

Message Text

UNCLASSIFIED

PAGE 01 LA PAZ 02773 011540Z

50

ACTION COME-00

INFO OCT-01 ARA-10 ISO-00 AGR-03 EB-05 DRC-01 CIAE-00

INR-10 NSAE-00 RSC-01 XMB-01 STR-04 /036 W

----- 127891

R 011348Z MAY 74

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC 2976

UNCLAS LA PAZ 2773

FOR USDOC

E.O. 11652: N/A

TAGS: BEXP, BL

SUBJECT: TEXTILE TRADE MISSION, VENEZUELA, COLOMBIA, AND
BRAZIL, JUNE, 1974

1. ACTION REQUESTED: INCLUDE BOLIVIA IN ITINERARY OF ABOVE
TEXTILE MISSION. THOUGH BOLIVIA DOES NOT HAVE INDUSTRY AS LARGE
AS COLOMBIA, VENEZUELA, AND BRAZIL, ITS INDUSTRY IS PRESENTLY
OPERATING AT CLOSE TO 100 PERCENT CAPACITY WITH MOST COMPANIES
CARRYING OUT AND PLANNING EXPANSION. THEREFORE, WE RECOMMEND THE
MISSION RETURN FROM BRAZIL VIA LA PAZ.

2. TEXTILE INDUSTRY IS AS FOLLOWS:

NAME OF FIRM	EMPLOYS	MANUFACTURES	SALES
MANUFACTURAS DE		TEXTILES AND	
ALGODON, S.A.	1,016	COTTON THREADS	2,850,000
LANIFICIO BOLIVIANO		WOOL BROAD,	
DOMINGO SOLIGNO S.A.	735	WOVEN FABRICS	1,500,000
		WOOL BLANKETS	
		MEN SUITINGS	
MANUFACTURAS		COTTON FABRICS	
TEXTILES FORNO S.A.	490	WOOLEN FABRICS	1,000,000
		BLANKETS	
		ACRYLIC FABRICS	
SOCIEDAD NACIONAL			
TEXTIL S.A.	257	COTTON YARNS	770,000
ESTABLECIMIENTOS		COTTON FABRICS	

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 LA PAZ 02773 011540Z

TEXTILES ESTATEX S.A. 169 NYLON FABRICS 1,200,000

RAYON FABRICS

POLYESTER FABRICS

TEXTILES ASOCIADOS 160 WEAVING SYNTHETICS

S.A. FABRICS 650,000

FABRICA DE TEJIDOS COTTON FABRICS

JACQUARD FATEJA S.A. 109 FIBER AND SILK 800,000

TEXTILE FABRICS

BROCADES

INDUSTRIAS SILESIA 72 MEN'S HOSIERY

WOMEN'S STOCKINGS, 600,000

SHIRTS

TEXTILES ORIENTALES COTTON CLOTHS 268,000

S.A. 110 TEXTILE BAGS

COMBOFLA WOOL TOPS, FUR

(GOB WHOLLY OWNED) 101 CLOTHING 200,000

IN ADDITION, GROUP OF SANTA CRUZ BUSINESSMEN HAVE FORMED A NEW FIRM (HILADOS Y TEJIDOS SANTA CRUZ, S.A.) TO PRODUCE YARN. THEY ESTIMATE EQUIPMENT PURCHASE OF \$3.5 MILLION. PART OF THE YARN OUTPUT WILL BE USED TO MANUFACTURE 3,000,000 BAGS YEARLY TO STORE RICE, SUGAR, CORN, ETC. MEDELLIN, COLOMBIA FIRM (WE HAVE BEEN UNABLE TO OBTAIN NAME) WAS CONTRACTED TO PERFORM FEASIBILITY STUDY. WE RECOMMEND THAT MEDELLIN LOCAL BRANCH OF BANK OF AMERICA BE CONTACTED TO OBTAIN COMPANY'S NAME SO THAT MISSION MEMBERS CAN DISCUSS SANTA CRUZ PROJECT. NEW SANTA CRUZ COMPANY TO SIGN CONTRACT ON MAY 10, WITH MEDELLIN COMPANY WHICH WILL PROCEED WITH EQUIPMENT PURCHASES AND FINAL PLANT DESIGN. SANTA CRUZ GROUP STILL INTERESTED IN DISCUSSING EQUIPMENT REQUIREMENTS.

GOB IS PLANNING SECOND YARN PLANT IN SANTA CRUZ COSTING UNCONFIRMED \$US 15 MILLION. THIS PROJECT IS BEING FINANCED UNDER US\$25 MILLION BANK OF AMERICA LOAN TO GOB WHICH PRESUMABLY WILL RELEND TO CORPORACION BOLIVIANA DE FOMENTO (C.B.F.) WILL ARRANGE MEETINGS FOR MISSION MEMBERS WITH CBF.

3. BOLIVIA IS AN EXPORTER OF COTTON. PROJECTED PLANTS WOULD PROCESS THIS RAW MATERIAL. THE SANTA CRUZ AREA PRODUCES VIRTUALLY ALL BOLIVIAN COTTON AS FOLLOWS:

PERIOD	HECTARES#	(100 LBS. UNITS)
1952/53	200	572
1958/59	1,000	15,000
1968/69	6,000	90,000

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 LA PAZ 02773 011540Z

1969/70 8,500 120,000

1970/71 17,600 228,000

1971/72 47,000 335,000

1972/73## 60,000 900,000

10,000 SQ. METERS PER HECTARE.

ESTIMATED

NOTE: THE PERCENTAGE INCREASE OF BOTH HECTARES AND OUTPUT FROM THE PERIOD 1968/69 TO 1972/73 WAS 900 PERCENT OR A

YEARLY AVERAGE OF 58.5 PERCENT (COMPOUNDED). EXPANSION IS STILL IN MOTION.

4. STATISTICS ON THE IMPORTATION OF TEXTILE MACHINERY IS NOT CURRENT. THE LATEST TWO YEARS AVAILABLE REFLECT IMPORTS OF:

	TOTAL(CIF)	TOTAL (CIF)
	WORLD	USA#
1970	833.1	490.1
1971	745.9	530.6

U.S. \$(000)

5. THOUGH THE ABOVE FIGURES ARE RELATIVELY LOW OUR INTERVIEWS WITH THE LA PAZ COMPANIES LISTED IN PARAGRAPH NO. 2 INDICATE SEVEN OUT OF NINE COMPANIES INTEND TO EXPAND THEIR OPERATIONS. AS PRODUCTION OF COTTON INCREASES, NEW COMPANIES WILL BE FORMED TO PROCESS YARN AND AS THE PRESENT LA PAZ FIRMS ARE OPERATING AT CLOSE TO 100 PERCENT THERE WILL BE AN INCREASE IN THE IMPORTATION OF TEXTILE MACHINERY OF SEVERAL MILLION DOLLARS(US).

6. ALL COMPANIES INTERVIEWED EXPRESSED INTEREST IN NEW TEXTILE TECHNOLOGY.

7. AS MOST BOLIVIAN TEXTILE ENGINEERS ARE EUROPEAN EDUCATED AND EQUIPMENT ORIENTED, THE MISSION WOULD BE IN A POSITION TO DEVELOP US INTERESTS.

8. ALL COMPANIES EXPRESSED INTEREST IN DISCUSSING THEIR EQUIPMENT REQUIREMENTS WITH MISSION MEMBERS.

STEDMAN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 01 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974LAPAZ02773
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740104-0679
From: LA PAZ
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740583/aaaacwkv.tel
Line Count: 139
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 17 OCT 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17 OCT 2002 by boyleja>; APPROVED <02 JAN 2003 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TEXTILE TRADE MISSION, VENEZUELA, COLOMBIA, AND BRAZIL, JUNE, 1974
TAGS: BEXP, BL
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005