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MISSISSIPPI RIVER COMMISSION

VICKSBURG, MISSISSIPPI

April 15, 2011

Statement of the Mississippi River Commission

Inland Waterway Navigation System

We are a maritime nation. Our dependence on the seas and inland waterways has driven our national security and economic success throughout our nation's history. The expansion from 13 former colonies into the heartland of the continent exposed our wealth of natural resources and our ability to produce agricultural goods on a grand scale. Recognizing these capabilities, this nation made a strong intergenerational commitment to develop an inland transportation infrastructure system of rivers, canals, roads, and railroads to connect the riches of the interior an area we refer to as the Center Coast — to the rest of the nation and the world. This commitment enabled goods to move from the frontier to the more populated areas along the eastern and southern seaboards for domestic consumption and for export overseas. The development of our inland waterways proved decisive, first, to the growth of local and regional economies and, next, to the national economy, as a complex network of inland and coastal ports and overland and air routes materialized. Hence, our transformation from an agrarian society into the world's preeminent economic power rested on a developed and integrated, world-class transportation system as its supporting foundation.

The global economic competitiveness of any nation in today's globalized world depends on the speed, reliability, and low cost of transporting goods. Waterborne commerce is the cheapest, most fuel efficient, and environmentally-friendly mode of transportation. We, as a nation, have been at the forefront of fostering innovative means to project global economic competitiveness, whether it involved investing in and constructing state-of-the-art infrastructure and channel improvements, new and improved ship, dredge, and engine design, or the ability to adapt to and improve methods of handling cargo. The nation's commitment to inland waterway transportation demonstrated by previous generations, however, has been waning for decades.

Since 1879, the seven-member Presidentially appointed Mississippi River Commission has developed and matured plans for the general improvement of the Mississippi River from the Head of Passes to the Headwaters. The Mississippi River Commission brings critical engineering representation to the drainage basin, which impacts 41% of the United States and includes 1.25 million square miles, over 250 tributaries, 31 states, and 2 Canadian provinces.

^{*} designee

^{**} nominated

The American Society of Civil Engineers' 2009 Report Card for America's Infrastructure, in which the inland transportation system received a grade of D minus, contains a dire warning. If we do not modernize and invest in an effective and reliable national transportation network for the 21st century, America's economic and global competitiveness will suffer. Therefore, the Mississippi River Commission is compelled to reaffirm its stance that water-based transportation represents the most cost-effective and environmentally-friendly mode for the majority of internally-traded goods.

We have the opportunity as a nation to recapture our innovative spirit and commitment to be a world maritime leader by modernizing our ports, harbors, and inland transportation system. By 2020, international trade is estimated to more than double within the United States. This growth coincides with the expansion of the Panama Canal scheduled for completion on October 20, 2014. The opening of the third set of much longer locks at the canal, combined with the economic and environmental benefits from bulk shipping, will increase opportunities for imports and exports. As domestic and international trade opportunities continue to expand, so too will demands increase on the nation's coastal ports, inland harbors, inland waterways, and dredging requirements.

Ports and harbors, both large and small, provide crucial access to the full economic benefits of our nation's rivers, although today they are undervalued. They function as the entrance and exit ramps on the marine interstate system and serve as key transition points to and from road, rail, and air transportation routes. Today, American farmers produce record-level yields. At the same time, international customers have more purchasing power than anytime in history. The nation's transportation system and its ability to move grain from farm to port with the speed and efficiency necessary to accommodate current international trade demands continues to slip according to infrastructure experts. On the Mississippi River alone, 60 percent grain exports are carried on the river; on the Ohio River coal is delivered to power plants that produce 10 percent of the nation's electricity. Without functional ports and harbors, the fabric of the inland transportation network unravels.

The United States must place greater emphasis on the movement of freight simply because our aging transportation system is not keeping pace with international trade. The increase in demand on the inland waterway system is more compelling when it is understood that the average age of all federally-owned or operated locks is nearly 60 years old, well past the planned 50-year design life. More succinctly, 47 percent of all locks maintained by the Corps of Engineers were classified by the American Society of Civil Engineers as functionally obsolete in 2006. By 2020 that number will grow to 80 percent — eight out of every ten locks will be functionally obsolete. Without significant investment and modernization of this critical infrastructure, lock failures will become commonplace, and system reliability will be jeopardized.

The nation's inland and intracoastal waterway system carries nearly one-sixth of the cargo moved between cities in the United States. By every reasonable indicator, the nation must address its deteriorating infrastructure on the inland waterway system or face the consequences in the growing global trade community. The cost of delay is unthinkable. Without a sustained increase in investment for critical repairs, rehabilitation, modernization, dredging, and harbor maintenance, a crippling failure, in terms of both economics and trade, is unavoidable.

Michael J Walsh

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