

Guatemala: the banana workers' rights situation

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Background

Against a backdrop of worsening violence and impunity (organised crime and delinquency), the banana industry has tripled in size over the last decade or so. Guatemala now exports around 1.4 million tonnes of bananas, accounting for nearly 10% of world trade. This expansion has taken place on the Southern coastal plain, dominated for the previous 50 years by sugar and coffee plantations.

Until the 1950s, large-scale banana plantations belonging to the United Fruit Company (UF) had seen the birth of strong trade unions, but this phase of history and the promised land reforms came to an end when the progressive government of Jacobo Arbenz was overthrown in a United Fruit/US-backed coup in 1954.

Since then the United Fruit Co (now Chiquita subsidiary COBIGUA), Fresh Del Monte (who were accorded substantial tracts of banana plantations that belonged to UF after an anti-trust action in the USA) and a handful of national producers have exported from Izabal, on the North Caribbean coast.

The massive expansion in the Pacific South that took place from the late 1990s is thought to be mainly funded by national capital, although it is possible that the three major fruit transnationals have invested more than is visible through national companies that are linked to them. It appears that most of the fruit exported by the big three is produced by national producers and that only Chiquita has its own plantations, but it may be that the other multinationals also effectively control land as well as exports, by providing capital to local named owners who register the company.

Almost all exports from Guatemala are to the North American market from Puerto Quetzal (Pacific coast to US West Coast) or Santo Tomas¹ (Caribbean coast to US East and Gulf Coasts). Exports to Europe have reduced to an insignificant trickle after the failed attempt by one major national

1 Santo Tomas is just across the bay from Puerto Barrios (indicated on the map).

producer a few years ago to undercut competitors in the EU market.

It is thought that the Guatemalan Pacific South provides the cheapest fruit available in the continent (with the possible exception of small quantities from Nicaragua) – considerably cheaper than Ecuador, even without the higher transport costs from South America. This explains the fact that, since around 2007, Guatemala is the USA's No.1 supplier of bananas.

Labour conditions and attempts to organise

In Izabal, nearly all Del Monte (Bandegua), Chiquita and the handful of nationally owned plantation workers (5 – 6,000) are unionised. SITRABI, the oldest private sector union in the country, organises in Del Monte-owned plantations, whilst six Chiquita and three Del Monte supplier plantations have workplace-based unions that coordinate through COSISBA and are affiliated to UNSITRAGUA. All have collective bargaining agreements with wages reported to range from 150% to 300% of the national minimum wage (the government's own figures put the minimum agricultural wage at around half the cost of the basic household food basket).

By contrast, the Pacific South represents the single biggest «black hole» in the world as far as union and other labour rights are concerned. Some 7% of the world's trade bananas are produced by 30-40,000 workers in near-slave-like conditions. The few reports available from the last 6-7 years indicate that:

- many may still not earn the legal minimum wage (although this has evolved according to private conversations with one national company)
- standard working days are 12-14 hours
- almost all workers are hired directly on contracts of a maximum of 59 days (trial period is 60 days)
- there are double layers of sub-contractors between the worker and farm owners
- living conditions and basic public services in the communities around the plantations are poor and malnutrition is quite common; clinics, schools and police services are all non-existent or very rudimentary compared to most of Latin America
- poor or no access to basic rights accorded in the Labour Code (healthcare and social security, holidays, overtime)
- access to plantations is tightly controlled by paramilitary-style private security guards (at least 10,000 according to some reports)
- reports (Felicity Lawrence, The Guardian) of workers being given drugs to work...

Trade union organisation is systematically discouraged and producers have shown they are prepared to kill those who try to overcome the measures in place to prevent workers from organising independently.

Following a clandestine mapping exercise by UNSITRAGUA activists as part of the Department for International Development (DfID) funded Union to Union programme in 2005-6, contacts were established in villages around plantations where workers interested in organising had been identified. They were put in touch with each other outside the workplace and met discreetly in their communities. When it was judged that there was a critical mass of workers in one plantation (and others nearby with potential), UNSITRAGUA lawyers registered a union, SITRABANSUR, but the leaders (whose names necessarily appeared on Labour Ministry documents) were sacked and threatened with violence or death. In early 2008, one leader was killed, the daughter of another was abducted and raped and several others were issued with arrest warrants and ended up hiding in the capital with UNSITRAGUA activists. In an extraordinary show of solidarity, workers affiliated to COSISBA in the Caribbean North organised regular contributions from their own wages to support

workers sacked at the Olga Maria plantation. They also organised an out-of-court redundancy settlement for sacked workers who were still alive or contactable.

Since the effective busting of SITRABANSUR in 2008, it is certain that producers are even more alert and organised to prevent any such new experiment. The union's legal structure still exists, so could be reactivated were this judged to be the right strategy.

Key players in the Pacific

Multinational producers/traders

Chiquita, Del Monte or Dole all produce and/or buy from Guatemala.

Chiquita's COBIGUA is the only one of the big three that has visibly owned plantations in the Pacific South (Tiquisate/Escuintla), although it is rumoured that DM has recently acquired its own farms. Dole seems to have been a relative latecomer to the region and its sourcing is concentrated in the San Marcos area in the northern Pacific South.

National producers

Tacuba (Molina family): the biggest, most anti-union and according to their peers the worst employers, who are giving «everybody a bad reputation» and represent unfair competition in the eyes of others such as:

Agroamerica (Bolanos family): some 4,000 hectares (including 300 in Izabal with union and CBA); owners of Olga Maria (which sold its fruit to Chiquita at the time); have now employed a CSR manager, ex-WalMart, who is active in WBF (and has invited us to visit their farms when we want).

Banasa and other smaller companies.

Trade union federations

UNSITRAGUA is a federation of some 100 unions across all sectors and was a partner for 7-8 years in the Union to Union programme.

CUSG is the confederation to which SITRABI is affiliated. SITRABI has been involved in visits and making contacts in the Pacific South, but is not set up (as an Izabal-based organisation) to do its own organising in Pacific. Currently has a small AFL-CIO Solidarity Center-funded programme (not in banana sector).

CGTG has no affiliated unions in banana sector, but is part of united efforts at national level.

UNSITRAGUA and SITRABI are both members of COLSIBA. All three are members of the ITUC. Guatemala is one of three priority countries for the ITUC in the Americas. The second ITUC conference on Impunity was held in July in Guatemala (attended by Bert Schouwenberg, International Officer of the GMB, on behalf of the TUC).