

Despite these encouraging trends, each of the counties through which the river flows, with the exception of Warren County, has been classified as a redevelopment area by the Economic Development Administration. I am convinced that the proposed waterway improvement would be a key to attaining the maximum development of the area's human and natural resources.

A recent decision of the Illinois Central Railroad is an excellent illustration of the stimulating effect which the navigation project will have on the area. In anticipation of the river being made navigable on a year-round basis, the railroad has constructed the longest stretch of rail line to be built in Mississippi in the past century, paralleling the river in Warren and Yazoo Counties. Numerous industrial spokesmen, likewise, have confided to local leaders in business and commerce that their decision on locating new facilities in the immediate area will be based on assurances that the proposed improvements will be made.

Mr. Chairman, I recognize the indicated cost of \$53 million requires that careful, judicious consideration be given the project prior to authorization. However, this would appear to be a sound investment in view of the 1.6 cost benefit ratio. I believe, too, that this ratio will be executed when the overall potential is realized.

RED RIVER NAVIGATION PROJECT—LOUISIANA, ARKANSAS, TEXAS, AND
OKLAHOMA

Mr. TANGEROSE. If it suits the chairman, I will also give my statement on the Red River.

Mr. BLATNIK. Yes, will you please. Your arguments in the Red River statement would be essentially the same, the transportation benefits and perhaps other benefits, is this true?

Mr. TANGEROSE. This is true in part. Except in this particular case, the Board of Engineers for Rivers and Harbors, when it approved the project, changed Vicksburg District Engineer's report so substantially that there is really no relationship today between the New Orleans District Engineer's report. And actually our analysis of the Red River is principally concerned with the Red River navigation project only as far as Shreveport, since the Board of Engineers of Rivers and Harbors recommended the increment from Shreveport to Lone Star to be restudied prior to construction.

Our study also showed the 95 percent or more of traffic between Shreveport and Lone Star was for the benefit of Lone Star Steel Co. Our analysis also showed the increment between Shreveport and Lone Star had B-C ratio of less than one, excluding so-called area redevelopment benefits.

There is one point that is common to both reports, which I have not talked about. If you have time, if you do not, I could summarize.

Mr. BLATNIK. Could you conclude your testimony, if I may interrupt. We have our senior colleague, outstanding colleague, dear friend and member of the Rules Committee, which is in session, and he was only able to get away, Mr. Madden from Indiana.

Mr. TANGEROSE. I can summarize it.

Mr. BLATNIK. And the testimony will appear in its entirety at this point, the statement will appear in its entirety at this point.

(The statement referred to follows:)

STATEMENT OF JAMES G. TANGEROSE, DIRECTOR OF WATERWAY ANALYSIS,
ASSOCIATION OF AMERICAN RAILROADS

My name is James G. Tangerose. I am Director of Waterway Analysis of the Association of American Railroads, Washington, D.C. The Association of American Railroads includes virtually all Class I railroads of the United States in its membership. This statement is presented on behalf of the Association and the AAR Overton Canal-Red River Waterway Project Committee. This com-