



Spatial Economics Research Centre

Wednesday, 13 June 2012

Should Romney Marsh be a Nuclear Waste Dump

I've been traveling without much time to keep up on the UK news (or blogging).

A colleague pointed me to the story that [Romney Marsh might become a nuclear waste dump](#) and asked whether there was a spatial aspect to the story. I confess to a personal interest - I grew up in Folkestone and I remember trips out to the Marsh (including a school trip to the nuclear power station currently sited there). Personal interest aside, my colleague is right that there is a spatial aspect.

Setting up a new nuclear facility generates negative externalities for people living near to the site. These kind of negative externalities tend to get capitalised in to house prices. In plain English - building a new nuclear facility will tend to drive down local house prices. But the interesting thing about the Romney Marsh proposal is that this is a new facility that would replace an existing nuclear power station ([or two, depending on how you want to count them](#)).

Given that Dungeness A was connected the grid in 1965, most local residents will have moved there (or chosen to stay there) after the power station was commissioned. In short, very few people are likely to be 'surprised' to find themselves living next to a nuclear facility and those that do are already 'compensated' by low house prices. So, setting aside technical considerations about the suitability of the site, Romney Marsh is a pretty good location for a new nuclear facility because it already has an old nuclear facility. This is exactly the same argument for why it may make more sense to [expand Heathrow rather than to create a completely new airport](#) in a different part of London.

Two further factors help further understand the story. First, people living near the power station are more likely to work there (or in businesses that indirectly rely on demand generated by the power station or it's employees). Second, if waste is being shipped to the facility this may generate negative externalities in the wider area (e.g. on train routes that will be used) that are not yet capitalised into prices. For these reasons, local residents are more likely to be in favour of a new facility than residents living further away. From the news stories this would appear to be the case.

You have to suspect that a Kent wide referendum (as suggested by the county council - which is opposed to the scheme) will almost certainly go against it. Large numbers of people experiencing small negative effects (but possibly scared in to thinking they will experience very large negative effects) are always going to outvote the much smaller number of people that might get very large benefits from replacing the existing power station. And a Kent wide vote ignores the wider benefits that might go to the UK as a whole from switching to deep storage. This is one of the reasons why siting of key infrastructure projects needs to remain a central, rather than local, government decision.

Not a conclusion, I realise, that would necessarily be popular with the residents of my home town.

Posted by [Prof Henry G. Overman](#) on [Wednesday, June 13, 2012](#)

 Recommend this on Google

No comments:

[Post a Comment](#)

[Newer Post](#)

[Home](#)

[Older Post](#)

Subscribe to: [Post Comments \(Atom\)](#)

Simple theme. Powered by [Blogger](#).