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PRESS RELEASE

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Taxpayer & Green Groups Slam Multi-Billion Dollar Mississippi River Plan

"Twice Cooked Pork" Report Released

A coalition of environmental and taxpayer groups today released a report detailing fundamental flaws in a \$2.3 billion proposal to expand locks on the Upper Mississippi and Illinois rivers. The report, entitled *Twice Cooked Pork: The Upper Mississippi River-Illinois Waterway Navigation Study*, concludes that the U.S. Army Corps of Engineers revised study is based on "an unprecedented combination of mistakes, miscalculations and misstatements."

"This study sets a new low for water projects," said David Conrad, a water resources specialist with the National Wildlife Federation who has reviewed water projects for more than 25 years. "There is simply no study in the long, scandal-plagued history of this troubled agency that resorts to so much contortion, distortion and falsification."

Two panels of the National Academy of Sciences have found that the study is using unrealistic traffic forecasts and other faulty economic tools since the Army's Inspector General confirmed in 2001 that senior Corps officials had ordered an agency economist to cook the books to support the lock expansion project.

Nevertheless, the Corps continues to claim that expected increases in barge traffic justify the cost of seven new locks and five extended locks. The Corps also contends that the river's lock and dam system has fallen into disrepair.

"This project is like something out of a bad horror movie; every time a stake is driven through its heart it comes back bigger, uglier and more destructive than ever," stated PEER Executive Director Jeff Ruch whose organization represents whistleblowers within the Corps who have exposed problems with the project.

In fact, according to Twice-Cooked Pork:

- **River Traffic is Declining.** River traffic has been flat since 1980 and has actually declined significantly in recent years. But, the Corps assumes that traffic will grow dramatically in the next few decades. Two panels of the National Academy of Sciences have called the Corps' traffic "scenarios" unrealistic. Corps traffic forecasts have been wrong before – most recently for Lock and Dam 26 on the Mississippi River. In fact, only 2 of 14 waterway projects constructed since World War II have attracted as much commercial traffic as the Corps predicted.
- **Domestic Demand for Grain is Growing.** The fastest growing market for American grain is domestic processing facilities such as ethanol production plants, not foreign markets. While exports have been on a flat trend line for more than two decades, value-added processing of grain has grown dramatically, creating jobs in rural communities. Two panels of the National Academy of Sciences have found that Corps studies predicting rapid growth in exports are likely to be wrong.
- **Most Locks Have Been Recently Rehabilitated.** The locks and dams are not falling into disrepair or "limping along", as the Corps contends. In fact, the Corps has spent over \$900 million rehabilitating locks and dams in recent years, extending the productive life of existing locks and dams for decades to come.

· **Congestion Management Measures Can Relieve Congestion Now.** Corps studies show that inexpensive small-scale measures like traffic scheduling and helper boats could reduce lockage times by 20 minutes or more. And, unlike new or expanded locks that will take decades to build, small-scale measures can be implemented right away.

"The Corps' proposal grossly overestimates future river traffic, underestimates growing domestic demand for grain, and ignores the benefits of less expensive congestion management measures like traffic scheduling," said Mark Beorkrem, executive director of the Illinois Stewardship Alliance.

"River traffic has been flat for more than two decades, and has actually fallen significantly in recent years," said Mark Muller, with the Institute for Agriculture and Trade Policy. "The fastest growing market for American grain is not overseas but domestic processing facilities like ethanol plants – facilities that earn farmers more money for their grain and that create jobs in rural communities."

"Two panels from the National Academy of Sciences have concluded that the Corps is using economic tools like unrealistic traffic forecasts that produce the wrong results." said Scott Faber, Environmental Defense Water Resources Specialist. "We should not use bad math to decide the future of a river as important to the nation as the Mississippi."

"We should be restoring, not destroying, this great natural treasure," said Angela Anderson, Upper Basin Program Director for the Mississippi River Basin Alliance. "A healthy river supports more than 300,000 jobs in riverside communities – more jobs than are produced by the navigation industry and farming combined. The Corps should recognize that the needs of the living river are as important as the needs of the working river."

"The Corps is asking for a Rolls-Royce, when all they need is a Chevy," said Steve Ellis, vice president of Taxpayers for Common Sense. "A decade later and \$70 million poorer, the Corps is still fixating on gold-plated pipe dreams and ignoring effective and cheaper solutions to barge congestion. Congress should reject this plan and reform the Corps."

Groups issuing the report today include American Rivers, Environmental Defense, Illinois Stewardship Alliance, Institute for Agriculture and Trade Policy, Mississippi River Basin Alliance, National Wildlife Federation, Public Employees for Environmental Responsibility Sierra Club, and Taxpayers for Common Sense.

The Institute for Agriculture and Trade Policy promotes resilient family farms, rural communities and ecosystems around the world through research and education, science and technology, and advocacy.

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