

French nuclear plan unaffected, but...

Reacting to the incident at the Three-Mile Island nuclear power plant, French Prime Minister Raymond Barre declared April 2 that this was "A considerable event, more because of its psychological fallout than its technical aspects." He added that it would not lead "to putting into question the French nuclear program. We will not treat what happened lightly, but we must not draw premature conclusions.... France cannot afford to do without nuclear."

While the French commitment to pursue the rapid development of nuclear-based electricity generation is unquestioned, the French have been put in a squeeze by the contrived oil shortage hoax. Although taking certain steps to ensure that the 1983 target of 50 percent electricity production through nuclear sources does not slip behind any further than it already has, the French government has been disastrously affected by the oil hoax, and is calling for a European-wide oil-austerity package.

Just back from a trip to Saudi Arabia, French Minister of Industry Andre Giraud — whose commitment to nuclear energy is a strong one — presided over the European Energy Ministers Council meeting March 27 and proposed: 1) reducing the rate of dependency on oil imports by 50 percent, 2) limiting global oil imports by 1985 to the level reached in 1978 with a 500 million ton oil ceiling on EEC consumption, and 3) reducing the correlation rate between growth in energy consumption and growth of GNP to 0.8 percent. Not surprisingly, British Energy Minister Anthony Wedgwood Benn described the session as "one of the most constructive Council meetings he attended in four years," according to *Le Figaro*.

The Ambroise Roux connection

This proposal is not only the result of muddled economic thinking at the top, but the fact that the Elysée Palace and President Giscard's ministers are surrounded

Le Figaro: nuclear foes are 'buffoons'

The April 2 edition of the French daily Le Figaro featured the following editorial by Max Clos. Clos gave his editorial the title, "Buffoons."

The Harrisburg accident has permitted the setting off of a formidable antinuclear campaign. There is nothing surprising in the fact that the ecologists have used this as an occasion to spread their whining. But for reputedly serious politicians and commentators to act like buffoons is more worrying....

Let us begin with one fact: the advanced industrial nations — and France among them — have no other choice but nuclear. To deplore this does not change anything with the fundamental facts. One can condemn the atom in the name of philosophical principles, but only on the condition of knowing what its consequences would be: a halt to economic development, a recession, and logically, a return to the prehistoric age. Goat's milk might be healthy as a food substance, but it is not a good substitute for oil....

Between now and the year 2000 ... our nuclear

program will ensure 20 percent of our global needs and half of our electricity production. This is an absolute minimum. From this standpoint, the choice is simple: the atom or ruin. Do the antinuclear people ignore the facts of the dossier, or do they just pretend?

We are assured that nuclear plants present dangers. This is true. But what source of energy, what technological progress does not. There have been neither dead nor wounded at Harrisburg. How many miners have been killed in the coal mines? Trains sometimes derail. Are we to go back to the stage coach? Beneath cities, gas lines explode. Should we heat ourselves with logs? Sometimes planes crash. Do you want to go on vacation in a canoe? Hydraulic dams holding back millions of tons of water can sometimes collapse. Should we go back to oil lamps?

There is no economic development without risk. There is no modern industrial society without dangers. The question is to control these risks and dangers. In the case of nuclear, nothing permits us to believe that they are not (under control —ed.) It is true that we are no longer in the domain of the rational, but in the vague world of fantasies....

There is no other coherent choice. Clamors will go up "demanding" that the French nuclear program be stopped. We have to know that France does not have the means to abandon, or even delay, the program.

by a virulent virus known as the "new economists" who are increasingly shaping their thinking. The "new economists" have brought the plague of Adam Smithian "adapting to the crisis" to France. The problem is compounded by the existence of a private network, centered around Ambroise Roux, President of Compagnie Générale d'Electricité (CGE), who also heads the energy commission of the powerful businessmen's association, the CNPF.

CGE is the fourth largest private industrial grouping in France with myriad shareholdings throughout electrical engineering and equipment, telecommunications and related sectors, giving Roux an important voice in the entire industry. In past weeks CGE has made major investments in the solar energy industry with U.S. companies. Recently, Roux was privy to a private strategy session on "world problems" with Henry Kissinger in France. His vendetta against the nuclear industry dates back to the early 1970s when the French government favored Creusot-Loire's adoption of a Westinghouse license for the original nuclear program, against a CGE-General Electric license.

It is well known, and was reported in the French press at that time, that Ambroise Roux became one of the main financial backers of Socialist Party leader François Mitterrand's unsuccessful presidential race against Giscard in 1974. Following the Harrisburg incident, Mitterrand was the first to speak up to call for a moratorium on nuclear plant construction, a parliamentary commission of inquiry and an Austrian-style national referendum on nuclear energy. The closely allied trade union, the CFDT, has been calling for a total halt to nuclear plant construction and the development of solar, wind, geothermal and coal power instead.

The government's objectives

The 1974 "Messmer plan" (named after Gaullist Prime Minister Pierre Messmer) called for more than 50 percent of France's electricity production to come from nuclear power by 1985. As a result of the courtroom and street machinations of the ecologists, that program is now an estimated one to two years behind schedule.

While original estimates called for 50 to 55 million tons of oil-equivalent nuclear energy production by 1985, that fell to 40 because of the delays, but was recently brought back to 45 as a result of government decisions to speed up construction of two nuclear plants, at Gravelines (two 900 Mw reactors) and Cattenom (one 1300 Mw reactor).

The 1979 budget of Electricité de France (EDF, the government-controlled electricity monopoly), out of a total of 22 billion francs, allocates 12.2 billion francs for nuclear, compared with 8.6 in 1978 and 6.3 in 1977.

—*Dana Sloan*

Britain eyes EMS as an austerity instrument

Since the first announcement of the formation of the European Monetary System, Britain has adopted various tactics aimed at stopping adoption of the new system entirely. But now, with the EMS officially in operation without Britain, a shift in emphasis is being discussed in British financial circles.

Sources in both London and Brussels have reported that Britain is now seeking some form of "associate status" in the EMS within a few months, to be able to turn the new monetary system into a replica of the International Monetary Fund (IMF). The EMS—under British direction—would then be rendered key instrument for heading off technology-intensive development of the Third World, redirecting the European economies back toward the British policy of zero-growth austerity.

The British outlook of "boring from within" the EMS was developed at a meeting of the Royal Institute for International Affairs (RIIA) last November, attended by top bankers and policymakers which included representatives of both political parties as well as the financial press. The meeting was addressed by Sir Jeremy Morse, chairman of Lloyds Bank and a former leading official of the International Monetary Fund who called on the government to take Britain into the EMS "for our own good and Europe's good." Sir Jeremy, also a former executive director of the Bank of England, said that the EMS could only work if European countries worked together to achieve "convergence" of their economies, meaning joint policies to cut inflation by curtailing growth. At that point, Morse emphasized the key role of the IMF's Special Drawing Rights in "rebuilding a better base for the world economy."

In sheep's clothing

The idea of Britain's joining the EMS had remained shelved for several months while London watched European developments carefully. Once the EMS had been successfully launched by the EEC heads of state at their February meeting, London decided to move in for the kill. Rumors began to circulate in Brussels that Britain would seek a share in the European Community credit program under which the less prosperous members of the EMS will be able to borrow at reduced rates. In case Britain decided to join, Healey demanded, Ireland and Italy—who are on line to receive interest rate subsidies—should be bumped if necessary to make room for the "more needy" British. This was to be Britain's first step in weakening the EMS: driving out the most