

The Political Economic Determinants of Nuclear Power: Evidence from Chernobyl

Alexey Makarin, Nancy Qian, and Shaoda Wang

Abstract :

The rapid growth of nuclear power plants (NPP) declined dramatically after Chernobyl, especially in countries with democratic governments which had the highest number of NPPs at the time. To understand the mechanisms driving such change, we examine two case studies in detail: the United States and the United Kingdom. In the U.S., we document that: (a) after the Chernobyl accident, campaign contributions to House and Senate races from fossil fuel special interest groups became strongly associated with negative votes on nuclear-related bills, and such donations increased significantly; and (b) newspapers with more fossil fuel advertisements published more anti-nuclear articles after Chernobyl, while we do not observe significant changes in advertisement spending by the fossil fuel industry. In the U.K., MPs sponsored by mining unions were much more likely to give anti-nuclear speeches in parliament after Chernobyl. We examine air pollution as a downstream outcome of reduced nuclear investment. We estimate that the decline in NPP caused by Chernobyl led to the loss of approximately 141 million expected life years in the U.S., 33 in the U.K. and 318 million globally