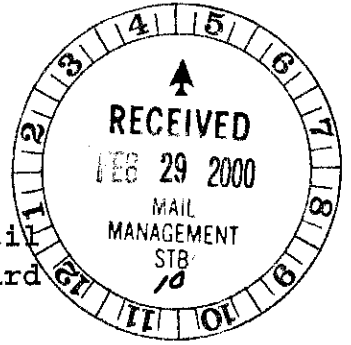


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Outline of Remarks
By Blake A. Wilson
President, Mississippi Economic Council
Before the Surface Transportation Board
In STB Ex Parte No. 582
Public Views on Major Rail Consolidations
March 10, 2000

My name is Blake A. Wilson. I am President of the Mississippi Economic Council, which is the State Chamber of Commerce in the Magnolia State.

Transportation is one of the four priority issues of the Mississippi Economic Council, based on needs determined through scientific surveys of the business community in our state.

Mississippi is an emerging state in terms of growth and opportunity. Parts of our State -- particularly the northwest and southern coast -- are among the fastest growing parts of the nation.

Railroad mergers can create golden opportunities -- or provide a chilling effect.

Although I was not a resident of Mississippi at the time, I have learned that our state did not fare well during the mergers in the 1970's and 1980's. The result was abandonment of hundreds of miles of track -- and the net effect of this action was lost hope for many rural communities that considered availability for rail as a lifeline to opportunity, particularly in some of our hard-pressed areas, like the Delta.

The effects of NAFTA and international competition in general have taken their toll. More than a third of our counties have lost manufacturing jobs, some of which have gone south of the border or the Far East.

But we see some hope in the future of railroading in Mississippi. We are very excited about the potential positive long-term impact of the Canadian National-Illinois Central merger for north-south traffic -- and in a unique marketing alliance between CN/IC and Kansas City Southern to take advantage of east-west passage on the Meridian Speedway to Dallas and Mexico. To date, we have seen positive results from the CN/IC merger -- and even greater potential results if its marketing alliance with KCS is aggressively

stimulated with inter-modal expansions in central Mississippi and increased service to the Coast.

This gives Mississippi an opportunity for turning NAFTA around -- and having it work to our advantage by linking the Port of Gulfport and other Mississippi Ports along the Coast and the Mississippi River to markets to the north. And, it gives a much-needed boost to communities that see new opportunities from rail mergers and alliances.

The key for Mississippi, here, is north-south AND east-west. One without the other weakens the Magnolia state's ability to branch out in taking advantage of the opportunities that NAFTA can bring on one-side of the equation, instead of simply being left with the loses and challenges it brings on the other.

As you move forward with this process, it is important that the STB move cautiously but expeditiously, to allow the full due-diligence to take place, but with the kind of alacrity that enables all parties to respond to the needs of the international marketplace.

Mississippi is positioned to play a pivotal role in the international marketplace, because of our unique location at the Gulf of Mexico and the Mississippi River. In fact, our organization's new logo incorporates a globe intersecting with our state to demonstrate our understanding of a global economy.

A rural state, like Mississippi, can find a well-executed rail merger brings new hope for accessing new markets and greater opportunities. So far, we see new opportunities coming from the CN/IC merger, and its alliance with KCS. Our past experience tells us, though, that a poorly-executed merger can put our communities -- and our future -- on a dead-end sidetrack.

It is our hope that you will move expeditiously to allow railroad mergers to be judged according to both current and future market conditions. But we also hope that you will take special care to focus on the unique opportunities and threats for rural America.

We look forward to providing more detailed comments on specific merger opportunities as they are filed with the STB.