

World Trade by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Comment
NEW DEALS			
\$1 bn.	Egypt from France	Mitterrand govt. has approved sale of 20 Mirage 2000 combat jets to Egypt. Egyptian press had expected order two or three times as big. Part of deal is that Egypt will make some spare parts for Mirage line, which will give French arms industry a base in the Middle East. French hope to use this as leverage to get big Saudi financing for Mirages, should Egypt move closer to Saudis.	Terms are 9% on French francs, payable in 12 semi-annual installments following 1983 delivery.
\$26 mn.	Jamaica from U.S.A.	A complex of 2 movie and TV stages will be built in the Montego Bay Free Zone under tax breaks which will make a planned facility in central Florida non-competitive. Jamaica is giving investors tax writeoff of total construction costs and 70% of eventual revenues. Filmmakers using Caribbean Media Center will get 9 years' tax holiday on income from films made there. 20th-Century Fox and Warner Communications will use site.	Up to now, only "flicks" made in Jamaica were ashes off marijuana joints. Reagan Administration "Caribbean Basin Initiative" has given Jamaica tax breaks on convention business.
	U.S.A. from Japan	Daiwa Steel Tube plans to double capacity of its Pine Bluff, Ark. Century Tube Corp. to 72,000 tpy structural-use galvanized steel tubes.	Century plans to expand from current Eastern U.S. market toward West.
\$9 mn.	U.S.S.R. from Japan	Soviet Transport ministry has ordered 16 tunnel-boring machines for use in the Bam Trunk Railroad construction. Boring machines made by Tone Boring Co. and sold through Nissho Iwai for payment in U.S. \$.	Deliveries scheduled for early 1982.
\$90 mn.	U.S.S.R. from Japan	Soviets have ordered 4 pneumatic grain unloaders with 300 ton/hr. capacity each for shipment in November.	Expected 2 will be in Black Sea port and 2 in Far East.
UPDATE			
\$15 bn.	U.S.S.R./ Western Europe	Siberia-Western European pipeline deal, running into problems from U.S.' "Polish" economic sanctions which may prevent GE from delivering \$160 mn. in gas turbine rotor blades needed for the pumping stations already contracted from European suppliers. Several Western countries could circumvent sanctions by using GE technology to make blades themselves, or the project may be delayed by search for system not dependent on any U.S. components.	Deal affected by constantly-changing political parameters analyzed in <i>EIR</i> . Soviets are not only ones hurt by sanctions. Immediate results include added value for North Sea gas and added leverage to Libya and Algeria in bickering with Western Europe over gas prices.
	U.S.A. from Japan	Kaiser and U.S. Steel are ordering steel slabs (semi-finished steel for making flat-rolled steels) from Japan to replace upstream pig-iron steel capacities in the U.S. which they have scrapped rather than build modern coke ovens and blast furnaces. American steelmakers specializing in rolling and stamping. Kaiser will take 0.5 mn. tons slabs from the 5 big Japanese steelmakers this year, rising to 2.5 mn. tons in 1985 as it closes down the only integrated steel capability on the U.S. West Coast.	<i>Japan Economic Journal</i> reports U.S. Dept. Commerce "welcomed this U.S.-Japanese division of labor arrangement" and will not count Kaiser slab as Japanese steel export to U.S. Ostensible purpose is to "save" Kaiser from bankruptcy.