

World Trade by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Comment
NEW DEALS			
\$53 mn.	Iraq from West Germany	A consortium of German consultants has been hired by Iraq to plan the Iraqi auto industry, which will involve investments of more than \$5.3 billion in near future. Plans are to manufacture 120,000 cars, 25,000 trucks, and 15,000 tractors per year. Group led by Weidleplan of Stuttgart; includes Kohlbecker and Integral Architekten. Industry will be in a greenfields city.	Weidleplan says Iraq plans auto industry as core of general industrial development.
\$1.9 bn.	Indonesia from U.S.A.	Pertamina has signed contracts with Bechtel and Fluor for doubling Indonesia's refining capacity to 800,000 bpd. Each will build a 200,000 addition to an existing refinery. Bechtel's job is \$1 bn.; Fluor's is \$857 mn.	Siemens of West Germany will build \$60 mn. electric plant for Balikpapan refinery.
\$1 bn. investment	Holland/U.S.A.	Fokker and McDonnell Douglas will go 50-50 to design, produce, and market a 150-passenger airliner. The MDF-100 will combine planned DC-11 and F-29; will be produced in parallel assembly lines in Long Beach, Calif. and Holland for U.S. and EC market access. Joint venture hoped to pull both companies out of nosedives.	Will compete with similar craft designed by Boeing and European Airbus.
	India/Saudi Arabia	Economic and technical agreement signed by foreign ministers identifies joint project priorities in agriculture and industry. Deal encourages private capital flows.	Saudi Fund for Development has made \$132 mn. low-interest loans to Indian hydroelectric projects.
\$10 mn.	Saudi Arabia from U.K.	British Electricity Intl. will coordinate 39 electrical projects in central Saudi Arabia in addition to 60 British electrical engineers already working on Riyadh expansion.	
	China/U.S.A.	Avon Products will make and market face cream in China in joint venture with govt., as first step to full-scale Avon calling in China. Chinese will sell Avon jewelry.	China has been losing face on canceled heavy industry projects.
\$224 mn.	Jordan from Japan	Mitsubishi and Kobe Steel will build 2 mn. tpy cement plant.	
UPDATE			
\$3.6 bn.	U.K./France	Tarmac and George Wimpey of England plan joint venture to finance, build and operate English Channel tunnel. Bankers Robert Fleming and Kleinwort Benson are sponsoring the dig.	Thatcher govt. has not approved project, but might be inspired to build a bridge to Mitterrand.
	Pakistan from U.S.S.R.	The Soviets have offered Pakistan nuclear and thermal power plant aid on same concessionary terms given India and other Soviet customers.	Attractiveness of offer embarrassing to Zia anti-Soviet govt. and to U.S. antinuclear policy.
	India/U.K./U.S.A.	British subsidiary of Eaton Corp. will manufacture 20,000 axles per year for medium- and heavy-duty trucks in India. Eaton, Wheels India and Sundaram Finance will each own 1/3 of venture.	Replaces axles imported from U.K. for Ashok Leyland trucks.
\$18 mn.	Ireland from U.S.A.	Perkin Elmer setting up minicomputer assembly plant in Ireland. Irish say won out over Puerto Rico and Singapore because of tax advantages, and EC privileges.	