

# U.S. Energy Policy Fight

## Rockefeller Foundation Calls For Sharp Turn In Carter Breeder Policy

The Rockefeller Foundation has just released a major policy study which sharply differs with the no-growth premise of the Carter Administration's energy policy of halting development of the nuclear fast breeder reactor.

The study has been issued in the midst of ongoing Senate debate over the future of the largest United States breeder effort, the Clinch River Breeder Reactor demonstration project, and recommends that the U.S. revive its lagging breeder effort by cooperation with Japan to develop a joint breeder technology which can be rapidly commercialized.

The report, titled, "International Cooperation on Breeder Reactors," appeared just one week after the dramatic offer by Japanese Prime Minister Takeo Fukuda for a joint Japanese-U.S. fusion energy project, with initial funding proposed at the level of \$1 billion.

This latest Rockefeller study, which is a comprehensive review of global breeder efforts, is a follow-up to an earlier Rockefeller Foundation report, released in late March of this year, which recommended high-technology export expansion from the industrial countries to meet world energy needs.

### *The Rockefeller Report*

The report has been received with major national and international media attention, focusing on its critique of the Carter Administration's antibreeder policy. The day of its release, the *Washington Star* carried a front-page article calling the report a major attack on Carter's breeder policy. *Baltimore Sun* news analyst Henry Trehwhitt took up the report to point out that the Carter Administration policy on breeder development "means both technological decline and a loss of political influence" for the United States throughout the world. The consequence of this, quite opposite to President Carter's stated intent, he notes, "could be reduced ability to discourage the spread of nuclear weapons."

Prepared under the direction of Rockefeller Foundation specialist Dr. Mason Willrich, a former official with the U.S. Arms Control and Disarmament Agency, and in collaboration with a Washington, D.C. consultant group, International Energy Associates Limited, the report enlisted the cooperation and participation of leading energy authorities from every major nuclear country in the world with the exception of the Soviet Union.

Citing rapidly expanding world energy needs, commitment by more than 40 different nations to nuclear power sources, and finite limits of conventional light water reactor fuel, the report concludes that "the development and eventual deployment of such advanced reactors appears necessary if nuclear fission is to meet a major

part of the world's energy needs in the long run." Further, the Rockefeller group adds, "despite continuing controversy, breeder reactors will remain a conceptual centerpiece of the energy research and development programs of most... of the major industrial countries."

In reviewing the entire range of international breeder development programs, the report reaches several important conclusions:

- \* Although the United States had the early lead in developing experimental breeders, it has put no new breeders in place for some time; and has at present no firm plans to do so.

- \* In terms of successful reactors, the French and Soviets have the clear lead now and both nations have formed plans for continued demonstration of scaled-up reactors.

- \* Japan and West Germany have begun programs more recently than France. Japan built its first reactor, JOYO, in a relatively short time and its second effort is expected to progress rapidly.

- \* Although in technology the British are not far behind the French and Soviets, they do not currently have a reactor in construction and are therefore not expected to keep the pace.

The report takes on Carter's justification for aborting fast breeder development, the so-called proliferation issue: "Breeder reactors need not significantly increase the risk of nuclear proliferation," it stresses. "Nuclear weapon proliferation is possible as a consequence of deployment of any nuclear power technology. The effectiveness of non-proliferation depends mainly on the nature and efficacy of political and institutional arrangements to safeguard fissile materials — not singularly on the choice of nuclear technology."

Contrary to Carter Administration insistence, "deferral of the breeder is not viewed by France, West Germany, Britain or Japan as simplifying proliferation problems. On the contrary, efforts by one nation to seriously inhibit breeder development may, in another, be viewed as threatening to national security and energy planning."

If, furthermore, the United States "withholds U.S. technology and resources from effective influence and use in resolving the related proliferation problems," this may further aggravate international tensions and frictions.

The study stresses after such a review of all considerations of breeder development, the United States should develop commercial sized breeders and "take steps to move back into a position of technological leadership on the breeder reactor."

### *The Political Fight*

The Rockefeller study appears at a critical juncture in the ongoing fight to turn around the Carter Administration breeder policy. The focus of the fight to keep Clinch River alive has now shifted to Congress where the Schlesinger budget proposal for next fiscal year is being reviewed and marked up.

Last month after a heated attempt by Energy Secretary Schlesinger failed to "compromise" the Clinch River project to death, the House Science and Technology Committee voted to add more than \$140 million to insure continued construction of the project.

The fight has now shifted into the Senate where the Energy Committee is planning to vote on the future budget next week. Senator Frank Church has been attempting, so far unsuccessfully, to undercut the strong pro-breeder mandate by Congress, offering another compromise, using the rationale that since the President is determined to veto the Clinch River, Congress should back off in some way that will avoid a showdown with Carter. The issue will depend to a significant extent on the influence of reports such as the Rockefeller study combined with the strength of a national pressure from key sectors of industry and organized labor, particularly Teamsters, building trades and steel unions.

—William Engdahl

### Japanese-U.S. Joint Project Proposed

*Following are excerpts from the Rockefeller Foundation International Policy Studies, International Cooperation on Breeder Reactors, issued May, 1978:*

The U.S. should continue to develop breeders as insurance against possible future resource depletion. For such an approach to be credible, breeders should be proven as an option through the demonstration of commercial-size units. The present LMFBR reactor and fuel cycle technology should be further developed in its most proliferation-resistant form as the technology of choice, taking account of results of the INFCE process.

The U.S. should take steps to move back into a position of technological leadership on the breeder reactor and particularly on the breeder fuel cycle and nonproliferation measures....

The U.S. government should recognize that continued international exchange and cooperation on R&D, demonstration, and safety and licensing may make nonproliferation-related agreements easier to achieve....

... deferral of the breeder is not viewed by France, the F.R.G. the U.K. or Japan as simplifying proliferation problems. On the contrary, efforts by one nation to

seriously inhibit breeder development may, in another, be viewed as threatening to national security and energy planning.... By increasing friction and thereby reducing chances for an international accord on plutonium control, policies of denial may aggravate the risk... Further, the consequences of failure on the part of the U.S. to moderate its demand for oil from foreign sources may well have the effect of increasing the demand for breeder development in other nations, especially if, at the same time, the United States withholds U.S. technology and resources from effective influence and use in resolving the related proliferation problems.

Breeder reactors need not significantly increase the risk of nuclear proliferation. Nuclear weapon proliferation is possible as a consequence of deployment of any nuclear power technology. The effectiveness of nonproliferation depends mainly on the nature and efficacy of political and institutional arrangements to safeguard fissile material — not singularly on the choice of nuclear technology. While alternative fuel cycles should be carefully explored, proliferation resistance may derive more from careful control of the fuel cycle than from choosing an alternative reactor system....

Based on analysis of European and Japanese breeder policies, it seems clear that European nations and Japan have faced the same issues which are identified as confronting the U.S., and they have opted for breeder reactors as key elements of their national energy policies, leading towards a long-term non-fossil energy option. Neither the European nations nor Japan is likely to significantly alter their own breeder programs based on what the U.S. decides....

Such a cooperative arrangement between the U.S. and Japan could provide certain tangible benefits to the U.S. system including:

- \* Providing a positive impetus to the U.S. breeder program;
- \* Creating a basis for close cooperation with additional nations on breeders, with the intent to provide strong technological as well as organizational leadership internationally in developing and demonstrating proliferation-resistant technology and institutions, as well as in later deployment decisions;
- \* Providing a carrot which may be used in negotiating agreements not to reprocess or recycle plutonium in LWRs, and in seeking agreement on proliferation-resistant fuel cycles which avoid separated plutonium under national control;
- \* Helping to add significantly to the time available to put in place proliferation-resistant technology and institutions.