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# COMMITMENT *to* PARTNERSHIP

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Admiral James M. Loy, USCG (Ret.)

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Reported by Karen Schmitt

Admiral James M. Loy bridges the gap between our public and private sectors. He served in the United States Coast Guard, rising to command the organization from 1998-2002, and upon retirement was appointed Administrator, Transportation Security Administration (TSA) where he was tasked to lead that agency through its creation and subsequent incorporation into the Department of Homeland Security (DHS). Later, he was appointed Deputy Secretary of DHS. Now, as Senior Counselor with the Cohen Group and member of Lockheed Martin's Board of Directors, Admiral Loy told the audience that time spent "in uniform" helped forge his current beliefs and convictions. "The answers to so many of the challenges we face today lie in the public/private partner relationship. Organizations like the National Defense Transportation Association serve a very important function and deserve not only my appreciation, but also my obligation. It's good to be back with NDTA. You have done well for a long time, and I appreciate that." he said in opening remarks.

Information exchange and knowledge sharing are backbone to the partnership, however the dialogue is not a simple matter when it comes to national security. The myriad of informational bits and bytes must be carefully thought through. "That old cauldron of intelligence that served us well during the Cold War had certain things in it of consequence, yet it didn't have bills of lading or manifest lists. All of a sudden, in our post 9/11 security environment, such things are absolutely necessary to the brew so that the standard traditional intelligence community approach [collection-analysis-distribution] can be directed right at the problems that we now have to cope with." Other factors come in to play.

#### THE CULTURE OF CRISIS

According to Loy, America tends to act impulsively when responding to crisis and then think things through. Citing the Exxon Valdez incident on March 24, 1989 and the resultant Oil Pollution Act of 1990, he commented, "Here was a tragedy, followed by 12 year's worth of trying to figure out whether we got it right or not. Where does this kind of behavior put us in the post 9/11 world that we're all trying to understand and sort out in our respective roles of work. Therein lies the challenge. This is

not a value judgment—it is just a descriptive for how we do business.”

Grappling with issues from “the 10,000 foot level perspective” is difficult enough, but joining forces across multiple domains, each with their own agenda, requires skill and forethought during times of national emergency. “Recall the Homeland Security Presidential Directive No. 7 (HSPD-7) issued by President Bush to update policies intended to protect our country from terrorist attacks,” reminded Loy. “It identifies 17 critical sectors of economic life in America . . . and it was up to DHS to collaborate with other cabinet offices so

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that each sector could divine the plan by which they would protect the critical infrastructure associated with their world of work. Just imagine the mosaic necessary to make the transportation sector’s plan collaborate with the energy sector’s plan, or the public health plan and so on. It is like the mother of all Venn Diagrams.”

Our perception of crisis is also telling. Were it not for the troops deployed to the Middle East, or for the logisticians supporting their mission, or even the diplomats trying to negotiate peaceful terms, do we really see ourselves at war? Are we committed to the effort? Or, has the complacency gene kicked in replacing the “Can Do!” with “Why Should I?” All too often, comments are heard, like, “Why do we have to take our shoes off at the airport? What kind of a thing is that?” Or, “Why do I have to sort and measure my medicine into little plastic bags?”

We have to ask ourselves how we in the transportation business should proceed. The Aviation Transportation Security Act passed by Congress on November 19, 2001 set a benchmark. It prescribed 36 items that were to be accomplished by the Transportation Security Association within an 18 month time frame. “In the horrible

aftermath of 911, we at TSA worked with a kind of fever that I now see waning. The only way we got things done was to reach to industry for help. The “Lean Forward” spirit was obvious on many fronts: Lockheed Martin trained 60,000 brand new federal employees as airport screeners; Boeing installed explosive detection capability at 451 airports; 1,100 baggage screening devices (“SUV sized monsters”) were ordered overnight when at the time only about 20 were in use worldwide. It recalls Henry Ford’s response to President Roosevelt’s plea for bombers rather than cars and the massive manufacturing plants where B-24’s were turned out every 63 minutes in support of WWII. And, let’s not forget the wives, mothers and daughters, the “Rosey the Riveters,” who made a personal contribution on the assembly line.

In spite of the serious threats that still remain, that “flavor” is gone. We are rooted in our own comfort zone and guided by perceptions that may be askew.

**THE HARD QUESTIONS**

Is our investment in transportation security on target as we move ahead? In light of America’s instinct to maybe do or overdo in the aftermath of tragedy, a tally of the FY06-FY08 budget appropriations begs evaluation: Aviation Security \$14.7 billion; Maritime Security \$4.9 billion; Transit Programs: approximately \$60 million; Buffer Zone Protection Programs: \$150 million; Pipeline and Hazardous Materials approximately \$79 million. Is this the right balance to achieve the most effective and equitable security measures? Loy suggests, “The challenge is to find

**SEVENTEEN SECTORS**

>> The 17-Sectors identified in the Homeland Security Presidential Directive (HSPD-7), December 2003. Each sector is committed to protecting critical infrastructure and key assets from physical attacks.

- Agriculture/Food
- Banking and Finance
- Chemical
- Commercial Facilities
- Nuclear Reactors/Materials/Waste
- Dams
- Defense Industrial Base
- Drinking Water/Treatment Plants
- Emergency Services
- Energy
- Government Facilities
- Information Technology
- National Monuments and Icons
- Postal and Shipping
- Public Health and Health Care
- Telecommunications
- Transportation Systems

the patterns of requirements in the post 9/11 environment that will give credence to things like risk management skills and vulnerability assessment skills so as to make judgments on the front end that will direct resource investment and policy development in a fashion that will truly yield those things to be of greater balance and greater value to the Nation overall.”

Admiral Loy offered an intellectual construct (see figure 1) that could help;

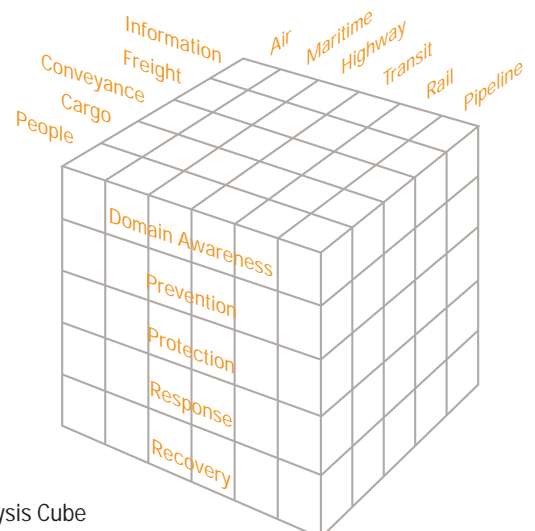


Figure 1. The Transportation Sector Analysis Cube

it emerged while he was with Transportation Security Administration and working with colleagues in undertaking Aviation Transportation Security Act directives. A sequential string of processes, labeled security domains, emerged. They are: *awareness-prevention-protection-response-recovery*. They provide a dimension of the framework for segmenting security challenges into bite-sized pieces. Two other dimensions are the specific transportation mode under scrutiny (*air-maritime-highway-rail-transit or pipeline*) and the functions within each mode to be examined (*people-cargo-conveyance-facility-information*). When cast in visual terms, a three-dimensional grid results allowing the team to compartmentalize the broad spectrum into manageable elements.

This construct could help us better understand and deal with our current security environment, where things that we have always counted on before or that we have taken for granted are now dramatically different. "We've always wanted the 100 percent solution. We even have words for

it, like 'zero tolerance' and 'unconditional surrender'. I'm here to tell you that there is no 'silver bullet' solution to these nightmare challenges. We have to first think our way through before reacting . . . so we can invest properly in the energy, resources, dollars, people and the learning in order to cope going forward."

"I believe there was extraordinarily good work done in the transportation sector. I am here to credit you and also to challenge you," concluded Loy. "Find ways to link these 'transportation blocks together and judge whether or not the balance is there with other investments being made by our Nation in the 17 Sectors of critical infrastructure. Remember, there are no guarantees. You'll have to rely on partial solutions, that can often be layered together. My challenge to NDTA is to become one of those links between the transportation real world and the government world of manifesting policy. At the end of that parade, together, we'll be able to take on the transportation piece of that 17 Sector challenge offered to the Secretary of Homeland Security." DTJ

## THE COHEN GROUP



>> "A truly successful America will not only be strong domestically, invest in the best defense and keep allies and make new friends, but will be a nation which successfully competes in the global marketplace. Maintaining our competitiveness in international markets is a broad challenge; it includes improving education, committing to a domestic society of innovation, compassion and success and supporting a business community willing and able to meet the challenges of a globalized world.

I formed The Cohen Group, and have chosen the magnificent TCG team, to provide enterprises large and small the help they need to compete and succeed in the global market place."

– Secretary William S. Cohen

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