Piracy and terrorism are on the rise. In the period 2000 to 2006, the incidence of piracy rose 68 percent compared to the previous six years. During the same period, there was a modest yet discernible spike in high-profile terrorist attacks and plots at sea, such as the 2004 bombing of the Philippine SuperFerry 14, which left 116 dead.

These trends are the result of a range of phenomena, including a surge in commercial maritime traffic and a decline of coastal and port-side security (due to financial instability or government corruption). Maritime surveillance has proved challenging even for the United States because of the technical difficulties associated with inspecting incoming cargo and the need to balance sea- and land-based security requirements.

RAND Project AIR FORCE (PAF), a unit of the RAND Corporation, examined the nature of piracy and maritime terrorism to assess their overall relevance to U.S. security. The study resulted in the following conclusions:

Nonstate Violence at Sea Is a Significant Threat
Piracy endangers civilians, can disrupt the economy, encourages corruption, and could trigger an environmental disaster if attacks occur in congested sea-lanes traversed by oil tankers. Cruise ships, ferries, and cargo freighters present opportunities for terrorists to inflict human casualties and economic harm. There is also concern that extremists may seek to overcome operational hurdles by “subcontracting” to maritime criminals; however, there is no credible evidence that such a nexus is yet emerging.

The United States Has Taken Limited Steps to Enhance Maritime Security
The United States has been at the forefront of recent moves to upgrade global maritime security, including the Container Security Initiative, the International Ship and Port Facility Security (ISPS) Code, the Proliferation Security Initiative, and the Customs-Trade Partnership Against Terrorism. Washington has also been instrumental in sponsoring regional maritime security initiatives and capacity building in areas given high priority in U.S. counterterrorism strategy.

These initiatives have brought some transparency to the otherwise opaque maritime theater, but their scope is limited. Those measures that have been enacted pay scant regard to contingencies that do not involve containerized cargo, and there are no definitive means to gauge the true utility of instruments such as the ISPS Code.

Broader Measures Are Needed to Meet Current and Future Threats
The United States can make at least four policy-level contributions to better safeguard the world’s oceans: Further expand the post-9/11 maritime security regime; inform maritime security collaboration by conducting regular, focused threat assessments; help redefine the mandates of multilateral security arrangements to allow them a greater role in countering maritime threats; and encourage the commercial maritime industry to make greater use of enabling communication and defensive technologies and accept more transparency in its corporate structures.

U.S. funds and support could be usefully directed at (1) boosting the coastal monitoring and interdiction capabilities of states in areas of strategic importance, (2) actively supporting the International Maritime Bureau’s Piracy Reporting Centre, (3) augmenting port security management, and (4) sponsoring research into cost-effective initiatives for better securing ships and oceanic freight.