

Europe Ignores No-Energy Plan, Pushes Triangular Deals

The European Economic Community Energy Minister's meeting last week in Brussels called for the fullest exploitation of Europe's nuclear potential to supply the growing European Economic Community's energy needs. European Energy Commissioner Dr. Guido Brunner stressed in a press conference following the meeting the further urgency for the EC to make a site decision on the location of the long-stalled JET (Joint European Torus) fusion project. Following this meeting a rash of bilateral and multilateral deals involving development of nuclear energy have been announced by various member countries of the EEC.

Following several top-level meetings between French and Soviet officials, the two countries have announced a series of areas of joint cooperation including new areas of joint research in fusion and full technological cooperation between the two in development of the fast breeder. The latter was announced by the French Embassy in Moscow, which also added that the French had handed over to their Soviet counterparts the full blueprints to the French Phenix fast breeder program. This joins the efforts of the world's two most advanced fast breeder development efforts.

Commenting on the new agreement, which has so far been blacked out of the U.S. press, the French financial daily *Les Echos* called the deal an "affront for Carter." Contacted for official comment, a U.S. State Department official denied knowledge of the deal and added "the U.S. enters into agreements like this all the time where we find out what others are doing but never give them anything new."

Atomic Europe Talks

In this context, the "summit meeting" held yesterday between French President Giscard d'Estaing and West German Chancellor Helmut Schmidt, referred to by European press as the "summit for an atomic Europe" has reportedly produced agreement between the two countries on a joint policy for peaceful development of atomic power.

Giscard, who otherwise is widely regarded as a pro-Wall Street "Atlanticist" by French industrialist circles, is

under enormous political pressure domestically and from forces in West Germany and Italy to pursue a positive energy expansion policy, particularly in the nuclear area, where France is among the most advanced in Europe. Commenting on the summit talks, *Les Echos* commented that "regardless of the sentiments of Giscard," France must pursue a stepped-up policy of export of peaceful nuclear energy to developing sector countries. Both France and West Germany have been targets of immense political pressure to break such deals with Pakistan and Brazil, but to date neither has capitulated to U.S. demands.

The French Foreign Minister has reaffirmed his government's plans to sell nuclear enrichment and reprocessing technology to Pakistan and Iraq, and a French industrial delegation has gone to Iran to finalize terms of a \$2 billion deal for construction of two fission power reactors, with construction to begin in late July. Following this, the Shah of Iran announced willingness to provide France direct oil in exchange for construction of four additional reactors. Iran, which presently has long-range plans through 1990 for the world's fourth greatest nuclear capacity, has also decided to order two additional reactors from the large West German reactor firm, KWU, the firm involved in the Brazil deal. The KWU-Iran deal, which will provide some 6,000 jobs for skilled German workers and technicians until 1981, will be paid in cash, a substantial boost for KWU, whose domestic reactor program has been temporarily stalled because of the disruptions of court cases brought by West German "environmentalist" groups, many with ties to the anti-nuclear Natural Resources Defense Council of Laurance Rockefeller.

A further indication of growing integrated industrial cooperation between Soviet and European interests, EEC energy chief Brunner has announced that the enriched uranium to fuel the West German-built reactors in Brazil, pending completion of Brazil's domestic enrichment capability, will be supplied from the Soviet Union via West Germany. This is regarded as a consequence of the recent unreliability of the U.S. as an enriched uranium source, a direct consequence of the Carter policy.