

**THE CREATION OF THE DEPARTMENT OF HOMELAND SECURITY:  
LESSONS LEARNED TWO YEARS ON**

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The experiment of the United States Department of Homeland Security (DHS) has been one of political triumph for the George W. Bush administration and one of tremendous difficulty and frustration for many of the 180,000 employees of the department. The DHS offers a cautionary tale of embarking on massive bureaucratic overhaul without due consideration for adequate planning or solicitation of advice from the public service. Created in the aftermath of the September 11<sup>th</sup> attacks, this paper focuses on how the department came about, what factors were at play in its creation, and what challenges, both political and bureaucratic, those who administer and manage the department are facing.

It first looks at the department from a public management standpoint to get a better sense of the implications of creating, or perhaps more accurately, shifting resources to create a massive federal bureaucracy, with focus on issues arising from its establishment and the web of politics that ensnares the DHS. It then discusses the political motivations of the White House in forging the department. This ultimately leads to an important question, namely, who has taken advantage of the situation and who has profited politically from the issue of homeland security. It concludes with a discussion of the department's organizational structure and the many problems public servants are facing.

The DHS is the largest overhauling of the federal public service since President Harry Truman restructured the Armed Forces in 1947. In many respects, however, the DHS overhaul is infinitely more complicated. The DHS was also a gambit by the White House to change existing labour laws and decrease the power of federal employee unions. It was created for political and electoral reasons as the White House and, specifically, the president's chief strategist Karl Rove, appropriated the Homeland Security department plans and agenda from Senate Democrats and used it as an issue to rally Republican support in the 2002 midterm elections.

## **1. The Creation of the Department of Homeland Security**

Just four weeks after the terrorist attacks on New York and Washington, Executive Order 13228 established the Office of Homeland Security (OHS) as an advisory body in the Executive Office of the President to "coordinate the executive branch's efforts to detect, prepare for, prevent, respond to, and recover from, terrorist attacks within the United States" (White House, 2001). Bush appointed former Governor of Pennsylvania Tom Ridge to the post of Assistant to the President for Homeland Security.

In the aftermath of the 9/11 attacks, the OHS was created primarily to advise the president and develop a national strategy for dealing with terrorism. It would, however, prove to be a temporary measure. While hastily created, the OHS was not hastily envisioned. Think tanks and government agencies had called for a more focused effort on homeland security even during the Clinton administration. The U.S. Commission on National Security, a taskforce chaired by former senators Gary Hart and Warren Rudman, had not only called for a more focused effort but had advocated the creation of an agency devoted to the task eight months before 9/11 (see Hart and Rudman, 2001).

The genesis for much of the focus on homeland security after 9/11 came from the Phase III and final Hart-Rudman report, entitled *Road Map for National Security*:

*Impetus for Change.* In the report, they warned that “the dramatic changes in the world since the end of the Cold War have not been accompanied by any major institutional changes in the Executive Branch of the U.S. government. Serious deficiencies exist that only a significant organizational redesign can remedy. Most troublesome is the lack of an overarching strategic framework guiding U.S. national security policymaking and resource allocation. Clear goals and priorities are rarely set. Budgets are prepared and appropriated as they were during the Cold War” (Hart and Rudman, 2001: x-xi). The 150 page report outlined a series of national security inadequacies in almost every department, with particularly pointed criticism of the Departments of Defense and State. The Hart-Rudman report was delivered in February 2001 and was largely ignored. Instead of heeding the report’s advice, another task force was established.

In May 2001, Vice President Richard Cheney was appointed head of the Office of National Preparedness, an anti-terrorism task force to gauge the threat of nuclear, biological, or chemical attacks against the American homeland. The task force neither met nor presented a published report and only existed in White House speeches and in headlines.

Infighting among government agencies slowed homeland security progress even further. Turf wars between the FBI, the CIA, and the Immigration and Naturalization Service (INS) undermined efforts by lawmakers to create a more comprehensive homeland defense plan. Their inability to work together contributed to the failure to follow up leads that might have exposed the al-Qaeda plot prior to 9/11 (see National Commission on Terrorist Attacks, 2004). The precise nature of the failure to share information is now well documented in the Congressional joint inquiry into intelligence community activities surrounding 9/11 and the National Commission on Terrorist Attacks’ (the 9/11 Commission) final report. This wrangling among agencies over homeland security had really been occurring since the bombings in Oklahoma City and at the World Trade Center during the Clinton years. Some would contend, as the Hart-Rudman report concluded, that it had been occurring since the end of the Cold War.

The main effect of the OHS was to bring Ridge into the inner circle of Bush’s first term advisers, along with Cheney, Attorney General John Ashcroft, National Security Adviser Condoleezza Rice, Secretary of State Colin Powell, Secretary of Defense Donald Rumsfeld, and Rumsfeld’s deputy Paul Wolfowitz, all of whom essentially formed the initial President’s Homeland Security Council. This council met infrequently when Ridge was head of the OHS. Some policymakers, however, were less than pleased with the performance of the OHS. Its mandate was massive but vague. It also had a tremendous staffing shortage in terms of achieving any of its objectives and lacked budget leverage.

Many argued, including some in the administration, that if such an office was going to be created, its director would have to be more than just an anti-terrorism czar and be given authority over other agencies to maintain control on the ground when disaster strikes. To be effective, Ridge would have to be able to override line departments not under his authority. But at this stage, the OHS was not a line department nor did it have much real authority. It seemed that the scope of the OHS was unfeasible. It was agreed among many Democrats and Republicans that a homeland security apparatus was needed to guide the federal government in a time of crisis but it was clear that such an office would have to be provided with the resources and clout in Washington

to work with traditional agencies like the Departments of Defense and Justice, the FBI, and the CIA. Strategically, this was a major public management problem with creating a new department. National security advisers believed that Ridge and the OHS would be forced to “take powers away from various different agencies that have them now. There is nothing harder in the federal government than doing that” (Nakashima and Graham, 2001: A7).

The question thus became how it would be possible, or even feasible, to coordinate some forty other agencies and whether Ridge would be given, and could effectively utilize, the power to not simply coordinate the various agencies but actually make decisions for them. Led by Joseph Lieberman, the Senate began calling for the establishment of a Department of Homeland Security almost as soon as the OHS was created. Similar legislation was proposed in the House.

Bush and the White House strategists opposed creating an actual homeland security department for a number of reasons. First, they did not want an expansion of the federal bureaucracy as had occurred when previous administrations took it upon themselves to rework the federal government. If it went ahead under existing laws, the new homeland security department would have been subject to the same labour laws and public service rules and regulations concerning the hiring and removal of employees that had occurred with the overhaul of the Social Security Administration under Clinton, Carter’s separate Department of Education and revamped Department of Energy, Johnson’s Department of Transportation, and probably would have occurred if Nixon had succeeded in creating four superdepartments (Faler, 2001: A17).

Second, the mandate, as stipulated in the executive order, called for the OHS to establish a national strategy to prevent terrorism. Bush and his advisers wanted this controlled out of the White House. The administration had a relatively short success list of achievements and had been less than stellar in achieving many of its aims prior to 9/11. The crisis, although a horrifying event, quickly became an issue Bush could exploit for political clout, not only in battling Congress over his agenda but in preparation for the 2002 midterms. Whether this was discussed in the weeks after 9/11 is not clear but his strategists must have realized that homeland security could become a key Bush legacy and an issue on which the president could define himself.

Third, with the infighting among the intelligence agencies and the Pentagon, the White House sought a key place at the table in the post-9/11 intelligence and information gathering operations. The OHS could be used as a conduit between the various organizations to keep the White House in the loop and even ahead of the game. Thus, the creation of the OHS rather than a cabinet-level department had the potential to be a powerful tool the Bush Administration could use to stay ahead of the other agencies in order to receive full political credit for the national security effort.

The lack of direct authority the OHS had over other agencies helped lead to Congressional legislation to establish a department. While acknowledging the OHS was an important first step, Lieberman and other lawmakers recognized that Ridge did not seem to know how to respond to most of the questions about homeland security. There was consensus that some agency or department greater than an anti-terrorism czar was needed.

Out of crisis, innovation and reinvention of public management can occur. In 1947, Truman undertook the largest transformation of the U.S. government, when he

merged the various branches of the U.S. Armed Forces into the Department of Defense to better coordinate against military threats. In this case, it took eight months after 9/11 for the White House to take up the proposal of a full department that had originated with the Hart-Rudman Commission and had been championed by Lieberman. On this issue, the right and the center-left, led by Senate Democrats such as Lieberman, were in agreement that resources should be allocated for such a department headed by a Cabinet-level chief and not just a presidential adviser.

But Lieberman's Senate Committee on Governmental Affairs did not design a department from scratch. The blueprints for the department were just augmented plans from what had already been suggested and outlined in the Hart-Rudman Commission's final report. That report proposed the creation of a National Homeland Security Agency (NHTSA) by consolidating a number of agencies across departments. The structure would be composed of three directorates for Prevention (Border Patrol, Coast Guard, Customs Service), Protection (Critical Infrastructure Assurance Office, Information Sharing and Analysis Center, Institute for Information Infrastructure Protection, National Infrastructure Protection Center), and Response (FEMA, National Domestic Preparedness Office) (Hart and Rudman, 2001: 10-29). Taking the Clinton administration's lead agency concept to organize counterterrorism efforts, the Hart-Rudman plan was to give the new department and its head the lead homeland security role in the federal government. Very little of the language of both the White House and Lieberman proposals deviates from the Hart-Rudman framework. The major differences revolve around the placement of a number of agencies which are not principally concerned with homeland security. These were not included in the Hart-Rudman report.

Beginning in 2002, a group of public policy scholars at the Brookings Institution (referred to herein as the Brookings team) started to analyze the creation of the DHS. In three separate studies, they offered recommendations on how the department should be structured and how much should be spent. In their initial study, they analyzed the Hart-Rudman suggestions and praised the simplicity of the design. They argued that "merging critical functions dealing with frontier security, infrastructure protection, and emergency response into distinct directorates should ease communications and enhance effective implementation of agreed policy both within and probably among the directorates" (O'Hanlon et al, 2002a: 102-103). But Brookings also outlined key weaknesses of the Hart-Rudman arrangement and it was these recommendations that fell on deaf ears. They noted that most of the homeland security functions of the government were not included, such as the FBI, who are responsible for domestic surveillance, the CIA, who are responsible for tracking terrorists and the materials they might bring into the country, and the Centers for Disease Control and Prevention, who are responsible for detecting and responding to a bioterrorist attack. Furthermore, they argued that the DHS could not be perceived as the lead agency without authority over these other agencies. "If the coordinator is seen as a competitor, other agencies whose cooperation is crucial will likely balk at following its lead, and bureaucratic fights over turf become pervasive" (O'Hanlon et al, 2002a: 104).

As Lieberman began working on his legislation in October, top Pentagon and NSC officials believed that a DHS was a more realistic option to achieve the mandate set out in the original executive order. The Senate bill stalled as the post-9/11 agenda shifted in Washington. After the campaign to get Osama bin Laden faltered when the invasion

of Afghanistan to take out al Qaeda did not yield desired results, the foreign policy agenda quickly shifted to the Bush doctrine, the axis of evil, and consequently the decision to invade Iraq. In the first half of 2002, Lieberman and his committee stopped focusing on the DHS bill and concentrated on the allegations against Enron and other Wall Street financial institutions. He issued only one statement, in March, that addressed homeland security and called on OHS director Ridge to push for a full department. In May, he finally introduced legislation but at this stage, the White House had already begun to design its own. On June 6, 2002, Bush called on Congress to create the department in full knowledge that Senate Democrats had been working on such legislation for seven months. A month earlier, on May 2, Lieberman's bill, S. 1449, was introduced. It combined the previous House and Senate efforts and was known as the National Homeland Security and Combating Terrorism Act of 2002. The measure was reported out of the Governmental Affairs Committee May 22 on a party line vote of 9-7. But the White House legislation followed only two weeks later.

The House passed Bush's plan (H.R. 5005) largely intact by the end of June. Lieberman initially did not attack the White House legislation and even seemed pleased that his initiative had finally been taken up by the administration. But Lieberman and Senate Democrats balked at some of the provisions that Bush requested and instead introduced several amendments which were passed by the Senate over the next three months. The White House bill differed from the Lieberman legislation in one important respect: federal worker rights. Unions argued that the White House bill was "a back-door attempt to erode worker protections" because personnel provisions that circumvent existing civil service pay and performance rules were included (Bettelheim, 2002: 2294-2297). If one compares the Senate bill to create a department, as written primarily by Lieberman throughout early 2002, and the White House's version that was introduced after, about ninety-five per cent of it is exactly the same as Lieberman's. Securing the homeland should have been an issue that was naturally bipartisan. But it did not play out that way and Rove's gambit to take the plans away from Lieberman is akin to agenda hijacking.

Already under fire for dragging their heels on post-9/11 security preparations, the White House sought to turn the table on their Democratic opponents by taking up the issue of the department. Karl Rove realized that the White House could go to the people on homeland security "because they trust the Republican Party to do a better job...protecting America" (Rove, 2002: A2). He planned the taking control of the homeland security issue before Congress could finish with it and pass their version. In what was a stroke of brilliant politics and policy entrepreneurship, Rove moved quickly to orchestrate a DHS with a distinctive Republican stamp after the White House decided in mid-spring that there should be a department. Republicans also made Bush's handling of the war on terrorism the centerpiece of their strategy to win back the Senate and keep control of the House in the November midterm elections. Even though this department was largely the brainchild of Lieberman, Rove argued that Republicans would get the credit and prove to be a "partisan bonanza for the GOP" (Rove, 2002: A2). For the most part, the White House received the credit and Republicans retook control of both houses in November.

In September, moderate Republican Senator Lincoln Chafee joined Democrats in an amendment to the legislation (S.A. 4471) to keep Bush from getting his way on all his

demands for management flexibility over workplace conditions in the DHS. A compromise was worked out that allowed the administration to loosen public service rules but federal employee unions could object and if an impasse resulted, the Federal Services Impasse Panel would arbitrate (see Moynihan, 2005). But the White House balked and instead gambled on taking control of Congress in the midterms. The gamble paid off and after the Republican victory, Lieberman and Senate Democrats negotiated an agreement with the White House during the lame duck session, and Congress passed the law (H.R. 5710, S. 2452) creating the DHS on Bush's terms, with most of the management flexibility demands intact (Firestone and Bumiller, 2002: A1).

According to O'Hanlon and his colleagues, all of this political positioning by Rove and Bush's other strategists was counterproductive to the original, and naturally bipartisan, goal to secure the homeland from terrorist attacks. The "excessive focus on organizational matters during [2002] was one reason...the country lost a good deal of momentum on improving homeland security" (O'Hanlon et al., 2003: 1). The White House vetoed several specific proposals by Congress that would have addressed immediate security vulnerabilities and it discouraged action on a number of Democratic initiatives to increase funding for domestic security. It was not until almost the end of the year before the department became a reality but only after serious quarrels between the White House and Congress. One battle in particular was the White House's refusal to let Ridge testify before Congress. The Bush administration argued that he should not be forced to give formal testimony about his role as adviser. This infighting spilled over when Bush sent his plan to establish the DHS to Capitol Hill and Congress still insisted Ridge testify. He did speak to them but not as an adviser. Instead, he formally testified about the reorganization of the executive branch and the creation of the DHS.

To Karl Rove, getting the department created before the midterms was less important than having a campaign issue. The processes that brought about the department demonstrate a lack of planning and forethought on the part of both the administration and Congress. But of particular note is the reversal of the White House and how a strategic adviser to the president turned the administration around. The role played by Rove and the structure of the White House that allowed Rove such power within the administration are the focus of the next section.

## **2. Responsive Competence and the DHS**

Two models of the presidency have come to dominate the political science literature on the subject. The first model originated in the 1950s, with Richard Neustadt, and was dominant until the ascendancy of the Nixon presidency. It is often referred to as the institutionalized presidency. The second model took hold in the 1970s and 1980s, as expressed by Richard Nathan and Terry Moe. It is known as the administrative presidency or the politicized presidency, and has been subdivided in the literature to encompass a group of scholars who view the main goal of the presidency as one of mastering *responsive competence*, a term that refers to the "benefits accruing to presidents from centralization of the institutional resources in the White House and the politicization of the federal bureaucracy" (Campbell, 1986: 17).

Another group believes that these scholars' focus on responsive competence comes at the expense of *neutral competence*. This term starts from the premise that

“presidents pursue and safeguard the interests of the United States when – while seeking information, expertise and coordinative capacity – they give due regard to the capabilities of and integrity of established resources” (Campbell, 1986: 17).

The creation of the homeland security department is used as an exemplar into how the Bush White House is executing presidential power. I suggest that the administration has ignored both strains of the administrative presidency model. They have clearly not asserted neutral competence, which one would expect, but have not adhered to responsive competence either, except only in the context of the immediate midterm elections. This lack of competence in the execution of presidential power to create the DHS has resulted in a department that is not only unresponsive to the homeland security mandate among bureaucrats, but unresponsive to the administration that created it.

In his seminal research on presidential power, Neustadt argued that when studying the presidency, “the question is not how [the President] masters Congress in a peculiar instance, but what he does to boost his mastery in any instance, looking toward tomorrow from today” (Neustadt, 1964: 16). Posed some fifty years ago, that question is still central to analysis of any administration, and in the case of George W. Bush, permits focus on the nature and sources of the power that reside in the White House of today. With the Bush administration, the advisers play a very important role, perhaps more important in terms of decision making, than previous White House office holders.

As a president with little policy experience, typified by his Washington outsider persona, and as an individual whose knowledge of both domestic and foreign policy was limited upon taking office, it fell upon this core group of advisers, led by strategist Karl Rove, Vice President Dick Cheney, and powerful cabinet appointees, to educate, instruct, guide, and provide the policy advice Bush needed in order to make appropriate policy decisions. This is in keeping with both the president’s character and personality, as someone who prefers to delegate rather than take an active role in policy development.

Bush, unlike previous Republican and Democratic presidents, has opted for a set of advisers who think very much alike ideologically. Colin Campbell noted a similar concern during the first term of the Reagan presidency. He suggested that “the Reagan administration brought on board too many ideologues firm in the belief that true-blue conviction can move mountains” (Campbell, 1986: 112). But even the Reagan administration had different strands of conservative thinkers within its fold. The top-down approach of advisers in the Bush administration has given his inner circle much more authority over the policy making function of the White House.

Terry Moe, adapting from Nathan, takes the position that the administrative presidency marks an institutionalization of the presidency and a diminution of the role of the bureaucracy and its impact of neutral competence which historically distracted presidents from the trend of responsive competence (see Nathan, 1977, 1983; Moe, 1985). Mistrust of the senior bureaucracy and the need to centralize operations has put tremendous strain on the executive branch to provide a myriad of policy and political leadership without the effective resources at their disposal. It has also cut the president off from the divided authority and competitive spirit which Neustadt argued were positive aspects of the Roosevelt and Truman administrations. As early as 1983, Campbell noted that “the centralization of executive authority in the hands of the president and his power of appointment can produce less than satisfactory results” (Campbell, 1983: 48).



The Bush administration does present a special case, if not an exception to the rule, because of the fallout from 9/11. Only time will tell if this power shift in keeping with the evolving power of the presidency is permanent or transitory. I now turn to the mandate and organizational structure of the DHS to illuminate its dysfunction.

### **3. The Department of Homeland Security Mandate & Organizational Structure**

Two years after its creation, the DHS is still fraught with problems. The *New York Times* and the *Washington Post* have reported at length in recent months about the conflicts within and demoralizing culture among DHS employees. They paint a picture of a second tier agency in Cabinet and a department fraught with turf battles, underfunding and gridlock, and agency mishaps and frustrations. The litany of complaints and concerns paints a picture of organizational dysfunction. The Brookings team forewarned of the problems of underfunding and bureaucratic culture clashes. Two recent volumes on the DHS by Donald Kettl have shown these concerns to be quite prophetic (see Kettl, 2004a, 2004b). Much of this criticism stems from the genesis of the department and its mandate and organizational structure.

The explanation as to how the department came about is essential to understanding the organization of the DHS and its mandate. If policymakers had not had almost a year to design this department, perhaps it would not have been as complex as it became. The reorganization has been highly disruptive at a time when many Americans believe the government should be focusing on protecting against new attacks. If true bipartisanship on this issue had existed, the key agencies needed in the fight against terrorism could have been coordinated much faster and the DHS could have been fully operational by the end of 2002.

Instead, Ridge and his successor Michael Chertoff, who succeeded Ridge in 2005, have been faced with a bureaucratic quagmire. Even if Chertoff exhibits dynamic and visionary leadership in the future as Secretary of Homeland Security, he still has to design coordinating mechanisms among these twenty-two agencies which will continue to take time. A number of these agencies are highly dysfunctional, have overlapping jurisdictions, and long-standing rivalries. He continues the task of melding together federal organizations with conflicting mandates, traditions, and bureaucratic cultures. For example, four separate agencies policed American borders: the Immigration and Naturalization Service (INS), the Coast Guard, the Customs Service, and the Agriculture Department's inspection office. Bureaucracies are not conducive to change at the best of times and apart from the overarching concern over homeland security, there is little incentive for these agencies to give up previous authority and autonomy in their specific areas and submit to a new structure under the authority of the DHS.

In short, the department's priority is to protect the United States against further terrorist attacks. Component agencies will analyze terrorism intelligence to match it against vulnerabilities in the U.S., develop new technologies to detect threats and coordinate the response in the event of future emergencies, protect critical infrastructure, coordinate the training and funding of state and local police and fire departments, and scrutinize borders, airports, and ports of entry. But achieving these goals is easier said than done.

The agencies slated to become part of the DHS will be housed in one of four major directorates: Border and Transportation Security, Emergency Preparedness and Response, Science and Technology, and Information Analysis and Infrastructure Protection. The Secret Service (from Treasury) and the Coast Guard (from Transportation) will also be located in the DHS, remaining intact, and reporting directly to the Secretary. In addition, the newly named Bureau of Citizenship and Immigration Services, the former INS adjudications and benefits programs, will report directly to the Deputy Secretary.

O'Hanlon et al. came down hard on the Bush administration's original proposal in their initial study of homeland security. They continued to argue that it was too cumbersome in their mid-2002 assessment of the department. But after the administration largely got its original proposal passed by Congress, the Brookings 2003 assessment warmed up slightly to the plan, going so far as to suggest that in a number of respects it can work. Kettl's, assessment, however, is one of dysfunction and presents a list of further difficulties the DHS might face in the future.

The problem, clearly defined, is that it will take years to dissolve existing cultures and information sharing barriers that hinder cooperation. James Q. Wilson has outlined the inherent problems with trying to break down bureaucratic cultures. He suggests that "first, tasks that are not part of the culture will not be attended to with the same energy and resources as are devoted to tasks that are part of it. Second, organizations in which two or more cultures struggle for supremacy will experience serious conflict as defenders of one seek to dominate representatives of the others. Third, organizations will resist taking on new tasks that seem incompatible with its dominant culture. The stronger and more uniform the culture - that is, the more the culture approximates a sense of mission - the more obvious these consequences" (Wilson, 1989: 101).

The Brookings team argued for a more focused department and their recommendations were debated in the Senate but most were not implemented. One of their primary concerns was that some of the agencies had a wide range of functions not related to terrorism which would divert resources, both physical and human, away from the central mission of preventing terrorist attacks.

For example, FEMA responds to natural disasters, and the Animal and Plant Health Inspection Service set regulations for the humane treatment of animals. The DHS would also be responsible for confiscating stolen art works, setting mariner qualifications, and a list of other duties not essential to securing the homeland (O'Hanlon, 2003: 15-16). The DHS should concentrate "on functions that would gain most from integration - like border security - and others for which a central, integrated focus seems clearly needed - like intelligence and infrastructure protection" (O'Hanlon, 2003: 10).

They also argued that emergency preparedness and response, and CBRN countermeasures programs should be dropped because the case was not made for their inclusion. In short, what is clear is that wrong agencies, with a focus on non-homeland security activities, have been included in the DHS, and correct ones, particularly those dealing with terrorism assessment and analysis, have not.

The department performs functions and activities having nothing to do with fighting terrorism and, at the same time, may be unable to address the intelligence failures of intelligence organizations like the FBI and the CIA.

There also continue to be budgetary concerns. The White House recanted after vigorous debate and boosted the total initial budget to \$37.5 billion (Shenon, 2003: A14). The Brookings team believed that \$45 to 50 billion would have been more prudent and that the budget should focus more on preventing reoccurrences of 9/11, through protecting targets within the country, than on reducing vulnerability by preventing those attacks in the first place. The agencies included are not tracking terrorists.

The initial budgets are not enough because if one were to total all twenty-two agency budgets together from the fiscal year prior the creation of the DHS, it would have been a similar total to the 2003, 2004 and 2005 budget allocations. There is little allocated for the transitioning.

Kettl argues that “when intelligence agencies fail to share information adequately,” and that failure was no more apparent than in the months prior to 9/11, “calls for better coordination arise” (Kettl, 2002: 151-152). In response to this perceived policy failure, the issue of homeland security and how to administer it became central to the Bush administration and Congress. But now that there is a tangible DHS, perhaps the largest misconception about the department is that it does not collect intelligence. The IAIP is more of a clearinghouse for information on terrorist threats from the intelligence agencies. Instead, the administration has created the Terrorist Threat Integration Center, which merges units at the CIA, FBI, and the other intelligence agencies, into a single government unit intended to strengthen collection and analysis of foreign and domestic terror threats. It will be led by the director of the CIA. But this begs the question as to how the DHS can secure the homeland if information collection is not even included in its structure. Not only must Chertoff try to find coordinating mechanisms among the twenty-two agencies under his jurisdiction, as well as the partner agencies at the state and local level, but he also must coordinate with the FBI and CIA, two agencies with cultures traditionally inclined to resist information sharing even between each other.

The Brookings team argued that “the department should have the lead responsibility for fusing all sources of intelligence analysis of terrorist threats to the United States – including raw intelligence derived from foreign intelligence sources and domestic law enforcement operations” (O’Hanlon et al., 2002b: 56). Bush considered but decided against including the FBI, the National Guard, and the State Department’s consular division in the DHS (Sanger, 2002: A35). Lieberman argued that the final White House proposal did little to overcome the past failures of the FBI and CIA to share information and cooperate with other agencies (Mitchell, 2002: A27). O’Hanlon suggested “there is little insight into how the FBI and DHS intelligence functions will interact” (O’Hanlon et al., 2003: 21). The DHS should be changing the way the CIA, the NSA, the FBI and other agencies gather, analyze, and disseminate information, with a broader goal of distributing intelligence data throughout the federal government, as well as to state and local law enforcement officials. With its existing structure, this is not taking place.

The Congressional joint inquiry into intelligence community activities surrounding 9/11 demonstrated the need for a reexamination of the collection of terrorist information. Among the inquiry’s recommendations, there is even a suggestion for the creation of a Director of National Intelligence, a cabinet level position that would work with the Secretary of Homeland Security. This person would not be the FBI or CIA chief and would have powers that superseded those agencies. Instead of making the suggestion

that an amalgamation occur among the intelligence agencies, it calls for the creation of yet another layer of bureaucracy. The report also calls for expedited revamping of intelligence priorities by the National Security Council, as well as the preparation of a comprehensive national security and anti-terrorism strategy. While some of these recommendations make sense in the context of the new DHS, they fail to appreciate the complexities and realities of the U.S. public service. The most important recommendation concerning the DHS is the following: Congress and the Administration should ensure the full development within the Department of Homeland Security of an effective all-source terrorism information fusion center that will dramatically improve the focus and quality of counterterrorism analysis and facilitate the timely dissemination of relevant intelligence information, both within and beyond the boundaries of the Intelligence Community (United States Senate Select Committee on Intelligence and United States House Permanent Select Committee on Intelligence, 2002: 5).

But how is such a fusion center going to come together when the information is first gathered and disseminated in other agencies? Unless changes can come about outside the DHS, this initiative will not work because there will be bureaucratic and agency resistance against any kind of change that seeks to infringe upon their autonomy. The resistance may not come at the top levels. The conflict will be further down in these agencies, where fusion of information can lead to usurpation of autonomy and authority over areas of intelligence gathering and analysis. The joint inquiry is woefully misinformed about the very construct of the public service and while all of the recommendations are noble, their implementation will be difficult to achieve.

The intelligence community arrangement, as it is now with the DHS, is the fundamental flaw with this realignment of government. Unfortunately, the window of opportunity for reversing course has been closed and the DHS must work within the new arrangement to bring about change. However, without the authority over agencies such as the FBI and CIA to fuse together the intelligence community, little can be expected.

Michael Chertoff needs to set clear and attainable reorganization priorities, focusing on those that are crucial to achieving the main goals, like information analysis and border security. He must face the fact that critical agencies like the FBI and CIA, as well as the secretaries of Defense, Treasury, Justice, State, and HHS, are not inclined to coordinate actions. Interagency coordination led by individual Cabinet secretaries has seldom worked well in the past and it is not likely to do so in the future. Furthermore, these secretaries are “unlikely to defer to directives from another Cabinet agency that is a competitor for funds and presidential attention. This means some kind of White House-led coordination system must be retained” (O’Hanlon et al., 2003: 16).

In terms of managing his department, there is a disconnect between the grandiosity of bold schematic ways of approaching issues, such as the DHS umbrella, versus the harsh realities of American incrementalism. Coordination and innovation are going to come slowly within the DHS. This is somewhat due to the Bush administration which showed little tenacity towards planning and visioning of the department beyond short-term political aims.

Daniel Carpenter points out that “it is evident from the history of American bureaucracy that agencies cannot automatically be designed to succeed even when politicians want them to. Innovation and planning capacity arose only when long-tenured bureau and division chiefs could draw on the technical and programmatic expertise in

their offices” (Carpenter, 2001: 359). Kettl adds that “moreover, agencies cannot simultaneously coordinate all activities at all times...Coordination on some missions risks weakening capacity to achieve others” (Kettl, 2002: 152). Chertoff will continue with the unprecedented task of integrating these agencies while “clearly keeping their eye on the main ball – which is not to organize for homeland security but to prevent, protect, and respond to a future terrorist attack on U.S. soil” (O’Hanlon et al., 2003: 15). The scholars at Brookings have pointed out, however, that the DHS plans focus more on the protection and response than on the paramount priority which should be prevention.

There exist fuzzy boundaries in the DHS. There are layers within the bureaucracy and so it must be made clear where the responsibility for the critical management and administrative decisions will lie. There are layers between management and labour and these tensions are already noticeable after the changes with respect to workers’ rights issues were included in the White House legislation creating the department. There are also connections between bureaucracies and it is up to managers to sort out the responsibility of each bureaucracy in the DHS (Kettl, 2002: 60).

It is these layers within the bureaucracy that could pose a concern in preventing terrorism. Kettl cites the 1986 space shuttle *Challenger* tragedy as an example of communication problems across boundaries within NASA. The gaps between levels of command hindered communication “by making lower-level officials cautious about speaking and higher-level officials deaf in hearing” (Kettl, 2002: 64). With the lack of coordination mechanisms, how are the disparate agencies supposed to come together? This is the lynchpin to the DHS management challenge. Coordination between bureaucracies will also be a management issue.

Chertoff is facing a department that is designed to fail because steps were not taken initially to ensure that it could be effective, both in developing bureaucratic culture and autonomy, and in being responsive to the administration.

#### **4. Conclusion: Lessons Learned Two Years On**

Are there a series of remedies for the DHS? Can adding or taking away certain agencies improve its performance? It is unrealistic to assume that the DHS can expand to include all homeland security functions of the U.S. government, including information collection. But what might be done to enhance the DHS and make it more effective? These are difficult questions in light of evidence that suggests this department is not going to be responsive to this or future administrations. Whoever is DHS Secretary could try to put pressure on an administration to include other agencies, to convince other agencies that the DHS should take the lead on all homeland security matters, to push for autonomy in the face of control from the White House, and to reconcile with his own bureaucrats and work with them to achieve its mandate. But are not these actions unlikely to lead to desired results.

The conclusions reached here are not optimistic and demonstrate a real concern that the DHS will prove a failure. Led by Rove, the White House has sacrificed policy competence for responsive competence but with respect to the DHS, it has even neglected any noticeable competence beyond a short-term election strategy. The Bush administration has followed two courses of action with respect to homeland security. The first was that they tried an administrative presidency solution by attempting to address the

problem inside the White House without a new external apparatus. This was the OHS model but it quickly proved ineffective. They then embraced the DHS gambit to address concerns of perceived weakness in policy competence and to cash in on the public perception that Republicans would do more than Democrats in terms of homeland security.

What might an administration and a future DHS Secretary do to make the department more responsive? Three features that suggest themselves as crucial if the DHS is to be successful are presented. They are strategies the White House could pursue, which include a refocusing on oversight, the original inspiration behind the OHS, and use of the appointive system to impose discipline within line agencies.

First, to rein in the bureaucracy, an administration should appoint their own people in each agency under the DHS umbrella. When an agency is being uncooperative or are not singing from the same song book as the present administration, new people need to be appointed to bring about discipline. This is one of the keys to the administrative presidency.

Second, perhaps it would be more effective to control homeland security out of the White House. The OHS was ineffective because Ridge could not speak truth to power. He had no statutory authority and only the power of persuasion. But the idea behind it was in keeping with White House oversight of homeland security issues. As a line department chief, Chertoff and future DHS Secretaries now have the authority over the agencies under them. With the unwieldy framework, however, an administration ought to keep the Secretary on a tight leash. A concerted effort must be made to supervise what the DHS is allowed to do and to keep them from becoming too autonomous. Once this occurs, it will be difficult for an administration to keep it under control.

Third, the Brookings team suggested housing all information gathering agencies under one roof. Including the CIA and the FBI would probably improve the flow of information and the rapidity with which terrorist information is analyzed, disseminated to relevant entities, and used to counter terrorism and keep the nation safe. It can still be achieved. The 9/11 Commission stressed the need for a fusion center within the DHS to disseminate terrorist information. But the decision to not include these other agencies in the design of the DHS means that it is unlikely that they will be included in the future. Therefore, breaking down these bureaucratic cultures is unrealistic. To reconfigure the intelligence gathering apparatus of the federal government is certainly a bold move but an administration should at least consider it, especially if a noticeable improvement in terrorist prevention is not seen.

The Department of Homeland Security should have been created in response to the failure of traditional information agencies such as the FBI and CIA to address homeland security and terrorist information issues leading up to 9/11. But the new department does not even collect the information essential to ensuring homeland security. Furthermore, it is apparent that there are few coordinating mechanisms the DHS Secretary has at his disposal to build linkages between disparate agencies. It is clear that the DHS will be in a period of transitioning for a number of years and Chertoff and his successors will find it difficult to adroitly ringmaster disparate agencies. The White House will also struggle with a department that is proving to be unresponsive to its own agenda. Whether it was Rove and the Bush team who stressed responsive competence

over coherent policy development and neutral competence, or just the general lack of bipartisanship in Washington, American policymakers have enacted an unwieldy department based on a faulty set of blueprints. Two years later, as a result of these blueprints, public servants working in the department are still struggling to bring these agencies together.

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