



Guatemala Human Rights Commission/USA

Fact Sheet

Banana Companies in Guatemala: A century of Abuse of Land and Labor Rights

June 2009 marks the 55th anniversary of the coup against Jacobo Arbenz, the reformist Guatemalan president who served from 1951 to 1954. The ousting of Arbenz, driven by US government sponsored propaganda and military support, stemmed from Arbenz finally breaking the historic – and devastating – relationship between the Guatemalan government and the US banana companies that had long exploited the Guatemalan people.

Ten Years of Spring – 1944 - 1954¹

- **October Revolution, 1944** – Stemming from popular demonstrations the revolution marked the end of a century of authoritarian and violently repressive governments in Guatemala and began a decade of democratic rule
- **Juan José Arévalo** – Elected in 1945 on “spiritual socialism” platform, Arévalo took the first steps in fulfilling the ideals of the revolution by abolishing the Vagrancy Law [see right]
- **Jacobo Arbenz Gúzman** – Elected in 1950, he continued Arévalo’s program of reform, focusing on economic issues including the **1952 Agrarian Reform Law**, which expropriated and redistributed portions of idle land on large properties to landless peasants



Above: President Jacobo Arbenz Gúzman
[photo: <http://es.encarta.msn.com>]



Above: President Dwight D. Eisenhower
[photo: www.c250.columbia.edu/]

Arbenz vs the United Fruit Company

- By February 1954, 372,000 acres owned by the US-based United Fruit Company (UFCo) were expropriated and redistributed
- UFCo was to be reimbursed US\$1.2 million (according to UFCo-reported value of land) but the company demanded \$16.5 million
- When Arbenz refused to meet UFCo demands, US Department of State and President Dwight D. Eisenhower launched a propaganda campaign declaring Arbenz a communist and Soviet sympathizer
- The “Liberation Army,” a US proxy army led by former colonel Carlos Castillo Armas, invaded on June 18, 1954
- Assured that his successor would uphold the ideals of the revolution, Arbenz resigned on July 27, 1954
- The US government named Castillo Armas president and Guatemala swiftly returned to being an authoritarian and repressive state

Historic Role of US Banana Companies in Guatemala²

- “**The Unholy Trinity**” of the United Fruit Company (UFCo*), International Railways of Central America (ICRA), and the United Fruit Steamship Company determined much of Guatemala’s domestic policy in the early 20th century
- UFCo first bought land in 1901; ICRA had a complete monopoly on rail transit by 1912
- According to US embassy estimates, over 25,000 Guatemalans earned their livelihood “directly from the banana industry” in 1941...
- ...yet profits did not benefit the Guatemalan economy – instead, they went directly to American UFCo stakeholders
- UFCo’s role in Guatemalan politics and economics was, according to Guatemalan politician Luis Cardoza y Aragon, “constant, open, and bloody.”
- President Jorge Ubico Casteñada passed the **Vagrancy Law** in 1934, which provided a cheap and seemingly endless supply of labor to plantations by requiring landless peasants to work 150 days of the year – approximately the time of a plantation harvest

*UFCo became Chiquita in 1947.

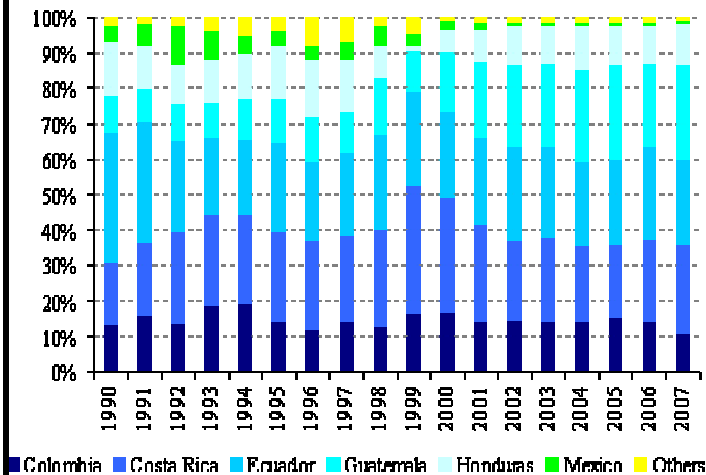


UFCo workers unloading bananas [photo: www.library.hbs.edu]

Banana Production in Guatemala Today:

- Guatemala's agricultural sector accounts for 22.7% of the country's GDP, yet over 50% of the active population is employed in agriculture.³
- Bananas are one of Guatemala's top exports, along with coffee and sugar.⁴
- About 35,000 hectares (135 sq. miles) of Guatemalan land is used solely for banana production.⁵
- Guatemala accounts for 7% of world banana exports, making it the 5th largest banana-exporting country in the world behind Ecuador, Costa Rica, Philippines, and Colombia⁶
- The United States is the largest importer of Guatemalan bananas and plantains, purchasing \$375 million in 2008.⁷ Since the end of the internal armed conflict, the US has increasingly turned to Guatemala for its bananas: [image: UNCTAD]

Banana Imports to the US, 1990-2007



Sources:

1. Handy, Jim. *Gift of the Devil: A History of Guatemala*. Boston: South End Press, 1984.
2. Ibid.
3. <http://www.fita.org/countries/guatemala.html>
4. Ibid
5. www.bananalink.org.uk
6. <http://www.unctad.org/infocomm/anglais/banana/market.htm>
7. <http://www.ustr.gov/countries-regions/americas/guatemala>
8. <http://www.villagevoice.com/2003-09-30/news/strange-fruit/1>, http://www.peuples-solidaires.org/article_print.php?id_article=830, <http://www.laboralred.net/leer.php/183>, <http://www.labournet.org.uk/spanish/1998/banana.html>, <http://www.bananalink.org.uk/content/view/316/122/lang,en/>

Founded in 1982, the Guatemala Human Rights Commission/USA (GHRC) is a nonprofit, nonpartisan, humanitarian organization that monitors, documents, and reports on the human rights situation in Guatemala, advocates for survivors of human rights abuses in Guatemala, and works toward positive, systemic change.

Attacks Against Banana Unions:⁸

- **February 1997** – Workers on the Alabama and Arizona plantations in Entre Rios, Izabal (owned by the Banana Development Company of Guatemala, BANDEGUA, a subsidiary of Del Monte) demand recognition of the union, a salary increase, and better working conditions. The organizers are immediately fired, with the rest of the workers being fired shortly thereafter
- Similar firings follow at the Mopa and Panorama plantations in Morales, Izabal, where owners cut water and electricity for workers and their families, causing a wave of gastrointestinal infections in children
- **1999** – BANDEGUA/Del Monte violates the contracts of 1,000 Izabal Banana Workers' Union (SITRABI) workers and fires them. Workers strike; a paid armed mob takes union leaders hostage, beats them and forces them to stop the strike
- **July 2007** – SITRABI's headquarters are illegally searched and raided by the Guatemalan army, which demands names, addresses, and meeting locations for union leaders. The Public Ministry has yet to investigate the case
- **September 2007** - Marco Tulio Ramirez Portela, a SITRABI official and brother of SITRABI's secretary general, is killed leaving his home. The Guatemalan government considers this a common crime rather than an attack against the labor movement.
- **March 2008** - Miguel Angel Ramirez of the Union of Banana Workers of the South (SITRABANSUR) is assassinated. Four weeks before Ramirez's assassination, the SITRABANSUR secretary general's daughter is raped by armed men.



The body of Marco Tulio Ramirez Portela after he was murdered by armed masked men outside of his home in September 2007.

[photo: www.iuf.org]