

Message Text

UNCLASSIFIED

PAGE 01 LA PAZ 02035 031722Z

72

ACTION ARA-20

INFO OCT-01 ISO-00 SAB-01 CIAE-00 DODE-00 PM-07 H-03

INR-10 L-03 NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03

SS-20 USIA-15 AID-20 EB-11 CIEP-02 TRSE-00 STR-08

OMB-01 CEA-02 COME-00 FRB-02 XMB-07 OPIC-12 LAB-06

SIL-01 AGR-20 SWF-02 TAR-02 IO-14 CG-00 DOTE-00 DRC-01

/207 W

----- 068220

R 022111Z APR 74

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC 2719

INFO USCINCSO

UNCLAS LA PAZ 2035

E.O. 11652: N/A

TAGS: PFOR, PN, BL

SUBJ: BOLIVIAN VIEWS ON PROPOSED PANAMA CANAL TOLL INCREASE

REF: LA PAZ 1831, STATE 58007

1. FOREIGN MINISTRY HAS NOW RESPONDED TO EMBASSY'S NOTE OF MARCH 25, CONCERNING PROPOSAL BY PANAMA CANAL COMPANY TO INCREASE TOLLS BY TWENTY PERCENT. FOLLOWING IS TEXT OF FOREIGN MINISTRY'S COMMENTS ON PROPOSED TOLL INCREASE

2. QUOTE THE GOVERNMENT OF BOLIVIA WOULD VIEW WITH CONCERN ANY INCREASE IN CANAL TOLLS AND IS OPPOSED TO ANY NEW CHARGE FOR THE FOLLOWING REASONS:

1) BOLIVIA, BECAUSE OF ITS LAND-LOCKED SITUATION, BEARS THE BURDEN OF A SURCHARGE OF MORE THAN TEN PERCENT ON ITS FOREIGN TRADE. THIS FACT DIMINISHES THE COMPETITIVENESS OF ITS EXPORTS.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 LA PAZ 02035 031722Z

2) LIKEWISE, SHOULD THE PROPOSED TOLL INCREASE TAKE PLACE, BOLIVIA WOULD HAVE TO SUPPORT AN INCREASE IN THE PRICES OF ITS MINERAL AND AGRICULTURAL EXPORTS, THE LATTER OF WHICH ARE AT PRESENT STARTING TO DIVERSIFY BOLIVIA'S EXPORT SITUATION. IN THE SAME MANNER, IT WOULD SUFFER DAMAGE TO ITS IMPORT CAPABILITY, IN SUCH AREAS AS MINING MACHINERY, SMELTING EQUIPMENT, AGRICULTURAL AND INDUSTRIAL MACHINERY, ETC. THEREFORE, IN CASE AN INCREASE TAKES PLACE, IT IS UNDENIABLE THAT BOLIVIA WOULD SUFFER SEVERELY FROM BOTH THE DIRECT AND INDIRECT EFFECTS OF THIS MEASURE. IT SHOULD BE EMPHASIZED THAT MOST OF BOLIVIAN FOREIGN TRADE PASSES THROUGH THE PANAMA CANAL.

3. PAST EXPERINCE TEACHES US THAT ADDITIONAL TRANSPORTATION CHARGES GIVE RISE TO ADVERSE CUMULATIVE EFFECTS INFLUENCING THE GENERAL LEVEL OF INTERNAL PRICES FOR COMMODITIES AND SERVICES.

4. LIKEWISE, IT SHOULD BE TAKEN INTO ACCOUNT THAT BOLIVIA HAS BEEN CLASSIFIED WITH THE GROUP OF NATIONS OF LEAST ECONOMIC DEVELOPMENT AND FOR THIS REASON, AS WELL AS BECAUSE OF ITS TRANSITORY LAND-LOCKED STATUS, IT SHOULD RECEIVE PREFERENTIAL TREATMENT.

5. CONSEQUENTLY, THE GOVERNMENT OF BOLIVIA SUPPORTS FULLY THE RESOLUTION APPROVAD BY THE SPECIAL COMMITTEE FOR CONSULTATION AND NEGOTIATION (CECON) WHICH STATES THAT AN INCREASE IN CANAL TOLLS WOULD ADVERSELY EFFECT "SOME IMPORT SECTORS" OF THE ECONOMIES OF THE DEVELOPING COUNTRIES IN LATIN AMERICA, ESPECIALLY THOSE WHICH, BECAUSE OF THEIR GEOGRPHIC SITUATION, ARE USERS OF THE CANAL. END QUOTE.
STEDMAN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INTERNATIONAL CANALS, TOLLS, FOREIGN POLICY POSITION
Control Number: n/a
Copy: SINGLE
Draft Date: 02 APR 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: 1974LAPAZ02035
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740074-1045
From: LA PAZ
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740474/aaaacqkh.tel
Line Count: 92
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: LA PAZ 1831, STATE 58007
Review Action: RELEASED, APPROVED
Review Authority: shawdg
Review Comment: n/a
Review Content Flags:
Review Date: 28 MAY 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 MAY 2002 by bryansd0>; APPROVED <16 DEC 2002 by shawdg>
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: BOLIVIAN VIEWS ON PROPOSED PANAMA CANAL TOLL INCREASE
TAGS: PFOR, PN, BL
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005