

Venezuela frees Pepsi workers it arrested for not making enough Pepsi

Government inspectors had detained staff at plant in Miranda and ordered the site be reactivated, company Empre

Reuters

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Employees at a Pepsi-Cola Venezuela plant have been freed after being detained by the government for halting operations, Empresas Polar, the owner of the local Pepsi division, said late on Sunday.

The company blamed the production pause on a lack of raw materials but the country's president, Nicolas Maduro, has routinely accused Polar, the country's largest food and beverage producer, of slowing production or hoarding goods to spur product shortages in the Opec nation's struggling economy.

"Pepsi-Cola Venezuela managed to obtain full freedom for its Caucagua plant workers, who were arbitrarily detained on Friday," tweeted Polar, which has denied Maduro's claims.

Polar said labor ministry inspectors arrested several workers on Friday and ordered the reactivation of its plant in the town of Caucagua in the central state of Miranda.

Reuters was unable to immediately obtain comment from the government.

Polar said production lines were halted because of delays due to the country's currency control system that left it unable to import the necessary raw materials.

Venezuelan media reported that labor ministry inspectors, along with local police, ordered the arrest of the manager, two human resources workers and a lawyer at the plant.

Maduro has described the country's chronic product shortages as the product of an "economic war" led by opposition leaders and private companies.

His critics say currency controls have left companies unable to obtain imported machine parts and raw materials while price controls have made it unprofitable to produce many basic consumer goods.

The decaying state-led model created by the late socialist leader Hugo Chavez has also suffered heavily from the collapse in 2014 in the price of oil, which provides nearly all of the country's export revenue.

The ruling Socialist party lost control of Congress for the first time in 16 years in a sweeping

opposition victory in December that was driven largely by anger over the economic crisis.

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