

- Has it already paid for its initial cost in multipurpose benefits — such as flood control, recreation, power — as well as navigation? Yes.*
- Has it paid for its initial cost in navigation traffic alone? Not yet.*
- Has it helped equalize competition among railway and other modes of transportation in the region, thereby improving regional commerce? Probably.*
- Has it produced a sustained economic boom in the region, developing an economy strong enough to withstand downturns like the 1980s oil bust? Yes and no, in that order.*
- Has it improved, overall, the life of the region's citizens? Absolutely.*
- Has it been tapped for its full potential as a long-term economic resource? Absolutely not.*

*Looking for the bottom line on the waterway's bang for its bucks, John Sparlin, Tulsa District 25-year-veteran chief economist, has analyzed the system from just about every perspective.<sup>13</sup>*

*Any objective analysis of the waterway's cost effectiveness, Sparlin says, must begin with its total cost: \$1.2 billion for the total system, Catoosa to the Mississippi River, including about \$450 million for the upper, Tulsa District portion in Oklahoma.*

*Those initial costs are dwarfed by the total cargo shipped along the waterway — steel, wheat, fertilizer, fuel oil, glass sand, manufactured products, and a wide variety of other freight. Since it began operating, 142 million tons of cargo have been shipped on the Arkansas River waterway — including 50 million tons*

*shipped on the Tulsa District part. At an average value of, say, \$500 per ton, that's about \$25 billion dollars of cargo shipped in the District, and more than \$70 billion dollars on the entire waterway.<sup>14</sup>*

*The Port of Catoosa alone — one of five major public ports and 25 private ports along the system — has logged more than 20 million tons of cargo shipped on 14,000 barges. (A rule of thumb: one barge carries the equivalent of about 60 semi-trucks or 15 railroad cars.)<sup>15</sup>*

*Did those shippers save money by using the waterway? It's impossible to say positively, says John Sparlin.*

*"But," he adds, "if dollar savings were as little as \$1.50 a ton — and that would be a very conservative estimate — they would have saved \$75 million in the Oklahoma portion of the waterway, and about \$213 million along its total length. You could call that estimate the direct navigation benefits produced thus far on the waterway."*

*The picture is brighter in flood control. The waterway paid for itself in flood control benefits alone by December 1987, when the Corps estimated waterway projects had already prevented \$1.3 billion in flood damages throughout its length, including \$536 million on just the Oklahoma portion.*

*Even more difficult to quantify are the spin-off economic benefits that produce the real changes in the region. And still untapped is the future potential for military use, just beginning to be explored, along with other civilian uses.*

*"The potential of the McClellan-Kerr as a long-term economic resource to this region is virtually untouched," Sparlin says. "Leaders are just beginning to recognize its international trade potential, for example."*

*In the life of the McClellan-Kerr Arkansas River Navigation System, the best is yet to be.*