Terrorism: Our Primary Threat?
Homeland Security: Are We Prepared?

Are We Safer?
Five Years After the September 11th Attacks

Assessing The U.S. Security Situation and Alternatives for Moving Forward

$600 Billion Security
Tool Box: What Are We Buying?
Permanent War: A Given? US Role in The World?
Do Our Forces Match the Strategy?
Security: How Do We Measure Success?
Use of Force: When Is It Necessary?
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September, 2006

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INTRODUCTION

Are We Safer: Five Years After the September 11th Attacks? At the risk of giving the plot away, the analyses presented here answer No. The Global War on Terror (GWOT) is not going well. A recent Time/Discovery Channel poll asked whether the American public believes that the US can win the war on terrorism in the next ten years. 69% said no. A full 73% expect the US to be attacked in the next 12 months.[1] US citizens witness the limits of their government's foreign policy on their television screens every night. The poll shows the public's sense of its situation: the war on terror is not working, and we cannot win.

In Are We Safer, representatives of eight organizations—nine independent, non-partisan voices—explain why we can't win such a war, and what we can achieve against a variety of real threats to the security of our country, our towns and cities, our neighborhoods and homes.

The authors examine the nature of terrorism and of public understanding of terrorism, of the way the war is waged and paid for, and the consequences of an almost exclusively military approach to the conflict at hand. Using a variety of approaches and methods, they inspect the structure of US homeland, national, and international defense and security strategy, tactics, use of resources and oversight. They report some alarming weaknesses and make innovative, sensible, occasionally provocative recommendations for fiscal and political change.

Thousands of Americans and tens of thousands of Iraqis and Afghanis have died since September 11, 2001, a vast majority of them civilians, the rest mostly police, firefighters, and soldiers, with a notably low percentage of terrorists. 20,000 US soldiers have been wounded, many of them with calamitous physical and mental injuries that will require years of treatment.

The authors herein pay no disrespect to dead or maimed troops, or to active soldiers and first responders, when they ask whether they were or are being given the clear mission and the necessary tools to keep themselves, their comrades, and our country as safe as it is possible to be. Nor is it an insult to their memories to consider the economic costs of GWOT objectives. $845 billion more dollars have been spent on national security in the past five years, only a third of it on direct military activities related to the war on terror. Meanwhile, credible estimates of the Iraq war's full costs to the US economy range from $1.2 to $2 *trillion*, if US forces remain another five years with gradual draw-down.[2] To appreciate the scale it may be helpful to consider that the entire annual gross domestic product (GDP) of the United States is less than $13 trillion.

As these nine researchers demonstrate, the entire national security policy making apparatus suffers from a lack of clarity, accountability, and public spirit. The thinking that framed the GWOT, the people who planned it, the way it has been financed, the lack of accountability at the Pentagon and of oversight in the Congress, all undergo close scrutiny here. Taken together the

[1] Poll conducted August 22 – 24, 2006. http://www.time.com/time/nation/article/0,8599,1531267,00.html

[2] Bilmes, Linda and Joseph E. Stiglitz. *The Economic Consequences of War and Its Aftermath: The Case of Iraq*, January 2006. http://www.epsusa.org/events/aea2006papers/stiglitz.pdf

essays recommend a series of targeted and cost-effective steps towards a real solution to the real problem posed by Al Qaeda and like-minded groups.

The authors stress preventive, cooperative approaches that can be conceived as a global neighborhood watch group. They explain why declaring "war" on terror has in fact been counterproductive. They agree that there is a tremendously important role for the military but not the one currently envisioned and deployed. And they insist on the need for shared intelligence, imaginative and diligent policing, effective diplomacy, and prudent allocation of human, material, and monetary resources.

Eight of the nine essays were written by professional researchers and analysts, many with decades of experience in the national security field. The exception is the last article, *Terrorism in Context*, by David Colt, a twenty-year old student who interned at Economists for Peace and Security during the summer of 2006. The Security Policy Working Group appreciates the need to mentor the next generation of independent thinkers on matters of vital national and international interest, and welcomes David to the debate.

PYRRHUS ON THE POTOMAC:
How America's post-9/11 wars have undermined US national security

Carl Conetta
Co-Director, Project on Defense Alternatives

One more such victory and I am lost.

– Pyrrhus, King of Epirus, after defeating the Romans at Asculum, 279 B.C.E. Attributed by Plutarch in his *Parallel Lives*

America's unique position of power in the post-Cold War era has often inspired comparisons to that of Rome during the rule of Augustus. But the security policy adopted by the United States, especially since the 9/11 attacks, calls to mind a different ancient place and personage: Pyrrhus (318 - 272 B.C.E.), king of Epirus, a Hellenistic realm that comprised what is now northwestern Greece and southern Albania. Plutarch memorializes Pyrrhus as a "great man of war" – but also a fool. Although he waged successful campaigns against Macedonia, the Romans, and others, Pyrrhus was unable to preserve his gains, which came at great cost. In the end, his martial ambitions won him and his kingdom nothing but ruin and disapprobation. He is remembered today in the phrase "Pyrrhic victory" – meaning any victory not worth its cost.

The architects of the "war on terrorism" – now the "long war against Islamic extremism" – can point to a number of achievements since 11 September 2001 (outlined below). However, a comprehensive net assessment of their efforts shows them to be mostly "pyrrhic" in character. Measured in the coin of long-term security and stability, post-9/11 policy has cost more than it has gained.

- As recounted below, the various costs and risks undertaken as part of America's three post-9/11 wars are considerable. And many of these costs and risks are deferred ones. Yet, few of the goals that define current missions have been achieved or even seem close to realization. With regard to stemming terrorism: the problem has grown worse, not better.
- The potentials for new and broader confrontations are growing as a direct consequence of current missions. This, because significant portions of the Muslim world have come to view US efforts as constituting a "war on Islam" – and also because potential US adversaries outside the Muslim world (notably China and Russia) have begun to organize themselves to resist perceived US "hegemony."
- While the potential for broader confrontation increases, America's capacities to win or manage these is diminishing. This is due to a gradual erosion of US military capabilities, the deleterious economic and fiscal effects of today's wars, and the alienation of allied states and publics.

Undaunted and unapologetic, the Bush administration continues to argue the virtues of staying the present course. But, in light of our experience so far, this more and more tests the patience, credulity, fiscal sobriety, and risk tolerance of the American public.

1. BALANCE SHEET ON CURRENT MISSIONS

AL QAEDA: STILL IN THE GAME

The operational capacity of the original "Al Qaeda" – centered on Osama bin-Laden has been significantly degraded. Hundreds of former members have been killed or captured (mostly during the Afghan war). Nonetheless, the organization continues to function in a more decentralized form. Bin-Laden and Ayman al-Zawahiri continue to provide guidance and encouragement to their followers, having issued 35 video and audio recordings from their redoubt in Pakistan.

Since 11 September 2001, Al Qaeda has directed, financed, or played an important role in 30 fatal operations in 12 countries causing 2500 casualties including 440 deaths. These figures, from the *Rand-MIPT Terrorism Knowledge Base*, do not include the activities of al-Zarqawi in Iraq, nor do they include the activities of independent groups friendly to al-Qaeda.

IRAQ AND AFGHANISTAN: SPLENDID DISASTERS

US operations successfully toppled the Taliban in Afghanistan and the Hussein regime in Iraq. In both countries, there are now elected governments, US influence is entrenched, and the US military has a virtually free hand. However, security and stability eludes both countries, economic development has stalled, and conservative Islamic forces dominate the political scene.

- The insurgency in Iraq is today conducting attacks at a higher rate than ever before. In Afghanistan, there has been a dramatic resurgence of Taliban activity, with the incidence of attacks up 74 percent from last year and the fatality rate up 140 percent, according to the Rand-MIPT terrorism database. There is little evidence of these problems abating.
- Afghanistan is a "ten block democracy" where the writ of the central government barely extends beyond the capital before ceding to warlord rule. The country has become, once again, the world's leading producer of opium poppy, now providing approximately 90 percent of the world supply. Production is higher today than ever before – 40 percent higher than last year. Eradication efforts have done little more than stimulate support for insurgency.
- Iraq is characterized by anarchy in governance, national fragmentation, and civil strife. Insurgency and high levels of intercommunal violence affect areas containing 50 percent of the population (if Basra is included). Death squads operate inside the security services and the penal system does not meet minimum human rights standards.

The Iraqi central government (as such) has little capacity to enforce its writ independently and, essentially, shares power with the US mission and with provincial, local, and factional centers. Indeed, the central government is itself fragmented with little conveyance of authority among the parliament, prime minister's office, and the individual ministries. Postwar reconstruction has stalled with low levels of achievement outside the "green zone." Oil production, access to potable water, and sewage disposal services have not yet recovered to prewar levels. Electricity generation finally surpassed the prewar level in May 2006. Unemployment stands at between 25 and 40 percent.

- The human cost of war in the two countries has been substantial. A reasonable estimate is that, at minimum, 70,000 Iraqis and Afghanis have died due to war-related violence (including excess criminal violence).

Although the Bush administration has viewed Iraq as pivotal to democratic transition in the region, the experience has instead associated democratization with foreign occupation, chaotic violence, and economic stagnation. Polls conducted during 2004 and 2005 by the University of Maryland and Zogby International in Jordan, Lebanon, Morocco, Saudi Arabia, Egypt, and the UAE leave no doubt that Arabs tend to view the Iraq experience as detrimental to the region's prospects for peace, stability, and democracy.

TERRORIST ATTACK INCIDENTS AND FATALITIES, 01/01/98 – 08/11/2006		
	01/01/98 – 09/11/2001	**09/12/2001 – 08/11/2006**
Fatalities per month (minus 9/11 attacks) (minus Iraq)	176 109	444 195.5
Incidents per month (minus 9/11 attacks) (minus Iraq)	106 105.9 186.5	284

MIPT Terrorism Knowledge Base (Oklahoma City, OK: National Memorial Institute for the Prevention of Terrorism, 2006)

2. BROADER EFFECTS OF POST-9/11 WARS

INCREASED TERRORISM

Overall, terrorist activity and violence has grown worse, not better since 11 September 2001. Average levels of terrorist violence that would have been considered extreme in the period prior to 9/11 have become the norm in the years since. And there is no sign that this trend is abating. This much is evident from a review of the terrorism incident database maintained by the Rand Corporation for the National Memorial Institute for the Prevention of Terrorism (MIPT), which is funded by the US Department of Homeland Security. Surveying incidents for the period January 1998 through 11 August 2006 shows that:

- The rate of terrorism fatalities for the 59 month period *following* 11 September 2001 is 250 percent that of the 44.5 month period preceding and including the 9/11 attacks. This figure has been adjusted to account for the different length of the two periods and it implies an increase in average monthly fatalities of 150 percent. (Only in January 1998 did the database begin to include both national and international terrorism incidents.)
- The rate of terrorist incidents for the post-9/11 period is 268 percent that of the period prior to and including 11 September 2001. This implies a 167 percent increase in what might be called the average monthly rate of incidents.
- A fair portion of the increased activity is related to the war in Iraq – but not all. Removing Iraq from the picture shows an increase in the average monthly rate of terrorism fatalities of more than 10 percent for the post-9/11 period. The increase in the rate of incidents not counting Iraq is 75 percent.

Finally, it is worth noting, that if we divide the post-9/11 period into two equal halves, the number of terrorism fatalities is greater in the second half than in the first – even when Iraq is excluded: 4772 fatalities in the first half versus 5177 in the second. There is no evidence here that the post-9/11 surge in terrorism fatalities is abating.

GROWING ANTI-AMERICAN SENTIMENTS

As found in numerous polls, popular support outside the United States for the US-led "war on terrorism" has fallen precipitously since 2002 – as have positive sentiments toward the United States generally. This is true not only in most Muslim nations polled, but also among many of America's key allies in Europe. Majorities or pluralities see the Iraq war as contributing to the problem of terrorism and, in many countries, now see the United States as having a mostly negative influence on world affairs. In many Arab and Muslim states, majorities commonly feel that the United States may actually pose a military threat to their homelands. Such perceptions might be expected of populations in Syria and Iran – but

it is true as well for citizens of Indonesia, Pakistan, Turkey, Jordan, and Lebanon. (See references in the public opinion section of bibliography.)

Although global public sentiments regarding the United States do not directly or immediately translate into policy change, voters in several allied countries – the United Kingdom, Italy, and Spain – have punished their governments for pro-American stances. Political effects are more evident in Arab and Muslim countries.

POLITICAL ADVANCE OF ISLAMIC FUNDAMENTALISM

Parallel with America's post-9/11 wars and counter-terror efforts, radical Islamic parties have increased their political influence substantially in more than a dozen nations, often campaigning explicitly against what they describe as a "war against Islam." Winning more votes during the past five than ever before, such parties have advanced their positions in Bahrain, Egypt, Kuwait, Indonesia, Jordan, Morocco, the Palestinian territories, Pakistan, Saudi Arabia, and Turkey.

In Turkey and the Palestinian territories they now lead governments and probably could win power in Egypt, too, should fully free elections be conducted there. In Iraq, fundamentalist parties dominate government; in Iran, the conservative former mayor of Tehran, Mahmoud Ahmadinejad, rose to presidential office in a campaign explicitly challenging US policy. In Lebanon, the influence and popularity of Hizbullah grew substantially during the post-9/11 period. Even its miscalculation in raiding Israel in July 2006 has not dented its support, with one poll showing more than 80 percent of Lebanese backing its confrontational stance.

In Bangladesh, Islamic parties have consolidated their position in the post-9/11 period, after winning a major role in government in October 2001. And in Somalia, the Supreme Islamic Courts Council has become the predominant force in the country, although not by electoral means. US support for the opposing Alliance for the Restoration of Peace and Counter-Terrorism and likely US support for the Ethiopian incursion into Somalia have only rebounded to the Courts' favor, which is attracting increasing support from warlord groups on the basis of nationalist appeals.

NATIONS BALANCING AGAINST US ACTIVISM

Nations – including allied ones – also may have state reasons for "balancing" against the United States or impeding its policies. Along these lines, Germany, France, and Turkey impeded Operation Iraqi Freedom during its initial stage. More serious is the formation and expansion of the Shanghai Cooperation Organization (SCO) – essentially a counter to perceived US hegemony – which includes as full members China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan. Observer status has been afforded to India, Iran, Mongolia, and Pakistan. Among the policy priorities of the SCO are limitations on US efforts to secure new, enduring military bases in Central Asia.

Military activism by any great nation will increase the relevance of military power wherever that activism occurs. Thus, we should expect that US global activism will spur an increase in global military expenditure. And, indeed, global spending has increased in real terms by 28 percent since reaching a post-Cold War low point in 1997. Much of this is due to the United States, which now accounts for half of world military expenditures, but increased spending by Russia, China, India, and Pakistan is also significant. Indeed, average real expenditures are up in all regions except Central America and Western Europe.

3. COSTS TO THE UNITED STATES

HUMAN COST

First among the costs of operations Iraqi Freedom and Enduring Freedom are the 3,000 dead and 20,000 wounded US service personnel. Among the wounded we should as well include the 12 percent of returning veterans who are diagnosed as suffering from war-related mental health problems, as determined by the Walter Reed Army Institute of Research. (Hoge et. al, March 2006)

BUDGETARY COSTS AND EFFECT ON THE ECONOMY

The monetary cost of operations Iraqi Freedom and Enduring Freedom to the end of FY 2006 has exceeded $400 billion (including reconstruction assistance.) Additional cost is presently accruing at a rate of approximately $10 billion per month. The broader fiscal context of this expenditure is defined by US federal budget deficits in the range of $400 billion per annum (on budget) and a gross national debt of $8.5 trillion – of which $2.5 trillion accumulated during the past five years.

There is no plausible scenario under which the ultimate incremental cost of current operations will not exceed $600 billion; the final cost probably will be much more. And this does not include other war-related costs to the federal government – such as veterans benefits and increased interest payments. Nor does it encompass broader economic effects (which might include increased energy prices, interest rates, and opportunity costs.) Two economists who have attempted such an analysis, Nobel Prize winner Joseph Stiglitz of Columbia University and Linda Bilmes of Harvard's Kennedy School, conclude that the total costs of the Iraq war alone may accumulate to between $1.2 trillion and $2.0 trillion – on the assumption of a gradual troop drawdown between 2006 and 2010. (Bilmes and Stiglitz, January 2006.)

The wisest course is to demilitarize US support for democratic transition. From a security policy perspective, the real challenge for policymakers is to find ways to defend the nation short of requiring societal transformation on a world scale.

EFFECTS ON THE ARMED SERVICES

Today the United States maintains approximately 300,000 active-component military personnel overseas – either stationed or operationally deployed; in addition, there are more than 60,000 Guard and Reserve personnel abroad. Similar or higher numbers of troops were overseas for most of the past four years. Of the total today, more than 200,000 are operationally deployed in or around Iraq, Afghanistan, and other foreign territories.

Focusing on the active component: about 21 percent are now overseas. During most of the 1990s (after Desert Storm), the proportion overseas was approximately 16 percent. More telling: the average proportion of active- component troops involved in actual operations today is more than three times larger than in the mid- to late-1990s. And much of this stress is focused on the Army, which now routinely has one third of its active component stationed or deployed overseas.

Together with other commitments, the war has required Marine units to deploy at rates more than 25 percent higher than what the service considers acceptable for long periods. Active Army units have been exceeding their deployment standards by 60 percent. These rates would have been even higher but that DOD leaned heavily on National Guard and Reserve units, deploying as many as 100,000 reserve personnel overseas at one time for tours averaging 342 days.

Not since the Vietnam era has the United States had such a large portion of its active-component armed forces at work overseas or deployed in operations as today. And not since the Korean war has it asked so much of its National Guard and Reserve troops.

High rates of operational tempo maintained over long periods are known to affect adversely training, morale, and discipline – causing a degradation in capability and problems in personnel retention and recruitment. The deleterious effects are already evident in the struggle to meet recruiting goals. In Fiscal Year 2005, five of the nation's 10 military components (counting active, reserve and National Guard) fell short in recruiting. The forces also face a growing problem in retaining officers.

Several components have responded to today's stresses in ways likely to erode the longer-

term capabilities of the forces: by raising age limits on enlistment and lowering the quality bar on recruitment and promotion. The services are also paying larger cash bonuses for enlistment and re-enlistment, which tends to roll costs forward because the bonuses are payable upon the completion of service terms.

Perhaps most important has been the extensive reliance on "stop loss" orders, which have compelled 50,000 service personnel to extend their time in service. This tends to mask the effects of high op tempo, which will only become apparent when the resort to "stop loss" ends.

The stress on equipment is equally great, with utilization rates in Iraq exceeding peacetime standards by two to ten fold—a pace that quickly eats into service life. Affected is 40 percent of Army and Marine Corps ground equipment, as well as other assets. In order to sustain high equipment availability rates, the services have tended to defer higher-level maintenance – again, rolling the costs of war forward. As the Government Accountability Office reported in March 2006:

> The services have made a risk-based decision to keep equipment in theater, to forego depot repairs, and to rely almost exclusively on in-theater repair capabilities… As a result, much of the equipment has not undergone higher level depot maintenance since the start of operations in March 2003. (GAO, March 2005, p. 8)

This will eventually render some equipment unrecoverable. And it increases postwar military "reset" costs. The Army alone estimates postwar recovery will require at least $24 billion to $36 billion.

4. RECOMMENDATIONS

At the heart of the present imbroglio are several policy impulses that must be avoided in the future. First, there is the tendency to see "regime change" operations as essential to achieving our basic security goals. Second, there is an overweening faith in the utility of force as a precise instrument of policy and an insensitivity to its attendant costs, risks, and collateral effects. Finally, there is a tendency to expand the scope and objectives of military action, rather than focus them on discrete ends. With these errors in mind we can define the basic coordinates of a new course:

- First, the United States should focus its counter-terrorism efforts on a multi-faceted "campaign against the Al Qaeda network" as well as on allied organizations that *credibly target the United States or US citizens and assets abroad*. This criteria would not include every organization, movement, and insurgency that the Pentagon loosely lists under the acronym, AQAM – meaning "Al Qaeda and associated movements."
- Second, it is appropriate that we place greater emphasis on meeting the general challenges posed by terrorism – and not just the "Islamic" sort. This recognizes the failure of successive administrations adequately to prepare for and defend against post-Cold War challenges. Along these lines, greater investment in homeland security and appropriate intelligence, military, and law enforcement capabilities is sensible. Especially important is maintaining cooperative international security relationships. But this is not the same as conducting a generalized "war on terrorism" – much less a "war on Islamic extremism." Dedicated, counter-offensive military campaigns targeting networks and organizations should be decided and undertaken on a case-by-case basis. These need not all be viewed as part of some single grand "war." Instead, they are all part of adapting our security priorities, structures, and practices to the routine challenges of the post-Cold War security environment.
- Third, US policymakers should exercise greater restraint when involving the nation as a combatant or a partisan in complex regional conflicts over which we have little control. The fact that terrorists or terrorism may play a role in a larger conflict does not by itself warrant direct US military involvement. Insurgencies, secessionist movements, and anti-regime movements often involve real and legitimate grievances. A common danger is implicating ourselves in conflicts that are partly driven by the

actions or policies of allies over whom we have limited influence.

- Fourth, extraordinary restraint is due when contemplating "regime change," military occupation, or operations aiming to suppress insurgencies that enjoy significant popular support. In all such cases, stable, predictable outcomes are very difficult to achieve, usually very costly, and often require protracted engagements. Also, they often are corrosive to the armed forces that undertake them. The real challenge for US policymakers is to find ways to achieve essential security goals without resort to large-scale high-risk adventures.
- Fifth, attempts to impose democracy by military means – that is, by means of war or by threats of military action – tend to be counter-productive. This, because they typically arouse strong nationalistic reactions. Under threat, populations are more likely to rally around their governments and more willing, not less, to forgo democratic rights. The wisest course is to demilitarize US support for democratic transition. From a security policy perspective, the real challenge for policymakers is to find ways to defend the nation short of requiring societal transformation on a world scale.

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HIGHLIGHTS/KEY POINTS

- The various costs and risks undertaken as part of America's three post-9/11 wars are considerable, and many are deferred.
- The potentials for new and broader confrontations are growing as a direct consequence of current missions.
- While the potential for broader confrontation increases, America's capacity to win or manage potential future conflicts are diminishing.
- The US should focus its counter-terrorism efforts on credible threats targeted at the United States or US citizens and assets abroad.
- Potential adversaries outside the Muslim world, namely China and Russia, have begun to organize themselves against perceived U.S. hegemony and its desire for maintaining global economic and military dominance.
- The US should exercise extraordinary restraint when contemplating "regime change," military occupation, or operations aimed at suppressing insurgencies that enjoy significant popular support.
- The wisest course is to "demilitarize" US support for democratic transition.

TERRORISM OR ALL-HAZARDS?
Broadening homeland security

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In response to the terrorist attacks on September 11, 2001, the federal government underwent the largest re-organization since World War II. The executive branch defined a new mission area of "homeland security" and Congress created a new agency, the Department of Homeland Security. Since that time, the federal government alone has spent more than $200 billion on securing the homeland.

Elected officials, the media, security experts and others have raised issues about the implementation of homeland security to date: Much has been made about small towns (or less populated states) receiving levels of federal funding out of proportion with their level of risk.

It also seems as if the Department of Homeland Security (DHS) is following in the footsteps of the Department of Defense (DOD) in terms of procurement contracts, with "significant overcharges, wasteful spending or mismanagement."[1] Others have pointed to vulnerabilities that remain under-funded such as port security.[2]

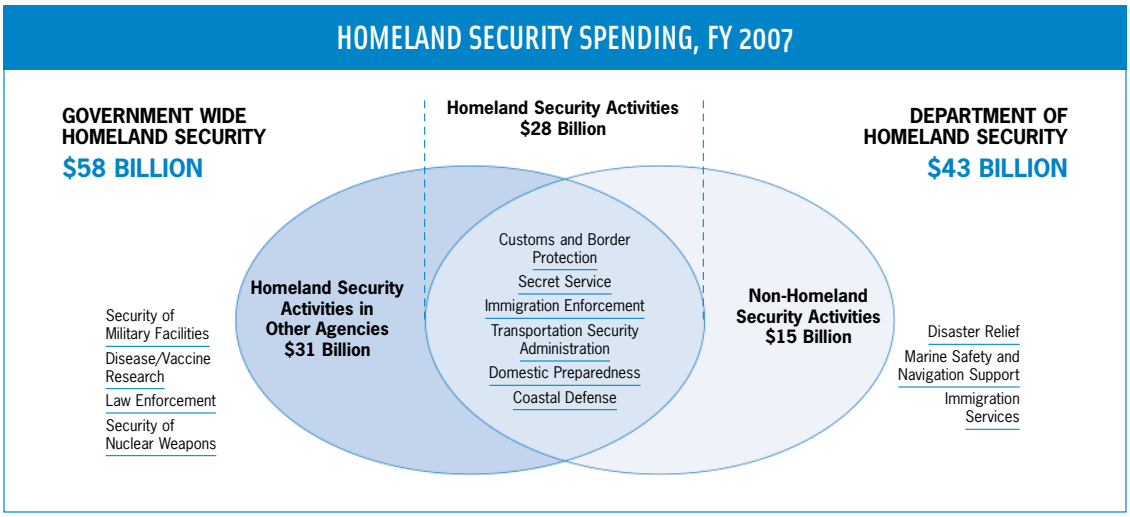
Hurricane Katrina and the possibility of a bird flu pandemic raise other questions about the nation's level of preparedness in the event of a catastrophe regardless of cause. There are many interpretations of what went wrong with the response to Hurricane Katrina, from local and state incompetence to federal indifference. This brief takes the view that federal government should adopt an "all-hazards" approach to homeland security. The administration and Congress acknowledged the importance of all-hazards preparedness, yet the mission area of homeland security remains focused – too focused – on terrorism. While the National Response Plan (NRP) is intended to be "a single, comprehensive approach to domestic incident management,"[3] the actual implementation of the homeland security mission is by definition concerned only with terrorist incidents. Federal support for first responder equipment and training has followed the emphasis on terrorism over all-hazards. Yet, an all-hazards approach will better prepare first responders and state and local officials for any incident, whether terrorist attack or natural disaster. This approach is not only more cost efficient, it means that first responders will have more experience with equipment and training if employed during response to the non-terrorist incidents which happen in their jurisdiction more frequently.

After discussing the mission of homeland security and the Department of Homeland Security, the brief focuses on the issue of preparedness. It concludes with suggestions for broadening homeland security.

[1] House Committee on Government Reform, *Waste, abuse, mismanagement in Department of Homeland Security procurement*, July 2006.

[2] For example, see L. Korb and M. Pemberton, *A Unified Security Budget for the United States, 2007*, (Foreign Policy in Focus and Center for Defense Information, Washington DC, May 3, 2006).

[3] Homeland Security Presidential Directive 5, February 8, 2003.



WHAT IS HOMELAND SECURITY?

The executive branch defines homeland security as a mission area that "is a concerted national effort to prevent terrorist attacks within the United States, reduce America's vulnerability to terrorism, and minimize the damage and recover from attacks that do occur."[4] The mission area of homeland security is not coterminous with the Department of Homeland Security (DHS), though the agency's mission is similarily defined "[to] lead the unified national effort to secure America; prevent and deter terrorist attacks and protect against and respond to threats and hazards to the nation; and ensure safe and secure borders, welcome lawful immigrants and visitors, and promote the free flow of commerce."[5]

DHS was created in 2002 out of the Federal Emergency Management Agency and parts of the following nine federal agencies: Justice, Transportation, Treasury, Agriculture, Health and Human Services, Energy, Federal Bureau of Investigation, Defense, and the General Services Administration. The agency is organized into four directorates: Border and Transportation Security, Science and Technology, Information Analysis and Infrastructure Protection, and Emergency Preparedness and Response.

The mission area of homeland security includes activities outside of the agency, but also, some of the agency's activities are not considered part of the mission area. Out of the $58 billion in proposed budget authority for the homeland security mission area in fiscal year 2007, around $31 billion would be directed to agencies outside of DHS. Most of the major federal agencies carry out some form of homeland security activity, but the largest share of the non-DHS money – 55% under the proposed budget – goes to the Department of Defense (DOD). The DOD uses most of its homeland security money for protecting military facilities. The other major non-DHS agencies include the Department of Health and Human Services for disease and vaccine research, the Department of Justice for the FBI and other law enforcement activities, and the Department of Energy for protection of nuclear weapons and related activities. DHS activities that are not considered homeland security activities include disaster relief, some Coast Guard activities, and immigration services. The majority of DHS budget, $28 billion out of $43 billion proposed in 2007, is devoted to the homeland security mission area.[6] (See box above.)

[4] Executive Office of the President, *National strategy for homeland security*, July 2002, p. 2.

[5] Department of Homeland Security, *Securing our homeland: U.S. Department of Homeland Security strategic plan*, 2002, p. 4.

[6] Office of Management and Budget, Budget of the U.S. Government, FY2007 and Department of Homeland Security, Budget-in-Brief, FY2007.

NEGLECTING MORE COMMON DISASTERS AND INCIDENTS

Neither the mission statements of homeland security nor the DHS mention natural or accidental disasters. The administration made the exclusion clear in the most recent budget proposal (for fiscal year 2007):

> 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.[7]

Legislation, presidential directives, and appropriations related to homeland security have placed a special emphasis on preparedness for terrorism. For example, Homeland Security Presidential Directive 8 indicated an all-hazards approach to national preparedness, but with a special emphasis on terrorism. It specifically stated that funding to local governments for first responders should emphasize terrorism.[8]

Department of Homeland Security funding to state and local government has followed the same course. Of the first responder grants and assistance, the only two all-hazards programs, the Assistance to Firefighters Program and the Emergency Management Performance Grants, make up less than one-fourth of funding. The remainder of funding is directed toward terrorism preparedness. Even after the consequences of Hurricane Katrina, the trend continues. Under the administration's proposal for fiscal year 2007, the total federal assistance to state and local government for homeland security would be cut by 17% in nominal terms. Both of the all-hazard programs would be cut, with the Assistance to Firefighters Program cut by more than half.

Yet state and local government need a different emphasis. Interviewed for a Government Accountability Office report, first responders commented on federal support. First, they did not believe that the DHS training programs, exercise activities, and grant funds which claimed to be actually all-hazards were all-hazards. They found that all-hazards training over-emphasized terrorism preparedness to the detriment of the training. Secondly, they disagreed with the overall emphasis on terrorism. Natural and accidental disasters were much more likely to happen in their jurisdictions, and training that supported dealing with non-terrorist disasters was potentially more beneficial, more practical. State officials and first responders interviewed also stated a need for more dual-use equipment for several reasons: to prevent the equipment from just rotting away on the shelf; to maintain proficiency in its use by actually using it for everyday responses; and to build stronger all-hazards capabilities.[9]

There seems little justification for federal support to emphasize terrorism preparedness at the expense of more comprehensive all-hazards preparedness. The DHS has identified 36 first responder capabilities specific to terrorism. Of the 36, a full 30 are all-hazards.[10] While intelligence and law enforcement may prevent a terrorist attack, and infrastructure, environmental planning and weather systems may mitigate the impact of natural and accidental disasters, the human and financial costs of the latter can be just as devastating as the former. Moreover, natural disasters like terrorist attacks do not confine their impact to one town, county or state. In many cases, they can be a national event even if the most serious impact is local.

National Planning Scenarios, which are "all hazards planning scenarios for use in national, federal, state

[7] Office of Management and Budget, Budget of the U.S. Government, FY2007, Analytical Perspectives, pp. 28-29.

[8] Homeland Security Presidential Directive 8, December 17, 2003.

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

[10] The six not in common are: chemical, biological, radiological, nuclear and explosive detection; terrorism investigation and intervention; information collection and threat recognition; information sharing and collaboration; intelligence fusion and analysis; and, critical infrastructure protection against terrorist attack. Though it may also be said the some of the six have commonalities with criminal investigation and information sharing.

and local homeland security preparedness exercises[11]" created by the DHS, overwhelmingly focus on terrorism. Of the 15 national planning scenarios, 12 of them are terrorist attacks and only 3 are natural disasters:

1. **Nuclear Detonation** 10-Kiloton Improvised Nuclear Device
2. **Biological Attack** Aerosol Anthrax
3. **Biological Disease Outbreak** Pandemic Influenza
4. **Biological Attack** – Plague
5. **Chemical Attack** Blister Agent
6. **Chemical Attack** Toxic Industrial Chemicals
7. **Chemical Attack** Nerve Agent
8. **Chemical Attack** Chlorine Tank Explosion
9. **Natural Disaster** Major Earthquake
10. **Natural Disaster** Major Hurricane
11. **Radiological Attack** Radiological Dispersal Device
12. **Explosive Attack** Bombing Using Improvised Explosive Device
13. **Biological Attack** Food Contamination
14. **Biological Attack** Foreign Animal Disease (Foot and Mouth diseases)
15. **Cyber Attack**

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.[12]

The major exercise for disaster training, referred to as "TOPOFF" for Top Officials Exercise, only involves terrorist-related incidents. TOPOFF is a congressionally mandated biennial cycle of seminars, exercises and planning events to prepare for and respond to a terrorist incident. The most recent TOPOFF exercise employed scenarios 4, 5 and 12, involving a biological attack of the pneumonic plague in New Jersey, and mustard gas and a high-level explosive device in Connecticut.

The resources are much more limited for exercises concerning natural disasters. For example, in 2004, the Federal Emergency Management Agency conducted a 5-day, tabletop exercise where a major hurricane hit Louisiana, "Hurricane Pam." A second Hurricane Pam was planned for summer of 2005 (one would hope that would have achieved better results than the first exercise), but did not take place due to a lack of funding.

After the devastating consequences of Hurricane Katrina, the House of Representatives acknowledged the importance of all-hazards preparedness in its appropriations bill for the Department of Homeland Security:

> The Committee believes that the Office of the Under Secretary for Preparedness must continue to encourage an all-hazards approach to preparedness in grants, assistance, and funding requests and allocations. The House Bipartisan Committee on Hurricane Katrina concluded that, while a majority of State and local preparedness grants are required to have a terrorism purpose, this does not preclude a dual use application... The Committee

By better integrating all-hazards planning and ensuring comprehensive state and local planning, the federal government will be in a much better position to coordinate any type of response. First responders will be better trained and equipped to deal with emergencies. The financial and human costs of natural and accidental disasters will be mitigated

[11] Office of the Inspector General, Department of Homeland Security, *A Review of the Top Officials 3 Exercise*, p. 6.

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

[13] House Report 109-476, Department of Homeland Security Appropriations Bill, 2007.

> expects that the fiscal year 2007 grant guidance will further support all-hazards activities. The Committee encourages the Under Secretary for Preparedness to give natural disasters appropriate weight in its risk based funding methodology.[13]

In the appropriations bill for homeland security, the House did not adopt the cuts to all-hazards programs proposed by the administration. Yet, these two programs would constitute only 22% of federal funding to state and local governments for first responder and related money. It is not enough for Congress to say that the Preparedness Directorate should "continue to encourage" all-hazards. Natural and accidental disasters must be recognized for what they are: all too common costly events that negatively impact our country and its economy. The nation will be more secure and mitigate the costs of disaster if more than rhetoric is applied to the all-hazards approach to preparedness.

MOVING FORWARD FOR BETTER SECURITY

Adopting an all-hazards approach involves redefining the mission of homeland security to include the preparation for and response to not only terrorist attacks, but also natural and accidental disasters. By better integrating all-hazards planning and ensuring comprehensive state and local planning, the federal government will be in a much better position to coordinate any type of response. First responders will be better trained and equipped to deal with emergencies. The financial and human costs of natural and accidental disasters will be mitigated. Possible steps include:

- Redefining the mission of homeland security to explicitly include the preparation for, mitigation of, and recovery from natural and accidental disasters;
- Broadening all first responders programs to explicitly allow funding for all-hazards preparation without a necessary terrorism focus;
- Including in the mission of the Preparedness Directorate preparation for natural and accidental disasters, and base risk assessments that guide funding decisions on all types of disasters;
- Conducting more planning exercises for natural and accidental disasters so that expenditures for natural and accidental disasters are closer to the resources spent on the TOPOFF exercise, and imposing greater accountability for implementing the lessons learned from the exercises;[14]
- More specifically integrating the timing and role of proactive federal support during an emergency in the National Response Plan.

HIGHLIGHTS/KEY POINTS

- Rather than focusing solely on terrorism, the federal government should adopt an "all-hazards" comprehensive approach to homeland security.
- Natural and accidental disasters are much more common than terrorist attacks; federal grants to state and local governments should reflect this reality.
- The Department of Homeland Security has identified 36 first-responder capabilities specific to terrorism. Of the 36, a full 30 are all-hazards.
- In its funding, the federal government should explicitly allow funding for all-hazards preparation without a necessary terrorism focus.
- The federal government should integrate the timing and role of proactive federal support during an emergency in the National Response Plan.
- Aggressive congressional and public oversight is necessary to assure the DHS is a well-managed, efficient federal agency – avoiding the problems of waste, mismanagement, pork-barrel spending and politics so prevalent in the Department of Defense.

[14] The House Appropriations bill for the Department of Homeland Security directs the department to report to Congress in January 2007 on its method for tracking results of exercises.

AMERICA'S POST 9/11 MILITARY:
Can Congress reform our shrinking, aging, less ready, more expensive forces?

Winslow T. Wheeler
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US defense spending will exceed $570 billion in 2006, more than any year since 1946. This exceeds the rest of the world's military spending – combined. The largest adversary anyone can point to – China - spends a little more than a tenth of what we do. North Korea and Iran each spend roughly one percent.[1]

Yet, US armed forces are smaller today than at anytime since 1945 in terms of Army divisions, naval combatants, and Air Force wings. This shrunken force is equipped with major hardware items that are, on average, aging, and we have been sending US forces into combat in Iraq and Afghanistan incompletely trained and equipped.[2]

Technologists who heavily populate both the Pentagon and Washington DC's defense pundit-ocracy profess that fewer US forces are actually a plus, because the newest equipment is so effective offering more capability. There is much analysis to back up this assertion, little of it based on objective, valid, and reliable data.

In sum, America's defense budget is out of proportion to any conceivable threat, and yet America's forces are in real trouble.

How did it get this way?

The Pentagon's management is incompetent, and Congress, which is ultimately responsible, doesn't care.

Some examples illustrate.

IS SMALLER BETTER?

The Air Force's F-22 fighter provides a classic example of what has been happening to our armed forces. The program started in 1983; it quickly gained weight and cost, thus diminishing its performance as a fighter and decreasing the number we can afford. As the price grew from less than $130 million per copy to more than $360 million, the proposed inventory shrank from 750 to 181. A recent evaluation by one of the designers of the highly successful F-16 illustrates that the F-22's design ignores the realities of air combat and is an aerodynamic mediocrity, at best. Recent information from Air Force personnel indicates that, on average, an F-22 pilot gets 12 to 14 hours of training in the air per month, about half of what many experts believe would be adequate. Nonetheless, the "modernization" plan of adding F-22s as we retire F-15s proceeds with broad support. The F-15 inventory, initially more than 700 aircraft, is now aging faster than the F-22 will ever "replace" it. The program literally shrinks the fighter inventory, ages the force, and starves training. It does so at increasing cost.

Is this and isolated example? Ask the Navy what has been happening to its overweight and over-cost DD/X destroyer. Ask the Army what is occurring with its galaxy of sensors and under-armored vehicles, dubbed optimistically the "Future Combat System."

The ultimate effect is on the battlefield, where some might think

[1] Data for China, North Korea, and Iran is from the CIA's *World fact Book* at https://www.cia.gov/cia/publications/factbook/index.html.

[2] For example, see *House Memo: Army Unit Readiness for Iraq, Afghanistan Is Lagging*, Inside the pentagon, July 6, 2006 at http://defense.iwpnewsstand.com/insider.asp?issue=762006sp

things have worked rather well. Unfortunately, the lopsided victories of US armed forces against Iraq in 1991 and 2003 were against an opponent that, with only minor exceptions, behaved in combat like a tethered goat led by a military jackass.[3] Researchers at the US Army's War College in Carlisle, PA came to the conclusion that the enemy's incompetence in Operation Iraqi Freedom in 2003 was the critical element in the American victory that year.[4]

Subsequently, remnants of these same incompetent Iraqi forces, together with an almost incoherent combination of insurgents from disparate religious sects, lands, and motivations have all combined – with and against each other – to confront the United States armed forces with a situation that they have clearly failed to master.

And there you have it: a shrinking, aging, failing force at increased cost.

INCOMPETENT PENTAGON

The Pentagon may be the worst managed agency in the federal government.

Every three months, the Office of Management and Budget (OMB) rates federal agencies on five measures of governance. The "Executive Branch Management Scorecard" for March 2006 ranks the Department of Defense (DOD) "unsatisfactory," the worst rating, in three of five categories; in the other two, the best DOD could do was "mixed results." Of the 25 agencies rated, only Veterans Affairs did worse. In a similar vein, the Government Accountability Office's (GAO) "High Risk" series of reports has identified more areas of managerial concern in the Pentagon than in any other cabinet-level department, including the VA.

The temptation is to blame Defense Secretary Donald Rumsfeld. While he will go down in history as a prime architect of the unfolding disaster in Iraq, he did not create our high cost, shrinking military forces or the Pentagon's incompetent management. As decades of reports from GAO, CBO, and the DOD Inspector General make abundantly clear, he inherited the problems from his predecessors, several of them Democrats.

WHO OR WHAT IS TO BLAME?

The American Constitution is clear: The primary institution responsible for the nation's security is the Congress.

The Constitution charges Congress, not secretaries of defense or presidents, to "raise and support armies," "provide and maintain a navy," and "make rules for the government and regulation of the land and naval forces." Congress' most powerful weapon to ensure effective armed forces is the power to investigate, also known as "oversight." Unfortunately, Congress has been sleeping deeply on the job.

One example from February 2003, illustrates the problem. At the time, it was obvious that America was about to go to war in Iraq; Secretary of Defense Rumsfeld and his Chairman of the Joint Chiefs of Staff, General Richard Myers, were testifying before the Senate Armed Services Committee. The first question the Chairman, John Warner, R. VA, asked of General Myers was whether US armed forces were ready to fight in Iraq. Myers responded, "Absolutely."

This fifteen-second exchange was not the precursor to a lively dialogue. It was the totality of the hearing's probe into the life and death question of military readiness during the pre-war build up. Had Senator Warner or the horde of committee staffers sitting behind him in the hearing room bothered to scratch the surface, they would have found real problems. Shortly after the hearing, Army Chief of Staff General Eric Shinseki sent a letter to Congress complaining that the US Army was anything but "absolutely" ready. The Army budget, he said, was already $3.2 billion short for base operations, ammunition, and training. Since then, at soldiers' expense we have learned of other shortages: armored Humvees, body armor, shotguns, radios, desert boots, backpacks and "camelbacks," sunglasses, machine gun repair parts, and lip balm are only a few of the necessary

[3] The term "tethered goat" was coined by the commander of allied air forces in Operation Desert Storm. USAF General Charles Horner was referring to the ease with which the allied air component overcame Iraq's air defenses and was able to find targets on the billiard table like terrain of the theater. Long time military analyst of the middle east Anthony Cordesman at the Center for Strategic International Studies termed Saddam Hussein a "military jackass" for the quality of his control of Iraqi military operations in Operation Iraqi Freedom in 2003.

[4] *US Technology, Inept Enemy Led to Iraq Victory, Army Says*, by Tom Bowman, Baltimore Sun, October 13, 2003.

equipment the troops said they needed more of, or more of something better. They were all items a vigilant Armed Services Committee and its staff would have checked for.

Instead, several senators at the hearing (including Hillary Clinton, D. NY, Mark Pryor, D. AR, and Warner himself) directed their comments to home state pork. Subsequently, scores of American soldiers have, perhaps avoidably, died or been seriously wounded.

IS THERE A WAY OUT?

There are no magic solutions. We clearly need reforms in budget policy, financial management, weapons design, military personnel policy, and military doctrine – just for starters. However, effective reforms will not emerge spontaneously from the swampy air of Washington DC. We should be asking: what will help create an atmosphere where reform, and reformers, might prosper?

It is certainty that the quality of Congressional oversight must be improved. Were Congress to routinely obtain accurate information on defense programs and policies and an understanding of their implications, and were the Pentagon to expect that Congress would regularly ferret out that information and analysis, behaviors in both institutions would likely change. But, getting – and acting on – the information is key; as they say in Washington, "Information is power."

Today, members of Congress do not know how to get information or even what it is. They subsist on biased, unreliable, and incomplete "factoids." To members and their staff on Capitol Hill these days, the ultimate validation of defense data, of understanding a defense issue, is to find out what DOD says. Some who think they are getting the real skinny ask military officers and DOD officials privately – some of these might even be critics of the official position.

The first step to reform will require wholesale change in the primary mechanism members of Congress use to learn about defense issues: their staff. There is no such thing as a Republican F-16 or a Democratic aircraft carrier. Then, why do the Armed Services Committees and the Defense Appropriations Subcommittees hire separate Democratic and Republican staffs? The effect is to interject partisanship into national security issues, especially at the base information level.

Knowing the officially approved spin, or the spin of critics does provide data points on any given issue, but not a complete picture. Two opposing sides of biased information can give two different flavors of baloney, not true balance. Sorting out which side is right, if either, and getting to the bottom of the issues is a mystery to the modern Congress.

The first step to reform will require wholesale change in the primary mechanism members of Congress use to learn about defense issues: their staff. There is no such thing as a Republican F-16 or a Democratic aircraft carrier. Why then do the Armed Services Committees and the Defense Appropriations Subcommittees hire separate Democratic and Republican staffs? The effect is to interject partisanship into national security issues, especially at the base information level.

The handiwork of this system is currently available in the form of committee reports on legislation. As analysis of the issues, these are pitiful documents. A truly professional staff would feel itself insulted by such a public work product.

A competent professional staff system for national security issues would have the following characteristics.

- The staffers would have demonstrated competence not just in the subject area assigned to them, but also formal training or experience in assessment techniques, such as auditing, program evaluation, or investigation. Today, members of

Congress frequently hire ex-service pilots as aviation advisers. Such individuals may have the considerable brains and skill to fly modern aircraft, but they have no knowledge or experience in how to buy or evaluate them.[5]

- The professional staff should work for members on both sides of the aisle. They should be hired and fired only by a joint decision of both the senior Democrat and Republican on a committee. They should also be afforded aggressive "whistleblower" protection (which they are now specifically denied.)
- The staff's memoranda on all oversight issues should be public documents, when they are not of necessity classified. In all cases, their memoranda should be distributed to all members of Congress - not just those on the committee where they work. As a result, more members would be better informed. More importantly, the broader exposure and dissemination of information within the Congress and to the public, will likely make a committee staff member think longer, harder, and better before he or she communicates with a member of Congress.
- All national security staffers on Capitol Hill should be prohibited from accepting any job with any defense manufacturer and especially the Department of Defense for at least five years after they leave Capitol Hill. Period. No exceptions. Human nature is too frail to permit Boeing, Lockheed, or any defense manufacturer to dangle the prospect of future employment before, during, or after a staffer provides his or her analysis of proposed multibillion dollar defense contracts. The prospect of employment with DOD is just as problematic. Presidents and their Pentagons are every bit as anxious as the commercial manufacturers to influence data and advice in Congress.

The whole point is to put before members of Congress accurate, objective information whether they want it or not, and to do so publicly, or – in the case of classified analysis - with the concurrent knowledge of many others. Not only will the public and/or political opponents be looking over the shoulder of the substantive advisers to Congress on national security matters, both the advisers and the members will know that. After 31 years of working for various members on Capitol Hill and for the GAO, I know of no better way to "appeal to their patriotism."

Problems will, of course, remain. One solution is to convince members to conduct inquiries that explore an issue rather than ones that lead to a pre-determined result. Another is to hold more than one hearing on major subjects. The single hearing the Defense Appropriations Subcommittee holds each year to "consider" the entire budget for the Navy and Marine Corps is clearly inadequate. Finally, something is needed to interest members in subjects other than pork for their states.

With professionally written staff memoranda distributed to all members and the press, committee chairmen would be under some pressure to probe the issues more thoroughly. More importantly, with a competent staff and public distribution of their memoranda, there will be less of a requirement to conduct oversight only via committee hearings. The memoranda will comprise a form of oversight in themselves.

CONCLUSION

From time to time, political perturbations force Congress to attempt self-reform. The result often comes in the form of newly proposed rules, or sometimes reorganizations. However, even if adopted by a majority, (itself far from assured), these "reforms" usually have as much effect as changing the linen, or the room assignments, in a bordello.

Instead, ideas that revise how and what members think is needed. Different behavior will follow.

Better governance in Congress could also have a constructive impact on the decision making process in the Pentagon. When headstrong bureaucrats and politically appointed managers in the Pentagon know they are under adult supervision, we can have reason to think our constitutional system will work much better.

[5] Many of them are also very biased in favor of the military services they stem from and find it difficult to believe their parent service could choose poorly. In this regard, it is notable that the most successful aircraft in the Air Force and Navy inventories today (the F-15, F-16, F18, and A-10) were initially selected over the strenuous opposition of those same services and many in the pilot communities among them.

HIGHLIGHTS/KEY POINTS

- US defense spending will exceed $570 billion in 2006, more than any year since 1946. However, US armed forces are smaller today than at any time since 1945.
- Our soldiers are sent into combat inadequately trained, supplied and equipped.
- Scores of American soldiers have died or been seriously wounded as a result of inadequate Congressional oversight.
- Members of Congress rely much too heavily on data from the DoD rather than from independent sources.
- Congress must take its oversight responsibility more seriously, and do so in a public way. Staff memos, except when necessarily classified, should be publicly available; national security committees must conduct many more hearings and inquiries – ones that truly explore an issue versus leading to a pre-determined result
- Staff for Congressional committees should be hired and fired by bipartisan decision, be better trained and qualified, enjoy whistle-blower protection, and be barred from working for defense contractors or at the Pentagon for five years after they leave the Hill.

FUNDING FOR DEFENSE, MILITARY OPERATIONS, HOMELAND SECURITY, AND RELATED ACTIVITIES SINCE 9/11

Steven Kosiak
Director of Budget Studies, Center for Strategic & Budgetary Assessments

Since the terrorist attacks of September 11, 2001, federal funding for defense, military operations (primarily in Afghanistan and Iraq), homeland security, and related activities has increased by a total of some $843 billion. This figure represents the level of funding appropriated for these programs and activities over the fiscal year (FY) 2001-06 period that is above what would have been provided in these areas, over these years, had funding simply been increased at the rate of inflation.[1] In real (inflation-adjusted) terms,[2] funding for these programs and activities is about 50 percent higher in FY 2006 than it was just prior to the attacks of 9/11.[3]

The Bush Administration's FY 2007 request for national defense—exclusive of war-related costs—and homeland security, is some $161 billion above the level that would have been provided had funding for those activities grown only at the rate of inflation over the past seven years. In addition, another $75-100 billion, or possibly more, will likely have to be provided to cover the cost of military operations next year.[4] Thus, through the end of FY 2007, funding for defense, military operations, homeland security, and related activities is likely to be some $1.1 trillion above the pre-9/11 baseline.

Although the terrorist attacks of 9/11 may have been the major catalyst for this funding growth, only about one-third of the $843 billion in additional funding provided since 9/11 (and less than one-fifth of the funding added to the Department of Defense's budget) has been used to cover the cost of programs and activities clearly and closely related to

[1] This estimate was derived using a variety of sources including: Amy Belasco, *Defense Funding For Iraq, Afghanistan, and Enhanced Security: Issues and Implications*, Congressional Research Service (CRS), June 14, 2006; Office of Management and Budget (OMB), Budget of the United States, Fiscal Year 2007, Analytical Perspectives (Washington, DC: US Government Printing Office, 2006), pp. 19-34; Mathew Schmidt and Sam Papenfuss, *Estimated Costs of US Operations in Iraq Under to Specified Scenarios*, Congressional Budget Office (CBO), July 13, 2006; OMB, *Request for FY 2006 Supplemental Appropriations for Military Operations in Support of Iraqi Freedom, Operation Enduring Freedom, and Selected Other International Activities*, February 16, 2006; Paul M. Irwin and Larry Nowels, *FY 2006 Supplemental Appropriations: Iraq and Other International Activities*, June 15, 2006; and Mike Waters, *Federal Funding for Homeland Security: An Update*, CBO, July 20, 2005.

[2] This analysis uses the gross domestic product (GDP) deflator to measure real change.

[3] This change in funding is based on a comparison of the enacted FY 2006 funding levels for defense, homeland security and related activities (including both regular annual appropriations and supplemental appropriations acts), with the pre-9/11 enacted levels for these programs in the FY 2001 budget.

[4] Congress is expected to include $50 billion in the FY 2007 defense appropriations act to cover the initial costs of military operations next year. The amount of additional funding that will be needed to cover the full cost of those operations is uncertain. However, based on CBO estimates (see CBO, *An Alternative Budget Path Assuming A Reduction in Spending for Military Operations in Iraq and Afghanistan and in Support of the Global War on Terrorism*, February 24, 2006, p. 3) and FY 2006 costs, a reasonable estimate is that another $25-50 billion will be required. This would bring total war-related costs in FY 2007 to $75-100 bil

TABLE 1: ADDITIONAL FUNDING SINCE 9/11, BY MAJOR MISSION OR ACTIVITY (IN BILLIONS OF DOLLARS)

I) Response to and Recovery from 9/11 Terrorist Attacks	
Afghanistan Military Operations (DoD) Foreign Aid and Diplomatic Operations in Iraq	 78 8
Subtotal	85
DoD Homeland Security, Recovery and Related Non-DoD Homeland Security Victim Relief and Recovery from 9/11 attacks	42 106 19
Total:	**252**
II) War In Iraq	
Military Operations (DoD) Foreign Aid and Diplomatic Operations in Iraq	282 28
Total:	**310**
III) Other Foreign Aid and Diplomatic Operations:	**7**
IV) Other Defense Programs and Activities (Unrelated to Afghanistan, HLS or Iraq):	**274**
Grand Total:	**843**
DoD Non-DoD	675 167

Source: CSBA estimates based on DoD, OMB, CRS and CBO data.

recovering from and responding to those attacks, or protecting the US homeland from future terrorist attacks. The $843 billion total includes some $675 billion in defense and $167 billion in non-defense funding. About $470 billion of this funding was provided through emergency supplemental appropriations, "bridge funds" attached to regular annual appropriations acts and other special measures. The remaining $373 billion was provided through regular annual appropriations acts.

Table 1 provides an estimate of how the additional funding appropriated since the terrorist attacks of 9/11 has been allocated among various missions and activities. This breakdown was derived by the Center for Strategic and Budgetary Assessments (CSBA) based on the best available data. However, since the administration has provided partial or limited data in some cases, it should be viewed as only a rough approximation of how the $843 billion in funding has been allocated.

RESPONSE TO AND RECOVERY FROM THE TERRORIST ATTACKS OF 9/11

About $252 billion (30 percent) of the $843 billion in additional funding appears to be relatively closely and directly related to responding to and recovering from the terrorist attacks of 9/11, or to improving US security against future terrorist attacks. This total is broken down as follows:

DOD – ($120 BILLION).

Of this total, about $78 billion has been used to cover costs associated with military operations in Afghanistan (Operation Enduring Freedom).[5] The remaining $42 billion provided to date has been allocated to DoD homeland security efforts in the United States. This includes funding to cover the costs of Operation

[5] This is $3 billion less than estimated by CRS (Belasco, p. 10). This lower number reflects CSBA's decision to exclude FY 2005 and FY 2006 funding for the Army's modularity program from its estimates of the cost of military operations in Iraq and Afghanistan (with the $11 billion provided for this program reducing estimated costs for these two military operations by, respectively, $3 billion and $8 billion).

Noble Eagle (which, among other things, has involved flying combat air patrols over some US cities), as well as additional funding (above the pre-9/11 baseline) provided for DoD homeland security missions, including the protection of US military bases and countering chemical, biological, radiological and nuclear (CBRN) terrorism.[6]

FOREIGN AID AND DIPLOMATIC OPERATIONS IN AFGHANISTAN ($8 BILLION).

This is the amount of funding that has been provided for US diplomatic activities in Afghanistan, as well as for non-DoD reconstruction and related assistance to Afghanistan since 9/11.

NON-DEFENSE HOMELAND SECURITY AND RELATED ACTIVITIES ($106 BILLION).

This total includes some $85 billion provided through regular annual appropriations acts and about $21 billion provided through supplemental appropriations acts. The $85 billion included by CSBA in this category represents the amount of funding that has been provided for homeland security in regular annual appropriations acts that is above the amount non-DoD departments and agencies would have been provided had their funding for these activities been increased only at the rate of inflation. This funding is divided among more than two dozen different departments and agencies, with the largest amounts being provided to the Departments of Homeland Security, Health and Human Services, Justice, and Energy. The $21 billion provided through supplemental appropriations includes funding for: improving security at US airports and aboard US commercial aircraft; strengthening security at critical, non-DoD, facilities located around the world; developing defenses for civilians against biological and chemical weapons attacks; improving law enforcement capabilities; and a range of other homeland security related activities.

VICTIM RELIEF AND RECOVERY FROM 9/11 ATTACKS ($19 BILLION).

Some $12.5 billion of the funding in this category has been provided to cover the cost of removing debris from and rebuilding equipment and infrastructure damaged in the attacks of 9/11 in New York. Another $3.5 billion is for assistance to individuals, families and businesses that were affected by those attacks. The total also includes $2.4 billion in relief provided for the US airline industry. Funding in this category was provided through various supplemental appropriations measures enacted since 9/11.[7]

WAR IN IRAQ

Some $310 billion (37 percent) of the $843 billion in additional funding provided since 9/11 has been used to cover the cost of military operations in Iraq, and expenses related to US diplomatic efforts in that country, and Iraqi reconstruction and security assistance. Altogether, about $282 billion appears to have been provided to cover the incremental costs to DoD of carrying out the war in Iraq and the ongoing occupation of the country.[8] In addition, to date, $28 billion in non-DoD funding has been provided to assist Iraq with reconstruction and related efforts. While administration officials have argued that the war in Iraq and ongoing operations in that country are closely tied to fighting the "Global War on Terrorism," others have argued that—whatever the merits of the invading Iraq—US efforts in that country have relatively little to do with combating terrorism.[9]

OTHER FOREIGN AID AND DIPLOMATIC OPERATIONS

The $7 billion in this category includes US foreign assistance to states in the Middle East (including Turkey, Egypt, Israel, Jordan, and Pakistan) that have provided some level of support for US military

[6] For a discussion of DoD and other homeland security programs and activities, see Steven M. Kosiak, *Overview of the Administration's FY 2007 Request for Homeland Security*, CSBA, June 26, 2006.

[7] Funding for repairing damage caused to the Pentagon after the attack on 9/11 is included in the ($120 billion) DoD category described earlier in this section.

[8] This is $8 billion less than estimated by CRS (Belasco, p. 10). This lower number reflects CSBA's decision to exclude FY 2005 and FY 2006 funding for the Army's modularity program from its estimates of the cost of military operations in Iraq and Afghanistan (with the $11 billion provided for this program reducing estimated costs for these two military operations by, respectively, $3 billion and $8 billion).

[9] See, for example, Jeffrey Record, *Bounding the Global War on Terrorism, Strategic Studies Institute, Army War College*, December 2003, p. 18.

operations in Afghanistan or Iraq. Arguably, this funding should be allocated to one or more of the previous categories. However, it is difficult to discern how much of the aid provided to various states is related, respectively, to support for military operations in Iraq, and military operations in Afghanistan and elsewhere related to the global war on terrorism. This category also includes some funding for State Department and other diplomatic activities—outside of Afghanistan and Iraq—that, according to administration documents, are related to the global war on terrorism.

DEFENSE PROGRAMS AND ACTIVITIES UNRELATED TO HOMELAND SECURITY, IRAQ AND AFGHANISTAN

Of the $843 billion added since 9/11, about $274 billion (33 percent) has been used to support increases in DoD's regular annual budget—that is, the budget used to pay for DoD's general modernization programs, and operations and support activities. In other words, this funding has been used to cover weapons acquisition costs, and costs associated with manning and operating the US military, that would be incurred even were the United States not engaged in ongoing operations in Iraq, the global war on terrorism, or expanded homeland security efforts.

Some of these programs and activities may help improve the US military's ability to conduct future military operations against terrorists located overseas. But the primary focus of these efforts is to maintain and improve the ability of the US military to conduct conventional wars against regional military powers, rather than to conduct counterterrorism missions or defend the homeland against terrorist attacks. Most of the funding included in this category consists of funding provided in DoD's regular annual appropriations acts that is above the amount DoD would have received had its budget been increased only at the rate of inflation since 9/11. But it also includes a small amount of funding provided in supplemental appropriations for programs (e.g., Army modularity) that appear to be largely unrelated to supporting either the ongoing military operations in Iraq and Afghanistan, or homeland security.[10]

SUMMARY AND RECOMMENDATIONS

Altogether, federal funding for defense, military operations, homeland security, and related activities has increased by a total of some $843 billion since the terrorist attacks of September 11, 2001. About one-third of this funding has been used to cover costs relatively closely and directly related to the attacks of 9/11.

DoD has accounted for $675 billion of the $843 billion in additional funding. About $120 billion (less than one-fifth) of this DoD funding has been used to cover costs clearly tied to the attacks of 9/11—specifically, the cost of conducting military operations against al-Qaida and the Taliban in Afghanistan, and various programs and activities related to homeland security. However, more than four-fifths of the additional funding provided to DoD since 9/11 has been used to cover costs that appear to be, at best, only indirectly related to the attacks of 9/11, combating terrorism or homeland security. This includes roughly $282 billion for military operations in Iraq and $274 billion for other DoD programs and activities.

Non-defense programs and activities have accounted for about $167 billion of the funding added since the terrorist attacks of 9/11. In contrast to the case with DoD funding, most of the non-DoD funding added since 9/11 appears to have been allocated to programs and activities relatively closely tied to the terrorist attacks of 2001. This includes about $107 billion used to improve US efforts to combat terrorism, especially homeland

[10] The Army's decision to restructure its forces through its modularity program appears to rest in part on lessons learned as a result of recent experience in Afghanistan and Iraq. However, this initiative would apparently be carried out by the Army even if US forces were no longer engaged in operations in those countries—since the Army leadership believes these changes are needed, in any case, to improve the capability of the US Army to fight effectively in future military operations.

The administration should provide a clearer breakdown of how funding is being allocated among various military missions (e.g., the war in Iraq, the war in Afghanistan and homeland security). The administration has used the GWOT label to encompass funding used to support a wide variety of very different activities and missions

security measures, and another $19 billion allocated to 9/11 victim relief and recovery efforts.

Whatever one thinks of the dramatic increase in national security-related funding that has occurred since the terrorist attacks of 2001—in terms of the substantive policies and programs this increase has supported—a number of changes should be implemented that could improve both the efficiency and effectiveness of such spending in the future. Three changes, in particular, should be made.

- First, the administration should budget for ongoing military operations in advance, as it does for other areas of the budget. This means that the administration should include, as part of its annual budget request submitted to Congress each February, a request for funding sufficient to cover what it expects to be the full costs of those operations in the coming year. It should also include detailed budget justification materials for this part of the budget. We are long past the point where special supplemental appropriations, which are intended to cover the cost of unanticipated emergencies, should be used as the primary means of funding these operations. Congress began budgeting in advance for ongoing military operations with the FY 2005 defense budget, but the administration has been slow to accept the idea. When it submitted its FY 2007 budget request in February 2006, it indicated that it would eventually amend its request to include $50 billion in advance funding for military operations in FY 2007. However, as late as August of 2006 (near the end of the legislative process) the administration had still not publicly released the justification materials for the $50 billion. The failure of the administration to request funding for ongoing military operations in advance, and to provide timely justification materials, substantially degrades the ability of Congress and the public to conduct effective oversight of this spending.
- Second, the administration should provide a clearer breakdown of how funding is being allocated among various military missions (e.g., the war in Iraq, the war in Afghanistan and homeland security). The administration has used the GWOT label to encompass funding used to support a wide variety of very different activities and missions. As noted earlier in this analysis, it is debatable whether, in particular, the war in Iraq—whatever its merits—properly fits within this nomenclature. However, even assuming that combating terrorism is the primary focus of all of the activities and programs funded through the various GWOT supplementals and related measures enacted over the past few years, the missions supported by these activities and programs differ substantially from each other in their specifics. As such, decision-making concerning the future allocation of resources, and the relative cost-effectiveness of spending in these different areas, would be enhanced by greater

visibility concerning how (e.g., on what specific missions) the money is currently being spent.

- Third, the administration and DoD need to provide a clearer picture of how funding is being divided between military operations and meeting DoD's peacetime force structure, modernization and readiness requirements. In recent years, GWOT supplemental appropriations and bridge funds have been used to cover the cost of some programs, such as the Army's modularity effort, that are at best only indirectly related to ongoing military operations. On the other hand, there may be some other costs related to these operations that are being funded through DoD's regular annual appropriations act. This blurring of the line between war-related and peacetime costs is troublesome, among other things, because it calls into question the reliability of DoD's long-term planning document, the Future Years Defense Program (FYDP). This is because the budget baseline the FYDP is operating from may not fully capture all of DoD's peacetime costs (if some of those are being covered with supplemental funds).

HIGHLIGHTS/KEY POINTS

- The administration has used the "Global War on Terrorism" label to fund a wide variety of activities and missions not directly related to the anti-terrorism mission.
- Since the terrorist attacks of September 11, 2001, federal funding for defense, military operations (primarily in Afghanistan and Iraq), homeland security, and related activities has increased by a total of some $843 billion.
- The administration should budget for ongoing military operations in advance, as it does for other areas of the budget. This will allow Congress and the public to conduct more effective oversight.
- The administration and DoD need to provide a clearer picture of how funding is being divided between military operations and meeting DoD's peacetime force structure, modernization and readiness requirements.

NATIONAL SECURITY BUDGETS TO MAKE AMERICA SAFER

Cindy Williams
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Since September 2001, federal budgets for national security have climbed more than 50 percent in real terms. Unfortunately, much of the added money reflects "business as usual" rather than programs aimed at making the nation safer from today's threats.

Compared with past decades, national security spending makes up a relatively small share of the U.S. economy. Nevertheless, with the federal debt growing rapidly and as large numbers of baby boomers approach retirement age, many observers expect future federal budgets to be tight. Thus it is critically important to ensure that national security funds go to projects that make the nation more secure.

When it comes to making the nation secure, policy makers have a choice of tools at their disposal, including nonmilitary international measures and homeland security as well as the military. Compared with the military, investments in the nonmilitary tools of national security can be a financial bargain. For example, as Matthew Bunn of Harvard's Managing the Atom Project discusses, the Nunn-Lugar cooperative threat reduction program has already greatly improved global security prospects by locking up or destroying vast quantities of nuclear material in the former Soviet Union and elsewhere. At a cost of about one billion dollars a year, the program is a real bargain compared with our $10 billion annual investment in missile defenses that have failed many of their tests. Because the nonmilitary programs are a relative bargain, and because they solve problems and open opportunities for which military tools are poorly suited, it is crucial that policy makers become more explicit about tradeoffs across the range of national security tools, and that we begin to shift some resources away from military tools and toward the nonmilitary ones.

This article examines broad changes in national security budgets since September 2001. It first reviews the three categories of federal spending for national security. It then examines how budgets in those categories have changed since September 2001. It ends with a look at alternatives that seem more relevant in an era of international mass-casualty terrorism.

THREE WAYS TO IMPROVE SECURITY

Three categories of federal spending are closely related to national security. The first is national defense—the offensive element. National defense includes funds for the Department of Defense (DoD), nuclear activities of the Department of Energy (DoE), and smaller military-related programs in other agencies. The national defense budget pays to raise, equip, train, and maintain the armed forces, conduct military operations, and deter attacks on the United States and its allies. It also pays about 80 percent of the nation's intelligence bills.

The second category is homeland security—the defensive element.[1]

[1] Federal spending for homeland security is divided among numerous agencies, with the Department of Homeland Security receiving about one-half of the total funding. Unlike national defense and international affairs, homeland security is not tracked as a function in federal budgets. From 1999 to 2003, spending for homeland security and combating terrorism were tracked by the White House Office of Management and Budget (OMB) in an annual Report to Congress on Combating Terrorism. More recently, OMB reports homeland security funds in the budget's Analytical Perspectives. State and local governments and business firms play a role in homeland security; thus federal costs understate the total cost to the nation.

This category includes law enforcement to track down terrorists and bring them to justice, border and aviation security, physical and cyber protection of critical facilities and systems, improvements to the public health infrastructure, and preparations to respond to and mitigate the consequences of attacks should they occur.

The third category is international affairs—the preventive element. International affairs includes the conduct of foreign affairs and diplomacy through the State Department, economic and military aid to foreign countries, contributions to international organizations like the United Nations, and foreign information and exchange programs.

The Bush administration's national security strategy calls for bringing to bear all the tools of statecraft and security, including elements of offense, defense, and prevention. Of course, no simple formula can tell U.S. leaders how spending should be divided among the three categories. National security policy serves multiple objectives: protecting U.S. sovereignty and territorial integrity and sustaining a suitable level of relative power in the world, as well as keeping people and infrastructure safe from the threat of direct attack. To those ends, the United States needs a strong military, regardless of the terrorist threat. It also devoted efforts to homeland security even before the tragedy of September 11, 2001. Moreover, even if terrorism were not a problem, international diplomacy and aid programs would be crucial to sustaining national security.[2]

TABLE 1. BUDGETS FOR NATIONAL SECURITY

	Budget Authority (Billions of Current Dollars)		
	2001[3]	**2006 Estimate**[4]	**2007 Request**[5]
Offense: National Defense			
Excluding Iraq and Afghanistan	318	444	463
Iraq	0	97	50
Afghanistan	0	19	—
Total National Defense	**318**	**559**	**513**
Defense: Homeland Security			
Total Homeland Security	17	57	58
Homeland Security Spending in DoD	4	17	17
Homeland Security Net of DoD	**13**	**40**	**42**
Prevention: International Affairs	**20**	**32**	**34**
Total	**351**	**631**	**589**

Sources: Author's calculations based on Office of Management and Budget, Congressional Budget Office, and Congressional Research Service documents. Note: Totals may not add due to rounding.

[2] Cindy Williams, *Beyond Preemption and Preventive War: Increasing U.S. Budget Emphasis on Conflict Prevention*, (Muscatine, Iowa: The Stanley Foundation, February 2006).

[3] 2001 figures exclude post-9/11 emergency supplemental appropriations.

[4] 2006 figures include the annual appropriation for fiscal year 2006 and the emergency supplemental appropriation signed by President Bush on June 15, 2006. The homeland security estimate for 2006 includes $1.2 billion in supplemental funds for border security activities outside DoD and $0.7 billion for border security activities involving the National Guard within DoD, but excludes $2.3 billion allocated by the supplemental appropriation for avian flu preparedness as well as money allocated in the supplemental for disaster relief, community and economic development, and other funding related to the 2005 hurricanes. The international affairs estimate for 2006 includes $3 billion for Iraq and $1 billion for Afghanistan in the emergency supplemental appropriation.

[5] The President's budget request for fiscal year 2007 includes a "bridge fund" of $50 billion for military operations in Iraq and Afghanistan. This table allocates the entire $50 billion bridge fund to Iraq. Absent a major drawdown of forces early in fiscal year 2007, operations in Iraq and Afghanistan are likely to require emergency supplemental funding on the order of $70 billion, in addition to the $50 billion bridge fund included here.

Achieving U.S. security objectives in the future will require continued substantial investment across all three categories. Nevertheless, U.S. resources for national security are not inexhaustible. Setting priorities and explicitly considering tradeoffs among the competing demands of offense, defense, and prevention are crucial for the nation to get the most out of its sizeable financial investment in security.

NATIONAL SECURITY SPENDING SINCE SEPTEMBER 2001

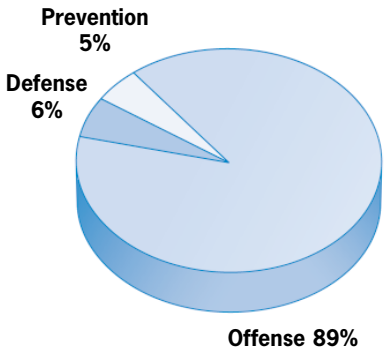
Between 2001 and 2006, annual budget authority for national security (including operations in Iraq and Afghanistan) rose by 80 percent in nominal terms and more than 50 percent after adjusting for inflation (see Table 1). The national defense budget grew by about 50 percent in real terms. Homeland security experienced the largest percentage rise, nearly tripling in real terms. Much of that increase occurred within DoD, however, in part due to recent accounting changes; homeland security spending outside DoD grew by a factor of 2.5. International affairs budgets grew by nearly 40 percent in real terms.

Across the three categories, national security budgets for fiscal year 2006 come to $631 billion, more in real terms than at any time in at least five decades. As in 2001, the lion's share goes to the offensive element (see Figure 1). In 2006, the federal government will spend about 14 times as much for offense as for defense, and about 17 times as much for offense as for prevention. One possible reason for such disparities is that defense and prevention are inherently less expensive than offense. If that is the case, then modest investments in those areas should yield greater payoff than marginal added investments in offense.

FIGURE 1.

US National Security Budget FY 2006

Includes Iraq and Afghanistan



MUCH OF THE RISE IN SPENDING IS UNRELATED TO FIGHTING TERRORISM

Unfortunately, much of the post-9/11 real increase in national security budgets goes not to make the United States safer from the threat of catastrophic terrorism, but to operations in Iraq and business as usual in the Department of Defense. Of the $280 billion nominal increase from 2001 to 2006, the largest single share—some $97 billion—goes for military operations in Iraq.[6] The Bush administration argues that the war in Iraq is a necessary element of the fight against terrorism. Yet the existence of weapons of mass destruction or of prewar links between Iraq and Al Qaeda have not been demonstrated, casting doubt on the importance of the war to countering terrorism.

More than $50 billion of the budget rise goes to increased investment in military equipment. Unfortunately, much of that money is not for the exploration of new technologies that might help to counter today's threats, but for technically troubled missile defense systems and for ships, aircraft, and ground vehicles better suited to conventional combat. Budgets for science and technology—the basic and applied research and advanced technology work that could lead to systems better suited to the new strategic environment—barely kept pace with inflation.

A large share of the post-9/11 rise in DoD's budget is for military pay and benefits, which climbed by about $40 billion, largely because of entitlement expansions granted in 1999 and 2000 for service members and military retirees. Unfortunately, much of the new spending for military

[6] Amy Belasco, *The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11*, Congressional Research Service Report RL33110, April 24, 2006, p. 10. The figure includes funding in the administration's 2006 supplemental request for activities paid for through DoD budgets to support Iraqi security forces, coalition partners, and reconstruction efforts in Iraq.

compensation will not make the nation safer. Pay raises for the men and women who are in uniform today may help the military compete as an employer in American labor markets as the Iraq war drains enthusiasm for service. But the billions of dollars in new entitlements for military retirees will do nothing for the 85 percent of service members who leave the military before becoming eligible for them; such entitlements will do virtually nothing to help the military compete as an employer.

About $40 billion of the $280 billion increase in annual spending is devoted to homeland security, the defensive component. A healthy share of that money, however, is for protection of facilities and forces inside DoD. The rise in homeland security spending outside DoD contributed just $27 billion to the $280 billion increase. Including funds added through the 2006 emergency supplemental appropriation, roughly $11 billion of that rise goes to improvements in border and transportation security. Another $4 billion goes toward emergency preparedness and response, much of it for grants to state and local governments to improve public health capacity or to prepare and equip local first responders. Only a few billion dollars of the increase go toward non-DoD research and development into technologies for homeland security.[7] In particular, just $1.8 billion of the increase goes toward developing medical countermeasures to chemical, biological, nuclear, or radiological threats; a scant $300 million pays for crucial research and development into technologies to detect and report on nuclear and radiological materials.[8]

Setting priorities and explicitly considering tradeoffs among the competing demands of offense, defense, and prevention are crucial for the nation to get the most out of its sizeable financial investment in security.

Funding for international affairs, the preventive element, accounts for only $12 billion of the $280 billion increase in national security budgets between 2001 and 2006. Some $2 billion of that is for President Bush's Global HIV/AIDS initiative. Another $1.8 billion is for the Millennium Challenge Account, a program started by President Bush in 2002 to help certain developing nations improve their capacity for economic growth. Some $4 billion, included in the emergency supplemental appropriation of June 2006, is to defray the wartime costs of the State Department's embassy in Baghdad, improve security, economic, and political conditions in Iraq and Afghanistan, and assist allies in the Middle East. In addition, a share of the new international affairs money goes to help U.S. allies in the fight against terrorism, including Afghanistan, Jordan, Pakistan, and the Central Asian Republics.

REALLOCATING RESOURCES TO PROVIDE GREATER SECURITY

Reallocating even relatively small amounts of the money devoted to offense could go a long way toward bolstering either prevention or defense. For example, for just half of the $10.4 billion DoD plans to spend on missile defense programs in fiscal year 2007, the nation could triple spending for port security (planned at $2 billion) and double spending to recapitalize the Coast Guard (planned at $935 million).[9] For what DoD spends on Iraq each month (currently about $8 billion,

[7] For 2003 to 2006 figures, see Genevieve J. Knezo, *Homeland Security Research and Development Funding, Organization, and Oversight*, Congressional Research Service Report RS21270, updated February 24, 2005.

[8] OMB, Analytical Perspectives, Federal Budget for FY 2007.

[9] At today's rates of spending, the Coast Guard's program to replace aging aircraft, vessels, and support systems will take 20-25 years.

according to the Congressional Research Service), the federal government could double planned FY 2007 spending for emergency preparedness and response ($5.5 billion), nuclear detection ($536 million), medical countermeasures to chemical, biological, radiological, and nuclear threats ($2 billion), and enhancements to FEMA's alert and early warning systems ($70 million).

Alternatively, for the $2.8 billion the administration plans to invest in F-22 fighter planes built for dogfights with Soviet aircraft that were never produced, the nation could nearly double the administration's planned 2007 budget for Millennium Challenge. For the $3.7 billion now allocated to the Army's technologically risky, increasingly costly Future Combat System, the nation could double foreign information and exchange activities ($1.2 billion), double efforts to halt proliferation of nuclear materials and knowledge ($1.2 billion), and still have money left over to improve resources for diplomacy ($1.3 billion). Such shifts would better deliver on the administration's promise to use all the tools available to make the nation more secure. Even small shifts of funding from offense into defense and prevention could go a long way toward making the nation more secure.

HIGHLIGHTS/KEY POINTS

- The nation is not getting the most out of its sizeable financial investment in security.
- Much of the 50% increase in military spending since 9/11 reflects "business as usual" rather than addressing today's threats.
- Defense and prevention are the best bargains, but receive only 11% of the national security budget.
- Even small shifts of funding from offense into defense and prevention could go a long way toward making the nation more secure. For example, by reducing the funding for the Army's risky Future Combat System by $1.2 billion, funding could be doubled for programs to halt the proliferation of nuclear materials and information.
- Billions of dollars in new entitlements for military retirees won't help the U.S. military compete as an employer — 85% of service members will likely leave the military before becoming eligible for these generous benefits.
- Within the DOD and DHS budgets, funding for science and technology should be increased – supporting the research and advanced technology that will lead to systems and solutions better suited to countering today's threats (e.g. detection systems, medical counter-measures).

FIGHTING THE "GOOD FIGHT":
An alternative to current democratic proposals for a new national security strategy

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By now, the flaws in the Bush administration's national security policy are clear. From the debacle of "preemptive war" in Iraq, to the abuses of human rights at Abu Ghraib and Guantanamo, to secret domestic wiretapping, there is ample room for criticism of the administration's post-9/11 policies.[1] Add to this the Bush administration's disdain for international agreements, and you have a policy with immense human, economic, and diplomatic costs and repercussions that may take years to recover from.

Unfortunately, the serious failures of the Bush Administration's foreign policy have not led to the development of substantive or bold alternative proposals from key leaders in the Democratic Party. While some Democratic proposals have contained potential improvements at the margins of U.S. security policy, none seem to address nor challenge the fundamental assumptions underlying the Bush policy.

For example, the "Real Security" policy document released on March 29, 2006 with the endorsement of Senate Minority leader Harry Reid (D-NV) and House Minority leader Nancy Pelosi (D-CA) makes a number of useful suggestions while dodging the most important issues.[2] Positive elements of the plan include a call for accelerating efforts to "[s]ecure loose nuclear materials that terrorists could use to build nuclear weapons or 'dirty bombs'." Amazingly enough, despite all of its talk about stopping the spread of nuclear weapons, the Bush Administration has failed to increase funding for this purpose, and even tried to cut it in the wake of September 11th.

Another positive element of the Real Security plan is a pledge to promote energy efficiency and alternative fuels. The menu of new sources cited in the document is broad, ranging from bio-fuels to clean coal to solar and wind energy and demonstrates a commitment to investing in technologies and markets that will allow the country to reduce its "addiction to oil" in cost-effective, environmentally sound ways.

Aside from these two planks, this official Democratic security platform contains much to criticize. It speaks naively of a commitment to "[e]liminate Osama Bin Laden" and "destroy terrorist networks like Al Qaeda." This tough talk is not backed up with any indication of *how* this will be done, nor does it entail any recognition that Al Qaeda is a "network of networks" that can operate with or without Osama Bin Laden.

[1] Although the Bush administration refers to "preemptive" war in its major documents, it has actually engaged in preventive war. Preemption implies an immediate security threat, which decidedly did not exist in the case of war with Iraq. Rather, it was a preventive war designed to head off an alleged threat that might occur at some point in the future. For a more detailed discussion of this concept, its history, and its role in current U.S. policy, see William W. Keller and Gordon R. Mitchell, editors, *Hitting First: Preventive Force in U.S. Security Policy* (University of Pittsburgh Press, 2006).

[2] "*Real Security: The Democratic Plan to Protect America and Restore Our Leadership in the World*," www.democrats.gov, March 29, 2006.

The most objectionable element of the Democratic plan is the implication that it may be necessary to *increase* military spending beyond the levels already reached during the Bush buildup. With the regular military budget weighing in at $440 billion per year, plus another $140 to $150 billion in so-called emergency spending on the wars in Iraq and Afghanistan, U.S. military spending is weighing in at nearly $600 billion per year, an amount far higher than the peak levels reached during the Reagan buildup or the Vietnam War. Despite this ample funding, the Democratic document speaks of the need to "rebuild a state-of-the-art military by making needed investments in equipment and manpower so that we can project power to protect America wherever and whenever necessary."

Real Security makes no mention of cuts in *unneeded* Cold War-era weapons systems like the F-22 fighter plane, the Virginia class attack submarine, the Osprey aircraft, and a number of other major systems that were designed to address projected Soviet capabilities that no longer exist. A more logical approach would be to finance both military and non-military programs that are more likely to achieve the stated or desired policy aims — from the tens of billions in annual savings to be garnered from cutting unnecessary weapons programs. Moreover, the "cover the globe" military strategy which implies the need to get anywhere in the world quickly and defeat adversaries with or without allies should be abandoned. Indeed, the Iraq war offers a cautionary tale about this open-ended, military-dominated approach to security.

There are other "sins of omission" in the Democratic strategy. There is no discussion of further reductions in the U.S. arsenal of nuclear overkill, which now stands at 10,000 strategic warheads, over 5,700 of which are on active status. There is no position taken on the ill-considered U.S.-India nuclear deal, which threatens to eviscerate the Nuclear Non-Proliferation Treaty by offering nuclear technology to a non-signatory of the treaty on terms far more generous than those available to nations participating in the NPT. There is no suggestion that the Democrats would renounce the use of force or the threat of "regime change" as part of deals with Iran and North Korea over their nuclear programs. In fact, William Perry, who served as Secretary of Defense in the Clinton administration and later played a key role in negotiations with North Korea, called for military strikes against a North Korean *test* of a ballistic missile that occurred in the summer of 2006.[3]

There is also no indication that a Democratic security policy would cut back the costly, unworkable missile defense program, which is now running at $9 to $10 billion per year and has consumed over $130 billion of taxpayer money since Ronald Reagan's 1983 "Star Wars" speech.

Action on all of these fronts would put the U.S. in a better position to persuade other nations to put aside their nascent nuclear weapons programs.

PETER BEINART'S 'GOOD FIGHT'

A proposal that has received far more attention than the official Democratic position is contained in Peter Beinart's *The Good Fight: Why Liberals – and Only Liberals – Can Win the War on Terror and Make America Great Again*. His book has been embraced by Democratic stalwarts such as Arthur Schlesinger, Jr. and Madeleine Albright. Beinart's piece has many positive elements, but they are more than offset by his messianic pursuit of the notion of restoring "American greatness," by force if necessary.

Among Beinart's most constructive themes is the need to work closely with allies and international institutions in cases of military intervention and nation building – an approach that is a polar opposite of the Bush administration's approach to its intervention in Iraq. He also makes a critical point in noting that American success abroad requires the pursuit of justice at home.

[3] Ashton B. Carter and William J. Perry, "*If Necessary, Strike and Destroy; North Korea Cannot Be Allowed to Test This Missile*," Washington Post, June 22, 2006; for a response, see Charles L. "Jack" Pritchard, "*No, Don't Blow It Up; A Saner Approach to a North Korean Missile Test*," Washington Post, June 23, 2006.

Where Beinart's thesis goes astray is in his advocacy of open-ended U.S. intervention to stabilize 'failed states.' The breadth of Beinart's proposed mission for the U.S. military is stunning:

> It would be naïve… to think that freedom, even broadly defined… is enough to defeat jihadism. When governments lose control of their territory, unleashing threats that spill beyond their borders, no amount of investment or aid will help unless someone re-establishes order. Most of the time, that someone will be the government, bolstered by outside help. But some governments cannot reassert control and others are themselves the root of the problem. From the Middle East to South Asia, from the Horn of Africa to the Sahel, the United States may need to enter stateless zones, capture or kill the jihadists taking refuge there, and stay long enough to begin rebuilding the state.[4]

After four years and nearly $300 billion spent in Iraq – a war which Beinart supported – one is hard-pressed to know when the "beginning of the rebuilding of the state" will have been accomplished in any given intervention. Even with the assistance of the United Nations, NATO, and other key allies, these exercises in nation-building are likely to be costly, difficult, and uncertain in their outcomes. What is needed is a new approach to assisting and enabling citizens of failed states and repressive regimes to attain the basic human rights they will need to change their own governments. This may be a slow, frustrating approach, but it is far preferable to a policy of attempting to spread democracy and stability through the barrel of a gun.

The logical concomitant to Beinart's ambitious military agenda is a stable or growing military budget. He argues that "when liberals casually urge cutting the defense budget, although military spending made possible American interventions in the Balkans and Afghanistan, they are succumbing to the old siren song of purity and abdicating their responsibility to do what [Reinhold] Niebuhr urged: make the tragic choices that defending freedom requires."[5] This approach leaves no room for eliminating wasteful or unnecessary programs *within* the military budget, and seems to embrace the dubious proposition that a certain dollar amount devoted to defense is the only appropriate measure of current and future effectiveness.

Beinart's support for high Pentagon budgets can be deduced not only from his military agenda, but also from his ideology. He has simplistically divided the Democratic elite into "anti-totalitarian liberals" and "anti-imperialists." In his view, it is only the anti-totalitarian liberals who recognize the threat to America's existence posed by Islamic jihadists, and that we therefore must spend and do whatever it takes to "win." Unfortunately, his view of the problem is tilted towards a monolithic view of the "jihadist threat" that in many ways parallels the monolithic view of the communist threat that led United States foreign policy in so many counterproductive directions during the Cold War era, from the Bay of Pigs invasion to the Vietnam War.

Beinart's view of jihadism as a cohesive totalitarian movement misses the critical fact that Al Qaeda and its imitators do *not* form a unified movement. Therefore his prescription for "capturing and killing jihadists" in failed states and then engaging in the beginnings of nation-building runs the risk of major miscalculations that could be immensely costly. As George Packer has noted, an effective approach to combating terrorism requires specific knowledge of each of the nations and groups involved, not the blanket approach that Beinart seems to be suggesting.[6] It's not a question of *whether* to use force, but how to do so judiciously, in cases where it can make a difference.

[4] Peter Beinart, *The Good Fight: Why Liberals – and Only Liberals – Can Win the War on Terror and Make America Great Again*, (New York: HarperCollins Publishers, 2006), p. 196.

[5] Beinart, op. cit., p. 197.

"WITH ALL OUR MIGHT": THE PROGRESSIVE ALTERNATIVE?

In its book *With All Our Might: A Progressive Strategy for Defeating Jihadism and Defending Liberty* (Rowman and Littlefield, 2006), the Progressive Policy Institute (PPI) – the research arm of the Democratic Leadership Council (DLC) – has produced the most comprehensive set of proposals to date for reforming U.S. military strategy.

The PPI's analysis shares Peter Beinart's call for a "muscular liberalism" in the tradition of Harry Truman, John F. Kennedy, and, in their view, Bill Clinton. It also calls for a "bigger and better military," without any real clarity about what this larger military should be used for, other than reducing the public opinion gap that has historically favored Republicans over Democrats in matters of national security.[7]

That being said, the DLC analysis contains some excellent ideas for expanding non-military forms of engagement. Even more impressive, and contrary to most approaches, the DLC/PPI plan puts forward a mechanism for funding its ideas, by reversing a substantial portion of the Bush administration's tax cuts.

One set of proposals has to do with ways to counter extremist, jihadist ideology with programs and projects that can build bridges between the West and moderate Muslims. Contributor Reza Aslan suggests tapping into a great underutilized resource – the leaders of America's Muslim community — to draft a list of initiatives designed to present the United States in a positive but realistic light in countries like Jordan, Egypt, Saudi Arabia and Pakistan. Rather than sending Karen Hughes or another U.S. official with an embarrassing lack of knowledge of the Middle East and South Asia to be the U.S. "envoy" for public diplomacy, the U.S. should draw upon the ideas of émigrés who know the region and, in many cases, still have ties there. Another of Aslan's suggestions is "engaging moderate Muslim groups, foundations, parties, and individuals to promote shared values like human rights, pluralism, the rule of law and democracy" as a way for the U.S. to "play an active role in facilitating the development of an effective ideological counterweight to jihadism."[8]

This "people-to-people" approach, involving exchanges between both elites and grassroots individuals and organizations from the U.S. and Muslim countries, may be the best hope – at least on the level of public diplomacy – for stemming the tide of anti-U.S. sentiment in Muslim societies.

The DLC/PPI approach also includes a number of other common sense defensive measures, from increasing homeland security funding and focus to address high risk targets like chemical plants, to implementing a multi-pronged effort to reduce the risks of nuclear terrorism by securing and destroying loose nuclear weapons and nuclear materials. These are practical preventive measures that have little to do with using military force.

Perhaps the weakest element of the PPI strategy is its approach to military transformation. The proposed military strategy is organized around a three-part military force, one to "prevent," one to "defeat," and one to "rebuild" in the wake of conflict.

The first problem with this approach is that "prevention" is described in purely military terms, as in "striking terrorist camps or training cells" on foreign soil;

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[6] George Packer, "*Fighting Faiths: Can Liberal Internationalism Be Saved?*," The New Yorker, issue of July 10/17th, 2006. To give the flavor of Packer's critique, the following excerpt may be useful: "Ultimately, the Cold War analogy is unhelpful, because it allows Americans to make a virtue of our ignorance. Beinart is one of those bright young journalists who have spent their lives in top notch universities and Washington political circles rather than in places where jihad is more than just a word. Islamism is far stranger to us than Communism. It requires a deeper, subtler knowledge of local realities around the Muslim world, in all their variety, than most American writers and politicians have shown. The policymakers of the Kennedy era overlooked the essentially nationalist nature of Vietnamese Communism because they were swept up in the binary thinking of Kennedy's call to "pay any price, bear any burden." How much less do today's policymakers know about the Egyptian Muslim Brotherhood, the factions vying within the Arab Gulf states, the Muslim minorities in Europe, the configuration of power in Iran, the causes of the Taliban resurgence in Afghanistan, the Islamist takeover in Mogadishu, or the rising terrorist threat in Bangladesh? The grand, overarching "narrative" of antitotalitarianism that Beinart offers can't explain the different kinds of trouble that America faces in a chaotic world. It substitutes will for understanding, which is just as dangerous as the reverse—if the Iraq war has taught us anything, it should be that."

[7] Will Marshall, editor, *With All Our Might: A Progressive Policy for Defeating Jihadism and Defending Liberty* (London, Routledge, 2006), pp. 6, 9, 13, 54.

[8] With All Our Might, op. cit., p. 29.

"destroying weapons of mass destruction… and the means to produce them in rogue states"; and "preempting aggression against an ally or area of great economic importance to the United States."[9] It also ignores the possible synergies between non-military tools of conflict prevention and military action.

There are also cases where diplomacy is so clearly the preferred route that military force should virtually be ruled out, or used only as a threat to back up diplomacy. A perfect example of this is the doctrine of counterproliferation, which implies using military or other coercive means to prevent the spread of nuclear, chemical or biological weapons, or to destroy these weapons when adversaries have capabilities or stockpiles of these deadly items. There are few if any examples of successful counter-proliferation; even the 1981 Israeli attack on Iraq's Osirak reactor is the subject of a lively debate as to whether it set back or accelerated Iraq's quest for nuclear weapons. On the other hand, diplomacy has a track record of success in eliminating nuclear weapons or nuclear weapons programs in South Africa, Argentina, Brazil, Libya, the Ukraine, Belarus, and Kazakhstan. Given the proper mix of incentives (including security guarantees that the United States will not attack the nation in question), the nuclear programs in North Korea and Iran can and should be dealt with through diplomatic measures as well.

The first priority for any new approach to defense is to broaden the definition of security to include all threats to human life, whether they stem from terrorism, disease, environmental degradation, natural disasters, or entrenched poverty. This concept of security as "protection" makes it clearer that the military is only one of many tools that can be used to address today's most urgent threats

PREVENTION, NOT INTERVENTION: A PRACTICAL ALTERNATIVE

The first priority for any new approach to defense is to broaden the definition of security to include all threats to human life, whether they stem from terrorism, disease, environmental degradation, natural disasters, or entrenched poverty. This concept of security as "protection" makes it clearer that the military is only one of many tools that can be used to address today's most urgent threats, and in many cases the least appropriate of the instruments available. This is not to suggest that U.S. military capabilities should be allowed to atrophy, but rather that they should be focused on problems with military solutions. In this scenario, strength should not necessarily be equated with more defense dollars, but with the application of the right tools to the right problems.

An example of this approach is the Unified Security Budget (USB), the product of a task force of non-governmental policy analysts that includes former government officials who have served in the Pentagon, the Congress, and the uniformed military. The most recent task force report proposes a "security shift" that involves $62 billion in cuts from current military programs and $52 billion in investments in non-military tools of security. Proposed military cuts include Cold War-era systems with no clear missions in the new security environment, including the F-22 Raptor fighter plane, at a savings of $2 billion per year and the Virginia class submarine, at a savings of $2.2 billion per year. Cutting nuclear weapons programs back to a deterrent force, not a "usable" arsenal, could yield savings up to $13 billion per year by cutting the U.S. arsenal to 1,000 warheads (deployed and in reserve) versus current levels of 10,000 (deployed and on "active status"). The USB also proposes a

9 James R. Blaker and Steven J. Nider, *Fighting Unconventional Wars*, op. cit., note 6, pp. 134-135.

reduction of the costly, unworkable missile defense program from a $10 billion-plus rush to deploy unreliable systems to a $2 billion research and development program.[10]

The USB task force also proposes transferring $52 billion of these military cuts to investments in neglected security tools such as U.S. contributions to international organizations; beefed up diplomacy ($1.8 billion); non-proliferation efforts, with a focus on dismantling and securing "loose" nuclear weapons and bomb-making materials ($4.6 billion); alternative energy sources ($8.8 billion); economic development ($10.0 billion); nuclear plant hardening, chemical plant protection and port security – including monitoring of shipping containers ($3.75 billion); and increased investments in public health infrastructure and first responders ($14 billion).[11]

One could argue with specific figures set out in the USB, but the concept of re-balancing security spending to address the full range of threats facing the United States by investing in both military and non-military tools of security is an essential step forward.

Some of the larger of the USB's proposed investments in non-military tools of security deserve further discussion.

Spending on alternative energy sources has multiple benefits, from fending off future conflicts over energy resources to reducing dependence on fossil fuels that contribute to global warming. While competition for energy sources is not the only cause of conflict in the Middle East, the Caucasus, and other energy-rich areas, it is an important underlying factor. As for global warming, the damage caused by further human-driven changes in the earth's climate could be catastrophic, second perhaps only to a global nuclear war in its human consequences. Hence, energy policy *is* security policy.

Development assistance – whether in the form of funding anti-HIV initiatives, child health and literacy programs, or investments in targeted projects designed to improve infrastructure, agriculture, and other pillars of economic independence – is worthwhile in its own right, as a down payment on eliminating poverty, disease, and economic inequality. It also holds out hope of focusing the interests of the world's growing population of young people on positive opportunities rather than negative ideologies such as Islamic fundamentalism. While there is no one-to-one link between deprivation and terrorism, promoting sounder, more prosperous economies in the global south will help to counter ideological support for terrorist organizations like Al Qaeda.

In addition to broadening our definition of what constitutes security, it is critical that we begin a national discussion on what the mission of our armed forces should be. The other proposals discussed in this essay assume an activist global role for the U.S. military, varying only with respect to tactics, the extent to which we reach out to allies and international institutions, and so forth. Their commitment to "modernizing" a military that is already the strongest in the world stems from this assumption.

When should the U.S. use military force? My answer is: to attack specific terrorist strongholds, to act against nations on the verge of attacking the United States or one of its closest allies, to prevent genocide, or to assist in policing peace agreements in unstable regions.

The Bush administration's "doctrine of preemption" – which really means a first-strike war against a country that poses a distant threat to U.S. security – should be abandoned. Except in extreme circumstances, the United States should seek United Nations and Congressional approval for acts of war, and reach out to allies in a

10 Lawrence Korb and Miriam Pemberton, principal authors, *Report of the Task Force on a Unified Security Budget for the United States, 2007*, Washington, DC, Foreign Policy in Focus and the Center for Defense Information, May 2006, pp. 16-20.

11 Ibid., pp. 22-43.

genuine fashion, not in the "take it or leave it" approach that governed alliance-building in the Iraq conflict. This brief list is meant to serve as a basis for discussion, not a final verdict on how the U.S. military should be used in an age of global terrorism. But without a thorough debate on how and when it is appropriate to use military force, any real reforms in U.S. military spending and strategy will be doomed to failure.

HIGHLIGHTS/KEY POINTS

- We must redefine security to include the notion of protection – protection against all threats to human life, (i.e. terrorism, disease, environmental degradation, natural disasters, or entrenched poverty).
- The global war on terrorism (GWOT) is a misnomer. Al Qaeda is a "network of networks" that cannot be defeated in the traditional sense.
- Terrorism is a tactic – not an enemy. We cannot "win" a war on a tactic
- Like current Administration policy, leading Democratic Party leaders and strategists argue for increased military spending and continued U.S. global dominance.
- Strength and security should not be equated with more defense dollars, but with the "cooperative" application of the right tools to the right problems.
- A national conversation is necessary on the role of our armed forces and on the appropriate use of military force.

IS THE WAR ON TERROR "WORTH IT"?

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It has been five years since the terrorist attacks of 9/11 led the Bush Administration to proclaim a "war" against global terror, a war that has now exceeded, in length, the U. S. involvement in World Wars I and II, the Korean War and the Civil War. The United States has committed substantial human and financial resources to this long war, and has instituted major shifts in its foreign and domestic policies. The key question is what are we, as a nation, receiving in return for this major commitment. Are we safer today than we were five years ago?

THE COSTS OF TERROR

The objective of acts of terror is to impose social and economic costs on ordinary people, in order to ultimately influence the policies of governments. The 9/11 attacks have been estimated to have caused economic damages in New York of more than $35 billion, a huge sum but relatively small given the size of the region's economy. Indeed, the New York region appears to have recovered quite well, for the most part, and current trends are similar to those that were in place before the attacks. In general, larger and more diverse economies rebound more quickly from the damages inflicted by acts of terror.

In a number of countries where the incidence of terrorism has been ongoing, such as in Israel, Spain and Sri Lanka, the economic costs are considerably larger in relation to the size of the economy. The damages from acts of terror themselves are not large, even when an economic value is placed on the loss of life and personal injury, but acts of terror and threats of further acts lead to changes in the behavior of companies and individuals. Tourism declines, foreign companies cut back on their investments and residents tend to become more cautious, invest and spend less and become more conscious of security. In addition, governments, companies and individuals take on added costs in terms of security, insurance and other forms of protection, and these costs provide little in the way of positive economic payoff.

Governments, companies and individuals respond to terror in a variety of ways, mostly involving expenditures and shifts in patterns of behavior. U. S. government expenditures on national defense and homeland security, local government expenditures on first responders and private spending on security and insurance have all grown substantially since 9/11. These expenditures reduce what can be spent for other purposes and the reduction in many of these foregone alternatives, such as education, public health and research and development, can impinge upon long-term economic growth. Clearly, an economy is better off if terrorist threats can be reduced, rather than having to spend larger amounts protecting against them.

Some might argue that higher security-related spending generates income and creates jobs. This is an example of the "broken windows fallacy": if I replace a vandalized window I am forced to spend income that would have been spent elsewhere. The jobs created in the window industry must be compared with the jobs lost elsewhere. Replacing the damaged window restores a previous status but may actually reduce my overall well being because of the foregone spending.

Other costs are less easy to quantify. Tighter security at airports and seaports raise the costs

associated with international trade, while tighter immigration restrictions have made it more difficult for businesses and universities to attract the quantity and quality of skilled individuals that they did in the past. In a highly competitive global economy, these actions have adverse effects on the ability of countries to compete world-wide.

HOW EFFECTIVE ARE CURRENT POLICIES?

Given the magnitude of the costs involved, it is essential to ask whether the policies being adopted are effective: is the threat from global terror reduced? Are U.S. residents safer today than we were five years ago? U.S. counter-terrorism policies have had some successes, for example, in disrupting some terrorist financing networks and weakening some terrorist organizations. At the same time, while no major terrorist incident directed at the U.S. proper has occurred since 9/11, many experts believe that the probability of such an incident is greater today, not lower. By most accounts, terrorist recruitment is up, and terrorist organizations have been continuously reorganizing. Moreover, while there is no overall assessment of policy effectiveness, there have been numerous highly critical analyses of specific policy initiatives, including a number, for example, from the Government Accountability Office.

Two recent evaluations suggest the magnitude of the difficulties. In December of 2005, the members of the bi-partisan 9/11 Commission issued a "report card" evaluating the government's response in homeland security, reform of intelligence and Congressional oversight, and foreign policy and nonproliferation. Letter grades were assigned to 39 separate components (with two incompletes). Fully 17 of these grades were D or F. If a grade point average were constructed, assuming each category carried the same weight, this "student" would be at 1.88, essentially a C-.

In the summer of 2006, *Foreign Policy* magazine published the results of a detailed poll of 100 foreign policy experts, selected to reflect a range of perspectives. Eighty-six per cent felt the world was becoming more dangerous and 84%, including 71% of those self-identified as conservatives, believe the U.S. was not winning the war on terror.

WASTE, MIS-MANAGEMENT AND POOR ALLOCATION

The 9/11 Commission's report card points toward one source of the problems. The Department of Defense, the Department of Homeland Security and the Department of State will spend upwards of $600 billion in 2006, some 60 per cent of all federal discretionary expenditures. Yet much of this money is being spent in ways that do little, and maybe nothing, to enhance U.S. security. The defense budget, for example, includes a number of expensive weapons systems that have little utility in the present and expected future security environment. The F-22 fighter, originally planned in the 1980s to counter Soviet aircraft that were never built, remains in procurement despite its ballooning costs, weak performance and absence of a clear mission. Ballistic missile defense continues to absorb almost $10 billion per year despite an abysmal performance record in testing and the widespread opinion that any such system would be easily overwhelmed by multiple-warhead offensive missiles armed with countermeasures. Substantial expenditures related to the war in Iraq have been found to be the source of considerable waste and corruption. Perhaps most importantly, the Department of Defense has no consistent accounting and auditing system and in a number of cases, it has been impossible to ascertain the effectiveness or even the amounts in key areas of spending.

Management problems, especially with respect to procurement, have long been a problem in the Pentagon, although these appear to have become more severe in the present climate than in the past. Similar problems appear to be plaguing the Department of Homeland Security. The Department's mismanagement of disaster preparedness and relief, most prominently in the Hurricane Katrina debacle, does not bode

Terrorism is a complex phenomenon and policies to counter terrorism must contain a wide range of tools: police and military, diplomacy, economic, cultural, etc. Since 9/11, the most prominent feature of U. S. counter-terrorism policy has been the use of military force, to effect regime change in Afghanistan and Iraq

well for its ability to respond to possible terrorist acts. Unfortunately, DHS appears to be adopting many of the worst elements of DoD procurement, with a "homeland security-industrial complex" rapidly forming and apparently exerting considerable influence over spending allocations.

At the same time, a number of programs that are more directly related to counter-terrorist activities have had trouble securing adequate funding. One is the Cooperative Threat Reduction Program (Nunn-Lugar), designed to fund the securing of fissile materials within the former Soviet Union. While this effort to address the so-called "loose nukes" problem has run into a number of difficulties involving officials and institutions in the former Soviet Union, it has also been consistently funded at sub-optimal levels, and has received less than adequate support within the various U.S. government bureaucracies.

The substantial increases in offensive military operations and programs since 9/11 have not been accompanied by an equivalent growth in defensive or preventive programs. In some cases, administration budget officials have acted to limit spending on defensive programs, such as first responders, on the grounds that budgetary resources are too limited. Programs with the strongest political, institutional, and regional support have the upper hand. The result can be a weakening, not a strengthening, of the U.S. security posture.

THE MILITARIZATION OF COUNTER-TERRORISM

Terrorism is a complex phenomenon. Policies to counter terrorism must contain a wide range of tools: police and military, diplomacy, economic, cultural, etc. Since 9/11, the most prominent feature of U. S. counter-terrorism policy has been the use of military force, to effect regime change in Afghanistan and Iraq. These activities have been costly, with budgetary allocations approaching $500 billion and with total costs, including future spending for combat forces, equipment replacement and veterans health care, and including additional costs such as the estimated value of the lost economic contribution from the deaths and severe injuries of U.S. military and civilian personnel, expected to reach as high at $2 trillion.

The U. S. government maintains that deposing the Saddam Hussein regime was a central element of the global war on terror. However, since the regime's overthrow, a wide range of expert opinion has judged that the threat to the U. S. and U. S. interests and activities abroad is at least as great if not greater than previously. George Tenet, then CIA Director, told Congress in March 2004, that, as compared with before the Iraq war, "The world … today is equally, if not more, complicated and fraught with dangers for United States interests…." Tenet's successor, Porter Goss, testified in February 2005 that terrorists are utilizing the Iraq conflict as a recruiting tool and training ground to create experienced operatives who "represent a potential pool of contacts to build transnational terrorist cells, groups and networks…" Indeed, since Tenet and Goss delivered their official evaluations the situation has deteriorated further. Even Afghanistan, initially seen as a success, has witnessed the return of the Taliban as an effective deadly force.

ALTERNATIVES

Clearly, some new approaches are required. What follows are some general suggestions for areas where new policy initiatives could be emphasized.

- First, the U.S. should establish greater spending and administrative discipline over the government agencies most responsible for combating terrorist activities. Such discipline should start with Congress, which has the constitutional authority to authorize and oversee spending but which must first discipline itself.
- Second, the toolkit for combating terrorism must reduce the emphasis on military activities, and expand and develop a range of alternatives, including diplomacy, economic incentives, and policing. Such a change may need to start with domestic politics. Acts of terrorism, especially large, visible acts such as the attacks of 9/11, generate a considerable amount of fear and anger among a target population, an amount that appears excessive given the reality. For example an individual in the U.S. is far more likely to be killed or injured in an automobile accident than by an act of terrorism. The Bush Administration played up this fear and anger, which heightened public support for violent retaliation even when, in the case of Iraq, the retaliation had little to do with the threat. Instead the task of our government, should be to develop policies that are effective and a language of political discourse that is more reassuring, rather than one that heightens the emotional content of the response.
- A third element is for the U.S. to develop a better understanding of the threat. Terrorism is not an ideology but a tactic and groups that employ terror tactics do so because they think it will help them achieve their political objectives. Deterring such tactics and attempting to disrupt, or even destroy, the organizational structures of these groups is one response. However, the groups that have been most successful in generating support have been those that appear to reflect the grievances of a population. Addressing these grievances in non-military ways can be a complementary policy objective.

A policy area with a substantial economic dimension that can an impact on counter terrorism efforts is foreign aid. Aid policy by major donors has been emphasizing effective governance, widespread political participation, environmental sustainability, improved education and health care, and more democratic social representation, in addition to the traditional, and more narrowly focus on, economic objectives.

There is evidence of some success on the part of aid projects in reducing the incentives for people to join terrorist organizations. However, when aid projects are inadequately funded or administered, or are abruptly terminated, they can generate a backlash, inflating expectations without delivering results and reinforcing nascent support for terrorist activities.

CONCLUSION

Terrorism imposes substantial costs on target populations, but there are also significant costs associated with policies to combat terrorism. A society is better off if the threat from terrorism can be reduced, or even eliminated, just as it is better off if the threat of crime can be reduced or eliminated. Policy responses to terrorism need to be multi-faceted and flexible. Security policies, for example, need to be more cost effective, in order to both achieve results and to limit the negative economic consequences of devoting excessive resources to security purposes. Similarly, aid policies need to concentrate on achievable objectives, both to obtain positive results and to provide a more representative and optimistic outlook on the future. Policies need to be targeted at filling in the voids left by weak states and shifting incentive structures within societies away from the use of violence. But such policies can never be complete, just as policies to fight crime can never reduce crime to zero. There are too many potential sources of violence to expect policy to deal with them all, and incentive-based policies can never force everyone to disregard the ideological or psychological tendencies that lead them to resort to violence.

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HIGHLIGHTS/KEY POINTS

- Substantial increases in both government and private sector security-related spending since 9/11 have reduced what can be spent for other purposes (e.g. education, public health) with potentially adverse long-term economic and societal consequences.
- The costs of combating terrorism far exceed actual expenditures – indirect costs, such as tighter security and tighter immigration restrictions have adverse effects on global competitiveness.
- Numerous non-partisan, objective evaluations of the federal government's actions and policies since 9/11 have found them to be inadequate, ineffective, wasteful and poorly managed.
- Substantial increases in offensive military operations and programs since 9/11 have not been accompanied by an equivalent growth in defensive or preventive programs
- Congress has the constitutional authority and responsibility to exert greater spending and administrative discipline and accountability over the government agencies most responsible for combatting terrorist activities.

A SPECIAL THREAT:
U.S. nuclear weapons policy under the Bush doctrine

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The past six years have seen remarkable changes in U.S. nuclear weapons policy, under the administration of President George W. Bush. In 2002 the administration released three official documents that together constitute the new "Bush doctrine." Discarding the security system and nuclear weapons policies of the Cold War, this new doctrine prepared the way for the U.S. invasion and occupation of Iraq in March 2003. The Bush doctrine represents a discontinuous sea change in the international security system; this new tide demands analysis and debate.

The doctrine proposes that the earlier bipolar world (U.S./U.S.S.R.) be replaced by a unipolar world. Under President Bush, the U.S. sees itself as the dominant power or sole superpower. Setting aside the mutual deterrence system essential to the relative security and stability of the Cold War era, the administration has taken unilateral actions against threats and possible rivals, including "regime change" as attempted in Afghanistan and Iraq. The administration has largely abandoned cooperative approaches to national and international security, and previous alliance systems, in favor of unilateral U.S. policies and actions.

The historical events forming the background to these new nuclear weapons doctrines include:

1. The end of the Cold War in 1989;
2. The dissolution of the Soviet Union on December 25, 1991;
3. The establishment of The Project for a New American Century (PNAC) in 1997 "to promote American global leadership;"
4. The advent of the new Bush Administration in January 2001, which included many of the PNAC individuals in major leadership positions;
5. The September 11, 2001 terrorist attacks;
6. The ensuing declaration by the Bush administration of a "War on Terrorism," later broadened to the "Global War on Terror."

The invasion and occupation of Afghanistan and Iraq followed closely after these events and upon the adoption of these new policies.

THREE DOCUMENTS: NPR, NSS, NSWMD

The first of the three documents which together comprise the new U.S. nuclear posture is the *U.S. Nuclear Posture Review* (NPR), which the Department of Defense (DoD) delivered to the U.S. Congress in January 2002. According to the NPR, "A combination of offensive and defensive, and nuclear and non-nuclear capabilities is essential to meet the deterrence requirements of the 21st century."

The NPR is a wide-ranging analysis of the requirements for deterrence in the 21st century. Its authors do not intend to provide operational guidance on nuclear targeting or planning. They rather state that the Department of Defense continues to plan for a broad range of contingencies and unforeseen threats to the U.S. and its allies, and the DoD means to preempt or prevent such attacks. However, they do imagine the "…possible use of nuclear weapons in an Arab-Israeli conflict, in a war between China and Taiwan, or in an attack from North Korea on the South." They also envision the use of nuclear weapons against targets able to withstand non-nuclear attack, to retaliate for nuclear, biological, or chemical weapons attacks or "…in the event of surprising military developments."

The NPR thus foresees the potential use of nuclear weapons in various contingencies, including against non-nuclear weapons states and in response to conventional weapons. In the NPR the U.S. reserves the right to employ nuclear weapons, which in turn would break the international taboo which has stood since their first (and second) use—by the U.S. itself against the Japanese cities of Hiroshima and Nagasaki in August 1945. According to this declaration of policy, the U.S. thinks of and may use nuclear weapons as it would any other weapon. The world's largest military and nuclear power razed the firewall between nuclear and conventional weapons.

Our planet, its many nations, and its billions of people, all face a vast and sometimes overwhelming array of threats, an increasing number of which are existential, such as the threats of global warming or a flu pandemic. Some of these threats existed when the UN was created in 1945 while others are new. They represent immediate and major threats to the planet or the human species and thus endanger global security. Furthermore, they are interrelated, and cannot be addressed by one nation, no matter how powerful, acting alone

The second of these documents is the *National Security Strategy of the United States of America* (NSS), issued by the Office of the National Security Advisor to the President, Condoleezza Rice, in September 2002. The NSS is an unclassified and open public document, available on the White House website. According to the NSS, the Bush administration will ensure that no nation can rival U.S. military strength. In this document they emphasize defeating rogue states and global terrorists, and insist that deterrence will not work against such enemies.

The NSS proclaims the doctrine of U.S. preemption: the U.S. "… cannot let [its] enemies strike first." It attempts to give historical and legal precedents and arguments for such "preemption." The NSS avows, "For centuries, international law recognized that nations need not suffer an attack before they can lawfully take action to defend themselves against forces that present an imminent danger of attack." It further asserts, "The U.S. has long maintained the option of preemptive actions to counter a sufficient threat to our national security." Some scholars and analysts have observed, astutely, that this is not a doctrine of preemption but rather one of preventive war.

However, the U.S. did not preempt in any of the recent major wars it has fought: not the two World Wars, nor Korea, Vietnam, or the Gulf War. There are no sound historical precedents. The NSS represents a fundamental shift from a policy of reaction to a new policy of initiation—from wars of necessity to wars of choice.

After three years of war, a shrinking minority of US citizens and their elected representatives argue that it remains too early to say whether the policy of preemption as applied

to Iraq has been a failure. But the costs in blood and treasure have been immense. Considering only the most direct and short-term military costs, the price is six times greater than the administration estimated. When Larry Lindsey, the senior Economic Advisor to the Bush administration, estimated the costs at $100 to $200 billion, he was effectively fired: the administration preferred the Office of Management & Budget (OMB) estimate of $50 to $60 billion. Direct, short-term military costs have already topped $300 billion, and by no means does that figure represent the full costs to the U.S. economy.

In 2006 Nobel Laureate economist Joseph E. Stiglitz and Linda Bilmes, a former Assistant Secretary of Commerce now at Harvard's Kennedy School, published a careful accounting of the Iraq War. They estimated its full and final costs to the US economy to be between $1.2 trillion and $2 trillion, depending primarily on how much longer it lasts. Furthermore, Dr. Stiglitz is on public record characterizing even the upper bound of $2 trillion as a "gross underestimate."

The third and final document is the *National Strategy to Combat Weapons of Mass Destruction* (NSWMD), which the White House issued in December 2002. As with the NSS, the NSWMD is an unclassified and open public document available on the White House website. It notes that WMD, by which it means nuclear, biological, and chemical weapons (NCBs), in the hands of states or non-state actors hostile to the U.S., represent the nation's greatest security challenge.

The NSWMD states that an effective strategy for countering NCBs, their use and further proliferation, is an integral component of the National Security Strategy of the U.S. As in the war on terrorism, the overall strategy for homeland security, and the new concept of deterrence, the new U.S. approach to WMD represents a fundamental change from the past.

The NSWMD accords the highest priority to protecting the U.S. and its allies from the threat of NCBs. Three pillars hold the strategy aloft:

1. Counter-proliferation to combat NCB use;
2. Strengthened nonproliferation efforts to combat NCB proliferation;
3. Consequence management to respond to NCB use.

The NSWMD lays out policies to interdict NCB, to deter by threat of overwhelming force, and to "mitigate defense," i.e. to destroy an adversary's NCBs before use. The latter includes the potential for a first-strike attack as outlined in the NSS, as well as traditional nonproliferation approaches. It does not exclude the use of nuclear weapons to destroy facilities that could produce nuclear weapons.

AN ALTERNATIVE DOCTRINE: GLOBAL SECURITY

Our planet, its many nations, and its billions of people, all face a vast and sometimes overwhelming array of threats, an increasing number of which are existential, such as the threats of global warming or a flu pandemic. Some of these threats existed when the UN was created in 1945 while others are new. They represent immediate and major threats to the planet or the human species and thus endanger global security. Furthermore, they are interrelated, and cannot be addressed by one nation, no matter how powerful, acting alone. Rather they require international cooperation, with increased reliance on existing but revitalized international institutions, including the UN and its affiliated bodies, and the creation of new international organizations. Many of these problems have regional or global significance and do not respect national boundaries. They demand coordinated remedial measures at national, regional and international levels—involving governments, NGOs, other international organizations, and the private sector.

In contrast to the Bush Doctrine, the concept of global security recognizes the need to create a new global system comparable to the creation of the UN, the Bretton Woods institutions, and the war crimes tribunals after World War II. Such a system would, like the UN, encompass not only security but also economic, political, environmental, social, and cultural concerns. Through strengthening existing international institutions or creating new ones, the system would manage security, both military and non-military.

These new institutions could be built, in part, on the UN system and its components. They would involve supranational decision-making and authority, with enforcement capabilities, transparency, and accountability and with global perspectives and responses. Participation in the world's decision-making process would be through close international cooperation. There would be a prohibition against preemption by any one nation, no matter how powerful, in favor of collective action. We should prefer, and endeavor to create, such a global system in favor of overwhelming power in the hands of any nation, including the U.S.

At the moment, terrorism is the tactic of choice for many groups, and their supporting states, in conflict with the U.S., which enjoys historically unprecedented military might. Indeed, such is the totality of U.S. dominance—the US spends more than the rest of the world put together on its war-making capacities and its defense—that most states are severely limited in their scope of response or attack. Hostile states and terrorists alike appear eager to acquire nuclear, biological, chemical, or radiological weapons to counter, challenge, or attack the U.S. and its few remaining allies.

At the time of writing (August 10, 2006), the reportedly foiled Islamist plot to explode up to 10 U.S. carrier-owned airplanes simultaneously reminds us that those who wish to be mass murderers can again employ U.S. commercial assets. As with the attacks of September 11th, 2001, terrorists again perceived opportunities to turn planes into missiles. No NBCs are required.

It is unlikely that the would-be terrorists of August 2006 were deterred by the Bush doctrine. On the contrary, if the media is correct in reporting that the suspects are British-born Pakistanis, the doctrinally justified "preventive war," occupation, and counter-insurgency in Iraq may well have motivated their own attempt at pre-emptive strike. Only international cooperation can interdict such a highly-coordinated international conspiracy.

Among the necessary steps required to foster the needed global security agenda are:

1. Reducing world stockpiles of nuclear weapons and other NBCs, especially the enormous stockpile of chemical weapons in Russia;
2. The US ratification of the Comprehensive Test Ban Treaty;
3. Taking nuclear weapons off hair-trigger alert and generally de-alerting all NBC delivery systems;
4. Reaffirming the moratorium against nuclear testing;
5. Deeper international cooperation to prevent nuclear proliferation;
6. Implementing the 13 steps of the Nuclear Nonproliferation Treaty, with a clear and specific timetable for each steps;
7. All countries abandoning plans to develop new nuclear weapons;
8. Sharing Permissive Action Link (PAL) technology with all nuclear weapons states to reduce the chance of accidental nuclear war;
9. U.S. renunciation of its policy of preemption and its reaffirmation of the UN Charter;
10. Cooperative efforts against terrorists groups, especially against their acquisition of NCBs.

Following the attacks of September 11, 2001, President George W. Bush initiated a "War on Terror" later broadened to the "Global War on Terror" or GWOT. Many have noted that there is no clear enemy in this war; terror is in the mind of the beholder. Nor is there a clear endgame, because terror is a long-standing *tactic*, neither an enemy (Imperial Japan) nor an ideology (Communism). A 2004 Pentagon effort to rename the GWOT the "Global Struggle Against Violent Extremism" did not survive a week. The Bush administration stands proudly by its dubious doctrine of preventive war.

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U.S. Office of the President, *National Strategy to Combat Weapons of Mass Destruction*, The White House, December 2002. *http://www.whitehouse.gov/news/releases/2002/12/WMDStrategy.pdf*

HIGHLIGHTS/KEY POINTS

- The current Bush Administration nuclear doctrine represents a fundamental shift in U.S. policy – one that legitimizes the use of nuclear weapons, and envisions many scenarios in which they would be used.
- The planet's vast array of threats are interrelated – they have regional or global significance and often do not respect national boundaries.
- These challenges cannot be addressed by one nation, no matter how powerful, acting alone. They require international cooperation, with increased reliance on existing but revitalized international institutions.
- Revitalized global institutions to manage economic, political, environmental, social, and cultural concerns should have supranational decision-making and authority, with enforcement capabilities, transparency, and accountability.
- U.S. actions and leadership on nuclear weapons should include: ratification of the CTB Treaty; taking nuclear weapons off hair-trigger alert; implementation of the entire NPT Treaty, with a clear and specific timetable for each step; and sharing Permissive Action Link (PAL) technology to reduce the chance of accidental nuclear war.

TERRORISM IN CONTEXT:
Assessing risks and solutions

David Colt
Economists for Peace & Security

Since 1983 the US government has defined terrorism as "premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents, usually intended to influence an audience." Compared to the many dangers facing the US today, the threat of terrorism is relatively small. Nonetheless, at nearly all levels of US society the response to terrorism has been grossly disproportionate. Since September 11th, 2001, fear of terrorism has consistently dominated the national agenda, the news cycle, and day-to-day civil life. This article examines the source of the perception of the threat of terrorist attack. In particular, by juxtaposing terrorism with other risks, we can see that strategies responding to the concept of terrorism may actually hinder our ability to mitigate the most dangerous threats.

Empirically, the dangers of driving dwarf the death tolls from manifestations of terrorism, the current and potential casualties of global warming, or the use of nuclear, chemical, biological, or radiological weapons (NCBRs). We can plot non-expert or lay willingness to accept a given level of risk as a function of the perceived level of control that can be exercised over it, and in the case of imposed risks, with the perceived motives of the imposer. (See Figure 1) A risk's acceptability, however, does not necessarily correlate with its demonstrated or potential threats.

In assessing the risks posed by terrorism, the layperson faces a serious difficulty: terrorist incidents are inherently unpredictable. There is no generally accepted method of calculating comprehensive damage. This is not to say there are not many attempts to quantify the risk or cost of terrorism. While many studies examine deaths, injuries, frequency of incidents, and so on, the induced fear drives many secondary consequences. Unable to assess accurately the true threat of terrorism, the ordinary citizen can only analyze the perception of risk.

While assessing the actual threat of terrorism is difficult even for experts, we can quantify and predict the "perceived threat."[4]

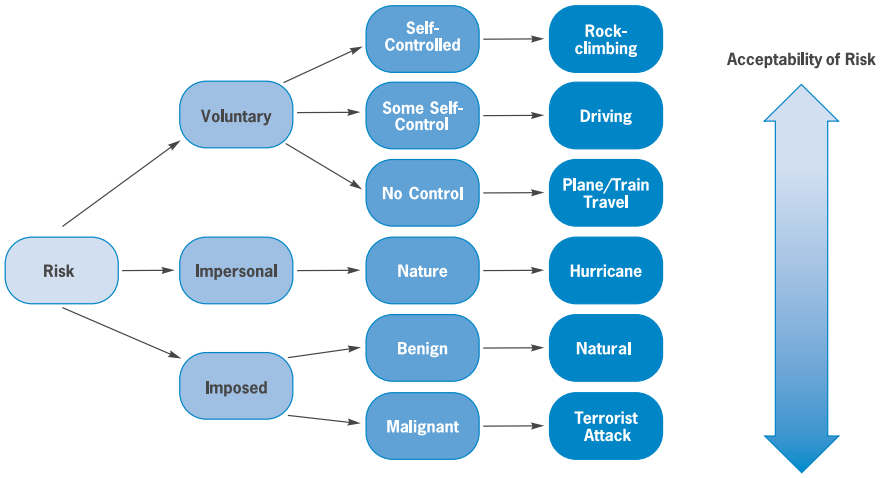
[1] This paper will rely on the US Government's definition of terrorism used since 1983: "premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents, usually intended to influence an audience." Title 22 of the United States Code, Section 2656f(d). Online at http://www.state.gov/s/ct/rls/crt/2000/2419.htm

[2] Weber, Elke U., and Paul Slovic. *Perception of Risk Posed By Extreme Events*. Risk Management strategies in an Uncertain World Conference. (2002): 10-19. See also Kasperson, Roger E, Ortwin Renn, and Slovic, Paul. *The Social Amplification of Risk: A Conceptual Framework*. Risk Analysis Vol. 8, no. 2 (1988): 177-87; Reyna, Valerie F. *How People Make Decisions That Involve Risk a Dual-Processes Approach*. Current Directions in Psychological Science. Vol. 13.2 (2004): 60-66.

[3] This is not to say there are not many attempts to quantify the risk or cost of terrorism. While many studies examine deaths, injuries, frequency of incidents, and so on, the induced fear drives many secondary consequences. See Frey, Bruno S., Simon Luechinger, and Alois Stuzer. *Calculating Tragedy: Assessing the Costs of Terrorism*, CESIFO Working Paper No. 1341, 2004; Adams, John. *Challenges to the Quantification of the Risks of Terrorism*. World Federation of Scientists' International Seminar on Terrorism. (2004): 5.

[4] Weber, Elke U., and Paul Slovic. *Perception of Risk Posed By Extreme Events*. Risk Management strategies in an Uncertain World Conference. (2002): 7.

FIGURE 1



Source: Adams, John. "Challenges to the Quantification of the Risks of Terrorism." World Federation of Scientists' International Seminar on Terrorism. (2004: 5).

For non-experts, the perception of extreme risk is a function of two factors: "dread risk" and "unknown risk." Sociologists and social psychologists define a "dread risk" as a felt loss of control, feelings of dread, the apprehension of catastrophic potential or of fatal consequences, and the anticipation inequitable distribution of risks and benefits. "Unknown risks," on the other hand, are defined as those hazards judged to be unobservable, unknown, new, and/or where the full damage becomes apparent only after the event. The higher a hazard's score on the "dread risk" scale - that is, the higher its perceived risk - the more people want its current risk reduced, and the more they want authorities to intervene to achieve that desired reduction in risk. The higher a hazard's score on the "unknown risk" factor, the greater the potential for an adverse event's risk to be socially amplified.

Any adverse event can trigger "social amplification." The terror attacks of September 11th, 2001, which belonged to either the "risk-unknown" or the "risk-previously-ignored" categories, and which had consequences or potential consequences for many people, constituted such a "socially amplified" event. Through the process of risk amplification, which increases societal fear of imposed risks whether benign or malign, the adverse impacts of a horrific event can extend far beyond the direct damages to victims and property. An event much less drastic than the September 11th attacks can trigger significant or severe indirect consequences.

The US national character cherishes the importance of individual freedom to choose which risks to deem acceptable. The popular reaction to plane and train crashes is more acute than car accidents, and not merely because these crashes can involve mass casualties and dramatic footage. The reaction is also exigent because the US public demands a higher standard of safety in circumstances in which citizens voluntarily hand over control to another. Terrorism is an imposed and malignant hazard. These two qualities together mean that the perception of the risk of terrorism is subject to the highest level of social amplification. Accordingly, public demand and government efforts to mitigate the threat have been disproportionate to terrorism's demonstrated dangers.

I. SOCIAL AMPLIFICATION OF 9/11: IMPACTS ON THE US

On September 11th, four planes-turned-missiles took the lives of 2,874 individuals and inflicted $33 - 36 billion in immediate damages.[5] It was the largest terrorist attack ever on US soil and its impact on the US was cataclysmic. Abruptly conscious of its vulnerability, the US overreacted to the threat, with costly consequences (See Figure 2).

CIVILIANS

The use of airlines on September 11th exacerbated the public's fear of flying, and with deadly consequences. Hyperaware of aviation's role in the disaster, social amplification of the risk led to a faulty perception of its dangers. Some individuals consequently substituted driving for flying.

We can only assume that individuals made this substitution in the interests of safety, hoping thereby to avoid the threat of another hijacking. But a look at the numbers shows the irrationality of their response. 256 lives were lost aboard the four hijacked planes on September 11th.[6] In the US, an average year's worth of automobile accidents take many times that amount of lives. In fact, car crashes are the primary cause of death for individuals between four and thirty-five.[7] The 256 airline deaths on that day are roughly equal to an average 2.5 days of US road fatalities.[8] Nationally, an average of forty-two thousand individuals lose their lives in automobile-related incidents - every year (See Figure 3). The State of New York alone averages over a thousand traffic fatalities annually.[9] The risk of driving a car is many times greater than flying. In fact, driving the length of a typical nonstop segment is approximately 65 times as risky as flying (based on the likelihood of death per mile, see Figure 3).[10]

Perhaps those who substituted driving saw the September 11th attacks as predicting an increase in terrorist attacks on airlines. Although the reasoning is logical, the danger of flying should be judged by its primary substitute, driving. For aviation to become as risky as driving, disastrous airline incidents on the scale of September 11th would have to occur 120 times over a 10-year period, or about once a month. A terrorist campaign targeting aviation, like the plot reportedly foiled on August 10th, 2006, still would not justify an overall, long-term preference for driving over flying.

Notwithstanding the evidence, after the September 11th hijackings many in the US did substitute ground transportation for commercial aviation. In the fourth quarter of 2001, there was an 18 percent reduction in the number of passengers aboard commercial airlines compared to the same period the previous year.[11] Even after controlling for the effect of the weakened US economy at the time, the effect persisted, albeit at a slightly lower decrease of approximately 10 percent.[12]

This reduction in the use of commercial aviation led to greater automobile use and a subsequent increase in driving costs and deaths. A study comparing motor vehicle fatalities in the three months following September 11th to averages from the previous three years found an additional 365 road

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[5] Updated death toll from CNN.com (10/21/03); excludes terrorist fatalities. Economic cost of lost human and physical capital based on Bram, Jason, James Orr, and Carol Rapaport. *Measuring the Effects of the September 11 Attack on New York City*. FRBNY Economic Policy Review 2002. p 12; Office of the Secretary of Defense. The Renovation of the Pentagon March 1, 2002.

[6] The 9/11 Commission Report: Final Report of the National Commission on Terrorist Attacks Upon the United States, ed. National Commission on Terrorist Attacks, W.W. Norton & Company, 2004. This does not include terrorist fatalities.

[7] Subramanian, Rajesh. *Motor Vehicles Traffic Crashes as a Leading Cause of Death in the United States, 2003*, Traffic Safety Facts Research Note, National Highway Traffic Safety Administration, 2006.

[8] Based on the number of automobile fatalities 2001, number of daily automobile fatalities is even higher in years 2002-2005. Data from NHTSA: National Center for Statistics & Analysis. "Automobile Fatalities." 2006. Fatality Analysis Reporting System. Ed. National Center for Statistics & Analysis NHTSA. July 2006. <http://www-fars.nhtsa.dot.gov/>.

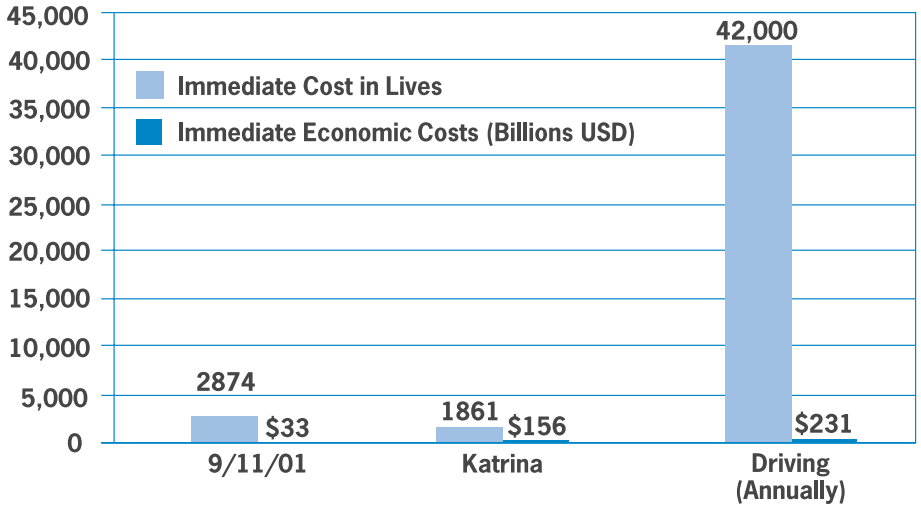
[9] Ibid.

[10] Sivak, Michael, and Michael J. Flannagan. *Flying and Driving After the September 11 Attacks*. American Scientist. Vol. 91.1 (2003): 6-9.

[11] Ibid.

[12] Becker, Gary, and Yona Rubinstein. *Fear and Response to Terrorism: An Economic Analysis*. Working Paper. (2004): 6, 21.

FIGURE 2



Source: Hirshkorn, Phil. *New York Reduces 9/11 Death Toll By 40*. CNN.com, October 29, 2003. Bram, James, James Orr, and Carol Rapaport. *Measuring the Effects of the September 11 Attack on New York City*. FRBY Economic Policy Review, 2002. Nanto, Dick, K. *9/11 Terrorism: Global Economic Costs*. CRS Report for Congress, 2004.; cites Office of the Sectretary of Defense, *Renovation of the Pentagon*, March 1, 2002. Belasco, Amy. *The cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11*. CRS Report for Congress, June 16, 2006.

deaths.[13] And a six-month analysis estimated an additional 242 driving fatalities per month, or about 1,200 total additional deaths.[14] The substitution of road travel for air travel was the primary mechanism explaining the increase in non-commercial driving fatalities.

Both studies reported a strengthened public aversion to flying, consistent with the theory that new or previously unknown risks are subject to the greatest degree of social-amplification. The terror attacks of 2001 brought the nation's attention to the real threat of airline hijacking, but US authorities did not put the risk in the context of other dangers. The amplification of perceived risk consequently led to poor individual decisions and unnecessary deaths.

GOVERNMENT RESPONSE

As civilians adapted to post-September 11th life, they took additional precautions for their own safety, and the government enlarged its role as a security provider for the US public. However, the government was afflicted by the same distorted perception of the terrorist threat that led to the amplified civilian aversion to aviation. Civilians overreacted to the possibility of hijacking; the government overreacted to the concept of terrorism. There was indeed a catastrophic terrorist attack on US soil. Though this was not an entirely new phenomenon (the World Trade Center itself was attacked eight years before), specific characteristics of the 2001 attacks stood it apart from previous attacks.

The use of planes as bombs accounts for the September 11th attacks' cataclysmic impact on the US. The majority of deaths, economic costs and the overwrought social response resulted from the collapse of the World Trade Center towers. Had the planes been destroyed mid-air, the

[13] Bower, Bruce. *9/11's Fatal Road Toll*. Science News. Vol. 165 Issue 3 (2004): 37-38.

[14] Blalock, Garrick, Vrinda Kadiyali, and Daniel H. Simon. *The Impact of 9/11 on Driving Fatalities: The Other Lives Lost to Terrorism*. Cornell University Chronicle. (2005): 8-9.

attack would likely have been managed within the parameters of aviation security. There might have been no "war on terror." The weakness in aviation security would have been addressed and the nation might have moved on.

But the planes did crash into the buildings, and President Bush's response was a war on terrorists everywhere:

> Our war on terror begins with al Qaeda, but it does not end there. It will not end until every terrorist group of global reach has been found, stopped and defeated.[15]

Terrorists, after all, are individuals or groups that support or perform premeditated, politically motivated acts of violence against noncombatants. Even considering the impact of the 2001 attacks, the danger of terrorism is relatively small compared to many dangers facing society. The threat is not terrorism per se; it is the potential terrorist use of apocalyptic weapons that present a significant threat to the US.

Unlike the war in Afghanistan, the purpose of Operation Iraqi Freedom was to address the imminent threat of Iraq's "weapons of mass destruction" capacity or potential.[16] I make this point to distinguish the different goals of two separate "war on terror" operations. Operation Enduring Freedom's mission was to disrupt terrorist activity in Afghanistan and deliver justice to those responsible for the attacks of September 11th. (Statement of President Bush, October 7, 2001). Operation Iraqi Freedom, on the other hand, was ostensibly waged to disarm Iraq and to prevent it from using or spreading NBCRs to terrorist organizations.

When UN weapon inspectors' reports made it abundantly clear that Iraq neither possessed nor planned to develop NCBRs, the Bush administration continued to proclaim the legitimacy of the war as a component of the "war on terror."[17] Either forgetting or abdicating its primary responsibility to protect its citizens, the Administration decided that war on a tactic, rather than an enemy, was worth billions of taxpayer dollars and thousands of military deaths.

The Congressional Budget Office estimates the cost of the Operation Iraqi Freedom at $318 billion through FY2006, but economists Joseph Stiglitz and Linda Bilmes assert that a conservative estimate of the direct budgetary costs to the taxpayer of the war in Iraq is more likely to range from $750 billion to $1.2 trillion, assuming that the US begins to withdraw troops in 2006 and diminishes its military presence over the next five years.[18] At present, the number of US casualties in Iraq stands at 2,570.[19] The number of monthly attacks continues to increase and shows no signs of abating.[20] In his most recent report to the Senate Armed Services Committee, General John Abizaid, the top US commander in the Middle East, asserted that if the violence doesn't stop, Iraq will verge on civil war (see Figure 2).[21]

Among the numerous obstacles presented by the "war on terror" is the inability of the US to fund a war with no specific enemy or end. The fiscal resources of even the richest country in the world are finite. US security priorities should assign resources not only on the basis of the military or judicial legitimacy of a proposed initiative.

Terrorism is a multifaceted threat, with some manifestations more dangerous than others. It would be

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[15] President Bush address to a joint session of congress and the American people on September 20, 2001. Available from http://www.whitehouse.gov/news/releases/2001/09/20010920-8.html

[16] I make this point to distinguish the different goals of two separate "war on terror" operations. Operation Enduring Freedom's mission was to disrupt terrorist activity in Afghanistan and deliver justice to those responsible for the attacks of September 11th. (Statement of President Bush, October 7, 2001). Operation Iraqi Freedom, on the other hand, was ostensibly waged to disarm Iraq and to prevent its using or spreading NBCRs to terrorist organizations.

[17] *Report Concludes No WMD in Iraq*. 2004. BBC News. 2006 July 15. <http://news.bbc.co.uk/2/hi/middle_east/3718150.stm>.

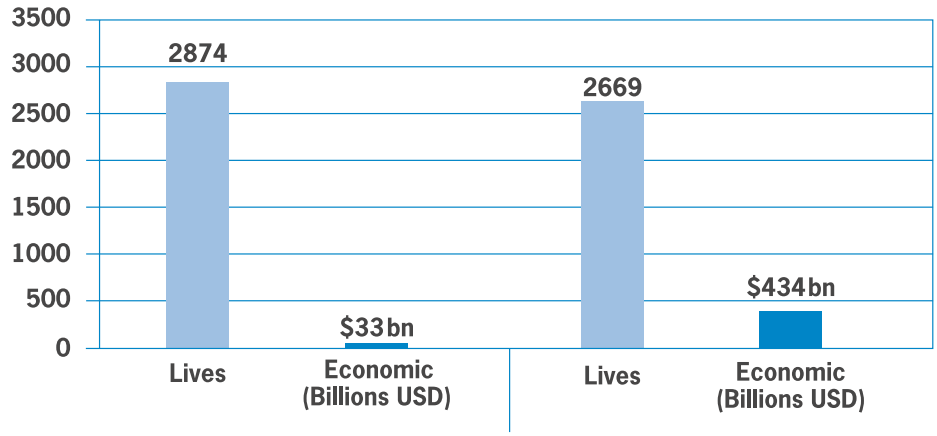
[18] Belasco, Amy. *The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11*. CRS Report for Congress June 16 2006, 14; Linda, and Joseph E. Stiglitz. *The Economic Costs of the Iraq War: An Appraisal Three Years After the Beginning of the Conflict*. ASSA Meetings. (2006): 5, 13.

[19] *Casualty Reports as of 10/11/2006*. 2006. US Department of Defense. August 11 2006. <http://www.defenselink.mil/>.

[20] O'Hanlon, Michael, and Andrew Kamons. *Iraq Index: Tracking Variables of Reconstruction & Security in Post-Saddam Iraq*. 2006. The Brookings Institute. The Brookings Institute. August 3 2006.

[21] Roberts, William. *Abizaid Says Violence Puts Iraq on Verge of Civil War*. Bloomberg.com August 3 2006.

FIGURE 3



Sources: Hirschkorn, Phil. "New York Reduces 9/11 Death Toll By 40." CNN.com, October 29, 2003. Bram, James, James Orr, and Carol Rapaport. "Measuring the Effects of the September 11 Attack on New York City." FRBNY Economic Policy Review, 2002: 5-20. Nanto, Dick K. "9/11 Terrorism: Global Economic Costs." CRS Report for Congress,2004; cites Office of the Secretary of Defense, Renovation of the Pentagon, March 1, 2002. Belasco, Amy. "The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11." CRS Report for Congress, June 16, 2006.

logical for catastrophic threats to receive more attention than a scenario delivering only minor harms. In vowing to eradicate terrorist ideology, US security since 2001 has largely been limited to countering terrorist groups. An effective policy will prioritize the response to terrorism, including the resources devoted to combating its practitioners, within the context of a range of differing levels of potential harm, including non-terrorist dangers.

The sobering costs in blood and treasure contrast starkly with the Bush administration's optimistic view that liberating Iraq would stabilize the Middle East and secure the U.S. Instead of bringing peace and safety, to date the war on terrorism has been costly and ineffective. In addition to the lives lost and the resources spent on Iraqi freedom, the continuing US military presence has increased anti-US sentiment throughout the Middle East, in turn raising sympathy for, and motivating people to join or support, radical Islamists.

II. OPPORTUNITY COSTS OF THE "WAR ON TERROR"

In 2005 another catastrophic incident occurred on US soil. Hurricane Katrina took the lives of 1,861 people and wreaked widespread havoc, with damages to date estimated at $157 billion (see Figure 3). But this disaster did not spark any significant federal effort to identify the cause of the attack or to free the world from its threat.[22]

Hurricane Katrina was the greatest natural disaster in US history. Although its connection to global warming is still subject to scientific debate, the increased strength of hurricanes takes a tremendous toll on the US and should be met with the same concern as a large-scale terrorist attack. In fact the two threats share remarkable similarities:

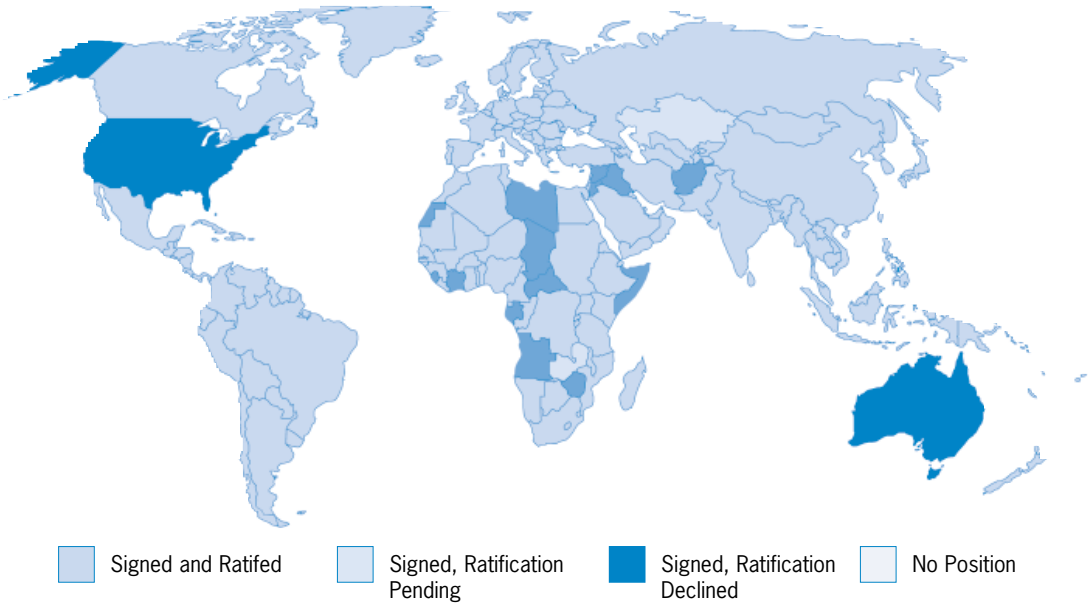
1) The longer we ignore it, the greater the danger grows, whether the problem is the development and proliferation of NCBRs or rapidly increasing levels of carbon emission.

2) The timing and extent of damage cannot be predicted.

3) An isolationist strategy is impotent to prevent the disasters.

[22] Burton, Mark, and Michael Hicks. *Hurricane Katrina: Preliminary Estimates of Commercial and Public Sector Damages*, CBER: Marshall University (2005): 7.

FIGURE 4. STATUS OF KYOTO PROTOCOL



Source: Kyoto Protocol, participation (Nov 18 2005). Online at: http://en.wikipedia.org/wiki/Image:Kyoto_Protocol_participation_map_2005.png

It is important to distinguish the threat of terrorists with NCBRs from traditional terrorism or even terrorism that uses planes as missiles. The Bush administration claims that containment of NCBRs is a high priority. Its 2004 National Security Strategy bluntly declares:

> Weapons of mass destruction - nuclear, biological, and chemical - in the possession of hostile states and terrorists represent one of the greatest security challenges facing the United States.[23]

Hans Blix, former Chief UN Weapons Inspector in Iraq, deftly explains why securing NCBRs should be a top priority:

> Nuclear, biological and chemical arms are the most inhumane of all weapons. Designed to terrify as well as destroy, they can, in the hands of either states or non-state actors, cause destruction on a vastly greater scale than any conventional weapons, and their impact is far more indiscriminate and long lasting.[24]

President Bush acknowledges that the "greatest threat" to the US is the specter of a "secret and sudden attack with chemical or biological or radiological or nuclear weapons." He described the possibility of such an attack as less remote than during the Cold War, contending that unlike the Soviet Union, terrorists view such dangerous arms as weapons of "first resort." Making matters worse, the President noted, "these terrible weapons are becoming easier to acquire, build, hide, and transport."[25]

The US has maintained funding of Cooperative Threat Reduction (CTR) programs, but experts still perceive the risk of attack to be high.[26] By focusing its offense on terrorists and not the weapons

[23] Bush, President. *United States National Security Strategy to Combat Weapons of Mass Destruction*. The National Security Strategy of the United States. 2002.

[24] WMD Commission. *Weapons of Terror: Freeing the World of Nuclear, Biological and Chemical Arms*, United Nations Publishing, 2006.

[25] Boese, Wade. *Bush Outlines Proposal to Stem Proliferation*. Arms Control Today March 2004.

[26] A survey of 82 national security analysts found the risk of large-scale attack on US before 2010 to be 50 percent. See Lugar, Senator Richard G. *The Lugar Survey on Proliferation Threats and Responses*, 2005.

Nuclear, chemical, biological, or radiological weapons (NCBR) proliferation and global warming cannot be solved with an isolationist strategy. Neither threat respects national boundaries, policies, or strategies. These two greatest threats can only be solved through global cooperation. The US is uniquely placed, and arguably uniquely obligated, to lead programs and initiatives to increase international security, prosperity, and peace.

terrorists may choose, the US security strategy has been inefficient and very costly.

Nonetheless, tracking down potential perpetrators of attacks with NCBRs is not an efficient strategy. With an overwhelming majority of world powers against the use of NCBRs, if the US were to meet its obligations under the Nonproliferation Treaty it would likely engage an international community of nations willing to forego and secure fissile materials, and chemical and biological weapons.

III. THE WAR ON GLOBAL WARMING

Former Vice-President Al Gore's film, *An Inconvenient Truth*, argues for global warming as the single greatest threat to our world. Hurricane Katrina demonstrated the dangers of changing weather systems. Although as previously noted it is not yet possible to determine the role of global warming in increased hurricane strength, much of the scientific community agrees that there is likely to be a connection.[27] Hurricane Katrina's devastation is estimated at $157 billion in damages (without including mission costs or the lost human capital of 1,861 deaths).[28] Congress has provided $62.3 billion so far for emergency response and rebuilding.[29] Figure 2 shows the costs in lives and dollars of the September 11th, 2001 terrorist attacks, Hurricane Katrina, and US annual car accidents.

Whether or not global warming is directly responsible, Katrina's devastation should be taken as a reminder of the power of nature. The current US administration may be skeptical, but the scientific community is certain that carbon emissions are responsible for atmospheric warming.

Despite the huge costs of natural disasters, the US has chosen to ignore the threat presented by global warming. In 2005, the US backed out of the Kyoto Protocol - the international initiative to curb carbon output - citing economic drain as its rationale. However, if we add up the costs of all the recent natural disasters (Katrina's damage alone was greater than one percent of US GDP), and if we accept that there is no reason to expect such effects to weaken, the costs of not participating might be much higher than the projected one to three percent of GDP it would cost to fulfill our obligations.[30] Despite US absence, most of the world has signed the Kyoto Protocol, a legally binding commitment to lower carbon output. Figure 4 shows the scarce company the US keeps by not participating.

IV. POLICY RECOMMENDATIONS

NCBR proliferation and global warming cannot be solved with an isolationist strategy. Neither threat respects national boundaries, policies, or strategies. These two greatest threats can only be solved through global cooperation. As the world's sole remaining superpower, the US is uniquely placed, and arguably uniquely obligated, to lead programs and initiatives to

[27] See Schwartz, John. *2 Studies Link Global Warming to Greater Power of Hurricanes*. New York Times May 5 2006, A16; Vergano, Dan. *Global Warming Stoked '05 Hurricanes, Study Says*. USA Today June 23 2006.

[28] Burton, Mark, and Michael Hicks. *Hurricane Katrina: Preliminary Estimates of Commercial and Public Sector Damages*, CBER: Marshall University (2005): 7.

[29] Bacon, Perry. *Paying for Katrina*. Time. Vol. 166 12 (2005): 22.

[30] Barker, Terry, and Paul Ekins. *The Costs of Kyoto Protocol for the US Economy*. Energy Journal. Vol. 25 Issue 3 (2004): 53-71.

increase international security, prosperity, and peace. After September 11th, 2001, the US adopted a unilateralist strategy that has hindered progress in the struggles against NCBRs and global warming. Addressing and actively participating in programs to improve the world would yield myriad of benefits. In addition to international gratitude, the US would enjoy the opportunity to achieve security aims that it cannot accomplish on its own.

NCBRs are an enormous threat, and not just in the hands of terrorists. Nonetheless, separating the threat of terrorists with NCBRs from terrorists without has important political implications. The overwhelming majority of nations oppose terrorist possession of NCBRs, while very few support the US "global war on terror." Its unprecedented military power notwithstanding, the US is unable to stop NCBR proliferation on its own. Only by forging global partnership and harnessing the strength of the international community is a NCBR-free world within reach. Global cooperation has the potential to ameliorate, not merely palliate, the threat of NCBRs in a manner beneficial to the entire world. The US needs to work with the international community to realize the common goal of a safe and healthy planet.

HIGHLIGHTS/KEY POINTS

- Compared to the many dangers facing the US public today, the threat of terrorism is relatively small.
- The 9/11 attacks constituted a "socially amplified" event. Public demand and government efforts to mitigate the threat of terrorism have been disproportionate to terrorism's demonstrated dangers.
- An average of 42,000 individuals in the U.S. lose their lives in automobile-related incidents - every year. Disastrous airline incidents on the scale of September 11th would have to occur about once a month for flying to be as risky as driving.
- US security policy since 2001 has largely been limited to countering terrorist groups. U.S. policy should prioritize threats based on the potential harm – i.e. global warming and the use of nuclear, chemical, biological, or radiological weapons (NCBRs).

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Professor Gold's primary research interest is the economics of national security. He is conducting research on economic incentives in terrorist organizations, how major arms exporting countries subsidize their arms industries, and why real defense spending in the United States fluctuates but doesn't just rise. Professor Gold co-chairs the New School Study Group on the Economics of National Security, which is currently studying the economics of terrorism. His writings have appeared in professional journals, newspapers and magazines, and increasingly on widely accessible web sites. Professor Gold received a B. S. in Agricultural Economics from Cornell University, a M. Ph. in Economics from Columbia University and a Ph.D. in Economics from the Graduate Center of the City University of New York.

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Winslow Wheeler worked on national security issues for 31 years for members of the U.S. Senate and for the U.S. General Accounting Office (GAO). In the Senate, Wheeler worked for Jacob K. Javits (R. NY), Nancy L. Kassebaum (R, KS), David Pryor (D, AR), and Pete V. Domenici (R, NM). In 2002, Wheeler authored an essay, under the pseudonym "Spartacus," about Congress' reaction to the September 11, 2001 terrorists attacks, *Mr. Smith Is Dead: No One Stands in the Way as Congress Lards Post-September 11 Defense Bills with Pork*. When Senators complained about Wheeler's criticisms, he was invited to resign from his position with the Republican staff of the Senate Budget Committee. Wheeler is the author of *The Wastrels of Defense: How Congress Sabotages U.S. Security* from the US Naval Institute Press. The book has been the subject of commentary and interviews on "60 Minutes," C-SPAN's "Book Notes," and various newspapers and radio stations.

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ABOUT SECURITY POLICY WORKING GROUP

How do we define security in a post 9/11 world? What policies, doctrines and approaches will truly make the United States – and the world – more secure? What role and voice do concerned citizens and organizations have in answering these most critical questions?

Founded in September 2002, the Security Policy Working Group (SPWG) aims to reshape and expand the public and policy discourse on what constitutes true security in a post 9/11 world. Comprised of leading defense and security policy researchers, analysts and non-governmental organizations, SPWG participants believe that sound public policy and effective governance derive from sustained research, analysis and critical thinking.

SPWG MEMBERS

- Arms Trade Resource Center, World Policy Institute
- Center for Defense Information, World Security Institute
- Center for Strategic and Budgetary Assessments
- Center for War, Peace and the News Media
- Economists for Peace and Security
- Graduate Program in International Affairs, New School University
- MIT Security Studies Program
- National Priorities Project
- Project on Defense Alternatives, Commonwealth Institute

THE GOALS OF THE SECURITY POLICY WORKING GROUP INCLUDE:

- development of credible, independently-developed alternative security ideas, policies and approaches.
- conveyance of these alternatives to key audiences through deeper, more consistent engagement — resulting in broader public participation in the security debate.

SPWG's uniqueness as a collaborative enterprise is found in the breadth and depth of research and policy expertise brought to a broad spectrum of issues and policy areas, all of which must be considered in any fundamental reformulation of security policy, including:

- **Budget and economic considerations**, including the defense budget, taxation issues and opportunity cost analysis
- **Military strategy and options**, including analysis of weapons, force structure and use of the military in U.S. foreign policy
- **Institutional reform and decision making**, including the role of Congress and the public as well as the reform of security-related agencies to better address post-Cold War and 9-11 realities
- **International relations and diplomacy**, including multilateral institution reform, international agreement reform, US leadership, and foreign aid
- **Homeland security and terrorism**, including analysis of military and non-military responses, weapons of mass destruction policy, arms trade and arms control
- **Media issues and opinion formation**, both of which are essential factors in the formulation and implementation of policy alternatives

The Security Policy Working Group is managed and coordinated by the Proteus Fund, a public foundation based in Amherst, Massachusetts. Since its founding in 1994, Proteus Fund has funded programs that reinvigorate civic engagement and expand access to our democracy with the goal of building and strengthening the social justice movement. Initial funding for the SPWG has been provided by the Ford Foundation.

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