



# HOMELAND SECURITY 2020

## The Future of Defending the Homeland

*How can we ensure that we can take on the evolving nature of future threats?*

This is part of a series of Heritage publications dedicated to devising the right security policy agenda for the next decade.

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## More Than Lip Service: Why Private Sector Engagement Is Essential

*Jena Baker McNeill*

Perhaps one of the most significant lessons learned from recent U.S. disasters is that the private sector is a critical actor in the homeland security enterprise. Time and again, from the attacks of September 11 to Hurricane Katrina—and even recently with the Deepwater Horizon oil spill—the private sector has been at the forefront of relief and recovery operations. The private sector's indispensable role begs for the federal government to form solid bonds with industry. These relationships not only promote security innovations but allow these new developments to be plugged directly into disaster response efforts.

Consequently, Congress and DHS should ensure that private sector relationships are well incorporated into future homeland security policymaking.

### **Private Sector As a Fundamental Player**

The private sector has played a significant role in:

- Helping when disaster strikes; and
- Creating game-changing innovations that can help keep Americans safer from acts of terrorism and other disasters.

The former is especially true in terms of helping to get equipment, services, and supplies to hard-hit areas in the

wake of a disaster. At Ground Zero, in the aftermath of the 9/11 attacks, private sector companies provided much-needed heavy and specialized equipment that government actors lacked. Furthermore, these industry partners are very good at logistics and transportation operations—delivering supplies like food, water, flashlights, and medications to those in need. In fact, after Hurricane Katrina, companies like Wal-Mart and UPS were on the ground long before the federal apparatus was in place.

Private sector companies are also responsible for the innovations that make Americans safer. Specifically, they create anti-terrorism technologies like cameras, sensors, and other detection and surveillance equipment critical to stopping terror attacks in the planning stage. Equally as important, these companies also create the infrastructure, buildings, wires, and networks that keep America running.

As evidenced by the Gulf oil spill, there is also a time for significant private sector cooperation with the government—for example, when the private sector is inextricably tied to the success or failure of a particular operation. How the Obama White House works with (or against) BP and its drilling partners continues to set the tone for the



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federal government's—and especially the Department of Homeland Security's (DHS)—future relations with the private sector.

### True Partnerships

Given that future terrorist attacks, natural disasters, and accidents are inevitable, it is important that society be able to bounce back quickly. Such resiliency, however, requires that strong relationships are established with the private sector *beforehand*. Yet despite significant emphasis on the need to foster strong relationships with the private sector, such efforts have largely floundered. There are several reasons for this problem, including:

- The need for the federal government to understand the competitive realities of the marketplace and how these realities affect the way that businesses interact with government.
- The need for a framework to protect the competitive advantage of industry partners while allowing them to share valuable counterterrorism and other information with authorities. The lack of such a workable framework has led to significantly less information sharing with government.
- Partnerships, where invoked, tend to be government-dictated; private sector organizations are treated as an afterthought or essentially commandeered by government rather than respected as invaluable partners.
- When disaster does strike, the politics of the moment have driven the White House to adopt an exceedingly adversarial tone toward industry—a scenario illustrated by the recent BP spill. Indeed, disaster responses are sometimes politicized to the point where the government jeopardizes its chances of receiving or benefiting from offers to help from other companies. The focus on culpability issues of the spill and condemnation of BP leadership also creates a real risk of chilling future relationships between the federal government and the private sector.

### The Future of Private Sector Engagement

Robust relationships with the private sector are possible and indeed absolutely necessary. Part of the process of developing real and sustainable private sector engagement begins with federal agencies simply carrying out their congressionally authorized duties in response to disasters; ensuring excellent communication among federal, state, and private sector organizations; and removing roadblocks to participation. Such next steps could include:

- **Promote the SAFETY Act.** The SAFETY Act provides liability protections for anti-terrorism technologies developed by private sector companies. Such protection helps encourage more innovation by promoting research and development and the deployment of these technologies in the marketplace. While DHS has done tremendous work in promoting the act, there is significantly more work to do.
- **Increase outreach to businesses.** DHS needs to focus on reaching out to businesses of all sizes. The importance of large businesses such as major producers and providers in the energy and communications sector is apparent. But small- and medium-size businesses are vitally important in many critical infrastructure sectors, and they have unique vulnerabilities. Small enterprises usually have one location and generally do not have backup plans, nor do they store files, records, or other critical data offsite.

### Meaningful Engagement

An effort by the government to meaningfully engage the private sector cannot wait until the next disaster strikes. It must be cultivated and maintained and should start now.

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