# PORTS AFF – GHWC

### Plan – 1AC

#### The United States federal government should require that the annual Harbor Maintenance Tax revenue be made fully available for port modernization Economy Advantage

## Ag Industry Advantage

### Ag Industry – 1AC

#### Dredging is key to sustain agricultural competitiveness-transaction costs are too high without it.

Stallman, AFBF president, 2012

(Bob, “US export industry in dire need of port updates”, 3-30, <http://westernfarmpress.com/government/us-export-industry-dire-need-port-updates?page=2>, DOA: 7-13-12)

It may surprise many that if the planned expansion of the Panama Canal was completed tomorrow, the United States, one of the world’s largest trading powers, would only have six ports deep enough to handle the new larger ships that will pass.¶ Yet, we are competing with all other parts of the world that are updating their ports. Since agriculture goods play a significant role in U.S. trade, modernizing our ports is extremely important for farmers and ranchers to be able to continue to thrive in the world market.¶ Even more surprising than the U.S. only having six large ports is the fact that all these ports are isolated on the East and West Coasts. That’s right, Gulf Coast ports, including New Orleans, do not currently have the capacity to handle larger ships.¶ If upgrades to U.S. ports are not completed in time, for major trade leaving the U.S. Gulf, smaller boats will need to be utilized to trans-ship our goods to ports like those in the Bahamas and Dominican Republic, where they would offload to larger vessels traveling to Latin America, Asia and other parts of the world.¶ Similarly, goods coming from other countries would potentially have to go through the same routine in the Caribbean, offloading to smaller vessels to enter ports in the U.S. Gulf.¶ If you are scratching your head, you aren’t the only one. This process of loading and offloading ships costs a lot of money. Inadequate port size also leads to higher transportation costs, because vessels may be loaded to less than capacity and more vessels may be required to ship the same amount of commodities.¶ In the meantime, our competitors around the world fare much better. Because their ports are deep enough, it is easier and less expensive to move products in and out. Further, Europe, Africa, Asia, Latin America and the Caribbean are all undergoing major new port projects or expansion of existing facilities.¶ Latin America, for example, is rapidly continuing with some of the world’s most sizable port development projects. The region is catching up with other regions through larger port investments, which stand at almost $12 billion. This means China will have access to sell its farm products to Latin America, where Asia never had access before.¶ The expansion of the Panama Canal will allow significantly larger ships to move through the waterway. The project, expected to be completed in 2014, should increase cargo volume by an average of 3 percent per year, doubling the 2005 tonnage by 2025.¶ Currently, the largest ship able to pass through the canal can hold up to 3,500 TEUs (twenty-foot equivalent unit, a measure used for capacity in container transportation). To maximize the canal’s new dimensions, shipbuilders are making larger vessels that are able to hold up to 12,000 TEUs and require 50-51 feet of draft.¶ These larger ships require deeper and wider shipping channels, greater overhead clearance, and larger cranes and shore infrastructure — all of which make the U.S. Gulf a non-trading player. Some U.S ports can accommodate the larger vessels. However, most cannot, including many ports that are very important to U.S. agricultural exports.¶ The U.S. exports approximately one-quarter of the grain it produces. In 2011, more than 58 percent of our grain exports departed from the U.S. Gulf. This may significantly change as larger ships carrying grain from our competitors are able to access our trading partners.¶ The Panama Canal could potentially shift world trade as U.S. exporters will be unable to pass on higher transportation costs when customers can purchase similar products from other countries.¶ As the saying goes, “For Right of Way, Gross Tonnage Rules.” This law, known as the rule of common sense on the water, is also common sense for international trade. In other words, those with the biggest ships and ports to accommodate them will win every time.¶ To maintain our competiveness in the world market, it is essential that the U.S. update and modernize its ports to accommodate larger ships. Without this investment in infrastructure, we will literally miss the boat.

#### Plan solves-port investment boosts value of ag products.

Casavant et al., Washington State economic sciences professor, 2011

(Ken, “The Relationship Between U.S. Transport Infrastructure Improvements And International Trade”, <http://wstc.wa.gov/Meetings/AgendasMinutes/agendas/2011/July19-20/documents/11_0719_BP5_FPTIInfrastTrdPolicyRept.pdf>, DOA: 7-13-12)

The efficient and affordable freight transportation system that facilitates the linkage to ¶ international markets has always been important drivers for U.S. export-oriented. In turn, the ¶ importance of participating in international trade is reflected in increasing exports over the past ¶ decades (Figure 2). Despite the sharp decline of the 1980’s and late 1990’s, the value of ¶ agricultural exports has exceeded the imports since early 1970’s. The sharpest decline in ¶ agricultural commodities exports happened during the economic downturn of 2008 – 2009, ¶ followed by a quick recovery in 2010. The positive trade balance since the 1970’s lead to higher ¶ farm prices and increased producer revenues. Reasons for exports fluctuations include but are ¶ not limited to U.S. dollar’s value against foreign currencies, changes in the economies of ¶ importing countries, and foreign countries’ favorable agricultural policies leading to increased ¶ competition in the world export markets.¶ The extent to which international markets are important to largely export-oriented¶ agricultural economy can also be reflected in export market shares of major agricultural ¶ commodities shown in Table 2. The export share of total agricultural production has gradually ¶ increased from 15.9% in 1988 to 21.4% in 1996. Primary crops and meat and livestock ¶ categories’ export share increased from 25.8% to 31.1% and 7.4% to 11.1% respectively. The ¶ average percentage of export market share is higher in the 1990s’indicating that U.S. farm ¶ income becomes more reliant on the foreign trade. In turn, foreign trade relies on cost-effective ¶ and timely transportation efficiency. Table 3 shows the export shares for several important agricultural commodities. Excluding grapes, soybeans and sunflower seed categories, the export share of production for other major agricultural commodities was found to be increased from 1988 to 1996. Most notably, the export share for almonds increased from 51.6 to 71.8%, apples shares were 12%, up from 6.2%. Export shares of wheat and soybeans are significant, averaging about 51% and 34% respectively. With increasing world food demand and growing foreign per capita expenditures on U.S. farm products, the positive relationship between agricultural export shares and foreign market dependence has important implications for trade policies. In particular, the pattern in export share of production for agricultural commodities suggests adequate response in investing and increasing transport capacity is needed in order to support uninterrupted trade flow. Recent wheat trade data published by the Foreign Agricultural Service Production, Supply and Distribution (FAS PSD) shows that the U.S. wheat exports have dominated in the top 5 wheat exporting countries (Figure 3). Despite the significant reductions during the last three 18 years, due to the economic downturn, the U.S. is leading exporter with more than 35 million metric tons exported in 2010, the highest. The rest of the major wheat exporting competitor countries listed in the FAS PSD online database are European Union, Canada, Australia, and Argentina. Soybean world exports are largely dominated by U.S. and Brazil, followed by Argentina, Paraguay, and Canada. The U.S. soybean exports increased almost 70% since 2005, reaching more than 43 million metric tons in 2010. Brazil, the second largest producer of soybeans has significantly increased the export levels during the last decade, reaching 32.3 metric million tons in 2010. 1 The trend in key agricultural commodity exports and imports, as well as export share of production for major commodities, speak about certain need for increasing transportation capacity and improving existing infrastructure. 3.2 Freight Services and Modal Share World’s leading economies—U.S., Japan, China, Germany and France cumulatively account for 50% of global gross domestic product (GDP) of $60.9 trillion (TN) and 35% of global goods exports of $16 TN. With its most expensive freight transportation network measured by the length of paved roads, waterways, railroad, pipelines, and number of airports, the U.S. has the highest level of freight activity. Due to relatively larger geographic area and lower population density, goods are shipped comparatively longer destinations from producers to local end-user locations and export ports. Although as a result of emerging economies, the U.S. share of world GDP has declined between 2001 and 2008 (after the “dot-com boom” years), the demand for its freight and port services has significantly increased (Figure 5). After relatively short steady state from 2000 to 2002, the U.S. freight services increased by 69%, reaching $68 B/year in 2008. Compatibly, since 2003, the port services doubled in value, reaching more than $63 B/year in 2008. From 2007 to 2008, the total international merchandise trade and imports passed through U.S. freight system increased about 12% and 7%, respectively. This trend is consistent with the U.S. trade growth of about 7% per year since 1990. The combination of observed and projected increasing trade volumes encourage further development and/or maintenance of transportation facilities that link local producers to foreign markets. The modal share utilization trend is another important consideration for prioritizing transportation infrastructure investments. Almost all of the freight transportation uses some combination of two or more modes of transportation: trucks, trains, barges, and ocean vessels. Depending on distance, a cargo of export goods may be transported from local production area to 10 20 30 40 50 60 70 80 1990 1993 1996 1999 2002 2005 2008 Billion Dollars Freight services Port services22 transshipment locations using trucks, then continue its way by rail or barge to exporting ports. Among other considerations, mode utilization depends on the industry (commodity type) and geographic location (accessibility). For example, rail (generally utilized for long-destination shipments) is the most cost-effective mode for many agricultural products transportation from elevator to transshipment location or exporting port shipments. Truck mode is utilized for shorter-distance, time-dependent shipments. According to freight transportation statistics by the Bureau of Transportation Statistics, 77.7% (by weight) of U.S. merchandise trade uses waterborne transportation, and 21.7% relies on either truck or rail modes (Figure 6). Only less than 1% of the trade volume is attributed to air transportation. 3.3 Ports and Inland Waterways Ocean ports are one of the most vital hubs for U.S. international trade flows. Congestion and low efficiency result in delays and disruptions, which impact the entire supply chain (Blonigen and Wilson, 2006). Clark et al., (2004) show that an increase in port efficiency from 25th to 75th percentile reduces port shipping costs by 12%. In addition to port efficiency, an increase in the inland transport infrastructure efficiency from 25 th to 75 th percentile improves the bilateral trade by 25%. This estimate is comparable to the estimate of 28% reported in Limao 24.1 44.9 25.1 5.9 21.7 77.7 0.4 0.1 0 10 20 30 40 50 60 70 80 90 U.S. total land trade U.S. total water trade U.S. total air trade Other and unknown Percent Valu e Weight24 and Venables, (2001). Port efficiency can be measured by linking its impact on transportation costs. In their investigation of the transportation cost determinants, Sánchez et al. (2003) found statistically significant positive correlation between transport costs and distance and value per weight variables. The frequency of services and the level of containerization were both negatively correlated, but only the frequency of services was found to be statistically significant.

#### Decline in US ag allows Brazil to fill in

AP 2008

(Associated Press, “U.S. grain exports snagged by infrastructure delays”, 8-25, <http://www2.jcfloridan.com/news/2008/aug/25/us_grain_exports_snagged_by_infrastructure_delays-ar-60163/>, DOA: 7-13-12)

Some agribusiness groups worry the bottlenecks could hurt the United States' standing as a global food provider as other nations, such as Brazil and Argentina, compete for a lucrative share of the market. In years past, bountiful harvests meant millions of bushels were stored outside overstuffed grain silos, waiting for shipment. Commodities loaded on barges faced long waits at outdated locks and dams on the Mississippi River, adding days and dollars to their transportation. The barge delays alone added an average $72.6 million annually to cost of shipping goods down the Mississippi and Illinois rivers, according to a new Army Corps of Engineers analysis provided to The Associated Press. Rail delays are costly as well. In 2006, an estimated 1 billion bushels of grain was stored outside or in improvised shelters in Iowa, Illinois and Indiana, adding an estimated $107 million to $160 million that year to the cost of transporting it, according to USDA figures. That's about 1 percent of the combined $13.8 billion value of corn and soybean exports in 2006. "We're way, way behind in our infrastructure investment, both in the private sector and publicly," said Peter Friedmann, executive director of the Agriculture Transportation Coalition, a trade group representing grain exporters. "And we need to move a lot on that or we will see other countries supplant us as they get greater investment in their infrastructure." The problem is likely to persist, if not worsen, in years to come. Fixing the bottlenecks will take billions of dollars in investment over several years. In the meantime, exports are forecast to increase, with corn shipments expected to grow every year over the next decade from 54 million metric tons to 77 million metric tons, according to the Food and Agricultural Policy Research Institute. Added costs from bigger bottlenecks could only hurt U.S. farmers in a competitive global industry. "Price is still king in this business," said Larry Jansky, senior trader in agricultural commodities for North Pacific Inc. in Portland, Oregon. "Two or three dollars a ton is the difference between getting a contract or not." Agricultural exports last year were worth just less than $90 billion. If the U.S. loses just 1 or 2 percent of that market to fast-growing exporters like Argentina, it could drain between $9 billion and $18 billion from the economy.

#### Specifically, Brazil pushes the US out of the soy export market- causes deforestation

Martin, Chicago Tribune, 2004

(Andrew, “Brazil threatens U.S. soybean dominance”, 6-13, <http://portland.indymedia.org/en/2004/06/290689.shtml>, DOA: 7-13-12)

Spurred by new global markets, soaring prices and vast tracts of undeveloped land, Brazil is poised to surpass the United States as the largest soybean producer in the world, largely due to the explosive growth of farming in Mato Grosso. Mato Grosso's success has stirred waves of panic in the American Midwest. Some U.S. soybean farmers worry that they can't compete with Brazil's cheap labor and land, divided into soybean plantations that are routinely 10,000 acres, far larger than a typical U.S. farm. Environmentalists, meanwhile, fret that Brazil's soybean success is accelerating deforestation of the Amazon for new farmland. Mato Grosso's governor, Blairo Maggi, gruffly brushes off such criticism and prefers to talk about his state's tremendous potential for agricultural expansion. Only 7 percent of the land in Mato Grosso is used for farming, and with twice as much land as California, Mato Grosso could see 10 percent annual growth in new farms over the next decade, the governor says. Already, Mato Grosso--"thick forest" in Portuguese--has more acres devoted to soybeans, 12.9 million, than Illinois or Iowa, America's biggest soybean states. Illinois has 10.5 million acres and Iowa 10.4 million acres, according to a recent U.S. Department of Agriculture report for 2002. "People have a lot of fear of the unknown," said Maggi, known locally as the Soybean King because his family owns the world's biggest soybean farming operation. "There is a lot of room to enlarge." The emergence of Brazil and Argentina as players in the world soybean market is unwelcome news to U.S. soybean farmers, who faced little competition for decades. In the 1960s, the United States controlled 80 percent of the global market for soybeans, which are used mostly as a protein source in livestock feed. By the turn of the century, that market share shrunk to 34 percent, and Brazil and Argentina together now supply 50 percent of the world's soybeans. Farmers still thrive The pain has yet to be felt by many Midwestern farmers because of government price supports and increasing world demand, primarily from China's emerging middle class. Indeed, Midwestern soybean farmers are seeing some of the best prices ever. A drought in the United States, along with Asian soybean rust fungus in South America, helped drive up prices this year, past $10 per bushel. Soybean prices usually hover around $5 or $6 a bushel, according to the USDA. But experts suggest that U.S. soybean farmers should enjoy the good times while they last. The future, they say, is clear: Brazil will grow more soybeans and the United States less. "At this point, it has been more talk than actual impact," said Darrell Good, an agricultural economist at the University of Illinois at Urbana-Champaign. "Everyone who goes down to South America comes back with a scare story for the American producer. "It's much more profitable to grow soybeans in Brazil than it is here. Over the next decade, we are going to lose beans to South America and switch to corn." Recognizing the threat, U.S. soybean associations are busily working on strategies to remain competitive, such as promoting U.S. advantages in quality, tracing shipments and transportation. Transport improvements Because many soybeans are transported by barge, U.S. soybean growers are pushing the government to improve locks and dams along the Mississippi River. They are also promoting an energy bill, now stalled in Congress, that encourages the use of soybeans to produce diesel fuel. In Illinois, a new program called SoySelect will allow farmers to quickly deliver soybean products that can be traced from the store to the field in which they were grown. Such "traceability," officials hope, will make U.S. soybeans more attractive. "We know that they [Brazilians] are producing lots of beans, more and more all the time," said Sharon Covert, a Tiskilwa, Ill., soybean farmer who heads the Illinois Soybean Checkoff Board, which uses farmers' money for promotions. "You just have to be ready for that type of competition." The potential of that competition--as well as its weaknesses--is evident on the road north from Cuiaba. BR 163 stretches 1,100 miles to the Amazonian port city of Santarem, through an immense stretch of largely undeveloped land that Maggi's government touts as the world's last great agricultural frontier. Roberto Smeraldi, director of the environmental group Friends of the Earth Brazil, said soybean expansion is a "powerful driver" of deforestation. Because land planted with soybeans typically soars in value, Smeraldi said speculators are clearing more and more territory in the hopes that it becomes the next cluster of huge soybean plantations. "It stimulates people to open up the frontier," Smeraldi said. "Out of four areas they open up, maybe only one actually works for soybeans . . . but then the damage is done."

#### Amazon key to prevent extinction- biodiversity, oxygen and disease

Sohn, staff writer, 99

(Pam, "Eight Days in Brazil," Chatanooga Times Free Press (Tennessee), 4-11, lexis)

Inside Brazil's rainforest, the Amazon is a waterworld of life. It nurtures more than half of the Earth's plant and animal species and spreads its life-giving oxygen to all of the planet. In late March, a 20-person group sponsored by the Tennessee Aquarium made a eight-day trip there to find, study and harvest seeds from the Amazon's Victoria lily. The lily is legend. With its giant green pad, the lily is an indicator of the health of the world's largest contiquous rain forest, which provides breathable air and serves as a global source of climate control. The Chattanooga Times and Free Press went along on the Amazon trip, which was arranged so that Tennessee Aquarium horticulturalist Charlene Nash and the Victoria Conservancy could find and study the lily in the wild. Inside today's newspaper, beginning on Page G1, an eight-page special section chronicles the trip with a special team of travelers, people with an eye for plants, fish and bugs. Many of the lessons learned in a Amazon also apply, on a smaller scale, to the Tennessee River Valley. Both regions are known for abundance. The Amazon, sometimes called the cradle of diversity, claims some 50 percent of the earth's known plant and animal species. The Southeast, with its Tennessee and Cumberland rivers, is said to be the global epicenter of freshwater mollusks. But the Amazon Basin's rain forest, which provides the habitat for all that biodiversity, is disappearing fast. And in the Tennessee and Cumberland river basins habitats are so changed that 30 species of freshwater mussels are already extinct and 70 percent of those remaining are considered endangered. Biodiversity is a scientific word for variety of life, and it may be key to human survival if a life-form that provides a life-saving medicine is lost. The threads of biodiversity are river basins with their wealth of plants and creatures. The rivers give life. The rivers are life. And the Amazon is life on a grand scale.

### Ag Industry – Uniqueness – EXTN

#### Ag industry is on the brink-competitiors are catching up

Agrimoney 2012

(“US crop exports face 'crisis of competitiveness'”, February, <http://www.agrimoney.com/news/us-crop-exports-face-crisis-of-competitiveness--4179.html>, DOA: 7-13-12)

"US producers face a crisis of competitiveness," the council said, noting an "intense battle" for share in export markets.¶ "Aggressive competitors in Argentina, Brazil and the Black Sea region… are ramping up production in response to high global prices for corn and other feed grains."¶ US producers "can hardly fault others for competing effectively for market share because, in large part, we taught them how to do it", the group said.¶ "But rising competition means US producers must look aggressively to emerging markets in which the US can earn a competitive edge."¶ Foreign threats ¶ The comments follow forecasts last week from the USDA that the US was over the next decade to continue to lose market share in exports of major crops including corn, soybeans and wheat and, to a lesser extent, cotton and sorghum.¶ In wheat, US shipments will represent 16% of the world total in 2021, down from an average of 23% over the past five years, the last decade, mainly due to increased shipments from the Black Sea.¶ The USGC highlighted that in corn, "the US cannot take market dominance for granted", noting "increasing self-sufficiency" in the rest of the world.¶ "Non-US demand continues to rise rapidly, prices remain high, and non-US producers are responding."

### Ag Industry – Impact – Hegemony

#### Domestic US Ag production is key to future Global Leadership – more important than all other factors¶ Andrew **Pickford,** 20**08**, Andrew Pickford holds positions of Mannkal Fellow at Mannkal Economic Education Foundation and Project Consultant at the Committee for Economic Development of Australia in Western Australia, Masters of Studies in Strategic Affairs from the Australian National University, Research Manager of Future Directions International, Australia's Center for Strategic Analysis, 7/29/2008, (The Rise of Agri-Powers, <http://www.redorbit.com/news/business/1499253/the_rise_of_agripowers/>)¶

AGRICULTURAL POWERS – those self-sufficient in food, fabric, and hydrocarbon production – once were unambiguously regarded as strategic powers. This has been true throughout history: societies which were not agriculturally efficient and abundant could never long or fully sustain strategic power. Now, once again, a new set of nations is likely to emerge in the 21st Century with significant regional, if not global, influence demonstrably based on their agricultural capacity and their ability to match capital, productive land, and emerging technology on a scale which was not possible in the past. These emerging “agri-powers” are benefitting from trends making agricultural commodities more strategically important, and will gain from having a significant agricultural base.¶ Unlike the second half of the 20th Century, the global strategic environment is set to become more fluid, and the criteria which marked “middle-power” status, such as access to sophisticated military technology, is likely to become less overwhelming in importance. Even the term itself will lose its relevancy as dozens of nations fulfil the original definition of a traditional middle- power.¶ In this period of global turbulence, a back to basics approach, which leverages agricultural surpluses for international sale, biofuel production and potentially, through biotechnology, industrial applications, may result in nations with a substantive agricultural sector, such as Australia, having a more prominent global position. Similarly, it could make smaller agri-powers attractive targets for larger, hungrier1 nations.

### Economy Advantage – 1AC

#### Panama canal expansion will overload US infrastructure now-modernization is key to sustain trade and the economy.

**Army Corps of Engineers 2012**

(“U.S. Port and Inland Waterways Modernization Strategy Options for the Future”, 4-2, <http://www.iwr.usace.army.mil/docs/portswaterways/Port_and_Inland_Waterways_Options_for_the_Future_Working_Draft_v1_2012_Apr_01.pdf>, DOA: 7-12-12)

The health of the U.S. economy depends upon the vitality and expansion of international trade. International trade depends upon the nation’s navigation infrastructure, which serves as a conduit for transportation, trade and tourism and connects us to the global community. **Marine transportation is one of the most efficient, effective, safe and environmentally sound ways to transport people and goods.** It is a keystone of the U.S. economy. \_\_\_ percent [data to be inserted in next draft] of our international trade moves through the nation’s ports. The navigation industry is building ever larger ships to serve this global trade more effectively, reducing transportation costs across the world. These larger vessels, known as post-Panamax vessels, are expected to call at U.S. ports in increasing numbers, especially after the expansion of the Panama Canal in 2014. A modern, robust navigation infrastructure can exist without significant harm to the environment, reduce the transportation system’s carbon footprint and enhance economic opportunities for future generations. Sustaining a modern U.S. navigation system will require a coordinated effort between government, industry and other stakeholders. Critical Need for Capacity Maintenance and Expansion Congress has directed the USACE Institute for Water Resources to submit to the Senate and House committees on appropriations this report on how the Congress should address the critical need for additional port and inland waterways modernization to accommodate post-Panamax vessels. This report identifies the critical need for capacity maintenance and expansion on both the nation’s inland waterways and blue water ports. This identification has been accomplished through an evaluation of the future demand for capacity in terms of freight forecasts and vessel size expectations and an evaluation of the current capacity of the nation’s inland waterways and blue water ports. Despite the recent worldwide recession, international trade is expected to grow as the world’s population and standard of living grow. Export of U.S. agricultural goods could increase as larger bulk vessels reduce the cost of delivery to foreign markets. Trade at the nation’s blue water ports is expected to expand as the population grows, especially in regions where most of that growth occurs. As international trade expands, the number of post-Panamax vessels is expected to increase. **The nation’s ability to attract these vessels and allow full use of their capacity is the key to realizing the trade opportunities these vessels represent**. There is a high degree of uncertainty in the details of when such vessels will arrive in large numbers, which ports they will call, how deep calling vessels will draft and, consequently, how deep and wide navigation channels and other related navigation infrastructure must be. One pivotal uncertainly is the role that transshipment hubs in the Caribbean or on U.S. shores could play in transferring freight from large vessels to smaller feeder vessels. Over time these uncertainties will be reduced as experience replaces expectation. We can be more certain that in the absence of transshipment centers, post-Panamax vessels will call at ports in large numbers, they will call at most major ports and their sailing drafts and other dimensions will become known. Our challenge is to invest in capacity expansion in the right places at the right time consistent with industry needs. Port capacity depends upon channel depths, channel widths, turning basin size, sufficient bridge heights and port support structures such as dock and crane capacity to offload and onload goods. Vessels can be filled to their weight capacity or their volume capacity. Vessels loaded to their weight capacity sail at their maximum design draft; they sit deeper in the water. The deepest channel requirements are likely to be driven by these “weight trade” services. The Asian export trade, however, is considered a “cube trade” (i.e. volume trade). For volume trade routes, channel width and turning basin size may be of greater importance than additional channel depth at some ports, as vessels loaded to their volume capacity often sail at significantly less than their design draft. Careful consideration is needed when determining channel depth requirements at U.S. ports for this trade route. The deployment of post-Panamax vessels to deliver U.S. agricultural products to Asian markets through the expanded Panama Canal could significantly reduce the delivery costs. One estimate suggests cost reductions as high as $ 0.35 per bushel, **which could result in a surge in exports and traffic on the inland waterway system.** The inland waterway system can accommodate the forecasted increase in exported agricultural products as long as other non-grain traffic remains at current levels and the system is maintained at current capacity. Existing inland waterway system capacity is maintained through maintenance dredging and major rehabilitation projects. A Vision for Sustaining a Globally Competitive Navigation System **As a maritime nation our economic prosperity is directly linked to our investments in navigation infrastructure**. Just as current generations benefit from investments made in the past, the ability of future generations to prosper and grow will depend on infrastructure investment decisions made today. A globally competitive U.S. navigation transportation system for the 21st Century will have these characteristics: • Environmentally compatible development, infrastructure and operations. • Multi-modal connectivity. • High-performance and reliable navigation channels, turning basins and other related navigation infrastructure that are maintained to constructed depths and widths. • **Channels and ports that are not the limiting component to competitive global freight movement** • Navigation locks that are reliable and available to pass traffic on demand with lock chambers consistently sized for efficient movement of freight. • Navigation jetties that are planned, constructed and maintained for safe, reliable and efficient freight movement. • Dredged material placement facilities that are planned, constructed and maintained to be available when needed for navigation channel maintenance, never impeding dredging efforts. • Capital investments in navigation locks for replacement, major rehabilitation, or expanded capacity that are established through a capital investment plan that identifies and prioritizes on a system basis. • Capital investment plans that are shovel-ready as investment funds are identified. • An identified mechanism for the financing of operations, maintenance and capacity improvements. New, large vessels are typically deployed on the longest and largest trade service – Asia to Northern Europe. The “smaller” vessels on that service are forced to re-deploy to the next most efficient service for that vessel size. This cascading continues until the most marginal vessels in the fleet are forced to be scrapped. Cascading typically increases average vessel size for each trade service, placing demands on the port infrastructure to support larger capacity vessels. For U.S. ports to be ready to take advantage of post-Panamax vessel opportunities, major ports not only need to be “post-Panamax ready,” but second tier ports need to be “cascade ready” to take advantage of larger vessels that begin to service their trade.

#### Port modernization solves the economy-99% of trade and 15000 jobs for ever billion in exports

**Nagle, GMU economics masters, 2012**

(Kurt, “Seaports and the US Economy THE Essentials for a Maritime Nation”, 5-7, http://www.transportationsummit.com/documents/s11-BillHanson.pdf, DOA: 7-12-12)

For centuries seaports have been an economic lifeline connecting us to the rest of the world. Seaports help build and grow international trade; strengthening local and international economies. Seaports provide high paying jobs and increase standard of living Cities were built around seaports because the water provided an efficient method of moving goods. Over time these ports and their cities and surrounding communities became important economic drivers by facilitating trade and generating economic vitality. Today more than ever, seaports continue to be a critical link for access to the global marketplace. Seaports are at the center of trade and transportation. Nearly everything we buy or consume – everything from the clothes we wear, to the foods we eat, to the coffee we start our day with – comes to us on a ship, through one of our seaports. In turn, **nearly everything sold in the global marketplace makes its way there via seaports**. This includes valuable domestic commodities like machinery, steel and building materials. Today, as we confront a host of international challenges – a tenuous economy, more trading opportunities, the panama canal expansion, population growth, trade growth – there is a clear and critical role for our ports. Ports are dynamic, vibrant centers of trade and commerce, but what’s most important to understand is that **seaports are partnerships**. Ports in the Western Hemisphere are investing billions of dollars every year to modernize and expand their infrastructure. Public sector/**government investment is critical to maintaining/updating connecting infrastructure** but these investments lag. Modern, navigable seaports are vital to international commerce, economic prosperity and must be a priority, even in these times of fiscal restraint and other challenges. Ports in Western Hemisphere pushing ahead with capital expansion programs Expansion creates jobs and new business opportunities • New demand for goods in China and other countries. New trade agreements with Colombia Panama, and South Korea Panama making significant investments in the Canal Expansion Canada investing in infrastructure through the Gateways Initiatives “We will double our exports over the next five years, an increase that will support two million jobs in America.” — President Barack Obama • **Every $1 billion in exports creates 15,000 jobs** AAPA and the Department of Commerce signed a Memorandum of Intent titled “Partnership with America’s Seaports to Further the National Export Initiative”. Cargo moving through ports generates 13 million jobs. Over one quarter of U.S. Gross Domestic Product accounted for by international trade **99% of overseas trade goes through America’s seaports** Port activity generates over $200 billion in federal, state and local tax revenues Existing transportation programs do not adequately address goods movement! AAPA policy focuses heavily on improving port infrastructure and connections through greater investment in: Federal navigation channels and marine highways Port, road and rail infrastructure. **Without these investments we cannot accommodate trade growth, population growth, increasing vessel size, etc.**

#### Reliable ports is key to sustainable exports-that solves economic recovery

Calhoun, Waterways Council Inc. chairman, 2011

(Rick, “Dredging for Prosperity”, Marine Log, August, proquest)

Just like the nation itself, our maritime industry is facing a multitude of challenges like flooding in the Midwest, silting of our major shipping arteries, and the need for recapitalization for our lock and dam infrastructure, to name a few. ¶ But these challenges and the solutions to them must be viewed as investments in the future of our nation itself because without a strong, reliable marine transportation industry, we simply cannot competitively sell our export products in the world marketplace. Those countries that buy from America do so because we are a dependable supplier of products at a competitive price, thanks in no small part to the existence of our enviable transportation system. If that system becomes compromised, those foreign buyers will simply shop elsewhere and that will further impact the United States' precarious economic recovery. ¶ Witness the dredging situation on the Lower Mississippi River. This year, we have seen unprecedented levels of high water on the Mississippi River carrying millions of tons of silt and debris to the mouth of the River. This silting has resulted in restrictions being imposed for ships and vessels that rely on this passageway to export products to the world market, as well as import goods competitively, via ports in south Louisiana. In the past the Corps of Engineers has been able to manage silting issues with funding for dredging that sometimes required the reprogramming of funds to be sure shortfalls did not occur. This year the Corps has said it can no longer reprogram funds and that a funding shortfall indeed exists on this vital part of the system. ¶ Throughout this country's great history, the federal government's role is in part to ensure that the inland navigation system, including the Mississippi River, remains open to transport products such as grain, coal, steel, petroleum and aggregate materials. The federal government now needs to take necessary steps to provide funding for our national transportation asset and to allow the Lower Mississippi River to remain fully open for commerce. We urge the White House to immediately submit an emergency request for supplemental funds to Congress, and we ask that Congress expeditiously process that request for Emergency Supplemental Appropriations funding. All of us who are responsible for managing money have faced times when cutting costs have become necessary, yet those who are successful rarely focus on reducing costs if it results in an even greater loss in the revenue stream. Again, dredging this critical artery should be viewed as an investment, not a cost, in the future of our inland waterways transportation system.

#### Trade deficit wrecks the economy

Weller et al., Center for American Progress senior fellow, 2011

(Christian, “The Case for Strategic Export Promotion”, 2-9, <http://www.americanprogress.org/issues/2011/02/high_tech_trade.html/print.html>, DOA: 7-13-12)

The United States faces enormous economic obstacles in the immediate future as it recovers from the worst economic downturn since the Great Depression. The private-sector recovery is under way, with industrial production growing by 9.2 percent from June 2009 to July 2010, and with business investment up by an inflation-adjusted 5.2 percent from June 2009 to June 2010. Private-sector employment is also on the rise with more than 1.1 million jobs created in 2010.¶ This is good news, but large challenges still loom that could derail the fledgling private-sector momentum contributing to our economic recovery. An important challenge is the trade deficit. The U.S. trade deficit is widening again, reaching 3.7 percent of gross domestic product (the total amount of goods and services produced in our economy) in the third quarter of 2010, up from 2.4 percent of GDP in the second quarter of 2009. This widening gap poses a drag on economic growth since the country has to borrow money overseas to pay for the extra imports—a debt that ultimately will have to be repaid.¶ A country can only import more than it exports if overseas investors lend it money. For the United States this means a persistent trade deficit requires taking on ever more foreign debt to pay for the excess of imports over exports. That’s why maintaining U.S. international economic competitiveness and strengthening our exports must be a key component of any serious strategy to produce sustained and long-term economic growth.

#### Decline causes global war.

Mead CFR senior fellow, 2009

(Walter, “Only Makes You Stronger”, 2-4, <http://www.tnr.com/article/only-makes-you-stronger-0>)

So far, such half-hearted experiments not only have failed to work; they have left the societies that have tried them in a progressively worse position, farther behind the front-runners as time goes by. Argentina has lost ground to Chile; Russian development has fallen farther behind that of the Baltic states and Central Europe. Frequently, the crisis has weakened the power of the merchants, industrialists, financiers, and professionals who want to develop a liberal capitalist society integrated into the world. Crisis can also strengthen the hand of religious extremists, populist radicals, or authoritarian traditionalists who are determined to resist liberal capitalist society for a variety of reasons. Meanwhile, the companies and banks based in these societies are often less established and more vulnerable to the consequences of a financial crisis than more established firms in wealthier societies. As a result, developing countries and countries where capitalism has relatively recent and shallow roots tend to suffer greater economic and political damage when crisis strikes--as, inevitably, it does. And, consequently, financial crises often reinforce rather than challenge the global distribution of power and wealth. This may be happening yet again. None of which means that we can just sit back and enjoy the recession. History may suggest that financial crises actually help capitalist great powers maintain their leads--but it has other, less reassuring messages as well. If financial crises have been a normal part of life during the 300-year rise of the liberal capitalist system under the Anglophone powers, so has war. The wars of the League of Augsburg and the Spanish Succession; the Seven Years War; the American Revolution; the Napoleonic Wars; the two World Wars; the cold war: The list of wars is almost as long as the list of financial crises. Bad economic times can breed wars. Europe was a pretty peaceful place in 1928, but the Depression poisoned German public opinion and helped bring Adolf Hitler to power. If the current crisis turns into a depression, what rough beasts might start slouching toward Moscow, Karachi, Beijing, or New Delhi to be born? The United States may not, yet, decline, but, if we can't get the world economy back on track, we may still have to fight.

#### Studies prove.

Royal, director of Cooperative Threat Reduction at the U.S. Department of Defense, 2010

(Jedediah, Economics of War and Peace: Economic, Legal, and Political Perspectives, pg 213-215)

Less intuitive is how periods of economic decline may increase the likelihood of external conflict. Political science literature has contributed a moderate degree of attention to the impact of economic decline and the security and defense behavior of interdependent states. Research in this vein has been considered at systemic, dyadic and national levels. Several notable contributions follow. First, on the systemic level, Pollins (2008) advances Modelski and Thompson’s (1996) work on leadership cycle theory, finding that rhythms in the global economy are associated with the rise and fall of a pre-eminent power and the often bloody transition from one pre-eminent leader to the next. As such, exogenous shocks such as economic crises could usher in a redistribution of relative power (see also Gilpin, 1981) that leads to uncertainty about power balances, increasing the risk of miscalculation (Fearon 1995). Alternatively, even a relatively certain redistribution of power could lead to a permissive environment for conflicts as a rising power may seek to challenge a declining power (Werner, 1999). Separately, Pollins (1996) also shows that global economic cycles combined with parallel leadership cycles impact the likelihood of conflict among major, medium and small powers, although he suggests that the causes and connections between global economic conditions and security conditions remains unknown. Second, on a dyadic level, Copeland’s (1996, 2000) theory of trade expectations suggest that “future expectation of trade” is a significant variable in understanding economic conditions and security behavior of states. He argues that interdependent states are likely to gain pacific benefits from trade so long as they have an optimistic view of future trade relations. However, if the expectations of future trade decline, particularly for difficult to replace item such as energy resources, the likelihood for conflict increases, as states will be inclined to use force to gain access to those resources. Crises could potentially be the trigger for decreased trade expectations either on its own or because it triggers protectionist moves by interdependent states. Third, others have considered the link between economic decline and external armed conflict at a national level. Blomberg and Hess (2002) find a strong correlation between internal conflict and external conflict, particularly during periods of economic downturn. They write, The linkages between internal and external conflict and prosperity are strong and mutually reinforcing. Economic conflict tends to spawn internal conflict, which in turn returns the favor. Moreover, the presence of a recession tends to amplify the extent to which international and external conflicts self-reinforce each other. (Blomberg and Hess, 2002, p. 89) Economic decline has also been linked with an increase in the likelihood of terrorism (Blomberg, Hess and Weerapana, 2004), which has the capacity to spill across borders and lead to external tensions. Furthermore, crises generally reduce the popularity of a sitting government. “Diversionary theory” suggests that, when facing unpopularity arising from economic decline, sitting governments have increased incentives to fabricate external military conflicts to create a “rally around the flag” effect. Wang (1996), DeRouen (1995) and Blomberg, Hess and Thacker (2006) find supporting evidence showing that economic decline and use of force are at least indirectly correlated. Gelpi (1997), Miller (1999), and Kisangani and Pickering (2009) suggest that the tendency towards diversionary tactics are greater for democratic states than autocratic states due to the fact the democratic leaders are generally more susceptible to being removed from office due to lack of domestic support. De DeRouen (2000) has provided evidence showing that periods of weak economic performance in the United States and thus weak Presidential popularity are statically linked to an increase in the use of force. In summary, recent economic scholarship positively correlates economic integration with an increase in the frequency of economic crises, whereas political science scholarship links economic decline with external conflict at systemic, dyadic and national levels. This implied connection between integration, crises and armed conflict has not featured prominently in economic-security debate and deserves more attention. This observation is not contradictory to other perspectives that link economic interdependence with a decrease in the likelihood of external conflict, such as those mentioned in the first paragraph of this chapter. Those studies tend to focus on dyadic interdependence instead of global interdependence and do not specifically consider the occurrence of and conditions created by economic crises. As such the view presented here should be considered ancillary to those views.

#### And trade deficits cause unsustainable debt – causes global conflict

Elliot, Guardian economics editor, 2006

(Larry, “America is living beyond its means”, 10-2, <http://www.guardian.co.uk/business/2006/oct/02/usnews.economicdispatch>, DOA: 7-13-12)

Consumers have been using their homes like ATMs - borrowing against rising prices - but this cannot go on forever. The US economy needs quite a prolonged period in which consumer spending grows more slowly than the economy: that is the only way that the trade deficit is going to be reduced. There are those who say that the trade deficit is not a problem for the US. They argue that it is perfectly sustainable to run sizeable deficits in perpetuity because the dollar's status as a reserve currency means that there will always be demand for US assets. But there are two points here. First, running a permanent trade deficit affects the structure of your economy. It means fewer manufacturing jobs where productivity tends to be higher and more jobs in the service sector, where productivity tends to be lower.¶ The US has struck a Faustian bargain with its trading partners, particularly China, responsible for about one third of the $700bn-plus trade total last year. As the American economist Tom Palley puts it: "US consumers get lots of cheap goods in return for which they give over paper IOUs that cost less to print. Meanwhile, China creates millions of jobs and builds modern factories that are transforming it into an industrial superpower, and it also accumulates billions of dollars in financial claims against the US. From this perspective, trade deficits don't matter because there are no limits to either government or private borrowing, and because manufacturing doesn't matter either." The logic of this, Palley notes drily, is that the US would benefit even further if China devalued its exchange rate and ran a larger trade surplus. The second point is potentially much more explosive: it is the one sketched out in the crystal ball gazing at the top of this piece. What would happen if, as a result of global developments over the coming decades, the dollar ceased to be the reserve currency of choice. This was a point raised by Avinash Persaud, one of the financial sector's more original thinkers, in a recent lecture in New York. Persaud's argument is as follows.¶ Throughout history, there has always tended to be one dominant reserve currency along with a host of lesser rivals. In the 19th century Britain was the pre-eminent economy and sterling was the main reserve currency. Yet currencies don't retain their dominance forever; part of Britain's problem at the time of Suez was that it was struggling to adjust to a world in which it was no longer the top-dog currency but the creditors came knocking at the door asking for their cheques to be cashed. The US is living beyond its means, hoping that nobody cashes the cheques it has been merrily writing as the current account has gone deeper into the red. That's the advantage of being a reserve currency, even though, as Persaud notes, there is no rule which says that you have to run current account deficits simply because you are a reserve currency.¶ Britain didn't a century ago. In the decade or so up to the first world war it had a trade surplus of 5% of GDP. "That is a mirror image of the US today. The UK was in surplus by as much as the US is in deficit." That deficit has enabled the Chinese to build up their industrial strength at a rapid rate, so much so that it is probable that China - and perhaps India - will have overtaken the US as the world's largest economy (on a purchasing power parity basis, at least) by 2050. Persaud thinks that the upshot of this will be that in the next few decades the dollar will start to lose its reserve status just as sterling did in the last century. "In the case of sterling's loss of reserve status, world war one and two accelerated a process that had begun more slowly before and ended abruptly with debt and inflation."¶ Today the process is also being accelerated - by wars where the end is as elusive as the enemy and by a consumerism built on a property bubble. Perhaps we will not have to wait until 2050. In my lifetime, the dollar will start to lose its reserve currency status, not to the euro but to the renminbi or the rupee. This would clearly have massive economic and geopolitical consequences. As Persaud rightly says: "If it was economically and politically painful for the UK, even though its international financial position did not begin from a position of heavy deficit, what will it be like for the US which has become the world's largest debtor. There will be an avalanche of cheques coming home to be paid when the dollar begins to lose its status."¶ And this "avalanche of cheques" is likely to make for the most horrendous geo-political tension. The idea that the US will give up global financial hegemony without a fight seems fanciful in the extreme.

#### The trade deficit will cause protectionist escalation – causes tit for tat trade war – boosting exports solve

Hufbauer et al., Peterson Institute senior fellow, 2010

(Gary, “US Protectionist Impulses in the Wake of the Great Recession”, March, <http://www.iie.com/publications/papers/hufbauer201003.pdf>, DOA: 7-12-13)

The U.S. unemployment rate more than doubled between the onset of the Great Recession in¶ December 2007 and December 2009, and is now hovering just below 10 percent (figure 1).¶ 1¶ Considering that this discouraging figure likely understates broader deterioration in the U.S.¶ labor market,¶ 2¶ the absence of sustained Congressional pressure for large‐scale protectionist¶ measures, beyond “Buy American” provisions and several smaller companions (all examined in¶ this report), is in some ways surprising.¶ 3¶ At least part of the explanation for the restrained political response is the simultaneous large¶ improvement in the U.S. trade balance during 2008 and early 2009. Figure 1 illustrates how the¶ total U.S. deficit in goods and services trade was nearly cut in half during this period, creating a¶ political obstacle to kneejerk protectionism. As we will elaborate in section IV, during recessions¶ an improving external balance (from imports falling faster than exports) often acts an¶ “automatic international economic stabilizer,” which temporarily fulfills an equivalent¶ economic function to a Keynesian government stimulus package. The “external sector” of the¶ U.S. economy during the early quarters of the Great Recession provided an “automatic offset”¶ to sliding U.S. economic activity. This probably caused policymakers to think twice about¶ succumbing to short‐term protectionist instincts.¶ However, figure 1 also shows how the improvement in the U.S. trade balance has been only¶ temporary and indeed began to reverse as the U.S. economy exited the Great Recession during¶ the second half of 2009. Crucial for the political threat of protectionism, economic forecasts indicate that the U.S. unemployment rate will probably remain at very high levels over the medium term, despite President Obama’s emphasis on “jobs, jobs, jobs” in his State of the Union Address delivered on January 27th 2010. ¶ A time lag of at least 12 to 18 months probably separates the point at which the U.S. trade¶ balance showed maximum improvement (spring 2009) and the expected drop in measured¶ unemployment well below 10 percent (fall 2010). Absent the “feel good” factor of an improving¶ trade balance, but facing continuing high unemployment levels, protectionist sentiment in the¶ U.S. Congress may increase in the coming months, especially as the November 2010 midterm¶ election draws near.¶ This is particularly so, as current economic forecasts suggest a more robust U.S. economic¶ recovery in the coming years, relative to other industrial trading partners (table 1). A large and¶ growing deficit in the U.S. external balances will likely persist for some time, while the external¶ balances of other major trading partners could hold steady or even improve. If the United¶ States thus returns to its “pre‐crisis role as the world’s importer/consumer of last resort,”¶ protectionist impulses in the U.S. Congress are destined to escalate.¶ 5¶ ¶ Fresh U.S. protectionist initiatives, at a time when the U.S. economy is growing at a decent pace,¶ will likely invite in‐kind retaliation by America’s trading partners, despite the relatively muted¶ reaction to the original “Buy American” provisions in early 2009 and other protectionist measures implemented since then. No longer facing a newly‐elected U.S. president, who¶ entered office with considerable global appeal in the midst of an unprecedented economic¶ crisis, foreign leaders are unlikely to give the U.S. an easy pass on future new instances of U.S.¶ protectionism.

#### Interdependence solves war

Griswold, director of the Cato Institute Center for Trade Policy Studies, 2005

(Daniel, “Peace on Earth? Try Free Trade among Men”, 12-28, <http://www.cato.org/pub_display.php?pub_id=5344>)

As one little-noticed headline on an Associated Press story recently reported, "War declining worldwide, studies say." According to the Stockholm International Peace Research Institute, the number of armed conflicts around the world has been in decline for the past half-century. In just the past 15 years, ongoing conflicts have dropped from 33 to 18, with all of them now civil conflicts within countries. As 2005 draws to an end, no two nations in the world are at war with each other. The death toll from war has also been falling. According to the AP story, "The number killed in battle has fallen to its lowest point in the post-World War II period, dipping below 20,000 a year by one measure. Peacemaking missions, meanwhile, are growing in number." Those estimates are down sharply from annual tolls ranging from 40,000 to 100,000 in the 1990s, and from a peak of 700,000 in 1951 during the Korean War. Many causes lie behind the good news -- the end of the Cold War and the spread of democracy, among them -- but expanding trade and globalization appear to be playing a major role. Far from stoking a "World on Fire," as one misguided American author has argued, growing commercial ties between nations have had a dampening effect on armed conflict and war, for three main reasons. First, trade and globalization have reinforced the trend toward democracy, and democracies don't pick fights with each other. Freedom to trade nurtures democracy by expanding the middle class in globalizing countries and equipping people with tools of communication such as cell phones, satellite TV, and the Internet. With trade comes more travel, more contact with people in other countries, and more exposure to new ideas. Thanks in part to globalization, almost two thirds of the world's countries today are democracies -- a record high. Second, as national economies become more integrated with each other, those nations have more to lose should war break out. War in a globalized world not only means human casualties and bigger government, but also ruptured trade and investment ties that impose lasting damage on the economy. In short, globalization has dramatically raised the economic cost of war. Third, globalization allows nations to acquire wealth through production and trade rather than conquest of territory and resources. Increasingly, wealth is measured in terms of intellectual property, financial assets, and human capital. Those are assets that cannot be seized by armies. If people need resources outside their national borders, say oil or timber or farm products, they can acquire them peacefully by trading away what they can produce best at home.

### Economy – Internal – Jobs

#### Maritime industry sustains massive amounts of jobs-allocating HMT makes it sustainable

TTD 2012

(“The Vital Role of Maritime Transportation In Our Economy”, 3-11, <http://www.ttd.org/index.asp?Type=B_PR&SEC=%7B628A0512-CBEA-4830-9070-A5DFCBE65B80%7D&DE=%7B3DD1CF94-0332-45A9-8E69-F2B4BFFD6AF8%7D>, DOA: 7-13-12)

Unfortunately, neither the House nor the Senate surface transportation reauthorization bill included a substantial maritime title. This is a missed opportunity to acknowledge the importance of maritime to the nation and address the needs of America’s waterborne transportation system and its employees. More delay of important port and maritime policy actions is not an option as our world competitors invest billions to boost their maritime transportation capabilities in the global economy. For instance, China plans to invest over $40 billion dollars in their ports over the next five years, more than the U.S. has invested over the past 50 years. Failing to invest in ports and harbors will jeopardize an industry that supports over 500,000 jobs and will put us further behind our international competitors. ¶ In 1986 the Harbor Maintenance Tax (HMT) and the Harbor Maintenance Trust Fund (HMTF) were established to provide a dedicated revenue stream funded through user fees to provide for the operation and maintenance of channels in ports and harbors. The HMT is charged on the value of cargo arriving in U.S. ports, and the money collected is then deposited into the HMTF. However, in recent years Congress has often diverted money from the HMTF to purposes other than harbor maintenance. In FY 2011, for instance, barely half of the funds collected by the HMT were used for its intended purpose, creating a backlog of critical maintenance projects in our nation’s harbors and coastal waterways. This neglect of maintenance projects has a direct and damaging economic impact. The Army Corps of Engineers estimates that almost 30 percent of vessels traveling through U.S. ports are constrained due to the inadequate conditions of our navigation channels, resulting in billions of dollars in lost economic activity and job growth opportunities foregone.¶ Common sense legislative solutions exist to address these problems. Last year Representatives Charles Boustany (R-LA) and Joe Courtney (D-CT) introduced the RAMP Act (H.R. 104) – bi-partisan legislation that would ensure the funds collected under the HMT are in fact used for their intended purpose. A companion bill, the Harbor Maintenance Act (S. 412), has been introduced by Senators Carl Levin (D-MI) and Kay Bailey Hutchison (R-TX). We support these bills and urge Congress to include them in the pending surface transportation reauthorization or to find another path forward toward enacting these reforms into law. Without adequate harbor maintenance and channel depths, vessels containing American exports are unable to carry full capacity loads lest they run aground. This prevents the efficient shipment of goods, slows our economic growth and undermines the execution of President Obama’s ambitious agenda to grow American exports.

### Economy – Internal – Generic

#### Solves the economy-trillions of dollars of output.

Nagle, GMU economics masters, 2011

(Kurt, “US port-related infrastructure investments reap dividends”, 10-17, <http://www.porttechnology.org/images/uploads/technical_papers/PTI-4.pdf>, DOA: 7-13-13)

For centuries, US seaports and the waterways that connect ¶ them have served as a vital economic lifeline by bringing goods ¶ and services to people around the world, facilitating trade and commerce, creating jobs, helping to secure US borders, ¶ supporting the military and serving as stewards of valuable coastal ¶ environmental resources.¶ As the primary gateway for overseas trade, seaports are essential ¶ for economic prosperity, and federal funding for infrastructure ¶ in and around ports pays dividends for the country. Deepdraft coastal and Great Lakes ports are the nexus of critical ¶ transportation infrastructure that connects America’s exporters ¶ with markets overseas. They also provide access for imports of raw ¶ materials, components, and consumer goods that are a key part of ¶ US manufacturing and standards of living.¶ Investments in port infrastructure and the intermodal ¶ connections that serve seaports – both land and waterside – help ¶ the nation prosper and provide an opportunity to bolster the ¶ employment and economic recovery. ¶ Economic impacts¶ Today, international trade accounts for more than a quarter of ¶ America’s gross domestic product, while ocean-going vessels ¶ that load and unload cargo at US seaports move 99.4 percent of ¶ the nation’s overseas trade by volume and 65.5 percent by value. ¶ Furthermore, customs collections from seaport cargo provide ¶ tens of billions of dollars a year to the US federal government, ¶ including $23.2 billion in financial year 2007, $24.1 billion in ¶ financial year 2008, $20.3 billion in financial year 2009 and $22.5 ¶ billion in financial year 2010.In the latest economic impacts analysis conducted in 2007, US ¶ seaport activities generated $3.15 trillion in annual economic output, with $3.8 billion worth of goods moving in and out of ¶ seaports every day. The impacts go far beyond the communities ¶ in which seaports are located. On average, any given US state uses ¶ the services of 15 different ports around the country to handle its ¶ imports and exports. ¶ From a jobs standpoint, America’s seaports support the ¶ employment of 13.3 million US workers, and seaport-related ¶ jobs account for $649 billion in annual personal income. For ¶ every $1 billion in exports shipped though US seaports, 15,000 ¶ domestic jobs are created. With ambitious greening initiatives ¶ nationwide, seaports have begun generating jobs outside of their ¶ traditional sectors, such as opportunities in the environmental ¶ sciences.¶ In addition to handling international trade, US seaports, and ¶ the waterways that serve them are also important transportation ¶ modes for the movement of domestic freight. Greater utilization ¶ of America’s coastal and inland water routes for freight ¶ transportation complements other surface transportation modes, ¶ helping to provide a safe and secure alternative for cargo while ¶ offering significant energy savings and traffic congestion relief.

#### More evidence.

Joiner et al., AJC International vice-chairman, 2011

(Eric, “Why the U.S. Needs Larger Seaports”, 2-18, <http://www.businessweek.com/managing/content/feb2011/ca20110216_880758.htm>, DOA: 7-13-13)

In his most recent State of the Union address, President Obama said, "To attract new businesses to our shores, we need the fastest, most reliable ways to move people, goods, and information—from high-speed rail to high-speed Internet." The first draft of the budget revealed by the White House leaves us wondering about a commitment to the infrastructure required to live up to the President's tallest fiscal order: doubling exports in the next five years.¶ U.S. seaports handle more than 2 billion tons of import and export cargo annually and account for 25 percent of U.S. gross domestic product. To meet President Obama's goal of doubling exports by 2016, our nation's deepwater ports must expand to accommodate the passage of vessels that require up to 50 feet in depth, which will be headed our way with the completion of the Panama Canal expansion in 2014.¶ Global trade hinges on the competitive advantage of even small differences in shipping costs. And shipping costs decrease the most when we can utilize the new, fuel-efficient deeper-draft vessels. Those vessels must be able to call at a network of efficient East and West Coast American ports in order for U.S. exporters and importers to lower costs, improve access to global markets, and reduce impact on the environment.¶ Simply stated: We need efficient ports in order to create jobs.¶ Benefit Analysis¶ The U.S. Army Corps of Engineers' recent analysis of the pending deepening of the Savannah Harbor channel, from the current 42 feet to as much as 48 feet, attests to the benefits of modernization. The Georgia port's trade is evenly balanced between exports and imports, including 12 percent of all U.S. containerized exports. The current lack of space forces nearly 80 percent of the ships to take on lighter-than-capacity loads. Thirty percent of the ships sit idle waiting for high tide. And the most modern fuel- and cost-efficient ships cannot call at the port at all because they need the 48-foot channel that will be the result of this Savannah Harbor Expansion Project.¶ Navigation-channel modernization projects meet every test for federal investment. They are congressionally authorized after extensive merit-based analyses, matched with local-user funds, federally maintained, and subject to public review and a myriad of environmental and benefit-cost requirements established by Congress and the executive branch. The Corps' 10-year, $35 million analysis conservatively estimates that every dollar spent to deepen the Savannah channel will generate almost $5 for the U.S. (in addition to the current $61.7 billion in sales, $15.5 billion in employment income, and $6.1 billion in federal and state taxes already generated by Georgia ports annually).¶ Even in strong economic times, we neglected modernization of our federal navigation channels while other countries invested vast sums in ports and in deepening their channels to 48 feet or more to accommodate the new generation of larger cargo vessels that will soon dominate international trade. Now both American consumers and the job-creating capacity of our nation's businesses are paying the price.¶ Ports like Savannah and others waiting in line for federal funding can use their deeper channels to open the door to a surge in new commerce, sources of profits and tax revenue, and jobs for generations of Americans for decades to come. Our ports may lie out of sight to most Americans, but they need to stay fixed on the agenda of the President and the new Congress.

#### US Maritime Industry Continues to Create Jobs and Boost Economy

AAPA 2011 AAPA (American Association of Port Authorities), trade association involved in over 150 port authority organizations, June 15 2011, “US Port Industry”, American Association of Port Authorities, <http://www.aapaports.org/industry/content.cfm?itemnumber=1022&navitemnumber=901>

**U.S. ports and waterways handle more than 2 billion tons of** domestic and import/export **cargo annually.** **By 2020, the** total **volume of cargo shipped by water is expected to be double that of 2001 volumes.** Much of total domestic production of basic commodities and finished products is shipped by water, including apples, wastepaper, corn, lumber, iron ore, steel, scrap steel, potatoes, phosphate, plastics, film, machinery, and modular homes. About two-thirds of all U.S. wheat and wheat flour, one-third of soybean and rice production and almost two-fifths of U.S. cotton production is exported via U.S. ports. U.S.- produced coal, grain and forest products also compete well in international markets because of our efficient transportation system. **A report released on June 15, 2011, from the U.S. Maritime Administration shows more ships are stopping at U.S. ports.** The stops, or vessel calls, rebounded by 13 percent in 2010, after an 8 percent decline in 2009. Oceangoing vessel calls reflect waterborne trade between the United States and countries around the world, and are a measure of import, export and domestic ocean shipments. “Although challenges remain, **this encouraging rebound in oceangoing vessels is a sign that President Obama's economic policies are working**," said U.S. Transportation Secretary Ray LaHood. "We're committed to **supporting policies that will build on this momentum** so that the maritime industry **will continue to grow and create American jobs**." The 2010 Vessel Calls Snapshot report contains data on calls by oceangoing vessels at U.S. ports. In 2010, 7,579 oceangoing vessels made 62,747 calls at U.S. ports. Of the 2010 calls, • 35 percent were by tankers carrying oil and gas used to power our cars and heat our homes, • 31 percent were by containerships carrying general export and import cargo for markets around the U.S. and the world, • 17 percent were by dry bulk vessels carrying iron, coal and grain for export, • 9 percent were by roll-on roll-off vessels carrying vehicles for import and export, and • 6 percent were by general cargo ships. In addition, the report shows that **tanker operators are replacing single-hull vessels with new, greener double-hull ships.** **In 2010, 97 percent of the tanker calls were by double-hull vessels, up from 78 percent five years earlier.** "As our economy recovers, **maritime can play even more of a key role in the affordable, efficient and environmentally sustainable transportation of goods**, both within our borders and across oceans," said U.S. Maritime Administrator David Matsuda. View the Vessel Call Snapshot 2010 Report. And, for the cruise industry, the **Cruise Lines International Association** (CLIA) **reports the North American cruise industry’s impact on the US economy grew to $37.85 billion in 2010**, a 7.8% increase over 2009, according to an independent study commissioned by CLIA. In 2009, a year of global recession, the impact was $35.1 billion. The record year was 2008, when the industry had a $40.2 billion impact. In 2010, CLIA member lines carried 14.8 million passengers, an increase of 10.3 percent, the largest year-over-year jump since 2003. Also **in 2010, cruising generated 329,943 jobs that had a $15.2 billion wage impact on the U.S. economy, a 5.1% increase in employment and a 7% rise in wages over 2009.** CLIA said the economic contribution spread across every state economy via $18 billion in direct cruise industry spending, with 10 states accounting for 78% of total employment and income impacts. "These job numbers are good news given the challenging economy. We are pleased with the strong gains in the cruise industry's economic contributions, and that **CLIA member lines were directly or indirectly responsible for putting nearly 330,000 Americans to work**," said CLIA chairman Howard Frank In short, the nation's seaports serve as gateways to domestic and international trade, connecting large and small U.S. businesses to the expanding global marketplace. U.S. seaports are responsible for moving nearly all of the country’s overseas cargo volume…99.4% by weight and 64.1 percent by value. **Each of our 50 states relies on at least 15 seaports to handle its imports and exports, which total some $3.8 billion** worth of goods moving in and out of U.S. seaports **each day**. **Seaports** also support the **employ**ment of **more than 13 million people in the U.S.**, which account for $650 billion in personal income. Additionally**, for every $1 billion in exports shipped though seaports, 6,000 U.S. jobs are created.**

#### Marine transportation industry will continue to boost US economy

DoT 07 United States Department of Transportation Maritime Administration, November 2007, “The Maritime Administration and the U.S. Marine Transportation System: A Vision for the 21stCentury”, Department of Transportation Maritime Administration, p.5, <http://www.marad.dot.gov/documents/Vision_of_the_21st_Century_10-29.pdf>

**The marine** **transportation industry is not just about the shipment of consumer goods**: bulk commodities, such as grain; manufactured products; raw materials, such as logs and lumber; and energy products. It begins with shipyards that build and repair the vessels that operate in the Marine Transportation System. The infrastructure and many industries that help sustain it constitute an enormous engine of economic growth on their own. **These industries create high paying, skilled jobs throughout the economy that depend on the Marine Transportation System to deliver the goods of America.** For example, the trade activity of **the Port of Los Angeles and the Port of Long Beach created 3.3 million jobs across the nation in 2005, a 200 percent increase from 1994.** Nationally, state and local taxes generated from trade activity grew from an estimated $6 billion in 1994 to more than $28 billion in 2005. The **U.S. commercial shipbuilding and repair industry adds billions of dollars to U.S. Economic output annually.** The marine transportation industry even contributes to U.S. commercial aviation. The cruise ship industry is among the largest purchasers of airline tickets; all those passengers have to get to their ships. **Overall, the Marine Transportation System supports 13 million jobs.** The success story does not end there. Since 2000, the total value of international trade has risen by over 40 percent and it is becoming a larger part of our national economy. **The combined value of foreign trade** (imports and exports) **represented 13 percent of GDP in 1990, rising to nearly 22 percent in 2006.** If this trend continues, **it is projected that the value of U.S. foreign trade will be equivalent to 35 percent of the Nation’s GDP in 2020 and 60 percent in 2030.** Marine transportation will become even more important to our economy as 95 percent of America’s foreign trade is moved by ship.

### Economy – Internal – Exports

#### Exports balance the economy and reduce the risk of shocks

Rockwell et al., Brookings senior research associate, 2010

(Jonathan, “Export Nation: How U.S. Metros Lead National Export Growth and Boost Competitiveness”, July, <http://www.brookings.edu/~/media/research/files/reports/2010/7/26%20mountain%20exports%20muro/0726_exports_istrate_rothwell_katz.pdf>, DOA: 7-12-12)

Exports Could Contribute to the Rebalancing of the U.S. Economy and a Lower Trade Deficit¶ For the most of the last 20 years, the United States has witnessed strong economic growth and low unemployment in comparison with other developed countries.18 Yet, the U.S. economy was affected by the wide fluctuations at the end of two business cycles, the so called IT bubble of the late 1990s and the housing bubble that ended between sometime during 2006 and 2007. Meanwhile, in 2006 household income inequality reached its post-World War II peak.19 Real median income in 2008 fell below 1999 levels.20 These three conditions—a tepid rise in living standards, increasing inequality, and bubble economies—are embedded in the consumption driven American economy.¶ In 1982, U.S. residents spent 86 cents of every dollar of after-tax income, but the intensity of consumption grew steadily such that by 2005, that share had reached 95 cents of every dollar.21 All this spending depleted savings, which dropped precipitously over the time period from over 10 percent in the early 1980s to just 1.7 percent in 2005.22 At the same time, an increasing share of consumption involved the purchase of imports. While the value of U.S. total imports was eight percent higher than the value of U.S. total exports in 1982, by 2005, the difference was 36 percent, the highest gap since 1960.23¶ With minimal household savings, domestic investment declined over the last two decades relative to the size of the economy. The United States invested about 7.3 percent of GDP in the 2000s, much less than the 9.4 percent rate of the 1970s.24 Moreover, from 2000 to 2007, private manufacturing investment as a share of GDP was just 0.26 percent per year compared to 0.37 percent during the 1990s. At the same time, foreign investment compensated to some extent, though more in the real estate sector. For example, Chinese holdings represented 6 percent of all federal agency debt and 29 percent of foreign-held agency debt in 2007, making China the largest foreign holder of Fannie Mae and Freddie Mac debt.25¶ The externalization of risk is another major problem with trade deficits. A large portion of the dollars spent on imports end up being re-invested back into the United States and that process increases the risk of bubbles. No sector can sustain limitless growth, and as the safest and most valuable investments become saturated with funding, the excess liquidity begins to seep into riskier and riskier propositions like no-income-no-asset subprime mortgage derivatives. The economists Joshua Aizenman and Yothin Jinjarak have shown that current account deficits have coincided with and contributed to rapid housing price appreciation across OECD countries between 1990 and 2005.26¶ While the United States based its growth on private consumption over the last three decades, the other developed countries exploited foreign demand. Over the last 30 years, private consumption, as a share of GDP, increased by seven percentage points in the United States, while total exports grew by only two percentage points. The other large developed countries, Canada, France, Germany, Italy, Japan, and the United Kingdom, maintained an almost constant share of private spending, but increased their share of total exports in GDP by seven percentage points.28 In 2008, the U.S. total exports were only 12.7 of domestic production, in comparison with 29.7 percent in the other large developed countries. Moreover, as a recent Brookings report shows, this underperformance is not entirely explained by the size of the U.S. economy and its distance from trading partners.¶ There are a number of potential explanations for why the United States under-exports. First, the dollar is over-valued relative to the currencies of a number of important U.S. trading partners.29 In addition, U.S. companies have been focused on catering to the large and growing U.S market. About one percent of U.S. companies exported in 2008.30 It seems that many small and medium companies lack information regarding exports and perceive exporting as a risky endeavor.31 Finally, many countries still put up significant trade barriers against U.S. companies. In the absence of free trade agreements with emerging countries, U.S. companies had additional incentives to locate production abroad in order to take advantage of these foreign markets. For example, while nominal total exports grew by 10 percent annually between 1994 and 2007, nominal sales of U.S. affiliates located in foreign countries increased by almost 18 percent a year during the same period.32¶ Whatever the reasons why the United States is less export-oriented than other countries, increasing¶ exports relative to imports can be part of the solution to many long-standing difficulties.

## Hegemony Advantage

### Hegemony – 1AC

#### Allocating HMT funds upgrades ports-resolves competitiveness crisis

Hackbarth, Free Enterprise, 2012

(Sean, “Let’s Not Forget to Modernize Seaports”, 4-6, <http://www.freeenterprise.com/infrastructure/let%E2%80%99s-not-forget-modernize-seaports>, DOA: 7-13-12)

When I say “infrastructure” roads, bridges, and maybe airports probably pop into your head, but don't forget seaports. They move most goods in and out of the United States and support millions of jobs. This week, Jerry Bridges, chairman of the board of the American Association of Port Authorities, wrote about the funding issues ports are facing:¶ Although our nation's ports are dynamic, vibrant centers of trade and commerce, they rely on partnerships. U.S. seaports and their marine terminal partners anticipate investing about $8 billion annually over the next five years to maintain and improve their infrastructure.¶ Unfortunately, the federal government isn't adequately matching this commitment with investments in connecting land- and waterside infrastructure to effectively handle increased cargo volumes. This lack of federal foresight could create inefficiencies in moving cargo to and from ports, causing time delays, cost increases, reduced international competitiveness for U.S. exports and product shortages for consumers.¶ Despite there being a federal Harbor Maintenance Tax on seaport cargo that raises 100 percent of the cost for periodically dredging America's harbors and channels to their authorized dimensions, only about half of that money is being appropriated for its intended purpose, resulting in serious dredging needs being neglected.¶ Bridges makes an important point. With the Panama Canal undergoing expansion and increasing U.S. exports, the need for modern ports to move goods is critical to the economy. In another op-ed, Bob Stallman, president of the American Farm Bureau Federation, noted that as of this moment the U.S. only has "six ports deep enough to handle the new larger ships that will pass" through the canal.

#### Competitiveness prevents great power war

Baru, Singapore Lee Kuan Yew School of Public Policy visiting professor, 2009

(Sanjaya, “Geopolitical Implications of the Current Global Financial Crisis”, Strategic Analysis, Volume 33, Issue 2 March 2009, <http://www.india-seminar.com/2009/593/593_sanjaya_baru.htm>)

The management of the economy, and of the treasury, has been a vital aspect of statecraft from time immemorial. Kautilya’s Arthashastra says, ‘From the strength of the treasury the army is born. …men without wealth do not attain their objectives even after hundreds of trials… Only through wealth can material gains be acquired, as elephants (wild) can be captured only by elephants (tamed)… A state with depleted resources, even if acquired, becomes only a liability.’4 Hence, economic policies and performance do have strategic consequences.5 In the modern era, the idea that strong economic performance is the foundation of power was argued most persuasively by historian Paul Kennedy. ‘Victory (in war),’ Kennedy claimed, ‘has repeatedly gone to the side with more flourishing productive base.’6 Drawing attention to the interrelationships between economic wealth, technological innovation, and the ability of states to efficiently mobilize economic and technological resources for power projection and national defence, Kennedy argued that nations that were able to better combine military and economic strength scored over others. ‘The fact remains,’ Kennedy argued, ‘that all of the major shifts in the world’s military-power balance have followed alterations in the productive balances; and further, that the rising and falling of the various empires and states in the international system has been confirmed by the outcomes of the major Great Power wars, where victory has always gone to the side with the greatest material resources.’7 In Kennedy’s view the geopolitical consequences of an economic crisis or even decline would be transmitted through a nation’s inability to find adequate financial resources to simultaneously sustain economic growth and military power – the classic ‘guns vs butter’ dilemma. Apart from such fiscal disempowerment of the state, economic under-performance would also reduce a nation’s attraction as a market, a source of capital and technology, and as a ‘knowledge power’. As power shifted from Europe to America, so did the knowledge base of the global economy. As China’s power rises, so does its profile as a ‘knowledge economy’. Impressed by such arguments the China Academy of Social Sciences developed the concept of Comprehensive National Power (CNP) to get China’s political and military leadership to focus more clearly on economic and technological performance than on military power alone in its quest for Great Power status.8 While China’s impressive economic performance and the consequent rise in China’s global profile has forced strategic analysts to acknowledge this link, the recovery of the US economy in the 1990s had reduced the appeal of the Kennedy thesis in Washington DC. We must expect a revival of interest in Kennedy’s arguments in the current context. A historian of power who took Kennedy seriously, Niall Ferguson, has helped keep the focus on the geopolitical implications of economic performance. In his masterly survey of the role of finance in the projection of state power, Ferguson defines the ‘square of power’ as the tax bureaucracy, the parliament, the national debt and the central bank. These four institutions of ‘fiscal empowerment’ of the state enable nations to project power by mobilizing and deploying financial resources to that end.9 Ferguson shows how vital sound economic management is to strategic policy and national power. More recently, Ferguson has been drawing a parallel between the role of debt and financial crises in the decline of the Ottoman and Soviet empires and that of the United States of America. In an early comment on the present financial crisis, Ferguson wrote: ‘We are indeed living through a global shift in the balance of power very similar to that which occurred in the 1870s. This is the story of how an over-extended empire sought to cope with an external debt crisis by selling off revenue streams to foreign investors. The empire that suffered these setbacks in the 1870s was the Ottoman empire. Today it is the US… It remains to be seen how quickly today’s financial shift will be followed by a comparable geopolitical shift in favour of the new export and energy empires of the east. Suffice to say that the historical analogy does not bode well for America’s quasi-imperial network of bases and allies across the Middle East and Asia. Debtor empires sooner or later have to do more than just sell shares to satisfy their creditors. …as in the 1870s the balance of financial power is shifting. Then, the move was from the ancient Oriental empires (not only the Ottoman but also the Persian and Chinese) to Western Europe. Today the shift is from the US – and other western financial centres – to the autocracies of the Middle East and East Asia.’10 An economic or financial crisis may not trigger the decline of an empire. It can certainly speed up a process already underway. In the case of the Soviet Union the financial crunch caused by the Afghan war came on top of years of economic under-performance and the loss of political legitimacy of the Soviet state. In a democratic society like the United States the political legitimacy of the state is constantly renewed through periodic elections. Thus, the election of Barack Obama may serve to renew the legitimacy of the state and by doing so enable the state to undertake measures that restore health to the economy. This the Soviet state was unable to do under Gorbachev even though he repudiated the Brezhnev legacy and distanced himself from it.

#### Competitiveness key to hegemony

Gelb, CFR president emeritus, 2010

(Leslie, “Fashioning a Realistic Strategy for the Twenty-First Century”, Summer, <http://fletcher.tufts.edu/forum/archives/pdfs/34-2pdfs/Gelb.pdf>, DOA: 7-13-12)

Power is what it always has been. It is the ability to get someone to do something they do not want to do by means of your resources and your position. It was always that. There is no such thing in my mind as “soft” power or “hard” power or “smart” power or “dumb” power. It is people who are hard or soft or smart or dumb. Power is power. And people use it wisely or poorly. Now, what has changed is the composition of power in international affairs. For almost all of history, international power was achieved in the form of military power and military force. Now, particularly in the last fifty years or so, it has become more and more economic. So power consists of economic power, military power, and diplomatic power, but the emphasis has shifted from military power (for almost all of history) to now, more economic power. And, as President Obama said in his West Point speech several months ago, our economy is the basis of our international power in general and our military power in particular. That is where it all comes from. **Whether other states listen to us and act on what we say depends a good deal on their perception of the strength of the American economy**. A big problem for us in the last few years has been the perception that our economy is in decline.3232

#### Robust maritime industry key to military readiness

AMP 2012

(American Maritime Partnership, “U.S. TRANSCOM General Says Domestic Maritime Industry is "Fourth Arm of Defense”, 5-22, <http://www.americanmaritimepartnership.com/news/2012/052212%20NMD.html>, DOA: 7-13-13)

U.S. TRANSCOM Commanding General William Fraser III today said maintaining a strong domestic maritime industry is critical to the defending the homeland, describing the sector as the "fourth arm of defense." The Air Force General's remarks came at a National Maritime Day celebration at the Washington Navy Yard.¶ "Maintaining a national maritime industrial base and strong partnerships with the commercial maritime industry is critically important to the Department of Defense," Gen. Fraser said. "A strong commercial American industry is particularly important during times of budget cuts."¶ General Fraser's remarks came on the 79th anniversary of National Maritime Day, which annually recognizes the men and women of the U.S. merchant marine for their contributions to American commerce and the U.S. military. In 1933, Congress designated May 22nd as American Maritime Day to commemorate the U.S.-flag steamship SAVANNAH embarking on what was the first-ever transoceanic voyage under steam power in 1819.¶ This historic voyage was the first of many maritime milestones attributed to the U.S. merchant marine. In the decades that have followed, American companies and mariners have pioneered innovations such as the containership, self-unloading vessel, articulated tug-barge units, railroad-on-barge carfloats and many other breakthroughs.¶ The Jones Act, the federal law that promotes the U.S. merchant marine of skilled seafarers and U.S.-flagged vessels, has made these innovations possible. By maintaining a viable domestic maritime industry, this law enables the flow of domestic waterborne commerce and supports a naval and military auxiliary in times of war or national emergency.¶ Today, the maritime industry is the most economical form of domestic transportation, moving more than 1 billion tons of cargo annually at a fraction of the cost of other modes. This efficient transportation mode helps the economy run smoothly and sustains nearly 500,000 jobs. It is also good for the environment as ships and tug/barge units use less fuel and produce fewer emissions than land-based modes of transportation.¶ The maritime sector plays an indispensible national defense role, fulfilling key support functions for the U.S. military. During Operations Enduring Freedom and Iraqi Freedom (2002-2010), U.S.-flag commercial vessels, including ships and seafarers drawn from the domestic trades, transported 90 percent of all military cargoes moved to Afghanistan and Iraq.

**Readiness is key to deterring global wars**

**Spencer**, Policy Analyst at Heritage, 9/15/ **2000**,

[Jack, Heritage Backgrounder #1394] (PDCL1741)

Military readiness is vital because declines in America's military readiness signal to the rest of the world that the United States is not prepared to defend its interests. Therefore, potentially hostile nations will be more likely to lash out against American allies and interests, inevitably leading to U.S. involvement in combat. A high state of military readiness is more likely to deter potentially hostile nations from acting aggressively in regions of vital national interest, thereby preserving peace.

#### Hegemony solves nuclear war

Kagan, senior fellow in foreign policy at the Brookings Institution, 2011

(Robert, “The Price of Power The benefits of U.S. defense spending far outweigh the costs”, 1-24, <http://www.weeklystandard.com/articles/price-power_533696.html>)

Today the international situation is also one of high risk. • The terrorists who would like to kill Americans on U.S. soil constantly search for safe havens from which to plan and carry out their attacks. American military actions in Afghanistan, Pakistan, Iraq, Yemen, and elsewhere make it harder for them to strike **and are** a large part of the reason **why for** almost **a decade there has been no repetition of September 11.** To the degree that we limit our ability to deny them safe haven, we increase the chances they will succeed. • American forces deployed in East Asia and the Western Pacific **have for decades prevented the outbreak of major war, provided stability, and kept open international trading routes, making possible an unprecedented era of growth and prosperity** for Asians and Americans alike. Now the United States faces a new challenge and potential threat from a rising China which seeks eventually to push the U.S. military’s area of operations back to Hawaii and exercise hegemony over the world’s most rapidly growing economies. Meanwhile, **a nuclear-armed North Korea threatens war** with South Korea and fires ballistic missiles over Japan that will someday be capable of reaching the west coast of the United States. Democratic nations in the region, worried that the United States may be losing influence, turn to Washington for reassurance that the U.S. security guarantee remains firm. If the United States cannot provide that assurance because it is cutting back its military capabilities, they will have to choose between accepting Chinese dominance and striking out on their own, possibly by building nuclear weapons. **• In the Middle East, Iran seeks to build its own nuclear arsenal**, supports armed radical Islamic groups in Lebanon and Palestine, and has linked up with anti-American dictatorships in the Western Hemisphere. The **prospects of new instability in the region grow every day** as a decrepit regime in Egypt clings to power, crushes all moderate opposition, and drives the Muslim Brotherhood into the streets. **A nuclear-armed Pakistan seems to be ever on the brink of collapse** into anarchy and radicalism. Turkey, once an ally, now seems bent on an increasingly anti-American Islamist course. The prospect of war between Hezbollah and Israel grows, **and with it the possibility of war between Israel and Syria and possibly Iran**. There, too, nations in the region increasingly look to Washington for reassurance, and if they decide the United States cannot be relied upon they will have to decide whether **to succumb to Iranian influence or build their own nuclear weapons** to resist it. In the 1990s, after the Soviet Union had collapsed and the biggest problem in the world seemed to be ethnic conflict in the Balkans, it was at least plausible to talk about cutting back on American military capabilities. In the present, increasingly dangerous international environment, in which terrorism and great power rivalry vie as the greatest threat to American security and interests, cutting military capacities is simply reckless. Would we increase the risk of strategic failure in an already risky world, despite the near irrelevance of the defense budget to American fiscal health, just so we could tell American voters that their military had suffered its “fair share” of the pain? The nature of the risk becomes plain when one considers the nature of the cuts that would have to be made to have even a marginal effect on the U.S. fiscal crisis. Many are under the illusion, for instance, that if the United States simply withdrew from Iraq and Afghanistan and didn’t intervene anywhere else for a while, this would have a significant impact on future deficits. But, in fact, projections of future massive deficits already assume the winding down of these interventions.Withdrawal from the two wars would scarcely make a dent in the fiscal crisis. Nor can meaningful reductions be achieved by cutting back on waste at the Pentagon—which Secretary of Defense Gates has already begun to do and which has also been factored into deficit projections. If the United States withdrew from Iran and Afghanistan tomorrow, cut all the waste Gates can find, and even eliminated a few weapons programs—all this together would still not produce a 10 percent decrease in overall defense spending. In fact, the only way to get significant savings from the defense budget—and by “significant,” we are still talking about a tiny fraction of the cuts needed to bring down future deficits—is to cut force structure: fewer troops on the ground; fewer airplanes in the skies; fewer ships in the water; fewer soldiers, pilots, and sailors to feed and clothe and provide benefits for. To cut the size of the force, however, requires reducing or eliminating the missions those forces have been performing. Of course, there are any number of think tank experts who insist U.S. forces can be cut by a quarter or third or even by half and still perform those missions. But this is snake oil. Over the past two decades, the force has already been cut by a third. Yet no administration has reduced the missions that the larger force structures of the past were designed to meet. To fulfill existing security commitments, to remain the “world’s power balancer of choice,” as Leslie Gelb puts it, to act as “the only regional balancer against China in Asia, Russia in eastern Europe, and Iran in the Middle East” requires at least the current force structure, and almost certainly more than current force levels. Those who recommend doing the same with less are only proposing a policy of insufficiency, where the United States makes commitments it cannot meet except at high risk of failure. The only way to find substantial savings in the defense budget, therefore, is to change American strategy fundamentally. The Simpson-Bowles commission suggests as much, by calling for a reexamination of America’s “21st century role,” although it doesn’t begin to define what that new role might be. Others have. For decades “realist” analysts have called for a strategy of “offshore balancing.” Instead of the United States providing security in East Asia and the Persian Gulf, it would withdraw its forces from Japan, South Korea, and the Middle East and let the nations in those regions balance one another. If the balance broke down and war erupted, the United States would then intervene militarily until balance was restored. In the Middle East and Persian Gulf, for instance, Christopher Layne has long proposed “passing the mantle of regional stabilizer” to a consortium of “Russia, China, Iran, and India.” In East Asia offshore balancing would mean letting China, Japan, South Korea, Australia, and others manage their own problems, without U.S. involvement—again, until the balance broke down and war erupted, at which point the United States would provide assistance to restore the balance and then, if necessary, intervene with its own forces to restore peace and stability. Before examining whether this would be a wise strategy, it is important to understand that this really is the only genuine alternative to the one the United States has pursued for the past 65 years. To their credit, Layne and others who support the concept of offshore balancing have eschewed halfway measures and airy assurances that we can do more with less, which are likely recipes for disaster. They recognize that either the United States is actively involved in providing security and stability in regions beyond the Western Hemisphere, which means maintaining a robust presence in those regions, or it is not. Layne and others are frank in calling for an end to the global security strategy developed in the aftermath of World War II, perpetuated through the Cold War, and continued by four successive post-Cold War administrations. At the same time, it is not surprising that none of those administrations embraced offshore balancing as a strategy. The idea of relying on Russia, China, and Iran to jointly “stabilize” the Middle East and Persian Gulf will not strike many as an attractive proposition. Nor is U.S. withdrawal from East Asia and the Pacific likely to have a stabilizing effect on that region. **The prospects of a war on the Korean Peninsula would increase.** Japan and other nations in the region would face the choice of succumbing to Chinese hegemony or taking unilateral steps for self-defense, which in Japan’s case **would mean the rapid creation of a formidable nuclear arsenal**. Layne and other offshore balancing enthusiasts, like John Mearsheimer, point to two notable occasions when the United States allegedly practiced this strategy. One was the Iran-Iraq war, where the United States supported Iraq for years against Iran in the hope that the two would balance and weaken each other. The other was American policy in the 1920s and 1930s, when the United States allowed the great European powers to balance one another, occasionally providing economic aid, or military aid, as in the Lend-Lease program of assistance to Great Britain once war broke out. Whether this was really American strategy in that era is open for debate—most would argue the United States in this era was trying to stay out of war not as part of a considered strategic judgment but as an end in itself. Even if the United States had been pursuing offshore balancing in the first decades of the 20th century, however, would we really call that strategy a success? The United States wound up intervening with millions of troops, first in Europe, and then in Asia and Europe simultaneously, in the two most dreadful wars in human history. It was with the memory of those two wars in mind, and in the belief that American strategy in those interwar years had been mistaken, that American statesmen during and after World War II determined on the new global strategy that the United States has pursued ever since. Under Franklin Roosevelt, and then under the leadership of Harry Truman and Dean Acheson, American leaders determined that the safest course was to build “situations of strength” (Acheson’s phrase) in strategic locations around the world, to build a “preponderance of power,” and to create an international system with American power at its center. They left substantial numbers of troops in East Asia and in Europe and built a globe-girdling system of naval and air bases to enable the rapid projection of force to strategically important parts of the world. They did not do this on a lark or out of a yearning for global dominion. They simply rejected the offshore balancing strategy, and they did so because they **believed it had led to great, destructive wars in the past and would likely do so again**. They believed their new global strategy **was more likely to deter major war and therefore be less destructive** and less expensive in the long run. Subsequent administrations, from both parties and with often differing perspectives on the proper course in many areas of foreign policy, have all agreed on this core strategic approach. From the beginning this strategy was assailed as too ambitious and too expensive. At the dawn of the Cold War, Walter Lippmann railed against Truman’s containment strategy as suffering from an unsustainable gap between ends and means that would bankrupt the United States and exhaust its power. Decades later, in the waning years of the Cold War, Paul Kennedy warned of “imperial overstretch,” arguing that American decline was inevitable “if the trends in national indebtedness, low productivity increases, [etc.]” were allowed to continue at the same time as “massive American commitments of men, money and materials are made in different parts of the globe.” Today, we are once again being told that this global strategy needs to give way to a more restrained and modest approach, even though the indebtedness crisis that we face in coming years is not caused by the present, largely successful global strategy. Of course it is precisely the success of that strategy that is taken for granted. The enormous benefits that this strategy has provided, including the financial benefits, somehow never appear on the ledger. They should. We might begin by asking about the global security order that the United States has sustained since Word War II—**the prevention of major war, the support of an open trading system, and promotion of the liberal principles of free markets and free government**. How much is that order worth? What would be the cost of its collapse or transformation into another type of order? Whatever the nature of the current economic difficulties, the past six decades **have seen a greater increase in global prosperity than any time in human history. Hundreds of millions have been lifted out of poverty**. Once-backward nations have become economic dynamos. And the American economy, though suffering ups and downs throughout this period, has on the whole benefited immensely from this international order. One price of this success has been maintaining a sufficient military capacity to provide the essential security underpinnings of this order. But has the price not been worth it? In the first half of the 20th century, the United States found itself engaged in two world wars. In the second half, **this global American strategy helped produce a peaceful end to the great-power struggle of the Cold War and then 20 more years of great-power peace**. Looked at coldly, simply in terms of dollars and cents, the benefits of that strategy far outweigh the costs. The danger, as always, is that we don’t even realize the benefits our strategic choices have provided. Many assume that the world has simply become more peaceful, that great-power conflict has become impossible, that nations have learned that military force has little utility, that economic power is what counts. This belief in progress and the perfectibility of humankind and the institutions of international order is always alluring to Americans and Europeans and other children of the Enlightenment**. It was the prevalent belief in the decade before World War** I, in the first years after World War II, and in those heady days after the Cold War when people spoke of the “end of history.” It is always tempting to **believe that the international order the United States built and sustained with its power can exist in the absence of that power,** or at least with much less of it. This is the hidden assumption of those who call for a change in American strategy: that the United States can stop playing its role and yet all the benefits that came from that role will keep pouring in. **This is a great if recurring illusion, the idea that you can pull a leg out from under a table and the table will not fall over.**

### Competitiveness – Impact – Economy

#### Protracted decline in US competitiveness will wreck the global economy

Mandelbaum, John Hopkins Foreign Policy Program director, 2005

(Michael, The Case for Goliath: How America Acts as the World’s Government in the Twenty-First Century, pg 192-195\_

Although the spread of nuclear weapons, with the corresponding increase in the likelihood that a nuclear shot would be fired in anger somewhere in the world, counted as the most serious potential consequence of the abandonment by the United States of its role as the world's government, it was not the only one. In the previous period of American international reticence, the 1920s and 1930s, the global economy suffered serious damage that a more active American role might have mitigated. A twenty-first-century American retreat could have similarly adverse international economic consequences. The economic collapse of the 1930s caused extensive hardship throughout the world and led indirectly to World War II by paving the way for the people who started it to gain power in Germany and Japan. In retrospect, the Great Depression is widely believed to have been caused by a series of errors in public policy that made an economic downturn far worse than it would have been had governments responded to it in appropriate fashion. Since the 1930s, acting on the lessons drawn from that experience by professional economists, governments have taken steps that have helped to prevent a recurrence of the disasters of that decade.' In the face of reduced demand, for example, governments have increased rather than cut spending. Fiscal and monetary crises have evoked rescue efforts rather than a studied indifference based on the assumption that market forces will readily reestablish a desirable economic equilibrium. In contrast to the widespread practice of the 1930s, political authorities now understand that putting up barriers to imports in an attempt to revive domestic production will in fact worsen economic conditions everywhere. Still, a serious, prolonged failure of the international economy, inflicting the kind of hardship the world experienced in the 1930s (which some Asian countries also suffered as a result of their fiscal crises in the 1990s) does not lie beyond the realm of possibility. Market economies remain subject to cyclical downturns, which public policy can limit but has not found a way to eliminate entirely. Markets also have an inherent tendency to form bubbles, excessive values for particular assets, whether seventeenth century Dutch tulips or twentieth century Japanese real estate and Thai currency, that cause economic harm when the bubble bursts and prices plunge. In responding to these events, governments can make errors. They can act too slowly, or fail to implement the proper policies, or implement improper ones. Moreover, the global economy and the national economies that comprise it, like a living organism, change constantly and sometimes rapidly: Capital flows across sovereign borders, for instance, far more rapidly and in much greater volume in the early twenty-first century than ever before. This means that measures that successfully address economic malfunctions at one time may have less effect at another, just as medical science must cope with the appearance of new strains of influenza against which existing vaccines are not effective. Most importantly, since the Great Depression, an active American international economic role has been crucial both in fortifying the conditions for global economic well-being and in coping with the problems that have occurred, especially periodic recessions and currency crises, by applying the lessons of the past. The absence of such a role could weaken those conditions and aggravate those problems. The overall American role in the world since World War II therefore has something in common with the theme of the Frank Capra film It's a Wonderful Life, in which the angel Clarence, played by Henry Travers, shows James Stewart, playing the bank clerk George Bailey, who believes his existence to have been worthless, how life in his small town of Bedford Falls would have unfolded had he never been born. George Bailey learns that people he knows and loves turn out to be far worse off without him. So it is with the United States and its role as the world's government. Without that role, the world very likely would have been in the past, and would become in the future, a less secure and less prosperous place. The abdication by the United States of some or all of the responsibilities for international security that it had come to bear in the first decade of the twenty-first century would deprive the international system of one of its principal safety features, which keeps countries from smashing into each other, as they are historically prone to do. In this sense, a world without America would be the equivalent of a freeway full of cars without brakes. Similarly, should the American government abandon some or all of the ways in which it had, at the dawn of the new century, come to support global economic activity, the world economy would function less effectively and might even suffer a severe and costly breakdown. A world without the United States would in this way resemble a fleet of cars without gasoline.

### Competitiveness – Solvency – EXTN

#### Key to competitiveness

Lamb-Hale, Commerce Department assistant secretary, 2010

(Nicole, “Doubling U.S. Exports: Are U.S. Sea Ports Ready for the Challenge?”, 4-29, <http://www.finance.senate.gov/imo/media/doc/042910nltest.pdf>, DOA: 7-13-13)

As sourcing and product delivery operations span larger and longer distances, firms are ¶ transforming the way they look at and manage supply chains. No longer are individual ¶ companies competing with each other, entire supply chains are. Effective supply chains ¶ and just-in-time delivery systems drive modern global business. ¶ Supply chain infrastructure is the glue that binds successful trade routes. It affects the ¶ cost of every single product in the United States. Inefficient connections and capacity ¶ limitations lead to delays that raise the price of a company’s product, and make it harder ¶ to compete globally. Supply chain infrastructure is an important factor in a company’s ¶ decision on where to invest, build, and employ people. These decisions require ¶ substantial lead times, and the quality of the infrastructure determines the attractiveness ¶ of a particular location. ¶ As world commerce becomes more integrated, and as sourcing and product delivery ¶ operations span larger and longer distances, America’s firms and supply chains are being ¶ transformed. It has long been the case that it is no longer the individual companies that ¶ compete with each other. Rather, entire supply chains – fully integrated processes that ¶ connect manufacturer to transporter to distribution center to point of sale – are now the ¶ primary competitors in domestic and global commerce. Efficiencies in supply chains ¶ lead to competitive advantages, and they make possible global sourcing, just in time ¶ delivery systems, and modern global business itself. ¶ The velocity and efficiency of each supply chain depends on the infrastructure through ¶ which these goods and products flow. The increasingly time-sensitive and integrated ¶ nature of modern supply chains make smooth, just-in-time goods movement a critical ¶ element in that supply chain’s ability to compete in the global economy. ¶ Industry today sees infrastructure as an interconnected network of physical transport ¶ facilities, combined with modern information technology systems. The efficiency of this ¶ infrastructure -- and the industries that depend on it—is affected by environmental and ¶ sustainability considerations, new financing options, education, and regulatory and trade ¶ security measures. This speaks to the growing sophistication and complexity of modern ¶ supply chains, and their critical reliance on the quality of America’s supply chain ¶ infrastructure to support modern, high-tech manufacturing. ¶ Industry members have told us that supply chain infrastructure makes a difference ¶ because it affects the cost of every single product made or used in the United States. ¶ Missing connections and capacity limitations between port and manufacturer lead to ¶ delays that raise the price of every American export product and make it harder to compete with international producers. To illustrate this point, a recent Wall Street ¶ Journal article reported that a key harbor grain terminal in the Port of Los Angeles lacks ¶ enough space to handle the volume of exports arriving from inland producers due to the ¶ limited rail service to that terminal. ¶ Leading executives have also told us that a nation’s supply chain infrastructure also ¶ makes a difference when deciding where their firms will invest, build facilities and ¶ employ people. These decisions require substantial lead times, and the quality of the ¶ infrastructure at the point of decision – the efficiency of the ports, the level of inter-modal ¶ connections, the quality of the IT systems, and more – determines in part the ¶ attractiveness of a location.

#### Plan is a cost effective solution to economic competitiveness

Doble, Public Agenda senior research fellow, 2012

(John, “For U.S. to Get Out of Economic Slump, Simply Build Better Roads and Ports”, 3-1, http://www.policymic.com/articles/7680/for-u-s-to-get-out-of-economic-slump-simply-build-better-roads-and-ports, DOA: 7-12-12)

**America is losing the global economic race**. While the media focuses on issues like education and immigration, crucial systems like our nation’s transportation infrastructure get the short shrift. We often see the semi-truck on the road and the cargo ship in the harbor, and occasionally we think about how both vehicles transport products worth billions from warehouses, stores, and eventually to our homes. We do not see how this system is teetering on the brink of obsolescence. Only three years ago the [American Society of Civil Engineers](http://www.infrastructurereportcard.org/) gave the country’s infrastructure an overall grade of “D,” requesting that the nation invest $255 billion a year to fix the problem. We currently invest only [40%](http://www.economist.com/node/18620944) of that amount, and it seldom invested well. Even though the challenge is complex, a national freight policy with a number of components – including the passage of the Realizing America’s Maritime Promise (RAMP) Act; an increase taxes or redirection of funds to transportation infrastructure; or the creation of a national infrastructure bank – would resolve many of our difficulties. Given the need to boost exports due to the economic crisis, and the fact that 90% of all goods measured by weight or volume are transported by cargo ship, Congress has amazingly only just realized that [most of our ports are too shallow](http://www.politico.com/news/stories/0412/74751.html#ixzz1soUaVDCX). **Only 35% of our nation’s ports**, the majority on the West coast, **will be able to handle international shipping** once the Panama Canal expansion is completed in 2014 because we’ve failed to dredge their harbors deep enough for [post-panamax ships](http://en.wikipedia.org/wiki/Container_ship#Size_categories). The country instituted a Harbor Maintenance Tax (HMT) in 1986 to deal with this issue, which taxes $1.25 on every $1,000 of goods that moves through ports and equals about $1.4 billion annually, but only half of this money has been spent in recent years. The problem would be quickly and cheaply resolved if Congress were to pass the RAMP Act, which requires that the Harbor Maintenance Trust Fund to spend all of the money it receives on dredging.

#### Infrastructure investments in ports vital to competitiveness

Leone, MPA port director, 2012

(Michael, “Harbor Maintenance Funding and Maritime Tax Issues," CQ Congressional Testimony, 2-1, lexis)

As a result, only about 35% of America's navigation channels are currently at their authorized depth and width, which means that vessels calling our ports cannot be fully loaded or may be restricted to a one way transit. The entire maritime industry, therefore, is grateful for the oversight provided by your committees to ensure this tax on port users is used for its intended purpose -- ensuring that the navigation channels leading to our ports are regularly dredged to their authorized dimensions so that vessels calling our ports can deliver essential commodities and can take American made products to its global customers. Only with regular investments in dredging can these critical parts of our national transportation system continue to serve as gateways for the more than two billion tons of domestic, import and export cargo they are expected to handle each year, which in turn helps keep American businesses - both large and small - competitive in world markets. This concern is even greater today as East and Gulf Coast ports prepare for the larger vessels that will be transiting though an expanded Panama Canal. What is frustrating for many port directors who have dredging needs that go unmet is that the money for these projects is available. The users of our ports and harbors still pay their full share for maintenance dredging - over one dollar for every thousand dollars worth of imported and domestic cargo they move - while only getting back half as much benefit in return. Current estimates are that users of our nation's waterways are paying approximately $1.4 billion per year in harbor maintenance taxes which is about the amount the Army Corps of Engineers has determined is the annual need for maintenance dredging. Yet, this past fiscal year only about $820 million was appropriated for channel maintenance. That still leaves, according to the most recent estimates I've seen, a surplus in the Harbor Maintenance Trust Fund of about $6.4 billion and growing. This shortfall in funding is of particular concern to regional or niche ports, which are usually not included in the President's budget, because they generally handle less tonnage than the major container and bulk cargo ports. There are many ports in Massachusetts in need of maintenance dredging , for example, which could be completed if all of the HMT was appropriated each year. Not every port will need to have channels that are 50-feet deep in order to handle the largest ships that will traverse the expanded Panama Canal when that modernization project is set to be complete in 2014. But many will, and others will need to be dredged to handle the larger vessels that will be used in moving cargo from the larger hub ports to regional ports. In the meantime, individual ports have been dredging our own berths at our own cost, buying cranes that can handle these larger vessels, and investing in terminal infrastructure. Indeed, it's estimated that seaports invest more than $2.5 billion every year to maintain and improve their infrastructure, which is why ports are often discouraged that federal investments in maintenance dredging have not kept pace with their own. The larger issue is that spending on maintenance dredging is particularly critical at this time, and not only because of the larger ships that ports will soon be expected to handle, but to ensure that the Administration's National Export Initiative of doubling U.S. exports can be fulfilled. U. S. ports are the gateways for international trade and having a modern, reliable and cost-effective marine transportation system will expedite the delivery of U.S. exports to the global marketplace. Delays in the movement of exported cargo will only hurt the competiveness of U.S exports.

## Terrorism Advantage

### Terrorism – 1AC

#### Ports vulnerability is increasing-lacking funds allows WMD terrorist attacks.

Forbes 2011

(“Terrorism, Pirates, and Blowing the Whistle on Commercial Fishing Before it Causes the Next Big Attack”, 12-21, http://www.forbes.com/sites/gcaptain/2011/12/21/terrorism-pirates-and-blowing-the-whistle-on-commercial-fishing-before-it-causes-the-next-big-attack/2/, 7-12-12)

There are many different types of possible terrorists, but the simplest definition for the successful “terrorist” is: one supported by an organization capable of significant funding, providing training and with the foresight to plot scenarios dedicated to causing mass casualties and impact. That being said, if someone is dedicated enough to give their life for a cause, they want one hundred percent confirmation of a target or as close to that as possible. Every terrorist wants to be the next Bin Laden and not to be some fool who showed up at the wrong spot and blew himself up. Because of this, a terrorist may spend as many as five to ten years planning for an attack. However, if they arrive on site for a dry run before the big day and find the attack might not be successful, then it’s back to square one and on to planning for the next identified weak target. People often forget that what makes a threat is not just the idea; it’s the possibility of a proven vector of threat (i.e. method, path or tool that utilizes the threat to perpetrate an attack). Anyone can come up with the good idea, just look at the thriller section in Netflix and you will see that. What makes a threat vector realistic is the idea itself and the probability of success**. If the probability of success is high and can be proven, the idea holds water and we have a problem.** For example, anyone screaming “Nuclear attack!” needs to take into consideration that nuclear weapons are not so easy to obtain and smuggle, and they’re even harder to make, maintain and ensure they work. Furthermore, there needs to be validity as to where purported weapons of mass destruction have come from. For example, even though a Nuke would cause ninety billion dollars in destruction the probability of this type of attack is so low that it creates a vector value below the benchmark needed to consider it a daily threat. However, something that could be made much easier like a dirty bomb, which could still cause considerable destruction, is more of a realistic threat once divided by the probability. So, with this said, why aren’t most gaps or weaknesses identified as a threat vector? The real answer is **there isn’t enough time in the day to tackle the unbelievable quantity of gaps and weakness we face in our ports**, and then check them against the chances of probability or possibility. The truly dedicated, overworked men and women of the U.S. Coast Guard (USCG) are the most underfunded branch of the U.S. Military and can’t do the job on their own. In a perfect world, the best way to test probability of a possible threat is via covert operations as Richard Marcinko did in 1984 with the establishment of the Naval [Security](http://www.forbes.com/security/) Coordination [Team](http://www.forbes.com/companies/team/) OP-06D, or more commonly known as “Red Cell”. Lack of funding however, and an embarrassing lack of understanding from our legislators and regulators of how the maritime industry operates means these types of operations are rarely conducted, and when they are, they’re usually in a vacuum. Because of this, Congress opts to try and tackle the low-hanging fruit and the topics that will generate the most publicity. More often than not, they do not consist of things that we need the most protection from, just those things that might not kill a bill before Congress or in some cases need to be attached to something to make it more “interesting” in order to help to get support and be passed. A perfect example of this is the “Security and Accountability for Every Port Act of 2006 or more commonly known as the “Safe Port Act,” which was an act of Congress in which an online gambling measure was added at the last moment. You may be asking yourself, what does internet gambling have to do with port security for the entire nation? -It doesn’t. It was added because the bill could not get enough support and was going to be killed on the floor until this measure was added. Fortunately the bill passed, however it’s an embarrassing example that a bill that includes things like the creation of the Transportation Worker Identification Credential (TWIC), establishment of interagency operational centers for port security, the Port Security Grant Program (PSGP), Container Security Initiative (CSI), requirements for foreign port assessments, the Customs Trade Partnership against Terrorism (CT-PAT) and possibly the most important the creation of a new agency within the DHS called the Domestic Nuclear Detection Office (DNDO) wasn’t important enough for Congress until someone decided that they wanted to stop internet gambling. In a time of great economic uncertainty, it may be controversial to point out that a profitable industry is affecting their own sustainability by blatantly overfishing our oceans while at the same time exposing us to great risk, but everyone has a right to know. **The fishing industries**, both recreational and commercial, not only pose one of the greatest threats to the maritime industry, but they **provide the single most realistic proven threat vector to our nation and citizens**. Before we get too far into this, let’s start with a brief history on port security, terrorism, piracy and how it relates to the U.S. maritime industry. The first possible example of a maritime attack that impacted the US was on September 13, 1814 when the British fleet staged an attack on the Port of[Baltimore](http://www.forbes.com/places/md/baltimore/) (they identified this as the most strategic attack point in the country). However, they were stopped at Fort McHenry by a much smaller weaker force that used the Port as a defensive position and created their own security protocols to protect it, thus providing the first real example of Port Security in our nation’s history. Unfortunately, this is indicative of how we will address future maritime security issues: reactively, not proactively. [Next](http://www.forbes.com/companies/next/) came the following: Achille Lauro: Attack on a Cruise ship on October 7th, 1985 that resulted in the death of an American Passenger Leon Klinghoffer who was pushed in his wheel chair off the side to his death by hijackers. The impact of this incident marked the beginning of Port Security regulations and requirements on the cruise industry and the first set of regulations of its kind to affect the maritime industry in general. [USS COLE:](http://gcaptain.com/cole-ddg-tribute-crew-lost-years?18192) Attack on a US Navy Vessel on October 12th, 2000 in the Port of Yemen. A fishing vessel laden with explosives rammed the US Naval vessel in the Port of Aden killing 17 and injuring 39 US sailors. 9/11: Caused the total closure of the Port of NY/NJ as well as full scale waterborne evacuations and port recovery operations in order to bring the port back on line and resume the flow of commerce in the U.S. Oil Tanker Limburg: small boat attack on a VLCC on October 6th, 2002. It should be noted that this attack did not take place on a U.S. vessel or in a U.S. port, but that it was intended to disrupt the global oil trade and flow of commerce in the U.S. While the impact state side was minimal it caused considerable consternation among tanker operators. Although the bombing killed only one member of the Limburg’s crew, it caused insurance rates among shippers to rise 300% and reduced Yemeni port shipping volumes by 50% in the next month after the attack. Mumbai attack: November 26, 2008. Terrorist hijacked and murdered crew on the Indian flagged fishing vessel “MV Kuber” from a Mother vessel “MV Al-Husseni” a fishing vessel in order to enter India by sea and perpetrate a three day long attack at over 10 highly populated, land-based locations in the Indian city of Mumbai, terrorizing the country and killing over 170 people. Again, this was not an attack on the U.S., but it is clearly a blueprint for possible attacks on U.S. soil. [Piracy](http://gcaptain.com/tag/piracy) off the coast of Somalia: A total lack of government and stability in the region compounded by toxic dumping and foreign overfishing off the coast of Somalia were the main contributing factors that pushed many Somalis to take part in piracy. Piracy in the Gulf of Aden began as fishermen sought to force out commercial fishing vessels that were illegally decimating the eco-system in Somali waters. The Gulf of Aden was at one point one of the most fertile fishing grounds in the world. Boats mainly from Europe and Asia illegally reaped over $350 million worth of fish per year from the region, depriving the local fishermen of the career that supported and fed their families and destroying the marine life that thrived since the beginning of time. As fishing in this area was not monitored or controlled, fishermen utilized invasive and illegal methods which included such things as drift nets and undersized tight nets, which were designed to catch everything in their path including very young fish, thereby ensuring no hope for a future marine ecosystem. Without regulation and enforcement, fish populations were totally decimated, painting a picture that easily shows how this could start in other impoverished coastal countries with limited governments. Any place where too many individuals fish the same waters, the ecosystem collapses, and in this particular case Somalis who could have once made their living fishing turn to piracy as an alternative. In most cases piracy doesn’t relate to terrorism, but **as terrorist see the value of piracy and how it can raise funds towards extremism, piracy becomes a viable market for them to either invest in or exploit**. Piracy is no longer just plain robbery. It has become an elaborate network of operations designed to extract enormous quantities of ransom. “Ransom amounts have increased to an average of $5.4 million per ship from just $150,000 five years ago” as stated by Navy chief Admiral Nirmal Verma at an international symposium in New Port, Rhode Island. The admiral went on to explain that there is a distinct nexus between piracy and terrorism. Al-Qaeda linked militants Al-Shabaab and pirate gangs are increasing their cooperation as they become more in need of funding. Up until now, pirates have used the ships they hijack to collect ransoms. If terrorists continue to find their way in to this industry we may see ships used as weapons or as threats to countries by opening manifolds and dumping product into ports, waterways or marine rich coastal environments. There is a reason why you probably haven’t heard about this before and why many politicians have no interest in resolving the issue. Recreational fishing supports a million jobs, pays $45 billion in wages and has an overall economic impact of $125 billion in the United States annually. NOAA reports state that the international trade in coastal and marine commercial fisheries contributes 70 billion annually to our nation’s economy. One million jobs are associated with the U.S. commercial fishing industry yielding over 32 billion in income. An example is that over two billion pounds of Alaskan Pollock alone are caught in the U.S. EEZ yearly, that’s just one species of thousands of different species that are caught on a daily basis. Recreational fishing is seldom thought of as a major industry, but clearly it accounts for good paying jobs and contributes millions to the economy, not to mention 40 million fisherman buying fishing gear, gasoline, licenses, hotel rooms and boat equipment. This also has quite an impact on the nation’s economy. To understand the magnitude of the challenge of determining and resolving the threat vectors we need to look at the physical environment. The United States has more than 95,000 miles of maritime coastline; 361 ports, including eight of the world’s 50 largest by volume; and 10,000 miles of navigable waterways on which approximately 15 million small craft operate routinely. The Department of Homeland Security (DHS) reports there are 13 million registered US recreational vessels, 110,000 fishing vessels and over 100,000 other commercial small vessels. The rest are many more which are unregistered. As you can imagine, it is impossible to keep an eye on this group of small vessels. DHS estimates there are approximately 68,000 foreign vessel arrivals a year, all of which are monitored through a system called [AIS (Automated Identification System)](http://gcaptain.com/tag/ais) which is similar to the FAA’s air traffic control. Recreational vessels are not required to carry AIS and the majority of commercial fishing vessels just happen to fall below the size requirement for AIS. As a result, there is currently no way to add them to the system. We are currently having a difficult time handling inspections on the 68,000 vessels a year that require inspection, how can we even consider understanding how to manage over 13 million vessels that may come and go every weekend? Foreign recreational vessels calling on the US are covered by the “Pleasure Boat Reporting System” (PBRS) which is based on boater self-reporting. During fiscal year 2006, only 70,000 boater foreign arrivals were recorded in this US Customs and Border Protection (CBP) controlled system. CBP states that “Conservative estimates suggest that these reporting figures represent only a fraction of the actual international boater traffic, especially given the ease with which boaters operate in these waters.” So what is the threat vector from these small vessels? Well, it’s easy; Terrorists could exploit the maritime domain via small boats in many different ways. The most serious and likely threat is the already common Waterborne Improvised Explosive Device (WBIED) attack, used in the USS Cole and Limburg attacks. Second, vessels could transport terrorists onto American shores at locations where they will not be inspected or checked. Third, **small vessels could be used to smuggle weapons of mass destruction into the United States**. Fourth, small vessels could be used for a strategic attack to gain access to our shores for small arms attacks in populated regions as is what happened in the 2008 Mumbai attacks. What is the impact of a maritime terrorist attack? The ability to use the maritime domain for mass casualty is very clear; just look at any of the major ports in the US and how they are situated in comparison to the local community and major assets in their particular region. In New Jersey alone, there is what is considered to be the most dangerous two mile stretch in America from Newark Airport to Port Elizabeth. New Jersey is the most densely populated state in the country and on this particular two miles of land there are hundreds of potential terrorist targets including chemical plants, chlorine gas plants, rail yards, rail lines, refineries, an international airport, and the third largest port in the country. **An attack** in these two miles **could** bring lethal harm to more than 12 million people within in a 14-mile radius, not to mention **shut down the entire transportation system**. These areas are open to attack and small recreational vessels are allowed within, and are able to dock at, locations within this two mile stretch. In addition, people are permitted to fish off of public piers somehow mixed within the commercial infrastructure of this area. So it’s not an oddity or even seen as suspicious to see small boats and random persons in and around this area. To make matters worse, just a few miles away from the “most dangerous two miles” there are public boat ramps right in the middle of the channel within 100’ to 500 feet’- of some of the largest petroleum facilities and vessels on the eastern seaboard.

#### Attack causes retaliation and nuclear war

Ayson, Wellington University Centre for Strategic Studies director, 2010

(Robert, “After a Terrorist Nuclear Attack: Envisaging Catalytic Effects,” Studies in Conflict & Terrorism, Volume 33, Issue 7, ebsco)

But these two nuclear worlds—a non-state actor nuclear attack and a catastrophic interstate nuclear exchange—are not necessarily separable. It is just possible that some sort of terrorist attack, and especially an act of nuclear terrorism, could precipitate a chain of events leading to a massive exchange of nuclear weapons between two or more of the states that possess them. In this context, today’s and tomorrow’s terrorist groups might assume the place allotted during the early Cold War years to new state possessors of small nuclear arsenals who were seen as raising the risks of a catalytic nuclear war between the superpowers started by third parties. These risks were considered in the late 1950s and early 1960s as concerns grew about nuclear proliferation, the so-called n+1 problem. It may require a considerable amount of imagination to depict an especially plausible situation where an act of nuclear terrorism could lead to such a massive inter-state nuclear war. For example, in the event of a terrorist nuclear attack on the United States, it might well be wondered just how Russia and/or China could plausibly be brought into the picture, not least because they seem unlikely to be fingered as the most obvious state sponsors or encouragers of terrorist groups. They would seem far too responsible to be involved in supporting that sort of terrorist behavior that could just as easily threaten them as well. Some possibilities, however remote, do suggest themselves. For example, how might the United States react if it was thought or discovered that the fissile material used in the act of nuclear terrorism had come from Russian stocks,40 and if for some reason Moscow denied any responsibility for nuclear laxity? The correct attribution of that nuclear material to a particular country might not be a case of science fiction given the observation by Michael May et al. that while the debris resulting from a nuclear explosion would be “spread over a wide area in tiny fragments, its radioactivity makes it detectable, identifiable and collectable, and a wealth of information can be obtained from its analysis: the efficiency of the explosion, the materials used and, most important … some indication of where the nuclear material came from.”41 Alternatively, if the act of nuclear terrorism came as a complete surprise, and American officials refused to believe that a terrorist group was fully responsible (or responsible at all) suspicion would shift immediately to state possessors. Ruling out Western ally countries like the United Kingdom and France, and probably Israel and India as well, authorities in Washington would be left with a very short list consisting of North Korea, perhaps Iran if its program continues, and possibly Pakistan. But at what stage would Russia and China be definitely ruled out in this high stakes game of nuclear Cluedo? In particular, if the act of nuclear terrorism occurred against a backdrop of existing tension in Washington’s relations with Russia and/or China, and at a time when threats had already been traded between these major powers, would officials and political leaders not be tempted to assume the worst? Of course, the chances of this occurring would only seem to increase if the United States was already involved in some sort of limited armed conflict with Russia and/or China, or if they were confronting each other from a distance in a proxy war, as unlikely as these developments may seem at the present time. The reverse might well apply too: should a nuclear terrorist attack occur in Russia or China during a period of heightened tension or even limited conflict with the United States, could Moscow and Beijing resist the pressures that might rise domestically to consider the United States as a possible perpetrator or encourager of the attack? Washington’s early response to a terrorist nuclear attack on its own soil might also raise the possibility of an unwanted (and nuclear aided) confrontation with Russia and/or China. For example, in the noise and confusion during the immediate aftermath of the terrorist nuclear attack, the U.S. president might be expected to place the country’s armed forces, including its nuclear arsenal, on a higher stage of alert. In such a tense environment, when careful planning runs up against the friction of reality, it is just possible that Moscow and/or China might mistakenly read this as a sign of U.S. intentions to use force (and possibly nuclear force) against them. In that situation, the temptations to preempt such actions might grow, although it must be admitted that any preemption would probably still meet with a devastating response.

#### AND- They’ll attack US LNG ports – they have the motivation and means

Hurst, U.S. Army's Foreign Military Studies Office analyst, 2008

(“The Terrorist Threat to Liquefied Natural Gas: Fact or Fiction?” 6-2, <http://www.thecuttingedgenews.com/index.php?article=529>, DOA: 7-12-12)

On 14 February 2007, the Saudi Arabian arm of al-Qaeda put out a call to all religious militants to attack oil and natural gas sources around the world. Through such attacks, according to the call, al-Qaeda hopes to “strangle” the U.S. economy. 1 Such proclamations give fodder to those who highlight the possibilities that liquefied natural gas (LNG) could be used as a lethal weapon of mass destruction. Industry officials on the other hand point out the improved security measures in place as a result of 9/11. While the U.S. continues to pursue LNG as a way to diversify its natural gas resources in order to meet anticipated future shortfalls and increase energy security, opponents and proponents of LNG have been locked in a bitter debate with no solid conclusion. Proponents are correct in that both safety and security measures currently in place make LNG terminals and ships extremely hard targets for terrorists. However, **it would be imprudent to believe that terrorists are either incapable or unwilling to attack such targets. It would be equally imprudent to assume that these targets are impenetrable**. If anything, in today’s environment, insiders will always remain a potential threat. Dangerous Assumptions On 1 February 2007, the media reported on a study by former White House counterterrorism chief Richard A. Clarke who worked as a consultant to a firm proposing an LNG terminal in eastern Baltimore County. Clarke is said to have released a two-page summary of his report on the proposed Sparrows Point LNG terminal in the Baltimore area. In it, he stated that the terminal would be located sufficiently far from homes and schools and would therefore pose “no threat.” Clarke, according to media reports, went on to justify his findings by saying that terrorists “want to kill people. They want to kill hundreds of people.”2 Therefore, since the proposed terminal would be located 1.2 to 1.3 miles from the Dundalk neighborhood of Turners Station, according to Clarke, it would not be a sufficiently attractive target for terrorists. Additionally, he said that the facility would not be close enough to Washington to be a “symbolic target.” 3 However, recent studies run counter to Clarke’s alleged conclusion. One of the best ways to study al-Qaeda, or any other terrorist group, is through an analysis of historical trends. In early 2007, Rand Corporation released a lengthy analytical report on terrorist targeting preferences for the Department of Homeland Security. The paper focused on 14 terrorist attacks in which al-Qaeda was believed to have been somehow involved, either through association, sponsorship or direction. According to the study, 10 out of the 14 attacks analyzed had either a medium or high casualty potential. In other words, these attacks were meant to kill people—a lot of people. However, the other four attacks had a low casualty potential. The study further showed a desire to damage the economy, with 10 of the 14 attacks indicating a medium or high potential to damage the economy and the other four with a low potential. Based simply on the Rand study, Clarke’s statement that the proposed terminal location would pose “no threat,” is a dangerous assumption which leaves no room for error because **al-Qaeda and its associates**, through propagations distributed via the Internet, **have already expressed an interest in crippling the U.S. economy**. To further compound the argument against Clarke’s conclusion, energy experts expect LNG imports into the U.S. to increase dramatically through 2030. **This shift could potentially make LNG an even more desirable target as the U.S. becomes increasingly dependent on LNG to satisfy its growing natural gas consumption habits**. Few groups are capable of implementing an attack on LNG. However, **an attack on LNG would fit well with al-Qaeda’s tactics, techniques and procedures**. al-Qaeda is a radical Sunni Muslim organization with approximately 50,000 members located at various bases of operations in 45 countries. In addition to its own members, al-Qaeda’s network includes groups operating in up to 65 countries. alQaeda’s objective is to serve as a “defensive jihad” fighting against anyone or anything it perceives as attacking Muslims across the world. As a result, the group’s aim is to overthrow nonIslamic (or insufficiently Islamic) regimes that seem to oppress their Muslim citizens. In 32 incidents traced back to alQaeda, there were 3,464 deaths and 8,864 injuries. Although there has never been an attack against either an LNG terminal or tanker, **maritime terrorism has been a core part of al-Qaeda and its affiliates’ historical strategy**. In 2000, suicide bombers rammed the USS Cole in Yemen, killing 17 sailors. In 2002, terrorists rammed the Limburg, a French oil tanker carrying 400,000 barrels of crude oil. There have reportedly been indications of terrorists planning to hit LNG tankers. In November 2002, the capture of Abd alRahim al-Nashiri, al-Qaeda’s operational commander in the Gulf region, brought to light the idea that terrorists were already planning to go after such targets. Nashiri, allegedly a specialist in maritime operations, had already played a key role in the attack on the USS Cole and the Limburg. According to a Western counterterrorism official during an interrogation, Nashiri indicated that alQaeda had information on the vulnerability of supertankers to suicide attacks and the economic impacts they would have. The official informed The Daily Star that al-Qaeda had a naval manual describing “the best places on the vessels to hit, how to employ limpet mines, fire rockets or rocket-propelled grenades from high-speed craft, and turn LNG tankers into floating bombs. They (terrorists) are also shown how to use fast craft packed with explosives and the use of trawlers, or ships like that, that can be turned into bombs and detonated beside bigger ships or in ports, where petroleum or gas storage areas could go up as well. They (manuals) even talk of using underwater scooters for suicide attacks.” According to Dan Verton in his book Black Ice: The Invisible Threat of Cyberterrorism (2003), “al-Qaeda cells now operate with the assistance of large databases containing details of potential targets in the U.S. They use the Internet to collect intelligence on those targets, especially critical economic nodes, and modern software **enables them to study structural weaknesses in facilities as well as predict the cascading failure effect of attacking certain systems.”**6 al-Qaeda is a “goal-driven organization.” This means that they take action toward an end goal of affecting the “future state of the world.” al-Qaeda’s ultimate goal is to establish “an Islamic caliphate,” which will ultimately extend across the global Islamic community The biggest obstacle to accomplishing this is the U.S. **Therefore**, in order to try to achieve this goal, **al-Qaeda must first bring down the U.S**. 7 With America’s growing appetite for natural gas, LNG could potentially become one of al-Qaeda’s targets. The 2007 Rand study, entitled Exploring Terrorist Targeting Preferences, not unexpectedly, lists capability and motive as the two variables that can best predict the probability that al-Qaeda, or one of its affiliates, will select a target. It would be impossible for an attack to occur with only one variable. In other words, alQaeda must first have a motive. Once a motive is established, the group must then possess the capability to carry out its selected mission. Without capability, the attack cannot occur, at least not successfully. Capability includes financial backing, technology, flexibility in movement, physical access to target or target area, ability to penetrate security of a target or target area, ability to conduct reconnaissance and planning, external links to sources of information/weapons/ technology, and sophistication of media. The Rand study broke down al-Qaeda’s motivational factors into four plausible groups. These four factors are coerce, damage, rally and franchise operations. Coerce: al-Qaeda’s desire is to “coerce” the U.S. and its Western allies toward a specific goal by causing pain, most likely through casualties. A successful attack on LNG has the potential to be deadly. Damage: al-Qaeda’s desire is to reduce the ability of the U.S. to intervene in the Islamic world. This would likely be accomplished by somehow damaging the economy. Under the damage hypothesis, al-Qaeda has already repeatedly demonstrated the desire to try to cripple the U.S. economy through both its propagations (i.e.: its call to attack oil and gas sources to “strangle the U.S. economy”) and through a pattern of historical terrorist acts, both successful and unsuccessful, many of which affected the economy to some degree. While the bombing of the World Trade Center was clearly motivated by a desire to take as many lives as possible, it also had a strong impact on the economy.8 An attack on LNG would also have an impact on the economy. The extent of that impact would depend upon the extent of the damage, coupled with the human-emotion factor, discussed a little later. Rally: al-Qaeda’s desire is to rally support in the Muslim world. Under the rally hypothesis, hard targets symbolize U.S. strength and are the most difficult targets to penetrate. Three of the 14 terrorist attacks analyzed by Rand were hard targets. “By striking and destroying them, al-Qaeda has been able to underscore its credentials as a meaningful force, establishing a benchmark of power that it has then used to build morale among existing members and attract new recruits.” 9 Indeed, alQaeda tends to hit soft targets more frequently than hard targets. However, it has already proven it is willing to hit hard targets. With the numerous security measures implemented in every LNG shipment, LNG terminals and tankers are extremely hard targets. **The added publicity surrounding LNG terminals in the U.S. could potentially draw increased appeal to them as targets for terrorist groups** hoping to send out a strong message on their strength and potential, which could lure more support. Franchise: al-Qaeda might not possess the means or capability to carry out a particular terrorist act and, therefore, a like-minded terrorist group might assume the task instead. Under the franchise hypothesis, since 9/11 and the global war on terrorism (GWOT), the U.S. has managed to destroy much of al-Qaeda’s infrastructure in Afghanistan. However, some analysts believe that rather than destroying bin Laden’s movement, the GWOT has actually “given rise to new, less predictable organizations composed of dozens of like-minded extremists.” If al-Qaeda is unable to execute an attack on LNG, perhaps a lesser known extremist group would step in unexpectedly. The Rand study found that the majority of terrorist acts committed fell under at least two categories of the above hypotheses. For example, the 1993 bombing of the World Trade Center, in which a car bomb was detonated in the underground parking garage, killing six people, and injuring 1,042, falls under the categories of coercion and damage. This attack was meant to cause mass casualties while also impacting the economy. 9/11 falls under three categories – coerce, damage and rally. It caused mass casualties, impacted the economy and rallied support in the Muslim world**. A well executed attack on the U.S. LNG infrastructure would fall under three categories or even potentially under all four categories.**

#### LNG attack causes extinction

Lovins, Rocky Mountain Institute chief scientist, 2001

(Amory, “Brittle Power”, <http://files.uniteddiversity.com/Energy/BrittlePower.pdf>, DOA: 7-12-12)

LNG is less than half as dense as water, so a cubic meter of LNG (the usual unit of measure) weighs just over half a ton.1 LNG contains about thirty percent less energy per cubic meter than oil, but is potentially far more hazardous.2 Burning oil cannot spread very far on land or water, but a cubic meter of spilled LNG rapidly boils into about six hundred twenty cubic meters of pure natural gas, which in turn mixes with surrounding air. Mixtures of between about five and fourteen percent natural gas in air are flammable. Thus a single cubic meter of spilled LNG can make up to twelve thousand four hundred cubic meters of flammable gas-air mixture. A single modern LNG tanker typically holds one hundred twenty-five thousand cubic meters of LNG, equivalent to twenty-seven hundred million cubic feet of natural gas. That gas can form between about twenty and fifty billion cubic feet of flammable gas-air mixture—several hundred times the volume of the Great Pyramid of Cheops. About nine percent of such a tanker load of LNG will probably, if spilled onto water, boil to gas in about five minutes.3 (It does not matter how cold the water is; it will be at least two hundred twenty-eight Fahrenheit degrees hotter than the LNG, which it will therefore cause to boil violently.) The resulting gas, however, will be so cold that it will still be denser than air. It will therefore flow in a cloud or plume along the surface until it reaches an ignition source. Such a plume might extend at least three miles downwind from a large tanker spill within ten to twenty minutes.4 It might ultimately reach much farther—perhaps six to twelve miles.5 If not ignited, the gas is asphyxiating. If ignited, it will burn to completion with a turbulent diffusion flame reminiscent of the 1937 Hindenberg disaster but about a hundred times as big. Such a fireball would burn everything within it, and by its radiant heat would cause third-degree burns and start fires a mile or two away. An LNG fireball can blow through a city, creating “a very large number of ignitions and explosions across a wide area. No present or foreseeable equipment can put out a very large [LNG]... fire.”7 **The energy content of a single standard LNG tanker (one hundred twenty-five thousand cubic meters) is equivalent to seven-tenths of a megaton of TNT, or about fifty-five Hiroshima bombs.**

#### Port security is on the brink now- funding is key

TNS 2011

(Targeted News Service, "10 Years After 9/11, Security Still a Top Priority of U.S. Ports," 8-31, lexis)

In the decade since Sept. 11, 2001, America's seaports and the federal government have joined forces to make major gains in fortifying and hardening port facilities against intruder attack. Since then, public port authorities have made terrorism detection and prevention one of their top priorities. With the combined efforts of port authorities and initiatives of federal agencies within the FBI and Department of Homeland Security (DHS), including the U.S. Coast Guard, Customs and Border Protection (CBP), Transportation Security Administration (TSA), Federal Emergency Management Agency (FEMA), Immigration and Customs Enforcement and the Domestic Nuclear Protection Office, ports are significantly safer now than prior to 9/11. "For centuries, seaports have been a vital part of this nation's transportation infrastructure, and safe, secure seaport facilities are critical to protecting our borders and moving goods," said Kurt Nagle, American Association of Port Authorities' president and CEO. "Regrettably, the more than 50 percent funding level cut recommended for FEMA's State and Local Program grants, which includes the Port Security Grant Program, could impact the current security capabilities of many U.S. ports as well as hamper their ability to carry out their five-year port protection plans." He added, "With the death of Bin Laden, critical **infrastructure** facilities, such as ports, are being asked to be extra vigilant to protect against retaliatory terrorist attacks. In addition to making continued enhancements, the Port Security Grant Program helps pay for maintaining and replacing our current security assets at ports." Security Improvements Significant, But Costs High The comprehensive Maritime Transportation Security Act (MTSA) of 2002, and the Security and Accountability For Every (SAFE) Port Act of 2006 changed the way ports handle cargo and passenger movements. To implement the security measures in this legislation, America's ports and their terminal operators have invested billions of dollars into security personnel and training, enhancements to perimeter security, access control and credentialing systems, interoperable communications technology, and waterside security such as patrol boats, vessel tracking and underwater threat detection systems. While federal Port Security Grant Program funds have helped pay for the sweeping security overhaul at U.S. ports, the grants oftentimes require ports to pay a 25 percent "cost-share," pay 100 percent of their security program operations, management and policing personnel expenses (representing the highest ongoing cost for security at most ports), and limit infrastructure construction costs to 10 percent of the grant total. Furthermore, in addition to the huge funding cuts proposed for fiscal 2012 and beyond, the lumping of port grant funds with other State and Local Program grants--such those for first responders, urban areas and transit systems--will likely result in even less funding for port security. Although insufficient security grant funding is a chief concern among ports, there is also a significant concern about the time delay between when DHS announces grant awards and when it completes all reviews and gives grantees authority to begin their security improvements. Consequently, AAPA has urged DHS to streamline their processes and get funding out more quickly. Port Security More than Guns, Gates and Guards In representing the broad security needs of its members, AAPA's Security Committee and a Port Security Task Force meet regularly to discuss port security and share best practices and lessons learned. The Security Committee conducts an annual Port Security Seminar and has developed a comprehensive port security manual. The industry also maintains ongoing liaison with the federal government's lead port and maritime security agencies. These dialogues address timely security issues such as the Transportation Worker Identification Credential (TWIC), which the TSA and Coast Guard implemented 2007 to ensure those seeking access to secure port areas can be positively identified, have authorization to enter the facility and do not pose a terrorist risk. In concert with public port authorities and terminal operators, the Coast Guard is charged with routinely inspecting and assessing the security of U.S. port facilities and the vessels that call those facilities, in accordance with the MTSA and the International Ship and Port Facility Security Code. Since 9/11, the Coast Guard has instituted innovative programs such as Maritime Safety and Security Teams, enforced security zones, increased its intelligence gathering and analysis capabilities, expanded its partnerships with the maritime industry, international organizations, federal, state and local agencies, and has joined with other agencies within DHS to strengthen U.S. borders and protect America's ports and waterways. The Coast Guard also cross-checks crew lists against terror watch lists in advance of arriving ships. Additionally since 9/11, CPB has initiated: the Container Security Initiative to examine high-risk, U.S.-bound containerized cargoes at foreign ports; the 24-Hour Rule, which requires cargo manifests be submitted a least a day ahead of ship arrivals; C-TPAT which provides expedited inspections for U.S. importers that voluntarily work with CPB to improve baseline security standards for supply chain and container security; and large-scale X-ray, gamma ray and radiation detection devices at U.S. ports to scan the contents of inbound cargo containers. Progress Must Continue Among the materials Navy SEALS found in Osama Bin Laden's Pakistan hideout were plans showing the maritime industry is still a key Al-Qaida target. Given ongoing threats such as these, the seaport industry is asking Congress and the Administration make port security a top funding priority in current and future appropriations rather than considering it for funding cuts. AAPA is strongly in favor of reauthorizing the SAFE Port Act to ensure that U.S. port facilities and cargoes remain secure. One such bill, S. 832, was introduced in April by Sens. Susan Collins (R-ME) and Patty Murray (D-WA), which would authorize $300 million a year for five years for the Port Security Grant Program and reauthorizes, among other aspects of the original bill, the Container Security Initiative, C-TPAT and the Automated Targeting System to identify high-risk cargo. Since 9/11, the Port Security Grant Program has received about $2.6 billion in funding for 11 rounds of grant awards. AAPA commends Congress and the Administration for these allocations and will continue to recommend the federal government commit $400 million a year for a separate and dedicated program to help port facilities enhance their physical security. The association supports a risk-based evaluation process that allows all facilities that are required to meet MTSA regulations to apply. "Clearly, America's ports have become much more secure since 9/11. In addition to guarding against cargo theft, drug smuggling, human trafficking and stowaways, ports and their law enforcement partners have added the protection of people and facilities from terrorism to their security plate," remarked Mr. Nagle. "There's no question that more investments in security equipment, **infrastructure**, technology, personnel and training will be needed. All parties--the ports, terminal operators, the various government agencies, and the Administration and Congress--must do their part in undertaking and funding these enhancements. Only by continuing to make port security a top priority will America's seaports be able to continue serving their vital functions as trade gateways, catalysts for job creation and economic prosperity, and important partners in our national defense."

#### Proper infrastructure funding deters attacks in the first place

Tonawanda News 2009

("Homeland Security," 12-9, lexis)

The UASI grants are designed to enhance the ability of state, territory, local and tribal governments to prepare for, prevent, respond to and recover from terrorist attacks and other disasters. Funding is awarded to select high-threat, high-density urban areas that are at a higher risk for terrorist attack. Port security funding will be used for the protection of infrastructure from potential terrorist attacks. "Western New York has extensive security needs and the burden shouldn't be placed on local taxpayers to foot the whole bill," Schumer said in a press release. "This funding will help reduce the financial burden and allow our local law enforcement to deal with terrorism and at the same time deal with equally important day-to-day duties. Providing anti-terrorism funding to the Buffalo-Niagara area is essential to deterring a future terrorist attack."

### Terrorism – Impact – Economy

#### Attack on US ports collapses global economy

Allison, Belfer Center for Science and International Affairs director, 2012

(Allison, “South Korea and the Nuclear Security Summit”, 3-26, online pdf, DOA: 7-12-12)

Economic Impact: what would the impact on South Korea be of a nuclear bomb exploding in one of the other great cities of the world? A study by the RAND Corporation estimated that direct economic costs of a nuclear terrorist attack on a US port would exceed $1 trillion, **about ten times the cost of 9/11**. There would be immediate pressure to close all US ports to prevent another attack. Given that US ports carry out 7.5% of all global trade activity, **the consequences for the world economy would be catastrophic**. Countries with strong export sectors, especially those highly dependent on maritime trade, such as South Korea, would be particularly affected.  South Korea is the 13th biggest economy in the world, but its 8th biggest exporter and 9th biggest importer. As well as the immediate impact from greatly restricted international trade, South Korea’s economy would suffer from the global financial crisis and recession that would almost certainly follow in the wake of the nuclear attack.

### Terrorism – A2: LNG Impact Defense

#### They don’t need a nuclear bomb to kill everyone

Jaubert, former French navy officer and marine engineer, 2012

(Herve, “Boston: Catastrophic Next Terrorist Attack in the US?”, 1-18, http://compasspaper.com/boston-catastrophic-next-terrorist-attack-in-the-us-p6057-116.htm, DOA: 7-12-12)

**Terrorists can destroy an entire city without the need of an atomic weapon**. They know they could never detonate a nuclear device on US soil because it is too difficult to build and extremely expensive. And due to the highest scrutiny there can be on nuclear material, it would be almost impossible for terrorists to acquire the components to build an atomic bomb or get a military warhead in complete secrecy. But there is something else that can be turned into a weapon of mass destruction: a Liquid Natural Gas tanker, and there are many coming to the US already. A single LNG tanker carries billions of cubic feet of volatile cargo that can be effectively used as a WMD with apocalyptic consequences. The vulnerability of LNG tankers has already fueled the controversy over the danger posed by these huge floating gas bombs**. A suicide mini-submarine blowing up an LNG tanker could release and ignite astronomical amounts of natural gas and cause widespread death, destruction, and chaos similar to a nuclear explosion.**

## Solvency

### Solvency – 1AC

#### Annual HMT surplus sufficient to solve

Leone, MPA port director, 2012

(Michael, “Harbor Maintenance Funding and Maritime Tax Issues," CQ Congressional Testimony, 2-1, lexis)

As a result, only about 35% of America's navigation channels are currently at their authorized depth and width, which means that vessels calling our ports cannot be fully loaded or may be restricted to a one way transit. The entire maritime industry, therefore, is grateful for the oversight provided by your committees to ensure this tax on port users is used for its intended purpose -- ensuring that the navigation channels leading to our ports are regularly dredged to their authorized dimensions so that vessels calling our ports can deliver essential commodities and can take American made products to its global customers. Only with regular investments in dredging can these critical parts of our national transportation system continue to serve as gateways for the more than two billion tons of domestic, import and export cargo they are expected to handle each year, which in turn helps keep American businesses - both large and small - competitive in world markets. This concern is even greater today as East and Gulf Coast ports prepare for the larger vessels that will be transiting though an expanded Panama Canal. What is frustrating for many port directors who have dredging needs that go unmet is that **the money** for these projects **is available**. The users of our ports and harbors still pay their full share for maintenance dredging - over one dollar for every thousand dollars worth of imported and domestic cargo they move - while only getting back half as much benefit in return. Current estimates are that users of our nation's waterways are paying approximately $1.4 billion per year in harbor maintenance taxes which is about the amount the Army Corps of Engineers has determined is the annual need for maintenance dredging. Yet, this past fiscal year only about $820 million was appropriated for channel maintenance. That still leaves, according to the most recent estimates I've seen, a surplus in the Harbor Maintenance Trust Fund of about **$6.4 billion** and growing. This shortfall in funding is of particular concern to regional or niche ports, which are usually not included in the President's budget, because they generally handle less tonnage than the major container and bulk cargo ports. There are many ports in Massachusetts in need of maintenance dredging , for example, which could be completed if all of the HMT was appropriated each year. Not every port will need to have channels that are 50-feet deep in order to handle the largest ships that will traverse the expanded Panama Canal when that modernization project is set to be complete in 2014. But many will, and others will need to be dredged to handle the larger vessels that will be used in moving cargo from the larger hub ports to regional ports. In the meantime, individual ports have been dredging our own berths at our own cost, buying cranes that can handle these larger vessels, and investing in terminal infrastructure. Indeed, it's estimated that seaports invest more than $2.5 billion every year to maintain and improve their infrastructure, which is why ports are often discouraged that federal investments in maintenance dredging have not kept pace with their own. The larger issue is that spending on maintenance dredging is particularly critical at this time, and not only because of the larger ships that ports will soon be expected to handle, but to ensure that the Administration's National Export Initiative of doubling U.S. exports can be fulfilled. U. S. ports are the gateways for international trade and having a modern, reliable and cost-effective marine transportation system will expedite the delivery of U.S. exports to the global marketplace. Delays in the movement of exported cargo will only hurt the competiveness of U.S exports. As is true throughout the country, the Port of Boston is a vital economic engine for the New England region -- carrying cargo, opening markets for domestic goods, creating jobs and generating economic prosperity for our citizens. American seaports carry all but about 1% of the country's overseas cargo. They help generate almost 30% of Gross Domestic Product and support more than 13 million jobs. America's economic future depends on modern ports with facilities adequate enough, and channels deep enough, to keep pace with the demands of the global economy. It is now critical that Congress honor its pledge to maintain the nation's ports and harbors with the revenue provided by users. This can be accomplished through a shift in funding priorities in both the Congress and within the Administration, given that **annual revenue is available and adequate to meet current needs**. I would also urge the passage of H.R. 104 that would require that the annual Harbor Maintenance Tax revenue be made fully available to the Army Corps of Engineers for maintenance dredging in its annual appropriation. I, along with many other Port Directors, strongly support passage of H.R. 104 so that our marine transportation system can remain efficient and continue to serve as a national and regional economic engine.

### Solvency – A2: Dredging Not Key

#### Dredging key-otherwise martime industry and US economy will collapse

Weakley, Lake Carriers’ Association president, 2008

(James, “Realize America’s Maritime Promise”, 4-30, <http://www.ramphmtf.org/speeches_043008.html>, DOA: 7-12-12)

Port-related jobs are critical to augment our economy. Direct and indirect jobs generated by ports result in the employment of more than 8 million Americans who earned and spent $314.5 billion in 2006. Every $1 billion in exports alone creates an estimated 15, 000 new jobs. In Texas alone one in every four jobs is linked to trade. ¶ America´s deep-draft navigation system is at a crossroads, with a future that can be bright or bleak. Our waterways´ ability to support the Nation?s continuing growth in trade and in the defense of our Nation, hinges on much-needed Federal attention to unresolved funding needs that are derailing critical channel maintenance and deep-draft construction projects of the water highways to our ports. Because most ports do not have naturally deep harbors, they must be regularly dredged to allow ships to move safely through Federal navigation channels. Also, as modern vessels increase in size, navigation channel depths must increase accordingly, if we are to continue to be a player on the international marketplace. A recent U.S. Army Corps of Engineers study reports that almost 30 percent of the 95, 550 vessel calls at U.S. ports are constrained due to inadequate channel depths. Ladies and gentlemen, these are the things that cause port directors nightmares.¶ Without a channel dredged to its authorized depth, nothing else comes into play. Attracting new customers, dealing with labor issues, environmental concerns, and the public - all go away - because without a properly-dredged channel, business goes away. Public ports are at a critical state in keeping their channels open for business. We are losing existing business and potential new business to ports outside of the United States and once lost, it is rarely regained. ¶ Dredging can literally make or break our industry, and a lack of dredging is an issue throughout the United States. In fact, it is not an overstatement to say that in many parts of the United States, we face a dredging crisis. On the Great Lakes, as Chairman James L. Oberstar of this Committee and Chairman David R. Obey of the Appropriations Committee well know, decades of inadequate funding for dredging have left a backlog of 18 million cubic yards of sediment. The U.S. Army Corps of Engineers estimates removing the backlog will cost more than $230 million on the Great Lakes alone. In some cases, ports on the Great Lakes have actually shutdown due to inadequate dredging. There are similar examples of dredging problems in ports and harbors on all coasts of our Nation. ¶ In many cases, vessels must ?load light? because of dredging shortfalls. The economic implications of light loading are enormous. On the Great Lakes, for example, vessels lose between 50 to 270 tons of cargo for each inch they must reduce their draft and, in some areas, the lost draft is measured in feet, not inches. Light loading because of inadequate dredging impacts everyone. A ship that is light-loaded reduces its efficiencies in the same way that a commercial airplane that is required to set aside seats with no passengers would quickly lose its efficiencies. ¶ The Harbor Maintenance Trust Fund¶ The Harbor Maintenance Tax and the Harbor Maintenance Trust Fund were established in the Water Resources Development Act (WRDA) of 1986. The Trust Fund (HMTF) applies a 0.125 percent ad valorem tax on the value of commercial cargo loaded or unloaded on vessels using Federally-maintained channels. The tax is only assessed on imports and domestic cargo, as it was ruled as an unconstitutional assessment on exports in a 1998 Supreme Court ruling. This Fund - that you, members of Congress - established, was authorized to be utilized to recover 100 percent of the U.S. Army Corps of Engineers eligible Operations and Maintenance (O&M) expenditures for commercial navigation, along with 100 percent of the O&M cost of the St. Lawrence Seaway, certain costs of NOAA, and the costs to Customs to collect the tax. ¶ Fixing the Problem¶ Ladies and gentleman - would it surprise you to know that this utilization has not been honored? HMTF revenues exceed transfers for authorized activities by an increasing margin. Yet, our Federal channels are not being maintained at authorized depths. The Fund is being held hostage to paper balance the budget - interestingly, not one of its legal uses. In 2007, the HMTF began with a $3.3 billion surplus and collected an additional $1.4 billion - resulting in a $4.7 billion surplus, while only $751 million was utilized for maintenance dredging. That is incredible. I would ask that you consider this analogy offered by my colleague in a Gulf Coast port: "What would you say to a toll booth operator who took your money to use the toll road only to then tell you that the road was unusable?"? ¶ That is what is happening to shippers who pay this tax every day. We must solve this problem. We must draft legislation that mandates that the Fund be utilized for its intended purpose - the maintenance dredging of Federal ports and harbors. There are a number of ways to address this problem. As you know, other modes of transportation - surface transportation and aviation ? have faced similar problems in the past decade. Although we are in the early stages of addressing this problem, our Coalition believes Congress should consider an approach similar to that taken with the Highway Trust Fund in 1998 and with the Airport and Airway Trust Fund in 2000. In those cases, Congress legislatively enacted "firewalls" around the Trust Funds ? essentially guaranteeing minimum levels of spending that could only be used to support eligible projects. Although there are some variations between the Highway, Aviation, and Harbor Maintenance Trust, the point of a firewall in each case is the same - ensuring that monies from a tax would be used for their intended purpose and not merely for deficit reduction.

### Solvency – A2: Status Quo Solves

#### Status quo can’t solve-regulations make projects take 13 years

Davidson, USA Today writer, 3-20-12

(Paul, “USA's creaking infrastructure holds back economy”, http://www.usatoday.com/money/economy/story/2012-05-20/creaking-infrastructure/55096396/1, DOA: 7-12-12)

**Far more revenue is jeopardized by outdated seaports on the East and Gulf coasts**. A half-dozen ports can't handle new larger ships with greater container capacity because the harbors are too shallow, says [Paul Anderson](http://content.usatoday.com/topics/topic/Paul+Anderson), CEO of the Jacksonville Port Authority. That raises shipping costs and delays exports of steel, factory machines and computers that may sit at docks for days. Delivery times and costs are also higher for imports of electronics, apparel and other goods , boosting retail prices. While some larger ships can dock at the port of Savannah during high tide, they can't load to full capacity and must typically wait up to six hours for the tide to come in, says Curtis Foltz, head of the [Georgia Ports Authority](http://content.usatoday.com/topics/topic/Georgia+Ports+Authority). The need to accommodate bigger ships will become even more dire after the [Panama Canal](http://content.usatoday.com/topics/topic/Panama+Canal) is widened in 2014, allowing big ships from Asia to cross from the [West Coast](http://content.usatoday.com/topics/topic/Places,+Geography/Regions/West+Coast) to the Eastern U.S. There are plans to deepen several ports, **but project studies by multiple federal agencies take about 13 years. By contrast, Brazil, India, China and** [**Southeast Asia**](http://content.usatoday.com/topics/topic/Places,+Geography/Regions/Southeast+Asia) **are dredging ports in as little as three years,** including planning and construction, Anderson says. Meanwhile, U.S. and foreign companies often turn to countries with modernized ports. Caterpillar, the world's top maker of construction and mining equipment, has moved 30% of its exports and 40% of imports to Canadian ports in recent years, costing U.S. ports tens of millions of dollars a year in revenue. "We can get our exports and imports to market faster and at lower costs," Caterpillar Chief Financial Officer Ed Rapp says of the move.

#### Status quo can’t solve-consistent federal funding is key to sustain projects

Hassan, Oakland North reporter, 2012

(Amna, “Port still waiting on federal funds for dredging”, 4-20, <http://oaklandnorth.net/2012/04/20/port-still-waiting-on-federal-funds-for-dredging/>, DOA: 7-13-13)

In September 2009, after a hard battle to secure federal funds, Port of Oakland officials and local politicians celebrated completion of a 10-year, $432 million project to deepen the port channels to 50 feet. The dredging project was meant to allow the port to host massive cargo ships and usher in an era of booming business.¶ Less than three years later, those business dreams have run aground over funding delays that hamper maintenance dredging. As of a few months ago, up to four feet of silt and sediment still clogged the channel floor, forcing the port to limit the weight of entering vessels and cramping its business.¶ The Port of Oakland is the heart of Oakland’s economy, generating $6.8 billion in revenue and $462.7 million in taxes in a year, and generating around 73,600 jobs in the area. But ports are subject to the constant effects of time and tide, with bay waters constantly threatening to remodel channel floors with sand and silt deposits.¶ The Port of Oakland was allocated $18 million in FY 2011 and $17.2 million in FY 2012 by the federal government for a dredging project that would clear the channels by the end of April. Currently, the US Army Corps of Engineers is evaluating the work the contractors have done to gauge whether it has been successful. But if the port is to run at full capacity throughout the year, the regular build-up along the channels’ floors needs to be addressed as soon as it occurs.¶ The federal government has been collecting the Harbor Maintenance Tax from port customers for years with the specific purpose of port maintenance and dredging. When the government increased the tax in 1990, it did so with the explicit promise that all dredging needs would be met with funds collected from the tax, according to Port of Oakland’s spokesperson Marilyn Sandifur. Today, in the long, drawn-out battle over port funds, Port of Oakland officials claim the government has not released sufficient funds for maintenance over the years, and the proof is in the channels’ depths.¶ ¶ The funds for dredging all federal channels or waterways come directly from the Harbor Maintenance Trust Fund (HMTF), and releasing these funds requires convincing government officials that a port needs them. The Army Corps of Engineers makes the initial budget request through its headquarters, based on its in-house labor expenses and project costs. The Federal Office of Management and Budget then develops the president’s budget. “Their proposal is often not the full amount that we are capable of executing in a given year,” says Jessica Burton Evans, the Navigation Program Manager for the US Army Corps of Engineers in San Francisco. “But they have to consider other federal expenses.”¶ The final allocation is made based on the president’s request to Congress. Once Congress approves the request, the money is released by the Federal Office of Management and Budget to the U.S. Army Corps of Engineers, and the Corps in turn prioritizes project-level funding, such as the need for dredging in Oakland.¶ “Just because the president has made the request doesn’t mean that is what Congress is going to fund,” says Jim Haussener, Executive Director of the California Marine Affairs and Navigation Conference.¶ “We had a continuing resolution for FY 2011 which allowed the Corps of Engineers to move the money around,” Haussener says. The continuing resolution allows the Corps to fund projects at a previous level, if a bill dictating the distribution has not been enacted that year. “The President’s budget request for 2011 was $7.5 million. Because there was a continuing resolution, the allocation that finally came out for the Corps was $18 million,”says Haussener.¶ Because the amount of money a port receives to clear the mud and silt from its channels can change, that leaves port authorities dependent on each year’s allocation process and on yearly surveys by the Corps to gauge the depth of all federal navigation channels.

#### Status quo doesn’t solve

Szakonyi, Journal of Commerce associate editor, 2012

(Mark, “The Hill Ramping Up Dredging Efforts”, 5-7, proquest)

Ports will actually get less dredging help in the next fiscal year than in fiscal 2012, however, said Barry Holliday, executive director of Dredging Contractors of America. Funding tied to military project dredging and disaster relief pushed total maintenance dollars to about $1.1 billion in fiscal 2012. The latest appropriation shows a congressional willingness to spend more, even if the full allocation of HMTF dollars would fall short in tackling port needs, Holliday said.¶ The Realize America's Maritime Promise Act, or RAMP Act, has been the major driver in convincing Congress the HMTF needs reform and more spending is needed. The legislation was included in the House's 90-day extension, which paved the way for the chamber to begin conferencing with the Senate on the surface transportation bill. The Senate has similar but less forceful language in its two-year, $109 billion plan.¶ This boosts the chances that HMTF reform language will make it in the final version of the transportation bill, but it's just the first step in blocking appropriators from shifting money out of the fund for non-dredging purposes. Even if the RAMP Act language is adopted, it's not a mandate. Supporters would have to call a point of order in appropriation committees to slap the hands of would-be siphoners, Bea said.¶ Despite the positive signs for ports, they are still stifled in getting authorization and funding for new major navigation projects. Historically, the Water Resources Development Act has been the vehicle for ports to get authorization for such projects, and funding is granted separately through the annual appropriations process. The last WRDA was in 2007, and there is no new version on the horizon. Even if there were, it's unclear how it would proceed under the House's ban on earmarks and the Senate's similar stance. Not only do the earmarks allow legislators to include language relating to their home ports, but they also provide impetus for representatives and senators to back the bill.¶ The federal uncertainty hits the East Coast particularly hard, because only a few ports have the funding and approval necessary to deepen their channels. Ports such as Savannah, Ga., and Charleston, S.C, need deeper harbors to handle larger ships able to pass through the expanded Panama Canal in 2015. That supporters of Charleston and Savannah are preparing to take on the deepening expenses themselves reflects just how little optimism there is for federal help.

#### Even if private capital is available-federal action is necessary

Gibbs, Ohio Congressmen, 2011

(Bob, “The Economic Importance of Seaports: Is the United States Prepared for 21st Century Trade Realities?”, 10-21,<http://republicans.transportation.house.gov/Media/file/112th/Water/Water%20Briefing%20Memo%20%20%2010-26-11.pdf>, DOA: 7-13-12)

Infrastructure Investment Investing in ports not only creates jobs during the construction period, but supports wider and long lasting opportunities. Knowing the value of maritime trade, localities and port authorities have invested in the infrastructure of their ports. The AAPA finds that American ports are investing $2 billion annually in marine terminal capital improvements. The Port of New Orleans has spent $400 million in recent years on landside improvements that make it more efficient and attractive to shippers. Acknowledging that 12% of the country's international containers pass under the Bayonne Bridge, The Port Authority of New York and New Jersey have pledged $1 billion toward the bridge retrofit that will allow for Post Panamax ships to sail under it and into the Atlantic Coast's busiest port. The cost benefit analysis of the project estimates that this single project will provide a $3.3 billion dollar annual national benefit. Local investments optimize existing infrastructure and increases port efficiency; however, many projects are required to utilize Federal funds and processes. ¶ The operation and maintenance of shipping channels is paid for by the Harbor Maintenance Trust Fund (HMTF), which is funded from a .125% ad valorum tax levied on cargo imports at American ports. The HMTF is a user fee that grows based on the value of cargo coming to ports. These monies pay for the necessary dredging that keeps navigation channels open for business. In fiscal year 2010, the HMTF grew by $1.3 billion; however, only $828,550,000 was spent in total operations of the fund as the balance was diverted to deficit spending. Because the HMTF is not \_off-'book' on paper there is a balance, however the reality is that all of the balance has been used to offset other government spending. Because of this inequitable allocation, many of the country's most valuable navigation channels are under maintained, reducing the cost effectiveness and efficiency of maritime trade. ¶ While some FY 2012 presidential budget requests reflect goals of the NEI, in the areas of navigation there appears to be a disconnect between the production of exports and the transportation of exports overseas. The International Trade Administration request was $526 million towards the administration costs of implementation. Thirty million dollars of Small Business Administration grants are to be disbursed to states to support export activities. Transportation is addressed in the President's budget request with a sweeping surface transportation authorization request and $70.5 billion to fund the Federal Highway Administration. However, maritime trade, the most prevalent form of exportation, does not receive as much funding necessary to support a significant development much less doubling exports. ¶ The President's Army Corps of Engineers Civil Works program appropriation request in the Administration's FY 2012 budget submittal is $4.631 billion, which is approximately 6.1% below the annualized Continuing Resolution for FY 2011 of $4.929 billion. These funds are distributed to the many missions of the Corps civil works program including investigations, construction, operations and maintenance, levee safety, flood control and environmental restoration. The Corps budget has a profound effect on waterborne commerce as it shoulders the bulk of coastal infrastructure development and operation and maintenance activities. Unlike surface transportation funding, there is no Federal credit assistance programs for the construction, operation and maintenance of ports' navigation channels. Even local ports with willing investors are often required to wait on Federal appropriations to pursue needed projects. Two accounts within the budget of the Corps have significant impact on maritime trade:

#### State investments in ports insufficient – lack of federal action threatens port development

Holeywell 12 – Ryan Holeywell is a writer for Governing, a magazine that provides leading intelligence articles on management, policy and politics, 2012 (“Panama Canal Expansion Has U.S. Ports Rushing,” Governing, July 2012, <http://www.governing.com/panama-canal-expansion-has-ports-rushing.html>)

And U.S. ports are scrambling. State governments and their port authorities all along the Gulf and East coasts are seeking to spend billions of dollars building bigger ports as quickly as possible, in a rush to accommodate the larger ships that will start traveling through the canal. (Ports on the West Coast, which are naturally deeper, can already handle the bigger vessels.) It’s a high-stakes investment, and in a sense, they’re all competing with one another. The ports that become the first go-to destinations for larger vessels will have a huge competitive advantage over their peers. “They’ll be established as the destination to be,” says South Carolina state Sen. Larry Grooms, an advocate for expanding the port in Charleston. “It will be hard for the other ports to take business away.”¶ But port officials almost universally say they face an even bigger threat to their development than one another: the federal government. Byzantine regulatory hurdles and the overall lack of a clear federal ports strategy, they say, can leave expansion projects stuck in limbo for years. That threatens to keep the country from capitalizing on the work being done in Central America. “[If] Washington, D.C., and this administration don’t step up,” says South Carolina Gov. Nikki Haley, “we won’t even have the luxury to compete.”

## Uniqueness

### Uniqueness – Freight Increasing – EXTN

#### Cargo is gonna double in the next 20 years

Anderson, JAXPORT CEO, 2011

(Paul, “The Economic Importance of Seaports: Is the United States Prepared for 21st Century Trade Realities?”, 10-26, <http://republicans.transportation.house.gov/Media/file/TestimonyWater/2011-10-26%20Anderson.pdf>, DOA: 7-12-12)

The United States' seaports play a critical role in our nation's economy. Today, more than 13 million Americans work in positions related to international trade and that trade accounts for more than a quarter of U.S. GDP. Nearly all U.S. cargo, imports and exports, is carried by ship, and volumes are growing. Over the past 10 years, containerized cargos at U.S. ports, measured in twenty-foot equivalent units (TEUs), have grown at a compound annual growth rate (CAGR) of 4.1 percent. Over the past 20 years, TEUs grew at CAGR of 5.1 percent, culminating in a total of more than 41 million TEUs handled by U.S. ports in 2010. [1]¶ Historically, there is a strong relationship between the volume of containerized cargo and U.S. GDP: TEUs grew at a rate of one and a half times the growth of real GDP. Since 2000, TEUs have grown (and fallen) at nearly two times the change in real GDP. ¶ Using this historical analysis, U.S. real GDP is likely to grow between 2 to 4 percent annually over the next five years, and based upon a 1.5x future growth rate, this equates to a 3 percent to 6 percent baseline growth rate in TEUs at U.S. ports, in essence, a doubling of containers handled at U.S. ports in 20 years. [2]¶ Recent trade agreements are projected to significantly boost U.S. product exports. The South Korean Free Trade Agreement would increase exports by as much as $10.9 billion in the first year, and the agreement with Colombia would increase exports by as much as $1.1 billion per year. [3] This additional business has ample positive economic impact in the U.S. According to maritime economic analyst firm Martin Associates, American jobs created by exports pay 13 percent to 17 percent higher wages than non trade jobs in the economy.¶ These long awaited trade agreements and analysis of historical trends leave me with no doubt that U.S. container trade will continue to grow through the 2lst Century. However, this growth will not be experienced equally across the three major American seaport regions: the Pacific, the Gulf and the East Coast. Mounting economic pressures are leading shippers to demand more efficient transportation networks. Changing global trade patterns, the emergence of new trade routes focused on the U.S. East Coast, the opening of the newly expanded locks of the Panama Canal in 2014 and continuing innovation in logistics practices are facilitating the movement of cargo into and out of our country in dynamic ways.

### Uniqueness – Panama Canal Expansion – EXTN

#### Panama Canal expansion makes current ports unsustainable-ports are the foundation for economic activity

Bridges, AAPA Board Chairman, 2011

(Jerry, “The Economic Importance of Seaports: Is the United States Prepared for 21st Century Trade Realities?”, 10-26, <http://republicans.transportation.house.gov/Media/file/TestimonyWater/2011-10-26%20Bridges.pdf>, DOA: 7-12-12)

Since the birth of our nation, U.S. seaports and waterways that connect them have served as a vital economic lifeline by bringing goods and services to people around the world and by delivering prosperity to our nation. U.S. seaports are responsible for moving more than 99 percent of our country’s overseas cargo. Today, international trade accounts for more than a quarter of Americas Gross Domestic Product. Americas seaports support the employment of 13.3 million U.S. workers, and seaport- related jobs account for $649 billion in annual personal income. For every $1 billion in exports shipped through seaports, 15,000 U.S. jobs are created. Seaports facilitate trade and commerce, create jobs, help secure our borders, support our military and serve as stewards of valuable coastal environmental resources. Ports are dynamic, vibrant centers of trade and commerce, but what is most important to understand is that seaports rely on partnerships. Seaports invest more than $2.5 billion every year to maintain and improve their infrastructure. In recent years, however, this commitment has not been adequately matched by the federal government. Federal funding for dredging federal navigation channels has slowed and decreased, especially for new construction. Further, maintenance dredging is sorely underfunded, despite a more than $6 billion and growing surplus in the Harbor Maintenance Trust Fund. Landside improvements have also been too low a priority, with little of the highway funds going to freight transportation projects. The only bright light has been the newly created TIGER grants, although not enough of this funding benefited ports. Virginia Port Authority received a TIGER grant for its heartland project. As we look to the future, we do know that there are challenges and opportunities. As we recover from this economic downturn, we must make investments today to address the trade realities of the future. Here are some the challenges and we have to ask: are we ready?¶ The Panama Canal expansion is due to be completed in 2014 and is expected to influence trade patterns. VPA and other ports have been making investments, but federal funding has been slow to match these investments. Ship sizes continue to get larger, requiring on-'going modernization of ports and federal navigation channels, even for ports that will not require 50 feet of depth. ¶ Canada and Mexico are making investments which could result in losses of maritime jobs in the U.S. as cargo enters the U.S. through these countries. We have already seen this job loss on the West Coast. ¶ The U.S. seeks to double exports; however countries like Brazil and Chile, who we compete against the U.S. in terms of agricultural exports, are making investments that could make their exports more competitive. ¶ New trade agreements with Korea, Panama and Colombia have been approved, with other trade agreements under negotiations which should result in increased exports and imports through ports. ¶ In addition to these near-term challenges, we know that the U.S. population is forecast to grow by 100 million - a 30 percent increase - before the middle of the 2lst century. And many of the goods used by this population will flow through seaports.¶ So are we ready? While ports are planning for the future, the federal government has not kept pace with the industry or our international competitors. The federal government has a unique Constitutional responsibility to maintain and improve the infrastructure that enables the flow of commerce, and much of that infrastructure in and around seaports have been neglected for too long. Many of our land and water connections are insufficient and outdated, affecting the ports' ability to move cargo efficiently into and out of the U.S. This hurts U.S. business, hurts U.S. workers and hurts our national economy. Port projects take decades to plan and build and we cannot wait. Federal investments in seaports are an essential and effective utilization of limited resources, paying dividends through increased trade and commerce, long-term job creation, secure borders, military support, environmental stewardship, and more than $200 billion in federal, state and local tax revenue. Earlier this month, the President’s Council on Jobs and Competitiveness made an urgent plea for improvements in the nation's transportation infrastructure, including landside and waterside access to seaports. We cannot wait.

#### US ports are outdated – now is the time to modernize.

Major General Michael J. Walsh – Deputy Commanding General for Civil Works and Emergency Operations – 6/20/12, “U.S. Port and Inland Waterways Modernization Preparing for Post-Panamax Vessels,” U.S. Army Corps of Engineers, Forward, http://www.iwr.usace.army.mil/docs/portswaterways/rpt/June\_20\_U.S.\_Port\_and\_Inland\_Waterways\_Preparing\_for\_Post\_Panamax\_Vessels.pdf

The United States is a maritime nation. From its origin as 13 former colonies to its place as the ¶ preeminent world power today, our Nation’s success has been dependent on our coastal ports and ¶ inland waterways to conduct trade. Recognizing the importance of transportation to trade, the Nation ¶ had made a strong intergenerational commitment to develop its transportation networks. From the ¶ building of roads and canals in the early days of our Nation, to later construction of the transcontinental ¶ railroad and to the creation and development, just within my lifetime, of the Interstate Highway System, ¶ the Nation has committed the time and resources to enable and facilitate the large scale movement of ¶ raw materials and finished goods from their origin to manufacturer or market, both within our borders ¶ and internationally. ¶ These networks of highways, railways and inland waterways connect the interior of our country to our ¶ ports, which connect us to the rest of the world. These transportation networks have contributed to our ¶ success by providing a cost-efficient and environmentally sustainable means to transport large ¶ quantities of cargo over long distances and across oceans, keeping this Nation competitive in world ¶ trade. ¶ Population and income drive demand for trade, and trade drives the demand for transportation ¶ services. The U.S. population is expected to increase 32 percent, or almost 100 million people, in the ¶ next 30 years. The greatest population growth will occur in the South and West. Per capita income is ¶ expected to increase 170 percent in the same time period. These increases will drive increased trade, ¶ with imports expected to grow more than fourfold and exports expected to grow more than sevenfold ¶ over 30 years. The recent U.S. Navy Commercial (http://www.youtube.com/watch?v=EEtZ5r0CIYI), ¶ which states that 70% of the world is covered by water, 80% of all people live near water, 90% of all ¶ trade travels by water, highlights the importance of waterborne commerce to the Nation and the world. ¶ Our interconnected transportation networks, built in the last century or earlier, resulted in a ¶ competitive trade position for this Nation. In order to pass on to future generations the benefits of our ¶ competitive trade position, the Nation needs to ensure effective, reliable, national transportation ¶ networks and interconnections for the 21st Century. However, as Admiral John C. Harvey, Jr., ¶ Commander of the U.S. Fleet Forces Command, put it, “…many of our citizens have taken our maritime ¶ services for granted – we are no longer a ’sea conscious‘ Nation – even though we live in a global ¶ economy where 90% of all commerce is still transported by ship…” Despite this, I believe we have an ¶ opportunity as a Nation to strategically position public and private investments to become again a world ¶ maritime leader. ¶ The Nation is taking steps to seize that opportunity. The Conference Report for the Consolidated ¶ Appropriations Act of 2012 (Public Law 112- 74) requested a report from the Institute for Water ¶ Resources on how Congress should address the critical need for additional port and inland waterway ¶ modernization to accommodate post-Panamax vessels. Post-Panamax vessels are a reality today. They ¶ make up 16% of the world’s container fleet, but account for 45% of the fleet’s capacity. The efficiencies of scale they provide drive the deployment of more and more of these vessels. By 2030, they are ¶ expected to make up 27% of the world’s container fleet, accounting for 62% of its capacity. This report ¶ provides an analysis of the broad challenges and opportunities presented by the increasing deployment ¶ of post-Panamax vessels and outlines options on how the Congress could address the port and inland ¶ waterway infrastructure needs to accommodate those vessels. ¶ This Nation must address the need and the challenges of a modern transportation system and evaluate ¶ potential investment opportunities. This report advances that objective. It contributes to an ongoing ¶ public discussion, which is already underway, and will help inform current and future decisions on the ¶ maintenance and future development of our ports and waterways and their related infrastructure.

#### Many US ports are not ready for Panama Canal expansion.

Jay Landers, contributing editor at Civil Engineering Magazine, 7/3/12, “U.S. Ports Should Ready for Panama Canal Expansion,” Civil Engineering Magazine, http://www.asce.org/CEMagazine/ArticleNs.aspx?id=25769809931

A U.S. Army Corps of Engineers report says East Coast and Gulf Coast ports should begin to prepare now for the larger ships that will travel through the Panama Canal when its renovation is completed in 2014. ¶ July 3, 2012—Following the completion of the expansion of the Panama Canal in 2014, many vessels that currently are too large to pass through the canal will be able to do so, giving them readier access to certain U.S. ports, particularly those in the Southeast and along the Gulf Coast. Although the full ramifications of this change are not yet entirely known, the anticipated influx of larger ships carrying greater volumes of goods may justify expansion projects at certain Southeast and Gulf Coast ports, according to a recent report by the Institute for Water Resources within the U.S. Army Corps of Engineers. ¶ Released on June 21, the report—titled U.S. Port and Inland Waterways Modernization: Preparing for Post-Panamax Vessels—was prepared at the request of the U.S. Congress. Last December, lawmakers included a provision in the Consolidated Appropriations Act of 2012 (P.L. 112-74) directing the Corps to make recommendations within six months as to how Congress should approach the issue of modernizing U.S. ports and inland waterways to accommodate the so-called post-Panamax vessels—that is, ships too large to traverse the existing Panama Canal. Although such ships are in the minority today, they handle significant volumes of goods, a situation that is only expected to increase. For example, post-Panamax ships currently comprise 16 percent of the world’s container fleet, but provide 45 percent of its capacity. However, by 2030, post-Panamax vessels are expected to account for 27 percent of the world’s container fleet and 62 percent of its capacity, according to the Corps’s report. ¶ Whereas the Panama Canal’s existing locks can handle ships up to 965 ft long and 106 ft wide, the new locks under construction will be able to accommodate vessels as long as 1,200 ft and as wide as 160 ft. For the purposes of the Corps, a port is deemed capable of accommodating post-Panamax ships “if it has a channel depth of about 50 feet with allowances for tide, as well as sufficient channel width, turning basin size, [and] dock and crane capacity,” according to the report. On the West Coast, the ports of Seattle, Oakland, Los Angeles, and Long Beach already have 50 ft deep channels, and three eastern ports—New York, Baltimore, and Hampton Roads, Virginia—are expected to have such channels ready by 2014. By contrast, “there is currently a lack of post-Panamax capacity at U.S. Gulf and South Atlantic ports—the very regions geographically positioned to potentially be most impacted by the expected changes in the world fleet,” the report states. (Some East and Gulf Coast ports have already made such plans, but have encountered difficulties in implementing them; read “Ports Plan for New Vessels.”

#### Current U.S. ports unable to meet economic demand

MAFC 11 – Mid-America Freight Coalition, a regional organization that cooperates in the planning, operation, preservation, and improvement of transportation infrastructure in the Midwest, 2011 (“The Far Reaching Effects of Canal Expansion,” MAFC, <http://midamericafreight.org/2011/03/panama-canal-expansion/>)

All-water options inherently have lower costs since they can reduce land bridge requirements and take advantage of the lower operating costs of East Coast ports. The impacts however will likely vary based on commodity, final destination markets, and ultimate timeliness of delivery. This all becomes a moot point however if the infrastructure cannot meet the demands of the markets. “Unless the US does a better job of maintaining its navigation channels, our channel dimensions will not keep pace with larger ships,” says Kurt Nagle, chief executive of the American Association of Port Authorities. The problem is intensified up and down the inland waterway system for bulk commodities and agricultural products “Everything is connected – the rivers, the railroads, Panama. We’re concerned about the logistics up and down the [Mississippi] river and our ability to feed the canal,” says Kendell Keith, president of the National Grain and Feed Association. The impact of the Panama Canal on imports and exports depends on other pieces of our interconnected network. If barges cannot feed into Cape-sized vessels to transit the canal because of the outdated locks on the Mississippi River, it won’t matter if the canal is expanded. If channel depths are not properly maintained, larger vessels won’t be able to access ports directly.

#### Economic benefits available but U.S. port capacity not yet ready

IWR 12 – Institute for Water Resources for the US Army Corps of Engineers, responsible for investigating, developing and maintaining the nation's water and related environmental resources, 2012 (“U.S. Port and Inland Waterways Modernization: Preparing for Post-Panamax Waterways,” IWR, June 20th 2012, <http://www.iwr.usace.army.mil/docs/portswaterways/rpt/June_20_U.S._Port_and_Inland_Waterways_Preparing_for_Post_Panamax_Vessels.pdf>)

By undertaking the current expansion, Panama will double the Canal’s capacity. The resulting economy ¶ of scale advantage for larger ships will likely change the logistics chains for both U.S. imports and ¶ exports. Despite the uncertainties in timing and port-specific implications that still need to play out, the ¶ certain injection of successive new generations of post-Panamax vessels into the world fleet could be a ¶ “game-changer” for the U.S. over the long term, as it has the potential to not only provide a costeffective complement to the intermodal transport of imports via the U.S. land bridge, while also reshaping the service from Asia to the Mediterranean and on to the U.S. East Coast, but may also affect ¶ the highly competitive transport price structure along the Midwest to Columbia-Snake route for grain ¶ and other bulk exports bound for trans-Pacific shipping. Inland waterways play a key role in the cost ¶ efficient transport of grains, oilseeds, fertilizers, petroleum products and coal. Gulf ports play key roles ¶ in the transport of these commodities, such as New Orleans being the dominant port for the export of ¶ grains from the U.S. Therefore the expanded canal could provide a significant competitive opportunity ¶ for U.S. Gulf and South Atlantic ports and for U.S. inland waterways – if we are prepared. ¶ Through effective planning and strategic investment the U.S. can be positioned to take advantage of this ¶ opportunity. The railroad industry has been investing $6-8 billion a year over the last decade to ¶ modernize railways and equipment, and U.S. ports plan public and private-sourced landside investments ¶ of the same magnitude over each of the next five years. Annual spending on waterside infrastructure ¶ has been averaging about $1.5 billion. ¶ While the U.S. has ports on the West Coast (Los Angeles, Long Beach, Oakyland and Seattle/Tacoma) and ¶ East Coast (New York, Baltimore and Hampton Roads) expected to be ready with post-Panamax¶ channels in 2014, there is currently a lack of post-Panamax capacity at U.S. Gulf and South Atlantic ports ¶ – the very regions geographically positioned to potentially be most impacted by the expected changes in ¶ the world fleet. The Corps currently has 17 studies investigating the opportunity to economically invest ¶ in deep draft ports. At the Port of Savannah, USACE has identified an economically viable expansion to ¶ accommodate post-Panamax vessels. This project is estimated to cost $652 million dollars. It is possible ¶ June 20, 2012U.S. ARMY CORPS OF ENGINEERS VII INSTITUTE FOR WATER RESOURCES¶ that several of the remaining studies will also show economic viability and, if so, the challenge will be to ¶ fund these investments. In addition, justified investments in inland waterway locks and dams will be ¶ needed to allow the waterway transport capability to take advantage of an expanded canal for U.S. ¶ exports. This emphasizes the strategic need to address the revenue challenge within the Inland ¶ Waterway Trust Fund. ¶ Given this opportunity presented by the deployment of post-Panamax vessels, it is critical that the U.S. ¶ develop and move forward with a strategic vision for a globally competitive navigation system that sets ¶ the context for ensuring adequate investment in maintaining current waterside infrastructure and also ¶ facilitates the strategic targeting of investments to ensure the U.S. is ready for post-Panamax vessels ¶ and “cascade” fleet deployments consistent with the growth in global trade that is anticipated over the ¶ next twenty years.

## Counterplan Answers

### A2: PPP CP

#### Consistent government funding key to PPPs

Miller et al., Urban Land Institute infrastructure expert, 2011

(Jonathan, “Infrastructure 2011: A Strategic Priority”, [www.uli.org/~/media/Documents/ResearchAndPublications/Reports/Infrastructure/Infrastructure2011.ashx](http://www.uli.org/~/media/Documents/ResearchAndPublications/Reports/Infrastructure/Infrastructure2011.ashx), DOA: 7-13-12)

PROVIDE GREATER FEDERAL **CERTAINTY**. Congress could help lubricate the public/ private partnership process for infrastructure development by **allocating funding in a way that ensures support over extended project time horizons**. “It’s difficult to attract private money into U.S. transportation infrastructure without **long-term certainty** of funding”; the annual appropriations mentality of Congress and shortfalls in the Highway Trust Fund do not inspire confidence. “Many prospective bidders don’t want to take the chance dollars will run out in later years. They don’t want to be left high and dry.” In Europe and Asia, infrastructure projects are typically viewed as 30- to 40-year investments.

### A2: States CP – Fed Key

#### Federal action key-only way to bypass cumbersome regulations

Anderson, JAXPORT CEO, 2011

(Paul, “The Economic Importance of Seaports: Is the United States Prepared for 21st Century Trade Realities?”, 10-26, <http://republicans.transportation.house.gov/Media/file/TestimonyWater/2011-10-26%20Anderson.pdf>, DOA: 7-12-12)

With increasingly larger ships calling the East Coast, it is now more crucial than ever for the United States to invest in its gateway infrastructure. This call for federal investment should come as no surprise. Improving our nation’s waterways for navigation and security harkens back to the birth of our country, when General George Washington assigned such missions to the Continental Army. [7] In the U.S. Constitution, Congress is charged with the task of regulating commerce in Article I, Section 8. Yet, the full authorized depths and widths of U.S. waterway navigation channels are available only 35 percent of the time. [8] Harbor projects take an average of 12 years to complete. The Corps’ cumbersome review procedures are not consistent with the President’s initiative to reduce red tape and streamline preconstruction federal review procedures for major infrastructure “jobs creating” projects. The President’s Aug. 31 directive to five federal agencies ‐ Agriculture, Commerce, Housing and Urban Development, Interior and Transportation ‐ called for identification of high priority infrastructure projects for expedited review. This expedited review initiative should be extended to the Army Corps. Additionally, Independent Peer Review – a procedure required by Sec. 2034 of the Water Resources Development Act (WRDA) of 2007 – should not be applied to Corps studies begun prior to the two year period preceding enactment of the law, as expressly stated in Sec. 2034 (h). ¶ Because of procedural delay, most East Coast ports are not authorized to dredge to deep‐draft requirements. Harbor project sponsors attempt to wade through the muddied and shifting approval, authorization and appropriation process, and changing requirements are making it increasingly difficult to move forward with these critical projects. In Jacksonville, the U.S. Army Corps of Engineers recently added an additional level of review by requiring “Harbor Sym modeling” for our city’s deep draft navigation project. This new requirement has not been applied to previous deep draft projects, will increase costs to the federal government and the Jacksonville Port Authority, and will extend the timeline for completion of the project by one year. Any business leader assessing the current situation would quickly determine our country’s process for prioritizing, approving and funding critical infrastructure projects is fundamentally broken.

#### Fed key-review process

Nagle, GMU economics masters, 2012

(Kurt, “Budget Hearing - U.S. Army Corps of Engineers –Assistant Secretary, Chief of Engineers”, 3-7, <http://aapa.files.cms-plus.com/PDFs/EWTestimony%20Mar2012%20Final.pdf>, DOA: 7-12-12)

The second troubling trend that impacts our ability to be ready for the challenges of the future is the time it takes to complete new projects. Ports are growing increasingly wary of the time it takes to complete a project. The new norm is decades, with costs rising with each delay. There are a multitude of reasons for these delays, including a long, slow approval process, lack of funding which results in small amounts of funding for each project, and lack of resources to maintain expertise at the Corps. We must make port modernization a higher priority in our future funding. Maritime movement of cargo is the most cost-effective way to move cargo, and we should be encouraging this through effective federal project development processes, investments and funding.5 ¶ As our nation recovers from its economic troubles, we know that cargo growth will expand as well. As our nation invests in infrastructure, we must ensure that ports and their needs are high on the list. We are in a critical time for our nation. We face enormous challenges, and ports are making the necessary investments to build and maintain a world-class maritime transportation system which support U.S. jobs, our global competitiveness, and our economy. We need our federal partner to make that commitment, too. We urge your subcommittee to serve as advocates for waterside port infrastructure so that we can meet the challenges of today and tomorrow

#### Fed key

AAPA 2011

(“Getting Back to Basics”, March, <http://aapa.files.cms-plus.com/PDFs/Transportation%20and%20the%20Constitution1.pdf>, DOA: 7-13-12)

Pursuant to Article 1, Section 8 of the United ¶ States Constitution, Congress, by statute, has ¶ reserved jurisdiction over navigable waters for the ¶ federal government, which can determine how ¶ the waters are used, by whom, and under what ¶ conditions. As a result, the federal government ¶ takes the lead in building, maintaining, and ¶ operating the nation’s navigation channels.¶ Authority to construct and maintain navigation ¶ projects on behalf of the United States was ¶ granted to the Corps of Engineers in the General ¶ Survey Act of 1824. In 1826, Congress passed ¶ the first Rivers and Harbors Act and provided ¶ funds to the Corps to make specific navigation ¶ improvements to the Ohio, Mississippi, and ¶ Missouri Rivers. Congress has continued to ¶ appropriate funds for specific navigation projects ¶ and the Corps has played a dual role by ¶ assessing, as well as implementing, needed ¶ projects in federal navigation channels. In 1899, ¶ Congress enacted the Rivers and Harbors Act, ¶ which makes it unlawful to undertake any ¶ modifications of navigable water channels unless ¶ authorized by the Secretary of the Army on the ¶ recommendation of the Corps of Engineers.¶ It is well established that the Commerce ¶ Clause is the basis for exclusive federal jurisdiction over navigable waterways. The landmark ¶ United States Supreme Court case of Gibbons v. ¶ Ogden, 22 U.S. 1 (1824) found that navigation of ¶ vessels in and out of the ports of the nation is a ¶ form of interstate commerce and that federal law ¶ takes precedence. Federal authority over ¶ navigable waterways has been repeatedly ¶ affirmed by the U.S. Supreme Court. ¶ With interstate commerce and connectivity as the impetus, the federal role in ensuring a contiguous system of roads spanning the states has been implicit in our federal government since the writing of the Constitution. These powers were granted to Congress in Article I, Section 8 of the U.S. Constitution by the clauses describing ¶ the regulation of commerce with foreign nations and among the several states …” and the responsibility “to establish Post Offices and Post Roads.” As the timeline illustrates, since the founding of this great nation, our most visionary leaders have engaged in national infrastructure initiatives. The highway system as we know it today was largely borne out of the 1939 Bureau of Public Roads report commissioned by Franklin Delano Roosevelt titled Toll Roads and Free Roads, which proposed a map of a transcontinental national superhighway system. This led to President Eisenhower’s Federal-Aid Highway of 1956 and subsequent development of the Interstate System. Without the federal role in planning, coordinating and providing funding, our current system of inter-regional highways would not have been possible. ¶ Today, this federal responsibility continues through the surface transportation programs funded largely by federal gas taxes. Highways, arterials and secondary roads that are identified as being important to the nation's economy, defense, and mobility are classified as part of the National Highway System (NHS) and are eligible for federal funds through the federal-aid program. ¶ Road infrastructure that accesses major intermodal terminals, including seaports, are designated NHS connectors by the U.S. Department of Transportation (USDOT). While accounting for less than one percent of total NHS mileage, this important infrastructure represents a critical link in the goods movement value chain, carrying truck traffic between transportation modes and to the broader network of the interstate system. According to the Federal Highway Administration, of the 616 total defined NHS intermodal connectors, 253 are connected to ocean and river ports. Of the 1,222 total miles defined as part of the NHS intermodal connectors, 532 miles are port-related infrastructure. Unfortunately, these roads are often inadequate and in poor condition, plagued by inadequate turning radii and shoulder deficiencies and have been found to have twice the percentage of mileage with pavement deficiencies when compared to non-interstate NHS routes according to a study conducted by USDOT. States and MPOs have traditionally assigned freight-focused projects a low priority when compared with passenger-related improvements. Due to their freight-focused nature, NHS connectors generally do not fare well in project selection within the State and MPO planning processes. ¶ This critical infrastructure is more important than ever as our nation rebuilds the economy and creates jobs by expanding commerce through free trade agreements and increasing America’s exports and international competitiveness. These roads are key pieces of our connection to the world marketplace. ¶ In addition to their national economic importance, NHS Intermodal connectors are vital to defense mobilization and national security. With the military's increasing reliance on strategic ports and commercial trucking for mobility, intermodal connectors are critical to national defense planning. ¶ Given the reliance of our national economy and defense on intermodal connectors, it is important that the federal government remain engaged in identifying, prioritizing and funding improvements to this critical infrastructure which has languished when dependent upon State and local planning processes.

#### Federal requirements and jurisdiction-make them the only sustainable actor.

Dyke, Greenville News business writer, 2010

(David, “Two options for port funding, Graham says”, 11-19, lexis)

The Ports Authority says it needs to deepen the Charleston harbor to remain competitive following the widening of the Panama Canal in 2014. The widening is expected to quicken a trend toward megaships that will change global logistics and open new business opportunities for South Atlantic shipping facilities. The Charleston port can accommodate the big ships now, but only during high tide. Port officials have said a $400,000 federal earmark to study the deepening of the Charleston harbor is a critical initial step in a $300 million expansion. Federal law requires the Corps of Engineers to conduct the study before improvements to a harbor can be made. Without it, no deepening is permitted and it must be funded through the appropriations process, the officials said. They said there is no other way. Business leaders, including executives from Boeing South Carolina, Sonoco, BMW Manufacturing, Milliken & Co. and Michelin North America, have stressed that the port is South Carolina's single most important natural asset and will help shape the state's economy for generations. Officials with the Georgia Ports Authority said they reached a major milestone Wednesday with their plan to expand the Savannah Harbor. It was reached, the officials said, when the Corps of Engineers released its draft environmental impact statement to the public and agencies for review and comment. "The study's release is a significant step forward for the Savannah harbor expansion project and addresses a critical need of our country's transportation infrastructure," said Curtis J. Foltz, the Georgia authority's executive director. The $40 million scientific study details plans to avoid impacts to natural resources and proposes mitigation for any unavoidable impacts of the project. GPA officials say larger vessels offer more capacity and lower the cost per container compared to current Panamax vessels. That's an important economic consideration for such companies as BMW and Michelin, which both have large Upstate operations and are major users of the Port of Charleston. The Georgia harbor expansion will deepen the Savannah River from its current 42-foot depth to as much as 48 feet. The Atlanta Journal-Constitution reported the project would cost an estimated $551 million with 70 percent borne by the federal government. Georgia's legislators have approved $102.3 million of the remaining costs, the newspaper reported. Long term, DeMint said he wants to restructure the way the Corps of Engineers identifies priorities and funds projects. He also wants to reform the Harbor Maintenance Trust fund to allow South Carolina to get back the money it contributes. Currently, the fund can't be used for new construction to make a port deeper, as Charleston proposes. He said he wants to meet with officials from the port, the Corps of Engineers and legal advisers to determine if the port can proceed with its own feasibility study and have that study recognized by the federal agency. Graham has said states have the right to fund such studies on their own. However, federal officials have rejected port studies conducted that way and states didn't get reimbursed for the money they spent, he said. Port officials worry that if they pay the initial feasibility-study cost, it will jeopardize federal funding for the project. Normally, a cost-sharing system is in place where the federal government will pay 40 percent of the construction bill to deepen the harbor, with the state paying the remaining 60 percent, a port spokesman said. DeMint told The News recently that he understands the port's importance to the state and its economy, but it was time to draw the line on earmarks. Graham this week joined DeMint and Sen. Mitch McConnell, the Senate Republican leader, in calling for a two-year ban on the practice. Raju Chebium of Gannett's Washington Bureau contributed to this report.

### A2: Prioritization CP

#### A2: Not all Ports

Nagle, GMU economics masters, 2012

(Kurt, “Budget Hearing - U.S. Army Corps of Engineers –Assistant Secretary, Chief of Engineers”, 3-7, <http://aapa.files.cms-plus.com/PDFs/EWTestimony%20Mar2012%20Final.pdf>, DOA: 7-12-12)

Some may suggest that we should concentrate federal investment in just a few ports, but we must take a closer look at the diversity of port cargo and the impact of only deepening a few ports. Often a container port doesn’t handle significant bulk cargo, dangerous cargo or refrigerated cargo. Additionally, often smaller ports are located near key U.S. manufacturers to aid in their imports and exports. Each of our 50 states relies on about 15 seaports to handle its imports and exports. Concentrating port activity to a smaller geographic area will result in increased transportation costs and more congestion on roads and rails. Total throughput should not be the only calculation in determining federal investment.

#### Prioritization bad

Szakonyi, Journal of Commerce associate editor, 2012

(Mark, “The Hill Ramping Up Dredging Efforts”, 5-7, proquest)

Bea said maritime advocates and legislators are attempting to figure out how they can get projects funded and authorized in new ways. One such approach is by Sen. Lindsay Graham, R-S.C., to create a national assessment of which ports should be deepened. Plans to create a program for prioritization in authorization and funding come with their own set of problems, however, Holliday said. "When you start prioritizing ports, you begin picking winners and losers," he said.¶ Aside from skepticism of the government's ability to discern champions from laggards, prioritization sidesteps the issue that most, if not all, ports need funding to maintain their infrastructure and grow. Such a prioritization process could dampen efforts to boost overall port spending. That could, unfortunately, fit too well with Congress's history of favoring easy short-term fixes over harder, more meaningful long-term decisions.

#### Federal regulations block local ports from making new investments

Cook, Fordham Law School JD, 2011

(Christopher, “Funding Port-Related Infrastructure And Development: The Current Debate And Proposed Reform” 38 Fordham Urb. L.J. 1523, lexis)

Containerized cargo is here to stay, but what is less certain is how the United States will fund new infrastructure and development to accommodate its proliferation within the shipping industry. n27 In recent years, members of Congress have proposed legislation to fund infrastructure and development at U.S. seaports. n28 Three of these proposals create a fund based on a tax or fee assessed on the value of goods entering or leaving the United States. n29 A separate proposal concerns the creation of an infrastructure bank that, with an initial government contribution of $ 10 billion, would "leverage private-public partnerships and maximize private funding" to fund infrastructure and development projects. n30 Two of these proposals died in committee during the 111th Congress, n31 and the other two have been reintroduced in the 112th Congress after failing to be enacted in previous legislative sessions. n32¶ [\*1529] The hands of local port authorities, however, are tied by constitutional and statutory constraints, rather than a lack of consensus. n33 Port authorities generate revenues through the management of port facilities. n34 The ability of port authorities to assess taxes on shippers "for the privilege of entering, or trading, or lying in a port or harbor" n35 is precluded by the United States Supreme Court's interpretation of the Constitution's Tonnage Clause. n36 The Court has, however, recognized a State's ability to assess a charge on shippers for actual use of port facilities that is fairly apportioned to "opportunities, benefits, or protection conferred or afforded by the taxing [authority]." n37 Congress placed additional constraints on state regulatory authority with the passage of the Shipping Act. n38 The Shipping Act provides that port authorities cannot "fail to establish, observe, and enforce just and reasonable regulations and practices relating to or connected with receiving, handling, storing, or delivering property [at ports]"n39 or impose "any undue or unreasonable prejudice or disadvantage with respect to any person." n40 Courts and the Federal Maritime Commission ("FMC") have interpreted this as requiring any fee imposed on a shipper, trucker, marine terminal operator, n41 or beneficial [\*1530] cargo owner n42(collectively "Port Users") to generate actual benefits to the user on a reasonably equivalent basis. n43 The problem with this fee structure is that it limits the ability of port authorities to assess a fee for the construction and development of large-scale, port-related infrastructure and development projects n44 - the benefits of which would

## Disadvantage Answers

### A2: Dredging Bad – Generic

#### Dredging is the safest method for excavation – your authors are misinformed

Jones, GPAA Editor/Content Director, 2012

(Brad, ,The science — and politics — of dredging”, 7-28 http://www.goldprospectors.org/Communication/ArticlesandInformation/tabid/153/EntryId/537/Dredging-doesn-t-harm-fish-experts-say.aspx, DOA: 7-13-12)

Greene was environmentally conscious back then and still is today. He remembers being especially concerned about high levels of phosphorous in laundry detergent that were causing large algae blooms and turning some affected rivers “pea soup green.” He even belonged to the Sierra Club. “I was a good environmentalist,” he said. When he first heard claims that suction dredging was harmful to fish, he was disappointed, realizing that to stay in good conscience he may be faced with giving up his gold prospecting hobby. To be sure, **he began to study the facts about suction dredging’s effects on the environment and eventually found the activist’s claims to be unsubstantiated**. Even though he had bought into the environmentalist school of thought, he began to question the science. The more he learned about activists and their agenda, the more he began backing away from them. “There are a lot of people who actually believe that mankind does not belong out in nature; that it’s only for the wildlife. There is some blend of all this weirdness. And, the worst part is we have millions of good-hearted, honest, concerned citizens who — I don’t want to call them lazy — but who are misinformed ... They are trusting these environmental organizations and they are being bamboozled by a bunch of thieves,” Greene said. If the conclusion of his study had found that suction dredging was harmful, which it didn’t, he said he would not have continued dredging. “In my own case, I wouldn’t be a miner,” he said. Since then, he has tried to convince others in the scientific community that much of the so-called science behind some of the activists’ claims is flawed or simply doesn’t exist. But, Greene said most scientists are apathetic to his concerns. “I have all sorts of friends who are scientists and they don’t care; If you hired them as a consultant they would,” Greene said. “Suction **dredge mining in waters is the most environmentally safe, best method of mining**. The most common myth is that suction dredging harms the environment. Even some miners don’t believe that suction dredging benefits fish. They are just as brainwashed. I’ve heard miners say it. It’s frustrating to me. The old saying about a lie told often enough becomes the truth is exactly what’s been happening to us in small-scale mining,” he said.

#### Impact is short term and reversible

Environmental Solutions 2002

(“Environmental Impact Assessment PROPOSED DREDGING WORKS AT WEST HARBOUR, PORT ANTONIO, JAMAICA”, July, <http://www.nrca.org/eias/ptantonio/FinalReport_PtAntonio_Dredging.pdf>, DOA: 7-13-12)

Dredging of the deep rocky ledge along the north side of the approach channel at Site H1 will result in the short-term irreversible loss of the existing coral communities living on the affected area. It should be borne in mind that at least 50 % of the 2,600m² reef area is presently comprised of dead individuals. The potentially negative impacts on the associated fish species are thought to be less severe given that that there are adequate reef and sea grass bed ecosystems within less than a 1 km radius of the site to which they may retreat. Over time, recruits of the same coral species are likely to recolonise the fresh rock face of the now deepened plateau and a similar new reef ecosystem would become established. **Thus, the immediate negative impact of deepening the approach channel would be reversed over the long-term period** (say 10 to 30 years). The reef community and sea grasses living on the slope above 7m should not be directly affected. The predominantly fast 0.232 m/s southwestward current in the channel, which maintains excellent water clarity in this section of the channel, is expected to promote rapid sediment transport of turbid waters away from the immediate area and into the channel. This will tend to reduce the time period over which undisturbed coral and sea grass species would have to endure deteriorated water clarity.

### A2: Dredging Bad – Keystone Species

#### Not irreversible – keystone species live outside of dredging areas and recovery happens immediately

Ravindran, UGC Visiting Professor, School of Industrial Fisheries, 2006

(Dr, K., “Report of the Committee of Experts on Ecological and Environmental Impact of Dredging at Vaduthala Kayal and Vaikam Kayal, Kerala” in “Dredging: Removal of benthic animals”, September, <http://www.ukmarinesac.org.uk/activities/ports/ph5_2_2.htm>, DOA: 7-13-12)

During all dredging operations, the removal of material from the seabed also removes the animals living on and in the sediments (benthic animals). With the exception of some deep burrowing animals or mobile surface animals that may survive a dredging event through avoidance, dredging may initially result in the complete removal of animals from the excavation site. Where the channel or berth has been subjected to continual maintenance dredging over many years, it is unlikely that well-developed benthic communities will occur in or around the area. It is therefore unlikely that their loss as a result of regular maintenance dredging will significantly effect the marine ecology of SACs. However, certain marine species and communities are more sensitive to disturbance from dredging than others. For example, dredging where maerl beds (calcified seaweed) or Sabellaria reefs (reef forming marine worms) are present may result in the irreversible damage of these sensitive, slow growing species. These are important habitats, generally associated with the Annex I habitat subtidal sandbanks, found in only a few UK marine SACs (Birkett et al 1998). It is, however, unlikely that such sensitive marine communities would develop in close proximity to the disturbed habitat of a regularly maintained navigation channel. The recovery of disturbed habitats following dredging ultimately depends upon the nature of the new sediment at the dredge site, sources and types of re-colonising animals, and the extent of the disturbance (ICES 1992). In soft sediment environments recovery of animal communities generally occurs relatively quickly and a more rapid recovery of communities has been observed in areas exposed to periodic disturbances, such as maintained channels i . Recovery of benthic communities following dredging activities A review of dredging works in coastal areas world-wide showed that the rates of recovery of benthic communities following dredging in various habitats varied greatly (Nedwell & Elliot 1998; Newell, Seiderer & Hitchcock 1998), which is indicated as follows: **Recovery rates were most rapid in highly disturbed sediments** in estuaries that are dominated by opportunistic species. In general, recovery times increase in stable gravel and sand habitats dominated by long-lived components with complex biological interactions controlling community structure. These findings are supported by studies of the Georgia Estuary system, USA, which suggest that maintenance dredging has only a short term effect on the animal communities of the silt and clay sediments. Although almost complete removal of organisms occurs during dredging, **recovery begins within 1 month and within 2 months the communities were reported to be similar to pre-dredge conditions** (Stickney & Perlmutter 1975). Other studies suggest that dredging impacts are relatively short term in areas of high sediment mobility (Hall, Basford & Robertson 1991). For example, the complete recovery of benthic animals in a channel in the estuarine Dutch Wadden Sea occurred within 1 year of the removal of sediments from this highly mobile sand environment (Van der Veer et al 1985).

### A2: Dredging Bad – Fisheries

#### Dredging improves fish habitats

Jones, GPAA Editor/Content Director, 12

(Brad, ,The science — and politics — of dredging”, 7-28 http://www.goldprospectors.org/Communication/ArticlesandInformation/tabid/153/EntryId/537/Dredging-doesn-t-harm-fish-experts-say.aspx, DOA: 7-13-12)

Suction dredge mining does not harm fish and can actually improve fish habitat, scientists say. Claudia Wise and Joseph Greene, worked for the U.S. Environmental Protection Agency for more than 30 years. Wise is a retired physical scientist and Greene is a retired research biologist. **Both scientists have done extensive research on the issue and cannot find any evidence to substantiate claims made by environmental activists that suction dredging harms fish or fish habitat**. They say suction dredging can benefit salmon and other species of fish by improving habitat in rivers and streams. The science of dredging “Any negative effects of suction dredging on fish or fish habitat are insignificant. The benefits definitely outweigh any of the negative effects in any of the studies I’ve ever seen,” Wise said in recent interview. In almost every study, the environmental impact of suction dredge mining on fish — including salmon — and fish habitat has been proven to be “less than significant,” Greene said. Dredging improves fish habitat by creating pockets in the bottoms of riverbeds and streambeds. These depressions are ideal places for fish, especially salmon, to spawn when there are limited natural areas of loose gravel, called refugia. “It’s a pool of water within the river you might say. If it is three feet deep, it’s considered refugia, which is a depression in the river bottom that is under the main currents where fish prefer to rest in cooler water, lots of times at the mouth of a tributary,” she said. “There are so many benefits to it,” said Wise, explaining that the gravels in many rivers and streams have become so compacted over the years that the fish cannot always find a natural place to spawn. Because suction dredgers break up or loosen the gravels and create small pockets in the bottoms of streams, it often creates manmade refugia, where none had previously existed. While opponents of suction dredging argue that fresh dredge tailings (gravels), are not as stable as natural gravel beds, they are better than nothing where natural gravels don’t exist, Wise said. “However, the salmon are smart enough to recognize the difference between natural and manmade refugia,” Greene said. If there is no suitable place to spawn, the fish will spawn anyway. “The eggs will just be floating down river and be eaten by any predator that would eat them. They have to get through the gravel to build that nest.” he said. After dredge tailings have settled for a year, they become more stable and more attractive to salmon. “By the next year, you’ve got great spawning gravel,” Wise said. So, adding more refugia means salmon have more places to spawn which helps to increase salmon populations. Even one redd (nest of salmon eggs) can contain thousands of salmon eggs, she said.

### A2: Dredging Bad – Alarmism

#### Dredging bad is environmentalist hype

Wise et al, former EPA physical scientist, 2012

(Claudia, “The science — and politics — of dredging”, 3-28, http://www.goldprospectors.org/Communication/ArticlesandInformation/tabid/153/EntryId/537/Dredging-doesn-t-harm-fish-experts-say.aspx, DOA: 7-13-12)

Politics of dredging Even though most environmental activists are aware that suction dredgers are not allowed in the water during spawning season, they still use it as propaganda. “That’s totally bogus. The opponents know that we DO NOT dredge during spawning season ... That’s what the environmentalists use as their hammer. You can see it over and over in their writings that we are killing all the salmon and sucking up the eggs. It’s just an absolute lie.” So, why are environmental extremists so down on dredging? Both Greene and Wise contend that the push by environmental activists such as the Sierra Fund, local Friends of the River groups, and some native American tribes has nothing to do with science and **everything to do with politics and profits**. Wise said many radical environmentalist groups get government grants to research environmental issues that eventually lead to more bans, restrictions, regulations and even lawsuits against the government. “Part of it is money. If they don’t have an issue that they can spread to their membership and government, then they don’t have wages,” Wise said. “Most of those clubs don’t do habitat restoration ­— they sue. That’s their whole mandate to sue the government.” And, how are they able to use taxpayer dollars to sue the government for more taxpayer dollars? While they may not directly sue the government, they use the funds to draft environmental reports which are then handed off to other groups to sue the government, she said. “Part of the Endangered Species Act says that they have to allow funds to hold these agencies’ feet to the fire ...These people sue and they don’t even have to have their own money on the line,” Wise said. Follow the money trail In fact, there is so much money involved, that new environmental groups seem to be springing up everywhere. One example is Friends of the River. On the surface, Friends of the River groups seem to be local, but they are far from it, Wise said. “There’s so many of them. I mean, it’s a good way to make money. There’s lots of money so they are popping up all over the place. We’ve got friends of every river. They can apply for grant money. They can sue agencies. They can be the stakeholder in places they don’t even live. **It’s like a franchise**. So, they’ve got a Friends of the River for every little tributary … It’s a business; they’re out there making money.” Groups like the Sierra Fund, Greenpeace and World Wildlife Fund are doing the same thing — making money — but on a larger scale, she said. Hedge fund billionaire George Soros, founder of Earthjustice contributes millions of dollars to various environmental groups. Infamous for betting against the value of U.S. dollar among other currencies, Soros has also predicted the collapse of the Western economy. He is known for lavish funding of big-government, globalist causes and left-wing organizations such as www.moveon.org. The payoffs In recent times, part of doing business, means appeasing environmental groups whether that means siding with them or paying them off, Wise said. “Big mining companies, energy companies and drilling companies are paying them off. They are giving millions to environmental activists to stop them from suing,” she said. Because environmental groups have amassed so much money, and the big companies have appeased them in one way or another, environmental activists have resorted to suing smaller companies that don’t have the money to pay them off, Wise said. “There’s a whole environmental economy and it just keeps getting bigger and bigger and bigger. It’s huge and they are feeding off of each other. It’s a feeding frenzy, A lot of these environmental groups’ CEOs make $250,000 to $1.5 million [a year]. Why wouldn’t you find another issue?” she said. “You have to question whether it is politically driven; they are looking at politics more than science.” Conservation groups Then, there are other so-called conservation groups such as Trout Unlimited, which have smaller groups affiliated with them, like Oregon Trout. They are taking a stance against suction dredge miners out of good-intentioned ignorance, Wise said. While Oregon Trout has a vested interest in fishing, **its members are throwing miners under the bus and siding with the environmentalists in an effort to appease them**, not realizing that they could be targeted next, she explained. Wise pointed out the irony of the fishermen going out to catch — and not always release — fish and then blaming suction dredgers for killing fish. Even more hypocritical is the fact that suction dredging is not permitted during spawning season, but fishing is allowed. “Salmon fishermen fish when the salmon are spawning so there are redds present. When the fishermen walk out into the water to cast, they are stepping on redds. They catch salmon on their way upstream to spawn. They are there at their most critical time. They do so much more damage — not just fishing and killing fish, which is their whole reason for being there.” “If they [fishermen] weren’t siding with the environmental activists, the environmental activists would be trying to shut down fishing, so they are saving their own butts. That’s what they’re doing,” she said. “Fishermen are off limits, because a lot of the environmentalists are also fishermen.” Wise is convinced that if the environmental activists succeed in banning small-scale mining, fishermen will be the next logical target. **Environmental groups have to justify their own existence and will invent targets so they can keep getting grants and collect membership fees**, she said. “Fishermen are next,” Wise said. adding that Sierra Fund’s Carrie Monohan has already targeted anglers. “There are a lot of fishermen who just listen to what the environmentalists say — how bad mining is — and spread the same misinformation. And, they believe mining is bad,” Wise said. More proof that miners are getting the shaft is that boats and personal watercraft cause far more damage than dredging, but are allowed and are not under attack by the green lobby. “Jet boats do way more damage than a dredge. A suction dredge is all in one area, whereas a jet boat runs up and down the river and the waves are rushing up against the banks eroding the riverbanks and they scare the fish. They do way more damage and there are studies that show that,” she said. The green extreme Because it seems as though the entire Western world has bowed down to a new religion of environmental extremism, even the scientific community has been reluctant to challenge the green faithful. **Not only does the scientific community have blinders on, but it has attracted activists with an agenda**, Wise said. “Joe and I get really frustrated at times, because we’ve researched this whole area. Between us, we know so much about suction dredging and its effect on the environment and will give them pages and pages of reference that supports what we say, but [they say] we’re cherry picking,” she said. “And they’re not? Spouting off stuff that they don’t even have a reference for? **They ignore the science**. We have references and peer review journal articles. We could not find a single paper that showed any harm — or significant harm — to the environment.” Change in EPA doctrine Wise, who is a gold prospector and member of the GPAA, was a scientist first. “When I was young, I went panning, but I didn’t have anyone to show me how. I just went up in the hills around the Blue River area in Oregon,” she said. Her father was a scientist for the U.S. Forest Service, which she says has taken on a left-wing agenda over the years. “Now, they don’t even want to see best management practices. They want to have this pristine area that is better than is was naturally, probably. In a lot of cases, I‘ve seen that,” she said. “I think it’s just been an infiltration of a lot of these activists that must benefit somehow from it. The scientists benefit from grant money. **They can spend their whole career on a subject as long as they give the right answer**.” Wise said she first began noticing a shift in EPA philosophy about the same time the media hype over what was known then as global warming. “The 1990s was when I really started noticing it ... If we didn’t get the right answer, we weren’t allowed to publish it,” said Wise, who conducted studies and research for the EPA **for 32 years**, before retiring in 2006.

#### No data to back up the assertions.

Wise, retired physical scientist for the EPA

(Claudia e-, Joseph Greene, research biologist, both Wise and Greene worked for the EPA for 30+ years, Brad Jones quoting Wise and Greene, March 28, 2012, “The science — and politics — of dredging”, http://www.goldprospectors.org/Communication/ArticlesandInformation/tabid/153/EntryId/537/Dredging-doesn-t-harm-fish-experts-say.aspx, 6/10/12, atl)

Media coverage Both Wise and Greene concur that most, if not all, **the media coverage of the suction dredging debate has been one-sided in favor of environmental extremist groups**. “**It’s pure laziness in journalism**. They are selling something and they are making money from this issue also. It’s part of the whole environmental economy. There are a lot of people who will read environmental hype and controversy. **Sensationalism** — that’s what they’re doing. They’re not even looking at the facts. They’re just taking what the environmentalists say and that’s their headline. It’s definitely unfair and unbalanced.” Wise said she often gets irritated with the way some news reporters cover the issues. “I don’t have the answer for everything, but they like to play the ‘gotcha’ game if you don’t have the right answer for them. They’re trying to sell papers.” Like Wise, Greene believes the mainstream media has been irresponsible in its coverage of environmental issues with the faulty assumption that everything green must be good without questioning motives. “In every single case, they do not do it. They just take the information and repeat it as if it’s gospel.” “That’s very typical. That’s what we’re up against. **We can’t find an honest or understanding journalist anywhere**. There are very, very few of them. They are extremely rare. Even the ones who seem to try still get it half wrong.” Greene is convinced it’s more than just shoddy journalism, but an indoctrination of young journalists that teaches them not to question environmental activism. It is the same kind of self-censorship that led to coining of the phrase political correctness, which also surfaced in the ’90s. “I happen to believe that they have an agenda — especially the young ones, because they are coming out of the schools that way,” he said. “We were actually seeing that at the EPA with the new hires and PhDs. They were just these avid environmentalists. Everything is wrong and they’re right!” “So, as a research scientist, the first thing you do is build a comprehensive library. There was not a lot of material out there and all of it **showed that the effects of suction dredge mining are minimal, quickly reversible and local**. **I’ve not found anything different from that,” Greene said**.

### A2: Elections – No Link

#### Low awareness of ports but people understand its importance

Fox 9 – Karen Fox is the North Carolina State Ports Authority conducting an awareness survey for the AAPA PR Seminar, 2009 (“North Carolina Has Ports?: Ports Awareness Survey – A Work in Progress,” North Carolina Ports, June 23rd 2009, <http://aapa.files.cms> plus.com/SeminarPresentations/2009Seminars/2009PublicRelations/Fox\_Karen.pdf)

What we learned¶ People understand very little about ports’ mission, but seem to have ¶ inherent sense ports are important part of State’s infrastructure¶ When public learns more about ports mission, they like what they¶ hear¶ Job benefits are number one driver for support of ports¶ Having port operation sensitive to environment is very important¶ Battling environment and jobs for most positive reaction was ¶ competitiveness