
Testimony

Modernize Navigation on The Upper Mississippi

EIR submitted testimony to the June 24 hearing of the Subcommittee on Water Resources and Environment of the House Committee on Transportation and Infrastructure, on the Upper Mississippi and Illinois Rivers. The Subcommittee's hearing was on recommendations for navigation improvements and ecosystem restoration.

The merits of proceeding on the full-scale modernization of the 37 locks and dams on the 1200 river-miles of the Upper Mississippi/Illinois navigation system are twofold: Firstly, the modernization is long overdue, and the system is a central part of the nation's transportation grid. It is urgently required to proceed to the engineering design stage. There should be a full-steam-ahead approach to the project. Secondly, moving on this outstandingly overdue task is part of the shift in thinking needed for a political mobilization to resume infrastructure-building generally, as a key part of an urgently needed national economic recovery program. The Army Corps of Engineers itself, and its traditional mission, have a key role to play in that recovery process.

At present, there is a breakdown process underway in our economy and financial system, nationally, and internationally; that must be addressed, and the needed policy debate and remedies pursued. To ignore the breakdown, and to continue any kind of "fiscal austerity," anti-infrastructure ideology that has governed national policy in recent years, will be disastrous.

2002 Call for Infrastructure

Lyndon LaRouche, *EIR's* Founding Editor, and a candidate for the Democratic Party's nomination for President, said in an August 2002 white paper entitled *Special Report: Science and Infrastructure*: "What we are experiencing, is a form of global crisis far worse than that of 1929-1933. Nonetheless, it is a crisis which we could overcome. It must be conceded, that were we to do no more than repeat the measures of recovery used successfully by President Franklin Roosevelt et al., we would fail to meet the present challenge adequately. We must restore the Roosevelt reforms; but, to succeed, we must add new features, features made necessary by the great changes in political geography and physical economy over the course of the 1933-2002 interval as a whole.

"The most urgent of the immediate, specifically physical-economic U.S. reforms required by this crisis, involves imme-

diately adoption of policies for rebuilding the U.S.A.'s basic economic infrastructure. Sweeping measures for rebuilding the systems of power generation and distribution, water management, land reclamation, health-care, and education must be fully under way during the 2003-2004 interval."

LaRouche focussed in 2002, on the need for emergency action on rail and air transportation—during the Amtrak and airlines crises, which continue to the present day; and now we have the Army Corps' inland navigation crisis.

We call on your Committee, and Congress, to back the Army Corps' proposals in full. In particular, what is needed is the kind of bi-partisanship shown by lawmakers from the Mid-West, who are cooperatively backing infrastructure upgrading. The spirit was shown in the June 23, 2004 bi-partisan approval in Senate Subcommittee for Sen. Kit Bond's resolution backing the Upper Mississippi/Illinois projects.

To assist that policy direction, we here briefly elaborate some of the principal points involved in moving ahead on the Army Corps projects—as our own publications have covered them in depth in recent years; and from the current round of Army Corps' public briefing sessions.

We draw on two important initiatives by LaRouche on the crisis today, and on the national mission-orientation called for:

- First, a November 2002 *EIR* Special Report he commissioned, *Emergency Infrastructure Program for the United States*, containing sector studies including, "Our Waterways Are Aging and Neglected," which reviews the scale of what's required for navigation and water resources nationally. Over 1 million copies of a mass-circulation version of this 80-page documentation report have been circulated nationally in the past 18 months, in a public mobilization campaign for infrastructure, which is receiving very great bi-partisan support.
- Second, a recent policy document by LaRouche, "The Uniquely Needed Doctrine for U.S. Economic Survival Today: Why 'Fiscal Austerity' Is Insane" (issued April 25, 2004), reviewing the causes and scale of economic collapse now upon us, the degree of denial on the part of public and lawmakers alike, and what measures must be taken.

1. Evident Merits of the Project

The Upper Mississippi/Illinois navigation system is central to our national inland waterways network, and upgrading it is long overdue.

The necessity of getting on with the work, is well described in the "Purpose and Need for Action" section of the Army Corps' new May 2004 report; and also in the "Findings" section of the 8-page Senate Resolution S-2470, from which we just highlight these general points: "inaction on construction of new locks will lead to economic decline, and inaction on implementation of an enhanced ecosystem restoration program will lead to further environmental decline"; also, "the



Lock and Dam 15 at Rock Island, Illinois on the Mississippi River, one of a system of 37 aging navigation infrastructures on the Upper Mississippi which need modernization with new technology, both for increased river freight traffic and to improve the ecology of the river's basin.

inland waterway transportation system moves 16% of the freight of the United States for 2% of the cost, including more than 100,000,000 tons on the Upper Mississippi River System.”

Job creation is an additional feature of the project. The Senate Resolution estimates, “The construction of new 1,200-foot locks and lock extensions will provide more than 48,000,000 man-hours of employment over 10-15 years.”

In contrast to these self-evidently desirable points, certain of the motivations given by the Senate and the Corps should best be dropped, because the underlying axioms—reflecting popularized opinion, are wrong. There are two critical mistaken views: free trade ideology, and “point-in-time” pseudo-ecology.

On the mistaken free trade matter, the motivation is given for the Upper Mississippi project, as to how it will help the competitive position of the United States in the world market, in that agricultural commodities—corn and soybeans, as well as chemicals and fuels—can be moved more cheaply by barge. The Senate Resolution 2470 states that, “60% of the corn exports of the United States and 45% of the soybean exports of the United States” flow through the Upper Mississippi system. What is not stated, is that the Cargill Inc./ADM cartel in turn controls most of these and other commodities, not only in North America, but in the nations with whom we trade; and neither this degree of dominance, nor the rigged globalized market itself, is beneficial for any farmer, citizen, or nation—anywhere.

Therefore, yes—as far as logistics go, the Senate’s point is well-taken, namely that bulk freight is best transported by

barge and rail. But as for the world markets/“free trade” argument—it is a cover story. In fact, the United States has now become so import-dependent, and many nations so impoverished under globalism, that the whole wrongheaded free-trade era is at an end-phase in any case, either through a crash, or deliberate change.

The conceptualization required is to envision the vast quantities of freight that could and should be moved by a fully-modernized inland navigation system—interconnected barge and rail, for mutually-beneficial international trade. Upgrading our infrastructure base, along with pursuing a foreign policy of development projects—such as a “Super-TVA Great American Desert Development Program” for Mexico and the U.S. South-West, would mean vast new quantities of goods-hauling of all kinds from the renewed economic growth in the Mid-West.

On the mistaken ecological matter, it should not be assumed that there is some given “point in time” to which features of an eco-system should be returned. This is implied in the Army Corps’ May report, and in the Senate “Findings,” calling for resto-

ration of certain riparian features (ox-bows, islands, etc.), and for maintenance of other arbitrary patterns.

The higher principle to be aware of regarding the eco-system, is that building ever more modern transportation and other infrastructure, especially waterways and railroads, enhances the environment. One obvious example, is how the landscape is improved by not having vast highway grids built for freight hauling and vehicular passenger traffic; large areas of nature are left alone. In effect, the “natural” resource base is man-made.

2. Back the Army Corps Mission for Infrastructure Nationwide

Our nation’s entire network of water traffic is experiencing difficulties that range from significant problems, to obsolescence, to breakdowns. The currently proposed Administration budget has only some \$4.12 billion for the Army Corps nationwide, which continues a 20-year pattern of underfunding, meaning that parts of the navigation system are impossible to operate. Some examples, outside of the Upper Mississippi area:

- Vicksburg District: The system of four locks and dam sites on the Ouachita and Black Rivers was slated by the Corps to be shut down in 2004, because Federal funding was going to be \$2 million a year, not the \$10 million minimum needed to keep the channel open. Under huge bipartisan pressure from Arkansas, the White House announced May 6 that it

would back restoration of \$8 million, to make the \$10-million total.

- St. Louis District: The lock and dam on the Kaskaskia River in Illinois may not be able to be kept operational, due to lack of funds.

- Pittsburgh District. The Corps has been forced to restrict the number of hours that locks are in operation at some sites on the Allegheny and Monongahela Rivers; the civilian staff has been cut from 709 down to 725. Moreover, staff might be cut by another 205! The present Administration budget proposal for the Pittsburgh District could be a low of \$20 million, when it needs at least \$63 million, and has been getting only in the range of \$35-37.5 million a year in recent years. In particular, this will stall out a long-overdue locks and dam replacement project on the Monongahela River, that already has demonstrated the successful use of a new “floating” dam construction which could be adapted in the Upper Mississippi.

On June 24 this year, a new-technology dam was dedicated on the Monongahela, in Western Pennsylvania, just upriver from Pittsburgh, at the Braddock Dam Lock No. 2, replacing a 99-year-old structure. At the ceremony, James McCarville, head of the Port of Pittsburgh Commission, said, “While we are here to celebrate a really striking development in the dedication of the Braddock Dam . . . , we have some problems because of the perilous condition of our locks and dams.”

What’s in order is an across-the-board Army Corps of Engineers nationwide effort, with full funding for priority projects. No case-by-case tinkering will work.

What About the Funding?

How can the Federal budget afford this? That is the wrong question. The real question is, how can we afford not to take the right emergency measures to restore the economy? This is the focus of the LaRouche paper, “The Insanity of ‘Fiscal Austerity,’” in which he first reviews what led up to today’s economic crisis, pointing to the danger of the kind of crisis-thinking advocated by Hitler’s infamous finance minister, Hjalmar Schacht:

“We have now reached the point in the process, at which the only way to avoid the kind of collapse which leads into a new dark age for the planet, would be to use the powers implicit in sovereign governments, the kinds of Constitutional powers applied by President Franklin Roosevelt in March 1933, to put the present international monetary-financial system into receivership for reorganization, and operations in government-controlled bankruptcy. No other sane option presently exists.

“A transitional system must operate under such reconstruction proceedings, to eliminate, immediately, the existing, bankrupt, floating-exchange-rate system of the recent 32 years, to bring into being a new international monetary-financial system designed according to the principles expressed

by the successful precedent of the original Bretton Woods system: a fixed-exchange-rate system, designed to manage a process of two generations of the world’s recovery from the mess created by the follies of the recent 40 years.

“The object must be to uproot and prohibit the use of the methods of so-called “fiscal austerity,” associated with the unfortunate memory of the Bank of England’s protégé, Dr. Hjalmar Schacht. The system in reorganization must be based on the use of long-term state-created public credit, at rates of between 1%-2%, to bring levels of productive investment up to relatively full-scale employment, to levels of output sufficient to keep the current operating budgets of nations and their governments at above “break-even” levels of financial management, while promoting rapid, technological-progress-driven gains in physical-economic productive powers of labor.

“The reconstruction must be led by large-scale public works of this intention, by government, and with public credit to fund medium- to long-term extension of financing of private entrepreneurs, especially those whose intentions are efficiently aimed at promoting the common aims of the general recovery and increase of physical productivity per capita and per square kilometer.”

Special Role for Army Corps of Engineers

In conclusion, there is a special character of the Army Corps and its work, to be appreciated: its potential role in training youth. On an international webcast, Oct. 22, 2003, LaRouche discussed this in answer to a question on restoring the draft: “Despite our healthy abhorrence of war, national military service is an integral part of citizenship in a functionally sound republic. The urgent need for building up the Army Corps of Engineers at this time is a relevant example.

“We have a social problem of first magnitude of importance among the generations of young Americans who have little or no qualification for the kind of productive employment in which they could expect to support a normal family household. In Franklin Roosevelt’s time, we attacked this kind of problem with the quasi-militarized Civilian Conservation Corps. . . .

“Our experience with World War II war-time selective service, when combined with the experience of the CCC’s, shows us the road to transforming presently marginally-employable young Americans into a quality of employable labor force needed for a successful national economy recovery effort overall. Since more than half of the economic recovery effort needed today will be in basic economic infrastructure at the Federal, state, and county/municipal level, the combined role of an Army Corps of Engineers with auxiliaries resembling the CCC’s is an obvious leading element of the national economic-recovery process.”

We need to unleash the Army Corps for its original mission, to build internal improvements—and to assist nations internationally in the same task.