

Chiquita, Dole lay off 15,000 banana workers

Legacy of economic oppression exacerbates impact of Central American hurricane

Jerry White
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More than a week after Hurricane Mitch pounded the Central American isthmus with severe winds and as much as six feet of rain, relief efforts in Nicaragua and Honduras, the two countries most harshly affected, still have not reached many, perhaps even a majority, of victims. The death toll has reached 11,000, with another 13,000 missing and feared dead. Officials estimate another 2 million people are homeless and without adequate food or temporary shelter.

Although large amounts of internationally-donated food and medicine have arrived, the region's fractured road system, the lack of helicopters, a fuel shortage and continued bad weather have obstructed efforts to reach isolated rural areas, cut off by flooding and mudslides, where the danger of starvation and disease is most severe.

At least two villages in eastern Honduras were obliterated by landslides over the weekend, emergency officials reported. It is unclear how many people were killed. Some 50,000 people in Olancho province were cut off by the latest floods and landslides and were 'in a precarious situation because of shortages of food and medicine,' according to the head of emergency operations in the region.

The US has come under particular criticism for its slow response to the disaster, particularly since it maintains military bases in Honduras and Panama. While Latin American countries such as Mexico were quick to provide helicopters, food and other assistance, the US initially offered just \$3.5 million in aid. After criticism from Honduran President Carlos Flores Facusse and Mexican officials, and an \$8 million donation from Europe, Clinton increased US aid to \$70 million. But it likely will be weeks before all the

assistance arrives.

The impact of the disaster has been exacerbated by the announcement of two US agribusinesses that they will lay off thousands of Honduran banana workers because of the destruction of the country's \$250 million crop. Cincinnati, Ohio-based Chiquita announced Friday that it would lay off 7,782 workers--nearly its entire field work force. On Sunday Standard Fruit Company, the parent company of Dole, said it would lay off its 8,000 field workers for at least several months.

Following coffee, bananas are the region's largest export product. Tens of thousands of families depend on the workers' income, which averages about \$170 per month. The future of the unemployed workers is uncertain. Chiquita reportedly rotates its work force between its different subsidiaries in order to prevent workers from becoming permanent employees under Honduran law and qualifying for severance pay and other benefits. In the past banana companies have also evicted unemployed workers from company-owned housing.

Since Chiquita and Dole established huge banana plantations in Honduras 100 years ago they have virtually controlled successive governments, leading to the coining of the term 'Banana Republic.' Chiquita, formerly known as United Fruit Company, was nicknamed 'El Pulpo,' the Octopus, for its role in installing and deposing dictators, and calling in the army to repress strikes by banana workers.

More recently Honduran workers have protested the companies' practice of spraying pesticides from aircraft while workers are in the fields, causing sterility, blindness and a rash of birth defects. The banana

companies' disregard for the environment has also been cited for worsening the impact of the hurricane.

Efrain Diaz, an agricultural expert with the United Nations in Tegucigalpa, said that although the hurricane was of unprecedented ferocity, the damage was exacerbated by deforestation, the absence of soil conservation techniques and the concentration of intensive, mechanized export farming in fertile floodplains.

With the best land held by multinational banana producers and wealthy farmers, many impoverished workers and peasants chop down trees on the flanks of mountains and volcanoes to cultivate a small parcel of land. When the soil no longer produces enough, they move a little higher, chopping down a few more trees to grow the corn and beans they need to feed their families.

These conditions directly contributed to the single-most fatal disaster during the hurricane, when the Casitas volcano in Nicaragua collapsed and burying four villages, killing as many as 2,000 people. Poor peasants had deforested its flanks to clear land for cultivation and to use as wood for cooking fuel. In Honduras and Nicaragua, the second and third poorest countries in the Western Hemisphere, wood is the major source of fuel.

The disaster has also highlighted the large amounts of debt payments that US and European banks extract from Central America. Last week the presidents of Nicaragua, Honduras, El Salvador and Guatemala met in El Salvador to plea for a reduction of their \$20 billion foreign debt. Honduras pays \$450 million a year to service its \$4 billion debt, about 30 percent of the annual budget. Servicing Nicaragua's \$6.5 billion foreign debt costs the country of 4.3 million people an amount equal to nearly 40 percent of its exports.

After the meeting both France and Britain unveiled plans to ease international debt burden, and Spain, which declared its own \$100 million aid package, said it was also considering writing off debts.

The International Monetary Fund has made it clear it expects Nicaragua to stick to economic targets, even if its debts are forgiven. 'The pressures of reconstruction should not lead us to abandon [economic] stability,' IMF representative Gil Diaz said. Under existing agreements, Nicaragua must reduce public spending, lay off government workers, charge more for public

services and privatize state-owned firms.

In recent days a number of US officials, including former US president George Bush and Vice President Al Gore's wife, have visited the region. On Monday Bush toured parts of Honduras and urged that international financial organizations 'adjust debt repayment schedules' to aid Honduras. He said the economic rebuilding of the region was crucial to prevent a possible wave of illegal immigration to Mexico and the US.

Bush's visit is of particular significance. As a former director of the Central Intelligence Agency and vice president under the Reagan administration, he had primary responsibility for the US's covert war to overthrow the radical nationalist Sandinista regime in neighboring Nicaragua. One legacy of US intervention was highlighted this week when French de-mining experts were called into Managua to locate and disarm anti-personnel mines brought up by floodwaters. The mines were planted by US-armed Contras during the civil war of the 1980s, when 20,000 Nicaraguans, mostly poor peasants and workers, were killed.

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