

# Bechtel's Nuclear Mess

“We are not in the construction and engineering business. We are in the business of making money.”  
Steve Bechtel Sr.

In late April, USAID awarded Bechtel a \$680 million, 18-month guaranteed-profit contract to rebuild Iraq's infrastructure. The sum was awarded without open bidding and behind closed doors. **Bechtel has a long-standing record of insider contracting with the highest levels of the U.S. government, has repeatedly served as a cover for the CIA and employed three CIA directors, and bribed foreign officials for contracts** among a host of other misdeeds. A privately owned company, Bechtel is deeply entangled with the nuclear power and weapons manufacturing sectors of government. From the beginning of the Nuclear Age, Bechtel has made nuclear energy a centerpiece, and lobbied furiously using insider connections for laws and regulations aimed only at maximum profit.

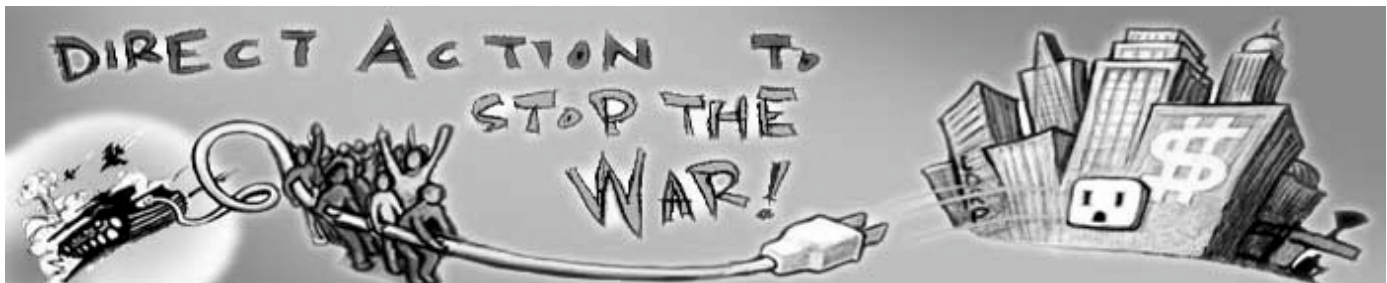
Bechtel purports their goal to be the “design, rehabilitation, upgrading, reconstruction and construction of Iraq's infrastructure, initially including: one seaport, five airports, miscellaneous electric power systems, road networks, rail systems, municipal water and sanitation services, school and health facilities, select government buildings, and irrigation systems.” Noble and heroic-sounding, this conveniently ignores Bechtel's record as arguably the leading multinational corporation in **human rights abuse, environmental destruction, mismanagement of tax-payer funding, and violent anti-labor actions**. A look at Bechtel's history of nuclear management will show why we must empower Congress to oppose funding Bechtel for rebuilding Iraq's infrastructure.

## Tarapur, India

Bechtel built the first commercial nuclear power plant in India, 60 miles north of Bombay, supposedly a showcase for nuclear technology exportation. When problems arose, Bechtel's architects, engineers, and the reactor suppliers failed to offer India assistance. A visiting AEC official saw **Indian workers pushing radioactive waste with bamboo poles; the radiation levels in the Arabian Sea were so high all fishing was banned in the area; and the plant was strewn with radioactive waste**. This was caused in part by a Bechtel design flaw; the waste generated exceeded the plant's capacity. In addition, a construction flaw left the network of pipes, pumps, and valves was leaking so badly it was described as “a sieve.” Three to four thousand gallons of radioactive waste were leaking daily in one section of the plant alone. Up to 1,500 workers suffered extremely high radiation doses; during a refueling outage in May 1973, 400 people suffered severe exposure. Bechtel ignored all these issues until concluding international outcry would harm further global marketing. Finally, India used Tarapur plutonium for their first nuclear detonation, underscoring Bechtel's role, via nuclear-enrichment technology, in nuclear weapons proliferation.

## San Onofre, California

The Bechtel-built reactor was shut down more than decade ago, creating a 950-ton radioactive waste problem at San Onofre: Bechtel engineers installed one of the reactors backward. **No one but a South Carolina dump will accept the reactor, but railway officials refuse to ship it across country; Panama Canal operators refuse to allow it passage; Chile refuses to allow it around the Cape of Good Hope; and Charleston harbor officials have yet to approve moving it through the port**. Meanwhile, the “environmental costs continue to mount every day as the plant sucks in huge quantities of plankton, fish and even seals with the water to cool the reactors. It is destroying miles of kelp on the seabed by discharging water that is 25 degrees Fahrenheit warmer than ocean temperature,” severely degrading marine life. Meanwhile, a major fault nearby is overdue for an earthquake. The seismic braces will actually increase the impact of an earthquake on the reactor installed backwards, and the reactor walls have deteriorated to half their original size. Bechtel seeks to stall and dodge financial responsibility, placing the burden on Southern Edison, who ordered the plant.



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415-820-9649

# Bechtel Should be Held Accountable, Not Made More Profitable! Human Needs Not Corporate Greed in Iraq and at Home!

## **Firing Concerned Employees**

Bechtel fires and harasses employees who complain of dangerous situations at the nuclear facilities Bechtel builds and maintains. Two examples are E. Earl Kent and Richard Parks. Kent was fired after complaining to the Nuclear Regulatory Commission about Bechtel's use of substandard materials at the Midland, Michigan, and San Onofre, California nuclear power plants. Parks, a senior engineer, complained of abundant safety violations and excessive company waste during the Three Mile Island salvage operation. He was fired; his apartment was broken into, his papers rifled. He even took his family into hiding. In 1987, Parks won a settlement.

## **Nevada Test Site**

In 1995, Bechtel Nevada won a \$1.5 billion contract to manage the site where the U.S. had tested the majority of its nuclear weapons. Energy Secretary Hazel O'Leary promptly announced a new program involving "sub-critical" detonations of bomb-grade plutonium and uranium, that would not reach the critical or nuclear chain reaction state. Bechtel's management includes maintaining defense-related nuclear and national security experiments; maintaining the technologies, staff skills, assets and infrastructure essential to resume underground nuclear weapons tests within 24 to 36 months of direction from the President (Bush is currently trying to make this 18 months); and supporting the national weapons laboratories in the development and operation of diagnostic systems, target chambers, and stockpile stewardship experiments.

Recently the Senate Armed Services Committee pushed through the new "mini-nukes" and "bunker busting" weapons bill. It's almost certain a Republican House and Senate will pass the bill, breaking a ten-year moratorium on nuclear weapons testing. The weapons will be tested at the Nevada Test Site, with Bechtel Nevada still at the helm. In December 2002 report, safety inspectors discovered improperly-labeled high explosives at the Nevada Test Site, as well as explosives stored near combustible material, posing dangers to workers. The safety check also found that Bechtel Nevada failed to conduct periodic tests for protection for their storage facilities. Despite this tradition of dangerous malfeasance, Bush is currently seeking \$25 million in additional funds for managing NTS.

## **Profiting from Pollution**

The promise of cheap nuclear energy failed, and environmental ruin mounts. Bechtel now profits from the mess it helped create. Though Bechtel wasn't involved in the construction of Three Mile Island, the U.S. awarded Bechtel \$1.5 billion for salvage operations. Thereafter, Bechtel received numerous huge, profit-guaranteed cleanup contracts worldwide, including \$3 billion to cleanup the 52 reactors littering the Idaho Testing Site (largely built by Bechtel for enormous profit) and the 2 million cubic feet of transuranic waste at Rocky Flats, Colorado. Bechtel received much of the \$6 billion to manage and clean up the Savannah River nuclear weapons site in Aiken, South Carolina; Bechtel-Jacobs secured a five-year \$ 2.5 billion contract to conduct environmental cleanup of government uranium enrichment sites at Portsmouth, Kentucky, Oak Ridge, Tennessee, and Paducah, Kentucky are a few examples. There are thousands of radioactive waste sites Bechtel currently manages. Unfortunately, Bechtel's cleanup record is itself far from clean. The NRC fined Bechtel in 1985 for harassing and intimidating workers who complained about the "improperly classified" plan modifications to avoid safety controls and the associated costs. In December, 2002, Bechtel announced with great fanfare the completion of trichloroethylene cleanup a year early at Paducah, Kentucky—but quickly backtracked after revelations of quality-assurance failures at the lab forced them to recheck the results. The U.S. Department of Energy concluded worker safety programs were substandard, and that there has been little progress in reducing or mitigating site hazards or sources of environmental contamination. "Weaknesses in hazard controls are evident, ... oversight has not been sufficient, and communication with stakeholders and workers has not been comprehensive and responsive to stakeholder needs."

## **Nuclear Secrets, Insider Dealing and Nuclear Proliferation**

In 1969, President Nixon empowered commercial businesses (Bechtel and Union Carbide) to produce and sell enriched uranium—including plutonium, reversing two decades of U.S. policy. Weapons-grade nuclear material, as well as nuclear energy, was now in private hands and for sale. In 1973, Nixon provided Bechtel with even more previously classified secrets for uranium-enrichment technology. Following India's detonation of a nuclear weapon, facilitated by the construction and technology Bechtel sold to India, the distribution of uranium enrichment technology was strictly regulated. However, after Reagan appointed George Shultz (a director at Bechtel) as Secretary of State, and Kenneth Davis (Bechtel's VP of nuclear development) as undersecretary of Energy. U. S. nuclear fuel and technology was again available worldwide. Bechtel quickly made lucrative deals with Japan, Brazil, China, Mexico, and Argentina—which included technology for making weapons-grade plutonium. Reagan, through Shultz's coaxing, lessened the restrictions for licensing international nuclear plant construction as well.

## **National Reactor Testing Station, Idaho**

Bechtel built the first breeder reactor, ERB-1, and is responsible for the boiling-water design. On November 29, 1955, interaction between the uranium metal fuel and stainless steel cladding resulted in a partial meltdown. In January, 1961, technicians lost control of the SL-1 reactor in Idaho Falls, rupturing the building and emitting radiation at the terrifying rate of more than 500 rems per hour. Bechtel realized at this time that all the boiling-water reactors built in the fifties and sixties were not in compliance with the minimum AEC safety regulations; dozens were shut down only when it became clear that environmental disasters decreased profitability.