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Shipbreaking

Breaking up is hard to do

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A plan to dismantle old ships on Teesside continues to spark controversy

HARTLEPOOL, a mid-sized industrial town a few miles south of Newcastle on the North Sea coast, has a proud history of shipbuilding. During the second world war its yards were among the country's most productive, but later it suffered mightily as business fled Britain for cheaper yards overseas. When Grays, Hartlepool's most famous yard, closed in 1962, the town's unemployment rate jumped from 6.2% to 10% overnight.

AFP



A gift from the sea

Yet even today, its shipping industry is not quite dead. On February 8th the *Clemenceau*, a superannuated French aircraft-carrier, entered the town's giant Graythorp dock, where it was moored alongside four American warships. They are all to be broken up for scrap. Breaking ships takes less labour than building them, but Able UK, the firm carrying out the work, reckons the work will still create 170 jobs and boost Hartlepool's economy.

The celebrations have not been universal. Both the *Clemenceau* and her American berth-mates are old, and thus contain nasty chemicals, including mercury, lead, asbestos (a fireproof mineral widely used before its toxic properties became known) and polychlorinated biphenyls (poisonous chemicals used in electronics until their banning in the 1970s).

That environmental risk explains why the *Clemenceau* has come to Britain. She was decommissioned in 1997, and the search for a final resting place has been tortuous. Turned away by Spain and Turkey, the ship was slated to be broken up in India, which has a cheap, slapdash and thriving shipbreaking industry. She duly set sail for Gujarat in 2005. But amid protests from environmental groups, which argued that India lacked the equipment needed to dispose safely of all the chemical nasties, India's supreme court ruled that she could not dock. After a French court reached a similar decision, the *Clemenceau* returned to France. Able UK eventually won the contract, says Peter Stephenson, its chief executive, precisely because of its ability to dispose of the ship properly.

Everyone agrees that safe scrapping is a good idea, but some doubt that Able UK is up to the job. A local group called Friends of Hartlepool accuses the firm of spreading misleading propaganda, and argues that the Graythorp dock is unsuitable for dealing with dangerous chemicals because spillages could leach through the floor and contaminate the soil. They point out that Able UK was fined £22,000 in 2007 for a "reckless" breach of asbestos-dumping regulations at a nearby landfill site, and say that it has little experience of scrapping ships (the firm has broken up old oil rigs, which it says are similar). It has only been allowed to begin work after years of legal disputes. But greens are split: Greenpeace, a big environmental pressure group which opposed sending the *Clemenceau* to India, supports scrapping the ship in Hartlepool instead. Friends of the Earth, another green group, takes a similar line (although disaffected ex-members have come together in Friends of Hartlepool).

If the environmental aspects of shipbreaking are tricky, so are the economic. Rich-country companies struggle to match the prices of firms in poorer places. Their selling point is environmentally conscious disposal. But many shipping firms are not bothered by such niceties, says Nicky Gregson, a geographer at Sheffield University. That could restrict the market for high-quality disposal to ships that are owned by governments, which tend to be more susceptible to eco-lobbying than private firms. The British government committed itself in 2007 to scrapping its ships properly and is encouraging the development of a British shipbreaking industry.

The vagaries of the market can be trying too. No sooner had the legal proceedings regarding the *Clemenceau* ended than the global financial crisis began. Commodity prices have tumbled, and the steel in old ships is worth much less than it was. "The value of our steel in stock has fallen by £29m in past six months," sighs Mr Stephenson. Rather like shipbuilding half a century ago, he says, shipbreaking is a boom-and-bust business.

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