Banana producers exploit hurricane devastation in Central America

Our reporter
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Chiquita Brands International has been using the desperate situation faced by workers in Honduras, Guatemala and Nicaragua, countries recently devastated by Hurricane Mitch, to wrest concessions with an eye to future profits.

In October of 1998, Chiquita was compelled to agree for the first time to sit down with leaders of the Coordination of Latin American Banana Workers Unions (COLSIBA), which represents workers throughout the region. But two weeks before the meeting Mitch struck and virtually wiped out banana production in Honduras, Nicaragua and a significant part of Guatemala. Tens of thousands of banana workers for Chiquita, Dole Foods and Fresh Del Monte Produce have been idled and face hunger, homelessness and disease. The region is experiencing epidemic levels of diarrhea and dengue fever.

Chiquita has released 1,200 seasonal workers from its payroll and suspended 7,300 of its permanent workers for a year. The company offered full-time workers bonuses and advances averaging $370, just over the average monthly salary for a full-time worker in Honduras. Workers can also borrow up to $40 every two weeks.

"That's no help to me," declared one worker. "That's just cutting my throat, because I'll never be able to work off that debt."

According to COLSIDA spokesmen, Chiquita is seeking to use the weakened position of banana workers to force through wage concessions and cutbacks in healthcare.

"The companies are taking advantage of the disaster situation and using it to introduce changes that we have been fighting against over the past 10 years," said Juan Funez, president of the union representing Chiquita workers. "But what can we do, strike? There is no work. We have no strength, no power to demand anything."

Chiquita is preparing to implement a new work system which forces workers to carry out additional tasks on the job. The union believes the labor efficiency proposition, once carried out, will lead to work force reductions.

Dole Foods, known as Standard Fruit in Honduras, pushed through a reduction in medical benefits with the union representing its workers. Regular health insurance will not be restored until operations return to full production, possibly more than a year off.

See Also:

Chiquita, Dole lay off 15,000 banana workers: Legacy of economic oppression exacerbates impact of Central American hurricane
[11 November 1998]

Anger mounts over relief delays - Central American death toll from Hurricane Mitch could reach 18,000
[5 November 1998]

At least 7,000 killed by Central American hurricane
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