

# Meeting Complex Challenges Through National Security Reform

October 16–17, 2008

## Summary

Each major reform to U.S. national security structure has followed a historic event: the National Security Act of 1947 after World War II; the Goldwater-Nichols Act of 1986 in the wake of Vietnam and post-Vietnam uses of force; and the creation of the Department of Homeland Security and reorganization of the Intelligence Community after the attacks of September 11, 2001.

The Obama administration will have no shortage of advice pouring in from myriad sources on how to address the dynamic nature of security given the wars in Iraq and Afghanistan and the global financial turmoil. Indeed, the Obama administration may be wise to avoid getting unnecessarily immersed in process and reorganization. But the question is whether major reform in adapting government to 21<sup>st</sup>-century requirements can be further delayed without significant consequences. Fortunately, a variety of efforts have already been made by leading think tanks and commissions to analyze the current structure and operations of the national security system to offer options for decisionmakers.

The Institute for National Strategic Studies (INSS) at National Defense University convened *Meeting Complex Challenges Through National Security Reform* to preview some of those efforts. To understand whether (and how) reform is possible, INSS assembled key U.S. and international scholars, officials,

and practitioners to offer and discuss ideas. This report synthesizes some of the main findings emerging from the 2-day conference.

## Context

The array of 21<sup>st</sup>-century national security issues and the variety of actors needed to address them present a new level of complexity that must be considered for reform to be effective. Responses to natural disasters, shifting power centers, and nontraditional transnational threats require more integrated responses from inside and outside of government. Stronger linkages between international, national, and local efforts are also required given that jurisdiction often lies with national police forces and legal systems.

If the U.S. national security system is to address this increasing level of complexity—indeed, if it is to operate as a system at all rather than a collection of separate components—then security reform must stress unity, integration, and inclusion across all levels. Yet transforming the existing mindsets, cultures, structures, and roles of the institutions and organizations responsible for providing national security will not be

easy. It necessitates good design based on desired outcomes and significant effort by U.S. leaders to gain acceptance within the various communities. Framing the necessary reform in terms of longer term gains and benefits is critical, especially in light of likely budget cuts due to the global financial crisis. Lasting reform also requires new incentives and measurements to encourage essential behavior changes at all levels of government, including the executive and legislative branches.

Although there is agreement that reform is needed, there is also acknowledgment that the current political system, hierarchical nature of government, and imminent budget constraints pose significant obstacles. At the same time, if leveraged well, these challenges can serve as catalysts for reform by driving an alignment of strategic objectives, a search for efficiencies, and the placement of greater emphasis on integration, partnerships, and alliances to make the most of limited resources.

## Outcome-driven Reform

Calls for reform are ongoing rather than new. This has bred a

degree of cynicism and resistance toward further efforts, particularly when some previous reform efforts focused more on structures and processes than on the quality of the output. For example, some found that the praise lavished on the Iran National Intelligence Estimate was more for the process involved—namely integration among the agencies—than the soundness of the judgments made. It was only after members of the international community expressed concerns regarding those judgments that the quality and content of the estimate were fully considered. The limited role given to the National Counterterrorism Center provides another example of current disconnects between strategic planning initiatives and implementation. The center currently has responsibility for planning, but not for policy and execution. As a result, policymakers might ignore this planning.

If real and lasting reform is to happen, it must be driven by the achievement of desired outcomes rather than “reform for reform’s sake.” This requires a common vision across governmental departments and accountability across the system. In addition, it must be noted that structural and process changes cannot make up for unrealistic objectives or poor policy.

## Reform Leadership

There is also a need to lash up the current and future reform agendas across government so they are not operating at cross-purposes. A crucial part of this is structural, but ultimately any success depends upon strong

leadership and clear guidance from the top. Bridges must be built at every level—between international and national efforts and between departments and agencies—to ensure a common frame of reference—particularly with respect to planning. This type of reform agenda can only come from high-level decisionmakers in the executive and legislative branches, which will entail reform within their own organizations.

**if real and lasting reform is to happen, it must be driven by the achievement of desired outcomes rather than “reform for reform’s sake”**

One of the largest challenges to reform is altering the way Congress sets and funds priorities. A significant shortcoming is the power differential between authorizing committees and appropriations committees since genuine power lies in appropriations. One idea for aligning efforts and building accountability entails the formation of committees that control both authorization and appropriations. As there is no check and balance on the legislative branch, congressional change has to come from within. Such change is not easy to facilitate, as was learned by those trying to implement the recommendations of the 9/11 Commission Report. Yet without change at the congressional level, it will be difficult to unify reform efforts and gain the commitment necessary to effectively and efficiently realign efforts to outcomes.

Given that legislation governs how every nickel is spent, the executive branch cannot paper over this process.

Key challenges also reside within the administration itself. Currently, there is no good mechanism for resolving disputes within the Cabinet, such as those that erupted around the Iraq War. The Department of Defense (DOD) often wins as it controls the bulk of the resources. Although foreign policy and security are intertwined, having DOD driving foreign policy is not necessarily good for the Nation. Therefore, some type of facilitation process—whether led by the White House or a high envoy-led interagency team—must be developed and implemented that drives more holistic solutions.

There are also questions regarding how (and whether) the President should insert himself into the national security reform process to make it run well. Many think this is not a solution; unfortunately, other administration mechanisms have limited powers to take on this task. The National Security Council role is to advise the President. But it cannot integrate multiple agency objectives. It is also understaffed for its current workload. Consequently, some type of interagency strategic planning group is necessary to integrate strategic planning across government with the mandate to strike a balance that is neither detached from nor consumed by operations. Such integrated strategic planning at the top can also help resolve some of the downstream disconnects between departments and agencies.

Finally, even if agreement is reached on appropriate objectives, structures, and planning mechanisms within both branches, leaders

---

*Rapporteur: Kathy Gockel. Final report produced by INSS members Patrick M. Cronin, Gerald W. Faber, and Ariel Goldring.*

must remain committed to reform beyond the initial design phase. Too often policymakers wash their hands of something once the design is complete. This then leaves reform to “die on the vine.” This brings up another issue: many times it is the policy implementation rather than the strategic planning itself that is flawed.

## Whole-of-government Approach

Addressing new security challenges is less about an objective of dominance and more about predicting, preventing, and managing disruptions such as the proliferation of weapons of mass destruction, terrorist acts, global contagions, and natural disasters. This has led many to call for a “whole-of-government approach” to national security. Such an approach requires developing, funding, and using all the tools in the security and foreign policy toolkit.

As it currently stands, however, the United States is limiting the tools it has available by maintaining a significant imbalance between the roles and resources allocated to the military relative to those given to civilian departments and agencies. For example, the current military-to-civilian budget ratio is approximately 17:1. The total number of Foreign Service Officers in the Department of State is less than the number of military personnel in military bands. The U.S. Agency for International Development (USAID) has been decimated and its role diminished. The amount of time and resources allotted to civilian education and training is far less than for military personnel, and there is no civilian equivalent of National Defense University. Strategic planning such as that being done by General

David Petraeus in U.S. Central Command does not have an equivalent on the civilian side.

The result may be an unintended “militarization” of U.S. foreign policy, which precludes more effective and comprehensive responses to the complex security challenges previously mentioned. Fortunately, Secretary of Defense Robert Gates led the call for reform by highlighting the critical roles played by civilian agencies and the need to provide them with more resources.

Yet the correction of this imbalance requires more than just bigger budgets and more personnel.

### **the United States is limiting the tools it has available by maintaining a significant imbalance between the roles and resources allocated to the military relative to those given to civilian departments and agencies**

It also calls for a shift in perspectives, mindsets, and structures within both civilian agencies and the military. For example, the Department of State does not place the same premium on education and training as does DOD. Another example is that one regional military command, U.S. Central Command, has to deal with four Assistant Secretaries of State, making it difficult to develop close working relationships and link planning. Finally, there is a significant level of distrust between State and DOD.

A rebalance requires significant changes. First, the roles of diplomacy and development must be elevated to the same level as that

of defense. Washington sometimes fails to appreciate how its massive defense capacity is received in some capitals. Diplomatic and development efforts can help reestablish the United States as a country committed not only to military force, but also to strong international relationships and human development.

Second, attention needs to be given to how diplomacy and development capacities can be strengthened. Regarding diplomacy, the U.S. Government needs not only more diplomats, but also diplomats deployed in areas with the requisite skills where they can be most effective. Diplomacy must be more collaborative and strategic. The profession cannot be about observing and reporting so others can analyze and make decisions; it is not just about negotiations and talks. This activity tends to conflate conflict avoidance. Therefore, diplomats should be charged with objectives that require action. In a more active role, diplomats have to think about the range of instruments available and when each is more likely to be effective, such as the interrelationships between sanctions and force and how to balance them—from force to diplomacy and diplomacy to force. The links between regional issues are important and must be addressed comprehensively. Along with this is an imperative of *simultaneity*—that is, seeing all issues at once and determining how best to integrate information to make effective decisions and form responses. Finally, public diplomacy should be rethought with an emphasis on more than just messaging. Relationship-building is critical and diplomats excel at such activity. To ensure that a wider range of public diplomacy measures is undertaken, perhaps the public information

agency should be moved out of the State Department to give both its personnel and diplomats more flexibility in meeting their objectives.

Development also needs to be moved out from under the State Department as diplomacy and development are fundamentally different tasks. Development assistance should then be placed under one roof. An overarching development umbrella can facilitate more coherence between efforts. Currently, there are more than 20 agencies involved in foreign assistance, yet no one ensures integration of the various programs or manages the overall development assistance budget. Even the Office of Management and Budget does not have a handle on how much money is spent. As with the military and diplomatic fields, a national development strategy can create a common vision to guide both policy development and implementation.

The diplomatic and development communities also have the responsibility to determine which recommendations will convince the President and Congress that more resources are necessary. Each needs to show positive outcomes. To that end, there are new stories to tell such as the impact of Provincial Reconstruction Teams in Iraq and Afghanistan and of personnel working on counternarcotic initiatives on the front lines in Colombia.

Lobbying of Congress should be more active, particularly with regard to increasing Capitol Hill's understanding of development assistance. Some hold that increased funding for development is unnecessary because of the funding and work done by non-governmental organizations and the private sector—groups such as the Bill and Melinda Gates Foundation. Placing development as a

separate function assists in putting another face on the U.S. commitment to the developing world. In Africa, for instance, the creation of U.S. Africa Command raises the conundrum over how to integrate U.S. instruments of policy without being misperceived in the region as taking a military-first approach to solving complex challenges.

A final example of the type of reform required for a whole-of-government approach is how to bring in additional civilian agencies beyond those in the State Department. Many agencies, such as the Department of Agriculture, can add value to international initiatives. However, the focus of

### **there are more than 20 agencies involved in foreign assistance, yet no one ensures integration of the various programs or manages the overall development assistance budget**

these agencies tends to be more domestic than international. Asking personnel from these agencies to take a greater role in international efforts requires at least some shift in perspective, structure, funding, and training.

### **Inter-and Intra-agency Integration**

Even with the elevation of diplomacy and development, civilian and military efforts must be integrated with a focus on how best to support efforts in the field through all phases, from conflict and crisis prevention to reconstruction. Obviously, both preventing conflict and helping to reconstruct are in everyone's best interest.

Consequently, attention ought to be paid to the priority, planning, and resources given to these efforts and to what defense, diplomacy, and development can each bring to the table. A major challenge is overcoming concerns between the State and Defense Departments. Some suspicions develop from a lack of understanding of each other's strengths and capabilities, not to mention their cultures and histories. Collocation of staffs, such as the current deployment of USAID personnel with military commands, can assist in going beyond preconceived mindsets. Successful policy development and implementation also require personnel skilled in both conceptualization and execution. In general, the military tends to focus more on operations and execution. Civilians tend to be good at conceptualization. Thus, there are potential benefits to having them work together in integrated teams.

The current departmental and agency structures also create stovepipes that often obstruct this type of integration. Too often the approach is "where you sit is where you stand." The United States still lacks regional mechanisms to develop common priorities and coordinate responses, even though almost every issue today transcends national borders. Departments and agencies do not follow the same planning cycles or use the same regional maps. There are no regional mechanisms to ensure common planning even within a single department such as State. Today, a Country Team at one Embassy viewing a situation through the prism of that country may interpret and respond to the situation quite differently than a Country Team at a neighboring Embassy.

Many of the problems with coordination in Washington

dissipate in light of a common purpose in the field. Field personnel frequently integrate of their own accord to find solutions. It is the stovepiped mentality in Washington that is often the biggest stumbling block to implementing collaborative efforts. When all of the requisite leaders on the ground agree on an approach, there is no guarantee that these plans will be supported by the individual chains of command in Washington. When there is unified support in Washington, the considerable time required to jump through the bureaucratic hoops makes it difficult to react to critical situations on the ground in a timely manner. This is particularly damaging when dealing with nonstate actors who do not have to worry about these types of bureaucratic challenges. Several studies concluded that moving more control and resources from Washington to the field is essential to meet today's dynamic security needs. This includes giving Ambassadors and commanders the requisite authority, responsibility, budget, discretion, and flexibility to use these resources when and where they are most needed.

## Development of Human Capacity

Professional development, both formal and experiential, is a vital element to support reforms at all levels. The most successful leaders across all departments, agencies, and levels will continue to be those who can understand how other agencies and organizations work, persuade others about the merits of ideas, and integrate various perspectives to reach effective solutions and gain buy-in.

Today, most of the best practices regarding integration are taking place in the field. Structures

and mechanisms are needed to capture these best practices and competencies and feed them into formal personnel development plans across all departments and agencies.

Related to the issue of how best to share and disseminate best practices is the creation of a national security university. This idea is somewhat controversial. In addition to contention over which organization should run such an institution, there are concerns regarding the loss of differing perspectives derived from having personnel educated at a variety of

**requiring participation in a core cross-agency curriculum throughout one's career, integrating planning teams, and stipulating interagency experience for promotion are all good means to help drive cross-functional integration**

institutions. Even so, having some sort of overarching training mechanism is one way to assist personnel in forming common perspectives, understanding what each department and agency brings to the table, and achieving efficiencies of scale.

Another key component of human capacity centers on the development of strategic thinking and strategic leadership. There is debate as to the extent to which each of these can be taught. Yet there is no debate that both are required across assignments and levels, particularly in conflict zones. Recruitment, selection, professional development, and retention need to happen with these

competencies in mind. Given that since even fairly junior officers and staff members are required to think and lead strategically on the frontlines, they can no longer wait until they reach the executive levels to begin developing these skills.

System-wide plans and incentives to encourage strategic planning and integration are an important step in the reform process. Requiring participation in a core cross-agency curriculum throughout one's career, integrating planning teams, and stipulating interagency experience for promotion are all good means to help drive cross-functional integration.

On a positive note, many of the newer personnel in all of the major agencies and departments have significant field experience where integration is more likely to happen. These efforts offer compelling examples that are selling points for greater reform and the allocation of more resources in critical areas such as diplomacy and development. Given this existing learning within the system, significant attention should focus on retaining these personnel.

## International Alliances

The complexity and scope of global security challenges call for countries to bolster international alliances and organizations. The financial crisis makes these relationships even more critical as the United States and other countries have to do more with less. Nontraditional threats such as terrorism and the impact of climate change are also forcing leaders to broaden their definitions of security and to rethink who holds responsibility for addressing these issues. This places additional demands on already stretched resources as the integration of the private sector,

nongovernmental actors, and citizens is critical to addressing these threats.

Key allies including Australia, the United Kingdom (UK), and France view the United States as a central partner to their security efforts, but they wish to be viewed in a similar manner. Engaging them earlier in planning rather than seeing them as downstream implementers of U.S.-crafted solutions can align both objective-setting and operational efforts. Early and close consultation can also facilitate the sharing of best practices across the international system.

To that end, U.S. reform initiatives can benefit from those undertaken by international allies and vice versa. The UK and France released their first national security strategies in 2008. Allies including Canada, Australia, the UK, and France place high priority on, and have significant experience in, civil-military coordination. For example, Australia is opening a new Civil-Military Centre of Excellence with the objective of hardwiring integration into the planning and implementation process by bringing together a range of agencies to develop practical contributions to stabilization, reconstruction, and peacekeeping.

Another idea from allies that the United States may want to consider is *national resilience*. The definitions of the term vary slightly, but the aim is to help the public at large develop the necessary resourcefulness and adaptability to deal with shocks and traumas such as natural disasters and terrorist acts. Related to this, it should be noted that other countries took pains to avoid developing fear-driven security strategies.

Of course there have been variations in international perspectives as to appropriate policy,

particularly regarding the roles of and commitment to multilateral organizations. U.S. allies place a great degree of importance on multilateralism. For example, strong commitments to multilateral frameworks and organizations are specifically mentioned in the UK and French national security strategies. Some allies also support major reform in these institutions such as expansion of the United Nations Security Council.

There is also contention over which of these institutions and objectives should take precedence in different security situations. Even within what is considered the most successful regional security

**even within NATO, there are discussions under way regarding identity issues, the level of ambition in light of resource and capability constraints, the definition of security, and the level of necessary intelligence collaboration**

alliance, the North Atlantic Treaty Organization (NATO), there are discussions under way regarding identity issues (a more global versus more inward-looking scope), the level of ambition in light of resource and capability constraints, the definition of security (shift from just securing Europe and countering the Soviet Union to now addressing complex threats that cannot be met solely by the military), and the level of necessary intelligence collaboration.

Overall, the United States views NATO reform as needed, particularly modifications to the command structure and a more realistic assessment of joint objectives, as the current objectives

are beyond NATO's capacity to deliver. Yet there is also acknowledgment that more European identity needs incorporation into the Alliance, including better cooperation between the United States and European Union. To that end, key functions should be led by Europeans and located in Europe. The flip side is that offices with significant underutilized personnel in Europe also need to be "reformed" to make the Alliance more effective and efficient.

Even given the ongoing challenges within NATO, there are examples of promising incremental changes that can be built upon. President Nicolas Sarkozy is leading France back into NATO, there is a strong Euro-Atlantic Partnership Committee, and regional programs such as the Mediterranean Dialogue and the Istanbul Cooperation Initiative now exist. From a capacity standpoint, there are now deployable command and control modules and more joint air-lift capabilities offering additional engagement flexibility.

The Alliance's efforts in Afghanistan also demonstrate areas of common commitment and provide vital learning for other engagements. Yet the call for greater international troop contributions also threatens to become a more serious point of contention between the United States and key allies such as Germany.

## **Nongovernmental Personnel**

While the majority of national security reform focuses primarily on the government sector, it is no longer feasible to believe that security is only the realm of professionals. The roles played by nongovernmental organizations, business, and the general public have never been more critical. Situations such

as terrorist attacks, global health issues, and natural disasters require the education and involvement of each of these audiences as they are often on the frontlines in times of crisis. Quite often, these sectors also have greater expertise to address nontraditional threats such as cyberterrorism and global pandemics. Informed and coordinated responses across these sectors are critical not only to limiting the negative shocks from the initial crisis, but also in preventing and containing future breaches and crises.

In the specific area of reform, the business world is the thought leader in developing and implementing transformational best practices to address global environmental changes. There are some generally accepted ideas regarding transformations. Too often reform is fact-based and coercive while personal reaction to change is often emotional. Therefore, it is important to make buy-in easier by articulating how changes will benefit those affected as well as the organization as a whole. Iterative techniques such as proposing and launching lower profile pilot programs and running new systems in parallel with the current ones are valuable means to test new ways of operating and also to gain buy-in before launching change across an entire organization. Education, incentives, and related measurement also compel personnel to focus on what they can affect in their smaller spheres of influence.

## **Propitious Moment for Change?**

There is consensus that today's national security fabric is not sufficiently capable of responding to the complexity of a more dynamic security environment. Yet reinventing a country's whole national

security cloth, including players beyond the government, is a major undertaking. Given the challenges of the past 8 to 10 years and the current perception that the U.S. role in the world has declined, some believe that the arrival of a new administration offers a propitious moment for national security reform. Others are more skeptical due to the scope of the changes required and the existing organizational inertia. Friction inevitably develops around change, and it takes tremendous commitment from leaders to make reforms stick, including the willingness to reform their own organizations and behaviors. There is some contention

### **friction inevitably develops around change, and it takes tremendous commitment from leaders to make reforms stick, including the willingness to reform their own organizations and behaviors**

between experts as to whether this type of reform requires legislation such as a new Goldwater-Nichols Act. While some believe this type of comprehensive reform must be legislated if it is to happen, others think it may be accomplished via administrative means.

Even given these varying views, common viewpoints and recommendations did emerge from the discussions. These include the need to link reform and measurement to outcomes, rebalance the security and foreign policy toolkit between civilian and military departments and agencies, elevate the roles of diplomacy and development, integrate civil-military operations at all levels, and focus on a wide range of partnerships with international,

national, and nongovernmental stakeholders. Another key idea is that reform is not new but ongoing. Thus, opportunities exist to identify and build on past successes. A rollup of common recommendations follows:

- Determine the desired security outcomes, then design reform objectives, plans, and measurements to drive those outcomes.

- Emphasize multilateral initiatives and bring international allies into the planning process rather than viewing them as implementers of U.S. decisions.

- Learn from the national security strategies of international allies, particularly in the areas of civil-military operations and the creation of public resilience initiatives.

- Encourage the formation of congressional standing committees that have both authorization and appropriation powers.

- Establish dispute resolution and strategic planning mechanisms in the executive branch.

- Commission an interdepartmental and interagency group to draft a National Security Strategy that incorporates defense, development, and diplomacy and follow this with some type of integrated review, such as an expanded version of the Quadrennial Defense Review.

- Rebalance the resource allocations between military and civilian agencies.

- Establish development as one of the three critical tools in the security/foreign policy toolkit (along with defense and diplomacy) and put development under one overarching umbrella.

- Develop mechanisms and tools to facilitate and drive integrated, unified planning across departments and agencies at all levels, such as common planning

horizons, common regional maps, and the creation of interagency teams at headquarters and in the field.

- Drive authority, responsibility, and resources (especially budget) to the lowest possible level with a focus on enabling Ambassadors, commanders, and other personnel in the field to act with maximum flexibility in using these resources to address critical situations.


- Create common elements in career paths for civilian and military personnel, including interagency education, cross-functional planning initiatives, and incentives to encourage

cross-agency experience and retain key personnel.

- Place greater emphasis on the full realm of public information and diplomacy tools with

particular attention to two-way communication methodologies such as relationship-building and dialogues with key audiences including those in the United States.

The Institute for National Strategic Studies (INSS) is a policy research and strategic gaming organization within the National Defense University (NDU) serving the Department of Defense, its components, and interagency partners. The institute provides senior decisionmakers with timely, objective analysis and gaming events and supports NDU educational programs in the areas of international security affairs and defense studies. Through an active outreach program, including conferences and publications, INSS seeks to promote understanding of emerging strategic challenges and policy options.



The INSS Proceedings series presents a synthesis of dialogues from symposia hosted by the institute. The opinions, conclusions, and recommendations expressed or implied within are those of the contributors and do not necessarily reflect the views of the Department of Defense or any other agency of the Federal Government. For information on NDU Press visit the Web site at <http://www.ndu.edu/inss/nduhp>. INSS also produces *Joint Force Quarterly* for the Chairman of the Joint Chiefs of Staff; the journal can be accessed at [www.ndupress.edu](http://www.ndupress.edu).

**INSTITUTE FOR NATIONAL STRATEGIC STUDIES**

**James A. Schear**  
Director of Research

**Patrick M. Cronin**  
Director

**David H. Gurney**  
Director, NDU Press