

HSPI Commentary Series

FIGHTING PIRACY AND PROTECTING NATIONAL INTERESTS

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Piracy waxes and wanes with the seasons, just as congressional attention does.

Ordinarily pirate attacks spike in March/April and October/ November, during lulls when the monsoon winds shift. In response to pirate activity in the Gulf of Aden this Spring, Congress is now considering legislation with serious cost and resource implications for both the US flag shipping industry and the US military.

The Cummings amendment would require the US military to place armed security teams on US flag ships judged by the US Coast Guard to be at high risk of pirate attack. Before dedicating substantial treasure and perhaps even blood, we should be asking ourselves: what is the national interest here? Is it US flag ships? Our international commerce? Other factors? Policy prescriptions depend on the answers to these questions.

Although the attack on the Maersk Alabama focused US attention on piracy in East Africa and specifically Somalia, we have yet to have in this country a serious, strategic discussion about what resources should be committed to fighting piracy, or which other priorities may suffer as a result. Considering next steps in larger context would bring to the fore significant questions and issues, such as possible opportunity costs to the US Navy, given the size of the fleet.

Instead, for months, congressional action and rhetoric in the country as a whole focused almost exclusively on how to get guns onto US flag ships—something the international shipping community, such as BIMCO and the International Association of Independent Tanker Owners, opposes. Congress, of course, can only legislate in respect of US flag ships. Yet costly requirements which apply only to them, but not to their foreign competition, make the US flag less competitive.

Piracy will not be stopped until Somalia becomes a functioning state that provides some measure of economic opportunity for its citizens. A concerted international effort is needed.

The current presence of coalition warships is a relatively minor irritant to the pirates, but a significant cost for contributors, especially smaller navies.

Some argue that the international shipping community should pay to deal with the problem. However the probability of an attack is actually very small, and the probability of a successful attack even smaller. Moreover when a successful attack does occur, the costs involved (exclusive of the personal impact on the lives of the seamen who are pirated) are not crushingly large. Notably, from a systemic perspective, piracy off the coast of Somalia has not had any impact on the flow of international commerce.

Operators are not likely to pay more to avoid a problem than a “cold” calculation of the bottom line reveals; and there is no international mechanism to compel contributions (the IMO cannot tax shipping companies, for example). While larger operators are more likely to take a more expansive view of the “true” cost of piracy, they are also more likely to operate the type of ship (such as a large, fast containership) that is less susceptible to piracy.

Market forces alone cannot resolve this problem. Political leadership, thoughtful analysis, and reasoned debate are needed. Recent support voiced by a number of flag states including the United States, for adoption of “internationally-recognized best management practices to prevent pirate attacks,”¹ is a step in the right direction. But this is still only a “band-aid” on a symptom: piracy will be with us, regardless of actions or countermeasures taken at sea, until the international community deals effectively with the root of the problem—the failed state of Somalia. Further action, supported by careful thought, is in order.

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¹ <http://www.state.gov/t/pm/rls/rm/129258.htm>