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ENERGY

Europeans Issue Loud 'No' To Carter Energy Program

European capitals were getting angrier and angrier this week as the date approached for U.S. President James Carter to announce his official energy savings and anti-nuclear proliferation program on April 6. Within 24 hours of the press conference delivered by Carter press secretary Jody Powell, where the details of the program were confirmed, the West German government stepped forward and forcefully registered Europe's disgust with Carter's commitment to undermine nuclear power development.

On April 7, Chancellor Helmut Schmidt announced that West Germany's controversial nuclear export treaty with Brazil is now in effect, and that shipment of all the agreed installations in the treaty will begin shortly. The West German-Brazil treaty has been heavily attacked by Washington officials. Its most controversial feature is inclusion of a nuclear fuel reprocessing installation, which challenges the central point in Carter's energy scheme: to guarantee U.S. and Canadian monopoly control over nuclear fuels as the means for aborting all nuclear technologies.

British, West German and Italian spokesmen could not have been more explicit this week in the warnings they issued to Washington that Carter's program would not be welcome. Guido Brunner, the European Economic Community Commission's chief energy negotiator, delivered a press conference at the Biblis nuclear center April 4, where he stated that the U.S. "may obligate the Federal Republic to reach an accord with the Soviet Union for joint enrichment of this energy source." The threat of a European counter-attack based on making the Soviet Union its chief enriched uranium supplier was also hinted at in statements issued by Schmidt's personal secretary Armin Gruenewald and West German Research and Technology Minister Hans Matthoefer, both of whom warned that if the cutoff of uranium is maintained, West Germany will be forced to renegotiate its present supply treaties with the USSR.

Right-wing West German circles are frantically signalling that Carter Aministration policies across the board are simply compelling Europe to strengthen its ties with the East Bloc. Herbert Kremp, a chief editorialist in *Die Welt*, has just sounded this alarm in response to Carter's "human rights" campaign: "The ruling circles of Western Europe are not going to join" Carter's dissidents propaganda drive, he wrote. In fact, "all this could lead to further arrangements with Soviet imperialism."

Obvious Trap

Carter's energy program is an obvious trap for all governments and corporations pursuing advanced

technological development in the nuclear industry. The president is simultaneously cutting out the production of highly enriched uranium plutonium extraction in the United States, and demanding that all U.S. treaty partners who want to receive U.S. deliveries of non-enriched uranium do the same. While Carter fallaciously asserts that extraction of plutonium would permit an uncontrolled "proliferation" of nuclear weaponry, the reality of the situation is that plutonium is an extremely valuable by-product of the initial nuclear generating process, which can be rescued as nuclear fuel.

The plutonium extraction process would permit all nuclear-power using nations to create their own fuels, and help to break the U.S. monopoly. At that point, no nation would have to pay attention to Carter's unfounded objections to nuclear technology.

European governments were apprised of the contents of Carter's energy program by the early release of a special Ford Foundation report entitled "Nuclear Power: Issues and Choices." The reaction of European commentators to the report was bristling. On April 1, *Frankfurter Allgemeine Zeitung* correspondent Robert Held mentioned the report and Ford Foundation head McGeorge Bundy in a lead editorial devoted to "the extraordinary conflict now confronting Bonn and Washington." He dismissed Bundy's authority on nuclear questions by stating: "The new President is told what he wants to hear from these men."

London's prestigious *Financial Times* was just as direct in two days of virulent commentary on U.S. energy policy April 7 and 8. Noting that the Ford Foundation study presents a "case for abandoning reprocessing and fast reactors," the *Times* remarks that Europe sees these technological advances as necessary in order to prevent a "uranium OPEC" under U.S. control. The *Times* asks: "...how will the rest of the world see the Carter Administration's proposals with their strong implications that nations need only put their faith in Uncle Sam and all will be well?"

The *Times* predicts that a full-scale confrontation with Carter may erupt following the April 28-29 meeting of the London Group, a conference forum of European nuclearenergy dependent nations, excluding the U.S., but including the Soviet Union. Asserting that "Britain is expected to take a tough line in opposing the American plans, which will involve tight curbs on further progress in nuclear technology," the *Times* also spelled out the logic of Europe's case: "(The) London Group of nuclear exporters all see reprocessing and the recycling of plutonium in the fast breeder reactor in quite a different light. All have highly developed fast reactor programmes. Britain and France and the USSR have large-scale demonstration reactors already running. West Germany has one under construction; and Japan has the 300 MW Monju project which it hopes to launch shortly. France and Germany have recently embarked on the commercial-size (1,200 MW) Superphenix reactor."

Finally, the *Times* brushes off the veracity of Carter's concerns with nuclear weapons "proliferation" by emphasizing that this dispute is no less than three decades old, dating back to the U.S. exclusion of Britain in the crucial wartime Manhattan project.

Since the effects of the Carter program are so clear, support for energy cutbacks and conservation dropped dramatically across the continent this week.

One of the most surprising turnarounds was the endorsement of nuclear energy issued by West German Metalworkers' President Eugen Loderer, a former member of the Trilateral Commission who has continued to be a very sympathetic spokesman for U.S. policies. The Italian financial daily *II Sole* recognized the significance of Loderer's changing of line, and devoted extensive coverage April 7 to what the journal described as the consolidation of joint working-class and industrialist interests in West Germany on the energy problem. Importantly, Loderer also issued an attack on West Germany's environmentalist organizations, called the "Citizens' Initiatives," emphasizing that their zerogrowth platforms are "egotistical" and contrary to working-class interests.

The conservative daily *Die Welt* applauded Loderer for the move, stating "The German Trade Union Federation has finally woken up." Rubbing in the fact that Loderer's previous opposition to nuclear power had nothing to do with any domestic constituency pressure, *Die Welt* sardonically added, "after months of worker protests, going into the hundreds of thousands, and factory council delegations at (Federation) headquarters demanding a pro-energy stance from their own leadership," the Federation finally caved in. Deriding the "Citizens' Initiatives" anti-growth efforts, *Die Welt* noted: "The (Federation) leaders obviously underestimated the strength of these 'worker initiatives.""

The promise of a late April open fight with Carter was seconded by Italy's *II Sole*, which like the *Times*, predicts that the London Group meeting will be the organizing grounds for that confrontation.

West German Nuclear Proliferation Position Reaffirmed

Dr. Werner Ungerer, New York Consul-General of the Federal Republic of Germany, has graciously allowed the Executive Intelligence Review to reprint the following condensed version of a speech he delivered March 28 at the Conference on the International Regulation of Nuclear Energy at Columbia University. Dr. Ungerer fully confirms his government's rational policy of world economic growth through the broadest dissemination of the most advanced nuclear technologies, which of course includes safeguards against their misuse. It should be recalled that (a) in 1954 the Federal Republic of Germany renounced the production of nuclear weapons, (b) in 1957 it accepted the international safeguards on all its nuclear activities, (c) in November 1969 it signed the Non-Proliferation Treaty (NPT), and (d) in May 1975 it ratified the NPT.

Before the signing of the NPT, this treaty was criticized in my country because of its discriminatory features. Non-nuclear weapon states would be obliged to accept infringements of their national soverignty by submitting their nuclear activities to international safeguards, while weapon states would not. There were also fears that the treaty might impair and hamper nuclear energy for peaceful purposes. Therefore, great importance was attached to such provisions in the treaty which affirmed the right to develop research, production, and use of nuclear energy for peaceful purposes without discrimination, as well as the right to participate in the fullest possible exchange of equipment, materials, and scientific and technological information for peaceful uses of nuclear energy. At that time, my country was furthermore reassured by the U.S. government, which stated that there were no grounds for concern that this treaty might impose interdictions or limitations on nonnuclear weapon states concerning the possibility of developing their expertise in the field of nuclear science and technology.

I also recall that my country, together with other member states of the European Community, concluded an agreement with the International Atomic Energy Agency (IAEA) in 1973 providing for verification of Euratom safeguards by IAEA inspectors. It also participated constructively in a committee of 15 supplier nations, including the United States, which in 1974 reached an understanding on a list of nuclear materials and equipment, the export of which would trigger application of safeguards. This list included enrichment and reprocessing plants.

I want to emphasize that the agreements with Brazil on the supply of nuclear reactors and other plants, are not only fully in line with the international commitment of the Federal Republic of Germany, but even beyond them. The cooperation agreement not only contains an affirmation of the principle of non-proliferation, but also a commitment on Brazil's part not to use any of the nuclear equipment and materials it receives, as well as relevant technological information, for the production of nuclear weapons or other nuclear explosives. Furthermore, there are stringent obligations as to reexportation, application of safeguards and the protection of installations and materials against third parties. The safeguards agreement concluded with Brazil is more stringent than any safeguards agreement concluded by the United States on the exporting of nuclear reactors and other nuclear products.

Non-proliferation has been my country's consistent policy, and my government will act in accordance with its international contractual obligations. My government would also be ready to negotiate on new aspects of nonproliferation, with a view to making non-proliferation even more effective.

I now want to refer to economic and technological problems such as reprocessing, breeder reactors and

waste disposal. The energy situation in my country is different from that of the United States. The Federal Republic of Germany has hardly any oil and gas, and only very expensive coal resources. It therefore has to rely on nuclear energy, and to make most economical use of this implies the recycling of plutonium. Apart from economic reasons, reprocessing is viewed in the Federal Republic of Germany as an effective means of waste disposal. There exist plans to unite all relevant facilities at just one site above a salt mine, which offers the safest prospects of depositing the final waste. These plans would also ensure that no plutonium is transported outside the plant except the inaccessible plutonium contained within the fuel elements.

Regarding exports, the Federal Republic of Germany does not believe in denying technology to developing countries. The technology of reprocessing plants is known, and any country which has reached a certain industrial-technological level is able to build a reprocessing plant for weapons purposes. We therefore find that it is better to export a reprocessing plant for peaceful purposes under very stringent international controls, rather than deny it. The world economy is more and more based on mutual dependence. There is no alternative to more cooperation and the responsible use of technology. This implies technology transfer along with the appropriate controls.

As long as there is no world government, the world will have to rely on international treaties as instruments and building-blocks of world order. Treaties are binding, and my country has no reason to assume that the agreements it has concluded will not be respected by Brazil. The deterrent force exerted by international safeguards represents great progress in the area of international law. Many countries were at first hesitant to accept such infringements on their sovereignty. I recall that the United States only reluctantly entered into an agreement with the IAEA to extend safeguards to American nuclear plants, and that the Soviet Union flatly refused to admit international inspectors into its territory. There is still much room for improvement in the present safeguard system, and voluntary contributions to the IAEA would allow this agency to deploy enough inspectors to any plant in which continuous inspection would be required.

In conclusion, new solutions are called for in order to make non-proliferation more effective. In order to make the NPT even more attractive to non-nuclear states, I suggest the strengthening of physical protection of nuclear material and IAEA safeguards, and I also envisage multinational solutions for sensitive plants, as well as a reassessment of the usefulness of nuclear weapons.