Written by **Rebecca Terrell** on August 9, 2011

Nixing Nuclear Threatens Bayer's Future in Germany

Rising energy prices in Germany are forcing the pharmaceutical and chemical conglomerate Bayer to threaten a move to China. The culprit is Germany's nuclear energy exit bill, passed last month in reaction to Japan's Fukushima nuclear power plant disaster. The bill orders a nuclear phase-out by 2022. Meanwhile, China plans to build 36 new nuclear power plants during the next decade.

Germany's *Deutsche Welle* reports Bayer CEO Marijn Dekkers predicted, "Energy prices will continue to rise, and they are already the highest in the EU." He said in the face of rising prices, "a global business such as Bayer would have to consider relocating its production to countries with lower energy costs." The move would leave 35,000 workers in Germany unemployed.

Countries Bayer is considering include China, Brazil, and India, where the company has already begun significant expansion. According to the World Nuclear Association (WNA), Brazil plans to bring four new large reactors online by 2025, significantly expanding the current 3 percent of its electricity generated by two existing nuclear reactors.

India boasts plans to supply 25 percent of electricity from nuclear power by 2050, an ambitious goal for a country that only began its nuclear power program in 2009 because of constraints related to the Nuclear Non-Proliferation Treaty.

However, the largest nuclear expansion in the world is taking place in China, where 14 reactors are in operation, 25 are under construction, and more are planned. WNA explains these completed reactors will generate "more than a ten-fold increase in nuclear capacity" and points out "China is rapidly becoming self-sufficient in reactor design and construction, as well as other aspects of the fuel cycle."

David Biello of the Yale School of Forestry and Environmental Studies agrees. He calls China "the world's living laboratory for new nuclear reactor designs," though he tempers excitement over Chinese advances by casting doubt as to the safety of this rash of new reactors. He quotes physicist He Zuoxiu, who helped develop China's atomic bomb, warning, "We're seriously underprepared, especially on the safety front."

China's impetus in pursuing nuclear power, according to Biello, is clean energy. The country plans to generate 11.4 percent of its energy from non-fossil fuel sources by 2015 and to cap its fossil fuel use at 4 billion tons by the same year. China considers nuclear power the surest bet to fulfilling its goals.

China isn't the only place where nuclear power is displacing so-called fossil fuels. The United Kingdom is planning up to eight new nuclear plants, and the United States is nearing completion of its Watts Bar

2 reactor in Tennessee, with other projects in the works. Biello reports other countries such as Russia and South Korea have nuclear expansion plans, with a total of 60 reactors under construction worldwide.

But other countries have already joined Germany in its knee-jerk reaction to Fukushima. According to The Bellona Foundation, an environmental NGO, Italy outlawed nuclear power in June, and Japan has pulled the plug on nuclear expansion. The Japanese Environment Ministry admits its plans will significantly raise carbon dioxide emissions. Nixing nuclear also means such countries could witness the same business exodus that threatens Germany, losing ground to those pursuing what one industry veteran called “the safest, cleanest… and potentially most plentiful and useful energy in human history.”