

Tepco, Security Sacrificed on the Altar of Profit

Tuesday 22 March 2011, by [MOUSSAOUI Rosa](#) (Date first published: 16 March 2011).

Since 2003, the big Japanese private group aimed at “reduction of costs of maintenance” in order to render profits “secure”.

Profit at any price. This could be the motto of Tokyo Electric Power (Tepco), the multinational that exploits the nuclear power plants at Fukushima. The largest producer of electricity in the world illustrates the excesses of an industrial sector in which neo-liberalism has unfurled to the last extremities of its destructive logic.

Proof. At the beginning of 2010, Tepco announced net earnings of 157.7 billion yen (1.19 billion euros) for the period from April to December 2009, as compared with a loss of 137.7 billion yen (1.04 billion euros) a year earlier. Miraculous recovery, for a multinational company whose annual turnover decreased, at the same time, by 14%. In order to restore profits, the officers of the company affirm, Tepco had to restrict its “current expenses”, which dropped by 22%. Officially, this was due to a drop in the price of petroleum needed for the functioning of its thermal power plants. The explanation is a bit thin, for an industrial outfit that insisted, in a financial document in August 2003, on the necessity of “a rationalization of the totality of operations, including a reduction of the costs of maintenance” in order to render its profits “secure”.

Has performance of maintenance, and thus the security of equipment, become a variable for adjustment? Tepco has not hesitated to do this in the past. Between September 2002 and April 2003, the multinational was constrained to shut down its 17 nuclear reactors. This was a consequence of revelations concerning the falsifications of some thirty inspection reports on three nuclear power plants in the group. It involved, among other aspects, the electro-nuclear giant’s act of disguising three incidents that had occurred in the nuclear facilities in Fukushima and Kashiwazaki-Kariwa.

This scandal implicating Tepco is not an isolated one. In March 2007, to cite but one example, the company Hokoriku Electric Power admitted having knowingly hidden a nuclear incident that occurred at the plant in Shikamachi eight years earlier, the 18 June 1999.

But who cares about security, when the race for profits takes command? With 28 million clients in Tokyo and in the region, Tepco announced triumphantly last 30 July that it wished to multiply by 5 its projections of profit for 2010-2011. Between April and December 2010, the multinational banked a net profit of 139.8 billion yen (1.27 billion euros). Surfing on the green wave, the group, already in the lead with its parks of wind turbines, planned to invest heavily in renewable energies. Ever so ready to threaten whole countries, the stock and bond rating company Standard and Poors granted Tepco an AA- on its long term debt, which is its fourth highest rating.

At the Heart of the Catastrophe, Tepco Remained Obsessed by Financial Considerations

Even at the heart of the current catastrophe in Fukushima, TEPCO remained obsessed by financial considerations. “It seems the the company waited until the last possible moment to drown the heart

of the reactor by pumping sea water. In fact, if you drown the heart of the reactor, it becomes no longer usable,” observes the Energy branch of the CGT [1]. Clearly, public ownership is not an all-risk insurance policy in these matters. But to what horrifying excesses can we be lead by the shameful acts of profit-taking. In 2005, in his essay *From Chernobyl to Chernobyls* [2], the winner of the Nobel Prize for Physics, Georges Charpak put us on our guard: “The problem of security in the nuclear power plants is too crucial to be left only in the hands of financiers, those champions of stock market optimization”. Cruelly premonitory.

by Rosa Moussaoui

[1] The French labor union, Confédération générale du Travail

[2] De Tchernobyl aux Tchernobyls

P.S.

* “Tepco, la sécurité sacrifiée sur l’autel du profit”. L’Humanité in English, March 16, 2011.
Translated by Henry Crapo and reviewed by Henry Crapo.