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DHS and the Obama Administration

Given the tax and other problems some of Obama's appointees have run into, the anticipated expedited security clearance of top managers seems to have hit a serious snag. On top of that, the Democrats have never run the Department of Homeland Security (DHS). Will they see it as a Republican creation? Will having given serious thought to its responsibilities be enough to result in a short learning curve followed by quick action?

Secretary Napolitano is, of course, the former Governor of Arizona. As such, she certainly has credentials when it comes to issues related to immigration. Where will international trade fit into the overall scheme at DHS? Right now, if you mention trade facilitation to the new appointees, they think cargo security screening; therefore, those of us in the trade have an uphill educational battle on our hands, one that is quite understandable, but nonetheless a bit frustrating.

In recent testimony, Secretary Napolitano mentioned that last year DHS was subjected to 280+ oversight actions, meaning appearances before committees and submissions of written reports. The one part of the 9/11 Commission recommendations that has not yet been implemented is streamlined oversight by Congress. How much will the lack of coherent oversight continue to slow down the Department's efforts?

In his February 24, 2009, speech to Congress, President Obama hit on several themes:

- Energy, health care, and education
- Investments in medicine, science, and technology
- Ending subsidies to big agribusiness
- Eliminating no-bid contracts
- Reforming the defense budget
- Medicare and Social Security
- Waste, fraud, and abuse
- Reforming the tax code

Where was international trade in all of this? Sure, it's the economy, stupid - but international trade has repeatedly been the engine that drives the U.S. economy.

At the same time, it appears the outgoing Bush Administration cautioned the incoming Obama Administration that the key DHS issues are protecting critical infrastructure, cyber security, and export licensing.

DHS is a new player at the table, having been in existence only since March 2003. As such, the Department as a whole is sort of a novice when it comes to Hill and interagency actions. Its portfolio is broad, including law enforcement, privacy, civil liberties, protecting infrastructure, and immigration management. Some of its units have more experience and clout on the Hill than others, but what will now happen to DHS as the Obama Administration settles in?

The question of the day is -- can DHS overcome the impression that it is the Department of Immigration Reform and Disaster Recovery? Where will international trade fit in the priorities of DHS? Who will be the new Commissioner of Customs? Who will head TSA? How well will ICE and CBP work together in addressing trade fraud cases? At this point we do not know the answers to these and many other important questions, but how the Department moves forward from here is critical to the economic health of the U.S., even though DHS is not per se involved with the economy. We have to hope the Department's management can get up to speed quickly, and one good indication of how that is progressing is Secretary Napolitano's Hill testimony about 100% cargo screening. At least trade is on the radar; now let's just see what we can do to move the Department's thinking from cargo screening to commercial operations/trade facilitation.

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