

tural problem of adjustment to new terms of trade—particularly in energy—and to the new structure of national demand and its financing.

### North-South

Cooperation between industrialized countries and developing countries is on the agenda next week at the so-called North-South summit in Cancún, Mexico. We do not want any formal negotiations in Cancún, but informal and intensive discussions with one another—about the problems and priorities of policy of equal partnership.

Independence of the developing countries is a factor for international stability. Help for the Third World—here I agree with Alexander Haig—is an investment in the preservation of peace and security.

Whoever has read the report of the North-South Commission that worked under the chairmanship of Willy Brandt, and then several weeks ago the report of the World Bank and the U.N. Conference on Trade and Development [UNCTAD], has understood the situation of the poorest developing countries, the oil-importing developing countries, must have great concern for the future of these countries, great concern for the future of humanity.

But we should not and we will not continue to nurse our anxiety. In Cancún we want to talk about ensuring food and agricultural development, about raw materials, trade and development, about energy, about monetary affairs and about development aid in the context of a functioning economy.

Food and energy are decisive aspects of development policy. Yet more important seems to me to be the question of how the world's population develops.

It took humanity tens of thousands of years to reach its first billion people in the year 1800. It took only a century to reach the second billion, and half a century to reach the third billion, hardly 25 years to reach the fourth billion, and by the year 2000, just 19 years away the population of the world will probably have grown by another 2 billion people.

In the American report *Global Future: Time to Act*, it is recommended that the U.S. government place the population problem on the agenda of all summit meetings. The report also impressively describes the so-called "other energy crisis," which, in the long term, is just as serious as the oil crisis: namely the widespread deforestation caused by procurement of firewood. Every year the forests of the earth shrink by 18 to 20 million hectares, with hitherto not completely determined effects on the earth's climate.

In view of such dimensions of the problem, what the Western industrial states provide in the way of development aid seems paltry—and this is many times what the communist industrial states provide.

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## Energy Insider

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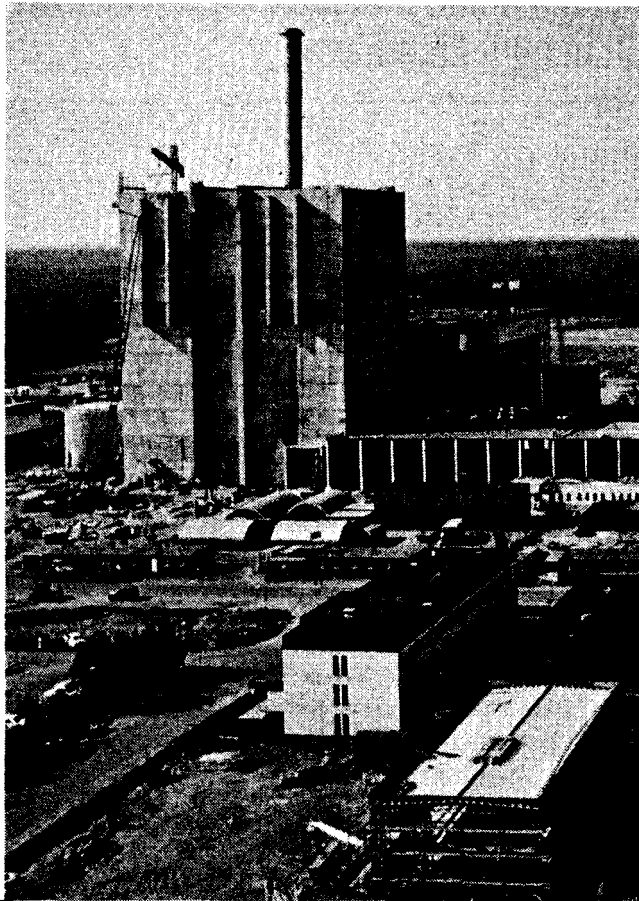
# Gear-up in Sweden's nuclear program

by William Engdahl

In terms of percent of electric power derived from nuclear sources, Sweden today ranks as the world's leading nation. Nine plants supply some 6,500 megawatts to this energy-intensive, industrial export economy of some 8 million people. This is 30 percent of their electricity. By 1985, it will be at least 40 percent. Almost all the rest comes from major hydroelectric sources, giving Swedish industry one of the world's cheapest power sources for its high-technology export industries. France is the closest runner-up with about 27 percent nuclear.

Some background is useful to the Swedish case. In the hysteria surrounding press coverage of the 1979 Three Mile Island U.S. nuclear incident, ousted Socialist Prime Minister Olof Palme, a fanatical zero-growther, succeeded in swinging his reluctant party behind a nationwide referendum on the future of the country's substantial nuclear program. That vote was finally held in March 1980. Despite vague alternatives from the government, all agreed that a majority had voted to continue with nuclear energy, to Palme's dismay. The vote ended a two-year stalemate which had been used by a weak coalition government to block all economic decisions pending the referendum's result. Three nuclear reactors had been ready for loading, but stood idle while the debate lasted. Sweden was forced at one point to import power from its Scandinavian neighbors using a highly developed regional power transmission grid.

Once the referendum had passed and the press hysteria evaporated, work on the stalled program quietly, but significantly, resumed. According to John Hardwick, an editor of the widely respected pro-nuclear magazine *Energi och Utveckling*, Swedish industry is investing more, even in constant dollars, in nuclear construction than at any time in the 35-year history of the Swedish nuclear program. "In strictly practical terms," Hardwick stressed, "most thinking Swedes are beginning to realize the vital importance of this investment. It is the strongest single new source of high-skilled jobs in the country, and



Courtesy of ASEA-ATOM

*The Forsmark I and II site.*

it is also essential in the long run, if we are to be able to maintain an advanced export industry.” Hardwick and others I spoke with see the government’s reliance on the referendum tactic as a spineless way to temporarily pass the buck to cover for its own inability to implement necessary economic policies.

Because of the startup of three reactors since the March 1980 vote, some 2,700 megawatts of electric power, enough to electrify a city almost the size of Chicago, has been added to the Swedish electric grid. As a result, according to a spokesman from Vattenfall, the state power board, Sweden was temporarily able to become a net exporter of power during the summer months to power-short Denmark. Danish anti-growth activists and a Socialist government have to date prevented needed nuclear construction from beginning there. Sweden’s two largest reactors, Forsmark III and Oskarshamn III, will both be completed by 1985 and will supply 1,050 megawatts each. I should note that 9 reactors of the current program of 12 have been fully made from indigenous Swedish engineering, using the most exacting standards in the world, from its ASEA company in Vasteraas.

But, as I quickly found out, this positive outlook is

not yet accompanied by commensurate political sanity. While Palme tries from the shadows to retool his image and recapture the government in next fall’s elections, he and his zero-growth accomplices in the Riksdag (Parliament) voted in May to pass a new national energy bill. This bill, I was told by a spokesman from the Energy Ministry, formalizes a decision to phase out the cheaper and more reliable nuclear reactors by the year 2010. As though this were not insane enough, the government official added that this capacity cannot be filled even by the logical alternative of hydroelectric power. The abundant flows from the Kalix and Torne rivers in the far north were permanently put off limits by Parliament in 1977, presumably for the perpetual enjoyment of reindeer. This just means the water is wasted in runoff. Instead, the energy bill provides that energy must come from coal, which must be imported, and from such medieval sources as peat and wood. The coal economy will require massive and costly infrastructure, to say nothing of its environmental impact.

I was encouraged to find that active optimists like Hardwick, however, refuse to take such stupidity as permanent. “In Swedish law,” he explained, “a referendum is merely advisory. It does not have the force of law. We had experience with this in 1966,” he said, referring to a government proposal to convert from left-hand to right-hand driving that was defeated by referendum. One and a half years later, the government chose to ignore the “will of the people” and converted nonetheless. The economic sense of making the Swedish auto industry competitively uniform with U.S. and continental European markets was sufficient to overrule the shortsighted popular majority.

At this point, the vital issue for knowledgeable people such as Hardwick and the forward-looking industry people is the development of nuclear exports for the urgent energy needs of developing nations. With some of the world’s most advanced shipbuilding capacity lying idle because of the world economic recession, some industry people are discussing construction of floating nuclear plants to be sent to select developing nations. If this is combined with a program for development of Sweden’s immense and untapped uranium resources—Sweden has fully 80 percent of European uranium reserves that lie untapped because of environmentalist opposition—Sweden, they reason, could make a major contribution to solving the world energy problem.

It is an exciting prospect. Hardwick concluded his remarks by pointing out the real lesson of the referendum. “This experience shows that, despite immense propaganda from an anti-nuclear government and anti-nuclear media, it is not so easy to kill our nuclear industry. Eventually, reality begins to take away the deception—provided that we stand up and fight for it.”