<u>The Report Schlesinger Wants Suppressed:</u>

Why We Need The Fast Breeder Now

This news service has obtained a copy of a report that industry and journalism sources say James R. Schlesinger has, so far successfully, personally attempted to suppress for more than a year. It is the final draft report, "Problems of U.S. Uranium Resources and Supply to the Year 2010," that has been readied for national publication by the Committee on Nuclear and Alternative Energy Systems (CONAES), under the auspices of the National Research Council of the National Academy of Sciences and National Academy of Engineering.

Schlesinger, whose tendency toward outrageous lying has come under public scrutiny more than once in the past year, is now flying in the face of these estimates. Going against the advice of experts in his own department. Schlesinger has dictated that the widely disputed estimates of last year's Ford Foundation-Mitre Corp. Report should prevail as the official basis for all government estimates of available U.S. uranium supplies. Contrasted to the reliable and reasonable CONAES estimate of 1,760,000 tons, Schlesinger is basing policy on availability of some 3,780,000 tons, which CONAES estimates has a 3 percent probability of being recoverable. Moreover, Schlesinger uses the widely exagerrated Mitre estimates to make his argument that there is no economic problem in postponing development of the fast breeder reactor and uranium reprocessing facilities until the next century, if not longer.

The CONAES report is in fact in the public domain. Substantial portions of it were submitted to the *Congressional Record* last August as testimony given before the House Science and Technology Committee chaired by Congressman Walter Flowers (D-Ala.). We report on the substantial conclusions of that study here because it is urgent to show the danger in Schlesinger's present policy of effectively halting development of the Clinch River and related fast breeders, as well as uranium reprocessing technology, under the demonstrably fraudulent argument that these "plutonium cycles" lead to the proliferation of nuclear weaponry.

How Much Uranium Can We Depend On?

The fundamental conclusion of the study is quite simple. The United States has finite and very limited uranium resources, inadequate to meet the nation's expanding industrial energy needs much beyond the turn of the century. Furthermore, without a vigorous commitment *now* to commercial development of fast breeder technology that can begin to come on line within the next five to ten years, the implications of the CONAES report are, bluntly, that the United States will lack fuel sufficient to run even its existing projected capacity of nuclear light water reactors (LWRs).

The CONAES report, which was prepared with the collaboration of industry, university, and government sources, concludes that the best estimates of economically recoverable uranium resources in the U.S. is on the order of 1,760,000 tons of a uranium oxide called yellowcake, recoverable at a cost of \$30 per pound of ore. It also concludes that in terms of already discovered and defined uranium ore, the U.S. has only from 480,000 tons to, at best, some 640,000 tons of yellowcake at a so-called forward cost of \$30 per lb. The report estimates that global uranium reserves, including those of the U.S. are only 2.4 million short tons at \$30 per lb.

The implication becomes dramatically clear once the reader knows that reserves are sufficient in the U.S. to fuel only some 300 LWRs before total depletion shortly after the turn of the century. The Ford Administration had estimated, on the basis of highly conservative projected national energy demand, that the U.S. would need 500 reactors on line by the year 2000. The Nixon Administration, which reflected a much more vigorous domestic and international climate of industrial growth, projected a figure of 1,000 reactors for this period. Clearly even with a moderate expansion of nucleargenerated electric power in the nation's presently underpowered electric grid, there will be a dangerous shortfall of uranium within 20 years or less.

The expert scientists and engineers in the international nuclear energy community have spent a year in a so far futile refutation of Schlesinger's false higher estimate of uranium reserves. They rightly point out that not only is the rest of the world not agreeing with this assessment, but that if commercialization of fast breeders and reprocessing is effectively delayed two more decades, domestic utilities will cease investing the billions of dollars of capital into construction of further needed conventional nuclear plants today if they cannot be assured of abundant uranium fuel supplies at economical prices for the life of the reactors. Thus, by killing the breeder-reprocessing cycle, Schlesinger, with the added help of the current 10 to 12 year delays in licensing the construction of a reactor, is in fact killing the current development of nuclear light water reactors as well.

As a number of Midwest utilities currently facing massive power cuts due to the ongoing coal strike have said, failure to develop nuclear power resources is already being heavily felt. The policy of postponing the breeder indefinitely by using the fraudulent claim that there is abundant uranium for conventional reactors constitutes major sabotage of domestic U.S. industry. Further, by placing a tourniquet on the possibility of vastly expanding the future supply of existing uranium through reprocessing and breeding, Schlesinger is directly adding to the international cartel-type control of strategic uranium, led by the London-based Rio Tinto Zinc consortium, which has forced the price of uranium sky high in the last four years. Breeders and reprocessing would break that swindle wide open and assure ample, cheap uranium fuel well into the future.

CONAES adds that even with its estimates of available uranium, the situation is not so casual, or controllable, as Schlesinger and the Administration would have us believe. They point out that there is an eight to ten year interval between the time of discovery and the actual construction of costly milling and production capability for uranium. Current levels of exploration, they say, are grossly inadequate and not getting reasonable support from the federal government to insure adequate discovery. CONAES estimates that a tenfold increase in exploratory drilling is necessary to provide discoveries adequate even for Department of Energy demand forecasts for nuclear plant capacity. Thus, major shortfalls by the year 2000 relative to the U.S. Energy Research and Development Administration and Department of Energy's 1976 requirements estimates are inevitable under the current Schlesinger program. Moreover, there

is nothing in the fiscal 1979 Energy Department budget submitted by Schlesinger that addresses this growing critical shortfall problem.

The above does not even begin to account for the growing problems in recovering domestic uranium supplies under increasing environmental restrictions and growing efforts of organizations like the Council on Energy Resource Tribes (CERT), "militant American Indians" who according to estimates by the Interior Department could be sitting on fully 50 to 60 percent of total U.S. uranium reserves.

There is evidence of growing opposition to such energy blackmail from Schlesinger and his Ford-Mitre associates. In the current House Science and Technology Committee hearings on the Schlesinger budget, a number of Congressmen have declared that it is time for a competent study "carried out by scientists and not sociologists" to determine the actual recoverable uranium fuel supplies of the United States. They were undoubtedly referring to the fact that the Ford-Mitre study panel was preponderately made up of men like Joseph Nye, now a State Department official primarily responsible for shaping Administration nonproliferation policies; his prior professional experience was as a professor of public affairs at Harvard.

-William Engdahl

U.S. Energy Czar Backs Terrorists' No-Growth Woodstock

Energy Secretary James Rodney Schlesinger has issued orders to his agency to use government resources for the promotion and funding of environmentalism and its terrorist-linked purveyors in the United States. In a memorandum issued to all department personnel, Schlesinger has urged his department to sponsor public relations activities to promote the proposed nationwide environmentalist "celebration" on May 3, "Sun Day." By his action, Schlesinger has offered tacit government support for the rapid expansion of antigrowth activities in this country and has conveniently chosen to ignore the fact that environmentalism is the major recruiting ground for terrorism.

Schlesinger is decidedly stretching his mandated authority by undertaking to sponsor the Sun Day celebration. Congress has as yet taken no action to "officialize" Sun Day, although on Feb. 7 five Congressmen announced that they will introduce a resolution into the Senate and the House of Representatives that would officially proclaim May 3 Sun Day. Actively engaged in pushing through the resolution are Charles Percy (R-III), Gary Hart (D-Col), Richard Ottinger (R-NY), Leo Ryan (D-Cal), and James Jeffords (R-Vt). Press reports indicate that 300 more Congressmen are lined up to help pass the bill.

Sun Day, according to its leading sponsors, is planned to be the biggest rallying point for the U.S. left and environmentalists since the May 1970 Earth Day celebration, which marked the official channeling of the left into an environmentalist movement and which was heavily funded by the Ford Foundation.

The terrorist component of the Sun Day celebration is all too clear. Denis Hayes, member of the Sun Day Board of Directors and chairman of the Worldwatch Institute, is best known for his authorship of nuclear terrorism scenarios as well as his role in organizing the Earth Day festivities. Also prominent on the list of Sun Day sponsors is Congressman Ottinger. The Ottinger Family Fund, a well-known private foundation, shares its executive director with the Stern Family Fund, which is a major funder of the terrorist command center, the Institute for Policy Studies in Washington, D.C., and of various outright prototerrorist organizations. A third noteworthy member of the Board of Directors is David Brower of the Friends of the Earth. This organization has provided a "legitimate" cover for anti-industrial and antinuclear terrorism both in Europe and the United States.

The clear intention to use the Sun Day celebrations as a seeding ground for terrorism is carefully overlaid in the brochure outlining the purposes of this day of primeval sun worship. Suggested activities include: "In Chicago, plans are underway to build a huge community greenhouse. Farmers in the Midwest will be able to see a traveling slide show depicting agricultural uses of sun, wind, methane, and other fuels available right on the farm... One person has suggested the world's largest