

# The anti-nuclear coup against the Reagan administration

by Paul Gallagher

In a series of clear and public moves coming in rapid succession over a two-week period of time, a Malthusian network among officials of the Department of Energy, Nuclear Regulatory Commission, and the White House, has cut the heads off both the fusion and fission energy programs of the United States. The provoked resignation of Edwin Kintner, head of the DOE Fusion Office and acknowledged leader of the nation's past five years' progress in fusion development, and the shocking public collapse into Naderism of Nuclear Regulatory Commission Chairman Nunzio Palladino leaves the NRC, the White House Science Advisor's Office, and the DOE bureaucracy lined up with David Stockman's OMB *against* the President's own commitment to nuclear energy.

In its zeal to close down the Department of Energy, a creation of RAND Corporation's fanatic Malthusian James Schlesinger, the Reagan White House has been sucked directly into a scenario repeatedly scripted in British scientific journals and by Carter administration officials like Dr. Frank Press since mid-summer. These "science authorities," represented directly among administration figures by the Heritage Foundation think tank, have begun to use the chaos of the forced second round of budget cuts and the DOE phase-out to inaugurate a sustained period of "re-assessment of basic science directions and priorities." Their increasingly obvious intent has been stated more and more boldly: to eliminate American advanced engineering capabilities, particularly those directly related to large-scale energy technology development, while preserving increasingly classified, and increasingly stagnant, "basic science" programs in the midst of general economic depression.

Future *EIR* reports will expose in detail the ongoing efforts by Club of Rome/Global 2000 networks in scientific research fields to use funding cutbacks to shift American science toward Malthusian directions. Of most immediate importance for America's future is the year-long campaign of the Heritage Foundation to nullify the Magnetic Fusion Energy Engineering Act of 1980, the crucial 20-year enabling legislation for the one area of science and engineering in which the United States indisputably has led the Soviet Union and all other national and multinational efforts over the past five years.

With the resignation of Mr. Kintner, an engineer from Admiral Rickover's nuclear navy, the Heritage Foundation campaign has nearly succeeded. Kintner's Deputy Director, Dr. John Clarke, one of the few remaining strong supporters of the 1980 Fusion Energy Act within the DOE, was passed over, and the acting head of the DOE Office of Fusion Energy became Dr. James Kane, a high-energy physicist who admittedly knows very little about fusion energy!

While a new permanent director will be announced, this is not likely to occur before the fiscal-1983 budget battles begin in January. For that budget process, the OMB has already leaked its intention to reduce the magnetic fusion program back to pre-1980 budget levels *in absolute dollars*. Both OMB and energy advisers in the office of White House Science Advisor Dr. George Keyworth, state their intention to dismantle a number of large engineering-design projects in the fusion program, and send the program "back to the basic research stage" with commercialization seen after the middle of the next century—in effect, never.

Policy for the program is now apparently being set by Keyworth, a fusion theoretician from Los Alamos National Laboratory, a devotee of Sir Isaac Newton and Sir John Clerk Maxwell, and a strong opponent of the 1980 Fusion Engineering Act, and the OMB.

In fact, Keyworth's energy group is advised on fusion policy by Dr. Douglas Pewitt, a Carter administration figure hounded out of his former DOE responsibilities by congressional backers of the Fusion Engineering Act, who charged angrily that Pewitt was openly attacking the mandate of the legislation to begin a large-scale fusion *engineering* program.

Both Keyworth and Pewitt are following to the letter the Heritage Foundation's original report on energy policy given to the Reagan administration a year ago. Pewitt calls the Fusion Engineering Act "permissive legislation," and recommends that it be scrapped as an excrescence of "big government." The same British Fabian Society-run Heritage Foundation wrote "95 percent," in their phrase, of Keyworth's official administration policy statement on nuclear energy. Its effects so far have assisted the Federal Reserve in collapsing the nuclear industry financially, and have cut it off from exports and

government reprocessing, despite the pro-nuclear and anti-regulatory rhetoric involved.

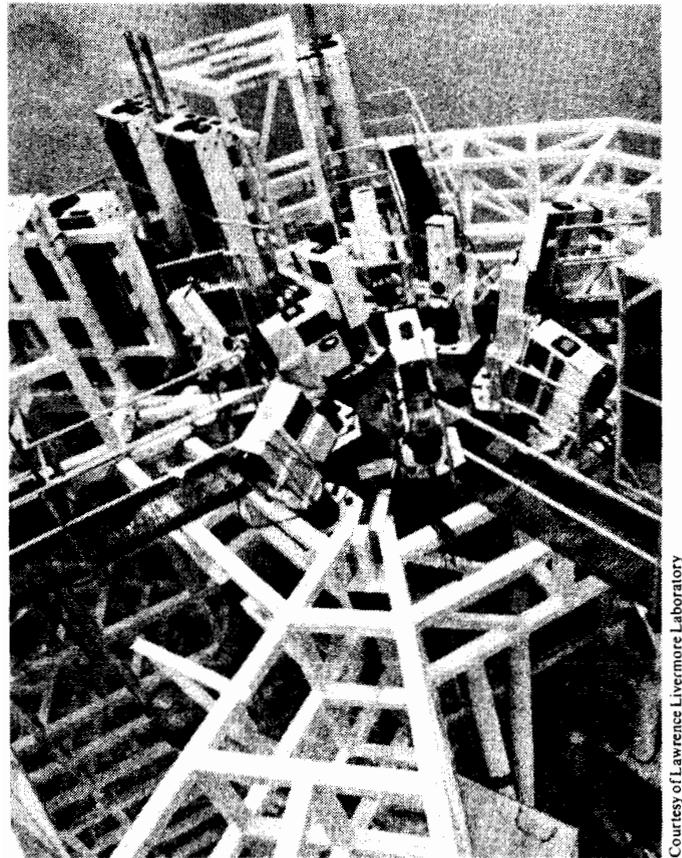
It is no accident that the commitment to fusion engineering development and commercialization of the 1980 act, known before its passage as the McCormack Bill, has been the prime target of attack in the field of energy policy by the free-trade followers of Milton Friedman and British monetarism in and around the Reagan administration—despite their lip-service to nuclear energy “in general.” Much of the so-called nuclear lobby in the United States consists of individuals who have worked in the industry but oppose the method of large-scale government intervention into the economy which brought it into being. Today they oppose the same effort for fusion. As the rare nuclear veterans like Kintner know, the future of all progress in nuclear energy today hangs on the commitment to go as rapidly as possible to fission-fusion hybrid forms of nuclear fuel breeding for conventional reactors, and to full commercialization of fusion power.

In the way the early American infrastructure-building projects created the Army Corps of civil and construction engineers, the Atomic Energy Act and nuclear navy program created nuclear engineers, and the NASA program created aeronautical engineers on a broad scale, so the McCormack Fusion Energy Engineering Act was to have begun the creation of the first large cadres of government and industry specialists in fusion-reactor design, materials development for high-energy plasmas, and fusion-power engineering. As Charles B. Stevens demonstrates in his latest annual review of fusion research and development, written for the February 1980 issue of *Fusion* magazine, the U.S. fusion program is more than ripe for such engineering development.

Stevens, an engineer with the Fusion Energy Foundation who has since 1975 become the world's most widely read journalist on the progress of fusion development, makes the following basic points in his review:

- “Despite budget and program curtailments, steady progress in all aspects of the mainline magnetic fusion tokamak effort has been maintained, in basic physics and engineering technology, and simultaneously major breakthroughs have been achieved in alternative (non-Tokamak) magnetic approaches. These latter breakthroughs enhance the rate at which the tokamak itself is developed by providing scientific and technological shortcuts to the development of reliable power reactors.”

- “Alternative approaches are now making even more rapid progress than the tokamak. The ZT-40, a Los Alamos reversed field pinch, or “zeta-pinch” toroidal experiment, has achieved several startling breakthroughs during 1981; and with this ZT-40 success, virtually every approach to magnetic fusion developed in the 1950s—the tokamak, the stellarator, the “mirror” confinement design, and the toroidal zeta-pinch—have been demon-



Courtesy of Lawrence Livermore Laboratory

*Laser fusion research: the Shiva-Nova system.*

strated as a viable route to fusion.”

- “The Tandem Mirror design for magnetic confinement of the hot plasma gas, merely a theoretical concept in 1975, now has gone through demonstration phases and a large-scale Tandem Mirror Fusion Test Facility is being constructed at Lawrence Livermore Laboratory in California, expected to equal or surpass the Princeton Tokamak Fusion Test Reactor by 1985. Furthermore, Lawrence Livermore has designed a Fusion Engineering Device based on the tandem mirror, which could be built for one-third the cost projected for a tokamak engineering device, and within only four years. The building of fusion engineering devices is the core of the next “engineering phase” of the fusion effort mandated in the McCormack bill. However, the OMB and Keyworth task force do not even envision building the mirror test facility already started.”

- “The tokamak has demonstrated the first steps toward self-organized confinement, the ideal situation in magnetic confinement of a hot plasma gas, where currents in the gas itself—not external generators—create the complex toroidal magnetic geometry needed to confine the plasma. The ZT-40 device has taken this a step further, having almost the entire confining magnetic field generated internally to the plasma.”

• “Non-implementation of the funding levels and engineering efforts of the 1980 Fusion Engineering Act will cause the rapidly advancing program to “go over the cliff.” The Princeton Test Facility will come on line in 1982 and almost certainly demonstrate that the mainline tokamak approach can be developed into a breakeven reactor; but none of the other steps needed to realize this is currently being pursued. The Mirror Fusion Test Facility disappears entirely in the OMB’s fiscal-1983 proposal. Britain has unilaterally abandoned the joint U.S.-British follow-up to the ZT-40 experiment, and the only other toroidal confinement system being designed has been cut out of OMB’s 1983 budget.”

If Reagan administration policy is being turned, at the orders of the British science establishment and the Heritage Foundation, away from government-sponsored fusion engineering development, and from government-led *export* of nuclear energy to waiting nations, then the domestic nuclear industry cannot remain a “private enterprise pet project” of an administration contemplating the British-dominated “free market.”

In fact, the past war against the nuclear industry was engineered by part of precisely the same Malthusian network—most particularly, by NRC Commissioner Victor Gilinsky. On Nov. 30, when NRC Chairman Palladino, a Reagan appointee and a nuclear design engineer, suddenly attacked the system of international safeguards on nuclear exports in a letter to Congress, virtually implying the United States should stop all nuclear exports, Palladino was repeating the conclusions of a report prepared on Galinsky’s specifications.

Gilinsky is a member of the London International Institute for Strategic Studies, and was Schlesinger’s protégé at the RAND Corporation. Speaking to the Atomic Industrial Forum in San Francisco Dec. 1, Palladino attacked the quality control standards of the domestic nuclear industry. Recently, Galinsky had stated that 20 plants nearing licensing in the United States would be denied licenses due to “poor quality control.”

Only three weeks earlier, Palladino had publicly committed the NRC, based on a report from its staff, to *expedite* the licensing of 33 nuclear plants by 1983. Within ten days, Palladino was announcing the revocation of the license of one of those plants, Pacific Gas & Electric’s Diablo Canyon nuclear unit 1. In between, Galinsky and Peter Bradford, the other anti-nuclear NRC Commissioner, ran a high-profile series of media attacks on Palladino’s expedited-licensing policy.

Meanwhile, the congressional hearings on the Reagan administration’s plans for “public perceptions of nuclear energy,” scheduled for Dec. 1, were postponed with no new date announced—a part of their own script which the Heritage Foundation now wants dropped altogether.

## Financial warfare against the utilities

by William Engdahl

The nation’s electric power utilities are undergoing the most severe crisis since at least the period of the 1930s Great Depression.

This worsening situation is the result of more than 12 years of systematic local and national environmental and other “constituency” obstructionism, combined with almost two years of unprecedented interest rates which have all but killed the long term bond market as a viable capital source for financing construction of new capacity. Perhaps most alarming is the widespread conviction among industry and Wall Street analysts that the Reagan administration’s widely-touted Tax Act of 1981 will make little or no contribution to ameliorating this crisis over the next several years, and could have a slightly negative overall impact.

Current industry utility construction commitments over the decade to the end of 1990 today total some 190,000 megawatts. To put this in perspective, this is an increment equivalent to some one third of total U.S. electric installed generating capacity at the first of this year, and 45 percent of 1980s record peak load of 438,000 megawatts. Even this construction commitment has shrunk dramatically, especially over the last years since Jimmy Carter’s 1977 inauguration. In 1980 alone, various utilities postponed 60 planned generating plants totalling 59,000 megawatts for at least one year because of financial and regulatory problems.

This forward commitment for 190,000 additional megawatts of capacity is a drastic and already dangerous decline from the record high level of such forward commitment of 312,000 MW. That peak was planned by the industry in the 1974 wake of the OPEC oil embargo and ensuing 400 percent oil price rise. Clearly, nuclear power generation of electricity was overwhelmingly the most rational and economical option for the future. In every respect it still is. The problem is we will not see it realized