

Cargo Preference Essential Element For Us Merchant Marine, National Security

Rear Admiral Mark H. Buzby, USN (Ret)

Recently, there have been renewed calls by some to do away with – or greatly diminish – the requirements that govern the sea transportation of cargo that is owned, procured, furnished, or financed by the US Government – better known as Cargo Preference.

A removal of the current 50% requirement would have immediate and devastating effect on the US flag fleet. I state this with the confidence of having observed multiple US flag ships “flag out” of US registry when a change to Cargo preference statutes in 2013 reduced the required US carriage percentage of non-DOD government cargo from 75% to 50%. Doing away with Cargo preference requirements would directly result in the reduction in the size of the already small US flag deep sea fleet, adversely impact the size of the correspondingly small pool of US citizen seafarers, and jeopardize our Nation’s ability to execute sealift of US forces in times of crisis or conflict.

As MARAD Administrator, I testified often of the “three - legged stool” of maritime policy that underpins and supports the U.S.-flag merchant marine: the Jones Act, the Maritime Security Program (and newly enacted Tanker Security Program), and Cargo preference. Cargo preference is the least understood of the three, and it is under direct attack now. Short-sighted detractors are now pushing to end cargo preference for food aid programs like Food for Peace, in which American-grown food is moved on American-flagged ships to help those in need in the some of the poorest parts of the world. This has been a successful program for nearly 70 years helping

to provide much needed food and aid to families starving and suffering from famine and conflict. At the same time, these programs support American farmers, American truckers, American rail operators, American manufacturers, American milliners, American oil and flour producers, American longshoremen, and American mariners. Currently, only half of all those cargos must travel in US flagged vessels.

We should not underestimate the strong signal that a US flag ship delivering life saving food and aid sends to everyone that the US is there and engaged. Putting food aid on flags of convenience says nothing...just another government hand out. Cargo preference is an important component of global engagement, non lethal and peaceful.

Other Cargo preference statutes date back to 1904, stipulating that 100% of Department of Defense cargo must travel in US flagged vessels, ensuring a safe and secure means to deliver our fighting forces and their sustainment around the globe. Imagine if such a statute was not in place and the movement of military cargos was dependent on the whims of a foreign flag carrier during times of heightened tension or crisis. I don't think we want to go there.

Lacking a comprehensive national maritime strategy that coherently and comprehensively ties together the contributions of our civilian merchant marine and our uniformed sea services (Navy, Marine Corps, Coast Guard, and NOAA) to our national defense and economic security, the individual elements of maritime policy which are "sailing in loose formation" today are susceptible to attack from special interests not aware of the important role each plays in support of the other. The attacks on Cargo preference are a perfect example; a seemingly detached policy focused on moving food aid and other government cargos helps sustain a sizeable percentage of the US Flag fleet, which provides jobs for the maritime work force, which is the same pool of mariners the US government will depend upon to activate and sail our Ready Reserve Force

sealift fleet to transport and sustain US and allied forces in times of national emergency. The math is simple: reduced cargo equals reduced ships, fewer ships equals fewer crews, and fewer crews means we cannot man our sealift ships.

President Xi and the Chinese Communist Party (CCP) have made their interest in dominating the maritime sector perfectly clear: they construct 80% of ship to shore cranes, 86% of intermodal chassis, and 95% of the world's shipping containers. Their shipyards turnout 47% of the world's shipbuilding tonnage, and PRC companies operate over 5,500 merchant ships. They subsidized their shipbuilding industry by over \$132 billion from 2010-2018. The CCP knows what the British Empire knew, what the Founding Fathers knew, what Rear Admiral Alfred Thayer Mahan postulated in 1890: control the seas, control the world.

I want to be clear: ending cargo preference will create national security risks, and lack of cargo will continue to shrink the size of the US maritime fleet and reduce US sealift capability at a time when we cannot afford to give up one ship or lose a single mariner. The adverse ripple effect will extend to the shore side maritime and shipbuilding industry as well. I encourage Congress to reject misguided and unwise proposals that will make us even more dependent on the Chinese Communist Party for our economic health and instead support a robust US maritime policy that will sustain the US commercial sealift needed to support US national security.

Rear Admiral Buzby served as Maritime Administrator from 2017-2021. He retired from the US Navy in 2013 after 34 years of service which included command of the US Navy's Military Sealift Command. Prior to serving as MARAD Administrator, he was President of the National Defense Transportation Association.

Military Sealift Command Honors Merchant Mariners Past And Present With National Maritime Day Celebration



Norfolk, Va. (May 22, 2023) – Cmdr. Robert Jones, CHC, USN Naval Medical Center Portsmouth Deputy Command Chaplain, USNS Comfort (T-AH 20), delivers the invocation during Military Sealift Command’s National Maritime Day ceremony aboard Comfort May 22, 2023. National Maritime Day honors the thousands of dedicated merchant mariners who served aboard United States vessels around the world. (U.S. Navy photo by Ryan Carter)

[Release from Military Sealift Command](#)

[By Jennifer Hunt](#)

22 May 2023

Norfolk, Va. – Military Sealift Command (MSC) hosted a National Maritime Day celebration aboard hospital ship USNS Comfort (T-AH 20), May 22, honoring United States Merchant Mariners.

The event commenced with remarks from Rear Adm. Michael Wettlaufer, MSC Commander, and featured keynote speaker Mr. Dave Yoho, World War II Merchant Marine Veteran.

“The Department of Defense depends on the Merchant Marine to support 90 percent of our sealift requirements in national emergency, crisis or conflict,” said Wettlaufer. “Long serving as our nation’s ‘fourth arm of defense,’ American mariners bravely faced combatants and pirates, pandemics and natural disasters. They answer the call to serve their fellow Americans in ways and in places many of our fellow citizens don’t know about.”

“Today, and every day, we honor our American mariners, especially our MSC Civil Service Mariners, past and present, courageous women and men who serve our nation.”

In 1944, Yoho enlisted in the United States Merchant Marines at just 16 years old. He was assigned to a T/2 Tanker ship, often referred to as a fleet oiler, which was sent to the South Pacific during World War II.

There was a great wave of patriotism after the Japanese attack on Pearl Harbor, which inspired thousands to join the United States Merchant Marines. These mariners would become a part of the 250 thousand who served during World War II, said Yoho.

“They moved 15 million tons of goods to Europe and the United Kingdom, eight million tons of goods to the Mediterranean, 13 million tons of goods to the Pacific Ocean, and five million tons to Russia.”

During his speech, Yoho recalled his experience as a young Merchant Marine during wartime.

“We were in great trouble when the war started. We were outmanned, outmaneuvered, out-gunned, and out-financed, but we took a collective stand,” said Yoho.

“I was a fireman water tender. I [asked an officer], ‘Sir, what’s the best way to get out of here if we take a hit?’ He said, ‘Kid, if we take a hit, you don’t get out of here.’ That’s the first time I realized we could get killed.”

“The Merchant Marine had the highest mortality rate of any of the services. One out of 26 of us died,” said Yoho. “I bring you my story in hopes that you will tell others. Tell them about [mariners], and say we gave up our yesterdays for their tomorrows. Tell them this is from a 16-year-old boy in a 95-year-old man’s body.”

After Yoho’s speech, the ceremony ended with a moment of silence for fallen mariners and the ringing of eight bells.

On May 20, 1933, Congress designated May 22 of each year as “National Maritime Day” to commemorate the first transoceanic voyage by steamship S.S. Savannah in 1819. The S.S. Savannah was the first steam-powered ship to successfully cross any ocean. Today, National Maritime Day celebrates the thousands of merchant mariners who serve on United States vessels around the world.

World War II U.S. Merchant Mariners Honored during National Memorial Day Concert



WASHINGTON – On Sunday, May 28, during the National Memorial Day Concert on the U.S. Capitol grounds, the Public Broadcasting Service and Capital Concerts will honor more than 9,500 U.S. Merchant Marine men and women who were killed in action during World War II. WWII Merchant Marine veterans, representing the American Merchant Marine Veterans organization, will be honored in a special segment of the concert.

David Yoho, a WWII Merchant Marine veteran, will be a featured spokesman during the Concert. He will give a vivid and heartfelt interview about our Nation's fallen heroes and the value of the Merchant Marine that has been recognized by U.S. Presidents and America's senior military leaders. Mr. Yoho's moving description of his wartime experience as a teenager and his respect for all his Merchant Marine shipmates will be a highlight of the show.

In addition to Mr. Yoho's interview, the four Merchant Marine

WWII veterans, William Balabanow, John Laughton, Charles Mills, and George Worsham, will honor their fallen shipmates during the show. In particular, Mr. Laughton and Mr. Worsham survived enemy attacks that sank their ships and killed many of their fellow Merchant Mariners.

On September 14, 1944, President Franklin D. Roosevelt said, "It seems to me particularly appropriate that Victory Fleet Day this year should honor the men and management of the American Merchant Marine. The operators in this war have written one of its most brilliant chapters. They have delivered the goods when and where needed in every theater of operations and across every ocean in the biggest, the most difficult and dangerous transportation job ever undertaken. As time goes on, there will be greater public understanding of our merchant fleet's record during this war."

More than 240,000 U.S. Merchant Mariners served during WWII. They faced torpedoes, bombings, kamikaze attacks, ice, and storms to deliver millions of troops and the necessary military goods for the Allies' war effort. According to the U.S. War Shipping Administration, the U.S. Merchant Marine suffered one of the highest casualty rates of any service during WWII. Officially, a total of 1,554 merchant ships were sunk due to war conditions. Also, over 1,800 U.S. Naval Armed Guard shipmates were killed or missing in action during WWII, while manning guns on merchant ships.

The U.S. Merchant Marine Academy at Kings Point, NY honors 142 cadet midshipmen who died during WWII. Because of their supreme sacrifice, Kings Point is the only one of the Nation's five federal service academies authorized to carry a Battle Standard flag as part of its Color Guard.

Captain Dru DiMattia, president of American Merchant Marine Veterans, said, "I appreciate the decision to honor U.S. Merchant Marine WWII casualties during the National Memorial Day Concert, as valued contributors to the Allies' victory.

This is a historical event for the U.S. Merchant Marine and our country. Our organization is honored by support from President Biden, Sen. Elizabeth Warren, Rep. Jimmy Panetta, the Department of Defense, the Maritime Administration, the National Park Service, and the Friends of the National WWII Memorial.” Capt. DiMattia is available for advance interviews.

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Marine Units Ordered to the Southern Border

Arlington, Va. – U.S. Marines from two units have been selected to augment the Department of Homeland Security in assisting with operations along the U.S. southwest border, according to the U.S. Northern Command.

The Marines will “provide support with duties including data entry, warehousing, support, and additional detection and monitoring support efforts,” a May 6 Northern Command release said. “This military support increases the availability of Customs and Border Patrol (CBP) law enforcement personnel to conduct law enforcement-specific duties.

The Marines will come from two regiments from the 2nd Marine Division at Camp Lejeune, North Carolina:

- 2nd Marine Regiment
- Combat Logistics Battalion 2

The Army's 93rd Military Police Battalion based at Fort Bliss, Texas, and some Air Force personnel from unidentified units also are being assigned the same duties. All assigned forces are to be in place by May 10.

"Military personnel will not be permitted to support migrant processing and escort duties or other activities that involve direct participation in civilian law enforcement activities, be responsible for property seized from migrants, or require direct contact with migrants," the release said.

**Rear Adm. Wettlaufer:
Shortage of Ships, Mariners
an Ongoing Problem for
Military Sealift Command**



Rear Adm. Michael A. Wettlaufer, commander of Military Sealift Command, answers questions from the audience after speaking about the needs of the organization at the Navy League hosted Special Topic Breakfast, Oct. 18, sponsored by General Dynamics. *NAVY LEAGUE OF THE UNITED STATES / James Peterson* ARLINGTON, VA – Military Sealift Command (MSC) continues to face a shortage of both ships and sailors, and it will take a “collective effort” from government and industry to turn the tide, Rear Adm. Michael Wettlaufer, commander of MSC, said here during an event hosted by the Navy League of the United States.

Rear Adm. Wettlaufer noted that after the number of U.S. mariners reached their peak during World War II at 262,000, their population has plummeted to a fraction of that today – about 33,000 between 2018-2021. With recruitment and retention a problem across all of the services, MSC faces no easy solutions.

Specifically, the top challenges currently facing MSC in this area are an atrophied maritime industry, a reduced U.S. flag commercial fleet and a shortage of ocean-going mariners, he said.

To help the issue of a lack of vessels, Wettlaufer said MSC will seek to incentivize commercial participation.

“We’ve got to incentivize U.S. flagged shipping,” he said, noting that the number of U.S. flagged ships at their disposal had declined from 282 at the start of this century to 178 today. “On the production side, it’s great; we’re building ships. But we certainly need more.”

On the recruitment side, it is a multi-pronged problem. A lack of U.S. flagged ships causes a decrease in the mariner population naturally, but there are other issues that the command needs to address, Wettlaufer said.

“This ecosystem is under stress [and] this needs our nation’s focus,” Wettlaufer said. “Why does [this decline in mariner population] happen? Have people changed, or are we ignoring the problem? I think we’re ignoring the problem. I think we’re ignoring the engagement opportunity.”

To help fix this issue, MSC will seek to get mariners to sea through a vigorous recruiting campaign, incentives and training. He also said MSC will be more aggressive in preventing sexual assault. Regardless, it will take a “collective effort” between government and industry to deal with this ongoing issue, the rear admiral said.

Leaders Honor Merchant Marine Bravery in World War II, Ongoing Pandemic for National Maritime Day



Secretary of Transportation Pete Buttigieg speaks at the DOT's National Maritime Day observance. *SEAPOWERS / Brett Davis*
WASHINGTON, D.C. – Transportation and military officials observed the annual National Maritime Day on May 24, saying the Merchant Marines were the unsung heroes of the second world war and continue to be heroes by shipping vital supplies during the ongoing pandemic.

“We have always been, and always will be, a nation whose destiny is connect to the sea,” Secretary of Transportation Pete Buttigieg said during the ceremony at the Department of Transportation headquarters.

The ceremony especially honored the Merchant Mariners who helped win World War II, losing their lives at a higher rate than any other services. On May 18, congressional leaders revealed a new Congressional Gold Medal for American Merchant Mariners.

During World War II, they delivered an average 17 million pounds of cargo to the armed forces every hour, and “often they did so without protection against U Boats, destroyers and the aircraft that menaced the waters,” Buttigieg said.

Now, during a pandemic, “you have kept America afloat,” he said.



Daniel Maffei. left, Ann Phillips, the new administrator of the Maritime Administration, and Polly Trottenberg, the deputy secretary of transportation, during the presentation of a wreath to honor fallen Merchant Marines. *SEAPOW / Brett Davis*

Daniel Maffei, chairman of the Federal Maritime Commission, said the COVID pandemic put current mariners to the test again, and “they put their lives on the line for our country.”

Americans stayed home to help fight the spread of the virus, but “thanks especially to the workers in our ports, America was never cut off.”

Retired Navy Rear Adm. Ann Phillips, sworn in as the 20th administrator of the Maritime Administration on May 16, also cited maritime bravery during World War II and said, “today, our mariners continue to navigate historic challenges” such as the pandemic and supply chain disruptions.

Strengthening the maritime services is critical, said outgoing Coast Guard Commandant Adm. Karl Schultz.

Maritime officials like to talk about ships and boats and ports, he said, but “it’s really the mariners. It’s not the steel, it’s not the concrete ... mariners deserve the best support we as a nation can provide,” including updated technology, streamlined induction processes and a renewed fight against sexual assault to create a safe environment for all mariners.

Rear Adm. Michael A. Wettlaufer, command of Military Sealift Command, said his service is also embarking on modernization to improve the environment for the maritime fleet. He cited the 2021 delivery of a component from a Navy ship and Coast Guard vessel as an example, and said in the future “I expect to be able to deliver key components between ships” at distances of up to several hundred miles.

Phillips Sworn In as 20th

Maritime Administrator



Rear Adm. Ann Phillips, left, then commander of Expeditionary Strike Group 2, visited the Netherlands navy frigate HNLMS Evertsen (F805) during Exercise Baltic Operations 2013. U.S. NAVY

WASHINGTON – The U.S. Department of Transportation announced May 16 that retired U.S. Navy Rear Adm. Ann Phillips has been confirmed and sworn in as the 20th administrator of the Maritime Administration.

Nominated by President Biden on Oct. 21, 2021, Rear Adm. Phillips was confirmed by the U.S. Senate on May 10. She is the first woman to lead MARAD as administrator.

“From her distinguished naval service to her leadership on coastal infrastructure, Rear Adm. Ann Phillips has championed America’s maritime sector throughout her career,” said Transportation Secretary Pete Buttigieg. “Her experience and expertise will be invaluable as we address supply chain bottlenecks, implement the maritime investments in the Bipartisan Infrastructure Law, ensure the safety and success

of midshipmen at the Merchant Marine Academy, and combat climate change in the maritime sector. I thank Deputy Administrator Lucinda Lessley for her tremendous service guiding MARAD as acting administrator and look forward to all that she and Ann will accomplish together at the agency in the years ahead.”

As head of the Maritime Administration, Phillips will advise the Secretary of Transportation on commercial maritime matters, to include the movement of goods, supply chain, as well as the U.S. maritime industry, environment and compliance, ports and waterways infrastructure and strategic sealift. She will engage public and private stakeholders in the maritime industry and oversee the U.S Merchant Marine Academy.

Phillips will also oversee MARAD’s programs to improve and modernize the nation’s maritime network by administering the investment in ports and waterways made possible by the Bipartisan Infrastructure Law, including \$2.25 billion to be awarded over the next five years through the Port Infrastructure Development Program and \$25 million for the America’s Marine Highway Program.

“It’s an honor to work alongside the professionals who make up the MARAD team, and, to serve the American people, Secretary Buttigieg and the Biden-Harris Administration,” Phillips said. “I understand the critical role that our commercial Merchant Marine plays in our national and economic security. In my nearly 31-year Navy career, I have witnessed many of the challenges facing our maritime sector and look forward to working with my colleagues to address them. This is an exciting time for MARAD as we work to expand and strengthen America’s waterborne transportation system and workforce.”

Phillips served most recently as Special Assistant to the Governor for Coastal Adaptation and Protection, Commonwealth of Virginia, developing Virginia’s first Coastal Resilience

Master Plan. Prior to her appointment to the Office of the Governor, she served nearly 31 years on active duty and has extensive experience operating with multi-national maritime forces, including NATO and Partnership for Peace nations, and serving overseas in Guam and Lisbon, Portugal.

Her final flag command, Expeditionary Strike Group Two, included 14 ships and 10 subordinate commands – all the Amphibious Expeditionary Forces on the East Coast of the United States. Earlier she served on the Chief of Naval Operations' Staff as Deputy Director and then Director of Surface Warfare Division. Previous to those positions, she commissioned and commanded the USS Mustin (DDG 89) and to command Destroyer Squadron 28.

Phillips graduated from the University of North Carolina at Chapel Hill and earned a Master of Business Administration, with distinction, from The College of William & Mary – Raymond A. Mason School of Business.

**Philly Shipyard Awarded
Contract for Fifth NSMV**



An artist's conception of the purpose-built National Security Multi-Mission Vessel, to which the Maritime Administration (MARAD) wants to transition to replace obsolete training ships. *MARAD*

PHILADELPHIA – Philly Shipyard Inc. will build one additional National Security Multi-Mission Vessel, or NSMV, the fifth and final in the training ship series.

The vessel, built under an order from TOTE Services as authorized by the Maritime Administration, will replace the aging training vessel at California State University Maritime Academy in Vallejo, California.

Construction of the new vessel, NSMV 5, is expected to commence in 2023. The contractual delivery date for NSMV 5 is 2026.

The order was placed under the April 2020 contract with TOTE Services, which allows for the construction of up to five NSMVs. The initial award included the first two vessels in the NSMV program, NSMVs 1 and 2. The next two vessels in the NSMV program, NSMVs 3 and 4, were ordered in January 2021.

The award for NSMV 5 is valued at approximately \$300 million, bringing the total order intake under the contract for the

five-ship program to be approximately \$1.5 billion.

As announced in November 2021, Philly Shipyard's order backlog also includes a contract from Great Lakes Dredge & Dock Co. to construct one Jones Act-compliant Subsea Rock Installation Vessel, with a contract value of approximately \$200 million. The SRIV will be constructed in between NSMVs 4 and 5.

"It is truly a great day for Philly Shipyard as we are now responsible for building the complete series of the NSMV program – a physical symbol of MARAD's investment in the future of maritime education and training," said Steinar Nerbovik, president and CEO of Philly Shipyard. "The NSMV program continues to mark a turning point in our company's transformation to serve both commercial and government markets."

Crowley to Operate Ice-Class Tanker for Military Sealift Command



The Stena Polaris, an Ice-class tanker that will be operated by Crowley for Military Sealift Command. *CROWLEY*
JACKSONVILLE, Fla. – Crowley has been awarded the Military Sealift Command charter contract to operate the Stena Polaris, an Ice-class tanker serving bulk fuel needs of the U.S. Department of Defense, the company said March 21.

Crowley's government ship management group has completed the conversion of the ship to meet government and military service standards, including registration as a U.S.-flag vessel. The tanker will transport necessary fuel for defense operations in the Arctic and Antarctica regions. When not operating in those regions, the vessel will transport fuel for defense services in the Mediterranean Sea.

Crowley has partnered with the DNV classification society and the U.S. Coast Guard to verify the vessel meets the applicable standards to support its missions safely and effectively. Enhancements include adding at-sea refueling capabilities for the military. The tanker, now U.S.-flagged with U.S. mariners, is set to enter service this week.

The conversion was completed at Fincantieri Marine Repair near downtown Jacksonville, Florida, supporting investment, jobs

and the economy of the home city of Crowley's global headquarters.

"The Stena Polaris plays a critical mission for our warfighters serving our nation in austere environments, and fundamental work to help our military succeed will be done by the strong workforce and maritime industry in Jacksonville," said Mike Golonka, vice president, government maritime services, for the Crowley Solutions business unit. "Crowley's team is fortunate to partner with the U.S. Coast Guard, DNV and Fincantieri Marine Repair to complete the conversion, and we are honored that the U.S. government continues to trust Crowley's ship management team to meet the Defense Department standards for success and efficient service."

"We are excited to partner with Crowley here in Jacksonville to successfully complete this tanker reflagging project," said Ryan Smith, Fincantieri Marine Repair's president. "We are now operating in Northeast Florida providing high-quality services to meet the operational needs of military, government, and commercial clients."

The contract, which carries a one-year term with multiple option years, has a potential cumulative value of more than \$98 million.

Fleet Oiler USNS John Lewis Conducts Builder's Trials



USNS John Lewis (T-AO 205), the Navy's lead ship of its new class of fleet replenishment oilers, conducted initial builder's trials and returned to port on Feb. 4. *GENERAL DYNAMICS NATIONAL STEEL AND SHIPBUILDING. CO.*

WASHINGTON – USNS John Lewis (T-AO 205), the Navy's lead ship of its new class of fleet replenishment oilers, conducted initial builder's trials and returned to port on Feb. 4, Team Ships Public Affairs said in a release.

Builder's trials consist of a series of in-port and at-sea demonstrations that allow the Navy and the shipbuilder, General Dynamics National Steel and Shipbuilding Co., to assess the ship's systems and readiness prior to acceptance trials and delivery to the Navy.

“Ensuring readiness through sea trials is a crucial step to bringing this ship closer to fleet tasking,” said John Lighthammer, program manager at the Auxiliary and Special Mission Shipbuilding Program Office. “USNS John Lewis will provide much needed capability to the fleet as the primary fuel pipeline at sea. We are looking forward to getting the

ship into the hands of Sailors and merchant mariners as another tool to support at-sea operations.”

The new John Lewis-class T-AOs will be operated by Military Sealift Command to provide diesel fuel and lubricating oil, and small quantities of fresh and frozen provisions, stores, and potable water to Navy ships at sea, and jet fuel for aircraft assigned to aircraft carriers. The new T-AOs will add capacity to the Navy’s combat logistics force and become the cornerstone of the fuel delivery system.

General Dynamics National Steel and Shipbuilding Co. is currently in production on USNS Harvey Milk (T-AO 206), USNS Earl Warren (T-AO 207) and USNS Robert F. Kennedy (T-AO 208). The future USNS Lucy Stone (T-AO 209) and USNS Sojourner Truth (T-AO 210) are under contract.