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The National Security Debate

*Developments and
Opportunities - An Insight*

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The National Security Debate

Developments and Opportunities – An Insight

National Security has always been a dominant feature of British life. The impact of 9/11 and subsequent terrorist events, together with unprecedented outbreaks of Foot and Mouth and unusually extensive incidents of flood damage, resulted in changes to the functioning of the National Security architecture under Blair, that to the person in the street have become seemingly well established and well proven. However, such changes have not dampened a debate that sees this amended architecture as flawed in design and execution, and which calls for more far reaching changes to address the new Security challenges of our age.

This recent debate has led to the commissioning of a number of studies as the public debate has intensified. Three are important – by Demos, by the National and International Security Policy Group of the Shadow Cabinet, and by IPPR, drawing on the work of an IPPR Commission on National Security headed by Lord Ashdown and Lord Robertson. All these studies call for change, in varying forms and degrees.

In parallel, the advent of the Brown government has signalled a new approach to National Security. Intended commitments such as ID Cards, e-Borders and a refocus on communities have been given fresh impetus. New initiatives in the fields of intelligence and critical infrastructure have been set in motion. Most importantly, Brown has directed that a National Security Strategy (NSS) be drawn up, encompassing domestic and international security perspectives. Whilst it is

unlikely to mandate radical change within government, the NSS will certainly bring a new approach to the management of National Security across Whitehall. It is indicative of the level of complexity of the National Security task that promulgation of the NSS has twice been delayed and no firm deadline given.

National Security is a complex and wide ranging subject.

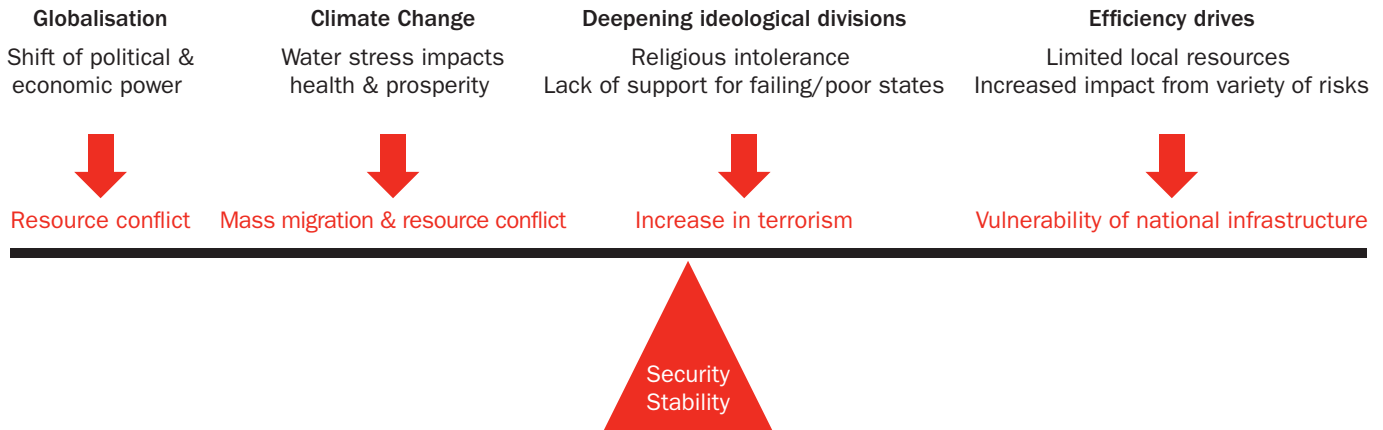
This paper seeks to explore the recent evolution of National Security in the UK and to frame an understanding of the projected NSS and its implications. It culminates with speculation on the nature of opportunities for the private sector as National Security policy moves forward.

The Pre-9/11 British Philosophy of Security

The term ‘security’ is one that has consistently challenged public policy makers in its definition and utility. It is problematic in that it lacks precision, and has therefore been deployed as an overarching term—be it national or international security—that can be applied across a range of different government activities.

In particular, ‘security’ has not been used as a central principle for organising government, structured as government is around functions and services with separate budgets allocated accordingly.

Exhibit 1
Risks to Security Stability



Source: Booz Allen Hamilton

Historically then, Britain's National Security architecture has consisted of separate departments operating in their defined fields, coordinating where necessary across Whitehall to achieve the desired effect. Foreign and Defence policy – and latterly Development – have broadly functioned “upstream” in parallel in the international arena, assisted by MI6 and GCHQ, to protect the British interest abroad; the Police, Immigration Services, MI5 and GCHQ have discharged responsibilities for the security of the UK domestic base. In the strategic setting that was the Cold War, where national survival was at stake, these arrangements were both credible and affordable. They were also sufficiently flexible to cope with the demands of limited conflict – such as the Falklands and Bosnia – and the particular intricacies of Irish terrorism.

New Threats, Hazards and Challenges

Over the last 20 years however, the national and international security environment has changed dramatically. The end of the Cold War and thence the 9/11 attacks were critical strategic disruptions that created a new security paradigm for countries in the developed world. Other unpredictable events followed, bringing different issues and new actors to the fore to challenge our pre-9/11 understanding of National Security and, by association, the workings of our government machinery necessary to underpin it.

Today's security challenges are taking us into uncharted territory. Threats no longer emanate from nation states exclusively, but from a range of non-state actors, formless in their design and practice.

Globalisation has introduced new dependencies and challenges, notably in the fields of economics, energy and immigration; and the hazards that will inevitably accompany changes in our physical environment are just beginning to be felt.

This new security spectrum is best examined as a series of critical, interconnecting risks, which may have a destabilising effect on the UK's National Security, as shown in Exhibit 1.

- An important factor that is increasingly evident is the pressure on global resources and concern about their security. Economic expansion in China and India is having a profound global impact. Russia, reinvigorated economically because of its energy resources, is acutely aware of its geopolitical leverage. These emerging and re-emerging powers bring a new dimension to the global balance of power and the security issues associated with it. And then there is the interdependence created by globalisation, be it in

terms of energy (the UK is now a net importer), the food supply, and even pandemics. These are now services and situations over which the government does not have total control; but the State could be put under extreme pressure should their provision or prevention be interrupted.

- Global terrorism continues to exert an increasingly malign influence. Greater sophistication of activity by terrorists and deepening ideological divisions between Islam and the developed world, viewed against the backdrop of nuclear proliferation and home grown terrorism, suggest that terrorism's destructive power and reach could become more disruptive in the years ahead. Challenges associated with globalisation apply as much to poverty as to prosperity. The linkage between poverty, failing states and global terrorism is no more vividly demonstrated than in Afghanistan, a failing state that gave rise to 9/11 and its far reaching aftermath. The lesson is clear; we ignore the security and well being of such states – and there are many of them – at our peril.
- Climate Change has yet to have a significant impact in the security context (although some people argue that, with hindsight, the Darfur crisis will be seen as the first climate change driven conflict). Suggestions of temperature rises in the range of 2 to 3°C this century, and the environmental and human impacts that could result, will undoubtedly lead to major security challenges across a raft of issues, water stress leading to poverty and migration foremost amongst them.
- Over the last two decades, much of the UK's competitiveness has been improved by adopting a leaner approach to business and systems, ensuring greater efficiency and improved performance. In some cases this has involved significant restructuring, in others the outsourcing of certain services, at times to international interests. In business terms this is plainly good practice; in 'Resilience' terms, the potential vulnerability of national infrastructure is less than optimal. Indeed, in the case of a Flu pandemic for example, the UK's ability to sustain its full range of public

and private services, consistent with economic stability and social cohesion, could be seriously compromised. Incidents over the Summer and Autumn of 2007 involving terrorism, flooding, Foot and Mouth, and latterly data loss, though not catastrophic, have heightened, and further raised the profile of critical infrastructure and civil contingencies as issues that merit close attention in the new security environment.

The reader can infer from the diversity and interconnectedness of the challenges in view the startling scale of change that now faces the public policy maker (and by association government departments and agencies).

Government Response Under Blair

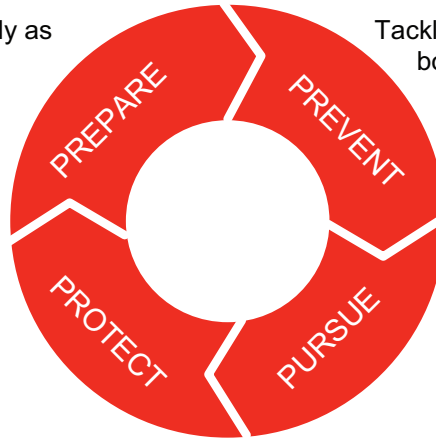
In light of these new, wide ranging challenges, what was put in place under Blair to change the UK's National Security machinery?

In the wake of the Y2K bug scare, the fuel protests of 2000 and the Foot and Mouth epidemic, it was felt that existing emergency management policies and structures were inadequate. In response, the UK Cabinet Office established the Civil Contingencies Secretariat to better coordinate government machinery and other agencies to meet severe disruptive challenges. The Secretariat's remit has been widened since to encompass the mitigation of the consequences of major terrorist incidents as well as other man made disasters.

Following 9/11, the government introduced a new counter-terrorism strategy, "CONTEST", to include the conduct of preventative measures focused at stemming the risks at source, and the pursuit of terrorists, as well as the overhaul of security measures within the UK. The latter led to the improvement in the resilience of critical systems such that they can be rapidly restored to full capacity. CONTEST is divided into four areas of activity - the 4Ps: Prevent, Pursue, Protect and Prepare, as shown in Exhibit 2. The first two headings pre-empt the threat of terrorism; the latter two reduce the vulnerability of the public and the country's infrastructure.

Exhibit 2
CONTEST Counter-Terrorism Strategy

Ensuring that the UK is as ready as it can be for the consequences of a terrorist attack



Tackling the radicalization of individuals, both in the UK and elsewhere, which sustains the international terrorist threat

Reducing the vulnerability of the UK and UK interests overseas to a terrorist attack

Reducing the terrorist threat to the UK and to UK interests overseas by disrupting terrorists and their operations

Source: Booz Allen Hamilton

At the same time, the legislative framework for civil domestic security, civil contingencies and resilience was progressively upgraded with the implementation of a range of new legislation. Foremost amongst this was the Terrorism Act of 2000, the Anti-Terrorism, Crime and Security Act of 2001, the Civil Contingencies Act of 2004, and the Terrorism Act of 2006. Consistent with this, government organisation and planning for National Security emergencies was reviewed, operating to two principles:

1. The response to a major emergency should be primarily at the local level with additional resources provided by national government when the scale of the emergency is known.
2. For each emergency, there should be a “lead” Whitehall department responsible for co-ordinating the response of central government.

To underpin these efforts, central government expenditure was significantly upgraded in the fields of Counter Terrorism, Intelligence and Resilience. Indeed, overall annual spending in these areas is likely to exceed £2bn in 2008, double the rate of expenditure before 9/11. As part of this, the contribution to Resilience activities at the local level was significantly increased.

And finally, in March 2007, Blair announced major changes in the UK machinery of government that were designed to improve Whitehall’s organisation for National Security and Counter Terrorism. In brief, responsibilities for criminal justice and sentencing (to include prisons and probation) were moved from the Home Office to the Department for Constitutional Affairs, to form the Ministry of Justice; whilst the Home Office retained the traditional responsibilities for the Police Service, crime reduction, immigration and asylum, and identity and passports.

In addition, the Home Secretary was allocated a more prominent role in dealing with the threat of terrorism in the United Kingdom, assuming responsibilities for the delivery of strategy in relation to security threats in the UK. In broad terms, this appeared to sanction lead responsibility to the Home Office for coordinating security policy across government. In order to support the Home Secretary in this role, a new office – the Office for Security and Counter Terrorism – was set up. Its relationship with the Cabinet Office (still responsible for supporting the Prime Minister on National Security and Counter Terrorism) and the Security Services (still operating to a Single Intelligence Account held at Cabinet Office level) is less than distinct to the informed observer.

How are these changes now viewed?

These many changes were developed to create a policy framework for domestic security, resilience and civil contingencies that could cope with a broad range of emergencies – be they natural disasters, infrastructure collapse or terrorist attack. They were implemented progressively in light of experience as significant events post 9/11 occurred, in particular a range of civil contingency problems (floods etc.), and the London Terror Attacks. Essentially, the government dealt with these emerging security challenges by creating new units within departments, merging teams, and allocating more resources for certain critical agencies to expand.

Put simply, under Blair, the current security machinery was retained, reordered in places and partially reshaped in others. To many, these actions have not gone far enough.

Their view is that the end result is inadequate to cope with the current and future security task, and a more integrated and strategic approach should be adopted. The veracity of this proposal is discussed below, as are insights into Brown's anticipated plans for overhauling our present National Security machinery.

Brown's New Direction – a National Security Strategy for the 21st Century

Brown's pre-Prime Ministerial comments and perceived views on National Security hinted that he held some differing beliefs from the status quo. In a speech to the Royal United Services Institute in early 2006, he stated that:

“national and international action for security is inextricably linked and security issues dominate decisions in transport, energy, immigration, and extend to social security and health”.

It was clear from this that security in the Brown mind no longer remained the preserve of one or two departments but was the responsibility of all of them. In visits to the United States, Brown was quoted as being impressed by the US National Security Council

operating system. And in an interview with *The Times*, he spoke of the need for:

“a seamless, integrated and politically overseen approach to National Security”.

He also rehearsed on more than one occasion as Chancellor that he favoured the need for a single security budget which would require management and direction from a National Security mechanism. Furthermore, he was known to have concerns that public confidence in the Intelligence Agencies had been eroded by the case for war in Iraq, and they needed to be more transparent and publicly accountable as a result.

On assuming the post of Prime Minister, Brown was quick to unveil some new security proposals, building on the good press that he enjoyed following the London and Glasgow terrorist attacks. Changes were made in Cabinet Office management of Intelligence by disestablishing the role of the Security and Intelligence Coordinator and instituting new arrangements in terms of JIC Chairmanship and a National Security Advisor, to ensure proper independence of security and intelligence assessment from political interference. He also instituted a review of critical infrastructure protection and the security of crowded events, clearly with the issue of Olympic security looming large. There were also statements on detention without charge, e-Borders, ID cards, and the creation of a unified border guard integrating Immigration, Customs and Visa authorities. None of this was particularly radical, indeed it represented more continuity than change in its aspiration. However, the proposals also included a commitment to a NSS, and it is this that has the potential to bring new thinking and a different organisational approach to the National Security issue.

It is the majority view of those in the know that Brown wishes to supersede much of Blair's policy on National Security and assume greater Prime Ministerial control of the whole security agenda. Opinion suggests that Brown places a high priority on the tenet that National Security begins with the security of the private citizen and works outwards rather than the other way around. This thinking is borne out in a comment made in the retiring Intelligence and Security Coordinator Sir

Richard Mottram's Annual Security Lecture at Demos in December 2007 when reviewing Future Security Challenges that:

"another way of looking at this would be to contrast working from the global inwards or perhaps downwards or starting with the concerns of the individual citizen and working outwards from there".

Brown is strongly supportive of the concept of public value in the public sector and notably in the security field whereby leaders of institutions cannot take the value their organisation creates for society as self-evident. They must be proactive to the constant enhancement of this value to meet the changing needs of society and ensure stakeholders, i.e. the citizens, are part of this process. Irrespective of the difficulties associated with closer definition of National Security and how to better organise government for it, Brown is said to be strongly of the view that the current set of National Security arrangements do not offer the level of public confidence that they should. In looking to the importance of National Security, he has an overriding belief that the UK's present and future prosperity is inextricably linked to the security and stability of the UK domestic base, given its appeal to international investment. In the words of one commentator:

"Brown sees that two of the major global commodities we have to offer are confidence and stability – lose these and the UK's future prosperity is compromised".

From this brief look at Brown's views on National Security, we can begin to see what key elements will frame the NSS and the future management of National Security that flows from it.

1. The NSS will take priority over Blair's CONTEST and be much broader in scope, establishing security – in traditional and untraditional motifs – as a key responsibility across all departments. The principle that 'we are all in this together' will be a critical component.
2. The NSS will bridge the division of domestic, defence and overseas affairs (as central organising principles of government), by bringing defence policy

and diplomacy directly into a National Security agenda driven from Downing Street.

3. The management of the Intelligence Services will be made more visible and accountable, as MI5 in particular continues to manage its significant expansion.
4. A National Security Committee will be established. It will decide, implement and annually revise a National Security Strategy, direct the activities of the formal security apparatus, and set the tone and tempo for the wider security agenda. In so doing, it will operate to a single security budget that was established in 2007.
5. The Prime Minister will sit at the head of the National Security Committee. He will have markedly more direct oversight and control than Blair in delivering the National Security agenda as a result.

Do these changes go far enough?

Brown's anticipated National Security Strategy should be seen as a first step in the development of a more integrated approach to UK National Security.

The NSS will certainly represent an important new security innovation and allow the UK to frame its security ambition for the 21st Century. It will challenge departments across Whitehall to be more accountable in their consideration of security which, in some cases, could demand greater use of their assets and resources. A current study into the Ministry of Defence's Contribution to Counter Terrorism and Resilience is a case in point.

But there are many opinion formers – including the authors of the three studies mentioned earlier in this paper – who consider that the security challenges and hazards we now face do demand a fundamental change in our government approach. Indeed, David Omand, the previous Security and Intelligence Coordinator, spoke of:

“a traditional paradigm of government organisation that is already shifting; for example, in the UK counter terrorist strategy that spans domestic and overseas action and relies upon the joint work of external intelligence and domestic police and security communities”.

And this is at the crux of the debate for further change, suggesting new thinking is required as to how government is designed and operates, with collaboration across departments as being central to this approach. The changes Brown is mandating will most likely fall short of this approach, and time will tell whether, in light of future events, the level of integration achieved downstream of NSS implementation is up to the task.

For some commentators, whilst recognising that there are very significant organisational and financial challenges associated with a radical approach, the Brown proposals seen thus far are perceived as not going far enough, and further change and cost, in their view, will be inevitable in the future.

Prospects for a Private Sector Role

What is important in looking at today’s National Security question is the criticality of understanding its nature and width – it is markedly more than intelligence and defence – linked to the fact that in the 21st Century, its reach and impact cuts across all aspects of national business.

The government, society at large, and the private sector have a tripartite stakeholding in National Security. All have a key role to play in confronting the security challenge. Partnerships, across a range of fields and activities, are crucial; but this is a significant task for even the most sophisticated of societies. It is fair to say that in the UK – in light of the new threats and challenges – these partnerships have yet to be coherently established.

What should have been evident to the reader so far is the departmentalized nature of the security response, based on a long established method of organising government that brigaded particular security activities according to function – MI5 tasked to domestic priorities; MI6 to international ones etc. These

departments operated to different tasks, budgets and cultures, which have remained unchanged in large part over many years, the one exception possibly being the establishment of the Civil Contingencies Secretariat to manage disaster response and to deliver resilience.

The departmental approach has meant that the private sector’s response in supporting National Security interests has by necessity also been departmentalized, and the security industry – a description which flatters to deceive – has little congruency or coherence in its engagement with the customer, operating in essentially piecemeal fashion when identifying opportunities and maturing business. A favoured supplier or business partner at the Home Office for instance – engaged say in work to deliver information assurance – may have little cross connection with another supplier or partner doing a similar task in another department engaged in the security domain. When looking across the security landscape, the scope for duplication and the ineffective and inefficient expenditure of funds is clear.

The private sector has been positioning itself for some years in anticipation that the National Security market will represent fertile business, looking to the positive experience of the Department of Homeland Security in the United States. Some major UK commercial entities, Defence Primes, Consulting Houses and others, have already established National Security departments and recruited appropriately qualified personnel in preparation.

In parallel, other companies in the security and resilience fields, in an effort to foster closer links with the public sector to make it easier for government to engage, formed the Security and Resilience Industry Suppliers Council (RISC) designed to mirror the tried and tested model used by the Ministry of Defence (MOD) for Defence Industrial Strategies. Thus far, RISC has been less than successful.

Whether the arrival of a National Security Strategy will make a fundamental difference to the level of cooperation between public and private sector in the management of National Security business is difficult to predict. Given Brown’s inclination for “big tent” approaches, it would seem a possibility that some

form of private sector representation on the National Security Committee could be entertained.

One development is clear: The private sector is searching for a credible engagement model, particularly in those areas where its interest is as much about commercialism as it is about security.

Much of the critical national infrastructure for instance is in private ownership, particularly in the energy, and transportation fields. Other commercial interests such as the IT and banking sectors will not wait for government for the provision of security if their activities and profitability are in danger of being compromised. The corporate world will look for total corporate resilience on a global basis when assessing business risk. If it is beyond government's capacity to partner in such circumstances, there will continue to be an irresistible momentum for these private interests to look after themselves.

The consensus of opinion amongst those consulted was that prospects for stronger public/private sector partnerships in the security arena were improving but that greater coherence was still indistinct. Most parties were of the view that the market currently was immature and fragmented, and that it was invariably difficult to put a face to the customer.

In looking to today's approach to National Security opportunities for private interest in the public sector, the market is best segmented in two ways: Security with a big 'S', involving intelligence and terrorism with the Cabinet Office, Security Services, Centre for the Protection of National Infrastructure, Home Office, Foreign and Commonwealth Office and MOD as customers; and with a small 's', involving civil contingencies and Resilience with the Civil Contingencies Secretariat, Department of Health, Department of Business, Enterprise and Regulatory Reform (formerly the DTI), and other government agencies. Within these areas, suppliers of choice will continue to operate to preferred customers and the opportunities for cross departmental cooperation, in the short term, are likely to remain limited.

Security

involves *Intelligence* and *Counter Terrorism*

security

involves *Civil Contingencies* and *Resilience*

In the medium term however, once the NSS beds down, the government will move towards a more coordinated and comprehensive approach to public/private sector business in the National Security field. Increasingly the government will have to take a 'networked' approach that will lead to greater interdependence among departments and agencies. In this regard, security with a small 's' is well served by the Civil Contingencies Secretariat and the coordination it offers. It will be in the area of Security with a big 'S' that the major challenges for 'networked' approaches and processes occur, and where the NSS will potentially have its major impact.

Within the private sector itself however, in areas such as energy, travel, IT (especially information assurance), telecommunications, and insurance and banking, the market in the short term could become very vibrant, as new threats such as information loss – be it as a result of 'Lean' methods or not – or cyber attack emerge to heighten risks borne by business, and business rather than government responds accordingly.

There is, therefore, a strong case for greater public/private cooperation in security issues.

The private sector should be seen as an integral part of any security strategy, given its role in everyday life. The greater use of the private security sector should be seen as a bonus, given the growing security demands that are now faced by public sector departments.

National Security remains an evolving issue, and that a public/private working relationship – more effective than today's model – needs to move forward and keep in step with this evolution if our national response to tomorrow's security challenges is to be optimal. We can but hope that the NSS, as a first step, provides strong guidance for how this should be delivered.

Reports

An Unquiet World – Submission to the Shadow Cabinet, National and International Security Policy Group (Chair Baroness Pauline Neville Jones), July 2007

Annual Report 2005 – 2006, Intelligence and Security Committee, June 2006

Britain and Security, Smith Institute (Editor David Walker), 2007

Conceptualising Security, Commission for National Security in the 21st Century – Institute for Public Policy Research, December 2007 (draft preview)

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Domestic Security, Civil Contingencies and Resilience in the United Kingdom – A Guide to Policy, Dr Paul Cornish, June 2007

National Security for the Twenty-first Century, Charlie Edwards – DEMOS, 2007

Admiral Sir Ian Forbes (Retd) KCB CBE Prior to joining Booz Allen Hamilton as a Senior Advisor in 2006, Admiral Sir Ian Forbes had a career with the Royal Navy lasting 40 years. He spent much of his career at sea; he commanded 4 warships, including HMS Invincible, and was engaged in conflict and crisis operations off Iceland, the Falklands, in the Gulf and in the Adriatic.

As an Admiral, he became Supreme Allied Commander Atlantic and was the first European Officer to fill a US based NATO Supreme Commander post. Admiral Forbes remains an Advisor to NATO High Command and mentor to Senior Military Command courses. He is an Associate Fellow at the Royal United Services Institute and a member of the Windsor Leadership Trust.

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