

should quickly lift the restrictions placed on the activities of foreign insurance companies.

In a private comment, a Chinese official noted that the government is very carefully monitoring the strategy of these insurance companies, which are planning to invade the country after the WTO agreement goes into effect. “We know a big financial collapse is coming in the U.S. and elsewhere,” the official said. “The question is not whether it will come, but when.”

### The Dirigist Approach

The reality, that dirigist, infrastructure-oriented policies were the foundation for the periods of real economic growth in the United States, Germany, France, Japan, and other nations, was presented by both Chinese and foreign participants in the conference.

Schiller Institute representatives Jonathan Tennenbaum and Mary Burdman submitted papers to the conference, Tennenbaum on lessons from the historical development of the United States and Europe for the development of China’s western regions today, and Burdman on international cooperation for the development of western China in the context of the Eurasian Land-Bridge. Tennenbaum presented his paper at a panel session on the second day of the conference.

Conference participants from leading institutions in Japan, South Korea, and Taiwan also referenced historical examples of the role of the state in developing basic economic infrastructure, in their own successful postwar economic reconstruction and development. They also urged caution and reconsideration, to those of the Chinese speakers who advocated rapid de-control of financial sectors and immediate privatization and selling-off, at least of the smaller and less strategic state industries.

In addition, several papers written by Chinese participants detailed the history of railroad construction in the United States and its impact in opening up the American West, including the first transcontinental rail line. This history is now being studied carefully in China, as part of the government’s declared goal of using infrastructure projects to overcome the isolation and backwardness of the western regions. Another important point of discussion and presentations from the Chinese side, as well as from Japan, South Korea, and Taiwan, was the construction of new towns and cities as “development poles.”

One Chinese speaker detailed the importance of the 1953 U.S. Small Enterprise Act, which, like similar programs in Italy and Britain, ensured government support to guarantee necessary credit to support small and medium-sized enterprises. Most important, although the Chinese government has recently tended to put the Eurasian Land-Bridge on the back burner, several Chinese representatives made clear in discussions, that the present push to develop China’s western regions, should be seen in the larger context of the Eurasian Land-Bridge concept.

## Germany: A Power without Energy Sovereignty

by Rainer Apel

Demonstrating the profound moral degeneracy of sections of the German elites, the Social Democratic-Green party coalition government in Berlin and the energy producers agreed on June 15 on a timetable for terminating the use of nuclear power in Germany over the next 21 years. The energy to be produced by nuclear reactors has been limited to a total of 2,630 terawatts, and the maximum operational period of individual nuclear reactors has been set at 32 years. No new reactors shall be built, the agreement states.

The last time that a construction permit was granted for a new reactor was in 1979, and the last time that a new reactor was put into operation was in 1989. The first nuclear reactors, most of which were built during the 1970s, can be taken off the grid from 2002 on, once they have been in operation for 32 years. The final shutdown date for the last of the 19 reactors that Germany now has, is set for 2021.

The agreement is all the more absurd, because right now, there is no need to make such political concessions—the Green movement is weak and disorganized, and the Green party is unabatedly losing voters and supporters. Unlike the late 1970s and early 1980s, there are no widespread, violent mass protests by the ecology movement, so there is even less reason for making concessions. Moreover, the two national industrial associations, the DIHT and the BDI, have protested the agreement.

Because Germany is still a leading provider of nuclear technology to other parts of the world, the agreement has implications for many countries that have, or are planning to have, nuclear reactors.

Diametrically opposite to what the government and the energy producers in Germany believe “modern energy policy” should look like, the experts of Britain’s Royal Commission on Environmental Pollution think that the only way for the British to avoid both future burdens on the ecology and energy shortages, is to radically reduce its dependence on fossil energy sources. Presenting its report in London on June 16 (the day after that strange German nuclear deal was signed), the Commission called for a 20-fold increase of nuclear power in the United Kingdom by the year 2050, which implies the construction of about 45-50 new power reactors of Britain’s modern Sizewell B type. Nuclear power, the Commission argues, must be the centerpiece of Britain’s future energy supply, whereas “alternative” energy sources can play only a marginal role.



*A Siemens nuclear plant in Brockdorf, Germany. The final shutdown date for the last of the 19 reactors that Germany now has, is set for 2021.*

## The End of Nuclear Technology?

The nuclear agreement in Germany is not welcomed by all of the Green movement, because it allows 21 years before the last reactor is shut down. Radical Greens, therefore, want more concessions. This undermines the government's promise to the energy sector that the June 15 agreement replaces 25 years of fierce conflict over energy policies with a "new energy consensus" under which the termination of nuclear power can be achieved smoothly. A similar argument has been used with the labor unions, which have been offered 21 "transition years" for replacing nuclear-sector jobs with non-nuclear ones. This government tactic is to ensure that nuclear workers from all parts of the country do not march on the Chancellor's office, as they did in early March 1999, when 35,000 gathered for pro-nuclear protests in Bonn (where the Chancellor's office was located before its move to Berlin last summer).

The energy producers' additional motive for signing the deal, is their hope that the government will continue funding a new generation of fission reactors, which are being developed in cooperation between France and Germany. This would imply that the termination of today's reactors does not mean the end of nuclear technology in Germany. The EPR, a reactor type based on a pressurized-water technology, is expected to be produced for the market by 2010 at the latest. But, the radical ecologists want the government to also terminate all funding of nuclear research. Furthermore, they want a new clause in the German energy laws which bans all electricity imports from nuclear power plants in neighboring France, which currently is Germany's leading supplier of such electricity.

Many in Germany's energy sector are putting their hopes in a change of government, which would bring the opposition Christian Democrats back into power, and thereby create a chance of undoing the deal which has just been signed. Indeed, the present "red-green" government coalition is not very popular, because of its obsession with budget-balancing, and making deep cuts in social welfare and job creation programs. If the radical ecologists win the upper hand in the Green party conflict over the best anti-nuclear tactic, this government might fall, and elections two years ahead of schedule might bring another government to power—one in which the Christian Democrats would play the major role.

But, the Christian Democrats are no longer deeply committed to nuclear technology either. At their last national convention in March, they omitted any mention of nuclear technology from

their policy platform. Granted, the three Christian Democrat-run states—Bavaria, Hesse, and Baden-Württemberg—are seriously considering going before the Supreme Court to get the June 15 nuclear deal declared unconstitutional. But, the three state Governors—Edmund Stoiber, Roland Koch, and Ernst Teufel, respectively—do not have the backing of the rest of their party. The Christian Democrats in general are not offering a real perspective for nuclear power in Germany. It is individual Christian Democrats, a minority within the party, who are still pro-nuclear.

As during the last 25 years of "nuclear power wars" in Germany, the LaRouche movement is the only political force that is still fighting for nuclear technology. This corresponds to what a majority of the population thinks on the nuclear issue. Whereas the political establishment is infected by the viruses of mindless ecologism and pragmatism (which makes deals such as the June 15 one possible), the majority of the population is not for the termination of nuclear technology. At most, only one-quarter of Germans think that nuclear reactors should be shut down as soon as possible. One-half think the present reactors should be kept in operation until a new generation of better reactors can be built—this does imply a mandate for the government and industry to develop new reactor types. And, the remaining one-quarter are firmly convinced that there is no modern alternative to nuclear power.

If the German population wants nuclear power in its future, it has to become familiar with the LaRouche program for high-temperature reactors, fast breeders, and thermonuclear fusion reactors. And, that is very likely what many Germans, realizing that they are being sold out by the establishment, will now do.