

EIR Physical Economy

Clinton orders study of infrastructure vulnerability

by Jeffrey Steinberg

President William Clinton has established a high-powered commission to study the nation's critical infrastructure vulnerabilities, and report its findings by Oct. 15, 1997. The President formally launched the initiative on July 15, 1996, when he signed Executive Order 13010, establishing the President's Commission on Critical Infrastructure Protection.

Although the commission was initially established in response to the World Trade Center and Oklahoma City bombings, as well as the sarin gas attacks on the Tokyo subways, its mandate is far broader than to respond only to the ongoing threat of high-tech terrorism. According to Nelson McCouch, a spokesman for the commission, anything that could result in a "debilitating national effect" on the country's vital infrastructure—whether it be a terrorist act, a natural disaster, or a lack of infrastructure maintenance or improvement—falls within the commission's purview.

EIR to publish studies

To assist in this White House initiative, *EIR* will publish a series of studies on the breakdown of crucial components of our national infrastructure. In this issue, our first study, on the potential collapse of the national electrical power grid, documents that the far more insidious threat to national economic security, comes not from actions of terrorist groups, but from the past 30 years' adoption of deindustrialization, deregulation, radical environmental quackery, budget-balancing, and the glorification of the "free trade," "free market" system, as cornerstones of "post-industrial" U.S. national policy.

The post-1966 "paradigm shift" to these insane policies has eroded virtually every component of vital national infrastructure, to the point that the entire physical economic superstructure of the United States is on the verge of collapse. The

biggest terrorist threat is from the "cult of the free market," which has come to increasingly dominate official thinking in Washington, D.C., especially during the Reagan-Bush era.

The continuing accommodation to deregulation and free market policies by the Clinton administration (as our study on electrical power deregulation shows), is tearing away at the very infrastructure that the commission is mandated to defend. As *EIR* Contributing Editor Lyndon LaRouche has argued for years, those free-market policies need to be scrapped, in favor of a return to the kind of Hamiltonian, dirigist policies that built the nation's infrastructure.

What the Executive Order mandates

Executive Order 13010, which was amended on Nov. 13, 1996, began with the following statement: "Certain national infrastructures are so vital that their incapacity or destruction would have a debilitating impact on the defense or economic security of the United States. These critical infrastructures include telecommunications, electrical power systems, gas and oil storage and transportation, banking and finance, transportation, water supply systems, emergency services (including medical, police, fire and rescue), and continuity of government. Threats to these critical infrastructures fall into two categories: physical threats to tangible property ('physical threats') and threats of electronic, radio-frequency, or computer-based attacks on the information or communications components that control critical infrastructures ('cyber threats'). Because many of these critical infrastructures are owned and operated by the private sector, it is essential that the government and private sector work together to develop a strategy for protecting them and assuring their continued operation."

EO 13010 detailed the functions of the commission, and established an Infrastructure Protection Task Force within the Department of Justice and chaired by the FBI, to immediately upgrade the security of the nation's critical infrastructure. The Department of Defense and the National Security Agency were also named as lead agencies on the task force, which is assigned, among other things, to "detect, prevent, halt, or confine an attack and to recover and restore service; issue threat and warning notices in the event advance information is obtained about a threat; . . . and conduct after-action analysis to determine possible future threats, targets, or methods of attack."

A high-powered team

One measure of the seriousness which President Clinton has attached to this initiative is the personnel who have been tapped to serve on the commission. In December 1996, President Clinton approved the appointment of Gen. Robert T. Marsh (ret.) as the full-time chairman of the commission. General Marsh retired from the U.S. Air Force in 1984; his last assignment was as commander of the Air Force Systems Command, which is responsible for aerospace research, development, testing, and acquisitions. He subsequently has served as director of a number of military-industrial companies, including the Thiokol Corp. and the MITRE Corp.

In January, the President appointed three prominent administration figures to the commission's steering committee: Deputy Secretary of Defense John White, Deputy Attorney General Jamie Gorelick, and National Security Adviser Sandy Berger. A fifth member, probably from Vice President Al Gore's office, is expected to be appointed shortly. President Clinton is also in the final phase of appointing 15 members of an advisory committee, to be made up of presidents and chief executive officers of major U.S. corporations involved in the critical infrastructures, according to McCouch.

The commission itself is financed by the Department of Defense, and Pentagon personnel are providing the logistics and support for the commission's work. The Executive Order also established that the commission's work will be conveyed to the President via a "Principals' Committee," comprised of the secretaries of the Treasury, Defense, Commerce, Transportation, and Energy; the Attorney General; the Director of Central Intelligence; the directors of the Office of Management and Budget and the Federal Emergency Management Agency; and the Assistants to the President and Vice President for National Security Affairs.

We are vulnerable

One of the first announcements that the commission was up and running occurred on Jan. 16, 1997, at a conference sponsored by the National Consortium for Genomic Resources Management and Services (GenCon), titled "Improving U.S. Capabilities for Defense from Bioterrorism." The all-day seminar, chaired by GenCon President Thomas W.

Frazier, brought together nearly a hundred government and private sector experts on biological warfare and related subjects, for a non-classified evaluation of the nation's preparedness to deal with a bio-terrorist attack. An earlier GenCon conference had taken up the broader question of marshalling the necessary resources to track and respond to new outbreaks of infectious disease.

At the conference, Brenton C. Greene, the Director of Infrastructure Policy at the Office of the Undersecretary of Defense for Policy, and a member of the commission, delivered a brief, but hair-raising summary of the vulnerability of the country's vital infrastructure to both terrorist attack, and breakdown, due to lack of adequate maintenance and investment. He singled out the pending deregulation of the country's electrical power grid as a nightmare, given the overall lack of redundancy in our power-generating capacities and delivery systems, and cited the summer 1996 western states' blackout as a harbinger of far worse electrical power failures, that he foresees will occur in the immediate future.

A broad mandate

According to both McCouch and Greene, following the Oklahoma City bombing, the Department of Defense and the Department of Justice established a Critical Infrastructure Working Group (CIWG) to make immediate recommendations for improving the security of the nation's vital infrastructure. After the June 1996 bombing of the U.S. military housing complex at Dhahran, Saudi Arabia, Joint Chiefs of Staff Chairman Gen. John Shalikashvili also created a special counter-terror unit within the JCS to develop specific intelligence and operational plans for better securing U.S. military forces posted around the world.

The CIWG delivered a report to President Clinton at the end of 1995, recommending that the President establish a commission to develop plans for dealing with the broader question of infrastructure vulnerability.

The commission has announced a series of five public hearings, in different parts of the country, to draw in testimony from business and government officials. The first hearing will take place in Los Angeles City Hall on March 13, to be followed by hearings in Atlanta, Houston, St. Louis, and Boston, one per month. Recently, commission chairman Marsh also held meetings in New York City with leading officials in the banking community and other business leaders.

According to commission spokesman McCouch, the final recommendations to the President should be far-reaching. The commission expects to develop a series of specific proposals for "hardening" vulnerable infrastructures, making other technological improvements, and, where necessary, introducing system redundancy. All of these plans, he acknowledged, will be costly. Therefore, the commission is already discussing various possible funding mechanisms, ranging from tax credits, to the establishment of an investment bank to provide credits for technological improvements.