Weighing the Costs and Benefits of Expanding the St. Lawrence Seaway:

An Economic, Environmental, and Policy Analysis

by

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Abstract

In 2002, the U.S. Army Corps of Engineers published a report that suggested that the St. Lawrence Seaway is outdated for current waterway commerce conditions. Containerships have become an increasingly important fleet in transporting international commodities, and the Army Corps of Engineers suggests that the Seaway must be expanded to accommodate these 35 foot draft, 110 foot width, and 1000 foot length vessels. In this paper, I argue that the Seaway should not be expanded for both economic and environmental reasons. My economic arguments against the expansion proposal is that the Seaway may not attract a large number of containerships and world fleet traffic; the foundation of the argument rests on such data as current Seaway trading patterns, international commerce trends, and containership use. Another argument against expansion is the potential ecological impacts that containership and potentially greater vessel traffic would inflict upon the Great Lakes region. Based on these arguments, I conclude that in current and future studies of the Seaway, the U.S. and Canadian governments should focus on improvements to the current Seaway infrastructure rather than on expansion.

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Intro/Problem Statement

In May 2003, the United States and Canadian governments initiated the Great Lakes/ St. Lawrence Seaway Study in order to assess the Seaway's infrastructure and the economic, environmental, and engineering factors that are relevant to its current and future needs. (Great Lakes/St. Lawrence Seaway Study) The study is a follow-up to the 2002 Army Corps of Engineers Reconnaissance Report that reviewed the Great Lakes Navigation System. In its report, the U.S. Army Corps of Engineers recommended that the Seaway be expanded. To aid in its study of the Seaway infrastructure, both the U.S. and Canadian governments have held public meetings in the Great Lakes

Background/Theory

The Great Lakes/St. Lawrence Seaway System (GL/SLS; see Figure 1) extends a distance of more than 3,700 km, or 2,340 miles (SchoonerVoyage). It has two components: the Great Lakes Navigation System and the St. Lawrence Seaway. The Great Lakes Navigation System consists of the upper four Great Lakes and their navigable channels: the St. Mary's River, the Straits of Mackinac, and the St. Clair/Detroit River System (U.S. Army Corps of Engineers). The St. Lawrence Seaway connects the upper four Great Lakes with the deepwater channel of the lower St. Lawrence River and from there on to the Atlantic Ocean (U.S. Army Corps of Engineers 2002). Because the two components are geographically, ecologically, and economically related, and the impacts on the Seaway affect the Great Lakes region, I will henceforth refer to the two components as one entity (i.e., the Great Lakes/St. Lawrence Seaway). I will use the term "Seaway" when discussing specific expansion plans.

Figure 1. Map of Great Lakes/St Lawrence Seaway System



(Transport Canada)

The Saint Lawrence River and Seaway is of vital geographic and economic importance to the Great Lakes system, and the Seaway provides navigation to deep-draft ocean vessels. (Great Lakes Information Network) As early as 1680, the Saint Lawrence River was recognized for its economic value. The Saint Lawrence River, which forms a natural waterway connecting the Great Lakes and other channels, served as a critical route for the movement of goods into and out

of America (Claudi and Willey 1999, 207). Starting in 1825, canals were built on the St. Lawrence River to bypass natural obstacles that hindered navigation and restricted trade. At the end of the nineteenth century, rapid industrial grow However, though Seaway expansion is supposedly not a part of the current study, Seaway expansion has been suggested in the past, and may become a part of the future studies conducted by the U.S. and Canadian governments. Because Seaway still might be expanded, and the U.S. Army Corps of Engineers' report on expansion is the most predominant and the most recent suggestion for expansion, I will assess the arguments made in the U.S. Army Corps of Engineers report to predict whether Seaway expansion is an economically and environmentally viable option.

Proposals to Expand the Seaway

The U.S. Army Corps of Engineers made the most recent suggestion for expansion in a 2002 report on the Great Lakes/St. Lawrence Seaway, and the criticisms the report received led to the present Seaway study. In the U.S. Army Corps of Engineers 2002 Reconnaissance Report "Great Lakes Navigation System Review," the purpose of the report was stated as determining

Lawrence Seaway system. The report outlined five options for physically widening and deepening the navigation system's connecting channels, locks and ports, cumulating in a 35-foot deep navigation system from Montreal to Duluth (Schoonover and Muller 2002). The justification of the Army Corps for expansion to 35 feet is that the expanded Seaway would enable the newer, ultra-large containerships to enter the Seaway system, and because other nations use these containerships to transport commodities to the United States and Canada, the expansion would subsequently allow greater world containership fleet and other international vessel traffic to enter the Seaway (U.S Army Corps of Engineers 2002).

The Army Corps was not the first to suggest Seaway expansion or construction of new Seaway infrastructure. In 1987, the Connecting Channels and Harbors Study examined deepening the Upper Great Lakes channels and selected harbors to 32 feet, but it was determined that such deepening lacked economic justification (Schoonover and Muller 2002, 4). Instead, the report recommended deepening the Upper St. Mary's River and two ship channels in the Duluth/Superior Harbor by only one foot. Even with this modest proposal, the states of Michigan, Wisconsin, and Minnesota withheld support due to concerns with sediment disposal, water quality, and habitat (Schoonover and Muller 2002, 4). That same year, the St. Lawrence Seaway Additional Locks Study concluded that building either new locks at the existing size, or larger locks designed to accommodate 1000-foot ships, were unjustified because the projections indicated that the Welland Canal (located on the Seaway) would not reach capacity until 2030 (Schoonover and Muller 2002, 4). The study also noted that replacement of locks at the same

size would be the best alternative when considering the totality of factors: economics, environment, engineering needs, and social acceptability (Schoonover and Muller 2002, 4).

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writes:

"While 70% of the world's fleet can transit the 80' X 766' locks and the 26'-3" Seaway, these vessels represent only 13% of world vessel capacity and 5% of the world container vessel capacity.. Ever larger ships are being built, indicating that the percentage of the world fleet that is Seaway capable will continue to decline in the foreseeable future. However, a deeper wider Seaway could accommodate 34% (in terms of capacity) of the world fleet and most importantly, 27% of the world container fleet in terms of gross ton capacity."

(U.S. Army Corps of Engineers 2002, iii)

Thus, according to the ACE, in order for the St. Lawrence Seaway to remain internationally

competitive, the Seaway must be expanded to accommodate bigger containerships.

An analysis of the Army Corps assertions for expansion leads to the following questions:

the Seaway expansion may physically allow bigger containerships to enter, but with what

amount of certainty can the Army Corps claim that the expansion alone will be enough incentive

for the containerships to go to the Great Lake ports? In another words, will the Seaway expansion be sufficient cause for containerships to prefer the Great Lakes ports over the Eastern and Western Coast ports? These questions will be explored in detail later in the paper. For now, the point that these questions raise is that expansion does not necessarily mean containership traffic and international commerce will change their patterns to favor the Great Lakes region.

The Army Corps of Engineers answers the above questions by claiming that a transportation cost analysis for an improved Seaway identified potential bulk Seaway traffic (U.S. Army Corps of Engineers 2002). Furthermore, according to the Army Corps's savings analysis showed some potential for container traffic on the Great Lakes/St. Lawrence System. The Army Corps's container analysis also demonstrated some possibility for existing overland East Coast/ Great Lakes container traffic to divert to the Seaway (U.S. Army Corps of Engineers 2002). These arguments will be evaluated more closely in the results section. However, per

Army Corps analysis, an expanded Seaway would attract more containerships in the Great Lakes region and thus increase international commerce in the Great Lakes region.

Criticisms of the U.S. Army Corps's Economic Analysis Objectivity

As mentioned earlier, the U.S. Army Corps of Engineers' report came under heavy scrutiny. One criticism of the report was its lack of objective analysis. The Corps's alleged lack of objectivity in the Reconnaissance Report is of no surprise because they have been similarly biased in past projects. For example, the Army Corps of Engineers conducted a study of the Upper Mississippi River and Illinois Waterway (UMRIV). The focus of the study was the entire lock and dam system of the Upper Mississippi River and Illinois Waterway Navigation System and the river ecology (Water Science and Technology Board 2004). The Army Corps was to develop an integrated plan to be approved as a framework for modifications and operational changes to the Upper Mississippi River and Illinois water system (Water Science and Technology Board 2004). However, in an analysis of the U.S. ACE's study, the U.S. National

A cademy of Sciences made the following criticism:

"The near lack of any analysis of the viability of non-structural elements for managing waterway traffic represents a considerable analytical gap with the feasibility study because it is not clear how the benefits of the lock extensions can be reliably estimated without first managing waterway traffic more effectively within the existing system." (Water Science and Technology Board 2004, 6)

As project managers, the U.S. Army Corps of Engineers would be responsible for structural improvements to the UMRIV; therefore, it would be beneficial for the U.S. Army Corps of Engineers to exclusively focus on structural components in their feasibility study. This example puts into question the objectivity of the data and analysis used to justify expansion in the 2002 Reconnaissance Report. Because there Reconnaissance Report, then the U.S. Army Corps of Engineers may have provided uncertain and insufficient arguments to favor a Seaway expansion in the near future.

Another criticism of the Army Corps of Engineers report is its faulty economic analysis. The Army Corps has also been criticized for faulty analysis in past project proposals. The following example of the U.S. Army Corps of Engineers' past faulty analysis is especially significant to the

St. Lawrence Seaway expansion report because of the similarities between the two project proposals. In a February 1992 report, the U.S. Army Corps of Engineers proposed deepening the Delaware River Channel from 40 to 45 feet. As in the current Seaway expansion proposal, the

ACE suggested deepening as a means to accommodate larger vessels (U.S. Government Accountability Office 2002). Much like the analysis for the St. Lawrence Seaway expansion, the Army Corps projected (in an updated 1998 report) transportation cost savings related to importing and exporting cargo in containerships; these savings were projected to be \$40.1 million. However, the Government Accountability Office (GAO) evaluated the updated 1998 the outcome of the project (i.e. decrease or increase benefits and costs). (General Accountability

Office 2002, 2) These problems with its economic analysis led the U.S. Army Corps of

Engineers to overstate the benefits of Delaware River deepening project by about \$4.7 million.

(U.S. Government Accountability Office 2002, 5)

Another criticism of the Delaware River Report is especially significant to the current St.

Lawrence Seaway expansion debate because it calls into question the benefits that would arise

from the channel deepening. In its critique, the U.S. Government Accountability Office writes:

"...it is uncertain whether all of the potential benefits of a 45 foot channel would contribute to national economic development because most of the ships coming into the Delaware River ports are foreign owned. The Corps' analysis did not take into account the distribution of the project benefits between U.S. and foreign interests; in essence, the Corps assumed that all transportation savings attributable to the project would accrue to U.S. interests."

(U.S. Government Accountability Office 2002, 7)

Due to the similarities between the St. Lawrence Seaway expansion proposal and the

Delaware River proposal, the above criticisms of the latter project raise doubt about the

economic analysis that the U.S. ACE used to justify expansion. Although some of the particular

circumstances between the Delaware River Channel project proposal may differ from the St.

Lawrence Seaway project proposal, the above U.S. Government Accountability Office criticism

questions the Army Corps of Engineers objectivity and economic analysis when projecting the

benefits of deepening navigation systems. This and the UMRIV examples thus show the

unreliability of the U.S. ACE claims, and as I will mention further in the results portion,

questionable analysis is indeed present in the Reconnaissance Report.

Criticisms of Army Corps's 2002 Seaway expansion proposal

The past project criticisms detailed in above paragraphs served to support later arguments that expansion benefits may be overstated. I will now turn my focus to criticisms of the 2002 Reconnaissance Report. First, the Army Corps of Engineers report projects an increase in international traffic/commerce in the St. Lawrence Seaway, but this is inconsistent with recent data on Seaway traffic. The vast majority of trade on the Great Lakes is domestic, and if the growth is forecasted in domestic shipping, then the focus of the report should be on the domestic fleet and not ocean-going vessels (Lake Ontario Keeper 2002). The current data on the Seaway's international commerce are important because they serve as an indicator of the potential to attract future international commerce in the region. This problem will be discussed in more detail in the Results section.

Second, the U.S. Army Corps of Engineers has had a history of over-projecting traffic in the Seaway and this leads to the conclusion that its projections for the expanded Seaway may not be accurate. The Lake Ontario Keeper and Transport Canada evaluated the Corps's history and

found the following example:

"Between 1998 and 2000 the Corps forecasted an increase in tonnage for all commodities modeled [for the Great Lakes/St. Lawrence Seaway]...an overall increase of 2.49% for shipping on the Great Lakes, and a tonnage increase of 6.36 % on the St. Lawrence. However, according to the St. Lawrence Seaway Development Corporation's 2000 annual report between 1999 and 2000, overall cargo by tonnage on the Montréal-Lake Ontario Section (the only section for which data is provided) declined by 2.7%. There were also declines in the three largest commodities by tonnage, with grain declining 7.5%, iron ore declining by 4.4%."

(Lake Ontario Keeper 2002, 8)

This quote thus shows that the Army Corps's forecasting is not always accurate. Great Lakes United (GLU) pointed to errors in the Corps's projection methodology that leads to its flawed forecasts. In their report entitled "Rethinking the Economics of Navigation," GLU states

that the Army Corps's forecasts are extremely unreliable because small errors in certain variables-such as grain yield, elasticity and export demand result in wildly different levels of traffic. Figure 2 (taken from the GLU report) shows how these errors impact the U.S. Army

Corps of Engineers' forecasts.





(Schoonover and Muller 2002, 17)

This graph demonstrates the discrepancies between Army Corps's predictions and the actual traffic on the Seaway. Thus, Great Lakes United's graph and Lake Ontario Keeper's analysis illustrate that the Corps's short term forecasting is not reliable; therefore, its long-term predictions for the Seaway may not be either.

As mentioned earlier, these criticisms of the report led the U.S and Canadian governments to initiate the present Great Lakes St. Lawrence Seaway Study. The ongoing study is conducted by both Canadian and United States government agencies including Transport Canada, U.S. Army

Corps of Engineers, U.S. Department of Transportation, St. Lawrence Seaway Management Corporation, St. Lawrence Seaway Development Corporation, Environment Canada, and the U.S. Fish and Wildlife Service.

To complete its analysis of the St. Lawrence Seaway infrastructure and to acquire feedback about the study, the United States and Canadian governments held stakeholder meetings in the Great Lakes region. These meetings comprised of various interest groups and individuals who held differing views about Seaway expansion. As stated earlier, the U.S. and Canadian governments emphasized at these meetings that expansion would not be considered as an option in their current study, but, as the interest groups stated, the possibility of expansion may be raised in future studies.

Among those who oppose Seaway expansion are Great Lakes United, Save the River, and the Mohawk Council of Akwesasne. Both Great Lakes United (GLU) and Save the River (STR) are environmental organizations. Great Lakes United is an international coalition that consists of member organizations representing environmentalists, conservationists, community groups, and citizens of the United States, Canada, and First Nations and Tribes (Great Lakes United). Save

The River is a non-profit, member-based envi

according to 2000 figures from the U.S. Fish and Wildlife Service (U.S. Environmental Protection Agency). These costs include property loss, management and control costs, and alteration of ecosystems supporting commercial and recreational activities (U.S. Environmental Protection Agency). For example, zebra mussels are an invasive species of European origin. They were introduced to the Great Lakes region in 1986 and have now firmly established themselves in the ecosystem (U.S. Environmental Protection Agency). The zebra mussel has caused economic damages in the Great Lakes Region by clogging up water filtration systems. The zebra mussels will be discussed in more depth in the Results portion of this paper. In terms of environmental impacts, invasive species represent the second leading cause of species extinction and loss of biodiversity in aquatic environments worldwide (U.S. Environmental Protection Agency). Invasive species cause a loss of biodiversity because they compete with native species for food and habitat, and when the native species with which the organisms taken up are released into the receiving waters (Claudi and Wiley 1999). In this way, invasive species are transported from one region to another and, as mentioned above, disrupt the economy and environment of the area to which they are introduced.

While it is important to consider the environmental damages caused by the expansion, it is just as crucial that we analyze the potential environmental benefits of the proposed expanded Seaway. In the 2002 Reconnaissance Report, the Army Corps argues that a wider Seaway would enable the existing overland East Coast, Great Lakes container traffic to divert to the Seaway,

i.e., there would be a shift from land transportation modes to water transportation for the shipment of goods. With greater carrying capacities, cargo boats and containerships are more energy efficient than land transportation systems and reduce the number of railway cars and trucks on the highway and rail systems. A reduction in both railway cars and truck use would be environmentally beneficial. A truck typically uses 1 gallon of diesel fuel to move a ton of freight 59 miles (59 ton miles/gallon), while rail efficiencies have been estimated at 202 to 316 ton miles/gallon (Center for Neighborhood Technology, 5). This energy consumption is damaging because trucks and trains frequently travel greater than 100 or 200 miles and therefore would be using a great deal of diesel fuel, which contains several pollutants that are harmful to public health alone or in combination with other substances (State of Massachusetts). If transportation were shifted from land modes to water modes, then a decrease in rail and truck traffic would likely result in a reduction in the number of diesel emissions per mile due to the fact that ships, such as barges, typically use a gallon of diesel fuel for every 500 ton miles (Center for Neighborhood Technology). Thus, lesser number of railway cars and trucks would potentially result in lower environmental impacts from diesel fuel.

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Furthermore, lesser number of railway cars and trucks would decrease the strain on railway and highway systems, and thus diminish the need for maintenance or expansion of their respective infrastructures to accommodate the railway/truck traffic. Railway construction and maintenance activities can cause temporary environmental impacts such as air pollutant emissions and erosion, or can have long term impacts such as habitat disruption and hydrologic alterations (U.S. Environmental Protection Agency).

A reduction of truck activity would also be environmentally beneficial. Road construction and trucks are a major source of runoff. Runoff from the road includes sediment, bacteria, organic nutrients, hydrocarbons, construction chemicals, etc. The polluted runoff from roads typically contaminates streams first, which then drain into larger streams, rivers, ponds, lakes, wetlands, and estuaries. Additionally, paved roads increase impervious surface in the watershed; impervious surfaces prevent water from seeping through into the water table, and large amounts of runoff are redirected to streams, which eventually lead to downstream flooding (U.S. Environmental Protection Agency). Thus, due to the negative environmental impacts of rail and trucks, a shift to marine transportation might be environmentally advantageous. This will be discussed further in the Results section.

The above paragraphs lead one to ask the following question: how probable is a shift in domestic transportation from land modes to water modes? Although rail and truck shipping modes are less energy efficient in carrying goods than cargo boats, they are more time efficient and get goods to regions more quickly (Department of Geography). To justify the environmental costs of boats and navigation system, further research will need to show whether significant amount of domestic transportation will shift; only a significant shift will result in environmental

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benefits. I will examine this issue more closely in the environmental portion of the results section.

The remaining portion of this paper will asses the arguments that the Army Corps of Engineers has made in favor of expansion and also detail the counter arguments made by the Great Lakes United, Save the River, and Mohawk Council of Akwesasne.

Results

As mentioned earlier in the paper, the U.S. Army Corps of Engineers' current proposal to expand the St. Lawrence Seaway is not new; the United States government has explored deepening possibilities in the past, but did not implement these proposals due to a few states' objections or to economic unfeasibility. Similar to past studies, the current expansion proposal is not economically sound.

The Army Corps claims that if the Seaway were expanded to accommodate vessels with a 35 foot draft, 110 foot width, and 1000 foot length,

final decision is made to expand the Seaway, government officials must first consider whether the expanded Seaway will draw enough containership and world fleet traffic to justify the

economic and environmental costs of the expansion.

Basics about national waterway commerce

According to the U.S. Bureau of Transportation Statistics, in 2002, water's share of all

commercial freight (domestic and international) was the following: value: 8.3%, weight: 14.8%,

and ton-miles: 16.3 % (U.S. Bureau of Transportation Statistics). Domestic waterborne ton-miles

and tonnage have declined in the last two decades, but the opposite has been true of U.S.

international trade, which has increased during the same period. The U.S. Bureau of

Transportation Statistics state:

1) maritime transportation carries nearly 80% of the tonnage of U.S. import and export freight

2) from 1993 to 2002 the value per ton of waterborne freight increased from \$290 to \$370, reflecting rising reliance on im

carrying capacity, more diverse goods would potentially be able to come to the ports located on the Seaway. Currently, the Seaway facilitates the trade of only bulk cargo such as grain, iron ore, coal, and petroleum products (Great Lakes St. A look at the total waterborne trade would help to determine whether the expanded Seaway would be able to attract waterborne traffic at large (i.e., both domestic and foreign). An examination of total waterborne trade shows a similar pattern to that of total foreign waterborne trade. According to U.S. Bureau of Transportation Statistics, the total waterborne trade in 2002 was 2,123,085 tons. The data for previous years are listed below:

Table 2.	Total	Waterborne	Trade
	I Utai	v atti bui ne	IIauc

Year	Tons
1999	2,094,485.84

closer look at the types of commodities they transport and use this information, along with the Great Lakes/St. Lawrence Seaway regional trading patterns, to determine whether the expanded St. Lawrence Seaway would attract containership traffic. Though the Seaway expansion would be able to physically allow containerships to come to the region, it is unclear whether a significant number of containerships will, in actuality, pass through the St. Lawrence Seaway.

Containerships and St. Lawrence Seaway trading patterns

In its report, the Army Corps of Engineers stated that the Seaway can only handle 13% of the world fleet by vessel capacity and 5% of the world container traffic by tonnage, and that these numbers are declining as ever larger ships are being built (U.S Army Corps of Engineers 2002). The Corps used these numbers to justify an expansion so that a greater percentage of the world's fleet and world container traffic would come to the Seaway. However, particular features of containerships and the St. Lawrence Seaway commerce may impede an expanded Seaway's ability to attract significant amount of containership traffic.

The U.S. Army Corps of Engineers would like to draw containerships into the Great Lakes/ St. Lawrence Seaway region because of their increasing importance in maritime trade worldwide. According to the U.S. Bureau of Transportation Statistics, U.S. foreign waterborne container traffic more than doubled between 1990 and 2001 and is expected to continue similar growth over the next 20 years (U.S. Bureau of Transportation Statistics). On the other hand, containerships are used to transport only certain goods and this characteristic of containerships may hinder the ability of the Seaway to attract significant amounts of containership traffic due to the nature of commerce in the Great Lakes/ St. Lawrence Seaway region. As per the U.S Bureau of Transportation Statistics, the type of goods transported in maritime imports/ exports varies,

and this affects the type of vessels and the seaports used (U.S. Bureau of Transportation

Statistics). Commodity characteristics such as value and weight are factors that determine the

use of the containerships (U.S. Bureau of Transportation Statistics). The table below shows the

major commodities that were transported by containerized trade in 2001:

Ranked by	Exports		Imports	
TEUs (twenty-				
foot equivalent				
units)				
	Commodity	Percent Share	Commodity	Percent Share
1	Paper and paperboard	12.4	Furniture	8.3
2	General cargo	7.3	General cargo	4.9
3	Fabrics, incl. raw cotton	4.2	Toys	3.9
4	Pet and animal feeds	3.6	Footwear	3.3
5	Grocery products	3.0	Apparel and misc.	3.2
6	Synthesis resins	2.8	Auto parts	3.2
7	Logs and lumber	2.6	EDP machinery	2.5
8	Wood pulp	2.0	Plastic products	2.3
9	Auto parts	2.0	Bananas	2.2
10	Vegetables	1.9	Electrical and electronics	1.9
	<u>Others</u>	<u>58.4</u>	<u>Others</u>	<u>64.2</u>
	Total	100.00	Total	100.00

 Table 3. U.S. Waterborne Containerized Trade by Major Commodities: 2001
 [in twenty-foot equivalent units (TEUs)]

(U.S. Bureau of Transportation Statistics)

Now that we better understand the cargo that containerships transport and the link between the type of cargo and the type of vessel used, we must consider the dominant goods that are transported on the Seaway and the ships that are ideally suited to transport these goods. This analysis will be help to determine whether containerships will indeed be attracted into the

expanded Seaway.

The pie chart below illustrates the main commodities currently transported on the Great

Lakes/St. Lawrence Seaway region:

Figure 3. Commodities Transported on the Great Lakes/St. Lawrence Seaway, by volume



ce: U.S. Army Gorps of Engineers: Information-Paper: Liteat-Laker Navigation System Review, 👘 Sour tomics Appendix 4. June 2002. Ecor

(Lake Ontario Keeper 2002)

According to the pie chart, mined goods, such as iron ore, coal, and stone, are the predominant goods transported on the Seaway system. These four commodities support the steel industry in part or in whole, though shipments of coal are primarily to electric utilities (U.S. Army Corps of Engineers). The agricultural industry is also an important waterway user, shipping grains from Lake Superior ports through the St. Lawrence Seaway to ports along the lower St. Lawrence River (mostly for eventual shipment overseas) or directly to overseas

destinations(U.S. Army Corps of Engineers). The U.S. Army Corps of Engineers themselves

it may be more economical for them to be transported into and out of the Great Lakes region via other means, i.e., air or land. The addition of a greater percentage of containership and world fleet may not easily change this trend in shipment. Thus, because the type of goods affects the types of vessels being used, the currently used fleet on the Seaway may be most ideal for the transport of abovementioned commodities. For this reason, it would not be economical for foreign containerships to enter the Seaway; given the fact that monetary incentives primarily drive international commerce trends, nations would probably have little incentive to send their containerships to the expanded Seaway.

The amount of international commerce in the Great Lakes region is another reason to doubt the extent of containership traffic that will pass through the expanded Seaway. The U.S. ACE believes that an expanded seaway will enable a greater percentage of containership and other world fleet to enter through the Seaway and increase international commerce in the region. However, currently, the primary commerce in the Great Lakes is *domestic* and *bi-national* (i.e. between U.S. and Canada), not international. In a 1998 analysis, the Corps stated that North American trade accounted for 93% of commercial shipping on the GL/SLS (Lake Ontario Keeper). The pie chart (taken from the Lake Ontario report) below also illustrates the fact that *domestic* and *bi-national* trade currently predominates in the Great Lakes/ St. Lawrence Seaway.



Figure 4. Great Lakes/St Lawrence Seaway Traffic by Origin and Destination, 1998

(Lake Ontario Keeper 2002)

These statistics calls into question whether the expanded Seaway would attract a greater percentage of world fleet given the fact that the market for the primary commodities transported via the Great Lakes/St. Lawrence Seaway goods is domestic/bi-national and not international. As mentioned above, containerships are part of the world fleet the U.S. ACE wants to attract but containerships predominantly carry goods that are not part of the dominant commodities transported in the Great Lakes region.

The argument could be made that expansion would potentially increase general waterway traffic in the Seaway region and the increased traffic could increase profitability of transporting

via water mode the primary commodities that containerships carry. This change in commodity profitability would, in turn, induce more containerships to enter the Seaway. However, two things must be kept in mind. First, current market forces have not made water mode an economical method of transporting these goods (that are carried by containerships) to and from the Great Lakes/St. Lawrence region; given the fact that other factors have so far been unfavorable, how likely will it be that increased waterway traffic will increase the possibility of water transport for these goods? This question leads to the second point: a wide variety of factors affect the transport of certain goods by water mode, and greater waterway traffic in the St. Lawrence region may not change the impact that these factors have in making some goods cheaper to transport via land or air modes. Thus, given the uncertainty of whether the primary containerships is limited in the Great Lakes/St. Lawrence Seaway region.

Furthermore, we need to take a closer look at why mining and agricultural products are

not shift its specialization to other goods which thus far have not been as profitable or

economical to transport via water mode.

For this section only, I will assume the fact the previous section's arguments do not apply, i.e., the fact that commodities did not determine the type of boats being used for transport and that containerships would in fact ship the primary commodities that are transported on the

Great Lakes/ St. Lawrence Seaway System. This temporary suspension of the previous section's argument will help to facilitate a deeper understanding of the other factors, aside from boat specialization and regional economy, which also contribute to limiting the international

traffic in the St. Lawrence Seaway. These factors, which will be discussed below, include

geography, globalization, and time.

Currently, world fleets share a preference for coastal ports over Great Lakes ports. The following table (using 2001 data from the U.S. Bureau of Transportation Statistics) compares the foreign waterway commerce that the Great Lakes/St. Lawrence Seaway region attracts with the amount that coastal ports attract. All figures are in tons.

	Great Lakes	Coastal
Overseas	5,687,722	1,162,598,344
Canada	51,048,216	-
Total	56,735,938	1,162,598,344

Table 4. Great Lakes versus Coastal Ports Commerce

(U.S. Bureau of Transportation Statistics)

An argument can be made that the Great Lakes Region is not attracting the same foreign commerce as that of the coastal ports because the latter ports can accommodate container ships and other bigger boats used in international commerce. Evidence supporting this claim can be found in the U.S. Bureau of Transportation Statistics report, "America's Freight Transportation

Table 5. Top 10 U.S. Maritime Container Ports: 1995, 2000, 2001 [thousands of twenty



Figure 5. U.S. Waterborne Containerized Exports and Imports by Coastal Port Region:



(U.S. Bureau of Transportation Statistics)

Thus, the Bureau of Transportation Statistics' analysis and graph reveal that the West Coast continues to dominate in attracting importing containership traffic. Also, given the fact that coastal ports are favored over Great Lakes for international commerce, and that the East Coast has the infrastructure for containership yet attracts less containership traffic (i.e., importing containership traffic), then it remains uncertain whether the St. Lawrence Seaway can attract significant amounts of container traffic to justify expansion. The Seaway expansion may not induce containership traffic to divert from coastal ports because of other factors (aside from Seaway size) such as time and geography.

The Bureau of Transportation Statistics' analysis and graph also show that the West Coast has been attracting greater containership traffic because of the rise in trade with Asian countries and this demonstrates the significant contributions that Asian countries make to the U.S. containership traffic. In fact, per Bureau of Transportation Statistics data, in 2001, the top five overall U.S. containerized cargo trading partners were all Asian countries: China, Japan, Hong Kong, Taiwan, and South Korea (U.S. Bureau of Transportation Statistics). Consequently, the Seaway expansion debate concerning containerships must focus on attracting containership trade from the above countries.

As mentioned above, the current importing container traffic preference is for the West Coast, and below I will show how geography has played a role in influencing containership imports to enter at this coast. I will analyze China's trading pattern as an example and use this information to show how geography, and not Seaway size, limits its trade via the St. Lawrence Seaway.

China is a suitable example for two reasons. Of the top five overall U.S. containerized cargo trading partners, China is the leading country, and therefore, if an expansion were to occur to accommodate containerships, then the Seaway would have to focus on attracting China trade into the region. Second, as discussed earlier, the grain industry dominates waterway commerce in the Great Lakes/ St. Lawrence Seaway region. The grain industry in the Great Lakes region has potential to attract Asian markets. The Great Lakes United commissioned the Institute for Agriculture and Trade Policy to analyze the arguments the Army Corp used to justify expansion. In this document, the Great Lakes United analyzed the market patterns for the grain industry.¹ The Institute for Agriculture and Trade Policy states:

¹ It must be noted here that the Great Lakes United report will be cited throughout the results section, and the organization's analysis, like the Army Corps of Engineers, may appear biased as the Great Lakes United opposes expansion. However, their analysis will nonetheless serve the purpose of demonstrating that the potential for an expanded Seaway to increase international commerce and world fleet traffic is contingent upon various economic forces at play in the Seaway region, international commerce, and containership/world fleet traffic.

"Europe has reduced its consumption of U.S. and Canadian grains dramatically since 1980. The increasingly global nature of the world market makes it essential to examine where future demand for agricultural and mined products will occur. Demand for U.S.



Figure 6. Percentage of Containerized U.S. Maritime Imports from China by Coast, 2000 versus 2003



The bar graph and analysis of Chinese waterway statistics show that the limiting factor for East Coast ports attracting Chinese commerce was not merely the infrastructure to handle containerships, but some other reason must have played a role in making Pacific Coast more attractive to the Chinese than the other coastal ports. This reason may be geography and the proximity of the Pacific Coast to the Asian countries. As discussed in the previous paragraphs, coastal ports typically attract more international commerce than the Great Lakes ports; given this condition, if the Atlantic and Gulf Coast ports have a smaller share in attracting Chinese trade and cannot attract more Chinese trade possibly because the geographical preference for West Coast ports, then it remains uncertain whether expanded St. Lawrence Seaway ports could attract a significant amount of Chinese trade. Seaway expansion may not overcome the impact that

There are other ways that globalization, and not necessarily Seaway size, affects international commerce in the Seaway region. For example, the Seaway may expand to become the largest navigation system in the world, but since globalization has opened countries to one another, if country X can ship cheaper to country Y's port, country X will take this opportunity rather than shipping to the Seaway. Even without expansion, this scenario has already occurred in the Great Lakes region and expansion may not be able to reverse this effect of globalization. In the Great Lakes United commissioned report (referenced earlier in the section), the Institute for Agriculture and Trade Policy made the following analysis of globalization and the other

factors that have affected the Great Lakes region:

"Globalization and the trend toward Third World manufacturing, less labor requirements in manufacturing, a sustained farm crisis, U.S. population migration toward Sun Belt and West Coast and many other issues have collectively affected the Great Lakes region to a greater degree than most other regions. There are no signs that these trends are abating and expanded navigation can neither profit from nor reverse these developments."

(Schoonover and Muller, 7)

Though Great Lakes United opposes the Seaway expansion and therefore may have had other intentions when making the above assertion, the anal factors may play a greater role in determining international commerce and fleet traveling trends

than Seaway size.

Aside from geography and globalization, there are other issues that affect a nation's decision to

discussing benefits of the St. Lawrence Seaway expansion- though the Great Lakes region may reap economic benefits from the expansion, expansion may also result in economic and environmental losses, and place a disproportionate burden on some groups of people. The following two sections will explore to what extent these negative effects of expansion may undermine the expansion policy.

Job benefits and potential economic losses

In its Reconnaissance Report, the U.S. Army Corps of Engineers projected increases in employment if the Seaway were expanded to accommodate vessels with a 35 feet draft, 110 feet width, and 100 feet length. In projecting the in The table does not specify the types of new job opportunities, but I will make a rough

employment opportunities may be only in that region and in particular business sectors, and may

come at the expense of other regions in the United States or other business sectors. In the Reconnaissance Report, the Army Corps of Engineers addresses this problem. The Army Corps states that the expansion would induce traffic to shift from such ports as New York/New Jersey, Baltimore, and Philadelphia to Seaway ports (i.e., Buffalo, Chicago, and Detroit) but the overall net national impact would be zero as the Great Lakes/St. Lawrence Seaway region would benefit to the disadvantage of the other U.S. and Canadian ports (U.S Army Corps of Engineers). The following table illustrates the potential loss to different regions of the United States if the

expansion were to induce a shift in port traffic. Thus, the expansion would not be adding any economic value to the nation, but rather shifting the position and economic value of jobs from one region to another.



 Table 7. Economic Impacts of Shift-of-Port Activity

(U.S. Army Corps of Engineers, Appendix: 6-22)

In addition to the negative employment effects in non-Great Lakes regions, certain job sectors and industries in Great Lakes would be adversely affected by the expansion. For example, expansion would facilitate the increased entry of invasive species. Invasive species would pose a threat to recreational and commercial industries by reducing the ability of the Great Lakes food web to produce the same volume and type of fish and outright eliminating economically important fish species (Schoonover and Muller 2002, 15). (The full economic and environmental effects of invasive species to the Great Lakes region will be discussed in the following section.) Because the recreational and commercial industries generate \$4 billion per year and support 81,000 jobs, the greater number of invasive species in the Great Lakes/St.

Akwesasne). Therefore, after the Seaway was expanded, the potential increase in containership and other world fleet traffic would potentially increase shoreline erosion and would impose greater costs on individuals and the community at large. Furthermore, according to the Mohawk Council of Akwesasne, the Seaway construction resulted in the degradation of the aquatic environment and transformation of the St. Lawrence ecosystems and this has resulted in significant disruption of the Mohawk fishery, a key component of the Mohawk economy (Mohawk Council of Akwesasne). The Seaway construction also changed the water levels of the St. Lawrence River, and the change in water levels has led to a reduction in waterfowl and forage for cattle for the Akwesasne (Mohawk Council of Akwesasne). Thus, the current Seaway has already had significant negative environmental and economic impacts on the Akwesasne, and these impacts can lead one to conclude that the Seaway expansion may further degrade the

environmental and economic components that are pivotal to their lifestyles.

This section has shown that expansion may result in a negative impact to different regions in the United States as well as to certain industries and people who depend upon the Great Lakes for their survival. The mere fact that expansion would not add economic value to the United States is enough proof to discredit the U.S. Army Corps of Engineers' arguments for expansion. However, the environmental costs can also show why the Seaway expansion would not be beneficial. The next two sections will focus on the environmental impacts of expansion and specifically delve into the economic and environmental effects of invasive species.

Environmental impacts of expansion: The expansion process and containerships. Earlier, I stated that the organizations Great Lakes United and Save the River were opposed to the expansion on an environmental basis. A few of their arguments will be presented in this

sediments (Lake Ontario Keeper, 23). The U.S. Environmental Protection Agency (EPA)

supports their claim about the negative environmental effects of dredging. In a 1999 report on the

environmental impacts of transportation, the EPA writes:

"Maintenance dredging... entails dredging a particular channel periodically to sustain a prescribed depth, can prohibit recovery. Dredging can also alter natural water circulation patterns, which can affect ecosystems in a variety of ways, such as through increased or decreased salinity. Dredging (and other navigation improvements) results in the accumulation of extensive amounts of material from the bottoms of bodies of water."

(U.S. Environmental Protection Agency 1999, 147)

As the above analysis shows, dredging for expansion would not be a one time activity

that would have short term environmental impacts, but rather, would be a repeated activity

because the deeper channels would require maintenance dredging. Because a one time dredging

activity negatively affects an ecosystem, repeated maintenance dredging would consistently alter

the ecosystems and thus have a long-term impact on the modified portions of the Seaway.

The EPA provides more detail on other environmental effects of dredging. The EPA

states that there are two main disposal methods for dredged material: land disposal or open water

disposal. Since the EPA provides a more in-depth analysis of the latter, only its impacts will be

presented below:

"Disposal of dredged material has the potential to cause far-reaching environmental impacts ... Disposal in open water can alter bottom habitats, decrease water quality, and harm marine organisms. Repeated disposal at a site can form mounds in bottom habitats, because most material sits where it is dumped. Disposal of dredged material in open waters can affect water quality by physical means, such as increasing turbidity, or chemical means, such as raising pollutant concentrations. Open water disposal can harm marine organisms in a number of ways. Benthic organisms can be killed by physical burial under dredged material. A more widespread effect of disposal on marine fauna is uptake of toxics. Contaminants may impact the benthic community even if dredged material is capped, and larger animals may ingest contaminants either directly or indirectly through feeding on smaller animals." (U.S. Environmental Protection Agency 1999, 148) The EPA's analysis demonstrates that the dredging required for expansion will be harmful to the environment and would likely have far-reaching short and long-term effects.

Great Lakes United and Save the River's other environmental objection against expansion involves the effects of deeper and wider channels on the Great Lakes/ St. Lawrence River ecosystems. Great Lakes United and Save the River's opposition to the deeper and wider channels is that they would significantly modify the hydrologic system by increasing flows through connecting channels and cause major modifications to lake levels throughout the system (Lake Ontario Keeper 2002, 23). According to Great Lakes United and Save the River, the modifications to the lake levels would result in lower levels of Great Lakes upstream of river channels and the greater amount of water flow throughout the system would increase the risk of flooding wetlands and low lying shorelines in downstream areas (Lake Ontario Keeper 2002, 23). To prevent flooding of the downstream areas, Great Lakes United and Save the River claim that the government would need to build compensating works such as dams; however these structures, in particular dams, would affect water temperature and dissolved oxygen concentrations, two of the most important physical factors affecting all aspects of fish life stages (Lake Ontario Keeper 2002, 23) Thus, the environmental impacts of the expansion process itself raise serious doubts about whether a Seaway expansion would be beneficial to the Great Lakes region.

The second aspect of the environmental assessment will focus on the traffic component of the Seaway expansion. Expansion of the Seaway will theoretically result in drawing containership traffic and increasing other types of vessel traffic. Indeed, this increased traffic is main reason the Army Corps of Engineers is in favor expanding the Seaway. In the background/theory section, I had pointed to the potential environmental benefits of the greater vessel traffic; if, as the U.S. Army Corps of Engineers claim, an expanded Seaway would induce traffic to shift from overland modes to the Great Lakes routing (i.e., train/rail shipment to containership or other vessel shipment) then, as I had claimed, the shift would be environmentally beneficial because containerships, in particular, would carry more cargo per trip than trucks and rail and thus there would be less air pollution due to a lesser number of trucks and trains on the highway and rail systems

lead to water pollution, which consequently affects human health and leads to disruption of ecological relationships.

A 1999 Environmental Protection Agency (EPA) report entitled "Indicators of the Environmental Impacts of Transportation" fully delineates the negative environmental effects of containership and other marine vessels. According to the EPA report, wakes from large (such as containerships) or fast-moving vessels can cause erosion and vegetative in confined or shallow waters (U.S. Environmental Protection Agency 1999, 166). Furthermore, wakes can cause strong wave propagation that can stir up bottom sediments in shallow areas (U.S. Environmental Protection Agency 1999, 166). Sedimentation is particularly problematic for vegetation because it reduces the amount of sunlight available for photosynthetic processes (U.S. Environmental Protection Agency 1999, 166). The EPA also states that the impacts of wakes are local in nature and likely to be more pronounced in confined, high traffic areas (U.S. Environmental Protection Agency 1999, 166). As the Army Corps of Engineers anticipates the Seaway expansion attracting higher traffic, wakes from containership and other vessel traffic will therefore be highly disruptive to the local port and regional (i.e., Great Lakes) ecosystems in the St. Lawrence Seaway.

The addition of containership traffic and greater vessel traffic would also raise the probability for oil and non-petroleum spills to occur in the Great Lakes/St. Lawrence Seaway

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Agency 1999, 168). In the 1999 report, the EPA listed some of the environmental effects of oil

spills:

"Shellfish and non-migratory fish, especially those in the larval stage, are the most

environmental effects of containership and increased traffic in the Great Lakes region. To sum up this section, I have shown that the expansion process and the increased containership traffic would likely inflict damages to the environment. These environmental costs must be weighed in evaluating whether expansion is justifiable. In the following section, I will look more closely at the biggest environmental threat that expansion poses: increase in invasive species.

Environmental effects of expansion: Invasive species

Opponents of expansion, including Great Lakes United and Save the River, use the negative impacts of invasive species to support their case. In the analysis of the negative economic impacts of expansion, I had discussed that expansion would result in increased entrance of invasive species into the Great Lakes region and that invasive species would have environmental and economic consequences, such as disruption of the food web and the elimination of economically significant fish. Below, I will provide further information on how invasive species arrive in the Great Lakes, establish that invasive species are already a problem in the Great Lakes region, and prove that expansion would only compound the problem. I will also use current policy problems to demonstrate that expansion will not be beneficial in aiding the Great Lakes in their fight against invasive species.

To review, invasive species are non-native species whose introduction does or is likely to cause economic or environmental harm or harm to human health (U.S. Environmental Protection Agency). Once established, it is extremely difficult to control their spread (U.S. Environmental Protection Agency). One of the primary sources of invasive species is the ballast water of boats. About 30% of current non-indigenous introductions can be definitely attributed to a ship source, and the majority of this percentage is considered to be ballast water introduction (Claudi and

Wiley 1999, 207). Again, in review, ballast water is internal water tanks located in various locations in the ship. These tanks are filled or emptied according to amount of cargo that the ship

carries, providing balance and buoyancy when required. The water is taken in through underwater intake ports, and discharged at final destination spot (Claudi and Wiley 1999, 205). Throughout this process of water intake and discharge, invasive species are taken in from one location and transported to another destination. Thus, because of the use of ballast water by ships, boat activity has facilitated and continues to facilitate the introduction of invasive species into the Great Lakes region. In turn, as will be illustrated through specific examples, some of these invasive species that have entered via vessel activity have resulted in permanent alterations in the Great Lakes ecosystem and have become some of the biggest environment and economic problems to the Great Lakes region. It then follows that if invasive species are already a problem in the Great Lakes region, and if the Arpro13.52 hat iroshinh sps r Twseawayve spec8es raw mo spTw (20er00 G L f t k е r е а а е

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In their essay, "Freshwater Nonindigenous Species: Interactions with Other Global Changes," Cynthia Kolar and David Lodge (2000) provide a historical example of an invasive species and the effects of its introduction into the Great Lakes. Kolar and Lodge write that the sea lamprey was one of the first high impact species to enter the Great Lakes via canals and most probably gained access through its attachment to the hull of ships. The sea lamprey is a parasitic fish that attaches to a large fish and sucks its fluids. It was first discovered in Lake Erie in 1921 and Kolar and Lodge (2000) state that by 1946, the sea lamprey became established in all the Great Lakes, and had contributed to dramatic declines in lake trout populations and localized extinctions of lake trout in 415 lakes. They also preved heavily on burbot fish and larger whitefish species and this predation led to their extinction of these species (Kolar and Lodge 2000, 8). As a result of its predatory behavior, the sea lamprey distorted the historical food web. Figure 7 shows the historical food web and the changes that the sea lamprey and other invasive species have caused to this food web.



Figure 7. Historical Food Web versus Modern Food Web (with invasive species)

The effects after the St. Lawrence Seaway opening is further proof of the link between greater vessel traffic and greater invasive species in the Great Lakes region. The opening of the

St. Lawrence Seaway in 1959 also helped to increase the rate of non-indigenous aquatic introductions into the Great Lakes. The Seaway opening allowed transoceanic ships to enter and also brought down the economic barriers to entry of ships carrying ballast (Claudi and Wiley 1999, 207). Because ballast water is one of the primary means of transporting invasive species, the increase in ballast water carrying ships, along with the increase in the number of ships entering the Great Lakes region, contributed towards increasing invasive species in the Great Lakes region (Claudi and Wiley 1999, 207). For example, in the century and a half between 1810 and 1959 there were only 90 introductions of invasive species; however, upon the opening of the Seaway and increased vessels with ballast, in the thirty years between 1960 and 1990, there were 43 introductions (Claudi and Wiley 1999, 207). In another words, 90 introductions of invasive species in 149 years is roughly .60 species/ year, while 43 introductions in 30 years is roughly 1.43 species a year. These statistics demonstrate that the rate of invasive species introductions from 1960 to 1990 is 2.4 times the rate of introductions from 1810 to 1959. Thus, the above data demonstrate the significance that greater amounts of foreign vessel activity have

had on the introduction of invasive species into the Great Lakes region.

Invasive species bring not just ecological costs, but also economic ones, as we can see from the case of the zebra mussel. The Seaway's opening to transoceanic vessels enabled zebra mussels to enter the Great Lakes region. The zebra mussel was first introduced into Lake St. Clair in 1985 or 1986 via ballast water and spread to the Great Lakes region within just two years (U.S. Environmental Protection Agency). Zebra mussels are currently one of the most environmentally and economically detrimental species to the Great Lakes region. Its environmental effects include nearly eliminating the clam population, reducing the available food and oxygen for native fauna, and disrupting the food supply through its feeding processes

for doing so depend on the development of standards and technologies will take many years."

3) "More recently, state officials who responded to the GAO's survey identified a number of gaps in or problems with, existing legislation addressing invasive species and other barriers to managing invasives. Many states identified the lack of legal requirements for controlling invasive species that are already established or widespread as key gap in legislation addressing both aquatic and terrestrial invasive species. State officials also recognized ineffective standards for ballast water as a major problem in aquatics legislation. Regarding barriers to managing invasive species, state officials identified a lack of federal funding for state invasive species efforts, public education and outreach, and cost-effective control measures as major problems."

(U.S. Government Accountability Office 2003, 2-5)

The current federal policy problems in the management of invasive species would make it difficult to adequately address and combat the invasive species that would arrive if the Seaway were expanded. The new invasive species in the Great Lakes region would increase the policy problem of invasive species because targeted management programs would have to be developed to address the specific environmental impacts of the new invasive species. Furthermore, while these management programs are being constructed, the new invasive species would increase the environmental and economic costs to the Great Lakes region.

The above paragraphs have demonstrated how greater containership and world fleet traffic in the Great Lakes/St. Lawrence Seaway would increase the number of invasive species in the Great Lakes region. Furthermore, I showed how invasive species already have negative environmental and economic impacts on the Great Lakes region and that an increase in invasive species from greater international fleet traffic would compound these effects. The current problems of invasive species management would make it difficult to adequately prevent or address the threat of any new invasive species. Therefore, the threat of greater invasive species into the Great Lakes region demonstrates that Seaway expansion would not be beneficial.

Conclusion

The U.S. and Canadian governments are not now considering expansion in their current studies of the Seaway, but they may consider expansion in the near future. Based on the arguments I have presented above, my policy recommendation is that the U.S. and Canadian governments not consider Seaway expansion in the near future. By assessing the U.S. Army Corps of Engineers' justifications for expansion, I was able to show that expansion is not sound on either an economic or an environmental basis. The U.S. Army Corps of Engineers want to expand the Seaway to accommodate containership traffic, but as I have shown, the Great Lakes region would likely not attract significant containership traffic even if the Seaway were expanded. A few of the reasons that the Great Lakes region would not attract large containership traffic include the difference between the dominant commodities transported on the Great Lakes/St. Lawrence Seaway System and those carried by containerships, the current containership preference for coastal traffic, and the Great Lakes/St Lawrence Seaway System's geographic location.

Another reason that expansion is not justified is due to its potential economic and environmental costs. The economic costs would include loss of employment of certain job sectors, a reduction of employment opportunities in certain regions of the United States, and the impact on the Great Lakes' fishing industry. Some of the environmental costs of expansion include habitat destruction, greater air and water pollution, and disruption of the ecological relationships in the Great Lakes region. Thus, for economic and environmental reasons, the St. Lawrence Seaway expansion is unjustifiable.

The arguments I presented here were based on current available data and are by no means complete. To solidify a case against the Seaway expansion, an economic model will need to be

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constructed to determine whether containerships will be the cheapest method of shipping goods to and from the Midwest. Another economic model will have to focus on the likelihood that dominant Seaway goods would change from transport on current fleet to containership transport if expansion were to take place. Statistics about individual ports on the Seaway and the markets at those ports would also be useful in a cost benefit analysis of the proposed expansion. Aside

from further research into the economics of expansion, more data must be collected on containership air pollution and on how containership air pollution compares with pollution from a diesel truck and train engine. These statistics would enable us to make a better assessment of which mode of freight transport causes the least amount of environmental damage. Furthermore, a model must be developed to determine whether there would be substantial diversion of land traffic to water traffic, and if so, to what exte

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