World Trade by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Comment
NEW DEALS			
$1 mn.	South Bronx, U.S.A. from Saudi Arabia	A plant to cut up 20,000 tpy chicken in the South Bronx Free Enterprise Zone is being financed by Saudi billionaire prince Muhammad al-Faisal. The chicken business will be kept strictly under dietary law by its operators, Islamic Center of Philadelphia. The prince became famous for his proposal to irrigate Saudi deserts with 100-million-ton icebergs towed from Antarctica. Enterprise zones are Hong Kong-type urban enclaves which give tax gifts and exemption from regulation to marginal employers. The prince owns the $1 bn. Islamic Investment Co. in Geneva, which, he claims, will now engage in $500 mn. worth of ventures in the U.S.	The prince evidently agrees with "planned shrinkage" urban specialist Roger Starr of the *New York Times,* who in a 1980 interview full of racialist slurs proposed just such an enterprise, citing Puerto Ricans' affinity for knives.
	France from U.S.S.R	Gaz de France signed contract to buy 8 bn. cu. meters/yr. of natural gas during 25 years from the Soviets. The gas will be delivered through the Siberia-Western Europe pipeline. France joined with West Germany in firmly committing itself to the pipeline, even after the Poland crisis and over strenuous U.S. objections. That means that Italy, which had hesitated, and most of the rest of Western Europe, will undoubtedly go along. Spain, which had not been part of the original deal, has since approached the Soviets seeking contract for supply of at least 2 bn. cu. meters/yr.	The pipeline will begin delivering 15 bn. cu. m. of gas to Western Europe in 1984, increasing to 40 bn. in 1987. Total cost estimated at $15 bn. Europe will finance the $10 bn. in contracts for steel pipe, pumping stations, etc. given to its industries.
$260 mn.	Soviet Union from West Germany	Hoechst signed contract to build 24,000 tpy polyester filament plant in Mogilev, 300 miles west of Moscow. Hoechst's Uhde subsidiary has already built 3 such plants in Mogilev and 2 elsewhere in the U.S.S.R.	Payment will partly be in compensation trade, but not in polyester, since deal prohibits its export to the West.
$800,000	U.S.A. from India	Precision Rubber Industries Private Ltd. is about to open a production facility in North Carolina as a joint venture with H. Beveridge and Co. The plant will manufacture rubber coats and aprons and parts for textile machinery. This is the first Indian joint venture in the U.S. using Indian know-how, plant, and equipment.	Technology transfer can go both ways.
	India from U.S.A.	Mercury Marine has licensed Escorts Ltd. of Delhi to make 10,000 outboard motors per year in India. The 7.5 to 15 hp. motors will run on either gasoline or kerosene and be used to mechanize India's fishing fleet, now mostly sail-propelled.	Mercury Marine will buy back some outboards for sale in third countries.
	Argentina from Japan	Fujitec will refit one of Buenos Aires' many closed factories to manufacture 2,000 elevators per year for South American market.	Fujitec also setting up plants in U.S.A.
$220 mn.	Saudi Arabia from Italy	Belleli, S.p.A. won contract for modules of machinery for installations at the Yanbu petrochemical complex being built by Bechtel for Saudi Basic Industries and Mobil Oil. Modules are plants pre-assembled in the exporting country.	Japanese shipbuilders claim devaluation of lira outweighed superior Japanese technology.
$60 mn.	Libya from West Germany	Krupp group is building 30,000 cu. m./day drinking water desalination plant at Ajdabia, Libya. Contract includes all equipment and construction, and related infrastructure. Plant will cycle sea water three times through multi-flash evaporation process.	Will have own 15 megawatt heavy-oil steam electrical generation system, of which 9 will be used for desalination.