



The Costs of Fukushima フクシマの代償

Jul. 16, 2012

Asia-Pacific Journal Feature

Greenpeace has released a report [Toxic Assets: Nuclear Assets in the 21st Century](#), which presents evidence on the costs of nuclear accidents from the point of view of risk to investors. Greenpeace is not following the capital because of any corporate attachment. The report counters the common post-Fukushima argument that nuclear power is both inexpensive for consumers and a good investment for investors. The "cheap nuclear" mantra, they argue, fails to take into account the fact that nuclear plants can break a company and pass huge liabilities on to taxpayers. According to this report, nuclear seems represents everything wrong with contemporary capitalism – private companies reap profits while the public underwrites tremendous and obvious risks while concerns about sustainability are muted to assure short-term profits. The Japan Center for Economic Research [places](#) the likely Fukushima clean-up total at between 72 and 250 billion \$US. This is at least several times the company's market value before the Fukushima disaster, an indication that the massive risks tied up with nuclear power are simply not being factored in to market valuations, which reflect estimates of future profitability.

TEPCO, we should remember, outperformed Japan's market average through the 2000s until plunging to worthless depths in the year since 3.11. Losses on TEPCO, other energy companies, and insurance companies (some of the largest energy shareholders) are already in the trillions of yen.

Greenpeace [writes](#): "These investors who lost so much money received very little useful advice from their investment advisors over the risks of investing in TEPCO and other utilities that own nuclear power plants or in technology companies selling nuclear equipment. Instead, these investors heard nothing but high ratings and bullish recommendations about TEPCO from supposedly savvy financial advisors and ratings agencies. Instead of fulfilling their responsibilities, advisors ignored or hid from investors the warnings about the tsunami risks endangering the Fukushima reactors, the many alarm signals about the inherent risks of the GE Mark I design and the list of scandals, cover-ups and collusions about how TEPCO was maintaining its nuclear reactors for decades."

It is notable that none of the above numbers take into account factors such as the massive decline in tourists visiting Japan in 2011, down nearly 30% after Japan hit an all-time arrivals high in 2010, or productivity lost due to stress and factors related to the accident.

Overall, Greenpeace makes a very strong case that the vaunted profitability of nuclear energy involves ignoring the risks involved. Nuclear power is quite simply the only major business that can produce liabilities that exceed equity by more than 100 times.

Asia-Pacific Journal articles on related topics:

Piers Williamson, [Largest Demonstrations in Half a Century Protest the Restart of Japanese Nuclear Power Plants](#)

Miguel Quintana, [Radiation Decontamination in Fukushima: a critical perspective from the ground](#)

Paul Jobin, [Fukushima One Year On: Nuclear workers and citizens at risk](#)