

## **GUATEMALA, ITS BANANAS, AND THEIR RELATIONS WITH THE UNITED STATES**

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Comp 211  
November 17, 2016

### **Abstract**

This research focuses on the impact of American responsible consumerism on the banana industry in Guatemala. It shows that responsible consumerism can influence governmental foreign policy and companies's behaviors, but that alone it is not enough to improve the situation in Guatemala. This research links information from two books on the history of American involvement in Guatemala, multiple journal articles on ethical consumerism and moral standards, statistics on the Guatemalan living conditions, as well as suggestions for the future of Guatemala. The research concludes that today, only Guatemalan people and institutions can improve the situation in the country in a significant and lasting way.

**Key words:** banana industry, responsible consumerism, Guatemala, United Fruit company

On average, an individual consumes 30 pounds of bananas per year in the United States. In comparison, Americans eat about sixteen pounds of apples per year.<sup>1</sup> The majority of bananas in the United States comes from Latin America. Guatemala exports over 833 million dollars worth of bananas yearly to the United States.<sup>2</sup> The production of bananas is essential to the economy of Guatemala, which makes the country dependent on American consumption of the fruit. At the end of the ninetieth century, American fruit companies created monopolies in Guatemala, Costa Rica, and Ecuador turning these countries into “banana republics”. A “banana republic” is a state where American companies have taken control of the economy, and sometimes politics as well - with the help of the American government - for the well being of their interests, in this case banana production and exports. The government and the companies expanded their power beyond the borders of the United States. Abuses of power by the US government and American fruit companies involved violations of international law and human rights.

The unethical behaviors on both the economic and political levels have been criticized by the American public. The rise of consciousness about ethical production and consumerism first appeared in the 1960s and 1970s. Responsible consumerism has become even more of a trend in the last decade, especially among the millennial generation. Responsible consumerism is defined by The Guardian as “buying products which were ethically produced and/or which are not harmful to the environment and society. This can be as simple as buying free-range eggs or as complex as boycotting goods produced by child labour.”<sup>3</sup> The act of

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<sup>1</sup> Food and Agriculture Organization of the United Nations, Market and Policy Analyses of Raw Materials, Horticulture and Tropical (RAMHOT) Products Team, *Banana Market Review and Banana Statistics 2012-2013*, 2014.

<sup>2</sup> Workman, Daniel, "Banana Exports by Country," World's Top Exports, 2015, <http://www.worldstopexports.com/bananas-exports-country/>

<sup>3</sup> The Guardian, "Ethical Consumerism," *The Guardian*, 2001, <https://www.theguardian.com/money/2001/feb/22/ethicalmoney1>

buying or not buying a product becomes a way of expressing opinions based on the knowledge of a companies ethical or non-ethical behavior.

This essay will focus on the rise of responsible consumerism in the United States, its influence on American foreign policy decisions, and its links to the evolution of the banana industry in Guatemala. It will show that responsible consumerism is not enough to erase the negative consequences of past American foreign policies, and the negative influence of American companies on Guatemala's banana industry. The research will be divided in three parts proving that 1) responsible consumerism is not enough to erase negative consequences of governments and companies' behaviors; 2) for responsible consumerism to have an impact, it needs to be accompanied by traditional political involvement, which requires citizens to be informed; and 3) positive change in Guatemala does not rely only on American responsible consumerism and foreign policy, it also relies on the countries ability to pass and enforce laws that would improve the living conditions and the economy of Guatemala.

### **Negative consequences**

Alone, responsible consumerism is not enough to erase the negative consequences of involvement of the United States in Guatemala. The involvement of the United States in Guatemala started long before the creation of international institutions and international law protecting the sovereignty and decision making abilities of countries. American companies established a position of power and influence over Guatemala's economy, which led to abuses of power in other spheres. At the end of the nineteenth century, the United States was economically powerful thanks to its capitalist domestic and foreign policies. Guatemala was independent from Spanish rule, but unstable because of civil and political unrest from 1821 to 1898. Stability came with President Manuel Estrada Cabrera. The Guatemalan president was in reality the dictator of a military regime. He ruled from 1898 to 1920, and during his time as

the Guatemalan leader he opened his country to the United Fruit Company.<sup>4</sup> He saw an opportunity to develop the economy with foreign investment. The United Fruit Company was the result of the merging of the two leading American fruit production companies, led by Minor C. Keith and Andrew Preston.<sup>4b</sup> The two business men had been present in Latin America to produce bananas before the fruit became popular in the United States. In the 1890s, as the banana demand expanded in the United States, it became profitable to export the fruit from Central America to the United States. In order to transport the fruit faster, the United Fruit Company invested in the construction of railways and ports throughout Central America. Cabrera allowed for the United Fruit Company to purchase land in Guatemala for the production and transportation of bananas. The American business took advantage of the country's need for economic development and social division to put conditions on the use of land and railways. Chapman, a journalist for Financial Times, and a correspondent for Latin America Letters, the Guardian, and BBC in Central America and Mexico writes:

United Fruit named its terms. Keith took full control of the railway on the Atlantic side of the country. This included all rolling stock, stations and telegraph lines, plus the lately constructed Atlantic port of Puerto Barrios. All had been built at national expense. The company gained huge new banana lands. It would pay no taxes to speak of.<sup>4c</sup>

To protect American economic interests, United Fruit and the American government supported dictators such as Cabrera and Ubico in Guatemala. Jorge Ubico came to power in Guatemala in 1931 and he was easily bought by the United Fruit. He let the company spread its influence and power all over the country - from the Atlantic coast to the the Pacific coast - because it brought technology to banana production, which increased economic prosperity and made Guatemala look advanced.<sup>5</sup> While Ubico was loved by the United Fruit, he was

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<sup>4 4b 4c</sup> Chapman, Peter, *Bananas: How the United Fruit Company Shaped the World*, (Canongate, 2009), 54, 49, 56.

<sup>5</sup> Chapman, Peter. *Bananas: How the United Fruit Company Shaped the World*. (Canongate, 2009), 106-107.

hated by the Guatemalan people. In 1944, the population rose against Ubico and he was forced to step down from power. The military regime forced the population to vote for another dictator, General Ponce. He ruled for a few months until a revolutionary group, led by Juan Jose Arevalo took him down in October of 1944.

This change of government brought a challenge to the United Fruit Company as Arevalo and his successor Arbenz led Guatemala into social and economic reforms that undermined the company's power. After Ponce was taken down, a democratic election was organized, and the population elected Arevalo. The American parties involved in Guatemala at the time did not see a threat in the new form of government. The new Guatemalan president came into office with reforms that fit the democratic values of the United States. Schlesinger and Kinzer, respectively the former director of the World Policy Institute at the New York School and a retired journalist for the New York Times, list Arevalo's priorities in their book *Bitter Fruit*: "agrarian reform, protection of labor, a better educational system and consolidation of political democracy."<sup>6</sup> In 1950, Jacobo Arbenz Guzman was elected, and he followed Arevalo's lead in reform of the country. Arevalo introduced a labor code. The new labor laws allowed workers to create unions and to organize strikes. They also established a minimum wage and regulations on female and child labor.<sup>6b</sup> These laws obligated the United Fruit to stop abusing its workers, which reduced the efficiency of their production.

The biggest reform launched by Arbenz that challenged the United Fruit was his land reform. Chapman describes the reform: "The reform's aim was to break up a number of large land-holdings and distribute small areas to landless farmers."<sup>7</sup> The Guatemalan government

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<sup>6b</sup> Schlesinger, Stephen; Kinzer, Stephen. *Bitter Fruit: The Story of the American Coup in Guatemala*. (Harvard University Press, 1999), 37, 39.

<sup>7</sup> Chapman, Peter, *Bananas: How the United Fruit Company Shaped the World*, (Canongate, 2009), 124.

seized unused land owned by the United Fruit and compensated the company with \$600,000, which was the value of the land according to the company's tax forms. But in reality the land was worth fifteen million dollars. The United Fruit had lied on their declaration to save money on unused land. At the time, 85% of the agricultural land owned by the United Fruit in Guatemala was unused, it was simply kept away from other farmers to ensure the company's monopoly. The land reform was threatening to change the balance of power in the banana industry, and the United Fruit would have had to work harder to keep its monopoly. While the goals of the Guatemalan reforms fit the democratic model of the United States, they did not advance its economic interests. The American democratic values are: rule by the majority with protection for the minorities, ensured by vote on a regular schedule, and separation of branches. Arevalo and Arbenz followed this model in Guatemala.

Because the interests of the United States were hurt by the new Guatemalan government, the American government and the United Fruit Company directly intervened to change the Guatemalan political system. The Americans organized a coup d'état to take down the democratically elected president of Guatemala, and replaced him with a dictator willing to cooperate with Americans. At the time of Arbenz's presidency, President Eisenhower was in office in the United States. Under him the Dulles brothers were given high positions in the American government. John Foster Dulles was Secretary of State while his brother, Allen Dulles, was director of the CIA. The two brothers had personal ties with the United Fruit Company as they were former lawyers for the firm that represented the fruit company. The American strategy - kept secret at the time- was to raise fear about Arbenz by calling him a communist spreading Soviet values on the American continent, and to create - or rather pretend there was - civil unrest in Guatemala to gain public approval in supporting a new Guatemalan leader. This new Guatemalan leader was chosen by the American government among members of the old military regime. His name was Carlos Castillo Armas, he had

been a colonel under Ubica's rule, and had fled to Honduras after the fall of the military regime. The CIA, with the approval of President Eisenhower, funded and trained a rebel group led by Armas. They invaded Guatemala in 1954, and thanks to the backing of a psychological warfare - introducing fear of an American invasion - the Guatemalan army did not fight. President Arbenz had to resign, and Armas took over.

Guatemala suffered because American actors intervened directly in the economy and the political life of the country. The Guatemalan lived under dictatorships from 1954 until 1986. And the country was in a state of civil unrest, sometimes described as a civil war from 1960 to 1996.<sup>8</sup> A democratic government has been restored in Guatemala, but the government has failed to take back the control of the economy or create strong institutions. Large foreign companies still dominate the banana industry, which is one of Guatemala's top exports and top sources of employment and revenue.<sup>9</sup> Marco Gutierrez states in his research, published by Stanford University, that "the revenue of these foreign companies is not reinvested into Guatemala and is instead invested abroad, which causes problems for the Guatemalan economy."<sup>10</sup> The government also fails to enforce labor laws properly. Gutierrez adds:

There is rarely any labor legislation that is followed by employers. Thus most employees do not have the right to a minimum wage, overtime pay, retirement, permanent work, or social security benefits. In addition various methods have been employed by the producers of bananas in order to prevent employee uprisings. Such methods include the immediate firing of employees... presence of armed forces... and bribing of government officials.<sup>11</sup>

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<sup>8</sup> Scott Beck, personal interview, November 4, 2016.

<sup>9</sup> Guatemala Human Rights Commission, "Banana Companies in Guatemala: a Century of Abuse of Land and Labor Rights," Guatemala Human Rights Commission, 2009.

<sup>10</sup> Gutierrez, Marco, "Economic Reform in Guatemala Through the Banana Industry," *War & Peace: the Americas in Transition*, (EDGE, 1999), 2.

<sup>11</sup> Gutierrez, Marco, "Economic Reform in Guatemala Through the Banana Industry," *War & Peace: the Americas in Transition*, (EDGE, 1999), 2.

However, today the situation in Guatemala is better than it was under the dictators supported by American institutions. The United States's government does not directly intervene in Guatemala anymore, and American companies have grown into less abusive systems. These changes were encouraged and influenced by the public.

### **Politically involved and informed citizens**

The American public influenced positive changes in Guatemala through responsible consumerism. But for responsible consumerism to have an impact it needs to be accompanied by traditional political involvement, which requires citizens to be informed consumers *and* voters. Today, the United States' government is not directly controlling the Guatemalan government anymore. Guatemala re-established its sovereignty with the constitution of 1985. The Guatemalan constitution ensures democratic rule. The president is elected by a majority vote for four years. The members of the Supreme Court are elected by Congress for five years. The legislative branch is made of 158 members elected for four years.<sup>12</sup> The sovereignty of nations is protected by international law which is established by the International Court of Justice, as well as treaties. Countries follow international guidelines to protect their legitimacy and reputation abroad. The United States stopped directly intervening in Latin American countries to avoid criticism. Criticism comes from both the international community and the American public. The American public can be organized as consumers, voters, and non-governmental organizations that influence decision making, including foreign policies.

The United Fruit Company also went through reforms in the 1980s. The media took a hold of the United Fruit's behavior in Central America and American journals denounced the

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<sup>12</sup> Global Edge, "Guatemala: Government," Michigan State University, <http://globaledge.msu.edu/countries/guatemala/government>



company's gross abuses. *Fortune* magazine writes: "The pioneers of the business had been no better than conquistadors and among the wildest and greediest men in history."<sup>13</sup> Journalists thus exposed all the "half-truths and lies traded as news in Guatemala twenty year before."<sup>13b</sup> On top of the scandals, the company suffered from the social reforms in Guatemala brought by the 1985 constitution, and the rise of competitors hurting their monopoly. Plus, the United Fruit did not have private ties to the government, like the Dulles brothers, to help them anymore. The United Fruit decided to reshape its image by emphasizing its work as "the largest employer in Central America - bringing economic success - and one that built hospitals and schools for its people."<sup>13</sup> In 1989, the United Fruit changed its name to Chiquita Brands. With the new name came a new code of ethics, one that lists its core values as being integrity, respect, opportunity, and responsibility. On page fifteen of the code of ethics found on their website there is an emphasis on "fair treatment of our employees" and "respect for basic human rights."<sup>14</sup>

The improvements made by the American government on its foreign policies concerning Guatemala and by the American banana companies on their codes of ethics were caused by the public because they were informed voters and consumers. The media investigated the public's concerns about American institutions' behaviors in Guatemala. The media informed the public of the abuses made by the United States in Guatemala's economy and politics. After the Watergate scandal and the resignation of President Nixon journalists and the public became weary of political corruption and abuses of power. This led journalists to investigate the actions of politicians and business men. When information was revealed on the conduct of the United Fruit and the Eisenhower cabinet in Guatemala, the American

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<sup>13 13b</sup> Chapman, Peter, *Bananas: How the United Fruit Company Shaped the World*, (Canongate, 2009), 168, 178.

<sup>14</sup> Chiquita Brand International, Code of Conduct, <http://www.chiquita.com/Code-of-Conduct-PDF/ChiquitaCode-FINAL-EN.aspx>

public expressed their discontent. Their discontent challenged the image of the United Fruit company, which led to the reform of the company. Public opinion, in the form of responsible informed consumers, by expressing their opinion led to the change of the United Fruit's behavior. Like states, companies's success depend on their legitimacy and reputation. Because the public was unhappy with the United Fruit's unethical practices in the banana republics, the company had to change to survive. After the cultural changes of the 1960s and 1970s, the American people were more inclined to support human rights issues and fight abuses perpetrated by governmental powers. Responsible consumerism became even stronger in the 1990s because non-governmental organizations became stronger and had influence on companies and governmental policies.<sup>15</sup> Plus, the change to more ethical practices was not negotiable for the United Fruit because it had lost its private ties to the government, and could neither hide nor excuse its abuses anymore.

The changes for Guatemala initiated by the people prove that responsible consumerism accompanied by traditional political involvement has an impact on companies' behaviors and governments' domestic and foreign policies. Some experts critique responsible consumerism for being a "cheap way to participate just a little, assuage guilt just a little, involve ourselves just a little... feel just a little of activism's thrill."<sup>16</sup> These critiques see responsible consumerism separated from traditional political involvement. Traditional political involvement refers to voting, petitioning and protesting. Stolle, Hooghe, and Micheletti, professors at Princeton University, at the University of Leuven, and at Stockholm University respectively, conducted a research project including young responsible consumers. The conclusion of the research is that a majority of subjects interviewed and observed are responsible consumers who are actively involved in their rights and duties as citizens. They

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<sup>15</sup> Scott Beck, personal interview, November 4, 2016.

<sup>16</sup> Giridharadas, Anand, "Expressing Convictions at the Mall," *The New York Times*, October 9, 2009.

“do not expect national institutions to fix their problems” rather “they believe that individual actions may lead to the solution of political grievances.”<sup>17</sup> This article, titled “Politics in the Supermarket: Political Consumerism as a form of Political Participation” insists that “political consumerism might be considered as a manifestation of distrust toward institutions, but it certainly cannot be interpreted as a manifestation of a lack of internal or personal political efficacy.”<sup>17b</sup> This research shows that responsible consumers not only are active in traditional political manners, but that responsible consumerism - in the form of boycotts or support - can be considered as a new active political participation that is effective, it should not be separated from more traditional ways to express opinions. The research explains that “in the USA, political consumerist activism has spurred the government to take legal and legislative actions as well as forge partnerships between business, the anti-sweat-shop movement, and consumers.”<sup>17c</sup> A difference has to be acknowledged between modern activism, and the peak of activism that occurred in the 1960s and 1970s. Boycotts and marches today involve a lot less risks than those organized during the Civil Rights movement, for example. There appears to be a limit to the sacrifices people today are willing to make to defend moral standards.

McElroy, with support from Kant’s philosophy, argues that

International moral norms do exist, and that they are capable of influencing international relations through the three mechanisms pointed to by the liberal internationalists: 1) the conscience of state decision makers; 2) the influence of domestic public opinion; and 3) international repetitional pressures.<sup>18</sup>

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<sup>17</sup> <sup>17b</sup> <sup>17c</sup> Stolle, Dietlind; Hooghe, Marc; Micheletti, Michele, "Politics in the Supermarket: Political Consumerism as a Form of Political Participation," *International Political Science Review*, vol. 26, no. 3 (2005): 261, 262, 249.

<sup>18</sup> McElroy, Robert W., "Toward a Theoretical Understanding of the Role of International Moral Norms," *Morality and American Foreign Policy: the Role of Ethics in International Affairs*, (Princeton University Press, 1992), 31.

But morality can come into conflict with state interests. In this case, decision makers might sacrifice the international moral code to protect the survival and power of their nation. When a state breaks moral norms, the international community does not have much influence to stop it or punish it. They do not have any power of enforcement. With the United States being the hegemon of the world economically and militarily, it is not in the interest of international institutions to stand against its policy decisions. The moral norms defended by responsible consumerism, and political activism can only go so far into protecting state and human rights. There are many actors and interest involved in decision making, and too many go against morals. Even though the people can influence governmental policies and companies' behaviors thanks to responsible consumerism, states still have to protect their best interests to ensure their survival. States have to ensure the security and well-being of their own people. Powerful states, like the United States, should not be politically involved, and economically invested in the suffering of other nations. Guatemala has to protect their economy, people, and government. International moral norms are difficult to define, and even harder to apply in this individualistic world based on state sovereignty and self-reliance.

### **Guatemala's responsibility**

Democracy, labor laws, and better behavior of foreign companies have not completely improved living conditions and economic prosperity in Guatemala. Guatemala suffers from many domestic problems, such as distrust of authorities and a weak institutional system. Guatemala is an electoral democracy, which does not leave enough time to officials to implement lasting changes. There are short periods of progress that over time either simply fades, or is taken down by political competitors coming to power.<sup>19</sup> For strong and lasting change to occur, Guatemala would need a lot of institutional change initiated by a unified

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<sup>19</sup> <sup>19b</sup> Scott Beck, personal interview, November 4, 2016.

social movement. Until then, it is unlikely that laws will be enforced. And a unified social movement might never come into being in Guatemala as it faces many obstacles.

Guatemala faces high levels of crime. Guatemalan criminal organizations transport illegal drugs, cultivate marijuana and poppy; they are also involved in human trafficking, kidnapping, extortion, money laundering, arms smuggling, and eco trafficking.<sup>20</sup> Guatemalan cartels “are among the most sophisticated and dangerous in Central America” because they include former members of the military, the intelligence agencies and the police. Under human trafficking, the US Department of State counts forced labor. The office to monitor and combat trafficking reports that “Guatemalan men, women, and children are subjected to forced labor within the country, often in agriculture or domestic service.”<sup>21</sup> The Guatemalan government can hardly fight criminal organizations exploiting these people and the laws because cartels have strong armed forces that terrify the population, and they sometimes pay off officials to avoid investigations.

The example of forced labor shows that Guatemala struggles to enforce its laws. When it comes to labor laws, agricultural workers are often subjects to violations of their rights. Plantation owners abuse their workers by not respecting minimum wages, and by forcing them to pay for their housing and healthcare on the plantations.<sup>19b</sup> Most workers are indigenous people/Mayans who work and live on plantations and send the money they make back to their families. Out of their small pay checks they need to take out about half of the money to pay for basic needs such as housing and food on the plantations. The US State Department writes: “Indigenous Guatemalans are particularly vulnerable to labor

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<sup>20</sup> Insight Crime, "Guatemala," Insight Crime: Investigation and Analyses of Organized Crime, 2016, <http://www.insightcrime.org/guatemala-organized-crime-news/guatemala>

<sup>21</sup> US Department of State, Office to Monitor and Combat Trafficking in Persons, *2014 Trafficking in Persons in Guatemala Report*, <http://www.state.gov/j/tip/rls/tiprpt/countries/2014/226731.htm>

trafficking.”<sup>22</sup> Indeed, these workers do not speak Spanish, which gives their employers the ability to take advantage of them. Even if these abuses and law violations are questioned by the workers, they cannot be fought. Workers cannot afford to go on strike and not be paid for days; and they cannot afford to lose their jobs if they join unions. Firing workers who join unions is a common practice in Guatemala. There is enough job demand for plantation owners to have high levels of turn-over. More than abusing laws, employers also abuse human rights. The Council on Hemispheric Affairs reports:

The ITUC sent copies of Guatemalan documents and letters to COHA depicting the horrible abuses of the rights of workers and farmers conducted in areas throughout the country. The documents reported cases of women who were locked up, verbally and physically abused, victimized, and forced to work long hours in miserable conditions.<sup>23</sup>

The Guatemalan economy is also too dependent on only a few agricultural exports, such as coffee, cotton, and bananas to get revenue for the country. The lack of diversity of industries, and of education leads the economy to be stagnant. Plus, revenues made in the agricultural sphere are not redistributed within the country. Multi national companies do not own as much land as in the past, but they are still the employers of the few elites owning plantations. Most of the revenue go to the multi nationals and the elites, before a small portion is given to the workers. In a world ruled by money and the market place, it is hard for workers to have a voice. If companies want to stay competitive they have to put aside the well-being of their workers. And as seen in the previous paragraph, it is easy to abuse the labors laws in Guatemala.

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<sup>22</sup> US Department of State, Office to Monitor and Combat Trafficking in Persons, *2014 Trafficking in Persons in Guatemala Report*, <http://www.state.gov/j/tip/rls/tiprpt/countries/2014/226731.htm>

<sup>23</sup> Council on Hemispheric Affairs, "Peeling Back the Truth on Guatemalan Bananas," Council on Hemispheric Affairs, July 2010, <http://www.coha.org/peeling-back-the-truth-on-the-guatemalan-banana-industry/>

There has been improvement in the last 30 years in Guatemala, since the constitution of 1985. Life expectancy has improve between 1980 and 2014, showing that people make a better living and can afford more food and healthcare. In 1980, the life expectancy at birth in Guatemala was 57 years old, in 2014 it was up to 71 years old.<sup>24</sup> The improvements of life conditions in Guatemala are made possible by international organizations such as the World Food Program. For instance, this organization launched a program to reduce chronic undernutrition in 2011 in which “45,500 beneficiaries received supplementary feeding and 12,000 subsistence farmers were assisted to improve livelihoods.”<sup>25</sup> Their goal is “to assist the most vulnerable portions of the population.”<sup>25b</sup>

Further solutions could be found for long term and lasting improvements. Gutierrez, in his research focused on the banana industry in Guatemala, suggests for workers to “form a coalition and petition for loan in order to raise the initial capital needed to produce bananas.”<sup>26</sup> The goal would be to produce bananas without having to work for producers. This would lower the prices of bananas because workers would be independent from employers to produce, and from foreign companies to export. Money made by the workers would stay within Guatemala and would help build a stronger economy. Guatemala should also develop its industry, allow a “freer flow of imports” to welcome trade and investment.<sup>26b</sup> Focus should be kept on exchanges with the region. The rest of Latin America should be the first target market for Guatemalan goods. A change in the economy would allow more money to circulate in the country and a better standard of living. Trade often helps social issues to be

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<sup>24</sup> World Bank, Guatemala, <http://data.worldbank.org/country/guatemala>

<sup>25</sup> <sup>25b</sup> World Food Program, "Guatemala: Current Issues and What the World Food Program Is Doing," <https://www.wfp.org/countries/guatemala>

<sup>26</sup> <sup>26b</sup> Gutierrez, Marco, "Economic Reform in Guatemala Through the Banana Industry," *War & Peace: the Americas in Transition*, (EDGE, 1999), 3, 5.

resolved because it provides revenue and allows public investments such as welfare, police action, and stronger institutions.

The rise of responsible consumerism in the United States has influenced change in Guatemala. When the scandal about the unethical behaviors of the American government and the United Fruit Company came out in the 1980s, the government stopped direct political and military interventions in Guatemala, and the United Fruit became Chiquita Brands and revised its code of ethics. Public opinion influenced the change of attitude of the wrong doers, which can be seen as a form of responsible consumerism. But there is still a lack of economic independence and social justice in Guatemala which can only be solved by internal reforms. The United States holds part of the responsibility in the current struggles Guatemala faces because of its direct economic, diplomatic, and military interventions. American actors, such as the government and companies, should be careful with their intervention policies in foreign countries. Because the United States is the world's hegemon it has the power to influence other nations, or even bend states' decisions to America's interest. But intervention comes at a price for other countries: for the well-being of their people and their abilities to strengthen institutions.



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