

Venezuela seizes Kimberly-Clark plant as country plunges deeper into crisis

Maker of tissues and diapers announced shutdown amid economic chaos, while President Nicolás Maduro says Citibank is closing government's accounts

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Venezuela's government has declared it will seize a factory belonging to Kimberly-Clark Corp after the US personal care company said it was no longer possible to manufacture due to the country's economic crisis.

President Nicolás Maduro accused Kimberly-Clark of participating in an international plot to damage Venezuela's economy and said his socialist government would provide public funds to the workers at the plant.

Kimberley-Clark announced on Saturday that it was suspending production in Venezuela because of a lack of primary materials, currency trouble and soaring inflation. The company made a number of hard-to-find staples in Venezuela such as diapers and face tissues.

The Venezuelan labour minister Oswaldo Vera said the government would take over the Kimberly-Clark factory at the request of the 971 workers who have occupied the plant that the company decided to close in central Aragua state.

"Kimberly-Clark will continue producing for all of the Venezuelans," Vera said in a televised statement from the factory surrounded by workers chanting pro-government slogans.

Speaking on television and radio, Maduro also said US-based Citibank, which has handled some of the state's international transactions, had notified authorities it would close the accounts of Venezuela's central bank in 30 days. He linked both actions to what he called an economic war on Venezuela and the "new imperialist inquisition" of the US president, Barack Obama.

Texas-based Kimberly-Clark said it had acted appropriately in suspending operations. "If the Venezuelan government takes control of Kimberly-Clark facilities and operations, it will be responsible for the wellbeing of the workers and the physical assets, equipment and machinery in the facilities going forward," the company said in a statement.

Kimberly-Clark joins Bridgestone, General Mills, Procter & Gamble and other multinational corporations in scaling back operations in Venezuela.

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