

Farm benefit can't justify levee project's cost, economist testifies

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Bootheel plan is subject of hearing

JEFFERSON CITY - A farm economist testified Thursday that an Army Corps of Engineers' flood control project in the Missouri Bootheel would not produce enough agricultural benefits to justify its cost.

Tom Stinson, a professor of economics at the University of Minnesota, said the corps has calculated an agriculture benefit of \$71 million from its \$85 million St. Johns Bayou-New Madrid Floodway project. But Stinson said the increase in total value of all the farmland that would no longer be subject to flooding would be \$21.4 million.

"It simply doesn't make sense to spend \$71 million to get \$21 million," Stinson said. "If we do that as a nation, we just become poor."

Stinson said another indication that the project was not cost-justified was the fact that local farmers and residents had not come up with a 25 percent share of the project's cost. With similar projects in other parts of the country, the corps has required a 25 percent local match. Officials in the Mississippi County community of East Prairie, Mo., plan to use a federal "enterprise community" grant to pay for most of the local share of the project.

The testimony took place on the fourth day of a hearing on a challenge by two environmental groups to the state's issuance of a clean water permit to the corps for the project. The corps wants to close a gap in a levee near New Madrid, Mo., and install pumps to remove water from the New Madrid Floodway and the St. Johns Bayou Basin.

The environmental groups argue that the project will eliminate thousands of acres of wetlands that are important to wildlife. The corps has argued that the project will reduce flooding in East Prairie and Pinhook, Mo. Stinson is a former U.S. Agriculture Department economist and now a part-time adviser to Minnesota state government on farm revenue. He testified over the objections of corps and state lawyers who said the economics of the project were irrelevant to the question of whether a permit should be issued.

Officials of the corps and the state Department of Natural Resources, which approved the permit, will testify in favor of the project when the hearing resumes next month. The testimony is being collected by June Doughty, a hearing officer who will make a recommendation to the Clean Water Commission.

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