IMPACT OF URANIUM ON THE ECONOMY OF THE STATE AND THE SOUTHEASTERN UTAH AREA

by

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Total impact of the uranium industries on the economy of the area, state, and the nation may never be specifically evaluated. While costs of production, expenditures for claims, and milling costs can be computed with a considerable degree of accuracy, the total and specific impact of such costs (or income) on all other segments of the economy cannot be determined with a great deal of accuracy. Studies show that a new dollar from wages or new production enters the economic stream and may be "turned" over as many as sixteen times before it is dissipated. This is an impact of sixteen times the original dollar. Other more conservative reports indicate a turnover impact of four times. Thus the $500 million uranium costs (income) in Utah has meant an impact from $1 to $2 billion on the economy of the state.

We have nearly completed a cycle in uranium: demand (for weapons), acute shortage of uranium, intense and wild search and staking of claims, production increase, oversupply, and end of search. Today begins a new cycle accompanying new demand (power), impending shortages, search and development of new sources. There is a difference; today's search for ore is professional but nevertheless real.

As to the impact of uranium's first cycle, a few generalizations apply:

(1) We telescoped into two decades the development which in other metals required up to one and one-half centuries and had such beginnings as the gold rush to California, silver at the Comstock, and development in other states—Montana, Utah, and Colorado—with their own rushes.

(2) Uranium effected a sudden drastic change in the economy and political fabric, with the development of nuclear weapons and nuclear power with its various applications on land, on oceanic travel and in space ventures. Uranium usage, which for years had been limited to such things as a minor constituent of luminous paints, rose to assume a giant role traditionally limited to wind, falling water, and hydrocarbons. Its challenge is essentially today and in the future.