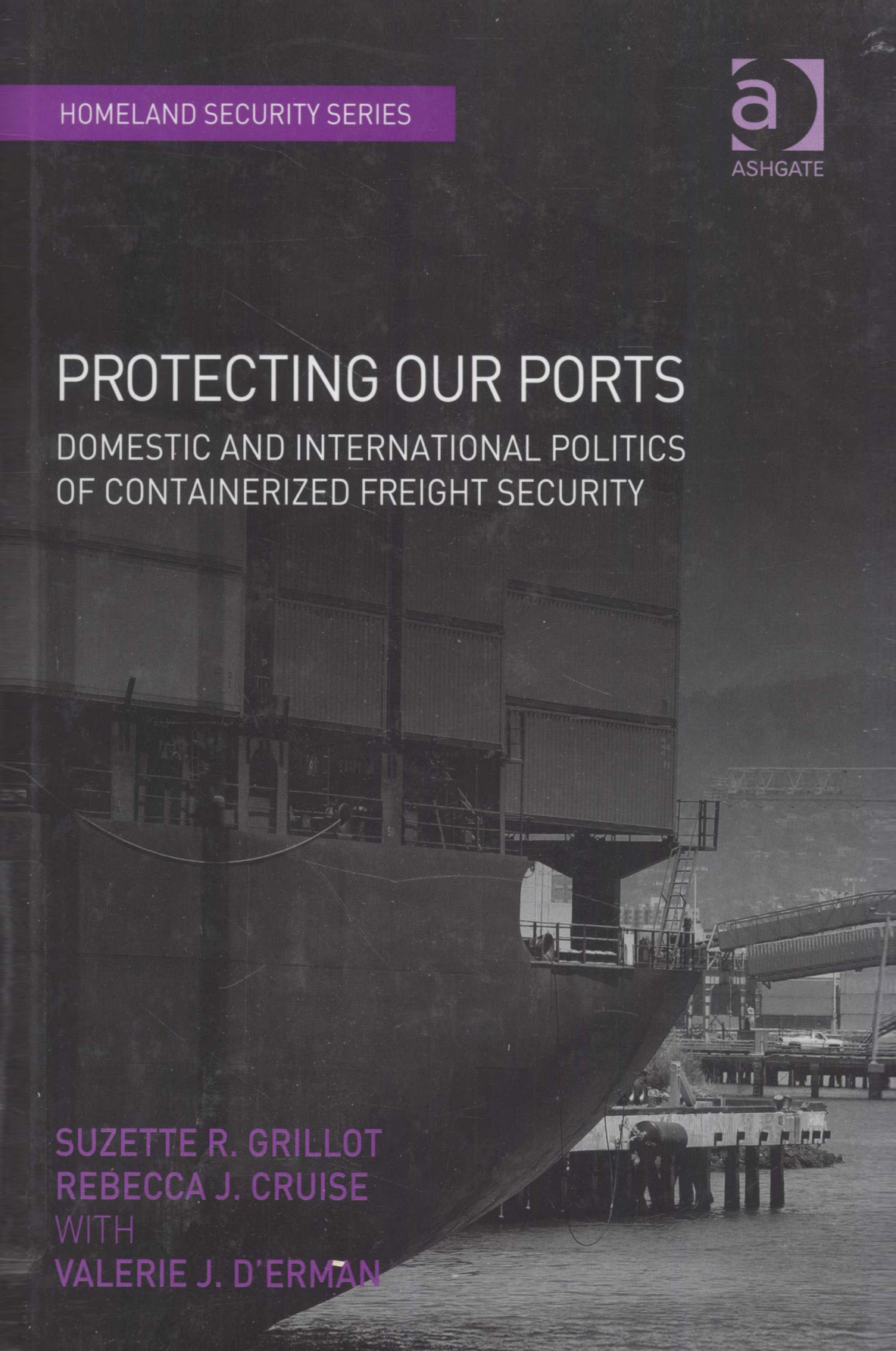
HOMELAND SECURITY SERIES

ASHGATE

PROTECTING OUR PORTS

DOMESTIC AND INTERNATIONAL POLITICS OF CONTAINERIZED FREIGHT SECURITY



SUZETTE R. GRILLOT
REBECCA J. CRUISE
WITH
VALERIE J. D'ERMAN

PROTECTING OUR PORTS

Homeland Security Series

Series Editors:
Tom Payne, University of Southern Mississippi, USA
Tom Lansford, University of Southern Mississippi, USA

This series seeks to provide a body of case studies to explore the growing importance and prominence of homeland security to national defence policy and to examine the development of homeland security within the broader context of national defence policy in the United States and other major developed states. This series will identify and analyze the major threats that are particular to homeland security, as well as those that affect broader national security interests. Comparative studies will be used to elucidate the major similarities and differences in how states approach homeland security and works which advocate new or non-traditional approaches to homeland security. The series aims to integrate information from scholars and practitioners to provide works which will influence the policy debate and examine the ramifications of policy.

Also in the series

Power Plays
Enriched Uranium and Homeland Security
Christopher Hubbard
ISBN 978-0-7546-7693-5

Calculated Risks
Highly Radioactive Waste and Homeland Security
Kenneth A. Rogers and Marvin G. Kingsley
ISBN 978-0-7546-7133-6

The State and Terrorism
National Security and the Mobilization of Power
Joseph H. Campos II
ISBN 978-0-7546-7192-3

Comparative Legal Approaches to Homeland Security and Anti-Terrorism
James Beckman
ISBN 978-0-7546-4651-8

To Protect and Defend
US Homeland Security Policy
Tom Lansford, Robert J. Pauly, Jr and Jack Covarrubias
ISBN 978-0-7546-4505-4

Protecting Our Ports

Domestic and International Politics of Containerized Freight Security

SUZETTE R. GRILLOT
University of Oklahoma, USA
and
REBECCA J. CRUISE
University of Oklahoma, USA
with
VALERIE J. D'ERMAN
University of Oklahoma, USA

ASHGATE

Published by
Ashgate Publishing Limited
Wey Court East
Union Road
Farnham
Surrey, GU9 7PT
England

Ashgate Publishing Company
Suite 420
101 Cherry Street
Burlington
VT 05401-4405
USA

www.ashgate.com

British Library Cataloguing in Publication Data
Grillot, Suzette.
Protecting our ports : domestic and international politics of containerized freight security. -- (Homeland security series)
1. Container terminals--Security measures. 2. Container ships--Security measures. 3. Harbors--Security measures. 4. Terrorism--Prevention--Government policy. 5. Terrorism--Prevention--Government policy--United States. 6. Terrorism--Prevention--International cooperation.
I. Title II. Series III. Cruise, Rebecca J. IV. D'Erman, Valerie J.
363.3'2593875442-dc22

Library of Congress Cataloging-in-Publication Data
Grillot, Suzette.
Protecting our ports : domestic and international politics of containerized freight security / by Suzette R. Grillot, Rebecca J. Cruise, with Valerie J. D'Erman.
p. cm. -- (Homeland security)
Includes index.
ISBN 978-0-7546-7789-5 (hbk) -- ISBN 978-0-7546-9535-6 (ebk)
1. Container terminals--Security measures. 2. Container ships--Security measures. 3. Harbors--Security measures. 4. Terrorism--Prevention--Government policy. 5. Terrorism--Prevention--Government policy--United States. 6. Terrorism--Prevention--International cooperation. I. Cruise, Rebecca J. II. D'Erman, Valerie J. III. Title.
HE566.C6G75 2010
363.325'938710973--dc22

2010006876

ISBN 9780754677895 (hbk)
ISBN 9780754695356 (ebk)

Printed and bound in Great Britain by
MPG Books Group, UK

Contents

List of Tables

Acknowledgements

This book is certainly a result of team effort, and we are extremely grateful to the many officials, representatives, analysts, colleagues, students, family and friends that have supported, assisted and encouraged us along the way to this final product. Many thanks to Sridhar Radhakrishnan, Professor of Computer Science and Tom Landers, Dean of Engineering at the University of Oklahoma (OU) who invited us to participate in the Inter-modal Freight Security project that provided us the purpose and funds necessary to conduct this research. We also thank the other members of the Center for Infrastructure Protection and Hardening Through Education and Research (CIPHER) team at OU for listening to our research presentations and providing important feedback. Our colleagues in the School of International and Area Studies, Department of Political Science, and International Programs at OU have also been instrumental in supporting our research efforts. Numerous individuals have helped to facilitate our research program in the form of arranging, scheduling or providing personal interviews and port visits, which were indispensable to our study. Specifically, we thank officials and representatives at a number of US government agencies, private enterprises, international organizations, foreign governments, and domestic and international seaports. Particular thanks go to Bill Anthony of the US Customs and Border Protection agency who provided tremendous assistance with interviews and contacts. Without a doubt, the on-the-ground field research we conducted for this book, and the people we met throughout the process, was the most rewarding aspect of this endeavor.

Beyond conducting the research, we owe thanks to those who have commented on various portions of our research. We thank the editors and reviewers for Ashgate Publishing, editors and reviewers for the *Journal of Homeland Security and Emergency Management*, Rachel Stohl, Jacque Braun, Cassady Craft, Eric Heinze, and Zach Messitte. This project could have never been completed, however, without the work of outstanding research assistants that have provided crucial assistance and feedback. Specifically, we thank Brooke Hammer, Lessa Keller-Kenton, Holly Presnell, and James Roberson for their indispensible work. We also thank our students at the University of Oklahoma for listening to endless stories and examples about port and container security.

Finally, without the avid support of our family and friends, this book would have never seen the light of day. From the bottom of our hearts, therefore, we thank Pat Lannon, Hannah Grillot, Karen Saunders, Jim Grillot, the Beliveau family, the Atkinson family, Mike and Melissa Cruise, Mary Cruise, Stephanie Starr, AJ Kirkpatrick, and Richard and Enzo Marcy for their love, patience, friendship and understanding, and ultimately for reminding us what is really important.

List of Acronyms

AAPA	American Association of Port Authorities
ACE	Automated Commercial Environment
AEO	Authorized Economic Operator
AIS	Automatic Identification System
ANOA	Advance Notice of Arrival
APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
ATA	American Trucking Association
ATS	Automated Targeting System
BEET	Business Executives Enforcement Team
CARICOM	Caribbean Community
CBP	Customs and Border Protection
CBSA	Canadian Border Services Agency
CIA	Central Intelligence Agency
CITS	Center for International Trade and Security
COCOM	Coordinating Committee for Multilateral Export Controls
CSI	Container Security Initiative
C-TPAT	Customs-Trade Partnership Against Terrorism
DHS	Department of Homeland Security
DPW	Dubai Ports World
DNDO	Domestic Nuclear Defense Office
DOC	Department of Commerce
DOD	Department of Defense
DOE	Department of Energy
DOS	Department of State
DOT	Department of Transportation
EU	European Union
EXCOMM	President's Executive Committee
FAA	Federal Aviation Administration
FAST	Free and Secure Trade Program (Canada-US)
FBI	Federal Bureau of Investigation
FDA	Food and Drug Administration
FEMA	Federal Emergency Management Agency
GAO	Government Accountability Office
GDP	Gross Domestic Product
HEU	Highly Enriched Uranium
IATA	International Air Transport Association

ICE	Immigration and Customs Enforcement
ICMTS	Interagency Committee on Marine Transportation System
ILWU	International Longshore and Warehouse Union
IMO	International Maritime Organization
IMPACS	Implementation Agency for Crime and Security
IMSR	International Maritime Security Regime
IOs	International Organizations
IPSLO	International Port Security Liaison Officers
ISF	Importer Security Filing
ISPS	International Ship and Port Security
IR	International Relations
MA	Maritime Administration
MDA	Maritime Domain Awareness program
MERCOSUR	Southern Common Market
MTS	Marine Transportation System
MTSA	Maritime Transportation Security Act
MTSNAC	Marine Transportation System National Advisory Council
NAFTA	North American Free Trade Agreement
NATO	North Atlantic Treaty Organization
OPEC	Organization of the Petroleum Exporting Countries
PIP	Partners in Protection
PSI	Proliferation Security Initiative
RFID	Radio Frequency Identification Devices
RPM	Radiation Portal Monitors
SAFE	Security and Accountability For Every Port
SBI	Secure Border Initiative
SFI	Secure Freight Initiative
SOLAS	International Convention for the Safety of Life at Sea
TSA	Transportation Security Administration
TWIC	Transportation Worker Identification Credential
UAE	United Arab Emirates
UNASUR	Union of South American Nations
UNCLOS	United Nations Convention on the Law of the Sea
UPS	United Parcel Service
USCG	United States Coast Guard
VACIS	Vehicle and Cargo Inspection System machine
WCO	World Customs Organization
XLA	Express Delivery and Logistics Association

Chapter 1
Introduction

The sea is a place where many go to enjoy sun, sand and surf, but it is also the location of much commerce and occasional crime, death and destruction. In November 2008, for example, Indian and other citizens and tourists in Mumbai became the target of terrorists who entered the city by sea. After sailing from Pakistan on a cargo vessel, the terrorists overtook an Indian fishing boat and murdered its crew before boarding small inflatable boats and landing in two different places south of Mumbai. Entering the city by sea meant the terrorists could avoid encountering Indian security officers stationed at border points and air ports of entry. And because they entered Indian waters on an Indian fishing vessel, the terrorists did not raise any concern with the Indian coast guard. The armed gunmen proceeded to kill approximately 200 people and held the city of Mumbai hostage for nearly 60 hours before Indian commandos were able to bring the deadly event to an end (Rabasa, Blackwil, et al. 2009). Fearing similar attacks in the United States, port and police authorities from New York City traveled to Mumbai in December 2008 to study the terrorist attacks and strategize on how to prevent such incidents ("Lessons from the Mumbai Terrorist Attacks" 2009; Lubold 2009).

India is not alone in its experience with maritime or seaport centered violence. The possibility of a seaport attack became a reality at Israel's Ashdod port in the spring of 2004. On March 14, two suicide bombers breached port security by hiding behind fake walls placed in freight containers. While the terrorists' explosions missed the fuel and chemical tanks held at the port, ten people were killed and 16 injured. In fact, Israel has experienced numerous maritime terrorist attacks and has detected and prevented many terrorist plots involving its coastline (Lorenz 2007). Additional examples abound. Rebels in Somalia, for example, have targeted ships – particularly fuel tankers – with mortar attacks at Mogadishu's seaport, leaving port authorities and police forces scrambling to enhance security in and around the port area ("At Least Six Rockets Fired" 2007). Moreover, cargo containers have been used to traffic not only weapons and explosives, but drugs, humans, including terrorists themselves, and contraband of all sorts (Turnbull et al. 2006; "Stowaway Terrorists Steal Into America" 2002; "Colombian Coffee Comes with Smuggled Cocaine" 2009). While these types of attacks and misuses of cargo containers are really nothing new, they have seemingly increased in recent years and are leading to more significant concern and more targeted action.

Greatest attention has been focused on the use of seaports and cargo containers to transport, deliver, and even detonate nuclear or other weapons of mass destruction. Terrorist and other violent groups have certainly tried to acquire weapons of

mass destruction, and certainly could use the global system of international trade and the ubiquitous cargo container to transfer and ultimately explode such dangerous weapons. Such an incident could be catastrophic. If a 10- to 20-kiloton nuclear weapon – about the size of the bomb used in Hiroshima, Japan in 1945 and approximately the equivalent of 15,000 tons of TNT – were exploded in a large seaport, one organization estimates that somewhere between 50,000 and 1 million people would die, approximately $50 to $500 billion of property would be damaged, trade losses would add up to about $100 to $200 billion, and the overall "indirect costs" of the incident would be around $300 billion to $1.2 trillion (ABT Associates as cited in Medalia 2003, 7). With such large and varied damage estimates being offered, it is no surprise that government authorities in particular, but the general public as well, have become concerned.

Cargo Containers, International Trade and Global Security

To be sure, cargo containers and seaports, in particular, are essential to global commerce. Although maritime merchants have traversed the world's waterways for centuries, trading goods at ports of call on nearly every continent, the shipping container is a much more recent addition to global trade – and has contributed significantly to its tremendous growth. Before the1960s when the 20- and 40-foot standard cargo containers and trans-Atlantic container ships were introduced to international trade, intermodal transportation of cargo was far more difficult. Although improvements in intermodal transshipments were evident in the late 19th and early 20th centuries – particularly between rail and road transportation – the time it took to successfully transfer goods was significantly longer than what could be accomplished after the container was introduced (Rodrigue and Notteboom 2009, 2). In the early 20th century, the pallet was considered the first important unit contributing to the enhanced intermodal transportation of goods. Primarily made of wood, a pallet or skid is a flat set of planks on which boxed or otherwise packaged goods can be stably placed and moved using a forklift or some other lifting device. Before the pallet it would take approximately three days to unload more than 10,000 cases of canned goods from a railcar. Once pallets and forklifts were introduced, the same 10,000 cases could be transferred in only four hours (Leblanc 2002). The development of the pallet, therefore, was a revolution in intermodal transportation itself, but nowhere near as revolutionary as the creation of the cargo container where goods could easily be transferred between ship, rail and truck for quick transport between producers, exporters, importers and consumers. The lack of standardization in container sizes and ships specifications hampered the fast flow of goods initially – particularly inland transfers – but by the 1970s maritime and inland transportation standards were set and the smooth and seamless movement of goods around the world has sailed forward ever since (Rodrigue and Notteboom 2009, 3-4).

With this transportation revolution in mind, it is clear that global ties – both economic and political – widened and deepened, allowing commercial relationships and related governmental regulations to expand and solidify. In fact, this revolution in transportation significantly affected what many refer to as "globalization," particularly as markets opened and American and European companies continued their search for cheaper labor, raw materials and finished goods (Schulte 2005; Bryan and Farrell 1996). However, due to the end of the Cold War, the development of East European and Asian markets, and the resulting expansion of the free flow of goods, capital, labor and knowledge, a subsequent rise in transnational crime became evident (Kaplan 1994; Shelley 1995, 463-489; Williams 1994, 96-113). Difficulties in monitoring, policing, prosecuting and punishing global criminals that operate across borders provide significant challenges to US and international security environments. The primary concern prior to September 11, 2001, however, was with corruption, fraud, theft, and illegal trafficking of illicit goods and materials most likely to be used for personal gain. In the post-9/11 environment, authorities and citizens alike have become more concerned with terrorist exploitation of the globalized environment to perpetrate transnational terrorist violence. Concerns with corruption and the trafficking of dangerous and illegal goods, such as drugs, weapons, stolen property, and laundered money, as well as the trafficking of people – whether they are immigrants, slaves or terrorists – continue (Naim 2003). However, many public officials and private individuals in the United States consider international terrorism to be most problematic.

Even before September 11, 2001 authorities in the United States were concerned with security at ports of entry and exit and the misuse of or interference with cargo containers. In April of 1999, for example, President Bill Clinton established the Interagency Commission on Crime and Security in US Seaports and tasked the Commission with conducting "a comprehensive review of the nature and extent of seaport crime and the overall state of security in seaports" (Report of the Interagency Commission on Crime and Security in US Seaports 2000, iii). In its September 2000 report to the President, the Commission found that seaport security in the United States ranged from poor to fair at best, and only in a few cases was the state of seaport security considered good (Report of the Interagency Commission on Crime and Security in US Seaports 2000, v). This may be the case because prior to 9/11 aviation security was typically the only mode of transportation that received attention to any significant degree – and even then the attention was "sporadic" and "reactive" (Szyliowicz 2004, 355-356). After airplane hijackings, the Federal Aviation Administration (FAA) would employ additional screeners to prevent weapons from being carried on board – and after a bomb destroyed Pan Am 103 in 1988 killing 270 people, the FAA focused its attention on screening suitcases and checked baggage (Ibid. 2004, 355-356).

In 1995 the US Department of Transportation (DOT) did state that they should undertake a review of maritime vulnerabilities and threats to both passengers and cargo, but nothing of significance emerged. Moreover, prior to 9/11, concerns with transportation security focused primarily on one form of transportation at a time

– air, sea or land, and most often on air – rather than concentrating on intermodal security and the real possibility that terrorists could exploit the global system of containerized freight movements to wreak havoc and cause damage, destruction and death (Ibid. 2004, 356-357). It was not until after the terrorist attacks in New York City and Washington, DC in 2001 that the vulnerabilities of global intermodal forms of transportation were highlighted. Since that time a number of measures have been developed, agencies have been created, agreements have been signed, programs have been implemented, and resources have been spent worldwide to minimize the economic, political and human impact of terrorist activity using the world's containerized freight chain.

September 11 and the Heightened Port Security Concern in the United States

In the United States there are approximately 7,000 miles of land border and 95,000 miles of shoreline. The country is therefore particularly concerned about the potential movement of dangerous weaponry into and throughout the country. With approximately 15 million cargo containers moving via sea vessel, train and truck each day – and with additional cargo entering the country by air – the probability that cargo containers may be used to transport and even detonate explosives, dirty bombs, or some other kind of weapon of mass destruction is very real. Ports of entry, particularly seaports, are viewed by some as one of the most vulnerable targets for a terrorist attack. A large percentage of cargo entering the United States flows through the nation's seaports (Hillyard 2005). Between 1999 and 2004, container traffic at the ten busiest seaports in the United States grew from 10% to 110%. Overall during that period, imports of containerized freight increased nearly 50% while exports grew at a rate of around 20% – and much of this growth has occurred since September 11, 2001 (Christopher 2009, 13).

Because of the significant threat that hidden bombs or explosives in cargo containers poses to the United States, the country has taken the lead in developing a number of port security initiatives and policies. For example, the United States government created the Department of Homeland Security (DHS) after the 9/11 terrorist attacks to bring together and centralize a number of agencies working on domestic or homeland security issues. Regarding port and container security, the basic US approach has been to employ "a layered defense" (Regenold 2007). A layered defense requires that multiple policies, programs, and actors function together to provide the most secure ports possible – the purpose being to identify, neutralize and eliminate breaches of security as containers are monitored from one layer to the next. The more overlapping, effective and consistent security layers are, the more protected US ports will be. In an effort to enhance policy and agency cooperation and to minimize inconsistencies in security programs and their implementation, the Department of Homeland Security was created to provide a framework and structure to share intelligence and enhance security