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**OPTIONS, RECOMMENDATIONS, CONCLUSIONS**

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This report has analyzed four of the homeland security task areas: domestic preparedness, continuity of operations, continuity of government, and border and coastal defense; the fifth homeland security area—national missile defense—was not addressed. For each of the four, we used the following approach.

First, we described an illustrative notional planning magnitude for each threat based on a stylized threat and risk assessment, while noting that a more comprehensive threat and risk assessments could reveal that these illustrative magnitudes were either too high or too low. Our illustrative threat assessments relied on historical data revealing observed frequencies and consequences of each threat type, trend analyses of threat data, and intelligence assessments presented in congressional testimony and other open sources.

Second, for each task area, we identified notional measures of performance and performance levels for judging the responsiveness and capacity of the total local, state, and federal response.

Third, to better differentiate the Army's role in homeland security from those of other actors, we analyzed the current array of local, state, and federal players, including the Army, the other services, and other elements of DoD, as well as the threats—high explosives, chemical, biological, radiological, nuclear, or cyber—they could address. Chapter Eight provided vignettes describing the probable consequences of incidents of specified magnitude and the local, state, and federal (including Army) response. Chapter Nine examined the adequacy of Army DOTLMS for addressing each of the four homeland security task areas. This resulted in a number of sug-

gested Army actions whose benefits were seen to be commensurate with costs and with the current level of threat.

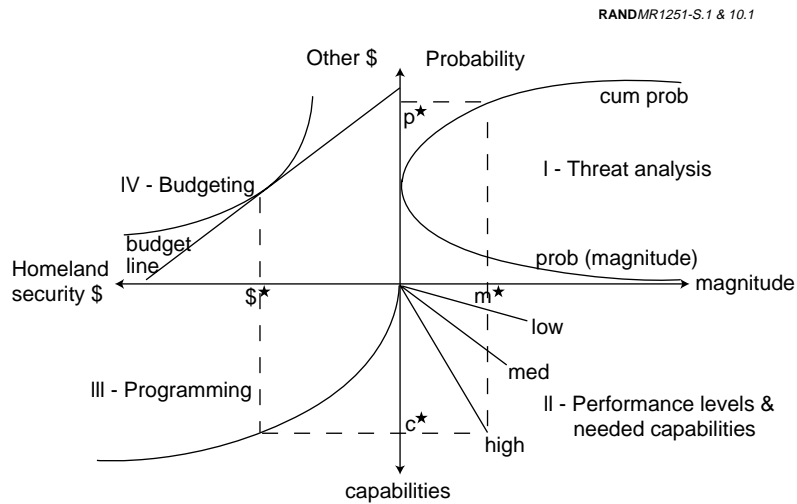
Fourth and finally, this report explored some of the issues associated with resourcing homeland security. It argued that a long-term adaptive strategy is needed that ties additional investments in homeland security more closely to threat assessments and a better understanding of the cost-effectiveness of available options. Although the threat does not appear at present to warrant further large-scale investments, the report argued, an increased threat could dictate increased investments in homeland security, assuming they passed simple cost-effectiveness criteria. It also argued that, although the Army is making progress in tracking homeland security-related TOA, the DoD would benefit from a new homeland security major force program and appropriate program elements for categorizing line-item expenditures. Although OMB has made similar strides in clarifying federal spending on combating terrorism and WMD, and critical infrastructure protection, the federal government would similarly benefit from a new budget subfunction to account for these activities.

### **THE KEY QUESTIONS REMAIN UNANSWERED**

Chapters Four through Seven addressed the four key analytic tasks associated with assessing homeland security capabilities in each of the four task areas.

For each task area we addressed, in turn, the key issues associated with threat and risk assessments, measures of performance and performance levels, cost-effective programs, and budgeting. These four pieces of a comprehensive assessment can now be integrated into a single nomogram that captures the analytic flow of homeland security analyses (see Figure 10.1).

The nomogram shows how decisions taken in each panel contribute to the larger analysis. A decision about planning magnitude ( $m^*$ ) taken in Panel I is refined when a decision is taken in Panel II that establishes performance criteria ( $c^*$ ) for assessing alternatives. The planning magnitude and performance criteria then set the stage in



**Figure 10.1—Nomogram for Assessing Homeland Security Options**

Panel III for designing cost-effective programs, and the total cost of these programs ( $S^*$ ) is traded off against other budgetary claimants in Panel IV. To be sure, behind each panel there is a great deal of policy discussion, as well as analytic effort in the way of studies and analyses, and modeling.

Despite a great deal of important work done to redress shortfalls in local, state, and federal capabilities to address emerging threats to the homeland, the four key questions—the questions associated with each panel of the nomogram—remain substantially unresolved:

- What magnitudes of events should the United States plan against for high-explosive, chemical, biological, radiological, nuclear, and cyber threats? (Panel I, threat analysis)
- What levels of performance will the nation demand in the national (local, state, and federal) responses to these events? (Panel II, performance levels and needed capabilities)
- What are the most cost-effective options for providing the capabilities that will address these events at the desired performance levels? (Panel III, programming)

- What resources will be made available, and will they be sufficient to provide the necessary capabilities? (Panel IV, budgeting)

We now provide suggested or illustrative answers to these questions, although we conclude that they will only be answered satisfactorily—if at all—if they are the subject of larger policy discussions.

### **What Magnitudes of Events Should the United States Plan Against?**

Throughout, this report has suggested that planning magnitudes for various types of incidents are needed that are larger than historically observed incidents (and therefore likely to provide reasonably good hedges against future incidents, at least in the near term) while not being large enough to pose an insurmountable barrier to developing effective counters.

To illustrate, the analysis suggested that local, state, and federal planners could aim to mitigate the consequences of chemical incidents in which 2,500 could die, biological incidents in which 5,000 people could die, and radiological incidents in which 25,000 people require evacuation, testing for exposure, and treatment. To emphasize, each of these magnitudes appeared to be well above the historical experience with terrorism, but policymakers need to engage with intelligence analysts and others to establish specific planning magnitudes. The report also noted that nuclear incidents would likely result in catastrophic losses whose magnitude would overwhelm national response capabilities—on the order of tens to hundreds of thousands of dead and injured. The report also suggested that the response to cyber threats might be sized on the basis of time until detection and isolation.

The notional planning magnitudes offered in this report to illustrate the analytic process are not meant to substitute for the set of planning magnitudes that would result from a thorough, reasoned effort by federal, state, and local actors to establish planning norms. Accordingly, this report urges that Army leaders engage with other relevant policymakers and intelligence and law enforcement specialists in serious discussions to establish the necessary planning norms. Such an effort would need to establish a current baseline using historical data on terrorist incidents and preventions and then reconcile

these data with intelligence estimates of current trends and future prospects for attacks. It also would need to explicitly address any additional hedging that may be desirable for each type of threat—i.e., to err, if at all, on the side of overpreparedness—tackling the question of whether the benefits of this hedging are worth their costs.

Finally, constant monitoring of key threat indicators will be required in each of the task areas, so that any indications of a change in the threat would necessarily lead to consideration of the need for new planning magnitudes and additional hedging efforts.

### **What Levels of Performance Will the Nation Demand?**

The second question that needs to be answered is also a normative one and arises from the need to establish performance levels against which total local, state, and federal response capabilities can be gauged.

Aggregate measures of performance need to be developed for each task area so that resource allocation decisions can be based on objective performance criteria. Available measures of performance would enable various options to be scored in terms of the levels of threat or consequence mitigation they provide—the reduction in the probability of terrorist attack, for example, or the number of deaths prevented.

With agreement on a modest but meaningful list of performance measures, norms could be established in terms of various performance levels. For example, a desirable performance level might be the ability to reduce by 50 (or 75 or 90) percent the probability of attack or the number of fatalities that would otherwise result in a chemical weapons attack. Designing capabilities to agreed-on performance levels and examining the technology and other requirements to achieve those levels—as well as their cost implications—can provide a long-term framework for improving responsiveness and capacity that focuses on reducing the length of the “long poles.”

### **What Are the Most Cost-Effective Program Options?**

The third question, addressed in Chapter Four, is not so much a normative one as an analytic one and requires assessing the contri-

butions of alternative mixes of local, state, and federal capabilities in terms of their cost-effectiveness to craft a cost-effective program mix.

As described in Chapter Four, many local, state, and federal actors, particularly in the domestic preparedness arena, are in the “layer cake” that constitutes the nation’s prevention and response capabilities. Further, a great deal of money is spent at each level, on training and equipping first responders, for example, and on fielding new operational units of various types (e.g., MMSTs, WMD CSTs).

It is almost certain that the nation’s response capabilities have improved since the authoring of Nunn-Lugar-Domenici. Nevertheless, we have no basis for establishing what performance improvements might have resulted or whether even greater improvements might have occurred had resources been allocated differently among federal, state, and local programs. In large part, this uncertainty springs from the volume of newly established programs and organizations and because data on cost and effectiveness (responsiveness and capacity) are, at best, notional.

What is needed is more systematic production and compilation of relevant effectiveness and cost data and broader-gauge systems and policy analyses that explore the performance and cost of alternative architectures of federal, state, and local actors.

Viewed from the Army’s (and DoD’s) perspective, homeland security lacks the analytical basis taken for granted for defining needed warfighting capabilities. Although admirable progress has been made in modeling the effects of WMD, no authoritative cost or effectiveness data are available for homeland security analysis, and no simulation or other models have been crafted that might assist in understanding programmatic trade-offs. Further, there appear to be no standard studies (or processes) that provide a basis for DoD decisionmaking on resource allocations for homeland security.

Because so little effort has been made to encourage the development of such an infrastructure and because the Army has the greatest interest in improving this situation, the Army should press for more serious analytic treatment of this issue, within the Army, DoD, and the larger federal, state, and local setting. More specifically, the Army should seize the initiative and take a leadership role in creating the

necessary framework and supporting capabilities (databases, models, etc.) for homeland security studies and analyses.

The probability that threats are increasing suggests that additional Army preparations for homeland security are warranted.

In Chapter Nine we evaluated the adequacy of current Army DOTLMS for the four homeland security task areas and suggested areas where short-term improvements can be realized at modest cost.

Additionally, given the poor understanding of the cost-effectiveness of alternative homeland security units or organizations, we recommend that the Army aggressively explore alternative future operational concepts for homeland security that may be more cost-effective than the current ones (e.g., WMD CSTs). A combination of experiments and exercises to generate lessons learned and efforts to design new future operational concepts that can be tested in these exercises and experiments clearly seem warranted.

To accomplish this, the Army might promote the use of joint warfighting experiments to test the likely responsiveness and capacity of the current DoD capabilities to perform homeland security missions. The Army can use the lessons from these experiments to refine its understanding of existing Army capabilities and limitations.

The Army also should consider creating a Homeland Security Battle Lab to design and test alternative future Army operational concepts and organizations whose responsiveness and capacity are greater than the present ones. When experimentation and testing have confirmed the cost-effectiveness of these concepts, the Army can begin developing the doctrine, organizational templates, training, and equipment packages needed and, when the threat level warrants, the number of units that need to be fielded. Such an approach will improve the Army's ability to provide the necessary capabilities as the threat changes.

### **What Resources Will Be Available?**

Although the federal government is spending more than \$11 billion to combat terrorism and WMD, to address critical infrastructure pro-

tection, and other homeland security–related areas, there is at present no clear way of answering the question, “How much is enough?”

Just as there are trade-offs in resource allocation decisions for warfighting in MTWs and smaller-scale contingencies (SSCs), so too there are trade-offs between homeland security and warfighting. Nevertheless, DoD presently lacks the capacity to address these trade-offs.

As noted in Chapter Four, current defense planning appears to treat threats to the homeland as modestly complicating factors, rather than in terms of their potential to seriously disrupt mobilization and deployment activities. In cases where combat, combat support, or combat service support capabilities have dual missions—i.e., are identified both for warfighting abroad and for homeland security activities—attacks on the homeland during a deployment easily could lead to difficult decisions regarding which set of missions had precedence. Given the attendant constitutional and political issues, it is not at all clear that warfighting abroad would be given the highest priority.

At present, the Defense Planning Guidance (DPG) and Quadrennial Defense Review (QDR) seem likely to address the homeland security mission only tangentially—as little more than a nuisance in this larger warfighting setting. Neither do homeland security activities receive serious treatment in the Future Years Defense Program (FYDP). They are treated, if at all, as separate line items buried deep within the budget.

As a result, we conclude that the Army should press for more explicit and serious treatment of homeland security in the DPG, QDR, and FYDP. In the DPG and QDR, homeland security requirements should be reconciled with warfighting needs to ensure that sufficient capabilities exist to accomplish both types of operations. And a new homeland security major force program (MFP) should be created to assure that homeland security is treated comprehensively.

The situation is not much better in the larger setting. At the federal level, OMB provides cost data on federal department and agency spending on antiterrorism, counterterrorism, and defense against WMD. While the numerous federal programs created and the allocation of money appears at first glance to be sensible, the data are at

too high a level of aggregation to determine where undesirable redundancies might exist and whether an alternative funding mix might not be more effective. In short, while some cost data are available, no effectiveness data are readily available to determine whether federal dollars might be better allocated. The situations at the state and local levels are even more difficult to assess.

The Army should accordingly also press for governmentwide effort—federal, state, and local—to go beyond simply documenting shortfalls in responsiveness and capacity and to begin development of data on the cost and effectiveness of first, second, and later responders at the federal, state, and local level. These data can then be used to inform spending decisions to ensure that the highest-payoff actions are the first claimants.

### **EXPLAINING THE ARMY ROLE IN HOMELAND SECURITY**

In light of the desire of national political leaders to alert the public to gain support for programs and prevent complacency without overstating the threat, the Army should studiously avoid hyping threats in these areas. Public opinion on the matter already suggests widespread awareness of the threats and a desire for the U.S. government to take action. Instead, the Army should focus its statements on finding the best ways to meet the threat, given the resources it receives.

The Army furthermore needs to establish a consensus for its role in homeland security and an ability to reassure the population and articulate the Army's role in a way that diminishes the risks of endangering the public's current positive perception of the Army.

The definition and the taxonomy of threats described earlier leads both to the identification of homeland security task areas and "bumper stickers" the Army can use to explain its role in homeland security (the "bumper stickers" are in quotations):

- "Protecting Americans at Home" (WMD domestic preparedness and civil support).
- "Ensuring Constitutional Authority" (COG, i.e., operations to ensure or restore civil authority).

- “Securing the Borders” (border and coastal defense, including the prevention of WMD smuggling into the United States and managing large-scale refugee flows that can create threats to the national security).
- “Assuring Military Capability” (continuity of military operations, including force protection—primarily for deploying units—protection of mission-critical facilities and systems, and protection of higher headquarters operations).
- National missile defense (not considered in this report).

## CLOSING OBSERVATIONS

The work presented here suggests that the Army has a reasonable basis for arguing that, of the services, it has the leading role in many homeland security task areas. Nevertheless, the Army can improve its capacity to undertake the homeland security missions it is being assigned in a number of important ways.

While arguing that the Army has a leading military role in homeland security, the opportunities for Army leadership in the broader civilian arena are quite circumscribed.

First, leadership opportunities are circumscribed by the characteristics of response scenarios. The adequacy of responses to chemical attacks will hinge on the capabilities of civilian first responders; it is uncertain whether Army capabilities (e.g., WMD CSTs) can arrive soon enough to make any difference. And in the case of biological attacks, the outcome of these incidents is far more likely to depend on the performance of public health systems than on Army responders.

Additionally, leadership opportunities are circumscribed by the larger federal setting. The current efforts to enhance DoD and Army response capabilities seem premised on the expectation that civilian response capabilities will be inadequate, and these efforts envision a role well beyond that envisioned by the lead federal agencies for crisis management (the FBI) and consequence management (FEMA). Furthermore, increasing attention is given to the question of how well the DoD program is integrated into the larger federal effort.

If it offers few real opportunities, homeland security does offer some potential risks to the Army. First, the Army's role in domestic preparedness activities seems likely to lead to criticism from both the left and the right as a result of concerns about the possible militarization of domestic preparedness and law enforcement. This criticism seems inevitable despite apparent agreement at all levels of the Army that the Army's role is to provide military support to civilian authorities and in spite of the fact, as argued here, that one of the highest priorities of homeland security will necessarily be the swift restoration of civilian governmental functions following a catastrophic event.

Risks are also inherent in the ability of the current "layer cake" of local, state, and federal participants to respond effectively. The current system seems to have been constructed with little attention to cost and effectiveness and may have resulted in a system that has critical gaps (in responsiveness, for example, or capacity), effectiveness shortfalls, or unnecessary redundancies that only become apparent in an actual incident, and with potentially grave consequences. Far better to begin exercising this system and to undertake the necessary analyses to understand where, at the margin, investments and divestments should be made at the local, state, and federal levels.

Its substantial investments in homeland security dictate that the Army, as the nation's servant, continue to perform to the best of its ability the missions it is assigned, given the resources at its disposal. The Army accordingly must seek to use its portion of homeland security funding to greatest effect. It also must recognize the risks of over- or underfunding and should press for a comparable degree of rationalization in the allocation and use of resources in DoD and in the larger federal setting.

Finally, although the threat is still somewhat remote, the Army should begin planning to resolve a looming, future conundrum it may face. In the event of an asymmetric campaign of attacks on civilian and military targets in the CONUS during a wartime mobilization, not only could mobilization be disrupted, but fierce competition could flare for low-density units that have dual missions of warfighting abroad and homeland security. Actions taken now can greatly reduce the possibility and consequences of such trade-offs.