

that Youngstown is having trouble getting used to....

Community leaders will soon be called on to switch \$500 to \$1,000 from their savings accounts into a new fund to "save Youngstown," says the Rev. Robert Campbell of the First Presbyterian Church of Youngstown, one of the clergymen who form the basic support of Mr. Alperovitz's effort.

Then the 200 clergymen behind the effort will ask their parishioners to do the same thing with as much money as they can spare. At this stage, no contributor would lose control of his money — it would simply be switched to a new account like a "Christmas club," presumably at the same bank. "The only difference is, they won't get a new electric blanket for changing accounts," says a clergyman involved in the project....

"What we are shooting for is about 500 big givers and 150,000 individual contributors," says Mr. Campbell. "We've got to raise \$30 million. That would be such a dramatic demonstration to the government and the outside investors that it would open all kinds of doors."...

(Alperovitz's) Exploratory Project for Economic Alternatives is financed by the Stern Fund, the John Hay Whitney Foundation and other foundations. Mr. Alperovitz has written at length to defend his belief that "the problems of American society — urban decay, pollution, crime, energy, unemployment, inflation — are as much a product of the way we allocate capital as are CB radios, oil wells, factories and office buildings."

"The allocation of capital in America has produced the degeneration of our cities — particularly in the Northeast. It has been more profitable to build in the suburbs than in the cities, to invest in new housing in deserts outside of Phoenix than to rehabilitate the Bronx."

New forms of business ownership are needed to change these priorities, Mr. Alperovitz says, and he sees

Youngstown as a test case....

Average earnings for steelworkers at the Campbell Works rose from \$5.13 an hour in 1968 to \$12.51 in the first half of 1977, an annual growth compounding at more than 10 percent, says George Bettie, a consulting engineer from Philadelphia who has studied the Youngstown steel situation.

Prices nationwide rose at only 5.6 percent per year over the same period, he said.

But the steel executive says, "The biggest resource is that labor force. Some of them are the third and fourth generation to work at the Campbell plant. The melters and furnace operators have always been considered semi-professionals....

The Department of Housing and Urban Development has financed a \$300,000 study to search for a form of community worker management that might succeed in reopening the plant. The economist conducting that study, Gar Alperovitz, stresses the possible savings that could result in an employee-owned plant. "Once you get workers in there who know what's going on, the change is immediate," he says.

The Rev. Edward A. Stanton, a Youngstown priest who sits on most of the community organizations working on the steel problem, says the steelworkers might find that six could do the work seven had done before. And they might sacrifice a dental insurance plan or other fringe benefits to make the plant's products more competitive.

"I ask them whether they'd rather have a job or straight teeth for their kids?"

Frank Leseganich, district director for the United Steelworkers of America, likes Mr. Bettie's approach of slowly bringing the plant back. "That's the way a family does it. You build the cellar first and live in it awhile; then you build the rest of the house."

Construction Union Leader: 'Energy Consumption Must Increase'

Following with only minor deletions is the verbatim text of an address by United Slate, Tile and Composition Roofers, Damp and Waterproof Workers' Association International President Roy E. Johnson before Senator Henry Jackson's Senate Interior and Natural Resources Committee. Although originally delivered in April, the text was obtained only recently by Executive Intelligence Review.

...Out of the confused debate that has developed with respect to the energy crisis, one concept seems to gain more and more acceptance. Everyone seems to agree that we should not waste our energy. As a result, a lot of folks think that we must reduce our national annual growth rate.

What is not yet apparent, however, even to many sincere and concerned policy-makers, is that the total energy consumption of our nation must continue to increase in the future, even if we establish extraordinarily

successful spartan conservation programs. We obviously can and must eliminate wasteful practices in energy consumption. There is a point, however, beyond which further reduction will seriously impact the job market.

There is absolutely no moral justification for policies that would cause increased unemployment because of energy shortages. So, while energy waste can and must be eliminated, we must never allow one man's concept of conservation to be the cause of another man's unemployment.

At the present time, the building industry is in a depression with unemployment over 17 percent of our total work force. We in the Building and Construction Trades Department fully realize that if there is to be a reduction in unemployment, there must be reasonable growth in the supply of energy. We need to get on with the job of building energy facilities.

As responsible citizens, sort out the facts with respect

to our energy future; it becomes more and more obvious that one of the greatest strokes of good fortune this nation has experienced is to have our nuclear industry as well advanced as we find it today. It is ready now to provide much of the energy this nation will need during the next fifty to seventy-five years. If we did not have a large block of nuclear energy available to us for the coming decades, this country would be in critical danger.

Nuclear energy is the safest, cleanest, cheapest, most reliable energy source available. Our conclusions about the safety of nuclear power stations are based on the many years of operation and the large number of our members involved with nuclear power. Not one of our members has died because of radiation exposure. We have had no reports of our members receiving bodily harm from exposure to radiation or radioactive materials. Building tradesmen who construct, operate, and maintain the nuclear plants along with their families are among the population living closest to the operating power reactors. There have been no reported cases of radiation damage to our members' families.

The safety record of the nuclear power industry is excellent, despite the fact some critics continue to play the "what if" game. I simply don't understand those people who become so obsessed with hypothetical hazards of nuclear energy that they refuse to face the facts. A majority of Americans obviously agree. Anti-nuclear initiatives have been overwhelmingly rejected by voters every time they have appeared on the ballot.

Between April 1, 1974 and October 1, 1975, a total of 180,000 megawatts were postponed or cancelled. These cutbacks have impacted the construction industry particularly hard. A recent study has shown that more than half-a-million annual construction jobs will be lost over the next five years on account of these cut-backs. This represents an annual loss of as much as \$7 billion in wages. If the electrical utility industry could get its construction program back on its feet, the total number of unemployed in the construction industry might be reduced by as much as 12 percent.

There are various causes for the delays in construction of nuclear power plants, such as tedious licensing procedures and intricate environmental regulations. As I previously mentioned, anti-nuclear referendums and initiatives have also attempted to slow development, but thanks in good part to the state and local Building and Construction Trades Councils, these initiatives have been defeated every time they have appeared on a ballot.

One of the biggest reasons why nuclear power plants are not under construction is that, where funds for capital investment are concerned, *the public utilities are going broke. Electric utilities require more investment capital than any other industry — \$4 in investment for each \$1 of revenue.* The bulk of the desperately needed construction cancelled or delayed over the past year was a direct result of the industry's inability to raise capital funds.

The utility industry has always been highly capital-intensive and therefore catches the full effects of in-

flation and the skyrocketing interest rates that go with it. In a recent study conducted by the Technical Advisory Committee of the Federal Power Commission, it was concluded that *an average six percent growth over the next fifteen years will require the utilities industry to somehow muster \$650 billion for construction. This is more than four times its existing investment and compares with about \$145 billion spent in the last fifteen years when growth was over 7 percent.*

The Building and Construction Trades Department is particularly alarmed by the recent short-sighted proposals to postpone the Clinch River Breeder reactor and other experimentation on the reprocessing of spent fuel. The only proven technology for significant additional electrical energy in the period after the 1990s is the breeder reactor. Our country can only retain this option by keeping strong the organizations we shall likely have to call on to supply the breeder reactors.

The Building and Construction Trades Department questions the basic assumption regarding the extent of our *uranium resources* in the recent report of the Ford Foundation study group. We believe the *U.S. supply of uranium may be so limited that there will be a need to install breeder reactors commercially by the turn of the century if we are to continue using fission energy for additional electrical power....*

Since only the future will tell us what our actual uranium resources are, prudence dictates that we take no steps now that would foreclose our option to operate breeders commercially by the end of this century. *There is, in fact, no slack in our schedule for arriving at commercialization — either as regards breeder demonstration or as regards the demonstration of commercial reprocessing.* Both are required before the climate will be right for utility executives to commence commercial orders of breeder reactors and from that point it will be another ten years before the first commercial breeders begin to operate.

The design, construction and operation of the Clinch River Breeder Reactor is our only vehicle over the next few years for creating and maintaining the necessary industrial infrastructure to support a commercial breeder program. A major cutback in the CRBR Program, or a pause in it, would be exceedingly difficult to carry out without destroying the considerable infrastructure that has already been put in place over a number of years. If we were to decide later to resume our preparations for a commercial breeder, we would no longer be able to operate breeder reactors in the year 2000, should that be necessary.

In conclusion, we too are concerned about the possible proliferation of nuclear weapons states, as it could be spurred by the civil use of plutonium. We are certainly aware of the possible *contribution* of the U.S. moratorium on reprocessing and breeder commercialization to your negotiations abroad. *We know that such a moratorium would be at very high costs to our energy future.*