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How Presidents Use White House Policy Councils to Manage Administration Priorities

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How Presidents Use White House Policy Councils to Manage Administration Priorities

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Executive Summary:
This review of the policy process and the policy councils themselves reveals that the White House policy process involves a delicate balance that should not be shifted on a whim. The traditions and established procedures developed over time, and usually for good reason. Even when new creations have eventually worked out, there was usually a lot of difficulty and role confusion along the way. In the less optimal scenarios, rejiggering responsibilities can lead to challenges getting overlooked and confusion within the government on how to respond to emergencies. Presidents have the authority to reorganize the White House and create new policy councils. But having the authority does not mean that it is always wise to do so.

Introduction

One of the most important things a president must do at the outset of an administration is to organize the White House. Unlike most of the rest of the federal bureaucracy, the White House is heavily made up of political appointees. At cabinet agencies of tens of thousands of people, an incoming president will typically get fewer than a hundred appointments, but at the White House itself, the staffers are largely political appointees who serve at the pleasure of the president and (presumably) represent the president's best interests.

In a government of over 2 million people, a president gets only about 4,000 political appointees. Approximately 1,800 people work at the Executive Office of the President, but most of those are career officials at place like the Office of Management and Budget or the U.S. Trade Representative's office, both technically part of the "Executive Office of the President." Out of all of these people, there are only a few hundred "White House staffers" of popular imagination, those depicted in popular culture shows like the "West Wing," or featured in articles or books about the goings on in the White House.

What do these White House staffers do? One smart White House veteran once told me that the entire White House operation is designed to do two and only two things: prepare the president for events and tee up questions for the president to decide. Note that this does not include operations or policy implementation, which are largely handled by the cabinet departments. As for what the White House does do, the events side is handled by the communications, advance, public liaison, and speechwriting teams, among others, while the decision side is handled by what is known as the "policy councils." As administrative law expert Adam White has written in the *Wall Street Journal*, "the White House makes policy through a panoply of councils & single-issue policy 'czars.' The way they make these decisions is through something known as the policy process."

This policy process has a long and storied White House history, one that, for the most part, continues from administration to

administration, regardless of partisan affiliation. It is a sorting mechanism that allows administrations to triage the thousands of decisions that have to be made in a presidential term. If the process is working correctly, most decisions will get resolved before they even reach the White House. The most challenging decisions, however, will come to the White House through one of the lower, non-presidential levels of analysis, listed here in ascending order: Policy Coordination Committee (PCC), Deputies, or Principals. PCC includes Special Assistants to the President and non-Senate confirmed agency representatives; Deputies is run by a Deputy Assistant to the President and includes agency deputy secretaries; and Principals is run by the Chief of Staff and includes cabinet secretaries and senior White House aides. If the decision must make its way to the president, that would happen via a decision memo or in a discussion with top aides known as Policy Time, which involves the president and a specific decision that needs to be made at the presidential level. According to one report from the Obama administration, 95% of key national security decisions were made before they reached the Principals level, due in large part to the aggressive efforts of National Security Adviser Tom Donilon to get them resolved early in the process.

The policy councils govern the process by which the decisions make their way through the various pre-presidential layers and ultimately wind their way to the president, if necessary. Along the way, the policy councils must ensure that the right people are in the room for the various meetings; that the correct people are writing the memos regarding the issue; that those memos are written fairly; that all of the relevant players get to see and comment on the memos; and a host of other decisions that even include in which room the meetings will take place. The Oval Office is preferable as it is most convenient for the president, but it lacks a large table and has a limited number of places for attendees. The Roosevelt Room has a long table, and can handle more attendees, and the Cabinet Room is even larger, but it is usually reserved for people at the cabinet level and above. The larger the room, the more slots, which is good for inclusion, but bad for intimate decision-making and limiting the possibility of leaks.

There are other factors at work in room selection as well. In his book *All Too Human*, George Stephanopoulos described one secret meeting that was held in the White House residence as it had a side door that would enable cabinet secretaries to enter without being noticed by the press. Bob Woodward's *The Agenda* reports that the Clintons would hold certain meetings in the Solarium, inside the White House residence, to stop aides who regularly crashed West Wing meetings from attending uninvited. To enter the residence, staffers have to be on a special list managed by the Secret Service.

In short, policy councils govern the policy process. This includes monitoring that the process by which a decision is made is a fair one, meaning that people with equities will feel they have had a chance to weigh in along the way, even if the decision does not ultimately go in their favor. The easiest way to sow dissension in the ranks of a White House, or any organization, for that matter, is to have an unfair process whereby people feel like they have no say in the decisions that are made. The policy councils are supposed to ensure that these decisions are made in the appropriate way and according to the time-honored tradition governing such matters. They are also not set in stone, as the last half century has seen the occasional creation, and even more infrequent dissolution, of White House policy councils. Yet, for

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the most part they endure, and, as the above description shows, the tradition they manage is complex and not fully written down anywhere, but it is passed on from generation to generation of White House staffers as a legacy to uphold.

As such, people involved in the process take these things seriously. Someone who acts without adhering to the proper process can be accused of committing "a process foul." In the Bush White House in which I served, this was a damning accusation. The Trump administration, in contrast, often encouraged process fouls, as staffers received direction from the top to "ski downhill." One of the worst accusations that could be leveled in the Trump White House was that one was a "Bushie," *i.e.*, too concerned about niceties.

The process and the councils governing the process are important. They determine the method by which an administration will pursue its policy goals, as well as the administration's priorities. Understanding the process and the structure is essential to figuring out how to pursue new priorities in the future, in areas such as regulatory reform, China policy, and perhaps even getting our debt in order.

The National Security Council

Regardless of how closely an administration wants to adhere to the policy process, the bodies that manage and maintain the process are the policy councils. The first one of these was the National Security Council, established on July 26, 1947, by The National Security Act. The original NSC was chaired by the president, with the Secretaries of State, Defense, Army, Navy, Air Force, and the Chairman of the National Security Resources Board serving on it as well. The NSC had its origins in other coordinating bodies that had helped manage World War Two, including the British Committee of Imperial Defense and American versions such as the Standing Liaison Committee and the State-War-Navy Coordinating Committee. The idea was to have a body that could coordinate foreign and defense policy with America's overarching national security interests in mind.

This body was specifically designed to have a coordinating, and not an operational, mission. Harry Truman recognized the impulse towards operations early on but quashed it, recalling that "There were times during the early days of the National Security Council when one or two of its members tried to change it into an operating super-cabinet on the British model." Despite Truman's early success in this regard, the danger of a slide toward operationalization would continue for decades, even into our era. One thing that helped in this regard were early changes in 1949 that both placed the NSC within the Executive Office of the President, but also dropped the direct inclusion of the heads of the Army, Navy, and Air Force, instead making the Joint Chiefs of Staff an advisor to the council. Truman also limited attendance to only statutory members to cut down on the "foreigners" who were drifting into meetings and changing the closed nature of the deliberations. These early reforms were indications of the challenges of trying to prevent what started as an advisory council from becoming an unwieldy bureaucracy of its own.

Another recurrent tension has been between

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the NSC and the Department of State. In the Eisenhower years, State retained more power in the relationship, in large part because of John Foster Dulles, Eisenhower's influential Secretary of State. John F. Kennedy made the decision–making process less formalized following the failed Bay of Pigs operation in Cuba in 1961. One innovation was the creation of the Situation Room, or Sit Room, which established a central communications office in the White House, right near the office of the National Security Adviser. That position was initially an executive secretary to the NSC, but under Eisenhower, it became the more traditional and prominent position that we know of today. Kennedy also created special groups inside the White House that were more ad hoc and less dominated by State. The most famous of these was the X-Comm, which would have an important role in managing the Cuban Missile Crisis.

Things changed significantly in the balance of power between State and the NSC under Richard Nixon. Nixon wrote in his memoirs that "From the outset of my administration . . . I planned to direct foreign policy from the White House. Therefore, I regarded my choice of a National Security Advisor as crucial." That choice was Henry Kissinger, to this day the most famous National Security Adviser in history. Kissinger was certainly on board with Nixon's instinct to "direct foreign policy from the White House." Before the Nixon administration even started, he and aide Mort Halperin wrote a "Proposal for a New National Security Council System" that elevated the National Security Adviser relative to the Secretaries of State and Defense. Nixon approved the memo prior to his first meetings with Secretaries designate William Rogers at State and Mel Laird at Defense, and the entire episode went down in history as the "coup d'etat at the Hotel Pierre."

In addition to the structural changes Kissinger put into place, he also schemed relentlessly throughout the administration to diminish Rogers and keep him in the dark. Kissinger kept the initiative to establish relations with China secret from Rogers and even maneuvered to keep Rogers out of Nixon's meeting with China's Chairman Mao. Rogers eventually resigned, and Nixon appointed Kissinger as his replacement but also allowed Kissinger to maintain his role as National Security Adviser, the only time anyone has ever been double-hatted in that way. It is also likely to remain the only time that such a thing will ever happen. In the Trump administration, Donald Trump asked Secretary of State Mike Pompeo to take on the duties of National Security Adviser as well, replacing the outgoing John Bolton. Pompeo wisely refused, believing that "I didn't think it worked the first time, and it wouldn't work the second time either. His national security advisor needed to be a neutral arbiter between the cabinet leaders, not one of them. This idea faded, all for the good."

When Gerald Ford took over from Nixon, he recognized that having someone in both roles was a problem. Ford took away Kissinger's National Security Adviser role, replacing him with Brent Scowcroft. Although Kissinger did not lose much power in the move, as he retained his access to the president, he

was an exception. As a result of Kissinger's efforts against Rogers, the Secretary of State would be diminished going forward, and the National Security Adviser elevated. In the Carter administration, a similar dynamic took place. Secretary of State Cyrus Vance would often be flummoxed by National Security Advisor Zbigniew Brzezinski, who made sure that Carter heard his voice most frequently, including on the tennis court, where they played together regularly. Furthermore, Brzezinski had the pen on interagency memos, which meant in those pre-email days that if Vance wanted to edit or change the content, he would have to leave Foggy Bottom and come to the White House, which he rarely had time to do. In these and other ways, Brzezinski used his proximity to Carter to maintain the upper hand in the relationship with Vance.

In the Reagan administration, Secretary of State-designate Al Haig, who had served at the NSC under Kissinger, wanted to change the balance of power back towards State. He tried a Kissinger-like move, presenting Reagan aides with a memo that would have made him the "vicar" of foreign policy. Reagan White House aide Edwin Meese put the memo in his infamous "Meesecase," the briefcase into which papers went in, but never went out, and the idea was shelved.

Unfortunately for the Reagan administration, the NSC under Reagan became too powerful—and too operational. The most infamous example of this was The Iran-Contra Affair, a semi–rogue NSC operation in which the U.S. tried to secretly sell arms to Iran to secure the release of American hostages and fund the Nicaraguan Contras. The scheme blew up and was exposed in 1986, creating a scandal that rocked the Reagan presidency. In the wake of the scandal, the NSC underwent major internal changes by moving away from freelancing and operations and back towards its traditional coordination and advising roles.

The reforms worked, and the NSC was in a better place in the George H.W. Bush years. As former NSC aide and historian of the NSC Peter Rodman wrote, "From a management point of view, the administration of our forty-first president was the most collegial and smoothest-run of the presidencies we are considering." Secretary of State James Baker appreciated the changes as well, writing that, under Bush, "We made the national security apparatus work the way it is supposed to." It helped that Scowcroft had returned as National Security Adviser, still to this day the only person to have the role twice. This does not mean that everything was perfect. At one point, Secretary of Defense Dick Cheney had to remind Chairman of the Joint Chiefs Colin Powell of his role in the process: "Colin, you're chairman of the Joint Chiefs. You're not Secretary of State. You're not the national security advisor anymore. And you're not Secretary of Defense. So stick to military matters."

Bill Clinton ran with a campaign slogan, "it's the economy, stupid," and subsequently tried to make economic issues a more important part of the NSC's purview. In his second term, under National Security Adviser Samuel R. "Sandy" Berger, Clinton implemented a series of principles that would determine the focus of NSC. These principles included the integration of Eastern and Western Europe, while trying to avoid provoking Russia; more open trade; increased attention to terrorism and narcotics; and working with China on trade and avoiding confrontation on human rights issues in order to foster stable Asian-Pacific region.

Berger also later became infamous for sneaking highly classified national security documents out of the National Archives in

his socks. The documents, some of which he destroyed, were related to U.S. anti-terror efforts in the years before the September 11, 2001, terror attacks on the U.S. homeland. A more amusing and less serious story about Berger comes from the actor Rob Lowe, who visited the White House during the run of the TV show, "The West Wing." While there, he was told that the National Security Adviser wanted to see him. Nervous, he went to see Berger, who asked Lowe, "Why is there no National Security Adviser character on "The West Wing?"

In the George W. Bush administration, there was a great deal of infighting among Bush's team of experienced national security players, including Secretary of State Powell, Vice President Cheney, and Rumsfeld, who was serving as Secretary of Defense for the second time in his career. Trying to manage the infighting among them fell to National Security Adviser Condoleezza Rice, who was much younger than the three warring giants and had trouble keeping the peace among them. The challenges of the Bush years highlighted the idea that the NSC is a useful entity as long as the relevant players stay in their lanes, and the National Security Adviser has the capacity to keep them in line.

Today, although there is a general consensus about NSC's advisory role, there are occasional hiccups. Pompeo, for example, revealed in his memoir that the NSC did move too much into operations in the Obama years. According to Pompeo, National Security Adviser Susan Rice acted like "a shadow CIA director, without whose approval no action moved forward. Her knee-jerk dislike for espionage created a verb among CIA officers. Whenever something risky was on the table, someone might say, 'No, we can't do that. It will be SR'd. 'SR,' of course stands for Susan Rice." And the Trump White House raised hackles with its placement of strategist Steve Bannon on the National Security Council, a move that would be reversed a few months later. These incidents are notable mainly for the way that they violate the current consensus on the proper role of the NSC, a coordinating body that governs the way decisions are made in what is known as "the interagency," the collection of national security offices and departments. What we have seen over the decades is not only a long effort to define the role of the NSC, but also the degree to which the NSC became the model for how to run other policy operations in the White House as well.

The Domestic Council

Over the last half century, the policy process established by the NSC has been replicated in the establishment of other policy councils. As with the NSC and the move away from the State Department and towards the White House, the first big step came under Richard Nixon. Unlike national security, in which Kissinger emerged as the guiding policy force, things were much less clear on the domestic policy front. Nixon had a contentious domestic policy team with a number of big-name stars competing for primacy. It was pretty clear from the outset of the administration that the economist Arthur Burns, who had served with Nixon in the Eisenhower administration, was going to join in a senior domestic policy role. Burns accepted the role of counsellor to the president, with cabinet rank. But then Nixon pulled a surprise in hiring the Democratic gadfly and intellectual Daniel Patrick Moynihan as head of the newly formed Urban Affairs Council. The two men would clash until Burns left the White House for the Federal Reserve at the end of 1969. Nixon also added to the mix Donald Rumsfeld as head of the Office of Economic Opportunity (OEO) with cabinet rank and the prestigious title of assistant to

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the president. Managing these personalities required an honest broker. White House lawyer—and friend of Chief of Staff H.R. Haldeman—John Ehrlichman emerged to fill that role. In doing so, he emerged as arguably Nixon's most powerful player in domestic policy and helped set the model for domestic policy management for future administrations.

Despite all of the big guns Nixon hired as part of his domestic policy team, the little-known but effective Ehrlichman ran the show. According to Nixon White House domestic policy aide Edwin Harper, Ehrlichman helped "give the president what he wanted in a policy process, including avoiding presidential involvement in arguments or personal confrontations in either formal or informal meetings, and allowing the president quietly to study his options with input from the advisers he selected, options faithfully and succinctly presented by a neutral broker with a bottom-line recommendation." This is effectively the model of what the domestic policy council is supposed to do, and Nixon first formalized this model in July 1, 1970, with a series of recommendations laying out the concept, and incorporating the Bureau of the Budget—created by Congress in 1921—into the Office of Management and Budget through executive order 11541. As part of this process, Nixon created a Domestic Council, analogous to and modeled after the National Security Council, while also eliminating the short-lived Councils of Urban Affairs, the Environment, and on Rural Affairs. The Council included nine cabinet members and met periodically.

The Domestic Council concept outlasted the Nixon administration, although its name would change a number of times over the next two decades. Gerald Ford kept the name, but he also told Vice President Nelson Rockefeller, who was more liberal than Ford and his team, that Rockefeller could run the Council. This did not work out well. According to Ford biographer Richard Norton Smith, "Reflecting their privileged status, the Domestic Policy Council, the NSC and the speechwriting operation functioned as independent satraps." As such, they made important policy and personnel decisions without consulting other offices with the administration, which is precisely the opposite of how policy councils are supposed to operate. Putting Rockefeller in charge of the Domestic Council also contributed to Rockefeller being eased off the ticket in 1976, which may be why no future Vice President ever took on that role again.

Jimmy Carter's domestic policy entity, the Domestic Policy Group, was run by Stuart Eizenstat, a member of the so-called "Georgia Mafia" that came with Carter from Atlanta. In the Reagan years, it became the Office of Policy Development, run by Nixon White House veteran Martin Anderson. Anderson used the office aggressively to assert White House control over cabinet policymaking, which was to be based on "notebooks" prepared by Anderson and his team. The notebooks contained Reagan's statements from the 1980 campaign and other venues, and aimed to guide the development of

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agency policy. As OMB head Jim Miller recalled, "Anderson's books were the bibles. The president had a consistent ideology. The bibles provided a consistent framework and consistent ideas. I felt I could predict what Ronald Reagan would do in almost any circumstance from the statements in these notebooks."

OPD also maintained a series of seven Cabinet mini-councils, in which groups of cabinet members would come to the White House and hash out administration policy. Anderson was particularly fond of the councils, recalling that "The genius of the Cabinet Council system was that councils were Cabinet level. You couldn't send substitutes, such as deputies, to the meetings.... What really made the whole thing work was that all meetings had to be in the White House. The White House controlled what time the meeting would take place, where the meeting occurred, and the agenda." As a result of all this, political scientist Shirley Anne Warshaw concluded that "juxtaposed against the Nixon, Ford, and Carter administrations, the Reagan White House had far more success at controlling departmental policy initiatives and minimizing interdepartmental warfare."

In the Reagan administration, the Office of Policy Development was designed to govern ideology. In the George H.W. Bush administration, it was supposed to police the process. Although process is essential to the proper administration of a White House and an administration, too much process is a problem as well. When the process gets gummed up, this can lead to the development of alternative power centers.

This happened in the George H.W. Bush administration, where the Office of Policy Development, run by the very talented but methodical Roger Porter, blocked the forward movement of many policy initiatives.

Porter was part of the issue, but the Bush 41 White House had a larger structural problem as well. At the top of the White House hierarchy in that administration were chief of staff John Sununu and the Office of Management and Budget Director Richard Darman, both of whom were smart, imperious and intolerant of staffers whom they saw as incompetent or intellectually deficient. In fact, the regular process of being berated by Darman in front of the entire White House senior staff became known as "being Darmanized."

Understandably, such behavior can make staffers gun-shy and wary of proceeding. The result was a perceived paralysis in Bush's domestic policy agenda. Hanns Kuttner, an aide to Porter, was dubbed "the fontmeister" because of his focus on the proper formatting of documents. The staff had buttons made up reading "Born to Process." Disgruntled domestic policy aide Charles Kolb joked that the hard-working Porter managed six inboxes, but what he really needed was an outbox.

The result of this paralysis was the weakening of the OPD within the Bush White House and the subsequent development of alternative power centers. One of these was Bush's Council on Competitiveness, which would try to include other people outside the traditional policy process in order to develop new policy and make decisions.

Another rump group, which Kolb referred to as "the usual suspects," included the DPC's Jim Pinkerton, the Competitiveness Council's Al Hubbard, communications staffer Tony Snow, and John Schall from Cabinet Affairs. In addition, while the Office of Cabinet Affairs is not typically part of the policy making process, Bush's Cabinet Affairs shop happened to have some talented and eager staffers such as Jay Lefkowitz and Dan Casse, and thus made itself into part of the process to fill the policy vacuum.

The press took note of the development of these alternative pathways. One story that made the rounds about that White House was that Lefkowitz – who would return to the White House under George W. Bush – ran into chief of staff Sam Skinner, who had replaced Sununu in December of 1991. When Skinner asked the typical White House question, "What are you working on?" Lefkowitz told him that he was "Trying to get the *Beck* decision implemented." *Beck* was a Supreme Court decision prohibiting unions from forcing federal workers to give political contributions. Skinner jumped on the idea and helped schedule an April 13 Rose Garden event on an issue that had been long languishing in the endless policy process. After this story appeared in a Fred Barnes piece in *The New Republic*, it was parodied inside the White House, with Thomas Jefferson asking Lefkowitz what he was working on, and hearing back, "the Declaration of Independence."

In addition to the roadblocks, there was also the problem of a lack of clarity. Bush had multiple economic advisers, including Darman, Treasury Secretary Nicholas F. Brady, and Council of Economic Advisers (CEA) Chairman Michael J. Boskin, and it was hard to sort out among them what was the recommended path forward. According to Bob Woodward, Bush himself complained about this, saying, 'This is not like the NSC [National Security Council],' Bush told one adviser this spring, according to one source. 'It doesn't come to me [in a decision memo] saying Brady thinks this, Darman that, Boskin disagrees.'" The lack of clarity in the process may have contributed to the politically damaging perception that Bush was insufficiently focused on the economy during his 1992 re-election bid.

The National Economic Council

Bush's loss in 1992 presented an opportunity to reform the OPD system. The government and the economy had grown so big that perhaps one council was not enough to handle it all. Into this mix came Clinton, who, after his election victory, promised, "I am going to focus like a laser beam on the economy." Part of this laser-like focus included the creation of a new policy council, the National Economic Council, via Executive Order 12835, on January 25, 1993. The idea was not only to demonstrate Clinton's attention to the economy but also to have a mechanism for sorting through conflicting advice from his advisers. As Clinton wrote in his memoir about his decision to create the NEC, "I had become convinced that the federal government's economic policy-making was neither as organized nor as effective as it could be. I wanted to bring together not only the tax and budget functions of Treasury and the OMB, but also the work of the Commerce Department, the Office of the U.S. Trade Representative, the Council of Economic Administration."

The Clinton administration and the Democratic party in general were divided between a more leftist wing, represented by Labor Secretary Robert Reich, and a more moderate, business-friendly, Democratic Leadership Council wing, represented by Treasury Secretary Lloyd Bentsen. The new NEC was supposed to resolve the differences that arose between those differing perspectives.

The idea, as the CEA's Alan Blinder told the *New York Times'* David Rosenbaum, was to create a situation in which "You're all around the room and the President hears all sides fairly presented and then makes a call, [so] people don't go away grumpy." Thus, Clinton specifically modeled the NEC on the NSC, and the NSC as run by Scowcroft at that. In 1994, Rosenbaum wrote a puff piece suggesting that the creation of the new entity was working perfectly. Robert Rubin, Clinton's choice to head the NEC, was, in Rosenbaum's telling, "careful not to steal the thunder from the Cabinet secretaries."

The reality was not so simple. As Reich noted to Rosenbaum, "It's easy for trust to develop and to avoid leaks and finger-pointing and back-stabbing when the economy is going well. The real test will come when things are not going well." Reich was prescient. He became known as an economic policy "freelancer," along with US Trade Representative and then Commerce Secretary Mickey Kantor, and political adviser Dick Morris. Reich in particular alienated Rubin, who at one point was quoted in *Newsweek* as telling the senior staff, "I assume he [Reich] wouldn't want to read about my latest minimum-wage proposal in the *Wall Street Journal*." Reich's activities got him rebuked by Chief of Staff Leon Panetta. Reich would eventually title his unhappy memoir about his time in the administration *Locked in the Cabinet*.

Regardless of the problems, the basic structure has remained. One recurring and inherent tension that still continues is between the NEC and CEA. The CEA, which was created in 1946, is supposed to serve as a body that gives the president economic advice. It is typically staffed by academic economists and headed by a chair who is confirmed by the Senate. The NEC is supposed to be a coordinating body along the model of the other policy councils, distilling recommendations from different advisers and serving as a neutral arbiter of internal disputes. NEC's head is more of a political player, and does not have to be an economist by training. According to Rubin, the CEA was supposed to serve as "the hand of economic analysis within the NEC glove."

In practice, this division of responsibility has not always worked out. In the George W. Bush administration, CEA and NEC were often in conflict and, as in the Clinton administration, the chief of staff's office had to mediate the dispute. When NEC head Larry Lindsay departed in December of 2002, it was seen as a win for CEA. But NEC would get the last laugh, as CEA was exiled from the White House in 2003, being "moved out of the complex," from the Old Executive Office Building to 1800 G Street. White House spokesperson Ashlee Snee downplayed the move as "a space-management issue," but the *Washington Post's* Dana Milbank called it an end to "the 10-year power struggle between the CEA and the ascendant NEC."

Of course, the struggle would continue into the Obama administration. As the *New York Times'* Peter Baker wrote, "At the National Economic Council, [Harvard Professor Larry] Summers was charged with running the process for developing policy. But the team never embraced the no-drama-Obama ethos." Part of the problem was Summers, who as Baker wrote, was seen by colleagues as "an eye-rolling intellectual bully." No one doubted his smarts. Summers had served as Treasury Secretary under Bill Clinton, who described Summers in his memoir as "even brighter than his reputation had led me to believe." But with the smarts came arrogance, and a tendency to fight with the

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CEA heads—and others—in the Obama economic operation.

First came Berkeley economist Christina Romer. Like many other veterans of the Clinton White House, she felt out of place from the beginning, telling the *New Yorker's* Ryan Lizza, "I'm the quintessential outsider here." Summers did not help matters, feeling that he had both the policy process chops of an NEC head combined with the academic pedigree that a CEA head typically has.

Matters came to a head in a conflict over the stimulus package Obama wanted to jolt the economy in the aftermath of the Great Recession. Romer had advocated for a larger stimulus package than the one the administration ended up promoting. Summers, who successfully argued for the smaller package, had not included Romer's recommendation in the memo to the president. This was a classic "process foul," as keeping out opposing points of view is contrary to the intended "honest broker" role of the NEC.

Romer also complained that Summers left her out of certain meetings because she was a woman. She confronted him, telling Summers, "I didn't come here to waste my time. I'm perfectly happy to go home." As with the previous administrations in the CEA era, the Chief of Staff's office was called in to mediate, with Chief of Staff Rahm Emanuel assuring Romer that she would be part of all economic policy meetings going forward. Both Summers and Romer left the White House after relatively short tenures—Romer felt she had been pushed out—but the tension between their offices was indicative of the inherent problem that persists between the CEA and the NEC, as well as the confusion regarding their roles in the process.

Another tension that has emerged since the creation of the NEC is over which council has purview over international economic issues. This challenge is particularly important these days as we try to develop some kind of coherent approach to the challenge of a rising China. Although the NSC has long had a senior directorship for international economics, the NEC's purview over economic issues means that it has responsibilities in the international sphere as well. Clinton's original executive order mentioned the international aspects of the NEC's purview, but it did not specifically mention the NSC or how the two councils were to work together. Tensions existed throughout the Clinton administration about predictable things such as whether the NEC head should join for calls with foreign leaders, whether the NEC should participate in writing briefing papers for foreign leader interactions, how much time should be devoted to economic issues on foreign trips, and who should get to see international economics briefing papers before they went to the president. On the last one, NEC wanted to include all of its traditional stakeholders in economic policymaking, while NSC exhibited more of a bias towards close-hold distribution of sensitive

"In the Trump administration, NEC head Gary Cohn regularly clashed with White House Trade Council head Peter Navarro, who wanted a much tougher stance on America's trading partners."

briefing materials.

The George W. Bush administration attempted to address this issue with an interesting innovation—a dual-hatted staffer with reporting responsibilities to both the NEC and the NSC. Bush saw his approach as "a way to make sure the economic people don't run off with foreign policy and vice versa." Bush's innovation was well-received and has been kept by subsequent presidents on both sides of the aisle. This does not mean, however, that there have been no tensions related to the role of the NEC head in international affairs. In the Trump administration, NEC head Gary Cohn regularly clashed with White House Trade Council head Peter Navarro, who wanted a much tougher stance on America's trading partners. On more than one occasion, Cohn swiped papers off Trump's desk that would have pulled the U.S. out of existing trade agreements, a breach of the process that would be classified as a process foul in any other administration. According to former White House communications director Michael Dubke, Cohn and Navarro conducted their policy process by press leaks, as "there continued to be leaks about one side or the other in order to force the President to make a decision, maybe before he had heard all the arguments." Once again, there needed to be mediation among different factions. However, in this case, it was Staff Secretary Rob Porter, not someone from the Chief of Staff's office, who was tapped to run an internal process on trade.

Cohn maneuvered to have Navarro report through the NEC. This worked in that it made it harder for Navarro to get into key decision meetings, but it irked Navarro, and Trump as well, who used to ask, "Where is my Peter?" Given Trump's support, Navarro got Trump to create a new office called the National Trade Council, but it was not a policy council in the traditional sense. According to the journalists Yasmeen Abutaleb and Damian Paletta, "the council' wasn't so much a "council" as it was a 'Peter.'"

The problems in the Trump administration do not indicate that the NEC role in economic affairs is unmanageable, though. The lessons to be learned are different. First, Cohn's fights were with the White House Trade Council, not the NSC, suggesting that the dual-hatted NEC-NSC staff person is something that should be maintained in future administrations. In addition, the Trade Council itself was a new designation, which once again warns that creating new policy entities in the established White House process has costs as well as potential benefits. Finally, the Trump administration had a propensity for internal conflict based in part on Trump's own declaration that "I like fighting." The process can work if a president is committed to it. As I.M. Destler, an academic who has studied the NEC process, has observed, "The NEC's effectiveness will ultimately rest on how it

connects with the president's decision-making style and his inner political circle. Process regularity can go only so far unless the president himself accepts some discipline."

The Homeland Security Council

The terrorist attacks of September 11, 2001, precipitated George W. Bush's creation of the Homeland Security Committee by Executive Order 13228, on October 8, 2001. While a terrible tragedy served as the impetus for this action, there had been a number of previous recommendations that the White House create some kind of body along these lines. In 2000, The Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction, also known as the Gilmore Commission, had recommended the "establishment of a senior level coordination entity in the Executive Office of the President, [to be] entitled the 'National Office for Combating Terrorism.'" Similarly, the 2001 Hart-Rudman Commission recommended the consolidation of certain homeland security operations within FEMA, the Federal Emergency Management Agency. Bush created the HSC, but the idea for a new policy council to address domestic emergencies had already been in the ether.

Bush's vision was even more explicitly based on NSC than the DPC or NEC had been. It would be run by an Assistant to the President, with cabinet rank but no Senate confirmation. It had 120 staffers, fewer than NSC, but about four times the size of DPC or NEC. It also initially had coordinating responsibilities for 40 government departments and agencies, but that number would be consolidated when the Department of Homeland Security was created by statute in November of 2002. Bush also created a National Director and Deputy National Security Advisor for Combating Terrorism with joint reporting responsibilities to the National Security Adviser and the Homeland Security Adviser. This would foreshadow some of the conflicting roles and responsibilities between the two councils that would lead to a great deal of tumult, confusion, and restructuring efforts in the years ahead.

In the years since its creation, HSC has more closely resembled the early incarnations of DPC, with its name changes in multiple administration, than NEC, which has been relatively stable in terms of title and structure since its 1993 creation. Bush had divided the roles between NSC and HSC in a fairly clear delineation between international and domestic security threats, somewhat analogous to the division of responsibilities between the CIA and the FBI. This meant that HSC not only exchanged elbows with NSC, but it also had run ins with DPC and NEC. The domestic tensions can best be seen in the division of labor over the Bush administration's response to Hurricane Katrina in 2005. HSC initially had the lead with its supervision over FEMA. Then as issues related to housing, welfare payments, public health, and the environment came to the fore, the DPC took the helm. Following that, with the focus moving to economic recovery, the NEC became the lead council. This led to a comical incident that I witnessed in which the head of the National Economic Council, Al Hubbard, entered a Deputies Meeting on Katrina recovery and told the assembled staffers that he was now in charge. Michael Jackson, the Deputy Secretary of Homeland Security, looked at him and said, "Who are you?" While both were fairly senior administration appointees, the two had never before met.

The Obama administration moved away from the HSC concept entirely. Shortly after taking office in February 2009, Barack Obama subsumed the HSC within the NSC. He created a single entity called the Na-

tional Security Staff, which included both NSC and HSC responsibilities. The NSS was tasked with "support(ing) all White House policy-making activities related to international, transnational, and homeland security matters." At the top of this new organization was still a National Security Adviser, James Jones, which meant that the lead homeland security adviser, John Brennan, had to report through Jones. Despite it being sold as a merger, the action more closely resembled a takeover, of HSC by NSC.

Former HSC head and Department of Homeland Security Secretary Tom Ridge told Congress that he disagreed with the move, saying that "the [HSC] should not be subsumed by the NSC." In Ridges' opinion, "a merger of these two councils would not work and, if carried forward, would diminish and potentially damage a council whose work needs to be elevated, accelerated and properly resourced—versus diluted in a mix of security roles and responsibilities of a different kind." In addition, it is important to remember that the typical geopolitical strategist at NSC has little interest in the nitty gritty of hurricane preparation that often occupies HSC.

At the same time, there was certainly room for improvement. In many instances that I witnessed while working with HSC at both the White House and the Department of Health and Human Services, the HSC staff could not seem to decide what kind of policy council it wanted to be. In some ways, it wanted to be nimble and small like the DPC and the NEC, which are staffed with political appointees. In other ways, it tried to ape the establishmentarian and more bureaucratic 240-person NSC, which is largely staffed with career civil servants detailed from other agencies. Political appointees tend to be more aggressive and, hence, more controversial, but they can often drive the bureaucracy harder because their government service is more of a sprint than a marathon. As a result, their future promotion is not tied to their ability to get along well with the bureaucracy.

In my experience, the domestic councils such as DPC and NEC had less stature, but they also moved faster. Document review and clearance, for example, which is a surprisingly large aspect of work in the White House, was relatively quick for DPC and NEC. NSC, in contrast, had to clear every document through multiple directorates and subdirectorates. Given its purview over immediate life-and-death issues, HSC needs to be both: fast, and yet fully integrated into our enormous security establishment; professional, and yet possessing a sharp political antenna.

Having one separate council with an autonomous staff dedicated to homeland security can help focus White House staff and presidential attention on the terror threat. Placing the HSC staff within a larger NSS raises the concern that homeland security and counterterrorism issues could be lost in the mire of bureaucratic and administrative infighting. Thus began a series of revolving door moves in which the Republican Trump administration separated the two entities, and the Democratic Biden administration merged them back together. It is not clear if one approach is better than the other, but the shifting of responsibilities from administration damages continuity and creates confusion over roles and responsibilities.

When the coronavirus struck in 2020, critics of the Trump administration pointed to the Trump administration's decision to eliminate the biodefense directorate. Trump advocates countered that it was not eliminated but moved to a more rational

"The Biden team clearly knew that the inevitable dissolutions of the council in GOP administrations will lead to negative press and criticisms but that is a feature, not a bug..."

place. Regardless of who was right, having one coherent and continuous place for biodefense issues is better for our ability to respond to biological threats, be they natural or manmade. Most of the people who take the lead in responding to these challenges are career officials, who serve in both Democratic and Republican administrations. Periodically changing the reporting structures only creates confusion when we most need clarity.

The Gender Policy Council

In March of 2021, President Joe Biden established a Gender Policy Council via executive order 14020. This new council would be headed by an Assistant to the President—former Hillary Clinton aide Jennifer Klein—and have no fewer than 36 members, including national security cabinet offices such as the Secretaries of State and Defense, as well as the Director of National Intelligence. Additionally, The DNI was specifically tasked with designating "a National Intelligence Officer for Gender Equality, who shall coordinate intelligence support for the Council's work on issues implicating national security." As with the other domestic councils, DPC and NEC, the staff was largely political appointees.

According to White House briefing materials on the new GPC, it was assigned "to advance gender equity and equality in both domestic and foreign policy development and implementation" and given coverage over "a range of issues—including economic security, health, gender-based violence and education—with a focus on gender equity and equality, and particular attention to the barriers faced by women and girls." Klein explained the perceived need for the GPC by saying, "All these issues are issues of human rights, of justice and of fairness, but they're also critically important, strategically. If you care about reducing poverty or promoting economic growth, increasing access to education—really any outcomes that we seek—you care about these 'women's issues.'"

The GPC was an expansion upon President Obama's 2009 Executive Order 13506, which created the White House Council on Women and Girls. Both EOs were modeled after the executive orders creating the Office of Policy Development and the National Economic Council. Despite the similar language, it's not clear that the GPC fits the model of the other policy councils, specifically the DPC and NEC. Most of its issues fall into the DPC ambit, creating the recurring concern of overlapping jurisdictions and role confusion. It's also a policy council designed to serve as a political football. Going forward, Republican administrations will likely disband it and Democratic administrations will resurrect it. The Biden team clearly knew that the inevitable dissolutions of the council in GOP administrations will lead to negative press and criticisms but that is a feature, not a bug, from their perspective. (This is also the central reality of women's offices at places like the Department of Labor and the FDA – once established, they cannot be easily disbanded without political cost).

"... the history of the policy councils suggests that new policy councils should be created sparingly, and with an eye towards long-term continuity rather than short-term political considerations."

Yet making the GPC equivalent to one of the traditional policy councils is problematic. The issues that the GPC is tasked with addressing are already in the purview of one of the existing policy councils, which is likely to create unnecessary turf wars between the GPC and one of the existing councils. Also, by making it about a constituency rather than a traditional policy area, the GPC also drifts into the area of the Office of Public Engagement (sometimes called the Office of Public Liaison in other administrations). This raises the possibility of other policy councils in subsequent administrations—a race or religion policy council could be in the offing. The *Wall Street Journal's* Gerard Baker demonstrated some of the skepticism about GPC in his column, writing sarcastically that "We can leave to future historians whether the creation of the White House Gender Policy Council will prove as consequential as that of the Tennessee Valley Authority."

At some point, the proliferation of policy councils becomes an impediment to getting things done rather than a useful triage mechanism for running the White House policy process. In addition, the creation and dissolution of policy councils based on the ideological sentiments of the incoming team makes the White House policy process itself less of a bipartisan tradition handed down from administration to administration and more of a partisan operation that changes based on the preferences of a particular president. Presidents have the capacity to make these changes. They can organize the White House pretty much however they want. But the history of the policy councils suggests that new policy councils should be created sparingly, and with an eye towards long-term continuity rather than short-term political considerations.

Structural Changes to Regulatory Policy?

The lesson from this history should be clear: new policy councils can be and have been useful at times, but they should not be created lightly. As a nation, we are best off if we get ones that are here to stay. The back and forth over HSC, for example, has led to confusion and possibly balls being dropped. As former Trump Deputy Chief of Staff Chris Liddell has written, "Multiple owners and overlapping jurisdictions tend to result in poor coordination on policy delivery and a lack of accountability. To the extent that an organizational chart exists, it seldom reflects how the EOP operates in reality."

That said, the next Republican administration will likely want to consider whether the existing structure is appropriate to address the issue of regulations, estimated by the Competitive Enterprise Institute to cost the US approximately $1.9 trillion annually. Previous administrations have altered the structure to address regulations: in the Reagan administration, Vice President George

H.W. Bush headed a regulatory task force designed to identify areas ripe for regulatory reform. As Reagan said in a speech announcing the effort, the Presidential Task Force on Regulatory Relief was assigned to "review pending regulations, study past regulations with an eye toward revising them, and recommend appropriate legislative remedies." Later, when Bush became president, he created a similar initiative, which he called The Council of Competitiveness, to identify target areas for regulatory relief. Resurrecting this approach in the form a new policy council could highlight the issue of regulations and work to move deregulatory efforts faster through an administration.

Other administrations have considered but not pursued such an effort. According to Scooter Libby, who served as Vice President Dick Cheney's Chief of Staff and National Security Adviser, Cheney was asked to head three task forces in the George W. Bush administration. He took on the first two, on energy and homeland security, but turned down the third, on de-regulation. According to Libby, Cheney did not think that a de-regulatory task force was an appropriate role for the Vice President given his limited time and resources.

Even in the cases of the new bodies that were created under Reagan and George H.W. Bush, neither continued into successor administrations. The only existing structure that addresses regulations across administrations is OIRA, OMB's office of Information and Regulatory Affairs. OIRA is unique in that it is currently configured via both legislation and executive order, giving it staying power over all the policy councils save for NSC.

OIRA was created under The Paperwork Reduction Act of 1980, but it was given its role as the primary regulatory review body by President Reagan in 1981, under Executive Order 12291. Its role was further clarified in EO 12866, under Clinton, and EO 13563, under Obama. This combination of statutory authority, executive order legitimacy, and staying power longer than all of the policy councils save for NSC, gives OIRA vast power in its role of reviewing every regulation issued by the federal government. At the same time, it is also largely staffed by career appointees, save for its politically appointed head, and as such does not take on regulatory reduction initiatives. Its role is to review every regulation, and it has done so, for over four decades, in both Republican and Democratic administrations. OIRA reviews between 500 and 700 rules annually, and, depending on the administration, it can serve as "counselor," especially in Democratic administrations or "gatekeeper," which it is more likely to do in Republican administrations.

As a non-political body, OIRA is different from the other White House policy councils. It is not situated in the White House, and reports to the OMB director, not the White House Chief of Staff. In contrast to the other policy councils, its head is confirmed by the Senate, meaning that the OIRA head can be called to testify on Capitol Hill and is therefore less protected by executive privilege. OIRA also looks at regulations on an individual basis, and not in the context of what it wants the overall regulatory state as a whole to cover. It has also seen a reduction in manpower over the decades, now housing about 55 full-time employees, down from approximately 90 under Reagan. In addition, for all of the good work done by OIRA over four decades, the overall cost of regulations, be it by the number of pages in the federal register, the number of overall regulations, or the cost of regulations to the economy, has only gone up in this period. Perhaps it

could be said that those metrics would have increased even more without the existence of OIRA, but that does not make the case for OIRA as a body that could lead a deregulatory effort.

Therefore, it is likely that the next Republican president will want to consider new structural tools to pursue a deregulatory agenda. With that in mind, there are two structural things that a deregulatory-minded president could do that would not upset the current balance of policy councils and the policy process. First, it could create a regulatory cost budget that makes clear the cost of regulations already in effect, and of those it wishes to impose. Such a budget would force agencies to compile their annual regulatory costs, with the total across government to be compiled and publicized by OMB. This idea, which has been in discussion in regulatory policy circles for over three decades, would make the costs of regulation clearer to the American people, and set metrics for federal officials regarding government cost impositions on the private sector. Federal officials respond to incentives, and if the president made clear that reductions in the regulatory budgets were a priority, then they could act accordingly.

The regulatory budget would also allow for another idea that regulatory reformers have previously advocated, which is a regulatory cost cap. If we could measure the overall regulatory cost, then the president could call for limits on those costs. Once established, subsequent administrations would have to cope with the existence of the caps. They could adhere to them, which would put downward pressure on the regulatory burdens. Or they could ignore them, which could potentially impose political costs. And if the administration failed to maintain the caps, private sector regulatory watchdogs could still watch to see whether administrations met or did not meet the caps.

In addition, one innovation from the Trump administration that should be looked at again is the hiring of a regulatory expert within the DPC, and possibly within NEC. This approach would assign a single staffer to work with OIRA to help manage White House input into the regulatory process. Trump's domestic policy adviser did this and found that having such a person helped resolve legal issues that would arise between agencies on regulations. Such a person could also help keep the agencies and the White House focused on the big picture of regulation in a way that OIRA does not. But being only a single person, such a staffer would not be seen as threatening to OIRA or to OMB as a whole. In addition, not being threatening to OIRA increases the likelihood that OIRA and the DPC/NEC regulatory liaisons could work cooperatively with OIRA rather than at cross-purposes.

Conclusion

This review of the policy process and the policy councils themselves reveals that the White House policy process is a delicate organism that should not be rejiggered or reconstructed on a whim. The traditions and established procedures developed over time, and usually for good reason. Even when new creations have eventually worked out, such as the creation of the NEC, there was usually a lot of difficulty and role confusion along the way. In the less optimal scenarios, rejiggering responsibilities can lead to challenges getting overlooked and confusion within the government on how to respond to emergencies. Presidents have the authority to reorganize the White House and create new policy councils. But having the authority does not mean that it is always wise to do so.

Chart: The White House Policy Councils

To date, there have been five policy councils – the National Security Council, the Domestic Policy Council, the National Economic Council, the Homeland Security Council (currently subsumed within NSC), and, under the Biden administration, the Gender Policy Council (GPC) – but it all started with one, the NSC. In addition, two relevant adjacent bodies were created by statute: OIRA exists within the Office of Management and Budget (OMB), while CEA is an independent entity within the Executive Office of the President (EOP).

Council	Origin	President	Purview	Status
National Security Council (NSC)	1947, as part of the National Security Act	Harry Truman	National security issues	Active
The Domestic Council/ Domestic Policy Group/ Office of Policy Development/ Domestic Policy Council (DPC)	1970 Executive Order 11541 and 1993 Executive Order 12859	Richard Nixon and Bill Clinton	Domestic and economic initiatives	Active but has had multiple iterations
National Economic Council (NEC)	1993 Executive Order 12835	Bill Clinton	Coordinates economic policymaking process and advises President on economic policy.	Active
Homeland Security Council (HSC)	2001 Executive Order 13228	George W. Bush	Domestic security, including airports, borders, counter-terrorism, and national disasters	Currently subsumed within NSC

Council	Origin	President	Purview	Status
Gender Policy Council (GPC)	2021 Executive Order 14020	Joe Biden, earlier version under Barack Obama	"to advance gender equity and equality in both domestic and foreign policy development and implementation"	Active for now
OIRA (Office of Information and Regulatory Affairs)	The Paperwork Reduction Act of 1980; 1981 Executive Order 12291. Role further clarified in EO 12866, under Clinton, and EO 13563, under Obama.	Jimmy Carter and Ronald Reagan	Oversee agency regulations. Can employ cost benefit analysis to proposed regulations.	Active, with a combination of statutory authority and executive order legitimacy. But is at 55 FTC, compared to 90 under Reagan.
CEA (Council of Economic Advisers)	Established by Congress in 1946.	Harry Truman	Provides economic advice and writes the annual Economic Report to the President.	Active. Chair must be confirmed by the Senate.