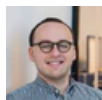
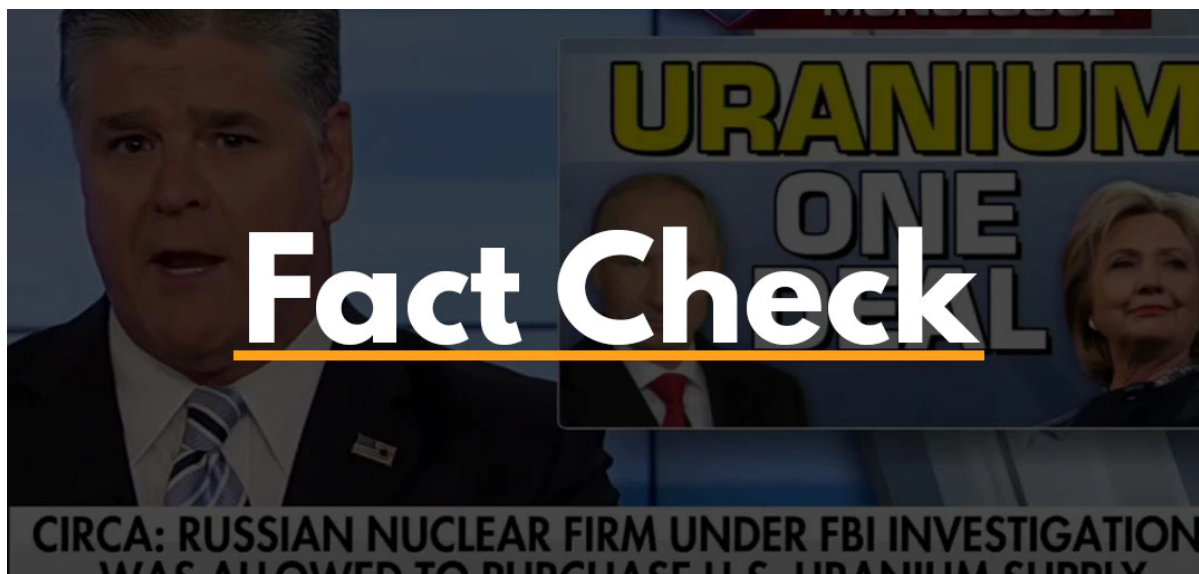
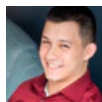


Debunking the Uranium One "Scandal"



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There is a general rule in public relations that when you're mired in scandal, you create a scandal elsewhere as a distraction. Uranium might be the 92nd element in the Periodic Table, but resurrecting Uranium One is 1st in the Distraction Table.

Uranium One re-surfaced in the news at the exact moment the Mueller investigations into the Trump campaign and White House reached a new level of seriousness. According to newspaper reports, Attorney General Sessions was rumored to be considering a special counsel to investigate the "scandal" before softly denying it at a hearing of the House Judiciary Committee on November 14, 2017. But this story of Clinton wrongdoing circulating on right-wing media has no basis in fact.

By way of background, in 2010, Moscow-based Rosatom acquired majority control of Canada-based Uranium One. Right-wing media outlets have since claimed that Hillary Clinton, as Secretary of State, transferred 20 percent of all U.S. uranium to Russia by approving this sale in exchange for \$145 million in donations to the Clinton Foundation. None of this is true.

This short paper will equip you with what you need to know to debunk this fake scandal. Expect it to come up more as right-wing media and candidates deflect attention from the scandals and policy failures of the Trump administration and Republican Congress.

As Secretary of State, Hillary Clinton couldn't approve the sale of Uranium One.

Because the Canadian-based Uranium One has mines in Wyoming, U.S. authorities were compelled to review the sale of this company to Rosatom. The Committee on Foreign Investments in the United States (“CFIUS”) is charged with reviewing foreign investments with potential impacts on national security. It has nine members:

- The Secretaries of Treasury, State, Defense, Homeland Security, Commerce, and Energy;
- The Attorney General;
- United States Trade Representative and Director of the Office of Science and Technology Policy

While CFIUS reviews transactions and flags security threats, it does not have the power to stop them; only the President can do that.¹ In her capacity as Secretary of State, Clinton's objection could not have stopped the sale, nor could she have unilaterally approved it. The Secretary of State is one of nine votes within CFIUS that makes a recommendation to the President to accept or reject. In this case, the committee did not raise any security concerns. Furthermore, even right wing media cites no direct evidence that she intervened on Uranium One's behalf, for or against.

The deal did not transfer *any* uranium from the U.S. to Russia, let alone “20 percent of U.S. uranium” to Russian ownership.

Where does the “20 percent” claim even come from? First, there is a big difference between capacity and supply. Uranium One’s Wyoming facilities could *theoretically* process 20 percent of uranium produced domestically in the United States, but production capacity does not equal physical supply, and those facilities have never produced anywhere near that quantity.² Moreover, *no uranium was transferred to Russia from the United States*. The United States already imports the overwhelming majority of uranium it uses from countries like Kazakhstan, Canada, and Russia.³

After Rosatom acquired Uranium One, it couldn’t just export uranium from the United States to Russia anyway. Why? The Nuclear Regulatory Commission (NRC) would have to grant an export license first, which it didn’t do. In fact, the NRC made clear in 2010 that “no uranium produced at either [Wyoming] facility may be exported” to Russia.⁴ While a small shipment of yellowcake uranium received approval for export from the United States to Canada in 2012—with the Obama administration then approving the transfer of a portion of that shipment to Europe—no exports of uranium from those facilities have taken place since.⁵

Allegations that investors’ donations to the Clinton Foundation affected the U.S. government’s approval of the sale are flimsy, at best.

The star of the Uranium One scandal is Frank Giustra. Frank Giustra was a Uranium One investor who provided \$131 million of the \$145 million donation cited by Breitbart. But Giustra says he divested his stake in the company in 2007, two years before Hillary Clinton became Secretary of State.⁶ A bit player is Ian Telfer, a board member of Uranium One who donated anywhere from \$1.3 million to \$5.6 million to the Clinton Foundation during the period in question. While this isn’t peanuts, it’s not the \$145 million that Breitbart claims “greased the wheels” of the CFIUS process.

Breitbart is behind this story. And if Breitbart is right, there was a massive conspiracy by the senior-most officials of the

defense establishment to intervene on behalf of a company whose U.S. mines aren't even strategically significant in exchange for donations from an investor who divested his stake two years before Clinton became Secretary of State. It makes no sense.

What to Say in Response to Common Claims

CLAIM: "Clinton approved the sale of Uranium One to Russia."

ANSWER: Clinton did not have the power to allow or stop the sale of Uranium One.

CLAIM: "Clinton gave away 20 percent of U.S. uranium to Russia."

ANSWER: Not once ounce of uranium ever left the U.S. to Russia following the sale of Uranium One to Rosatom.

CLAIM: "Clinton approved the sale of Uranium One in exchange for donations."

ANSWER: Not only is there no evidence whatsoever that this is true, the big donor who supposedly swayed her was completely gone from the company 2 years before Clinton became Secretary of State.

END NOTES

- 1.** Paul Rosenzweig, "Unpacking Uranium One: Hype and Law," *Lawfare*, October 27, 2017. Accessed November 15, 2017. Available at: <https://lawfareblog.com/unpacking-uranium-one-hype-and-law>.
- 2.** Testimony of Frank Hahne before the Committee on Oversight and Government Reform, Subcommittee on the Interior, April 22, 2015. Accessed November 15, 2017. Available at: http://www.theupa.org/_resources/Frank-Hahne-WrittenTestimony-for-4.22-OGR-Hearing-FINAL.PDF.

3. "Over 90% of Uranium Purchased by U.S. Commercial Reactors is from Outside the U.S.," U.S. Energy Information Administration, July 11, 2011. Accessed November 15, 2017. Available at: <https://www.eia.gov/todayinenergy/detail.php?id=2150>.
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5. John Solomon and Alison Spann, "Uranium One Deal Led to Some Exports to Europe, Memos Show," *The Hill*, November 2, 2017. Accessed November 15, 2017. Available at: <http://thehill.com/policy/national-security/358339-uranium-one-deal-led-to-some-exports-to-europe-memos-show>.
6. "Statement of Frank Giustra," *CEO CA*, April 23, 2015. Accessed November 15, 2017. Available at: <http://blog.ceo.ca/2015/04/23/statement-of-frank-giustra/>.