

## World Trade by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Comment
<b>NEW DEALS</b>			
\$940 mn.	U.S.S.R./ Western Europe	The Soviets signed contract for 22 of the 41 compressor stations needed for the controversial 3,600 mile pipeline which will carry 1.4 trillion cubic ft. of natural gas per yr. from Western Siberia to Western Europe. The compressor contract goes to consortium of Mannesmann (W. Germany) and Creusot Loire (France) and will also give work to AEG (W. Germany) and John Brown (Scotland). Soviets getting 10 yr. credit at 7.8%. Contract means that the \$10-\$15 bn pipeline will be built, following opposition from Carter and Reagan administrations and some pricing conflicts.	See news article. Commerce Dept. has okayed use of G.E. parts in 7 gas turbines to be built by Hitachi for pipeline, says <i>Japan Economic Journal</i> .
\$2.25 bn. plus	India from Western Europe	India has given contract for 1.3 mn. tpy integrated iron and steel making and rolling plant to consortium led by Davy McKee of England with Alsthom of France and MAN-GHH of West Germany. Davy-led group won because of better financing terms. Financing arranged by Lazard Bros., Parisbas, Commerzbank with big gifts from U.K. and French govts. covers complete project, including \$720 mn. building costs in India.	India, with 10% of world's iron ore reserves, is doubling steel production.
\$20 mn.	Argentina from Canada	Consort group led by Hydro-Quebec won contract for technical services in construction of power stations for 2 dams on Limay River. Further Canadian orders for dam equipment expected for this \$1.5 bn. project.	
	Chile from Spain	Chilean air force buying 8 C-101 trainer and ground attack jets from Casa. Will be assembled in Chile.	Carries 30 mm. cannon.
\$315 mn.	South Africa from France/ Germany	MAN of West Germany and Alsthom of France won contract for six 600 megawatt coal-fired turbines from South Africa Electricity Supply Commission.	
\$53 mn.	Iraq from Italy	A sheet-metal working plant with 66,000 tpy capacity and two other factories for making frames and metal panels will be provided by Incomsa Engineering of Padua, Italy.	Contract signed.
<b>UPDATE</b>			
\$multi-billion	U.S.S.R. from West Germany	Soviets offered visiting German Economics Min. Count Lambsdorff participation in 10 big projects following agreement on huge Siberian-Western European gas pipeline deal. Just one of the projects, coal liquifaction in Kansk, Eastern Siberia, involves \$multi-bn. investments, estimates <i>Frankfurter Rundschau</i> .	
	Brazil from Europe instead of U.S.A.	Brazil and Europe Urenco partners have agreed for Urenco to provide uranium enrichment for Angra I nuclear power station which will go on stream in November. Reactor was provided by Westinghouse, which guaranteed enrichment services under 1972 U.S.-Brazil accords. Brazilians charge U.S. govt. retroactively applying anti-nuclear provisions of Carter's 1978 Non-Proliferation Act, which Brazil won't accept. State Dept. confirmed to <i>EIR</i> it was trying to force Brazilian acceptance of 1978 conditions.	Hopes that Reagan would make U.S. reliable nuclear supplier fading fast.