

# EDITORIAL

## Perspectives on the commodity markets

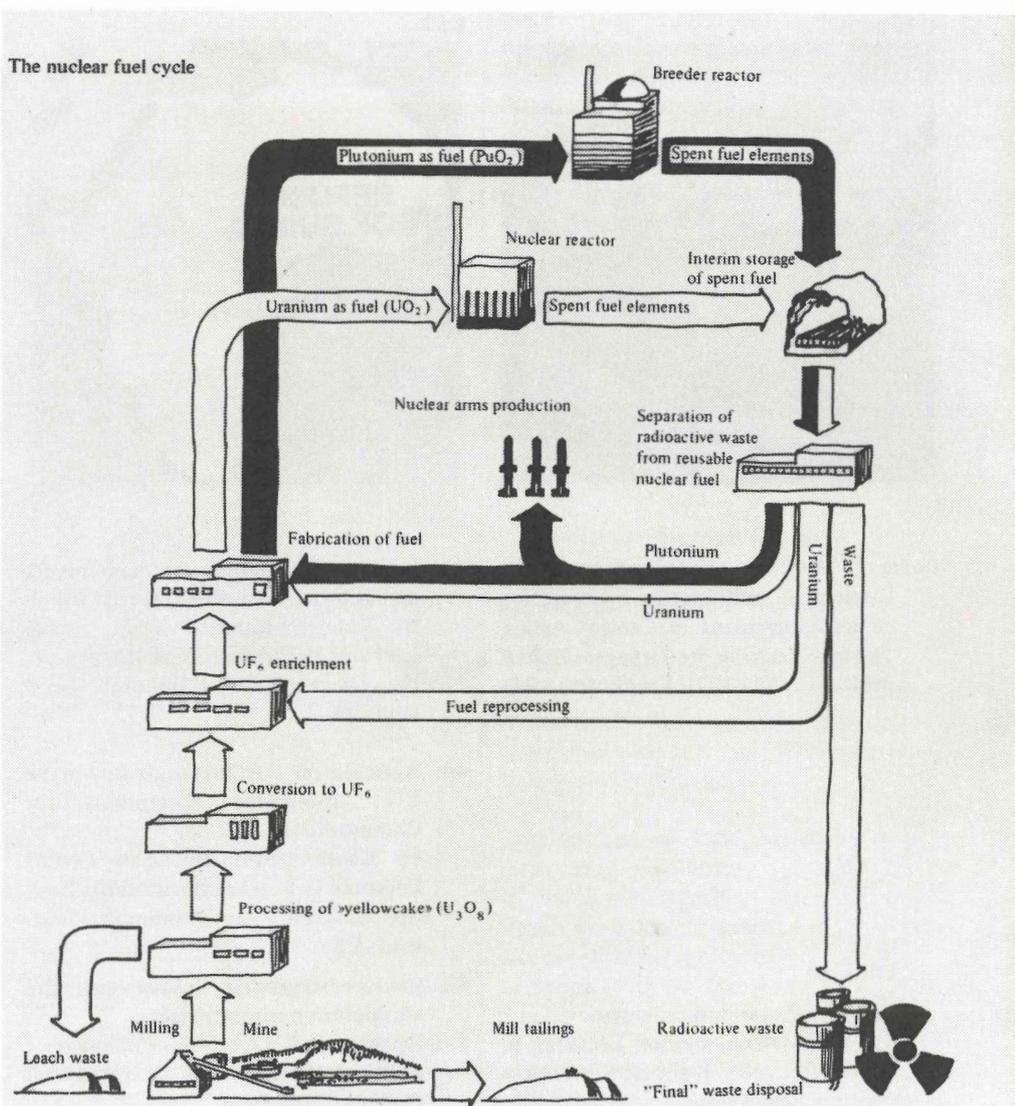
For this issue we have selected a commodity report on uranium, two special reports on agricultural commodities and the efforts to reach international agreements regulating the markets for these commodities, and finally a company report focusing on the relationship between Alcan and Guinea, i.e. between a major aluminium transnational and a major bauxite exporter.

The papers on uranium and agricultural commodities illustrate different approaches to analysing influence and control in a given commodity market.

### The TNC in focus

In the uranium industry transnational corporations, in close collaboration with their respective governments, have divided the world market:

- The US market has been segregated from the international market with self-sufficiency enforced by law. In 1964 the Atomic Energy Commission prohibited the use of foreign uranium in US reactors. Since 1977 this restriction has been eased gradually and will be totally phased out during 1984,



● European and Japanese corporations have tried to coordinate their long-term uranium policies through the Uranium Institute in London. The UI has been careful to stress its function as an information center. However, in 1976 a number of the most powerful member corporations were charged with:

"price-fixing allocation of markets, curtailment of supply and a boycott of Westinghouse and other middlemen". (*Transnational Corporations and Contractual Relations in the World Uranium In-*

*dustry: A technical paper.* UN/ST/CTC/37, 1983).

The suit was the largest private antitrust lawsuit in US history. Although it was finally settled out of court in 1981 it gave clear evidence of the key role played by the TNCs in the uranium market.

### The nation-state in focus

In the reports on agricultural commodities the focus is on national governments

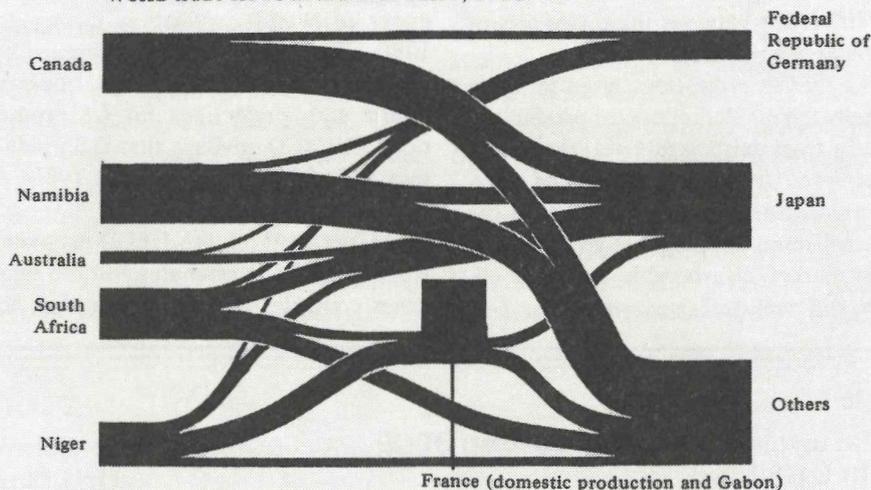
and how they are trying to co-ordinate production, whether private or state-controlled, by multilateral agreements within the framework of the UN machinery. This latter approach has mainly been adopted by producers in the developing countries trying to gain access to markets in the industrialized countries. Conflicts in this context have most often been North-South oriented, as opposed to uranium where conflicts have had a North-North character, ie the traditional rivalry over markets by leading producers. (Cf RMR Vol 1 no 3, F Clairmonte, *The Configuration of Corporate Power in Selected Food Commodities*).

### The TNCs, the state and the market

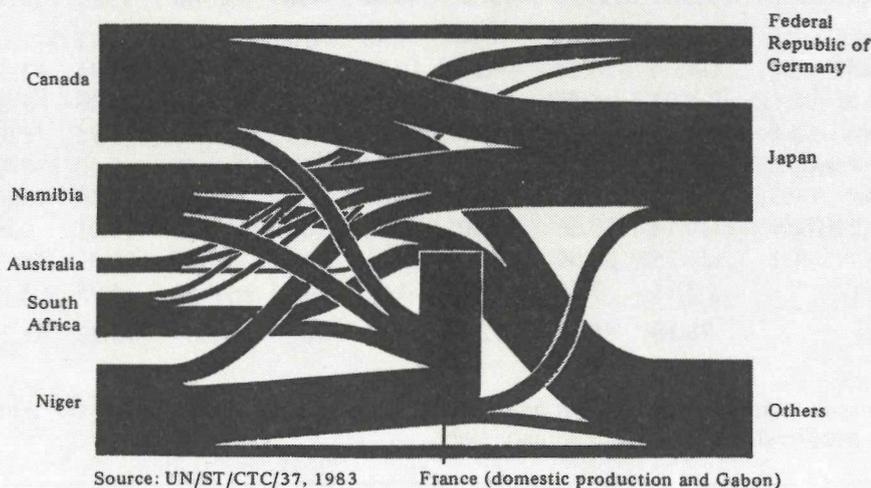
A possible theoretical framework for integrating the two analytical perspectives outlined above is given in the company report on Alcan and Guinea. The author gives some suggestions as how to relate the actors involved in a specific commodity market to "the conditions of accumulation in the industrial branch in question and, more generally, the conditions of accumulation on a world scale."

The importance of such a global perspective is clearly illustrated by the figures of the nuclear fuel cycle and the uranium trade flows. As indicated, the nuclear weapons industry, and thus national security interests, are closely related to the civilian nuclear-electric industry through the production/consumption plutonium and through the (unresolved) problem of disposal and storage of nuclear waste. Further studies of such links, how they affect prices, ownership/control etc in the uranium industry, are of utmost importance, not only for an understanding of energy policies globally, but also for laying the foundations of an understanding of the dynamics of the increasingly integrated resources industries in general. ■

World trade flows in uranium oxide, 1980



Projected world trade flows in uranium oxide, 1985



Source: UN/ST/CTC/37, 1983

France (domestic production and Gabon)