

IEA Meeting In Paris Rebuffs Schlesinger, But Calls For U.S. Oil Cuts

The Paris meeting of national energy ministers from the 19-nation International Energy Agency (IEA) last week adopted a 12-point common policy that emphasizes the development of nuclear energy as the solution to increasing independence on imported oil, while it also agreed to impose limits on oil imports to a total of 26 million barrels per day total by 1985.

This mitigated result reflects on one side the principled determination of leading factions in the European nations to fight for nuclear energy development and on the other side, their inability to conceive that precisely such a policy would permit to sharply increase oil consumption for development in the next score years — and start a period of unprecedented economic prosperity both in the oil producing and in the oil consuming nations.

Schlesinger Rebuffed

The final resolution of the IEA conference stated that “steady expansion of nuclear power consistent with the need to prevent proliferation of nuclear weapons” is needed to cope with likely shortfalls in energy supply by the 1980's. Thus, far from acceding to U.S. Energy Secretary James Schlesinger's prepackaged scenario for curbing oil imports without replacing oil with nuclear energy, the meeting supported the French-West German nuclear lobby — even if the French were nominally absent from the meeting since they had refused to join the IEA under Henry Kissinger's dictates.

Following the conference, the French press scored the U.S. official position, counterposing Schlesinger to the declarations of nuclear power advocated in the U.S., including other members of the Carter Administration. Such an intervention into American internal affairs by West Europeans is unusual and represents, in part, the influence of the European Labor Party's dissemination of information on the “silent majority” in the U.S. which favors energy growth.

On Oct. 7, the day after the conclusion of the IEA Conference, French papers circulated a statement by a State Department official denying that President Carter opposes the controversial fast-breeder technology. U.S. State Department Deputy Undersecretary Joseph Nye remarked that “Carter has never come out against the breeder,” and this was picked up by West German radio and France's conservative *Le Figaro* and financial daily *Les Echos* as an indication that Carter, “who last April had declared war against the plutonium civilization, has changed his position.” *Les Echos* attributes this turn to the common offensive of France, West Germany, and the Soviet Union, together with contributing internal

pressures from Schlesinger's political opponents at home.

When Carter at his Oct. 12 press conference, then came out parroting the “energy austerity” line of Schlesinger, the French upped the pressure on the White House. *Le Figaro's* energy expert Christian Guery warned editorially that “unless the fast breeder is developed, there will be famine and desertification in the Third World.” He commented that Carter has “apparently changed his position” according to one of his collaborators (a reference to Nye's statement), “but we are expecting more than good intentions... We are awaiting official confirmation of this.”

Similar reactions came out of West Germany. The *Stuttgarter Zeitung* editorial of Oct. 10 accuses Schlesinger of having “painted a picture of horrors” in regard to energy policy. On Oct. 7, the *Frankfurter Allgemeine Zeitung* quoted the chairman of the West German parliamentary opposition party, the Christian Democratic Union, saying that “the opponents of nuclear energy are the real reactionaries.”

It is therefore hardly surprising that Schlesinger had scant success on his just-concluded visit to West Germany. He was reportedly lectured by various Christian Democrats on the vital necessity of nuclear energy development. Afterwards, when the U.S. “energy czar” met with Social Democrat Chancellor Helmut Schmidt, Schmidt declined to hold a joint press conference with him. The return from West Germany of U.S. nuclear expert Edward Teller with bold proposals for worldwide development through nuclear technology indicates that certain West Germans, like their French factional allies, have decided to intervene into the U.S. “internal” energy debate — albeit indirectly.

West European “Opportunism”

The problem with the Western European nuclear energy lobby is that its representatives have been unable to overcome a self-defeating “realpolitick” approach prompted by anti-American chauvinism. West German, French and other official spokesmen have called for the *United States* to reduce its oil imports — under the stupid illusion that such an initiative would consolidate the dollar and simultaneously reduce the competitiveness of U.S. exports against West European products in the Third World and Eastern Europe.

Schlesinger, of course, exploited this short-sighted opportunism to rig a confrontation on the basis of competition for oil cuts. In a Paris news conference, he accused the other oil-importing nations of using U.S.

inaction on the Carter energy program "as an excuse for their own failure to adopt stiff energy programs." Alastair Gillespie, the Canadian Energy Minister and Chairman of the IEA, commented bluntly that if the U.S. fails to adopt stringent measures to curb imports of oil, other importing countries will abandon efforts to cut their own imports.

Such an insane display of life-boat economics, and in particular the Gillespie and Schlesinger remarks, is

ammunition to pressure the recalcitrant U.S. Congress to pass key provisions of the original Carter energy bill, which is totally bogged down in the Senate.

West European "opportunism" is thus undercutting the positive effect of their principled nuclear energy strategy, and disorienting potential allies in North America. The battle for energy requires an understanding of how the overall world economy works.

Euro Press Scores Schlesinger's No-Growth Energy Program

Handelsblatt, Dusseldorf, "U.S. Nuclear Policy Comes Under Fire," Oct. 5:

U.S. scientists in Bonn have clearly criticized the American policy of nonproliferation of nuclear technology with the admission that President Carter's original conceptions have failed...

Massachusetts Institute of Technology Professor David Rose spoke against the concept of dividing nations into atomic have-nots and those who can make use of nuclear technology (at the international conference on "Problems of Nuclear Energy.") This will not lead to a just society nor to a society which has a secure future.

Reprocessing

In reference to the developing countries Rose emphasized that the policy originally set up to reduce the spread of nuclear weapons is instead increasing international instability in the long term...

Les Echos, Paris, "Carter's Turn and the Victory of the Europeans," Oct. 6:

Basing himself on a report written by "wisemen" under the auspices of the Ford Foundation, Carter decided in the spring of 1977 not to build any fast breeders and not to industrially produce plutonium...But France and

Germany did not disarm. Their cooperation was reinforced through joint research accords. Even more, Paris and Bonn received the active support of the USSR...The Europeans and Soviets are, in effect, convinced that only the fast-breeders can prevent a long-term shortage of nuclear fuel...And even an American, Mr. Kenneth Davis, representing the Bechtel Company (at the Istanbul world energy conference last month — ed.) recognized that in the United States some think it indispensable to develop this network. The message of the scientists and economists has, it would seem, been heard. Jimmy Carter no longer formally says "no" to the fast breeder.

Stuttgarter Zeitung, Stuttgart, Editorial, Oct. 10:

Schlesinger has painted a picture of horrors regarding energy policy...saying that economic shocks could lead to major political consequences...The American government is presently fighting with the Senate on its energy law...no wonder Schlesinger is using such dismal colors...

Perhaps industrial nations can conserve, but the two billion people in the developing countries expect a better life, and they will use unimaginable amounts of energy in order to advance...Industrial nations must also intensify investment in energy supplies.

Europeans Applaud As Mitterrand Hits The Rocks

The coincidence of French Socialist Party General Secretary François Mitterrand's call this week for a two-year moratorium on further construction of nuclear plants and the break-up of the Union of the Left alliance between the Communist and Socialist Parties is sure to speed Mitterrand's already looming political demise.

Freed from its alliance with the Socialist Party (SP), the French Communist Party (PCF) is now consolidating its relation and preparing for joint mass work with the Italian Communist Party (PCI), which has reiterated its bid to join the Italian government of Italian Premier Andreotti on the basis of a program for industrial recovery. This week, the two parties held the first meeting of their "joint commission" in the Paris suburb of Saint-Denis, where energy, industry, agriculture, and

the control of terrorism were on the agenda. Leading the PCI delegation was Luciano Barca, the PCI's chief economist, who initiated a polemic last week against those in Italy who are pushing the British monetarist reflation plan for Europe.

Simultaneously, the French government is consolidating its relations with the Italian government, giving Andreotti the prerequisite muscle to oust the large Lazard Freres faction in Italy which has infiltrated all levels of political and economic life. The Italian ambassador to Paris, Malfatti, has just been called back to Rome to take the key policy-making post of General Secretary in the Foreign Affairs Ministry. President Giscard d'Estaing held a special dinner in his honor, where he expressed his "appreciation for the con-