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# Meeting Complex Challenges Through National Security Reform

*Common viewpoints and recommendations emerging from the discussions included 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.*

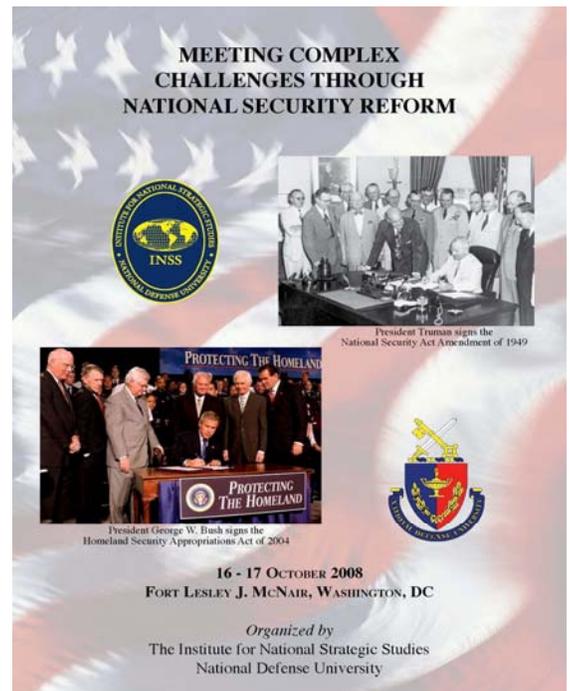
## Summary of proceedings

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 Defense and the reorganization of the intelligence community after September 11, 2001.

The new 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 in the throes of 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 decision-makers.

The Institute for National Strategic Studies (INSS) at the National Defense University convened *Meeting Complex Challenges Through National Security Sector 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 their ideas. This report synthesizes some of the main ideas emerging from the two-day conference.



## Context: Complexity, Reform, and Unity

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 if reform is 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 successfully 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 upon 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 acknowledgement 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 some 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, the praise lavished on the Iran National Intelligence Estimate (NIE) was felt by some to be more for the process—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, policy-makers 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.



**Opening Keynote:** Dr. Steven Kerr,  
*Senior Advisor, Goldman Sachs*

### **Reform Leadership**

There is also a need to lash up the current and future reform agendas across government so that 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 decision-makers in the Executive and Legislative branches which will entail reform within their own organizations.

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 as 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. 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 often wins as it controls the bulk of the resources. Although foreign policy and security are intertwined, having the Defense Department driving foreign policy is not necessarily good for the country.

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. 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 must remain committed to reform beyond the initial design phase. Too often policy-makers 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 (WMD), terrorist acts, global contagions, and natural disasters. This had led many to call for a “whole of government approach” to national security. Such an approach requires developing, funding, and using all of the tools in the security and foreign policy toolkit.



**Moderator and panelists: AMB Laura E. Kennedy, AMB ‘Skip’ Gnehm, Jr, and AMB Robert E. Hunter**

However, as it currently stands, 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 State Department 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 US 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. It also requires 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 the Department of Defense. Another example is that one regional military command, U.S. Central Command, has to deal with four Assistant Secretaries of State which makes it difficult to develop close working relationships and link planning. Finally there is a significant level of distrust between State and Defense.

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 not only needs more diplomats, but diplomats with the requisite skills deployed where they can be most effective. Diplomacy must be more collaborative and more strategic. The profession cannot be about observing and reporting so that 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—being able to see all issues simultaneously and determine 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 this type of activity. To ensure a wider range of public diplomacy measures are 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 (OMB) 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 (PRTs) in Iraq and Afghanistan and of personnel working on the front lines in Colombia on anti-narcotic initiatives.

Lobbying of Congress should be more active, particularly with regard to increasing Capitol Hill's understanding of development assistance. Some are of the view that increased funding for development is unnecessary because of the funding and work done by nongovernmental 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 the U.S. African 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 further value to international initiatives. However, the focus of 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 preventing conflict and helping reconstruct after one is 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. Co-location 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 good at 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 are often significant roadblocks to 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. Many times field personnel integrate of their own accord to find solutions. It is the "stovepiped" mentality in Washington that is often the biggest

stumbling block to implementing these 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 non-state 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 necessary reforms at all levels. The most successful leaders across all departments, agencies, and levels are and will continue to be those who can understand how other agencies and organizations work, persuade others about the merits of ideas, and successfully integrate various perspectives to reach effective solutions and gain buy-in.

Today most of the best practices on successful integration are happening real-time 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 across departments and agencies 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 educational 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 how much 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 front lines, they can no longer wait until they reach the executive levels to begin developing these skills.

System-wide plans and incentives to encourage and reward 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 calls 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 are 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 learn 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.



**LTG Karl Eikenberry, USA,** *Deputy Chairman of the NATO Military Committee* addressed NATO Adaptation and Reform

Another key idea from its 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 significant 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 are, and will continue to be, 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 UN Security Council.

There is also some contention between which of these institutions and objectives should take precedence in different security situations. Even within what is considered the most successful regional security alliance, NATO, there are significant discussions underway 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 which cannot be addressed solely by the military), and the level of necessary intelligence collaboration.

Overall, the United States views NATO reform as needed, particularly modifications to the NATO 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 acknowledgement that more European identity needs to be

incorporated into the Alliance including better cooperation between the United States and the European Union. To that end, key functions should be led by Europeans and located in Europe. The flip side of this thinking is that offices with significant numbers of 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 which can be built upon. President 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 (ICI) now exist. From a capacity standpoint, there are now deployable command and control modules and more joint airlift capabilities which offer 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.

### **Non-Governmental 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 non-governmental 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 front lines in times of crisis. Quite often these sectors also have greater expertise to address non-traditional threats such as cyber-terrorism and global pandemics. Informed and coordinated responses across these sectors are not only critical to limiting the negative shocks from the initial crisis but also in effectively 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. The use of 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 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 8-10 years and the current perception that the U.S. role in the world has declined, some feel 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 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 that 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 upon past successes. A roll-up of common recommendations is as follows:

- Determine the desired security outcomes then design reform objectives, plans and measurements to drive those desired outcomes.
  - Emphasize multilateral initiatives and bring international allies into the planning process rather than viewing them as implementers of United States' 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 up with some
- type of integrated review such as an expanded version of the Quadrennial Defense Review (QDR.)
- Rebalance the resource allocations between the 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 given to two-way communication methodologies such as relationship-building and dialogues with key audiences including those in the United States.

*Rapporteur: Kathy Gockel. Final report reviewed and revised by INSS members Patrick Cronin, Jerry Faber, and Ariel Goldring*