STATE OF THE COAST GUARD ADDRESS
DELIVERED BY COMMANDANT

The following is the Commandant's State of the Coast Guard Address, delivered to the Officers' Association and Chief Petty Officers' Association at a luncheon held at the Officers' Club at Andrews Air Force Base on 16 January.

"As my staff and I sat down to brainstorm a bit about how to describe the state of the Coast Guard this year, my special assistant suggested that we decide on a super beginning and a dynamite ending, and then keep them as close together as possible. Well, the consensus in that session was that the state of the Coast Guard is good; it could be better, and most importantly for you today, it fits on just two 3 X 5 cards. Seriously, I do want to break from the tradition of last year and be brief so you may ask questions.

"As most of you know, I have spent the better part of my first 18 months listening, looking, targeting opportunities and trying to get ahead of the action. I've seen 85% of our facilities, interacted with a majority of our people in question and answer sessions, and been exposed to the concerns of our clientele and our counterparts in other nations. And what I may have missed has probably been covered by our Vice Commandant or Master Chief Petty Officer of the Coast Guard. At this juncture, I think I know the state of the Coast Guard, its strengths and weaknesses, and the direction it should be moving. Our flag officers have met several times to flush out a whole myriad of ideas. We now have a fairly exhaustive plan of action.

"Quite by coincidence I concluded my tour of the Coast Guard districts and second Flag Officers' Conference just in time to usher in the holiday season. It has been a time of thanks for many reasons. Thanks for the dedication of the 194,000 members of the Coast Guard, its reserve and the Auxiliary. Thankful, as you should be, that we continue to be an effective service with a most enviable reputation. But above all, uplifted by that most important holiday spirit of renewal. Renewal of faith in the democratic process, in ourselves, and in our work. My first-hand view from the top has been a time for renewed commitment ... to give our people the life-style they have earned; to give them the quality of work-place and skills they need; and to give them the degree of support that they deserve and should be able to expect from both within and outside the Service ... even if we have to be a little more aggressive, and perhaps unconventional, in how we achieve it. George Bernard Shaw is the author of one of my favorite comments on life, and I find it particularly pertinent for any discussion of the state of the Coast Guard. He said:

'People are always blaming their circumstances for what they are. I don't believe in circumstances. The people who get on in this world are the people who get up and look for the circumstances they want, and if they can't find them, make them.'

I see the Coast Guard comprising that kind of people.

"The new year rang in with much of the state of the world over-shadowed by the suffering in Cambodia, the 'hostages' in Iran and now the events in Afghanistan. Ready or not, the 80s are here. A decade that will require sustained commitment to clearly defined and enunciated national objectives that we approach with self-confidence, unity and optimism. A slice of that
national direction is what you have heard me call the 'Decade of the Oceans'. Clearly, the sea, its users, and its guardians should be high on the list of national priorities. This challenges the Coast Guard to be prepared for moderate growth ... a growth that will be influenced to a large degree by the state of the world and our nation, and by our own effectiveness. The arena in which we operate will continue to be characterized by scarcity and plenty — and conflict and vision.

"Food, energy, qualified people, and dollars are scarce. Each will affect the tempo of change and the breadth of our involvement in ocean affairs. For example, technology will release much needed resources from people intensive activities to those functions for which there is no alternative; certain rules will have to be stratified to accommodate economic differences among clienteles; and the universal nature of maritime problems, tempered by a pervasive shortage of resources, will continue to generate a proliferation of small Coast Guard-like organizations among the developing coastal nations.

"To match the dearness of our times, there is also plenty ... there is still love, still compassion, and still concern for others. The Christmas story and our own every day work reminds us of that. There is also a growing willingness in our policy-making process to recognize the long term nature of international realities and dependencies. It would be a mistake to view the Soviet armed invasion of Afghanistan as a change in Soviet direction. It underscores the very delicate balance of rivalry and cooperation inherent in the parity that must exist between us. The 80's will see our nation depart from its recent inward focus, and view the challenges and conflict in the developing world as problems which we must understand and deal with ... issues that do not lend themselves to neat finite solutions. They are opportunities which require continuity of purpose and a sustained commitment to protect the national interest and those who serve it. This will require national leadership within the legislative and executive branches that thinks, plans and budgets strategically.

"If you look at the broad picture, and those national objectives we help to shape and carry out, you find that we are more than ever still a maritime nation! World trade is steadily on the increase. The future demand for maritime transportation, as well as the resources that the oceans can provide will, translate into national priorities supporting more activity off our shores. Further, events in Iran and Afghanistan forcefully demonstrate the continuing need for our nation to be a strong sea-power.

"From a strategic point of view, the world of systems analysis has not always served us well in bettering our understanding of future requirements. The decision process has often allowed such analyses to substitute for those subjective value judgments that are so necessary in today's competitive environment. We still find the need to augment our 'PPBS' system with something called strategic planning. That change will involve 'politicalizing' some of the input to our decision-making process. We must plan to operate in the world as it is, and not as we would like it to be. It would be very easy to play the arrogant guardian and protector, but the nature of our work and the national interest not only demand but invite compromise and conflict. Accommodating interest groups and water use management will present new challenges to us every day. Further, we must create a climate of fiscal management to support the strategies we design to correct any defects we see in our organization ... and that brings me to an assessment of where we are.

"As one looks at most Coast Guard programs, we tend to view them as entities, because that's the way our program management system is organized. But think of them in a different way for a moment ... they represent a very complex interaction of maritime activities which complement one another, as prevention and response initiatives. Very few other organizations have statutory responsibility to compensate for their own failures in so many areas. That in itself is a unique public trust. The Coast Guard you know today is the product of 160 years of mostly wise decisions by our predecessors, and some very deft interaction with the Congress over the years. The multi-mission concept has proven its worth, not only as an effective operating framework, but also as a deterrent to turf encroachment. The fact that our organization is successful, unique, complex, and important to our nation makes strategic planning perhaps the most important activity commanding our attention. When we seek to modify our response to public need, or seek a change in statutory responsibilities, it must be done carefully. It is a top management function which requires a realistic assessment of the consequences. Our decision-making process must be tuned in to those institutions and forces which affect and shape national needs, ourselves we depen serving a survives w

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needs. Most assuredly, we must address ourselves to those institutional processes that we depend upon for our resources. As self-serving as that may sound, no organization survives without it.

"We have a very well-structured planning, programming and budgeting process ... probably the best in government today. However, despite that process and the support of an understanding Congress, our capital plant is unacceptable, especially our ships, boats and shore facilities, and some of our aircraft. It has been difficult to overcome the political reality that program priorities, on the road to Congress, are determined by high visibility, short-term payback, and relatively narrow but politically opportune emotional issues. For this, and a variety of other reasons, we find ourselves at somewhat of a strategic disadvantage with respect to resources, precisely at the time when our country needs our capability the most. Without changing either what we seek or how we seek it, we simply may not be in position to respond in the fashion the public expects. I am committed to preventing that occurrence. That will be a matter of strategy.

"We do not have enough people or dollars to support our missions properly and we cannot expect our people to continue responding reasonably under unreasonable conditions. Without additional resources, the time has arrived to start doing less, prioritizing what we do, and perhaps stop doing some things in order to maintain job satisfaction and prevent any further deterioration of professionalism. That too will be a matter of strategy.

"Given a quantifiable shortfall in resources, we still have a lot going for us. No other agency in the arena of ocean affairs has the talent and effective base of operations that we do. We are in step with the times ... as a significant element of this nation's seapower, as a protector of scarce commodities, and as a medium for extending the goodwill of Americans among the strategically important developing nations. And we probably have a proportionately greater technical base than virtually all other elements of government.

"As I look at the position of the nation in the world, the needs of most developing nations, and what the Coast Guard is and does, I reach two conclusions. First, the interdependency of nations, particularly the maritime and coastal nations, is a very large opportunity and mandate for a reorientation of our foreign policy and our maritime policy. Second, and following from that notion, the Coast Guard has significant potential as an instrument of U.S. diplomacy. We have already had talks and participated with other agencies and nations on a number of initiatives designed to share our expertise, especially with our neighbors in the Caribbean Basin.

In looking to the future, I intend to predicate my budget decisions on the philosophy of funding strategies and not projects. Through the strategy council we have validated many issues and laid out strategic objectives. This, as you will soon see, involves tactical decisions which cross program lines. Specific goals have been grouped according to seven basic objectives, some of which I want to share with you today.

"First ... to make major improvements in the quality of life for our people as well as improving job satisfaction and career opportunities, in an atmosphere of dedicating ourselves to equal opportunity for all. We must retain more of our experienced people and thus help preserve the professionalism the 80s will demand. Some of the plans to support these
objectives include an aggressive family services and equal opportunity program, assistance with home ownership investments, open-ended enlistment contracts, remedial education, and a revolving fund to streamline payment of medical bills subject to CHAMPS
reimbursements. Hopefully, the latter will help create a more amicable patient/doctor relationship with fewer hassles, especially in remote areas.

"Second ... achieve a quantum jump in the improvement and modernization of the logistics support system that we depend upon to maintain our capital plant. Our support systems have not received the priorities they deserve, although here is a case where some good systems analysis would have led us to the right conclusions, and we are now using 1980 dollars to catch up. We cannot afford to build that kind of bias into our decision-making. The easy part of the solution is diverting more dollars to maintenance. I have made that decision and it is in progress. However, the more important initiative is to establish an effective maintenance rationale and institutionalize it within an effective management and decision framework ... we are talking about a very pervasive integrated logistics support philosophy. Parts of the program include maintenance assistance teams, team training and rotation, cutter clustering, double crewing, adaptation of aircraft type planned maintenance systems, and realistic operational readiness standards. These are by no means new ideas.

"Third ... to strengthen the military sea-going character of the Coast Guard and our maritime professionalism in all areas. Some goals include exercising careful selectivity when seeking new missions or discarding old ones, strategies to expand our sea-going base, a reorientation of the Academy mission area program, earmarking training billets afloat, more extensive use of other agency platforms and exchange programs.

"Fourth ... to improve internal organization and management so the Coast Guard will remain vital, effective and responsive. Significant goals in this area include: the completion of a new roles and missions study; realignment of our consumer, boating safety and public affairs functions; the establishment of an Office of Navigation; a zero-base study of total personnel requirements; maximum practical delegation of rule-making and legislative drafting tasks; recodification and revision of title 46; and more extensive use of simulator training for stress roles, shiphandling, and a variety of other applications.

"Fifth ... to provide a decision support system designed to meet the needs of the next two decades. We need innovative, cost-effective use of technology to manage the information explosion. I intend to designate a manager for management information systems, establish a task force, structure an evaluation, and use outside consultants to the extent necessary to assure that we anticipate the state of the art and achieve a practical approach.

"Sixth ... to develop innovative plans for energy conservation and for reduction of energy used in both our operational and regulatory roles. Energy and economic concerns will have parity with safety and the environment. Selected stations in the northern climates will be closed in winter and the crews deployed to warmer, higher caseload regions. Coast Guard operated bus service between government housing areas and the work place may prove desirable. We will also seek designation as an emergency public service activity to assure adequate fuel for operations. The shortened work week will be further explored.

"Seventh ... to enhance the Coast Guard's role as the principal ocean-going agency outside DoD and as a substantial asset in U.S. seapower. This will include stimulating the coordination of federal ocean affairs and marine technology and the support of U.S. foreign policy by assisting other maritime nations. Liaison billets are contemplated at selected locations in the Caribbean. A foreign personnel exchange program will be pursued. We will develop guidance on how to manage conflict of use in water areas as well as multilingual pamphlets on Coast Guard missions and organization. Finally, we will sponsor the first ever International Conference of Coast Guard Organizations in 1981.

"I have perhaps covered only 20% of the goals we have laid out, but I think you can see the range and depth of our concerns and, in particular, how they relate to strategy. As I said at the outset, I hope they have inspired some comment and interaction. I thank you very much for letting me share with you a few glimpses of the future as I see it."

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CIVIL RIGHTS POLICY STATEMENT

Equal opportunity is every American's birthright. It is a truth that we hold to be self-evident: that all Americans are created equal and endowed by their Creator with certain unalienable rights.

At the Department of Transportation, we are committed to advancing that fundamental truth and honoring that birth-right. In hiring practices and promotions, in the delivery of the transportation services we fund, and in the business opportunities our contracts and grants provide, the Department of Transportation will vigorously pursue the full and equal participation of all Americans whatever their race, creed, color, religion, sex, national origin, age or handicap.

By our aggressive and affirmative implementation of this commitment we keep faith with the people of our nation, who expect no less, and with the spirit of our nation, which promises no less. Each of us who enjoys the benefit of this birthright must, therefore, be held responsible for its implementation: I am responsible, and I hold each of you responsible. For unless we succeed in this area of human rights, we cannot truly succeed in the rest of our work.

Neil Goldschmidt
Secretary of Transportation
Commandant's Bulletin

ISSUE 5-80

23 JANUARY 1980