

ABC COLOR NOTES ITAIPU INEQUITIES

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[Editorial: "The Value of the Energy Itaipu Will Generate"]

~~[Text]~~ Once again reports from Brazil--this time from none other than General Costa Cavalcanti--stress something which in our country has been always overlooked and practically denied by the negotiators of the Itaipu treaty: the great importance the Itaipu hydroelectric plant will have for Brazil.

General Costa Cavalcanti, who is head of the Itaipu binational enterprise, has said, in effect, that the government's investments in Itaipu will be rapidly recovered since the energy to be produced by the powerplant will represent about 111 million barrels of oil per year--each barrel is equivalent to 159 liters--which would cost Brazil "about \$1.2 billion."

It must be noted, however, that General Costa Cavalcanti's figures are incomplete and consequently the real figures in dollars are considerably higher than those he gave.

In this regard, we must note that Itaipu's generating capacity is at present estimated at about 80,000 gigawatts or 80 billion KW and that thermal electric power is usually estimated at 3 KV per KG of oil which means that 175.5 million barrels of oil are needed to generate 80,000 gigawatts. But more than 220 million barrels would be needed since there is a 30 percent increase in oil needed to generate thermal electricity.

At this stage of the evaluation of General Costa Cavalcanti's statement it could be interpreted that when he spoke of 111 million barrels he was exclusively discussing the electricity that the Itaipu treaty grants to Brazil; i.e., not that total 80,000 gigawatts that Itaipu will generate, but rather only half of this amount with which the two figures would be in complete agreement.

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