

**Congressional Quarterly
HOMELAND SECURITY**

Oct. 18, 2002

Christopher Logan, CQ Staff Writer

Inside the White House Advisory Group:
Influential Business Leaders, Former Officials, Sit at the Homeland Security Table

Today, some of the great luminaries of American industry, technology, finance and intelligence will gather in the Indian Treaty Room of the Eisenhower Executive Office Building, a few steps from the White House.

Their subject will be the security of the United States, and specifically, building the structure of homeland security.

The little known group has already held sway over important homeland security issues. But a number of others who have not been invited to join Monday's gathering suspect that the group is a little too close to the levers of power and self-interest.

Around the long table will be people such as Kathleen Bader, from Dow Chemical, who Fortune magazine recently named one of the 50 Most Powerful Women in Business, and Sidney Taurel, CEO of pharmaceutical giant Eli Lilly.

From finance will come Joseph J. Grano, Jr., chairman and chief executive officer of UBS Paine Webber. From the high-tech world will be Dr. Jared Cohon, president of Carnegie Mellon University.

The wise men of the intelligence world will be there: William H. Webster, former director of both the FBI and CIA, and James R. Schlesinger, another ex-CIA director and former secretary of Defense and Energy, and Paul Bremer III, President Ronald Reagan's ambassador-at-large for counterterrorism.

And politicians: Republican Utah Gov. Michael O. Leavitt, and Washington, D.C.'s Democratic Mayor Anthony Williams. Rounding out the group will be a few state and local police leaders.

Together they make up the President's Homeland Security Advisory Council, which was formed at the invitation of President Bush last March, as the nation struggled to sort out its responses to the terrorist assaults.

The council has met in Washington three times since then, first on June 12, and again on July 2. The first meeting was partly closed, the second entirely sealed to outsiders. On August 29, the council members held an open discussion on how their expertise in corporate mergers could be applied to a new department of

homeland security, which will herd 22 existing agencies under a single roof in the largest reorganization of the federal government in a half century, involving 177,000 employees at a projected cost of \$37 billion.

It also is noteworthy who wasn't at the table in those meetings. There were no representatives of federal employee unions - even though civil service work rules have become a major pothole on the road to a new homeland security department.

There were no civil liberties groups - even though the detentions of hundreds of U.S. citizens suspected of al Qaeda ties and the prospect of secret military tribunals have raised major constitutional questions.

There were no health professionals at the table, even though doctors and hospitals will be on the front lines of the war on terrorism in the event of a long feared chemical or biological attack.

There were no representatives of environmental groups - although they've long studied the vulnerability of nuclear power plants and chemical stocks to accidents or terrorists.

Nor were there any representatives of the regulatory agencies who will have oversight across a broad spectrum of homeland security activities.

In short, the President's Homeland Security Advisory Council resembles Vice President Dick Cheney's Energy Task Force, a utilities-heavy group that met behind closed doors and excluded citizen input or media requests for agendas and minutes of its meetings.

"Where's the transparency?" an aide to a ranking Democratic member of the House Select Committee on Homeland Security said. "If they need to hear from industry, they also need to hear from consumer groups, regulators, and labor unions."

As it turns out, however, the advisory council has flown so low under Washington's normally sensitive political radar that many citizen groups have never heard of it.

An Old Tradition

It is not the first time the White House has enlisted business leaders as a group to think about America's safety: the president has a Foreign Intelligence Advisory Board that meets regularly to discuss spies and coups d'état.

But the circumstances on June 12, and again on July 2, were novel. President Bush was asking for reactions to his draft for a new homeland security strategy. The

overall idea, of course, was how to prevent and prepare for terrorist attacks on the order of Sept. 11, 2001.

The 13 men and three women began serving as a sounding board for a gamut of White House ideas, from improving coordination among federal, state and local government agencies, to defining a security role for the private sector.

What the White House presented to them in their initial meetings last summer was a plan that included scores of individual tactics for preventing and reducing America's vulnerability to terrorist attacks and for minimizing the damage and recovery from attacks that do occur.

But what the plan was missing, some of the people at the table thought, was a clear role for state and local governments. (The other pieces of the homeland puzzle that might have been filled by wider involvement of citizen groups and regulators apparently never were a serious issue.)

"This has to be a national versus a federal strategy, although the federal government obviously is going to play a key, key role," said James Moore, Florida's Commissioner of Law Enforcement, who also attended the summer meetings.

And, he said in a telephone interview, the 43 tasks spelled out in the draft, from enhancing the intelligence capabilities of the FBI to preparing health care workers for a catastrophic biowarfare incident, had to be better organized.

When the president unveiled his National Strategy for Homeland Security in a July 16 Rose Garden ceremony, his 90-page document reflected the advisory council's recommendations.

It included detailed descriptions of the proper balance of responsibilities among federal, state and local governments and the role of the private sector in preparing for and responding to terrorist attacks.

It also outlined six broad components of homeland security: intelligence and warning; border and transportation security; domestic counterterrorism; protecting critical infrastructure; defending against catastrophic threats; and emergency preparedness and response, each of which encompasses some of the two-score proposed improvements.

"When you look at it in this perspective, you say `Wait a minute, this can be done,'" Grano, designated by Bush as the chairman of the advisory council, said at the council's August meeting.

A Surprising Secret

Despite its influence inside the White House, the advisory council remains one of Washington's best-kept secrets.

Even some of the city's most tenacious government watchdogs, including the Project On Government Oversight, the Project on Government Secrecy (of the Federation of American Scientists) and the Electronic Privacy Information Center, have admitted ignorance of the group's activities. Congressional leaders also are taking a hands-off approach.

That may be because the council is technically restricted to an advisory role. It is conducting no investigations and will publish no final report when its charter expires in March 2004.

But outsiders can't be certain of what else the council may discuss, or do, during its meetings in the Indian Treaty Room. Or informally.

Two of its three meetings have been partially or entirely closed. Monday's session is off-limits to the press and public.

That aura of secrecy, and the lack of broad representation on the panel, inevitably raises questions about conflicts of interest in the advisory council.

Dow Chemical, for example (represented on the council by Kathleen Bader), has a direct interest in new chemical security standards mandated by the government. The chemical industry helped kill one bill giving EPA a new role in enforcing security upgrades last month.

Eli Lilley, represented by Sydney Taurel, makes vaccines and thus has a stake in biowarfare homeland security decisions.

Paul Bremer is chairman and CEO of Marsh Inc., an insurance risk advisory and finance company, and a director of Air Products and Chemicals, Inc.

Marsh Inc. is already a major player in homeland security, as "part of the insurance outreach committee of the President's Critical Infrastructure Protection Board," a company news release said.

Additionally, several members of the council also serve as paid consultants to various government contractors.

James Schlesinger advises the Louisiana-based Shaw Group on federal homeland security opportunities. Richard Andrews is a principal consultant on emergency management to the National Center for Crisis and Continuity Coordination, a Reston, Va.-based division of Candle Corporation, "a leading technology company providing IT consulting, services, and technical solutions to more than 5,000 government and business organizations," according to its Web site.

Eighty-five percent of the facilities covered by the critical infrastructure protection plan, scheduled for council review Monday, are owned by the private sector, meaning costs to some companies could increase if the plan mandates nationwide security upgrades.

Thus, members of the advisory council are reviewing policies that could have beneficial and detrimental affects on their own companies.

White House: We Care

Frank Cilluffo, a special assistant to the President Bush and the advisory council's executive director, said the White House is aware of the perception that panel members may have conflicts of interest. As a result, it is requiring panel members to recuse themselves from discussions that could affect their particular industries, Cilluffo said.

All the council members, he added, were vetted by the White House ethics office and "scrubbed thoroughly" by the FBI.

"They are taking this very seriously," Cilluffo said of the council members. "But neither Kathleen Bader nor any other member was asked to join the council because of who they represent. They are there because of their acumen and skills. Kathleen Bader happens to be an expert in Six Sigma," the international management standard, he pointed out.

Everybody Can Speak

Members of the Homeland Security Advisory Council themselves, meanwhile, paint a picture of a panel in which no particular interest group drives the agenda and where diverse opinions are encouraged.

When the council convenes in Washington for its almost-monthly meetings, Grano runs the show. That's no small task, even for the CEO of a multinational financial services company.

"These people are opinionated," Grano volunteered in a telephone interview from his Manhattan office. "One of my primary roles is to subordinate all those opinions and focus on the task at hand."

Strong opinions are exactly what Bush wanted when he formed the advisory council in March, Cilluffo said.

"He wanted to reach out to the best and the brightest. These people understand the problems that come up where the rubber hits the road, and they are not a bunch of lemmings. They will speak up."

Steven Young, a lieutenant with the Marion, Ohio, police department who was picked for the council, agreed.

"We have good, open discussions," Young said. "They're not arguments, but people make their opinions known." He said he wasn't intimidated by the corporate captains, ambassadors and other high-ranking officials around the table.

"Everyone is asked to speak, and I haven't once found myself rolling my eyes, thinking 'this person is full of himself,'" he said.

"The president wants a diverse point of view on relevant issues," Grano said.

Much of the council's remaining agenda will be determined by the work of four subcommittees.

Gov. Leavitt and Mayor Williams chair the state and local governments subcommittee. An academic and policy research subcommittee is led by Cohon and Ruth David, president of the nonprofit ANSER organization. Richard Andrews and James Moore oversee the work of the subcommittee on emergency services, law enforcement, public health and hospitals.

Chairs have yet to be named for a fourth panel to deal with private sector relations, a White House spokeswoman said.

"They're going to ensure we're making the right connections and that we understand the local issues and build the right partnerships," Cilluffo said of the subcommittees.

The advisory council gives its recommendations directly to Cilluffo's staff, who relay them to White House policy makers. Panel members also deal directly with Homeland Security Director Tom Ridge, ensuring that their views get a hearing inside the Oval Office.

Which means it has some punch.

Ambassador Bremer, reached on a cell phone in an airport boarding area, chuckled at the suggestion that the council was just another Blue Ribbon Commission.

"This one seems to be working," he said. "Both the administration and the panelists seem to be taking it seriously."

Source: CQ Homeland Security

© 2002 Congressional Quarterly Inc. All Rights Reserved