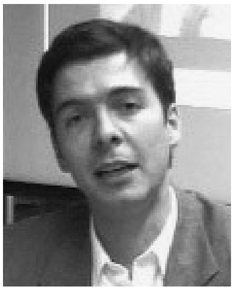
LaRouche Youth Movement: The Fight For Nuclear Power in Ibero-America

Here we publish the speeches by Argentine LaRouche Youth Movement (LYM) leader Emiliano Andino, and Argentine Congressional advisor and energy expert Ricardo De Dicco, to the June 15, 2006 international videoconference on "The Role of Oil in the Transition to Nuclear Energy," organized by the LaRouche Youth Movement and EIR. *The speeches have been translated from Spanish. Lyndon LaRouche's keynote, entitled "The Future Is Now: The LaRouche Plan for a Transition to a New World Economic Order with Advanced Technology," was published in* EIR *June 23. The Question and Answer period with LaRouche was published in* EIR *June 30, as was a presentation by* EIR *economics editor Paul Gallagher, entitled "How U.S. Machine-Tool Sector Was Destroyed." The conference was transmitted simultaneously to Mexico City and Buenos Aires, Argentina.*

Emiliano Andino

Mosconi's Legacy Is Key for Argentina


Emiliano Andino

I've chosen to speak about an aspect of Argentina's history, in this case the creation of the state oil company YPF (Yacimientos Petrolíferos Fiscales), because this is an example of exactly what we need. Today, we see this crisis in energy and in the world economic system, and the constant refrain is that it is difficult to do anything about it. And so, it is very useful to take a look at those historic figures who did not allow themselves to be defeated by the difficulties of their time, and who truly left us—through their actions, their decisions, and their studies—a world with a more advanced infrastructure, such that one could say that they made possible improvement of many people's lives, as well as the quality of life which we all enjoy today.

This is in fact the story of Enrique Mosconi, an Argentine general who was born in 1877, approximately 100 years before many of today's youth were born. As an adolescent, he joined the Army, where he not only pursued his military career, but also became a civil engineer. Being a soldier who is also a civil engineer, is a very interesting combination. Mosconi received his engineering degree by presenting a thesis, neither on combat strategy nor on a plan to attack anyone. Rather, it was a plan for damming up Lake Nahuel Huapí, in Patagonia, in southern Argentina, while at the same time constructing a series of locks between the Limay and Río Negro rivers, which empty into the Argentine sea. His plan was to make an entire Argentine region navigable, which to this present day has still not been made navigable. But back then, at the beginning of the 19th Century, he was already thinking about how to develop the necessary infrastructure to get the job done.

Later, after becoming civil engineer in the Army, he went to Germany and worked for the German Army, as part of its corps of engineers. Remember that the German Army at that time was tremendously influenced, both economically and scientifically, by the ideas of Friedrich List, who had lived 100 years earlier and was an important collaborator of the American Revolution. Thus Engineer (and General) Enrique Mosconi absorbed all these Listian principles of national economy, that is, an economy measured in the sense of a complete nation, where infrastructure plays a fundamental and basic role.

When Mosconi returned to Argentina, he began to apply these ideas directly to his country's Army. He became director of the Army Air Corps, and it is here that a very critical situation developed which forced him to act in defense of the nation itself. Just as the Army Air Corps was to conduct special nationwide exercises, the manager of the West Indian Oil Company (WICO) refused to provide fuel for all of the airplanes which were going to participate in this nationwide mobilization. This made it impossible to carry out the exercises, which were part of the annual army celebration.

And so, as both director of the Army Air Corps and as a civil engineer in the Army who had assimilated the legacy of the American System from currents in the German Army which had been educated by Frederich List, Mosconi personally committed himself—and it is key to understand that this was a *personal* commitment—to confront this trap, dealing with it as if it were an actual military threat to the nation, and

The training of Argentine Gen. Enrique Mosconi, also a civil engineer, included a period in Germany, where he worked with the German Army, which was influenced by American System advocate Friedrich List. He actively promoted a strong role for the state in energy and water infrastructure projects, inspiring such projects at home, and throughout the continent.

not just military exercises.

Thus, as a result of all of his efforts and organizing skills, and with the approval of the Argentine Congress, YPF was established in 1922, with a credit line granted by the state, to turn what was an oil refinery into one producing the kind of fuels that the Argentine Army needed.

It is important to remember that the first refinery and the first series of installations for which Mosconi was responsible after YPF was founded, were launched with a large initial investment that was recovered in a mere three months. And once Argentina had its own refinery, it began to mechanize and industrialize the entire fuel structure, from storing the fuel, building factories to produce the cans, and a very accelerated policy of oil exploration and exploitation.

Between 1922 and 1927, this whole oil structure grew tenfold, thanks not to the private companies Standard Oil or Royal Dutch Shell, or one of their private subsidiaries in Argentina, but to the state-owned YPF, launched initially with state financing, but which soon became financially self-sufficient because of its high rate of productivity—all of which was the result of this concept of physical economy and physical science that Mosconi had brought back with him from Friedrich List's Germany.

And of course, this represented an enormous advance for the Argentine economy, which had no coal, had no accessible energy sources, and which suddenly was able to use oil as its primary energy source. YPF had this key role for Argentina not only with oil production and self-sufficiency, but the whole spectrum of social byproducts of an industry run by the state, whose goal, or organizing principle, was defending *the General Welfare.* Because YPF didn't just produce oil; it founded new towns, schools, and created an entire urban apparatus that didn't exist prior to the development of Argentina's industry under state control. Indeed, before YPF, the concept of long-term national development didn't exist. This is what Mosconi had, and is the spirit he injected into YPF. YPF became such an exemplary company that, between 1927 and 1928, Mosconi undertook a series of trips around the continent, visiting Uruguay, Bolivia, Colombia, Brazil, and even Mexico.

Mosconi's Continental Tour

The first outcome of Mosconi's tour was the founding of Bolivia's state oil company, YPFB (Yacimientos Petrolíferos Fiscales Bolivianos). And Mosconi continued his organizing work, traveling and giving presentations, explaining the method for creating a state oil company, why each nation could recover or develop its national sovereignty through this kind of economic practice, and how to make it successful.

These models were adopted in other countries. Of course, there were very tense confrontations with private companies, the subsidiaries of Rockefeller's Standard Oil and Europe's Royal Dutch Shell, which obviously opposed this kind of state company, which was growing rapidly and becoming increasingly a danger to these private interests.

As I've said, Bolivia adopted Mosconi's model of a state energy company and founded YPFB. Something similar happened also in the case of Colombia, where, during his organizing tour, Mosconi met both with a congressman as well as with President Abadía Méndez. They both understood that Mosconi's concept of physical economy was marvelous. After several years—five years, more or less—of negotiations and political organizing, Colombia's state oil company was founded. This happened very quickly, since things like this, concepts like this, hadn't existed in such detail previously. Mosconi made it reality.

Mosconi also gave a series of conferences in Brazil, explaining the Argentine experience in creating state companies of this sort. He was very warmly received, but it took several decades more, under the Presidency of Getulio Vargas, before Petrobrás would be founded, modeled on Mosconi's principles.

Since we're discussing here the lack of leadership in politics today, we have to underscore the excellent leadership that Mosconi provided Argentina, and later shared with other nations in an organizing effort that was so striking: YPF in Colombia [later Ecopetrol—ed.], in Bolivia and, later, thanks to Getulio Vargas in Brazil, Petrobráso, another state company with a monopoly over Brazilian oil management.

Argentina and Mexico

One very interesting thing is that on Jan. 30, 1928, Mosconi found himself in a meeting with Mexican President Plutarco Elías Calles, with whom he discussed his method for the creation of a state company that would have a monopoly over a nation's oil production: why it would be successful, why it would be the best direction for the nation, and why it was necessary to be courageous, and to confront those interests that would oppose it, given the huge benefits for the nation. Not only did he have this meeting with President

Calles at Chapultepec Castle, but he also—much to his surprise—ended up giving a conference at the University of Mexico, where he discussed his model for a state company. He was very warmly welcomed, and his speech was written up in the weekly *Oil Bulletin* headed by Mexican engineer Paredes.

Thus he was essentially doing the same type of work that we are doing today—discussing the depth of the crisis, identifying the interests that are pushing the world toward destruction, and explaining why it's not possible to make a deal with these interests, such as Felix Rohatyn.

Mosconi not only trained, through YPF, a whole scientific generation of young engineers who would go out to other countries, to perfect the methods that those countries were using in their oil production process, discovering in the process new technologies and applying them more and more rapidly. He also organized the entire continent to understand that there was only one real direction that Ibero-America should take, and that it were unacceptable to allow private oil interests to interfere in the decision-making of the nation-state.

Mosconi's work in Mexico was not the only influence in the birth of Pemex; there was also the entire legacy of the Mexican Revolution of 1910-17. But the method—transmitted in the same way that we pass on LaRouche's method for building an economy—was Mosconi's contribution. Later, in 1938, through President Lázaro Cárdenas's efforts in Mexico, Pemex was established as a state company to manage the nation's oil monopoly.

A Nationalist Policy

Mosconi returns to Argentina, and by the year 1930, is moving forward—with the help of President [Hipólito] Irigoyen, to consolidate a complete monopoly over the oil industry, which would put a definitive end to any possibility that foreign companies such as Standard Oil or Royal Dutch Shell would be able to operate in Argentina. The plan was to nationalize all fuel, create a state monopoly over exploration, exploitation, and transportation of fuel, establish YPF's autonomy, and impose a ban on transferring concessions to foreign companies.

This threatened the very existence of these other private companies, and a coup d'état was carried out against President Irigoyen in 1930, not only over the issue of oil nationalization, but also because of many other advances that were under way in the country in terms of defending the General Welfare. It was a very tense political situation: In 1930, Mussolini was in power in Italy, the Synarchist International was operating and conspiring. The Irigoyen government, which was the first to be elected by popular vote in Argentina, was overturned by a team composed of the business class which installed General Uriburu at the helm. He was then surrounded by ministers who were managers and presidents of all the private oil companies, and by an entire financial apparatus which, obviously, as members of the Synarchist International, opposed the Mosconi legacy in all its forms.

The Nuclear Era

Today, the oil era is ending. The world has lived on petroleum for a century, more or less, and it is now running out. And so now we need to wage the fight for nuclear power, which is not tied to a raw material as in the case of oil, but rather to ideas, to technology, and to infrastructure. Because nuclear power needs the nuclear power plant, not mineral extraction. It doesn't require vast quantities of minerals to be mined from the earth; more important is its development through the machine-tool sector, through the building of infrastructure.

We've lived through these types of crises in the past. Historic individuals have faced this kind of challenge before, and like Mosconi have understood the continuity of generations and the significance of these kinds of challenges. People who feel small themselves, see these kinds of changes as too big, but we understand them as indispensable and unpostponable, and this view drives one to accept the challenge, understanding all the physical—and obviously social—consequences handed down to that civilization's posterity. It is not just an act of patriotism, either, since it transcends borders. It is a question of having that sense of immortality that we need today to take up the battle for nuclear power, which requires education and breaking with the myths that surround nuclear power.

I believe it is very easy to understand the crisis we are facing, and it is even easy to understand the process of nuclear power. It requires some effort, but the basic concept is something the average person can understand in a very short amount of time: how we control its dangers, and what are the great benefits—both economic and in terms of energy—that nuclear power can offer. However, a greater challenge is to understand why it is worth the effort to pursue it, and why we can succeed. How many times in the past were we successful, able to achieve victories of this sort, under worse circumstances? Today, we have an alliance with the United States, through Lyndon LaRouche. Such an alliance with the United States did not necessarily exist in Mosconi's day, because Roosevelt was not yet in the government, and therefore there was not an administration open to this kind of development.

So, having an alliance today with a revolutionary group as large as the LaRouche movement in the United States, and having the technology ourselves to carry this forward, the only thing missing is for each one of us to make the urgent decision to get involved. Because the clock is ticking, the crisis is accelerating, but tragedy is still avoidable if young adults are ready to put themselves at the service of civilization.

This is my message: to acknowledge some of the many historic individuals who have lived. The case of Mosconi is very similiar to what we ourselves are doing. He had a real sense of educating people, very much linked to infrastructure and to the power of organizing the transmission of this idea to other nations. And he confronted the Synarchist International. But, he left us what he desired, which was national sovereignty and an entire national economic apparatus which brought us great benefits, and allowed our nations to achieve a period of great splendor in the 20th Century, which today has been lost. The challenge is for us today to join forces and reestablish that direction. This time, with nuclear power. Times are moving rapidly, and are more demanding, but success can also be achieved more rapidly. It is a question of taking up the fight, not abandoning it, and not wasting what was given us from the past.

That is what I wanted to say about Mosconi and nuclear power. Thank you.

Ricardo De Dicco

Promote Nuclear Power All Over So. America

Energy expert Ricardo De Dicco, who works for the research center at the Universidad del Salvador in Argentina, is also an advisor to the Energy Commission of the Argentine Congress, and has written extensively on the need to develop nuclear power.

Ricardo De Dicco

I'll begin with a first chapter on world energy consumption (see **Table 1**). In 2004—and this is the pattern over the past 20 years—88% of energy needs depended on hydrocarbon sources: 37% oil, 27% coal, and 24% natural gas. This tendency will continue for the next 25 years; that is, through the year 2030, where the percentages of oil, gas, and coal will be similar to what we have today. Renewable energy sources, and in particular such alternatives as nuclear and hydroelectric power, will continue to have insignificant participation, given the oil companies' intent is precisely to block the development of nuclear plants, so that the interests of the thermal plants, which they supply with natural gas or with coal, as well as with fuel oil and diesel oil, are not affected.

Now, when we analyze this matrix of energy consumption, we can see that the developed countries (in the OECD, or Organization of Economic Cooperation and Development), account for 54% of the world's energy consumption; Latin America and the Caribbean, only 6%. We have monsters such as the United States, which account for 23% of the world's energy consumption. China consumes 14%, and the Middle East—which is a region that contains the largest reserves of oil and natural gas—consumes a mere 5% of the total consumed globally.

When we take a closer look at this matrix, we see that the thermal plants supplied by highly-polluting coal, meet nearly 60% of the electricity demand in the United States. Natural gas accounts for about 20%. In the case of hydroelectric power, we can see that only Latin America and Africa have a highly interesting level of participation, which is close to 22%, while in other regions of the world, it is substantially below 10%.

As for nuclear energy generation, we can see the interesting participation of the European Union and also Japan. In the case of France, nuclear supplies 80%. It has not yet reached 100% there, because the French need to use a certain number of their nuclear plants to export electricity to countries such as Germany, that have chosen to remain in the past. In the case of Italy, not only are they not building more nuclear plants, but they have dismantled the existing ones. And so, since they have a tremendous deficit in electricity supply, and energy in general, they have had to resort to the massive import of these resources. In the case of electricity, they are basically importing nuclear energy from France.

And so, for example, when you look at the cutbacks in Italy in 2003, as a result of partial flaws at the electricity-generating plants, due to problems in fuel-oil, diesel-oil, and natural gas supplies, we see that France had to come to the rescue of an Italy that is backward in this sense, in terms of diversifying the risks associated with energy supply, by not using technologies which are alternatives to non-renewable and highly-polluting natural resources.

When we analyze the grid of the installed capacity of the different electricity-generating plants in the South American Community of Nations (see **Table 2**), note that this is data from 2003. In Argentina, 55% is generated by thermal plants, the majority of them supplied by natural gas, and a few with fuel oil, diesel oil, and just one with coal. Then, 40% with hydroelectricity, and 4% nuclear energy. And then, we have 0.1% coming from the nearly 27 MW of installed wind generators, but they do not contribute to the Argentine interconnected electricity grid; that is, they operate apart from the system.

The Problem with Hydroelectricity

In Bolivia, we see a significant dependence on hydroelectricity. But the thermal dependence is even greater, and there is no development of nuclear energy. In sum, in reviewing nuclear energy participation in Latin America, only Argentina, Brazil, and Mexico have developed these technologies.