

# Beyond Banana Wars

## **Banana Link**

*Banana Link is a not-for-profit organisation that works towards sustainable trade and production of bananas by working closely with small farmers' organisations in the Windward Islands and banana workers' trade unions in Latin America. We also form part of an international campaigning network across Europe and the United States.*

In the 1970s and 1980s, the banana trade came to symbolise the injustices facing both plantation workers and small producers in developing countries. The 'banana republics' (Guatemala, Honduras, Panama etc.) were still controlled by big companies who maintained absolute control over the trade and the lives of the weakest participants in it. This 'green gold' of the Caribbean that small producers were legally obliged to sell to one British company, at a price imposed by the company, resulted in 'a licence to print money' as a Del Monte executive declared in 1990. The new five big banana traders that together account for over 80% of the world banana trade are Chiquita (US based), Dole (US based), Fyffes (Ireland), Del Monte (US based) and Noboa (Ecuador).

From the mid-1990s, the innocent banana found itself at the centre of an international trade war involving 20 countries directly and threatening in particular the 25,000 small-scale farmers in the Windward Islands. The conflict pitted the European Union against the USA, Ecuador, Guatemala, Honduras and Mexico, who claim the EU banana import regime was discriminatory. The complex EU quota and licencing regime installed six months after the rest of the single European market in mid-1993 sought to protect the banana exports from former colonies to mainly Britain and France by continuing their guaranteed tariff-free entry to the EU market\*. In 1999, the WTO dispute panels and arbitrators found that under their rules, the EU regime discriminated against the so-called 'dollar bananas' from Latin America in favour of the former colonies.

In July 2001 the European Union unveiled its new banana import regime after coming to agreements with the USA and Ecuador. As a result Ecuador, the world's biggest exporter of bananas - with some of the worst conditions on banana plantations - has increased its exports to Europe. This is despite the fact that there was already overproduction and that Ecuador is leading the 'race to the bottom' in terms of social and environmental conditions. Fairtrade importers, in contrast, still have to struggle for licences to import into the most profitable banana market - the EU. The trade war is not yet over as by 2006 at the latest, the EU has to change the regime once again - to a 'tariff-only' system - that will probably be devastating for the small farmers in the Windward Islands.

The conflict highlighted the way private corporate interests can sway governments to defend them. In this case, the biggest player in the US\$8 billion world banana trade, Chiquita Brands International, with the help of generous donations to both political parties, persuaded Washington to take up its case that the EU banana regime is discriminating against free trade and Chiquita's commercial interests.

The banana war's most serious consequences could be the collapse of the Windward Islands banana industry on which the colonial relationship with Britain brought the entire economies of St. Lucia, St. Vincent and the Grenadines and Dominica to depend. The assured market for bananas has given thousands of families in the sub-region of the Windward Islands a measure of security and afforded them dignity and self-reliance. The people of the Windward Islands face severe hardship as a consequence of the decline of the banana sector.

. Practically all bananas which enter the entire world trade are produced as 'mono-cultures', and around 90% of that trade is just one variety, Cavendish, which requires more and more chemicals to keep diseases at bay. Clearly though, half an acre of bananas grown on a family farm in St. Lucia has a very different social and environmental impact in the producing country to a 5000 hectare plantation managed by a single company. The less perfect looking Caribbean banana, with spots or marks on the skin, is generally produced with less chemicals, yet often tastes sweeter.

The international conflict over bananas has ignored the human and environmental dimensions of banana production and trade. The whole question of 'sustainability' from a producer or consumer point of view is set aside for a sterile war of power politics. Crucial questions about economic democracy, sustainable production and fair trade need to be pushed to the fore.

Banana workers on the plantations of Latin America face long working hours for low pay. Their health is put at risk as a result of the heavy use of agro-chemicals to combat disease that spreads quickly when hectare after hectare is planted with the same crop. Workers tell stories of miscarriages, sterility, and skin and

respiratory system problems as a result of working on the plantations. In many countries, those workers who dare to join trade unions can put their lives at risk.

Consumers have been putting pressure on companies to clean up their act. Some companies have responded positively to the campaign and companies have begun to engage in dialogue with the banana workers' trade unions in Latin America, showing that concerted consumer action is not only possible, but that it may well lead to positive results on the ground for at least some of the workers. Fairtrade labelled bananas are now available in many countries around the world.

The banana farmers in the Windward Islands have been looking to Fairtrade as one possible means to secure their future. By complying with the strict social and environmental criteria set by the Fairtrade Labelling Organisations International (FLO), the registered farmers can sell their bananas at a premium to increasingly concerned consumers.

At one level the key to the Windward Islands farmers' survival in the banana market rests with the World Trade Organisation. In the short term, buying their fruit and pressing supermarkets to support fair trade initiatives are strategies that we can all take up.

\*The regime also protects domestic EU banana production in the Canary Islands, Martinique, Guadeloupe, Madeira and Greece.

Banana Link's activities range from publishing a Banana Trade News Bulletin to organising a float in the Notting Hill Carnival in support of Windward Island and Fairtrade bananas, from classroom workshops to meetings with companies. A wide range of information on all aspects of the banana trade is available from Banana Link. This includes "Best of the Bunch - a guide to Fairtrade bananas" (£2) Banana Link, 38-40 Exchange Street, Norwich, NR2 1AX Tel: 01603- 765670 Fax: 01603-761645 email: [blink@gn.apc.uk](mailto:blink@gn.apc.uk) [www.bananalink.org.uk](http://www.bananalink.org.uk)