The political economy of homeland security in a larger security context

By Anita Dancs, Ph.D. Presented at the Eastern Economic Association Conference Philadelphia, PA, Feb. 24 – 26, 2006

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The largest re-organization in federal government since World War II was motivated by the supposed will to prevent and respond to crises within the country. The result was the creation of the Department of Homeland Security. Nevertheless, the response to Hurricane Katrina raised serious questions as to whether the federal government was any better prepared to cope with national crises. This paper examines recent federal policy, especially budget policy, with respect to homeland security and more broadly, national security. It finds that the policy focus on terrorism within the mission area of homeland security may have led to a neglect of preparedness for inevitable natural and man-made disasters. Also, military operations have detracted from the overall goal of national security. In order to achieve greater national security, a more comprehensive and balanced policy approach must be pursued.

"Response to natural disasters, including catastrophic natural events such as Hurricane Katrina, does not fall within the definition of a homeland security activity. However, in preparing for terrorism-related threats, many of the activities within this mission area also support preparedness for catastrophic natural disasters."

Office of Management and Budget, Budget of the U.S. Government, Analytical Perspectives, FY2007.

I. Introduction

The largest reorganization in federal government since World War II created the Department of Homeland Security. Billions and billion more in tax dollars were devoted to the declared mission area of securing the homeland. In spite of the major legislative and organizational changes, in spite of tens of billions of dollars, a category 5 hurricane hit the Gulf Coast area in August 2005, and the workings of the federal government moved as if it were completely unexpected and had never happened before.

A Congressional inquiry into Hurricane Katrina, released February 2006, faulted all levels of government for the poor response to the disaster. The investigation faulted the Department of Homeland Security (DHS) on several fronts, including having too few and too inexperienced emergency response personnel. At a hearing on the Department of Homeland Security's Preparation for and Response to Hurricane Katrina conducted by the U.S. Senate Homeland Security and Government Affairs Committee Senator Susan M. Collins (R-ME) had this to say¹:

The delays in DHS's response are both alarming and unacceptable. The chasm that Katrina exposed between DHS and FEMA, one of its most important components, presented a significant impediment to a coordinated, swift federal response.

Concerns about this disconnect were expressed long before Katrina, and our investigation has revealed disturbing conflicts about roles, resources and responsibilities.

But the problem within DHS goes beyond its relationship with FEMA. The department's overall lack of preparedness for this catastrophe prevented both decisive action before the storm hit and an effective response in its immediate aftermath.

After landfall, the department far too often appeared to be frozen with indecision and nearly paralyzed by ineffective communications. Key decisions were either delayed or based on faulty information.

As a result, the suffering of Katrina's victims was worsened and prolonged.

This lack of preparedness is evident throughout the response to Katrina. On August 30th, the day after Katrina made landfall, Secretary Chertoff named then FEMA Director Michael Brown as the principal federal official for the response effort. He did so despite Mr. Brown's hostility to the very concept of a principal federal official and his disdain for the national response plan.

The above quote is just a small portion of Senator Collins' statements and questions. She and other committee members had much more to say about the DHS's role in Hurricane Katrina.

We all witnessed in August and September the level of our preparedness for disaster. We all know the story. In spite of the prediction of the severity of Hurricane Katrina at landfall, the federal government reacted slowly, administration officials

claimed ignorance of the severity of the storm, and some of the people in charge were essentially inexperienced and incompetent. Homeland Security Secretary Chertoff only appointed a principal federal officer the day *after* landfall. He appointed Mike Brown, the Undersecretary of Emergency Preparedness and Response, otherwise known as the head of FEMA. Mr. Brown was an unqualified candidate for the post of head of FEMA as he had little to no emergency management experience. It was a patronage appointment as he was close friends with a major fundraiser for the Bush campaign. And, as a Time Magazine investigation showed, there were significant inaccuracies in his resume. After the fact, Mr. Brown's email correspondence which was subpoenaed indicated that he had, to say the least, an unprofessional attitude toward this important position. He concerned himself with his fashion while there were people dying in New Orleans. Brown later became a scapegoat for the administration's response to the hurricane, and reacted by testifying a Senate hearing (February 10, 2006) that he had warned White House officials including chief of staff Andrew Card how serious the devastation would be.

All of us also witnessed the seeming ridiculous statements made by administration officials. While the administration was ignorant of evacuees in the Convention Center and that they had run out of food and water, the television was simultaneously broadcasting the crisis there. Secretary Chertoff stated, '[T]hat 'perfect storm' of a combination of catastrophes exceeded the foresight of the planners, and maybe anybody's foresight,' and that the disaster was 'breathtaking in its surprise,' while experts said 'we told you so.'

We all know the mistakes, the ignorance, the poor appointment to a crucial position, and more. With more than 1,400 people dead, Hurricane Katrina was the deadliest hurricane since 1928. It was also the costliest. So far, the American Insurance Services Group estimates the cost at \$75 billion³, but we also know that around \$62 billion has been allocated by Congress with an additional \$18 billion on the way in terms of federal spending. While 1.2 million people were under orders to evacuate, and it is not clear exactly how many were able to evacuate, thousands are still living in hotels and

temporary housing. Undeniably, Hurricane Katrina was a disaster of massive proportions, but yet, it is still also the case that both the preparation for, and the response to the hurricane could have been much better at all levels of government.

The Congressional inquiry into Hurricane Katrina concluded that passivity was at work. What I hope to do with this paper is to move beyond the mistakes, the inexperienced personnel, politicians at different levels of government blaming each other, scapegoats and the like and examine the policy process that underlies this disaster. I want to answer a complex question: Given the resources devoted to homeland security at the federal level and the enormous amount of rhetoric around keeping people physically safe, given the general consensus that the federal government is in the best position to provide the resources, skills and coordination in response to a major event, why did the federal government do such a bad job? At the same time, I am not holding local and state-level officials without fault. Yet even if there were not consensus prior to 2001 about the federal role in disaster preparedness, relief and recovery, Presidential directives and other documentation clearly indicates that the federal government "shall establish a single, comprehensive approach to domestic incident management," and "the objective of the United States Government is to ensure that all levels of government across the nation have the capability to work efficiently and effectively together, using a national approach to domestic incident management.⁴" The role of the federal government in crisis management has been declared since 2001, in spite of what is claimed by the administration in the quote at the beginning of this paper.

I will examine federal policy by looking at homeland security and then the wider context of national security. I will make several points:

A) Homeland security

- a. Creating the department was a huge reorganization in government.
- b. Enormous federal resources were devoted to homeland security.

c. In spite of this, the emphasis was so focused on the threat of terrorism, that preparing for natural disasters, which are much more frequent, fell from the list of federal priorities.

B) National security

- a. National security includes military operations, homeland security and preventive measures.
- b. An enormous amount of federal resources have been devoted to national security, yet these resources are overwhelmingly focused on military operations.
- c. The Iraq War in particular has consumed an enormous amount of resources, but has also distracted the attention and energy of the administration. It has become an excuse to neglect other priorities.
- d. The nation's current security strategy has led to specifically to the poor response of Hurricane Katrina, and has more generally led to a deterioration in our well-being and security.

C) Conclusion

- a. We need to change our political culture around national security.
- b. There are many sensible ways forward to a better national security.

II. What is Homeland Security?

In response to September 11, 2001, the Bush Administration announced an initiative: the largest reorganization of the federal government in 50 years creating a new cabinet-level agency, the Department of Homeland Security. The Federal Emergency Management Agency (FEMA) and parts of nine other departments, including Justice, Transportation, Treasury, Agriculture, Health and Human Services, Energy, Federal Bureau of Investigation, Defense, and the General Services Administration, were combined and to make up the new department. More details are provided in Table 1.

FEMA was created by an executive order in 1979, and was promoted to cabinet-level status in 1993 when its mission was shifted from Cold War to natural disaster preparation. With the creation of the Department of Homeland Security, FEMA was subsumed under that new agency with its director losing the cabinet-level post.

The new department's mission is:

We will lead the unified national effort to secure America. We will prevent and deter terrorist attacks and protect against and respond to threats and hazards to the nation. We will ensure safe and secure borders, welcome lawful immigrants and visitors, and promote the free-flow of commerce.

The mission statement never mentions natural disasters. It does state responding to 'hazards to the nation,' but the three pithy sentences give the impression of an agency where preparation for and response to natural disasters fall lower on the list of important activities. The department's strategic goals do mention natural disasters:

Awareness -- Identify and understand threats, assess vulnerabilities, determine potential impacts and disseminate timely information to our homeland security partners and the American public.

Prevention -- Detect, deter and mitigate threats to our homeland.

Protection -- Safeguard our people and their freedoms, critical infrastructure, property and the economy of our Nation from acts of terrorism, natural disasters, or other emergencies.

Response -- Lead, manage and coordinate the national response to acts of terrorism, natural disasters, or other emergencies.

Recovery -- Lead national, state, local and private sector efforts to restore services and rebuild communities after acts of terrorism, natural disasters, or other emergencies.

Service -- Serve the public effectively by facilitating lawful trade, travel and immigration.

Organizational Excellence -- Value our most important resource, our people. Create a culture that promotes a common identity, innovation, mutual respect, accountability and teamwork to achieve efficiencies, effectiveness, and operational synergies.

Nevertheless, the strategic goals really set the agenda: 'threats to our homeland' are not defined as encompassing natural disasters; responding to non-terrorist threats are a peripheral activity.

Table 1: Organizations/Agencies Moved to the Department of Homeland Security

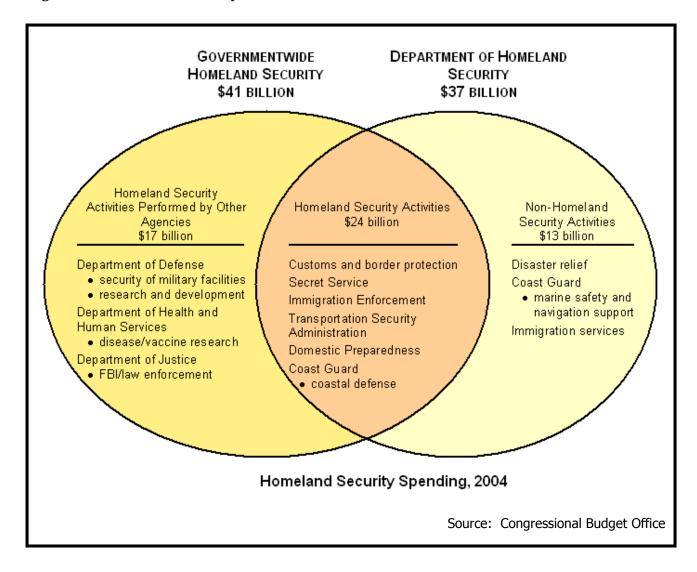
Organization/Agency	Original Department
Border and Transportation Security Directorate	
U.S. Customs Service	Treasury
The Immigration and Naturalization Service (part)	Justice
The Federal Protective Service	General Services Administration
The Transportation Security Administration	Transportation
Federal Law Enforcement Training Center	Treasury
Animal and Plant Health Inspection Service (part)	Agriculture
Office for Domestic Preparedness	Justice
The Federal Emergency Management Agency Strategic National Stockpile and the National Disaster Medical	Health and Human Services
System	
Nuclear Incident Response Team	Energy
Domestic Emergency Support Teams	Justice
National Domestic Preparedness Office	FBI/Justice
Science and Technology Directorate	
CBRN Countermeasures Programs	Energy
Environmental Measurements Laboratory	Energy
National BW Defense Analysis Center	Defense
Plum Island Animal Disease Center	Agriculture
Information Analysis and Infrastructure Protection Directorate	
Federal Computer Incident Response Center	General Services Administration
National Communications System	Defense
National Infrastructure Protection Center	FBI/Justice
Energy Security and Assurance Program	Energy
Other	
Secret Service	Treasury
U.S. Coast Guard	Transportation
U.S. Citizenship and Immigration Services (new name, was part of INS)	Justice

Homeland security is a mission area which is wider than just the department. And, the Department of Homeland Security covers areas that the federal government does not consider as homeland security. It reinforces the perspective that homeland security is about terrorism, and not about protecting the nation and its people from natural disasters. In Figure 1, homeland security as a mission area is drawn indicating which areas are within the mission area, but not the department, and within the department, but not within the mission area. In 2004, the federal government spent \$41 billion on homeland security as a mission area, but \$17 billion was in agencies outside of the Department of Homeland Security. The largest chunk, \$7 billion of the of the non-DHS money went to the Department of Defense (DOD) for improving the security of military facilities. In 2004, homeland security spending by the DOD accounted for less than 40% of non-DHS money. In the proposed budget for fiscal year 2007, DOD money would account for about 55%. DOD homeland security spending would rise from 17% of homeland security spending in 2004 to more than 28% under proposed budget for 2007. Money directed to the DOD will not address a natural disaster since the money is for the protection of military installations, many of which are not in the 'homeland.' Other money to other agencies also have nothing to do with natural disasters but are for vaccines and intelligence.

The list of activities in the realm of DHS, but are considered outside of the mission of homeland security is instructive: disaster relief is not considered homeland security, nor is marine safety and navigation within the U.S. Coast Guard or immigration services. These are activities residing in the DHS, but not strictly speaking, part of the mission of homeland security.

To correspond with the massive overhaul of federal government, the administration requested and Congress appropriated considerably increased spending on homeland security. The Department of Homeland Security's budget and its predecessors from fiscal year 1977 to present is seen in Figure 2. Spending for the department and its comparables prior to its creation essentially doubled since 2000. The

Figure 1: Homeland Security Mission Area



Bush administration proposed another 7% or \$2.3 billion increase for the DHS in fiscal year 2007 in its budget request submitted to Congress in early February. The administration proposed a 6% increase for the mission area of homeland security. Funding for the mission area is seen in Figure 3. Proposed increases for fiscal year 2007 include customs and border protection and immigration.

The general impression from the DHS mission statement and strategic goals is one of an organization primarily focused on terrorism and not security from natural or man-made disasters. The significant funding allocated to both the department and more generally, the mission area of homeland security, follows this impression. Both

legislation and presidential directives placed a special emphasis on preparedness for terrorism. One Presidential Directive indicates an all-hazards approach to national preparedness, but with a special emphasis on terrorism. It specifically cites that funding to local governments for first responders should emphasize terrorism.⁵ The DHS grant funding has focused on terrorism. Three programs made up three-quarters of the money appropriated in fiscal year 2005 all having an explicit focus on terrorism:

- A) The <u>State Homeland Security Grant Program</u> is to enhance state and local authorities prepare and respond to acts of terrorism.
- B) The <u>Urban Area Security Initiative</u> is to enhance high threat, high density areas prepare for terrorist attacks involving weapons of mass destruction.
- C) The <u>Law Enforcement Terrorism Prevention Program</u> is to provide funds for local law enforcement to prevent terrorist attacks.

The only other programs that received more than \$100 million in funding were two long-standing multi-hazard preparedness and mitigation programs, though the Assistance to Firefighters Grant program also specifically includes protection against incidents of terrorism. The breakdown was similar for years prior to 2005.

First responders that were interviewed for a Government Accountability Office (GAO) report disagreed with the emphasis on terrorism, but more than that, disagreed that DHS programs that claimed to be all-hazard were indeed all-hazard. In DHS's training programs, exercise activities, and grant funds, first responders said that these activities were not focused on all-hazards. They claimed that there was too much emphasis on terrorism-related activities for equipment and training. Moreover, these activities were not appropriately matched to local first responder needs who had a greater need for assistance preparing for natural and accidental disasters, even those these events were much more likely to occur in the first responders jurisdictions. State officials and first responders also stated a need for more dual use equipment for several reasons: to prevent the equipment from just rotting away on the shelf, maintain proficiency in its use by actually using it for everyday responses, and to build stronger all-hazards capabilities.⁶

DHS lists 36 first responder capabilities. Because there are many common characteristics between terrorist attacks and natural and man-made disasters, 30 of the 30 capabilities are all-hazard. Yet the direction of the state and local grants does not match the spirit of all-hazard use.

Homeland security funding as a mission can be broken down into six strategies:

- 1) Intelligence and warning: covers activities to detect terrorist threats and disseminate terrorist-threat information.
- 2) Border and transportation security: covers activities to protect border and transportations systems (against terrorists).
- 3) Domestic counter-terrorism: covers Federal and Federally-supported efforts to identify, thwart, and prosecute terrorists in the United States.
- 4) Protecting critical infrastructure and key assets: captures the efforts of the U.S. Government to secure the Nation's infrastructure, including information infrastructure, from terrorist attacks.
- 5) Defending against catastrophic threats: covers activities to research, develop, and deploy technologies, systems, and medical measures to detect and counter the threat of chemical, biological, radiological, and nuclear weapons.
- 6) Emergency preparedness and response: covers agency efforts to prepare for and minimize the damage from major incidents and disasters, particularly terrorist attacks that endanger lives and property or disrupt Government operations.

All of these six strategies are related to terrorism. As the administration's budget materials indicated, emergency preparedness and response is only related to non-terrorist incidents in that overlap exists between preparation and response to terrorism and natural or man-made disasters. The budget for the six strategies is broken down in Figure 4.

The DHS has identified 15 national planning scenarios. However, 12 of them are related to terrorism and only 3 are related to natural disasters:

- 1. Improvised nuclear device attack
- 2. Aerosol anthrax attack

- 3. Biological attack with plague
- 4. Chemical attack with blister agent
- 5. Chemical attack with toxic chemical agent
- 6. Chemical attack with nerve agent
- 7. Chemical attack resulting in chlorine tank explosion
- 8. Radiological attack with dispersal device
- 9. Improvised explosive device attack
- 10. Biological attack with food contamination
- 11. Biological attack with foreign animal disease (Foot and Mouth diseases)
- 12. Cyber attack

And,

- 13. Pandemic influenza
- 14. Major earthquake
- 15. major hurricane

A GAO report cites that some state and local officials as well as experts in emergency preparedness felt that these scenarios did not adequately reflect an assessment of risk and questioned whether these were appropriate planning scenarios in terms of plausibility and number of scenarios that are based on terrorist attacks.⁷

In other words, as claimed in the budget materials for fiscal year 2007, preparedness, response and recovery to natural and man-made disasters are a fall out from preparing for terrorist attacks, even though natural disasters occur with some frequency and regularity. In other words, we can be sure that there will be another natural disaster. Why do we not have the same expectation of our federal government playing a role in response?

III. What is national security?

The broader context of national security also had direct and indirect impacts on what happened prior to and during Hurricane Katrina. National security is frequently spoken of as the military, or the military and homeland security. However, securing our nation has three components: the military, homeland security and preventive measures. Preventive measures refer to those strategies and actions which lessen or

prevent perceived threats from turning into violent conflict. For example, diplomacy to avoid a violent conflict or securing nuclear materials to prevent dangerous materials from falling into the hands of those who may use them against another people, can both be considered preventive measures. Preventive measures can promote peace and stability in other parts of the world, thereby making costly military operations unnecessary, but also lessening the need for homeland security measures which may impede the U.S. economy or infringe on Americans' freedoms. These three prongs of national security are referred by some as defense, offense and prevention.⁸

The budgetary treatment of the three prongs is noteworthy: Military spending consumes around \$9 for every \$1 spent on both homeland security and preventive measures. The breakdown is presented in Figure 5. For the purposes of the breakdown, *military* is defined as the government function area 'national defense' also known as 050, which is its code in federal budget documents, plus 'international security assistance' which is 152, minus Department of Defense and Department of Energy non-proliferation spending. National defense includes the Department of Defense, nuclear weapons which are in the Department of Energy, and some military-related spending in other agencies. International security assistance is mostly comprised of federal financing of other governments' purchases of weapons from weapons producers. While the government does not include security assistance in national defense, it is clearly a spending area of the budget concerned with the military since it promotes arms to other countries in the world.

Preventive measures includes the remainder of the 'international affairs' budget, which is also known as 150, its code in budget documents, plus non-proliferation spending in the DOE and DOD. Included in this budget is money for diplomacy, humanitarian assistance, international economic development, and securing nuclear materials abroad.

Homeland security includes the spending on the mission area of homeland security, but not including homeland security spending located in the Department of Defense.

All told, \$630 billion will be spent on national security in fiscal year 2006. Nearly \$570 billion will be spent on just the military. This is more than the rest of the world combined. Around three-quarters of world military spending is either the U.S. or its NATO allies. Not including spending on the wars, the U.S. military budget has risen from by 45% since 2000. While other countries have lower costs of labor and purchasing power differs between nations, the U.S. has the most sophisticated weaponry, the best technology, and more hardware than any other country.

One of the conclusions reached by some national security experts is that federal funding priorities are misaligned within national security. In one analysis called the *Unified Security Budget*, \$53 billion could be cut from the military by reducing expenditures on big ticket weaponry designed for a bygone era. (This amount does not take into consideration spending on current military operations in Iraq or Afghanistan.) On the other hand, there is a shortfall in funding in other areas. For example, port container inspection could be strengthened to ensure that dangerous materials cannot enter the country. Also, securing nuclear weapons has been a successful program but could be better funded in light of the loose nuclear materials particularly in former Soviet states. Even so, the authors of the *Unified Security Budget* argue that money would be left over from cuts in the military budget.⁹

What is perhaps more indicative of priorities regarding national security is the enormous amount of resources, energy and attention devoted to the Iraq War. Including the latest administration request submitted to Congress on February 16, 2006, total money spent or allocated for the Iraq War will reach more than \$315 billion through fiscal year 2006. Because there is no exit strategy nor indication of any desire on the part of the administration to pull out of Iraq, it is likely that this war could last much longer costing up to \$100 billion per year.

But that budgetary expense is simply the immediate incremental expense of prosecuting the war. It does not take into account the billions more that will be required to pay the health care costs of the many soldiers who have received sustained injuries. Of the more than 16,000 wounded soldiers, almost half have suffered from

disabling wounds: 20% have major head or spinal injuries, an additional 6% are amputees, another 21% have suffered some other serious wound such as blindness or nerve damage. The health care costs over the lifetime of these veterans will not be negligible. Also, the war is essentially deficit-financed. A recent paper by Linda Blimes and Joseph Stiglitz estimates that when these additional budgetary costs of the Iraq War are taken into account, the war could cost \$750 billion if all the troops are pulled out by 2010.¹⁰

In addition to the budgetary expense of the Iraq War, 150,000 reservists and National Guard troops are activated. About 30% of Army troops in Iraq are National Guard troops. Military personnel deployed to Iraq and/or Afghanistan between September 2001 and January 2005 include 120,054 Army National Guard with 30% deployed more than once, and 42,807 Air Force National Guard with 47% deployed more than once during the time period. Although those figures include Afghanistan, the average number of U.S. troops deployed to Afghanistan are significantly fewer than to Iraq. The average number in Afghanistan in 2002 was 6,000, 9,800 in 2003, 18,500 in 2004 and 17,300 in early 2005. These are trivial numbers compared to around 150,000 deployed at any time to Iraq, though that figure has increased or decreased at different times. These National Guard troops, while deployed abroad, are not available to assist in the case of either a terrorist attack on the homeland or a natural disaster.

The Iraq War has also led to the energy and attention of the administration being primarily focused on the prosecution of a war rather than other national priorities. The administration believed that invading and occupying Iraq would be a 'cakewalk' and that the Iraqis would greet the U.S. with flowers as liberators. What has become clear is that the U.S. occupation will be a long and costly.

The link between the enormous money, energy and attention consumed by the Iraq War, and the emphasis on military solution, and the results of Hurricane Katrina are closer than one might expect.

IV. Katrina Exposes Misguided Federal Priorities

Numerous experts – government officials, scientists and others – knew that a category 4 or 5 hurricane could devastate the Gulf Coast area killing many people. It is indicative of failure in government that officials such as Secretary of Homeland Security Chertoff claimed that this disaster was unforeseen. In fact, the New Orleans Times-Picayune published a major five-part series called 'Washing away,' in June 2002, three years before Katrina: 'It's only a matter of time before South Louisiana takes a direct hit from a major hurricane.' The article discusses numerous aspects of a potential disaster including scientists who say that the region is precariously vulnerable, the challenges of evacuation, and what can be done to lessen the risk.¹³

In particular, it was well known that the levees would not be able to withstand a hurricane above level 3. The levees were built to withstand a level 3 hurricane after a level 2 hurricane caused much damage. But everyone from the Army Corps of Engineers to local public safety officials knew that there would be serious destruction caused by any hurricane at a higher level.¹⁴

In spite of the known risks of a hurricane to the Gulf Coast area and in particular, New Orleans, not enough resources were made available to address these risks. The Army Corps of Engineers is the organization that plans and executes amongst other federal civil engineering projects, navigation and flood control. Every year since taking office, the administration proposed cuts in its budget. When Hurricane Katrina hit, the House of Representatives had already passed a \$300 million cut in its budget, 6% in nominal terms. The Corps' activities have been criticized for not being environmentally sound such as damaging marshlands on which flood control is predicated, and in the case of the Gulf Coast, making the levee system more vulnerable over time. Yet federal budget priorities that do not adequately fund needed investment is a symptom of a national security agenda which does not take into account the impact of natural disasters.

An acute example of this is when the Senator Mary L. Landrieu, Representatives David Vitter (Senator-elect), and William J. Jefferson formally requested improved

funding for the Southeast Louisiana Flood Control project in a memo dated November 19, 2004. The budget for the flood control project had been continuously cut since 2002. Their modest request included \$60 million for the project in Civil Works budget of the U.S. Army Corps of Engineers within the fiscal year 2006 budget request to Congress. The project was authorized in 1996 after a severe rainfall in 1995 dumped 20 inches of rain killing seven people and causing \$1 billion in damage. The rainfall indicated the need to improve the parishes of Orleans, Jefferson and St. Tammany's ability to cope with flooding. In a memo dated January 27, 2005 and written by Deputy Director of the Office of Management and Budget, Joel D. Kaplan, the request was denied.

The FY 2006 Budget will reflect the President's commitment to providing the critical resources needed for our Nation's highest priorities: fighting the War on Terror, strengthening our homeland defense, and sustaining the momentum of our economic recovery. The President's pro-growth economic policies, coupled with spending restraint, will allow the deficit to be cut by more than half in five years.

The \$60 million requested by the legislators from Louisiana is insignificant compared to the large increases in military spending or the Iraq War. The continuous proposals by the administration to cut funding to this projects indicates its indifference to existing problems that were well known before Hurricane Katrina. There is some irony that the penny-pinching on civil works projects to fund war and homeland security would only result in \$80 billion in spending and future spending on the consequences of a bad hurricane season. It would not be appropriate to argue that had flood control and levees been adequately funded, there would be no disaster. However, the divestment in the country due to the Iraq War and a growing military budget outside of the wars, has consequences.

The deficit of National Guard troops in the Gulf Coast area also took its toll. In order to support disaster relief from Hurricanes Katrina and Rita, 50,000 National Guard troops came from 48 states, 2 U.S. territories and DC. Under the current model of the Guard, units only have 65-74% of the troops and equipment needed to conduct

assigned wartime missions. As units have been deployed to Iraq, equipment and personnel has been removed from non-deployed units to those deploying. When returning home, National Guard units have been ordered by the Army to leave behind their equipment. Thus the non-deployed National Guard troops are increasingly unprepared (in terms of troops and equipment) to support emergency efforts in the homeland. Non-deployed troops are estimated to only have 34% of their essential warfighting equipment. Since 2003, Army National Guard units have left 64,000 pieces of equipment in Iraq. At the time of Hurricane Katrina, 8,200 troops and two brigades worth of equipment were deployed to Iraq from Louisiana and Mississippi. Even after the Louisiana brigade would return home, it would still lack 350 pieces of essential equipment required for hurricane response.¹⁷

V. Toward a Better National Security

One major step toward making sure that our federal government adopts a better national security is to become clearer about what the purpose of national security is. We should no longer spend money on big ticket Cold War weapons. Inasmuch as the threats to national security have changed, so too must our approach. In cooperating with allies, we can more effectively use such tools as diplomatic efforts, economic development abroad and control of the arms trade. It is not that military operations are never an option, but that the death and destruction caused by such operations should always be a last option.

We also need to recognize what the war on terrorism is. While most national security experts would agree that a terrorist attack on U.S. soil is likely, terrorism cannot be an excuse to be unprepared or unresponsive to natural disasters, which we know are inevitable. The war on terrorism also cannot be an excuse to wage a war in Iraq. Iraq has lead to such a diversion of resources, energy and attention to a military operation that has nothing to do with U.S. security, and indeed, has probably worsened security as it antagonized the rest of the world over U.S. power.

Finally, our physical security requires redefining homeland security mission activities to include natural and (unintentional) man-made disasters. It is not enough to suggest dual-use, or that preparing for natural disasters is an externality of preparing for terrorist incidents. We must have the expectation and intention of our national government to take natural disasters as the destructive, deadly and all too frequent events which they are, and to prepare for them.

Figure 2: Department of Homeland Security (FY1977 - 2007* in \$2006)

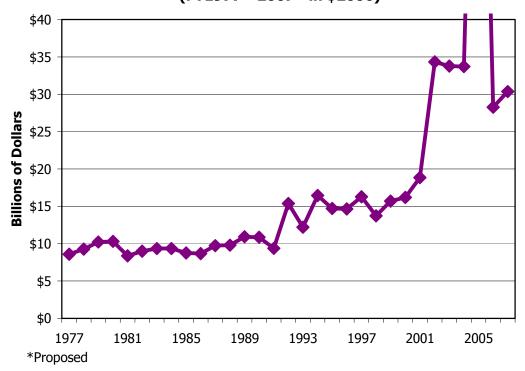


Figure 3: Homeland Security Mission Area Funding (Budget Authority, FY2002 - FY2007*)

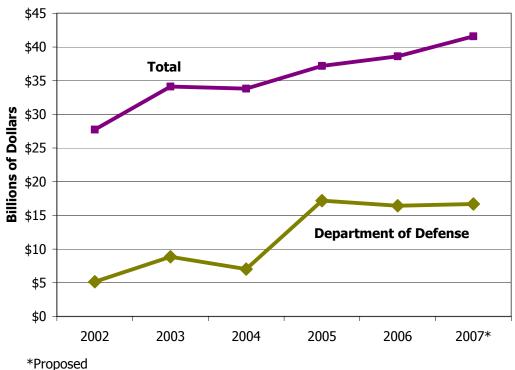


Figure 4: Homeland Security Funding by Strategy, FY2007 Proposed

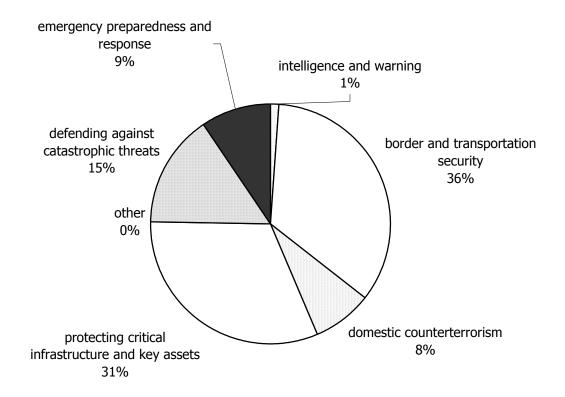
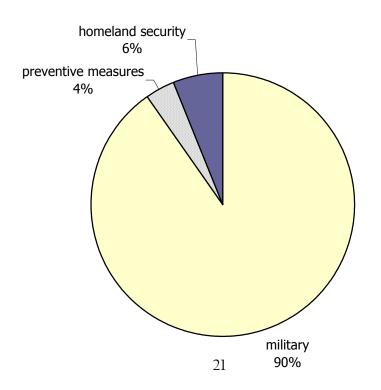


Figure 5: National Security Budget, FY2006



¹ U.S. Senate Homeland Security and Government Affairs Committee, Hearing on the Department of Homeland Security's Preparation for and Response to Hurricane Katrina, February 15, 2006.

² D. Fonda and R. Healy, 'How reliable is Brown's resume?' Time Magazine website, Sept. 8, 2005 available at http://www.time.com/time/nation/article/0,8599,1103003,00.html.

³ National Hurricane Center, Tropical Cyclone Report, Hurricane Katrina, Dec. 20, 2005 at http://www.nhc.noaa.gov/pdf/TCR-AL122005_Katrina.pdf.

⁴ Homeland Security Presidential Directive 5, February 28, 2003.

⁵ Homeland Security Presidential Directive 8, December 17, 2003.

⁶ Government Accountability Office, 'DHS' efforts to enhance first responders' all-hazards capabilities continue to evolve,' July, 2005, GAO-05-652.

⁷ Government Accountability Office, 'DHS' efforts to enhance first responders' all-hazards capabilities continue to evolve,' July, 2005, GAO-05-652.

⁸ Cindy Williams, Principal Research Scientist at MIT Security Studies Program coined the expression 'defense, offense and prevention,' in 'Asssessing the tradeoffs: choosing among alternative responses to global mass-casualty terrorism,' Security after 9/11: Strategy Choices and Budget Tradeoffs, Center for Defense Information, Jan. 2003.

⁹ Report of the Task Force on a Unified Security Budget for the United States, 2006, Center for Defense Information and Foreign Policy in Focus, May, 2005.

¹⁰ L. Blimes and J. Stiglitz (2006) 'The economic costs of the Iraq War: an appraisal three years after the beginning of the conflict,' presented at the ASSA meetings, Boston, Jan. 2006.

¹¹ Government Accountability Office, 'Army National Guard's role, organization and equipment need to be reexamined,' October 20, 2006, GAO-06-170T.

¹² *Iraq Index*, Brookings Institution, Feb. 13, 2006.

¹³ The Times-Picayune, 'Washing away,' published June 23-27, 2002 available at: http://www.nola.com/hurricane/?/washingaway/.

¹⁴An article by CNN reports on the claim that Homeland Security Secretary Chertoff made that the disaster was unforeseen and offers a number of interviews by others who dispute Secretary's Chertoff's claim, available at: http://www.cnn.com/2005/US/09/03/katrina.chertoff/.

¹⁵ Letter to the Honorable Joshua B. Bolten, Director of the Office of Management and Budget, from Mary L. Landrieu, U.S. Senator, David Vitter, U.S. Representative/Senator-elect, and William J. Jefferson, U.S. Representative, November 19, 2004.

¹⁶ Letter to the Honorable Mary L. Landrieu, U.S. Senate, from Joel D. Kaplan, Deputy Director of the Office of Management and Budget, January 27, 2005.

¹⁷ Government Accountability Office, 'Army National Guard's role, organization and equipment need to be reexamined,' October 20, 2006, GAO-06-170T.