



On the Record: The Rio Negro Campaign

Issue 9: Banana Wars, July 20, 2000

Contents

- **From the Editorial Desk**
- **Collective Violation**
- **Behind the Layoffs**
- **After the Kidnapping**
- **International Pressure**
- **The Struggle Goes On**

From the Editorial Desk

In the fall of 1999, the Guatemalan subsidiary of Del Monte Fresh Produce summarily fired almost 1,000 banana workers. When the banana workers' union SITRABI called a strike, armed thugs surrounded the union hall, kidnapped the union leaders, threatened to "hang them in the park and light them on fire," and forced them to resign from the union. The leaders fled in fear for their lives.

Founded in 1947, SITRABI is the oldest union in Guatemala, and the strongest in the private sector. Readers familiar with Guatemalan history will recall that the CIA-supported coup in 1954 was carried out in large part to benefit the United Fruit Company, a producer of bananas. The banana industry remains an important part of Guatemala's economy, and the assault on this union will have serious repercussions on Guatemalan labor. Union members and international supporters are engaged in a struggle to restore their jobs and protect their rights.

Collective Violation

Izabal department in eastern Guatemala is the main banana-producing region of the country. The world's three largest banana exporters, Chiquita, Del Monte, and Dole, all grow fruit here. In some cases, the bananas are grown on land directly owned by the companies; in other cases, a company or its Guatemalan subsidiary will contract to independent producers.

Not all banana workers are unionized, but there are three unions, corresponding to each of the three major banana companies. SITRABI has members working on Del Monte lands in two districts: Motagua, where 3,000 workers are organized, and Los Bobos near the town of Morales, where 1,000 unionized workers work on three farms. BANDEGUA is the wholly owned Guatemalan subsidiary of Del Monte Fresh Produce, a Florida-based company controlled by a family from the United Arab Emirates.

On September 27 of last year, BANDEGUA fired 918 workers from the three farms at Los Bobos and announced that they were going to lease the farms to independent growers. The

layoffs violated SITRABI's collective bargaining agreement with the company, and SITRABI called for negotiations. Guatemala's Minister of Labor condemned the layoffs as illegal. However, BANDEGUA refused to negotiate with the union.

Early the next month, SITRABI called for a walkout of all its members, both in Los Bobos and the Motagua district. The walkout was called for October 14, utilizing the right of all union members to take ten days of unpaid leave. But on the night before the strike was to take place, 200 hundred armed men surrounded the union hall and took the union leaders captive.

The anti-union thugs came prepared to intimidate the leaders into resigning. First, they forced one union member to telephone the leaders who were absent and tell them to come to the hall. They then went to the home of Marel Martínez, General Secretary of the union, dragged him out and beat him in front of his family, and took him to the union hall.

When all of the leaders arrived, the thugs threatened them at gunpoint and forced them to sign statements saying that they were resigning from the union. For this purpose they brought in a local lawyer, compelling him to notarize the statements. The leaders were also forced to quit their jobs in the banana company and were told that they had better leave the town of Morales forever.

Among those holding the union leaders captive at the union hall were BANDEGUA's chief of security, its head engineer, and the president of the Morales Chamber of Commerce. This person swore that if the strike were not called off, Del Monte would pull out of Guatemala and Morales would become a "ghost town." The thugs threatened to kill the leaders.

SITRABI Secretary Jorge Palma told a NISGUA delegation in April, "They took Polaroid pictures of us during the attack. We knew what their threats meant. Two years ago, they killed an activist. When the family came to take his body, they killed two family members."

While around 25 union activists were held in the union hall, two were forced to go to the local radio station and publicly call off the strike set for the next morning. Other leaders were videotaped declaring their resignations, stating that the labor problem had been resolved and calling for the union members to show up at work as usual the next day.

The thugs held the union activists at the hall until 2:00 A.M., threatening them and intimidating them. The next day, five of the leaders went into "internal exile" in Guatemala City, with 28 members of their family. Since that time, the workers who were laid off have remained without work. The other workers at Los Bobos have received a 20 percent cut in pay and are no longer getting the housing, health, or educational benefits that they used to receive.

Behind the Layoffs

At least 15 Latin American and Caribbean countries depend on the export of bananas for a crucial portion of their export income. For several reasons, this market is presently experiencing a glut in banana production. The primary reason is overproduction by Ecuador, the world's largest exporter of bananas. Although the banana industry is one of the most unionized in Latin America, the 400,000 banana workers of Ecuador are not unionized. They earn two to three

dollars a day, while in unionized parts of Central America the wage is twice that figure.

Thus Ecuador has been able to sell bananas more cheaply than its competitors and expand its share of the market. A further reason for oversupply of bananas is an unexpected drop in demand in recent years from Eastern Europe and East Asia. As a result, all of the major banana companies have been losing money for several years.

In response to these factors, the major banana companies have taken strong measures to cut costs, including laying off thousands of workers throughout Central America. Dole pulled out of Nicaragua and Venezuela, leaving 9,000 workers without jobs. Some plantations have been converting to cultivation of African palm, a crop that requires far less labor.

Labor conflicts have been percolating in Guatemala for several years. One response of the industry there has been to establish farms on the south coast, splitting up the production area and making union organizing more difficult.

The damage caused by Hurricane Mitch in late 1998 was a blow to unions that were already engaged in struggle with the companies. Some plantations that were destroyed have not been replanted, and many workers, especially in Nicaragua and Honduras, were never rehired. The aftermath of Mitch thus presents great challenges to those fighting for the rights of the banana workers.

After the Kidnapping

When the news of the incident at Morales broke, union members and their international supporters called for the arrest of the criminals and the return of the workers to their jobs. But justice has been slow in coming. Meanwhile, the Guatemalan press was airing the taped resignations of the union leaders, acquired under compulsion. BANDEGUA officials came into possession of the signed resignation letters and accepted them as valid. However, they soon backtracked on this.

Del Monte Fresh Produce disavowed involvement in the attack on the union members. But employees of its subsidiary participated. The "commander" of the attack, Obdulio Mendoza Matte, continued working on one of the plantations, and the Mendoza family subsequently leased it.

Union members identified 43 of the participants and provided their names to the police. The Minister of Labor condemned the attack and declared the firings of the banana workers invalid. Meanwhile, U.S. Ambassador to Guatemala Prudence Bushnell spoke with then-President Arzu, expressing displeasure with the incident. The U.S. Trade Representative considered placing Guatemala's preferential trade status under review. And the U.N. Mission to Guatemala (MINUGUA) called the incident the country's worst human rights violation since the murder of Bishop Gerardi a year and a half earlier.

As of the end of 1999, this pressure had little effect. Of the 43 participants identified in the attack, only four were arrested by the end of last year. These were charged with "coercion" and released on bail. After the inauguration of the new government in January, five more people

were arrested. They were charged with "sedition," a crime completely unrelated to the attack. They were also released on bail. There were no charges filed for the demonstrable breaking and entering, detention, theft, assault, car-jacking, and most importantly, kidnapping that took place. The latter charge would prevent release on bail.

International Pressure

At present, all participants in the attack are walking free, five union leaders and their 28 family members are under protection in "internal deportation," and the 918 fired workers remain jobless. Progress, however, has been made in negotiations with Del Monte Fresh Produce, after a U.S. solidarity network got involved.

When labor rights and Guatemala solidarity activists in the United States learned about the attack on SITRABI, they initiated a pressure campaign against Del Monte Fresh Produce. (A clarification: Del Monte Fresh Produce leases its name from Del Monte, which exclusively produces canned products, but the two companies are otherwise completely separate.) Throughout the fall, activists around the country researched supermarkets to learn where Del Monte bananas were being sold.

In mid-February, the U.S. Labor Education in the Americas Project (US LEAP) led a coordinated campaign, with activists speaking to managers in targeted supermarkets, requesting a two-week "stocking suspension." Supermarkets ordinarily buy bananas from whichever of the three large producers has the best price at the moment. So the suspension of banana purchase was not something that required breaking a long-term buying contract. Neither was this a boycott campaign. Rather, it was a campaign to communicate to Del Monte, via store managers, consumers' concern about the rights of the company's workers.

It should be pointed out here that bananas are an extremely important and profitable product for U.S. supermarkets. According to Robert Perillo of US LEAP, while the stores sell thousands of different products, two percent of all their profit comes from bananas. The supermarkets are not affected by the banana glut; when the wholesale price of bananas goes down, the retail price stays the same.

The campaign went on through the late winter of this year. Meanwhile the International Union of Foodworkers (IUF), of which SITRABI is an affiliate, was negotiating with Del Monte Fresh Produce in Geneva. A breakthrough finally took place in March, when Del Monte and the IUF signed a "macro-agreement" intended to lead to a resolution of the crisis. The agreement is not a labor contract, but obliges Del Monte to ensure that the following will happen:

1. The fired employees of the three farms at Los Bobos may return to work.
2. The workers may continue to be members of the SITRABI union.
3. SITRABI may continue to represent the workers.
4. None of the criminals who participated in the October 13 attack may work on the BANDEGUA plantations (this means that the Mendoza family must leave the farm that it

controls).

Upon the signing of the IUF macro-agreement, US LEAP temporarily suspended the pressure campaign on Del Monte, pending implementation. US LEAP attributes the success of this campaign to three things: international pressure on Del Monte, the threat to review Guatemala's favored trade status, and the appointment by Guatemalan President Portillo of a new, more pro-worker Minister of Labor.

The Struggle Goes On

However, further pressure may have to be applied before SITRABI sees justice done. Grievances remain unanswered on two fronts: labor conditions addressed by the IUF macro-agreement, and the criminal complaints stemming from the Morales incident. In neither case has there been an acceptable resolution to date. As mentioned above, none of the perpetrators has been charged with crimes corresponding appropriately to the attack, and none has been jailed. Morales is still an extremely dangerous place for union work. While the exiled leaders remain closely involved in the union struggle, they fear to return to their homes.

Further, as of this writing the IUF agreement shows little sign of being implemented. While the Mendoza family is giving up control of one banana farm, the fired workers have not returned. To encourage this process along, further pressure on Del Monte Fresh Produce is indicated.

The Advocacy Corner

What You Can Do:

1. Get informed. For background information on the banana industry and banana workers' struggles, visit the **Campaign for Labor Rights** and the **Banana Link** website.

2. Get in touch with US LEAP:

- Usleapja@mindspring.com (tel. 773-262-6502). US LEAP will keep you up-to-date on latest developments in the SITRABI campaign.
- If you know Spanish, you can get in touch with SITRABI directly, at sitrabi@guate.net

3. Call, fax, or write Del Monte Fresh Produce, requesting that the macro-agreement with IUF regarding SITRABI be implemented as quickly as possible.

- Tel:(305) 520-8400; Fax (305) 442-1059 Address: Mr. Mohammed Abu-Ghazeleh, Chief Executive Officer, Fresh Del Monte Produce, 800 Douglas Entrance North Tower, 12th Floor, Coral Gables, FL 33134

4. Write or call the Guatemalan Embassy, urging that Guatemalan government jail and prosecute the criminals responsible for the attack in Morales. Send a copy to your members of Congress. Ambassador Ariel Rivera, Embassy of Guatemala, 2220 R St., NW, Washington, DC, 20008; tel. 202-745-4952; fax: 202-745-1908; email: info@guatemala-embassy.org.

5. Help organize a speaker event for Enrique Villeda, one of SITRABI's former leaders, now in exile in Guatemala City. For more information, contact NISGUA at email: NISGUA@igc.org, or tel. 202-518-7638.