

Banana plantations in central america

[Business](#), [Industries](#)



The “ banana republic” is a familiar term. What is less known is how literally the term applied during the early 20th century in many regions of Central America. The United Fruit Company, an American concern, was formed in 1899 when several banana companies merged. Since banana is a crop best grown in Central American climates, the company acquired ever greater amounts of land there. The company soon became the largest employer in Central America. Its presence and political influence there affected the lives of the native peoples in ways that remain controversial to this day.

The large peasant class of Central America was the most profoundly affected. Life Before, and during, United Fruit The European domination of Central America during the 18th and 19th centuries resulted in a highly stratified social structure. The traditional social order of the Mayans and Aztecs reinforced that structure. There was a very large peasant class, some of whom came there as slaves. The average peasant struggled to get by, often being forced to work for whatever large foreign company had moved into their area. Many of these peasants were descendants of the powerful Indian cultures that had been there thousands of years prior.

Others brought a West African influence to the region, with their unique methods of worship, dance and music. The peasants of Central America are part of a rich and dynamic culture. They are anything but unskilled. For example, they are known for their ability to make beautiful, colorful clothing. This was first noted by the conquistadores and remains a skill to this day. It was the Indians who discovered a use for the cacao, the basis of chocolate. They created a sort chocolate drink that became widely popular. It was later modified to suit European and American tastes.

The diet of the peasants often consisted of foods such as beans, maize, frijoles, chili and beef. Exports from Central America to the rest of the world rose sharply during the mid-1800's. In response to the demand, farmers cultivated a variety of crops including rubber trees, cacao, sugar and fruit. The main cash crop was something else, however. According to Peter Bakewell in *A History of Latin America*: But most prominent by far in this line of agricultural goods was coffee, which was the leading export, c. 1913, of no fewer than seven countries. (2004) Farmers, at first, were in business alone.

In most cases, however, their land was swallowed up by large corporate concerns. As these corporations became more prominent repressive, pro-corporate regimes were installed. Since the 1970's the trend has reversed itself. Small, individual farms are becoming more and more common. A regional movement has emerged to promote self-survival through small farming. Guatemalans are using traditional stories, parables and humorous anecdotes to spread agricultural knowledge to their Mexican neighbors. They also share proud peasant virtues such as the love of farming, family and community.

These virtues have been shared by peasants in Central America for hundreds of years. Still, life was difficult. Most peasants have to take second or third jobs. Farmers may do additional day labor on other farms. Some do not own land and work as a field hand wherever the work is available. Prior to the 1944 socialist revolution in Guatemala wealth was concentrated among an elite few: ...just 2.2 percent of the population owned over 70 percent of the country's land. Only 10 percent of the land was available for 90 percent of the population, most of whom were Indians. (Landmeier, 1997).

This concentration of land in the hands of a powerful few made it easy for companies to come in and acquire large amounts of land. These companies often left large tracts of land uncultivated. The peasants could have used this land to grow a variety of crops; instead they were often forced to take jobs at the company, on the company's terms. The Growth of the Corporate Plantation Cheap labor, available land and favorable climatic and political conditions drew large multi-national corporations to Central America in the late 1800's. The lives of the small peasant farmers would be altered dramatically.

The United Fruit Company became the most prominent example of a foreign company influencing a sovereign government and the lives of its citizens. The United Fruit Company began operations at a time when there was little restraint on businesses. Huge monopolies, such as Standard Oil, were allowed to develop and dominate markets. The labor movement in The United States was still in its infancy, although it had won a few concessions from business and the government. For a company such as United Fruit, which employed thousands in foreign countries, there was little oversight.

The large peasant population in Central America was merely seen as "cheap labor" for the huge company. United Fruit made "quid pro quo" deals with foreign politicians to gain land and other concessions from those governments. The company had government assistance in putting down strikes, some of which involved more than 100,000 workers. In Colombia, the army fired into a large crowd of peasant strikers, killing dozens. Accusations arose that the army was essentially under the direction of The United Fruit Company. The Good and the Bad

Not all of the effects of the banana plantations were negative. United Fruit built much needed infrastructure in countries such as Guatemala and Honduras. Rail lines and schools were built and postal service was improved. Jobs at United Fruit typically paid more than other jobs in the areas where they were located. In later years, employees received medical care and free education. At the same time, jobs at banana plantations were often temporary. Working conditions were difficult, if not dangerous. Field workers were exposed to potentially harmful pesticides and other chemicals.

The rail lines served as another monopoly for a company like United Fruit, so they pressured governments not to build highways. The United Fruit Company gained undue influence over the lives of ordinary citizens through corrupt politicians. The most famous example arose in 1975, shortly before the company reorganized. Reports came to light that United Fruit was paying a \$2.5 million dollar bribe to the President of Honduras in exchange for tax breaks. The Honduran President was later removed by a military coup. The banana company also had influence within the American government.

It encouraged the government to intervene to stop socialist movements in Central America. In 1954, the Central Intelligence Agency took covert action to undermine a Guatemalan regime they feared would align with the Soviet Union. The regime had planned to buy back the large amounts of unused land owned by United Fruit and distribute it to peasants. It is this image of unrestrained American capitalism and exploitation that has driven a number of Central American countries toward socialist regimes. In Central America, United Fruit is now broken into many subsidiaries. Much of the banana crop is received from independent farms.

For Central American peasants the legacy of United Fruit is likely to be more bad than good. They feel they have been exploited and their traditional way of life nearly destroyed. The influence of the company over regional politics meant that the lower classes had little representation in the government. That has changed somewhat, but the problem of poverty remains. Today the working classes soldier on, doing what they must to maintain their rich culture. Sources Bakewell, Peter. *A History of Latin America* (2nd ed.). Oxford, U. K. : Blackwell Publishing, 2004. Chomsky, Aviva.

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