

Even as the President spoke, Federal Reserve usury was devastating both America's nuclear industry and its potential as an exporter of nuclear power technologies to a needful world.

Indeed, if the Volcker regimen had been in effect after World War II, neither U.S. fission construction nor fusion research breakthroughs would have occurred.

The choices

"Environmentalist" demonstrations and lawsuits are incidental. Today, nuclear construction is being canceled for primarily financial reasons. Lower-tier utilities have been shut out of the long-term bond market and forced to cancel projects.

Those utilities still enjoying access to the long-term debt markets are paying 17 percent and more for nuclear-construction funds whose investment involves a 12-to-14-year lead-time.

As a result, a 1-gigawatt plant that cost \$200 to \$300 million throughout the 1970s now costs \$2 billion, \$3 billion, as high as \$6 billion. Standard & Poor's and Moody's, the major-investors rating services, have been steadily downgrading nuclear-utility bonds, in effect telling investors and utilities to stay away from nuclear power so long as Paul Volcker has an office in Washington.

In a number of recent cases, underwriters have flatly refused to float bonds needed for construction of nuclear installations already under way.

Last March, Merrill Lynch, the giant investment institution whose pre-government President was Mr. Volcker's ally Treasury Secretary Donald Regan, sealed the fate of some 18 nuclear projects by issuing a report to investors recommending their cancellation.

Over the last five years, a total of 80 nuclear installations have been deferred or canceled in the United States. *Since Paul Volcker made usury the law in October 1979, not a single nuclear plant has been started, and no utility company has planned a new unit anytime anywhere.*

After President Reagan's statement, one Wall Street utility analyst commented that the President might have the power to expedite plant operations for those now nearing completion. But what value have expedited construction-permit procedures for new plants when, in 1981, not a single utility has requested a plant construction-permit? They cannot afford them.

Mr. Reagan's nuclear policy can be made to work, provided there is export-financing, and provided his tampering with regulatory and "environmental impact" obstacles is supplemented by some very thorough tampering with the "independence" of Mr. Paul Volcker's Federal Reserve. Otherwise, the "independent" destruction of American nuclear capabilities is certain.

DOE plans pro-nuclear educational campaign

Nearly a full month before President Reagan made his nuclear policy statement on October 9 the Department of Energy was instructed to prepare a public educational campaign which would build support for the President's program. On September 10 the DOE Assistant Secretary for Nuclear Energy, Dr. Shelby Brewer, established a Task Force on Light Water Reactor Institutional Problems.

The Task Force was directed to study the need for better public information about nuclear power, and on Sept. 24 submitted a plan to the Assistant Secretary. The plan, covering fiscal 1982, is projected to cost between 1 and 2 million dollars. It is designed to engage representatives of the nuclear industry, scientific community and civic groups in the effort, as well as the public affairs offices of the DOE itself.

The authors of the plan note the misinformation about nuclear energy and radiation which was a hallmark of the Carter administration. They also observe that even though the nuclear industry has an extensive public education program, "all agree that the public is misinformed about nuclear energy." The plan suggests that government officials use the media attention they command to play a very visible role in remedying the situation.

Anti-nuclear Congressional reaction to the proposed plan was immediate. Rep. Richard Ottinger (D-NY) issued a press release on Oct. 12 denouncing the DOE "propaganda" campaign. Ottinger is one of the main promoters of the Global 2000 population reduction program in the Congress and is also the chairman of the Subcommittee on Energy Conservation and Power of the House Committee on Energy and Commerce. He is threatening to bring DOE representatives before his subcommittee to "justify" this "subsidy" to the nuclear industry.

If the proposed DOE program is to be carried out, the administration will have to be willing to wage a battle against top level insiders, such as Office of Management and Budget Director David Stockman, who not only will want to hold back the necessary funding, but who are statedly anti-nuclear themselves.

If the program goes through, the kind of information pollution coming from the likes of Ottinger should be substantially contained, minimizing the fallout of the Carter policy.