

Schmidt And Giscard: 'All Nations Have The Right To Nuclear Technology For Peace'

Major European nuclear energy producers this week affirmed a number of steps which increase the overall commitment of the European Economic Community to development of nuclear fission as a viable energy resource. The commitment, underscored in a joint communiqué issued by West German Chancellor Helmut Schmidt and French President Giscard d'Estaing yesterday affirmed that "all nations have the right to nuclear technology for peaceful purposes."

The French-West German statement was a clear answer to extraordinary attempts by the Carter Administration to force the two countries to cancel major export deals with Brazil and Pakistan for export of reactor technology.

On his tour of Europe last week, Vice President Walter Mondale delivered the Carter Administration orders that expansion of European advanced nuclear capability must be halted. The Europeans have increasingly answered the U.S. policy of so-called nuclear non-proliferation with a fight to develop the industrial energy sector.

The political fight emerging between Europe and the U.S. Administration blew into a major scandal Feb. 3 with an effective accusation by the Energy spokesman for the European Community, Mr. Guido Brunner that the U.S. had disrupted shipment of enriched uranium, essential for Europe's nuclear industry.

The de facto U.S. uranium embargo is being called a direct form of blackmail.

To further facilitate increased export ties, especially with developing countries urgently pursuing policies of industrial infrastructure development, a number of moves in Europe are underway this week.

In West Germany, Kraftwerke Union (KWU), the Siemens subsidiary which has contracted to supply Brazil with eight reactors, moved to strengthen its export capability by forming a major consortium, Kernbrennstoffkresilauf, e.v. which will be a nuclear fuel cycle consortium including in addition to KWU, Bayer, Hoechst, Degussa, Siemens, RWE, Nukem, Uranit, Alcem, Steag and Gelsenberg. The large Dresdener and Deutsche banks are part of this major consortium whose purpose, according to a spokesman is to put the group "on top of every political issue concerning nuclear power and fuel cycles." This consortium will considerably facilitate increased export of complete nuclear facilities along the general lines of the Brazilian agreements to developing and East European countries.

An Italian consortium has been formed which if successful, will have major implications for such nuclear exports. The private nuclear firm, Belleli has formed a consortium with IRI's Italmimpianti for development of a special patent for a system of dry cooling for fission reactors which would be especially useful in desert areas like those in the Middle East.

British Energy Minister Benn held a series of important meetings this week in order to push critical areas of joint European nuclear development which have been

hitherto stalled by various forms of Atlanticist-connected political sabotage. Benn met with West German Minister for Research and Technology, Dr. Hans Matthoefter and their Dutch counterpart Lubbers to clear up delays in construction of the joint uranium enrichment facility, Urenco. To date a faction of the Dutch Socialist Party has blocked construction of an enrichment facility at Almelo in Holland. The increased enrichment facility is crucial as the consortium has a contract to supply Brazil's reactors with enriched uranium for at least two of its reactors by the 1980s before its own enrichment facilities are on line.

The British government, whose domestic reactor program is awaiting several governmental policy approvals for future development, is moving more actively to underwrite the capital risks for overseas power development projects. The British Export Control Guarantee Department (ECGD) is considering using the partially state-owned Nuclear Power Co. as a turn-key contractor for overseas power projects. The British General Electric Co. (GEC), which has part ownership of the NPC is reported in the London Financial Times to be part of a consortium along with Babcock and Wilcox and Rio Tinto Zinc, Ltd. which is seeking ECGD underwriting to win major turn-key contracts to build a power station in the mideast. GEC, B and W and RTZ are all heavily involved in nuclear power development. The ECGD under the Callaghan government has just substantially raised the ceiling on export credit guarantees for British industrial export to facilitate the Callaghan industrial recovery program.

British Energy Minister Benn also discussed with Matthoefter plans to break with stalemate in locating a site for the European Community's Joint European Torus (JET). The fight for a long-range European effort to develop thermonuclear fusion is being directly tied to commitment to long-range policies for expanded development of energy. For the first time the official paper of the Italian Socialist Party, Avanti, stressed that "fusion power can be realized before 1990", and urging Italy to push development of the JET. The Italian Il Fiorino linking Carter pressure on the West German fission export, stressed that "the ultimatum of Carter to West Germany can also be used against all of Europe; therefore the JET must be pushed."

Although to date no concrete agreement on the JET has been announced, the London Financial Times reports that the French, who under pressure from the U.S. had moved late last year to block choice of a site for the European research facility and effectively sabotage the project, have backed down under strong European pressure.

Underscoring this growing commitment to nuclear energy development, Dr. Guido Brunner announced that the European Community will launch a European-wide campaign to convince public opinion that there is "no substitute for nuclear energy and that fears over the safety of nuclear plants is misplaced."