

BUSH'S DISASTROUS HOMELAND SECURITY DEPARTMENT.

## Playing Defense

by Michael Crowley

Last December, I called the Department of Homeland Security's (DHS) main line. "Thank you for your interest in the Department of Homeland Security," a recorded voice responded. "Due to the high level of interest in the department all lines are currently busy. . . . We encourage you to call back soon." A beep was followed by a click. It was a good thing I wasn't calling to report an anthrax attack, because I'd been disconnected. As advised, I tried calling back "soon"—and got the same recording. Just a bad week, perhaps? Apparently not. A few weeks later, a *Roll Call* reporter had the same experience.

Unanswered phones are a small but telling example of how DHS is faring one year after the department opened its doors last March. Far from being greater than the sum of its parts, DHS is a bureaucratic Frankenstein, with clumsily stitched-together limbs and an inadequate, misfiring brain. No one says merging 170,000 employees from 22 different agencies should have been easy. But, even allowing for inevitable transition problems, DHS has been a disaster: underfunded, undermanned, disorganized, and unforgivably slow-moving.

And, yet, George W. Bush can't stop praising it. His January State of the Union address hailed "the men and women of our new Homeland Security Department [who] are patrolling our coasts and borders," whose "vigilance is protecting America." In a September 11 anniversary address at Quantico, Virginia, Bush mentioned DHS no less than twelve times, saying, "Secretary [Tom] Ridge and his team have done a fine job in getting the difficult work of organizing the department [sic]." And, at an event celebrating the department's one-year anniversary this week, Bush declared that the department had "accomplished an historic task," and that Ridge has done a "fantastic job" of making the United States safer.

That's nonsense. DHS has failed to address some of our most serious vulnerabilities, from centralizing intelligence to protecting critical infrastructure to organizing against bioterror. Many a policy wonk who has evaluated the department has come away despondent. Zoe Lofgren, a senior Democrat on two House committees that oversee DHS, puts it this way: "We are arguably in worse shape than we were before [the creation of the department]. . . . If the American people knew how little has been done, they would be outraged."

If the September 11 attacks provided one essential lesson about the federal bureaucracy, it is that rival agencies need to better share intelligence so they can "connect the dots" and more quickly track down suspected terrorists. Improving intelligence coordination was a fundamental rationale for creating DHS, and so the bill establishing the department also gave birth to a brand new government office, the directorate of Information Analysis and Infrastructure Protection (IAIP). IAIP was designed to receive vast amounts of both raw and analyzed data from intelligence agencies like the CIA and FBI, allowing DHS analysts to search for patterns that individual agencies might have missed. Bush called this one of DHS's "primary tasks": "to review intelligence and law enforcement information from all agencies of government and produce a single daily picture of threats against our homeland."

But, even before DHS opened its doors, Bush dramatically undermined the IAIP—and, by extension, the entire department. Without consulting Congress—or telling the IAIP's planning staff—he announced the creation of the Terrorist Threat Integration

Center (TTIC), a quasi-independent agency that would assume most of the intelligence powers originally intended for the new department. Now TTIC, and not DHS, would become the clearinghouse of anti-terror intelligence. The decision not only eliminated the chief rationale for IAIP's existence; it exacerbated a problem the new agency had been created to improve. That is, rather than cutting through bureaucratic turf battles, TTIC may have complicated them further. Staffed by officials from a variety of existing intelligence agencies, TTIC is housed in the CIA's offices in Langley, Virginia, and its director reports to CIA Director George Tenet. Explained a former administration anti-terror official, "Tenet said the CIA is not going to give up its responsibility on threatreporting and threat analysis. He put a mark in the sand and said, 'No way am I going to give this up to a new organization [DHS] that doesn't know its ass from its elbow.'"

But TTIC has only further confused the interagency intelligence picture, according to a recent report on homeland security information-sharing by the Markle Foundation. "TTIC's creation has caused confusion among state and local entities, and within the federal government itself, about the respective roles of the TTIC and DHS," explained the report, which was overseen by former Aetna executive Zoe Baird and former Netscape CEO James Barksdale. "This confusion needs to be resolved." Even the agency's deputy director, Russell Travers, conceded as much in testimony to the 9/11 Commission in January: "There is a degree of ambiguity between our mission and some other analytic organizations within the government." Internally, TTIC analysts—who tend to be junior and inexperienced—still need permission from intelligence agencies before sharing their data with other parts of the government. The Markle report says that approach "further locks the government into a system that has proven unsuccessful for the sharing of information in the past." Perhaps worst of all, there's no requirement that other intelligence agencies share with TTIC at all. "The original idea [behind DHS] was that a fusion center doesn't allow anyone to make decisions about what flows into it. The analysts are there to look and decide," says a Senate Democratic aide. So much for that idea.

Then again, it's not clear why anyone would trust DHS with something as important as raw intelligence. Consider the story of Paul Redmond, IAIP's first director. Although most of IAIP's intelligence-analysis duties have been given to TTIC, it is still responsible for finding and fixing vulnerabilities in the nation's infrastructure. However, when Redmond appeared before a House subcommittee last June, it was clear that IAIP couldn't handle even this task. Redmond reported that, three months after DHS had begun operations, IAIP had filled just one-quarter of its analyst slots, "because we do not have the [office] space for them." Committee members of both parties were appalled. "Why should I feel comfortable today, Mister Redmond?" asked Republican Representative Chris Shays. "Why should I feel that we made a good decision [about creating IAIP]? . . . Do you feel that, given the incredible importance of your office, that that's a pretty surprising statement to make before this committee?" Apparently, Redmond's performance didn't go over well with the Bush administration, either. Soon after, he quietly announced his resignation for "health reasons."

Redmond was only running IAIP to begin with because the best man for the job had been passed over. That man was John Gannon, formerly a top official at the CIA. Gannon had run IAIP's transition team and was expected to become its director. "If there was anyone in government qualified to do that job, he was the guy," says a person familiar with the IAIP. But the administration didn't turn to Gannon—some suspect because he was a Clinton appointee. Unfortunately, the Pentagon official who was the administration's first choice to fill the position said no. So did the next candidate. And the next. In all, more than 15 people turned down entreaties that they apply for the job, according to *The Washington Post*. "When [the administration] finally realized there was nobody but Gannon to offer the job [to, Gannon] was so pissed off he went elsewhere," says Rand Beers, a former administration counterterrorism official now advising John

Kerry. (Gannon is now staff director of the House Homeland Security Committee.)

The story illustrates the trouble the administration has had bringing topflight talent to DHS. “They definitely were not attracting the superstars,” says a former administration national security official. “I often felt like I was dealing with the B team or even the C team. You can chalk that up to growing pains, . . . [but] it doesn’t leave you that comforted.” For instance, although several agents from an existing FBI critical infrastructure protection office were expected to make the leap to DHS, virtually none were willing to do so. “A lot of agents said, ‘Why would I go *there*?’” reports one former administration official. “[I]ntelligence professionals have been much more willing to go to the CIA or Departments of Justice, Defense, or State,” reported the Gilmore Commission, a group of homeland security experts assembled by Congress and charged with periodically reviewing U.S. defenses against terrorism. It’s not just skilled bureaucrats who shun DHS but technical experts, too. For instance, the department has few top bioterrorism scientists in its ranks, according to Tara O’Toole, director of the Center for Biosecurity at the University of Pittsburgh Medical Center and one of the nation’s leading bioterror authorities. DHS has “a very minimal team in terms of senior people with appropriate technical backgrounds. That’s got to change,” O’Toole says.

Meanwhile, DHS’s leadership has already suffered a slew of defections. Within six months, several key officials who helped launch the new department were gone—including Ridge’s chief of staff, Bruce Lawlor, and deputy secretary, Gordon England, both of whom left on rocky terms. The department’s chief financial officer, Bruce Carnes, also departed in December. Such defections have further stalled the department’s progress. “A lot of time has been lost because the department’s management hasn’t been tip-top,” says a Senate Democratic aide.

And, in case you were wondering, the search for someone to run IAIP settled on a former Marine Corps general named Frank Libutti. But Libutti, while an experienced soldier, lacks any intelligence background. And his pile-driving, military style isn’t winning many converts. At a meeting of state homeland security directors at a Virginia Marriott hotel last October, Libutti took the stage as the theme from *Rocky* blared through a loudspeaker and a laser light show bounced off the walls. He then proceeded to drop and perform one-armed push-ups for the bewildered crowd. Over the course of the conference, multiple sources say, Libutti further alienated the state officials with a crude machismo that caused at least one woman to walk out in disgust.

It’s not just the department’s weak leadership that’s causing problems. DHS has also been hamstrung by the forced assimilation of rival agencies. “[M]any of the agencies and employees subsumed by the integration continue to have no identity with or ‘buy-in’ to their parent organization,” the Gilmore Commission warns. Nowhere is this more true than in DHS’s new Border and Transportation Security (BTS) directorate, which combined the Immigration and Naturalization Service (INS) with the old Customs Service. The basic idea made sense: INS and Customs had lots of overlapping duties. And, for years, INS had been a reform-resistant organizational disaster. But combining the two has pleased neither agency. Customs officials complain they were forced to incorporate many of the INS’s worst management elements into their relatively efficient culture, especially at the Immigrations and Customs Enforcement agency (ICE), which is BTS’s investigative arm. “The INS has not been abolished,” says a mid-level ICE worker in a Northeastern city. “It’s alive and well, and running ICE.” Customs had a good computer system but was forced to inherit INS’s notoriously “horrible” one, this worker complains. He adds that the INS-based system in his office is so baffling that he needs a new staffer “basically full-time to operate [it].” Some Customs officials have even had to revert to pen and paper for record-keeping.

Of course, former INS workers see it differently. “Basically, [Customs officials] are saying, . . . ‘[N]ow you live in our house and you’re going to play by our rules,’” says

Michael Knowles, a union representative for former INS workers at the American Federation of Government Employees. The two sides have clashed about details as small as what sort of gun ICE agents should carry—the 9-mm pistol that was standard-issue at Customs or the INS’s 40-caliber handgun. (“The 40-cal is a superior round. It ends the situation in a more efficient manner,” Knowles insists.) There’s even been squabbling about what name to give ICE, which has already been renamed once (from “BICE”) and may be rechristened yet again.

The squabbling has fostered resentment toward the Bush administration. “Some of the people up there writing the law didn’t have any clue what was happening on the ground,” the ICE worker fumes. “They pushed these agencies together so fast that there was very little opportunity for these guys to figure out how to make things work.” And it may be affecting job performance. In a November letter to the Senate Judiciary Committee, Allen Martin, an ICE official who is head of the Customs Investigators Association, warned that “[m]orale in the field is at an all-time low. There is a real lack of identity, mission focus, and direction.”

In some cases, however, dueling government agencies were never merged in the first place—even though Bush had explained that “ending duplication and overlap” would save money and coordinate anti-terror efforts. Take the array of offices within DHS that manage grants and training for local first responders. The White House had initially intended to combine programs run by the Federal Emergency Management Agency and the Department of Justice’s Office of Domestic Preparedness (ODP). But, after protests from both agencies—and members of Congress who have come to love ODP as a useful pork-delivery mechanism—they were kept separate. (Instead of being merged into DHS’s Emergency Response and Preparedness directorate, ODP was nonsensically stashed in the department’s border-security division.) “The current structure suffers from a duplication of preparedness efforts and a lack of coordination among relevant entities,” the Gilmore Commission found—another way of saying, “What a mess.” “They have created a completely illogical system,” says Seth Jones of the RAND Corporation, who helped to write the Gilmore report. “The point is that not all the decisions about how to build the department were done logically. There are some pretty clear structural issues.”

Poor planning has led to confusion throughout DHS. “There are some people over there who still don’t know what’s going on,” says a state homeland security policy expert. “It’s not that they’re not smart. They literally don’t know where they fit in.” One official I spoke to recently wasn’t sure of the current name of her office. Bio-expert Tara O’Toole says such disorder has very real consequences. “I don’t know who’s in charge of biodefense for the United States. And, given that I do this all the time,” she says, “that’s very alarming to me.”

**B**-grade talent and organizational confusion would be less of a problem if the department were showing better results. But, so far, there’s been little progress. In many areas it seems that, in the race against the terrorists, DHS is wearing boots of lead.

Take the department’s failure to create a consolidated terrorist “watch list.” When it was discovered that the CIA had been watching two of the eventual September 11 hijackers as early as 2000 but never notified other agencies that might have stopped their entry into the United States, no task became more urgent than combining the government’s twelve separate rosters of suspected terrorists. Outside experts, including the Markle task force, said that merging the watch lists could take as little as six to twelve months. The task initially fell to DHS, which claimed last year to be making progress. “I think we’re fairly close to finalizing the consolidation itself,” Ridge told a Senate committee last April. Five months later, a DHS press release assured that all federal agents would soon be working “off the same unified, comprehensive set of anti-terrorist information.” Six months later, the lists are still not merged—and responsibility for the job has been transferred from Ridge’s hapless department to the FBI.

Indeed, information-sharing among government agencies remains hamstrung. Unifying computers and sharing data is inherently complex, and the Bush administration has given DHS few resources for such a massive task. Insufficient funding for new employees at DHS—whose leadership the White House has kept skeletal for fear of growing the bureaucracy—has left the department’s information-technology (I.T.) offices badly undermanned, slowing the process of interfacing government computers. For instance, in the office of Chief Information Officer Steve Cooper, “[I]f two people go out to lunch, there’s no one to answer the phones,” says James Carafano, a homeland security specialist at the Heritage Foundation. Nor does Cooper seem to have the kind of decisive authority his job requires. Last year, for instance, the department issued a \$500 million I.T. purchase agreement that he tried, unsuccessfully, to block. “What’s the point of having a CIO if he is not given budget control over the department’s I.T.?” asked one private-sector tech CEO at a House hearing last fall. Adding to the indignity, when a House subcommittee recently ranked the cybersecurity of various federal departments and agencies, DHS finished with the lowest score and a failing grade.

More serious is the flow of information between DHS and state and local governments. In an address last week commemorating the department’s one-year anniversary, Ridge bragged that DHS has “created a powerful and constant two-way flow of information.” But the Markle Foundation saw things differently. “The sharing of terrorist-related information between relevant agencies at different levels of government has only been marginally improved in the last year” and is “ad hoc and sporadic at best,” the report found. Last week, Ridge unveiled a new high-tech system that will connect DHS with state and local agencies and ameliorate the communication problem. But, from Ridge’s description, it sounds mainly like he has discovered WiFi. “We’ll be able to send photos and maps, even streaming video,” Ridge bragged. “We’ll even be able to access data at the scene of a crime . . . through wireless laptops.” Alas, it’s not clear that the system Ridge so breathlessly described is a solution. The real problems with info-sharing involve a lack of guidelines for classifying data, deciding who gets to see it, and teaching local officials proper analytical skills. The new system is “a step in the right direction,” Carafano allows. “But there’s a long way to go.”

DHS is also having trouble holding its own against other government agencies, falling prey to the very sort of bureaucratic sumo wrestling it was supposed to supercede. For instance, last May Ridge signed an agreement with Attorney General John Ashcroft ceding most control over terrorism-financing investigations to the Department of Justice, even though former Customs officials, now at ICE, had traditionally had that job and wanted to keep it. ICE workers were dismayed at Ridge’s decision, and, according to one department official, felt his inexperienced staff had been outmaneuvered by wilier FBI and Justice Department officials.

The Department of Defense (DOD) has also toyed with DHS. The Pentagon has reportedly been territorial about encroachments onto its own homeland defense functions, willing to share only unglamorous duties it never wanted in the first place—such as anti-drug-trafficking responsibilities. The Pentagon is “punting stuff they don’t really want” to the new department, says a DHS official. Otherwise, says a congressional aide, “DOD just ignores them.” A lack of respect for DHS’s authority may help explain the delay in efforts like unifying terrorist watch lists. “Ridge can’t bang heads outside the department,” says Rob Atkinson, vice president of the Progressive Policy Institute.

But that wouldn’t explain the department’s failure to begin securing the nation’s infrastructure. Assessing the nation’s thousands of vulnerable industrial sites, railways, electric grids, and so on is supposed to be central to the DHS mission. But 30 months after September 11, almost nothing has been done. Last year, an impatient Congress asked DHS to produce a plan for its nationwide risk assessment—not the actual assessment, just a plan for devising it—by December 15, 2003. The deadline came and went. Two days later, the White House quietly issued a directive giving DHS an entire year to develop a

“plan” explaining its “strategy” for how to examine infrastructure. An actual infrastructure analysis, one DHS official told Congress last fall, could take five years. No one says it is easy to inventory the vulnerabilities of all 50 states. But DHS looks curiously slow when you consider that, by last summer, a George Mason University graduate student had used publicly available data to map every commercial and industrial sector in the country, complete with their fiber-optic network connections. And, as DHS struggles with devising an infrastructure-assessment plan, it is doing nothing to oversee critical facilities, like the hundreds of chemical plants nationwide—most of which still have little or no security.

**I**t’s tempting to blame Tom Ridge for his department’s shortfalls. Certainly, he has been a flawed spokesman. At a town-hall meeting in a Washington, D.C., suburb this week, Ridge admitted that most Americans still don’t know what to do in the event of an attack. “A massive public education campaign needs to take place before an incident occurs,” Ridge said—a strange assertion from someone who has had two years to conduct one (remember, Ridge was director of the White House Office of Homeland Security before he became DHS secretary last January). Then again, Ridge’s prior communication efforts have left something to be desired. Everyone seems to hate his department’s color-coded alert system, which Congress is determined to revamp. When the department’s public-information website, Ready.gov, was unveiled a year ago, it was filled with useless and even misleading information (among other things, it vastly overstated the destructive power of a dirty bomb). And then, of course, there was Ridge’s advice about buying duct tape last February, which touched off a semi-panicked rush to hardware stores and made Ridge a laughingstock on late-night television. (DHS’s press office did not respond to my request to interview Ridge and other officials.)

Of course, Tom Ridge can only be as effective as the White House makes him. And, so far, Bush hasn’t given Ridge the money or authority to match his “urgent and overriding mission.” One indicator is the department’s frugal budget. Last month, the White House unveiled a \$40 billion budget for DHS, which it touted as a 10 percent spending increase from the previous year. But that figure is hardly as generous as it seems. More than half the new spending will go to tax incentives for pharmaceutical companies to develop new vaccines. In other words, there’s very little new money for beefing up the department’s shoddy management. Indeed, Bush’s budget *cuts* several vital DHS projects, such as funding for local first responders, border patrol, and federal air marshals.

Homeland security experts say this parsimony reflects a lack of White House commitment to the new department. “The reality of Washington is that, if you have a new organization and there’s not leadership from the top saying, ‘You need to take on this role, and you have my authority behind you,’ it’s just not going to happen,” says one person who helped produce the Markle report. “I think what is lacking now, for whatever reason, is White House muscle and leadership. There’s just been no sustained attention.” Adds a person who worked on the Gilmore Commission report: “Unless the president says, ‘OK, Mister Secretary of Defense, Mister CIA Director, Mister Attorney General: You all get your little shits together, or you’re gonna be on the street,’ [DHS] is going to be marginalized.”

Ultimately, perhaps we shouldn’t be surprised. The president, after all, never wanted this department in the first place. The original idea came from Joe Lieberman—and Bush only embraced it when it looked like Lieberman’s plan might pass without his support. But Bush certainly does like using DHS as a rhetorical weapon. His 2002 battle with Senate Democrats over union provisions in the DHS bill—during which he said the bill’s opponents were “more interested in special interests in Washington and not interested in the security of the American people”—helped Republicans win back the Senate that November. No doubt Bush will be telling voters this fall that it was he who

championed the department, implying that a Democrat couldn't be trusted to run it.

Bush may have inadvertently revealed his real motives a day after calling for the new department in June of 2002. Sitting in the Cabinet Room of the White House, flanked by his GOP allies, Bush declared that the new department would "enable all of us to tell the American people that we're doing everything in our power to protect the homeland." In the case of the Department of Homeland Security, Bush seems to prefer the telling to the doing.

---

*Michael Crowley is an associate editor at TNR.*