

**“The U.S. Coast Guard: A Unique National Asset
for Bridging Homeland Security and National Security”**

Written Testimony before

a hearing of the

Coast Guard and Maritime Transportation Subcommittee,
Committee on Transportation and Infrastructure,
U.S. House of Representatives

on

The International Role of the U.S. Coast Guard

by

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Chairman Maloney, Ranking Member Gibbs, and distinguished members of the House Coast Guard and Maritime Transportation Subcommittee. Thank you for inviting me to provide testimony on the international role of the U.S. Coast Guard. This marks the 30th time I have appeared as an expert witness before a House or Senate hearing since the attacks of September 11, 2001. Virtually all the hearings that I have testified before have dealt with the challenge of managing the transnational threats that animated the creation of the U.S. Department of Homeland Security. Those transnational threats remain clear and present as the current global outbreak of COVID-19 is highlighting.

Terrorists, organized criminal syndicates, pandemics, invasive species, and extreme weather events pay little heed to national borders. Yet, our national security establishment is set up to manage these threats beyond our borders while domestic agencies are charged with managing them at and within our borders. Inevitably, this division of labor creates suboptimal responses to transnational threats and challenges. This is playing out in real-time with the challenge of aligning protocols for managing the quarantining of passengers infected by the COVID-19 in the international cruise industry that carries 30 million passengers a year.

In my testimony today, I will contend that the authorities and capabilities that allow the U.S. Coast Guard to perform both domestic and international roles translate into a unique national asset for bridging homeland security and national security. The Coast Guard is a uniformed service of the U.S. Armed Forces, a law enforcement agency, a humanitarian agency, and a regulatory agency. There is no other entity within the U.S. government that is like it. It is also woefully underfunded to carry out its many missions, limiting the Coast Guard’s ability to contribute to the safety and well-being of the American people. I hope this hearing will help to shine a light on the shortsightedness of inadequately investing in the Coast Guard and energize an effort by Congress and the Administration to reverse this neglect.

As one of nation’s six uniformed services that make up the U.S. Armed Forces, the Coast Guard is closely connected with the Department of Defense to include being integrated into the leadership of U.S. Northern Command and U.S. Southern Command, and conducting operations under U.S. Central Command in the Persian Gulf. Along with the U.S. Navy and Marine Corps, the Coast Guard is integral to the U.S. maritime strategy outlined in the 2007 release of *A Collaborative Strategy for 21st Century Seapower*. Coast Guard Intelligence is one of the 16 members of the U.S. intelligence community.

Coast Guard law enforcement activities involve counter-narcotics, migrant control, combatting human-trafficking, fisheries enforcement, and port security on a global scale. The Coast Guard is the world’s premiere maritime search and rescue organization and responder to oil spills. The

agency also oversees the management of U.S. waterways to include icebreaking and maintaining the aids to navigation system. Additionally, it is responsible for regulating the U.S. maritime industry and recreational boating to include the licensing and documentation of mariners, inspections of vessels, and the teaching of boating safety courses. The U.S. Coast Guard is a key participant at the International Maritime Organization where the service plays a leadership role in developing and maintaining a comprehensive regulatory framework for worldwide shipping.

The breadth of the Coast Guard's missions highlights what makes it such a distinctive organization. Its responsibility for such a diverse set of missions has been as a result of a 230-year evolution since the nation's first Secretary of Treasury Alexander Hamilton led to its founding as the Revenue Marine in 1790. As national needs connected to the maritime realm evolved, Congress consistently looked to the Coast Guard to address them. While the service is best known for its operational prowess and "can-do" spirit highlighted in its heroic rescues, drug seizures, and response to major oil spills, an underappreciated but arguably equally important asset is the Coast Guard's ability to collaborate with a diverse group of local, state, regional, state, and international players, both private and public, and with civil society and non-profit organizations. Coast Guard women and men understand that prosecuting their missions requires collaborating with other uniform service members, their international counterparts, law enforcement agents, local and state public officials, regulators, and the general public.

This mix of diverse missions, operational nimbleness, and organizational culture that embraces collaborations translate into the Coast Guard serving as the ideal agency for wrestling with the complexity of 21st Century transnational challenges. Importantly, it not just *what* the Coast Guard does each day, but *how* it goes about doing it that makes the service a unique national asset.

In making the case to Congress and the Administration for increased levels of funding and support for the Coast Guard's international role, I will outline three examples of where the service has distinctive capabilities that can directly contribute to the safety and well-being of the American people that have not been sufficiently leveraged. First, is the service's ability to deal with threats before they arrive at our borders. Second, is the Coast Guard's ability to support U.S. foreign policy and national security priorities in the Caribbean and Arctic regions. Third, is its ability to engage the global maritime industry to manage the ongoing terrorism risk to the global maritime transportation system.

Managing Transnational Risks Requires Pushing Borders Outward

Border control efforts involve managing risk associated with two distinct activities. First, there are efforts to police the flow of goods, people, and conveyances into the 328 authorized land and maritime ports-of-entry throughout the United States. Second, there are efforts to police America's vast maritime and land frontiers between those ports-of-entry. Lately, the 1,933 miles of the U.S.-Mexico border is commanding much of the public's attention. But the length of that border is 1/50th of the size of 95,471 miles of U.S. shoreline where there are ample opportunities to gain illicit entry into the United States. Importantly, one-third of 3,987 miles of the International Boundary line of the U.S.-Canadian border, excluding Alaska, lies on the waterways of the Great Lakes and Saint Lawrence Seaway.

If you spend time at U.S. borders and ports-of-entry as I have, you will find ample evidence of illicit activities from the smuggling of narcotics and migrants, to trade fraud and shipments of counterfeit goods. However, making the border the locus for dealing with these risks is a recipe for failure. This is because transnational threats do not originate at America's national borders. Instead, much like we are witnessing with COVID-19, they infiltrate global trade and travel networks. Limiting these risks is accomplished best by the combination of embedding controls into those networks, and putting in place a layered-defense strategy that starts as close to the point of origin as possible, and then engages in detection and interception efforts prior to arrival at U.S. borders. Ideally this is done in partnership with other jurisdictions. For instance, port security measures at overseas ports-of-loading can mitigate the risk of a security breach involving vessels destined for the United States. For obvious reasons, it is much more desirable to manage a risk that could endanger the U.S. population before it arrives in U.S. waters that after it has arrived in a U.S. port. The COVID-19 situation involving the cruise ship Grand Princess and the Port of San Francisco and Oakland proves this rule.

Another central challenge for border control efforts is how to deal with what is commonly known as the "balloon effect." As the United States' nearly half-century of combatting illicit drugs from Latin America has highlighted, if interdiction efforts at the land border are not balanced with similar efforts in the maritime domain, organized criminal networks will travel the path of least resistance and shift their efforts to maritime smuggling. This clearly has implications for the border control outcomes associated with building a physical barrier along the U.S.-Mexican border. If that investment is made at the expense of a commensurate effort to adequately patrol the U.S. maritime domain, drug and migrant smugglers will go around the wall by exploiting the diminished capacity to safeguard America's long maritime borders.

As the nation's lead maritime border agency, the Coast Guard's international reach helps in advancing border control in important ways. By working closely with their international counterparts, the Coast Guard is able to help improve the capacity of other nations to better secure their own ports and waterways. In addition, these international collaborations facilitate intelligence sharing which is key to successful interdiction efforts. At the tactical level, by patrolling the Caribbean Sea and along the Latin American Pacific coast, the Coast Guard is in a position to detect and intercept illicit shipments long before smugglers can take advantage of America's long and largely unprotected coastal shorelines to land their contraband.

Advancing a Regional Approach to Managing Transnational Risks in the Caribbean and Arctic will Benefit from Investing in the Coast Guard Playing a Leadership Role

Managing risks that arrive in America's front yard – the Caribbean – and in the Arctic involves multilateral coordination and operations in regions that include the U.S. domestic territories of Puerto Rico and the U.S. Virgin Islands and the state of Alaska. This poses a special challenge for the U.S. foreign policy community since the U.S. Department of State only works with foreign nations and domestic agencies have limited roles and presence outside U.S. borders. For the Department of Defense, the Caribbean Area of Responsibility is split between the U.S. Northern Command and the U.S. Southern Command. The one U.S. entity that has the authorities and operational presence for seamlessly operating in both these regions, both domestically and internationally, is the U.S. Coast Guard. Given the growing array of risks with primarily a maritime nexus in the Caribbean and the Arctic, the U.S.

government should be looking to invest in expanding and leveraging the Coast Guard's presence to play a leadership role in executing U.S. foreign policy and national security goals in these two regions.

The Role of the Coast Guard in the Caribbean Region

There is a critical need for a collaborative effort to build Caribbean regional capacity to promote resilience in the face of mounting security, economic, and ecological risks. Hurricane Dorian in 2019 and Hurricanes Irma and Maria in 2017 highlighted the growing vulnerability of the Caribbean island nations to extreme weather. The high dependency on tourism (40 percent GDP regionwide) makes Caribbean economies particularly vulnerable when disasters strike. In the months ahead, this is likely to include the disruptions associated with the COVID-19 outbreak. The outflow of refugees from Venezuela have highlighted the limited capacity of the region to absorb displaced populations. The ongoing exploitation of the region by drug traffickers, organized criminal networks, and for money laundering exacerbates the risks of violence, corruption, terrorism, and governmental and societal instability. The stepped-up investment from China throughout the region reflects its ongoing geo-strategic value. Benign neglect of the Caribbean region risks increasingly malignant consequences for the United States.

The Caribbean region is made up of 13 sovereign states and 17 dependent territories. For the United States, managing the transnational risks across this vast region is a multijurisdictional challenge highlighted by the fact that the U.S. territories of Puerto Rico and the U.S. Virgin Islands are outside the writ of the U.S. State Department. Yet, it clearly makes sense to include them in regional initiatives that aim to strengthen U.S. standing in the Caribbean vis-à-vis China, and improve the region's capacity to be more self-sufficient in managing their shared risks. One particularly promising initiative to which the U.S. Coast Guard should be assigned a prominent leadership role is the recently launched U.S.-Caribbean Resilience Partnership.

Formally inaugurated on April 12, 2019 at U.S. Southern Command headquarters in Miami, the U.S.-Caribbean Resilience Partnership (USCRP) is a collaborative effort involving 18 Caribbean countries to build regional capacity to better manage disaster response and recovery and to promote resilience. The inaugural working group meeting of USCRP took place in Bridgetown, Barbados on Oct 23-24, 2019 with a focus on four areas of shared interest: (a) improving "whole of community" risk awareness, (b) strengthening hazard mitigation and climate adaptation efforts, (c) bolstering coordination in regional disaster response, and (d) enhancing planning for post-disaster recovery including economic recovery.

Current U.S. and international regional engagement, to include security assistance, economic development, humanitarian assistance and disaster response, can potentially be tied directly to supporting the shared goals of the U.S.-Caribbean Resilience Partnership. The result would be to provide these efforts with greater strategic coherence while enhancing their security and diplomatic impact. This is because the emphasis on building greater resilience unites and catalyzes the engagement of the public and private sectors, NGOs, and key elements of civil society across the Caribbean region. This initiative also aligns extremely well with the Coast Guard's missions and would benefit from leveraging the good relations

the service enjoys with the island nations throughout the region. Congress and the Administration should provide dedicated funding to the U.S. Coast Guard to partner with the U.S. State Department in advancing the goals of the U.S. Caribbean Resilience Partnership.

The Role of the Coast Guard in the Arctic Region

While the state of Alaska makes the United States a major Arctic nation, for too long the region has been treated as a minor national security priority. In recent years, Russia and China have been dramatically out-investing the United States in enhancing their capabilities to operate in the Arctic environment. At stake is the Arctic's rich natural resources that climate change is making increasingly accessible. The major transpacific and transatlantic maritime shipping routes to the west and east coasts of the United States transit the approaches to the Arctic Ocean making this area strategic to the U.S. economy. A warming climate is also elevating the likelihood of seasonal Arctic sea routes for maritime traffic.

In the face of the growing competition with China and Russia, the U.S. Department of Defense has developed an Arctic Strategy most recently updated in June 2019 that outlines "three strategic ways in support of the desired Arctic end-state:" (1) Building Arctic awareness, (2) enhancing Arctic operations, and (3) strengthening the rules-based order in the Arctic. The U.S. Coast Guard has a longstanding multi-mission presence in Alaska and the Arctic. Additionally, the service has played a leadership role in the international organizations that are responsible for setting the rules for the Arctic maritime. The Coast Guard has close working relationships with six of the seven other Arctic nations: Canada, Denmark, Iceland, Norway, Finland, and Sweden. Investing in the Coast Guard's capacity to expand its role in the Arctic, to include the rapid construction of new icebreakers, should be the cornerstone of the nation's strategy for the region.

Managing Transnational Risks within the Maritime Transportation System Requires Close Collaboration with Global Private Industry that the Coast Guard is Ideally Positioned to Lead

The United States is a maritime nation whose economy relies on the smooth operation of a global maritime transportation system that moves 90 percent of the world's cargo by volume. The maritime transportation system is not only overwhelmingly owned and operated by private industry, but virtually all the major companies that move cargo and operate port facilities are non-U.S. companies. Indeed, among all the critical infrastructure sectors upon which Americans depend for their safety, security, and prosperity – energy, telecommunications, finance, etc. – the maritime transportation system is the only one where foreign-owned companies play the dominant role.

I believe that the most significant risk to the maritime transportation system is its continued vulnerability to being exploited or targeted by terrorists armed with a nuclear device such as a dirty bomb. This assessment is based on my 30 years of operational and research experiences in and around the port, transportation, and trade community. This includes my service as a Coast Guard officer from 1982-2002, as the Principal Advisor for the Bi-partisan Congressional Port Security Caucus from 2003-2004, as a member of the National Research Council's Marine Board from 2003-2010, as an independent consultant to major ports and the maritime industry, and

currently as a professor and director for the Global Resilience Institute at Northeastern University.

My assessment holds despite the post-9/11 efforts applied to this risk. As we have witnessed with the COVID-19 outbreaks aboard the Diamond Princess and Grand Princess and the impact that is having on the global cruise industry, what on its face is a localized threat, can quickly translate into far-reaching and cascading consequences for the trade and transportation system.

The national security and economic stakes associated with the dirty bomb risk could not be higher. This is because such an attack would almost certainly lead in its aftermath to the global disruption of the maritime transportation system and international commerce. A terrorist attack involving a dirty bomb, originating from an overseas source and arriving in the U.S. in an intermodal container, would trigger port closures around the United States. This would set off a series of cascading disruptions throughout the global supply system that would lead to billions of dollars of daily losses and cause gridlock across the intermodal transportation system within 10 days to 2 weeks. Since the U.S. government currently has no comprehensive plan for managing the global recovery of this system in the aftermath of a major security breach, it would almost certainly require several weeks to restore the flow of commerce. This is because it would take time for public officials to reassure a traumatized American public in order for U.S. ports to be reopened. It would also take time to clear cargo backlogs in transportation hubs and distribution centers around the world, as well as to reposition transportation conveyances so that they can service their normal scheduled routes. The economic impact of such an incident would likely spawn a worldwide recession.

This risk can be effectively managed, but the key is advancing the appropriate security safeguards and resilience planning on a *global* scale. The U.S. Coast Guard has the requisite domestic and international authorities and relationships with the international maritime industry, maritime nations, and key international organizations such as the International Maritime Organization, to make this happen. Congress and the Administration need to give the service the mandate and resources to provide the needed leadership.

The way forward is for the U.S. government to shift its emphasis from one that focuses primarily on policing U.S.-bound cargo. Instead it needs to approach the security of the global supply system as a necessary requirement for all nations in meeting their shared international commitments for preventing the proliferation of nuclear weapons and materials and combatting organized crime. Next, it needs to enlist the active participation of the private industry that owns and operates port terminals and transportation conveyances that move supply chains around the planet. There is a business continuity and enterprise resilience imperative associated with the dirty bomb threat that should animate the same kind of close collaboration between the private and public sectors that we saw in the aftermath of the foiled October 2010 cargo planes bomb plot involving explosives hidden in printer cartridges shipped from Yemen. Third, the U.S. government needs to step-up efforts to advance the use of new technologies, tools, and protocols on a global scale that can provide for the near real-time visibility and accountability of the contents and location of cargo, thereby bolstering the security and resilience of trade flows. Such a system would be neither too costly, nor difficult to deploy. Based on a study that I have done with my colleagues at the University of Pennsylvania's Wharton School, embedding the capacity within the global supply system to routinely capture non-intrusive images of a

container's contents and incorporating them into the data flow that underpins the current risk management process would cost about \$15 per container.¹ This is less than the aviation security fee I paid for my domestic flight from Boston to Washington to participate in this hearing.

Specifically, I believe that the global supply system security and resilience can be significantly advanced by the U.S. Coast Guard playing an international role in undertaking five actions that I recommended in a 2017 report on Global Supply System Security and Resilience underwritten by a research grant from the MacArthur Foundation:²

1. Linking the currently disconnected: (a) global counter-proliferation mandate set by UN Security Council Resolution 1540, and (b) the global port security requirements embedded in the International Ship and Port Facility Security (ISPS) code so that nations abide by uniform global standards and procedures that ensure that containerized cargo is not wittingly or unwittingly being used to transport prohibited nuclear materials and contraband.
2. Inviting the world's major port operators to actively partner with the U.S. government and the governments of other maritime nations, the International Maritime Organization, supported by the International Atomic Energy Agency, and the World Customs Organization, in establishing recommended guidance to be placed within part B of the ISPS Code, for uniform, performance-based standards for non-intrusive inspection (NII) equipment to be used in maritime terminals.
3. Creating the means for the world's major port operators to provide the data collected by non-intrusive inspection equipment to government officials at both the port of loading and the port of arrival as requested. This includes securely sharing and storing all non-intrusive inspection data for an agreed upon time period.
4. Authorizing bonded-third parties to partner with governments to address and resolve alarms generated by the NII equipment when they occur.
5. Allowing port operators to levy an estimated \$15 to \$20 per container cost of implementing these actions as a part of the authorized Terminal Security Charge that supports investments to comply with the ISPS Code.

Conclusion

The transnational risks to the United States associated with the maritime realm continue to grow. As the current global disruption highlighted by the COVID-19 outbreak makes clear, the stakes for U.S. national security and economic security associated with better managing these risks could not be higher. Yet the investment in the primary maritime agency most able to lead U.S. government response to these risks – the U.S. Coast Guard – has not grown in a commensurate fashion. Indeed, Congress and the Administration have woefully underinvested in this service to the detriment of the current and future safety of the American people.

¹ Nitin Bakshi, Noah Gans & Stephen Flynn, "Estimating the Operational Impact of Container Inspections at International Ports" *Management Science*, 57:1 (Jan 2011): 1-20.

² *A New International Framework for Bolstering Global Supply System Security and Resilience* (Boston: Northeastern University, Oct 2017) <https://repository.library.northeastern.edu/files/neu:cj82r8265>

The very name of the Coast Guard may, in part, be contributing to this neglect – for many it conjures up an image that the service has almost exclusively a domestic role. But since the 1790s, when its predecessor organization the Revenue Cutter Service was deployed to the coast of North Africa to confront the Barbary Pirates, the Coast Guard has always had an international role. Transnational risks by their very definition confound efforts that attempt to neatly distinguish between national security and homeland security. Tackling these risks also requires an extraordinary degree of collaboration with not just governments, but the private sector, and civil society as well. The Coast Guard is unique in its ability to lead such collaborative efforts and bridge national security and homeland security. Indeed, the service deserves as much public recognition for the contributions it has made and is poised to make to U.S. national security, foreign policy, and facilitating international commerce, as the fame the Coast Guard has rightly earned from its proud history of operating through surf and storm to save lives.

Dr. Stephen Flynn is Professor of Political Science at Northeastern University with faculty affiliations in the Department of Civil and Environmental Engineering and the School of Public Policy and Urban Affairs. At Northeastern, he is also the Founding Director of the university-wide Global Resilience Institute. Dr. Flynn is also the principal for Stephen E. Flynn Associates LLC, where he provides independent advisory services on improving enterprise resilience and critical infrastructure assurance, and transportation and maritime security. In addition, he serves on the advisory board of Decision Sciences, a technology company that has developed for commercial use the Multi-Mode Passive Detection System (MMPDS) which is a passive automated scanning systems for detecting, locating, and identifying unshielded to heavily shielded radiological and nuclear threats.

Dr. Flynn is recognized as one of the world's leading experts on transportation security and resilience. In 1991, he began investigating the vulnerability of the intermodal transportation system for exploitation and disruption as both a scholar at the Brookings Institution and as a commissioned officer in the U.S. Coast Guard. Prior to September 11, 2001, he was selected to be an expert advisor to U.S. Commission on National Security (Hart-Rudman Commission), and following the 9/11 attacks he was the executive director of a blue-ribbon Council on Foreign Relations homeland security task force, again co-led by former Senators Gary Hart and Warren Rudman. In the fall of 2008 he served as the lead homeland security policy adviser for the Presidential Transition Team for President Barack Obama.

Dr. Flynn has presented congressional testimony before the U.S. Senate and U.S. House of Representatives on 29 occasions since September 11, 2001. From 2003-2004 he served as the Principal Advisor, for the Bi-partisan Congressional Port Security Caucus, U.S. House of Representatives & U.S. Senate. He provided expert advice and comments and recommendations in support of the drafting of the Maritime Transportation Security Act of 2002, the Safe Port Act of 2006, and the 9/11 Recommendations Act of 2007. Dr. Flynn also developed and secured the original funding and legislative support for the post-9/11 Operation Safe Commerce initiative. From 2003-2010 he served as a member of the National Research Council's Marine Board.

Dr. Flynn has traveled extensively abroad where he has investigated transportation security and resilience issues, provided expert advice to government and industry leaders in the ports of Hong Kong, Singapore, Rotterdam, Antwerp, Bremerhaven, Felixstowe, Dubai, Abu Dhabi, Panama, Vancouver, Montreal, and Halifax. He has visited all the major ports in the United States and has been sought out for his expert advice by the Port of Los Angeles, Port Authority of New York/New Jersey, Port of Seattle, Port of Tacoma, Port of Long Beach, Port of Miami, and Port of Baltimore.

He has written numerous articles and two of the most widely-cited books on homeland security The Edge of Disaster: Rebuilding a Resilient Nation (Random House, 2007) and America the Vulnerable (HarperCollins 2004) and frequently advised the Bush Administration on transportation and homeland security issues. Within the Obama Administration he served as a lead-advisor to the Congressionally-mandated Quadrennial Homeland Security Review (QHSR) working group on transportation security, critical infrastructure protection, weapons of mass destruction, and cyber security.

A 1982 graduate of the U.S. Coast Guard Academy, Dr. Flynn served in the Coast Guard on active duty for 20 years, including two tours as commanding officer at sea, received several professional awards including the Legion of Merit, and retired at the rank of Commander. As a Coast Guard officer, he served in the White House Military Office during the George H.W. Bush administration and as a director for Global Issues on the National Security Council staff during the Clinton administration. In December 2019 he was appointed as a presidential appointee to serve on the U.S. Coast Guard Academy Congressional Board of Visitors.

He received the M.A.L.D. and Ph.D. degrees from the Fletcher School of Law and Diplomacy, Tufts University, in 1990 and 1991.