distinctions have vanished with the emergence of global terrorism. The result is massive confusion about what governs policy formation for counterterrorism and homeland security, which results in less than effective means to pursue these matters. In many other countries – better organized than the U.S. perhaps – domestic security and domestic intelligence are organized as part of the Department of the Interior. In the United States, on the other hand, the FBI is part of the law enforcement system and is located in the Department of Justice. This causes confusion, for example, about the first intent of intelligence collection. Is it for warning about and avoiding terrorist acts, or is it for law enforcement and punishment?

The Intelligence Reorganization Act of 2005 was ostensibly meant to harmonize this relationship by assigning to the new director of national intelligence a measure of authority over at least the planning and the direction of the national security activities of the FBI. In practice this has occurred less than was originally intended. In addition, there is a fundamental conflict of interest in placing the responsibility for domestic security and intelligence within the Department of Justice, which is required at the same time to manage these enterprises and also to be an honest judge of whether their activities are being properly carried out. The Justice Department, in other words, is asked to be manager, overseer, and evaluator of these activities.

This has left the U.S. with several grave unresolved issues. The most obvious and serious one in the public debate concerns the rules for apprehension, detention, and interrogation of alleged terrorists. Rules

for cyber security are also of increasing concern, to industry, individuals, and the military. Another issue has to do with covert activities around the world. Thus, respecting citizens' privacy and legal rights and privileges, while at the same time paying adequate attention to national security by obtaining warning and avoiding catastrophe, is something that deserves attention.

Another problem is that the Department of Homeland Security has yet to acquire the capability to be a major actor in the arena of national security policy. Beyond the considerable capability that resides in its component divisions – whether it is the Coast Guard or the Immigration and Naturalization Service – it lacks the means to put together a coherent plan for the possibility of a very large domestic catastrophe. In the first Clinton administration, at a meeting discussing emergency response to the a terrorist act, the then-head of FEMA said, “Mr. President, let me tell you something about the Federal Emergency Management Administration: we are resourced and prepared to protect the country against natural disaster; we do not have the money or the ability to take care of human-created disasters.” The U.S. does not have a system with the capability to deal with these extreme cases. Thus the balance between law enforcement and its legitimate purpose, between managing national security and keeping within the rules, while maintaining the ability to defend the United States and provide warning from potential hostile activities, must still be addressed.

The second issue concerns the health of the intelligence community in the face of a wide range of new threats: counterterrorism, proliferation, and of course the instability and issues evident in the Middle East. In fact, the intelligence community is still suffering from the mistakes that occurred in the 1990s. The incorrect estimate shared by many about the existence of weapons of mass destruction in Iraq,



as well as the inability to predict (as if it is possible for any service to do this) the attacks on the United States on 9/11, have led to some public and official lack of confidence in the community, and therefore, some loss of morale within the community.

The directorship of national intelligence, set up under the 2005 Reorganization Act, has not worked as well as expected. The director of national intelligence does not have as much authority over the military-intelligence parts of the program as was originally intended. And certainly, the matters involving the national security divisions of the Department of Justice, the FBI, and the intelligence community have not been fully harmonized. Community staff has exploded from a mere forty or fifty in 1995 to something like 1,400 today. Thus much of the time of intelligence individuals in Washington is spent keeping an eye on each other rather than paying attention to the central functions of collecting, analyzing, and distributing information to senior policymakers.

Much needs to be done to strengthen intelligence for what is needed in today's world. Leon Panetta, who is now director of the CIA and who previously headed the Office of Management and Budget, is spending a good deal of his time on activities in Afghanistan, perhaps at the expense of providing analysis of where Afghanistan is going, where Pakistan is going, what U.S. interests in that region are, and to which long term actions the United States should be paying attention.

In conclusion, what is the outlook for national security policy in the United States? Succinctly and provocatively put: Budgets are national security. With all the principals and organization and an endless numbers of meetings, if the resources are not planned, allocated, and executed in a sound way, there will not be an effective national

security policy. Worse yet, there will not be a foreign policy that reflects national interests.

U.S. defense budgets rise and drop repeatedly – and quite sharply. Only twelve years ago, the total budget of the U.S. Department of Defense was about \$345 billion; today it is \$800 billion, although future increases cannot continue at that level. In looking at the history of U.S. budgets versus U.S. policy since the Second World War, one could ask if there is any correlation at all between them, but in any event, the defense budget is always certain to rise and fall. Today it is about to drop, and likely quite significantly, because of the fiscal crisis and a very large increase in deficit in the United States. It is about to drop also because of “sticker shock,” or what Professor François Heisbourg has more properly termed “the invention of Norman Augustine,” which says that the price of a weapons system doubles over time. There is tremendous sticker shock in Congress, on both sides of the aisle, in reaction to the magnitude of these defense expenditures. The Joint Strike Fighter is one case in example.

There will likely be a decline in the budget, therefore, for national security as well as for defense. This includes the associated expenditures that are greatly needed in the State Department in order to carry out the operations and the economic assistance that make peacekeeping even a remote possibility in places such as Somalia, Rwanda, Haiti, Iraq, or Afghanistan. However, if there is a sharp reduction in a budget, those same national security objectives cannot be maintained. If the objectives remain unchanged but the budget is decreased, the character of the problem cannot be adequately addressed. The budgetary pressure will bring about a change in the United States' national security and foreign policy posture, to conform to the reality of the available resources. Whether this happens in a likely area, such as peacekeeping operations, is hard to predict. But

there will be a significant change in the breadth and ambition of the national security policy that the United States has been pursuing over the past decade.

Countries address these vital issues of national security and national welfare very differently. Yet whatever their organizational character, they almost always encounter the same difficulties in trying to serve their citizens.