Negative Brief: Dredge Act Reform

By “Coach Vance” Trefethen

***Resolved: The United States Federal Government should substantially reform its policy towards one or more countries in Europe***

The Dredge Act of 1906 is another version of the Jones Act. Dredge Act requires ships that dredge (dig, clear out, improve) US ports must be US-built and crewed by US citizens. AFF Plan amends it by allowing 2 countries in Europe to be exceptions (possibly Netherlands and Belgium). NEG strategy is a counterplan: Just repeal the silly thing instead of making exceptions just to comply with this resolution. Not bound by the resolution, NEG has the freedom to do the right policy and gain better advantages than the AFF.

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Negative: Dredge Act Reform

BACKGROUND / DEFINITIONS

Definition, importance and impact of dredging

National Oceanic & Atmospheric Administration 2021 (agency of the US Federal government) last updated 17 Feb 2021 "What is dredging?" (accessed 8 Nov 2022) https://oceanservice.noaa.gov/facts/dredging.html

Dredging is the removal of sediments and debris from the bottom of lakes, rivers, harbors, and other water bodies. It is a routine necessity in waterways around the world because sedimentation—the natural process of sand and silt washing downstream—gradually fills channels and harbors. Dredging often is focused on maintaining or increasing the depth of navigation channels, anchorages, or berthing areas to ensure the safe passage of boats and ships. Vessels require a certain amount of water in order to float and not touch bottom. This water depth continues to increase over time as larger and larger ships are deployed. Since massive ships carry the[bulk of the goods imported into the country](https://oceanservice.noaa.gov/news/features/sep11/inchwater.html), dredging plays a vital role in the nation’s economy.

Definition of the Foreign Dredge Act of 1906

Nicolas Loris 2019. (economist; Deputy Director of the Thomas A. Roe Institute and Herbert and Joyce Morgan Fellow in Energy and Environmental Policy ) 2 Aug 2019 "This 113-Year-Old Law Is Hurting American Ports" (accessed 8 Nov 2022)https://www.heritage.org/trade/commentary/113-year-old-law-hurting-american-ports

The Foreign Dredge Act of 1906 prohibits any foreign-built or chartered ships from dredging in the U.S. The result is to exclude the world’s largest dredging companies that could provide better and cheaper service for dredging projects at the behest of a few politically connected companies.

NEGATIVE PHILOSOPHY

While the Affirmative plan is a policy towards one or more countries in Europe, the Dredge Act itself is not. It's a general prohibition on foreign ships from any country doing dredging in US ports. The NEG philosophy is that the AFF created their plan simply to make it fit the terms of the resolution, without consideration of what the best actual public policy would be. The best policy can only be done by the Negative team, which isn't bound by the resolution.

We're going to present to you a Counterplan that denies the resolution and accomplishes better results than the Affirmative plan. First, our…

COUNTERPLAN

Counterplan details:

1. Congress and the President repeal the Foreign Dredge Act of 1906 and any other similar laws or portions of laws related to dredging in US ports.   
2. Plan takes effect the same day as the date proposed in the Affirmative plan  
3. Funding and enforcement the same as in the Affirmative plan.  
4. All Negative speeches may clarify.

Counterplan Analysis

This plan denies the resolution because   
1) the Dredge Act is not a policy towards any country in Europe, so repealing it does not affirm the wording of the resolution. We're still the Negative team and we're still denying the resolution;   
2) we're specifically denying that we should do anything "towards one or more countries in Europe" because that's exactly the wrong focus. We need to repeal the Foreign Dredge Act to gain the benefits of the entire world being invited to supply dredging to our ports.

This plan is exclusive to the AFF Plan because you cannot do both. You cannot amend the Dredge Act to allow some European countries and also repeal it at the same time. You have a clear choice and clash between AFF and NEG in today's debate round.

Affirmative's Burden

To win this debate round, the Affirmative will have the burden to prove with evidence that there is some good reason all the other nations of the world besides the ones they singled out in their plan should be banned from US port dredging.

But in order to do that, they will have to contradict all the evidence they read in their 1AC that says restricting ships under the Foreign Dredge Act is bad.

REASON TO PREFER THE COUNTERPLAN

1. Lack of competition in the AFF Plan

Dutch & Belgian companies dominate the market until China comes along to compete

Rotterdam School of Management, Erasmus University 2018. Oct 2018 (accessed 8 Nov 2022) The Dutch and Belgian Dredging Industry An Exploration of the Future <https://www.dredgepoint.org/dredging-database/sites/default/files/The%20Dutch%20and%20Belgian%20Dredging%20Industry.pdf> ["€4,3 billion" is read as "four point three billion euros"; the comma is the European way of writing a decimal point]

Dominated only by Dutch and Belgian companies until recently, the dredging industry is a jewel for these economies. Total sales of dredging companies in the Netherlands and Belgium were €4,3 billion in 2017, which was 40% of the global dredging market. The main Dutch and Belgian players are Van Oord, Jan De Nul, Boskalis, and DEME. Importantly, China’s increasing dredging activities has recently reshaped the competition.

But competition is the heart of the AFF plan, isn't it?

The big reason they want you to vote for their plan is to increase competition in the US port dredging market, yet their plan actually blocks it compared to the Counterplan. The Dutch & Belgian companies dominate the market, so they don't really have to compete very much. If you really want the benefits of competition, you need to vote Negative.

2. European dredging contractors are few and busy

Europe's dredging contractors are known as the 'Big Four'

Elena Snitko 2015 (host & organizer of the **2nd International Forum of Dredging Companies**) 23 Mar 2015 "Exclusive: Moscow Dredging Forum Goes International" (accessed 8 Nov 2022) https://www.dredgingtoday.com/2015/03/23/exclusive-moscow-dredging-forum-goes-international/

**Ms Snitko:** Yes, indeed, the forum was supported by the world’s major dredging contractors in Europe, the so-called Big Four, including Van Oord, Jan de Nul, Boskalis and DEME’s branch Mordraga.

Europe's "Big Four" dredging companies are diverted into other commercial activities besides dredging

*René Kolman 2021 (Secretary General of the International Association of Dredging Companies) 9 Dec 2021* Dredging practices worldwide (accessed 8 Nov 2022) *https://en.portnews.ru/comments/3089/*

All regions of the world suffered from COVID-19. The major problem for the dredging companies are the crew changes. The turnover remained pretty stable, with only Europe showing a slight increase. What we are seeing is a diversification of business. The Big Four dredging companies are gradually moving to other niches, for example, offshore construction and the offshore wind farm industry. While not a traditional dredging activity, companies are investing heavily in these sectors with equipment for offshore wind farms, cable laying. Basically everything related to the energy transition business.

Impact: AFF Plan doesn't achieve as much competition as the NEG counterplan, so it's not as good

If there's only a few European dredging companies and they don't have the bandwidth to compete very much in the US market because they're busy on other projects, it's obvious that the AFF plan provides only a very limited amount of increased capacity and competition compared to the Status Quo. But our Counterplan is better because…

3. Lots more competition in the NEG Counterplan

**The Counterplan brings the benefits of repealing the Foreign Dredge Act and gaining access to global dredging capacity**

Lots of other countries are increasing their dredging ship capacity. Examples: Brazil, Uruguay and China

Ines Nastali 2021 (journalist) 8 Jan 2021 " Dredging industry builds smaller vessels" (accessed 8 Nov 2022) https://ihsmarkit.com/research-analysis/dredging-industry-builds-smaller-vessels.html

As we've seen in previous years, there is again a race underway between the Netherlands and China in terms of securing contracts to build vessels. Currently, nine vessels are under construction in the Netherlands and eight in China. Other popular ship building countries such as Romania, Lithuania, and Singapore also currently work on several newbuilds. In each Brazil, Germany, Spain, US, Croatia, and Uruguay, one vessel is under construction.

China is #1 in world dredging capacity

Prof. Andrew S. Erickson & Kevin Bond 2015 (Erickson - Professor of Strategy at the Naval War College and a Visiting Scholar at Harvard’s Fairbank Center. Bond - *research intern at the China Maritime Studies Institute at the U.S. Naval War College*) 12 Aug 2015 "South China Sea and Beyond: Why China's Huge Dredging Fleet Matters" (accessed 8 Nov 2022) https://nationalinterest.org/blog/the-buzz/south-china-sea-beyond-why-chinas-huge-dredging-fleet-13562

Starting in 2001, China made a conscious effort to expand and improve its then-poor-quality dredging fleet in a bid to both meet growing domestic demand for deeper waterways and ports (expected to hit [5–7.5 billion cubic meters a year by 2015](http://mall.cnki.net/magazine/Article/CANB201205001.htm)) and to secure a place in the rapidly growing global dredging market. Through this investment, China managed to more than triple its annual dredging capacity from 300 million cubic meters in 2001 to over 1 billion cubic meters in 2009, becoming the world's biggest dredging country in terms of annual capacity.

COUNTERPLAN ADVANTAGES

ADVANTAGE 1. Higher quality and lower prices for dredging services

Repealing the Foreign Dredge Act increases competition and improves prices and quality of service

Nicolas Loris 2019. (economist; Deputy Director of the Thomas A. Roe Institute and Herbert and Joyce Morgan Fellow in Energy and Environmental Policy ) 2 Aug 2019 "This 113-Year-Old Law Is Hurting American Ports" (accessed 8 Nov 2022)https://www.heritage.org/trade/commentary/113-year-old-law-hurting-american-ports

Moreover, if U.S. dredgers face competition, it will incentivize them to innovate, invest in better technologies, and lower their costs. Businesses have to compete for customers all of the time; why should U.S. dredging companies be any different?  When policies are consumer-centric rather than protecting special interests, the result will be more choice and better products at a competitive price.  America’s ports are anchored in the past. It’s not the fault of the actual ports but an antiquated and unnecessary law. Repealing the Foreign Dredge Act of 1906 would make them great again.

ADVANTAGE 2. Money & Jobs

Lack of dredging costs the US economy billions of dollars and 1.6 million jobs

Gregory Tosi 2021 (*former staffer in the U.S. Senate, is a Washington, D.C.-based attorney practicing international trade law in developing countries.*) 19 Mar 2021 "How to Make US Ports Competitive Again" (accessed 8 Nov 2022) https://www.realclearpolicy.com/articles/2021/03/19/how\_to\_make\_us\_ports\_competitive\_again\_768823.html

The Port of Corpus Christi loses $50 billion of oil exports a year — 1 billion barrels annually —  because the greatest country in the world cannot dredge the port. Texas passed a law [forbidding](https://www.jdsupra.com/legalnews/texas-bans-large-vessels-from-houston-44799/) more than one large container ship per week from entering the nearby Port of Houston in 2019, because Houston, too, cannot dredge its port. Ships now line up for weeks off the coast of California to load and unload cargo because America cannot make other ports deep, wide, or modern enough to handle standard cargo ships. This situation drastically increases the cost of American exports and, with it, the U.S. balance of trade deficit. An estimated 1.6 million jobs have been lost in America because of this problem. Competitors in the Middle East and China have benefited.

ADVANTAGE 3. Louisiana Wetlands

Link: Louisiana loses 29 square miles of coastal wetlands annually

Andrew Lifsey 2016 (JD candidate at Loyola Univ. School of Law) Winter 2016 (accessed 8 Nov 2022) "Dredging laws and the coastal ramifications for Louisiana"  [Loyola Maritime Law Journal](https://go.gale.com/ps/aboutJournal.do?contentModuleId=AONE&resultClickType=AboutThisPublication&actionString=DO_DISPLAY_ABOUT_PAGE&searchType=&docId=GALE%7C4HHN&userGroupName=anon%7E6cd4f1f9&inPS=true&rcDocId=GALE%7CA449928314&prodId=AONE&pubDate=120160101) (Vol. 15) Publisher: Loyola University New Orleans, School of Law https://go.gale.com/ps/i.do?id=GALE%7CA449928314&sid=googleScholar&v=2.1&it=r&linkaccess=abs&issn=15452506&p=AONE&sw=w&userGroupName=anon%7E6cd4f1f9

It is a generally accepted economic principle that competition and innovation stimulate economic growth, and in the process bring down the costs of production, all things being equal. Take a well-known example--the automobile. Through invention of the moving assembly line (1) and use of economies of scale, Henry Ford was able to reduce the costs of producing vehicles, and thus pass on those savings to consumers. The benefit of lower costs meant increased access to Ford's products, leading to higher demand. The higher demand, in turn, invited competitors to enter the market, further feeding the cycle of innovation, cost reduction, and consumer savings. The dredging industry should be no different. However, current legislation--including the Foreign Dredge Act of 1906 and the Merchant Marine Act of 1920 (the latter commonly known as, and hereinafter sometimes referred to, as the "Jones Act")--has placed an artificial barrier to entry on the dredging industry, with significant ramifications for coastal Louisiana. With Louisiana suffering an annual coastal land loss of approximately twenty-nine square miles annually, (2) sustainable solutions are of paramount importance to help rebuild the eroded wetlands.

Link: Lack of available dredges blocks restoration efforts

Tristan Baurick 2020 (journalist) 11 Oct 2020 Scarcity of dredges could make rebuilding Louisiana's coast slower and more expensive (accessed 8 Nov 2022) (brackets in original) https://www.nola.com/news/environment/article\_97a4e59c-0a72-11eb-931f-53ecee442e18.html

The dearth of dredges is likely to delay or balloon the budgets of several projects the state is counting on to substantially slow the rate of land loss, improve habitat for fish and birds, and protect New Orleans and other populated areas from surging waters from hurricanes and tropical storms.  
**END QUOTE. THEY GO ON TO WRITE LATER IN THE CONTEXT QUOTE:**  
The CPRA [Louisiana Coastal Protection & Restoration Authority] hasn’t yet assessed how the scarcity of dredges will affect its projects, but similar difficulties in the past have caused lengthy delays and cost overruns. A slowing pace for restoration projects could mean the protection they offer comes too late, depending on when and where the next batch of hurricanes strike. Citing Louisiana's history with storms and land loss, a report from Tulane University last month said the high cost and low availability of dredges should be top concern for state leaders. “Nothing should be more paramount than incentivizing investment in dredging to reduce costs for coastal restoration,” the report said.

Impact: Reduced residential property damage.  Wetlands restoration reduces property damage from hurricanes.

Prof. Edward Barbier, Prof.  Ioannis Y. Georgiou, Brian Enchelmeyer, Prof. Denise J. Reed 2013.  (Barbier – professor in Dept of Economics & Finance, Univ of Wyoming. Georgiou –PhD; professor in Dept of Earth & Environmental Sciences, Univ. of New Orleans. Enchelmeyer –PhD candidate; Dept of Economics & Finance, Univ of Wyoming  .  Reed – professor in Dept of Earth & Environmental Sciences, Univ. of New Orleans) The Value of Wetlands in Protecting Southeast Louisiana from Hurricane Storm Surges  11 Mar 2013 (accessed 8 Nov 2022) http://www.plosone.org/article/info%3Adoi%2F10.1371%2Fjournal.pone.0058715#authcontrib

Once the various influences of wetland landscape and vegetation on storm surge are determined, they can be applied to estimate the effects of wetlands on damage from flooding, based on standard modeling approaches that relate property damages to the flood depth caused by surges. As damage estimates for Hurricane Katrina and other storms indicate, the most important flooding impact caused by hurricane storm surges along many temperate coastlines is to residential property. The results of our analysis show that wetland continuity and vegetation roughness measured along a coastal transect are effective in reducing hurricane storm surge levels and thus demonstrate how wetland conditions can cause a significant reduction in property damage.

ADVANTAGE 4. Lower taxpayer costs

Lack of competitive bids for dredging raises taxpayer costs for government dredging contracts

Nicolas Loris 2020. (economist; Deputy Director of the Thomas A. Roe Institute and Herbert and Joyce Morgan Fellow in Energy and Environmental Policy ) 24 June 2020 (accessed 8 Nov 2022) "How to Improve America’s Ports" https://www.heritage.org/transportation/report/how-improve-americas-ports

Army Corps data show that the dredging market is extremely concentrated. Only five private U.S. companies have hopper dredges, and one of those companies only has one. As a result, from 2015 through 2019, 65 percent of all Army Corps contracts either had only one or two bids. Thus far in fiscal year 2020, 14 of 16 contracts (88 percent) had only one bidder.The lack of competitive bidding undoubtedly contributes to higher prices for the taxpayer. In a Center for Strategic and International Studies report, Ariel Collis and Robert Fenili illustrate the higher costs to the Army Corps stemming from lack of competition.

ADVANTAGE 5. Reduced congestion and pollution

Repealing the Dredge Act would reduce land cargo traffic congestion and pollution

Nicolas Loris 2020. (economist; Deputy Director of the Thomas A. Roe Institute and Herbert and Joyce Morgan Fellow in Energy and Environmental Policy ) 24 June 2020 (accessed 8 Nov 2022) "How to Improve America’s Ports" https://www.heritage.org/transportation/report/how-improve-americas-ports

By restricting competition, the Foreign Dredge Act increases congestion on the roads and at America’s ports. As North Carolina State University professor Thomas Grennes points out, “The long-term trend toward moving cargo traffic from water to land has increased congestion on highways, railroads, pipelines and ports.” Repealing the Foreign Dredge Act would reduce emissions due to unnecessarily higher levels of congestion.