



Why Maritime Matters to Americans

By Denise Krepp
September 27, 2013

For the past several years, the maritime community have bemoaned the lack of support in Washington, D.C. and around the country. The failure to support the Jones act, cargo preference, and other traditional maritime policies is striking given that our country's historical strength has been derived from seapower superiority. Sadly, most Americans do not understand this relationship and they are willing to believe those that are undermining it. The maritime community must improve its efforts to educate American people about why the maritime community matters to them.

Education is critical as opponents of maritime policies are investing significant time and resources trying to destroy them. The Conservative Forum for Hawaii and the Hawaii Island Portuguese Chamber of Commerce will be hosting a forum on October 4th to discuss the Jones Act. Speakers include former Governor Ben Cayetano, Congressmen Ed Case, and Charles Djou who want to “reform” the law.

Daniel Ikenson from the CATO Institute blogged on September 18th that the Jones Act demonstrates how trade agreements are not free trade. Mr. Ikenson argues that we should open up the domestic maritime market to foreign competition. He conveniently did not reference the subsidies that other countries give their maritime industry.

On the cargo preference front, the Bill and Melinda Gates Foundation just announced a \$3 million donation to the Chicago Council on Global Affairs. The Council does not support the shipment of U.S. grain on U.S. crewed and owned vessels to those in need. In fact, the Council released a white paper in June 2012 stating that US tax dollars should be given to non-governmental organizations to conduct their development programs instead of engaging in the “inefficient and wasteful process” of using cash to hire US owned ships.

Rajiv Shah, the current US Agency for International Development Administrator is a former Gates Foundation executive. He is the Administration's point man on “reforming” cargo preference. This reform, if implemented, would decrease the already paltry support the government gives the US maritime community.

Food Policy

The U.S. hosted a forum this past summer to talk about food programs. Nancy Lindborg, USAID Assistant Administrator for the Bureau for Democracy, Conflict, and Human Assistance told attendees that the Royce amendment would give the agency greater flexibility to operate (i.e. not using U.S. ships). Ms. Lindborg also referenced several think-tanks that were involved in the conversation about how USAID could do its mission better. Not surprisingly, she didn't include the maritime community in her list of participants.

It's time to level the playing field. The average American doesn't understand the maritime community. Most people know that their shoes are made in China but they don't know that the shoes are transported on foreign flag vessels to the US. Similarly, they don't know that the majority of the blue water vessels aren't owned by US companies. They won't have this information unless we share it with them directly and as often as possible.

The maritime community should sponsor more town hall meetings like the one in Hawaii to explain why cargo preference, the Jones Act, shipbuilding, ship scrapping, and dock side workers are important. These meetings should include mayors, businesses, labor, academia, and the press. People need to understand that the maritime industry is a vital part of their individual communities and provides critical jobs.

Similarly, the maritime industry should sponsor more academic articles at the undergraduate and graduate level, in addition to think-tank pieces. The recent Cornell study on food aid has been used repeatedly to buttress the "reform" arguments. The CATO institute is not the only think-tank that opposes the Jones Act. Friends within the think-tank community can negate those who are undermining the maritime industry.

Educating the American public will also help Acting Maritime Administration Administrator Jaenichen do his job. MARAD is the agency responsible for promoting the US maritime industry within and outside the Administration. As a former MARAD political appointee, I know the inter-agency battles he is currently fighting. He needs our help.