A Race to the Bottom? Globalization, Labor Repression, and Development by Dispossession in Latin America's Banana Industry

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ABSTRACT

Labor scholars and activists draw attention to the ways that the globalization of production and market activities have caused to a race to the bottom in wages and work conditions that has instilled labor discipline throughout the globe. A number of recently published reports by international labor rights organizations, however, have brought worldwide attention to the ways that direct forms of violent repression, rather than the global market alone, continue to be a key modality used to control labor in the contemporary age. This paper examines the link between globalization and labor repression through a macro-historical analysis of one particularly repressive global industry: Latin American bananas. The author finds that the violent race to the bottom dynamic characterizing this industry is a perverse institutional outcome of a historic wave of labor unrest and economic nationalism in Latin America that launched developmentalist regimes oriented to economic growth through banana production, despite the dispossession and proletarianization that these policies engender. Labor repression therefore occurs as these regimes prioritize the profitability of banana producers in an increasingly competitive global banana market over the demands of banana workers and the dispossessed.

KEYWORDS

globalization, labor repression, Latin America, race to the bottom

Introduction

Over the past decade international labor rights organizations have brought worldwide attention to the widespread use of state and private forms of violence to discipline workers across the globe.[1] In its *Annual Survey of Violations of Trade Union Rights: 2006*, the International Confederation of Free Trade Unions (ICFTU) found that 'workers were killed for their trade union activities in every single continent' and that 'the right of workers to freely establish and join organisations [*sic*] of their own choosing was regularly violated.' The

380-page report, which systematically documents violations occurring in 154 countries between January and December 2005, describes incidents of police brutality against striking workers, targeted assassinations of union leaders, government criminalization or heavy legislative restrictions on organizing and bargaining rights, and the widespread use of union-busting, mass dismissals, and other tactics used to intimidate and discipline workers so that they accept the poor wages and work conditions provided by their employers. Upon reading the report, the ICFTU's General Secretary, Guy Ryder, writes that, 'I was struck by the appalling level of brutal violence meted out to workers who have merely tried to stand up for the right to decent work, including the right to fair pay, acceptable working hours and safe conditions' (2006: 005).

Two reports published by the International Labor Organization (ILO) in 2005 and 2009 echo the 2006 ICFTU report by drawing attention to the 'truly global scope' of the problem of 'forced labour' associated with the contemporary world economy. Forced labour, defined as 'all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily,' was found to affect some 12.3 million people working in 'virtually all countries and all kinds of economies' (2009: 1). Interestingly, the authors of the ILO reports argue that these forced labor conditions should be understood to be the 'underside of contemporary globalization' because they result from 'competitive and cost pressures' placed on businesses competing against one another in the global market. Moreover, the report describes how these market pressures are not limited to industries operating in the blurry boundaries between the formal and informal economy. Rather, 'with the growing deregulation of labour markets and the trend towards outsourcing and ever more complex forms of subcontracting, there were signs that forced labour abuse was also penetrating the supply chains of mainstream companies in the formal economy' (2009: 2, 11).

Taken together, the ICFTU and ILO reports sketch a dismal picture of the tendency of employers to rely upon direct forms of coercion to control and subjugate workers in the contemporary era. Of course, these despotic work conditions should come to no surprise to labor activists and scholars who have singled out a number of industries that are particularly repressive of workers in the contemporary world economy, including the garment and apparel industries (Bonacich and Applebaum 2000, Collins 2003, Ross 2004), industries operating in illegal and informal markets (Milkman 2000, Ehrenreich and Hochschild 2002), and industries established in 'free trade zones' with minimal labor regulatory standards (Fernandez Kelly 1983, Chan and Ross 2003). Each of these industries has received a good deal of attention for their notoriously poor work conditions governed by so-called 'flexible' accumulation strategies (Harvey 1989), 'lean' production systems (Moody 1997), and lack of adequate governmental oversight of labor codes and regulations that facilitate the over-exploitation of their labor power (Seidman 2007). Moreover, most labor scholars would agree that the despotic work conditions depicted in the reports are indeed a product of the market imperatives and capitalist accumulation processes underlying the globalization of the world economy, wherein neoliberal state policies liberalize trade, deregulate industries, and integrate the world's labor and capital markets in ways that facilitate the structural power of mobile capital over national-states and citizen-workers (Burawoy 1983). This mobility of capital constructs an integrated global labor market that pits segments of the world's working population seeking employment against one another in a global 'race to the bottom' in wages and work conditions (Cowie 1999, Ross 2004, see Silver 2003: 3-12).

While not necessarily in disagreement with the role globalization plays in the appearance of market despotism in the contemporary banana economy, a critical discrepancy exists between the causal outcomes depicted in the reports and those of the scholarly literature. The general thrust of the labor literature describes a race to the bottom whose 'bottom' is reached when workers are forced to choose between unemployment and a terrible job. The central mechanism of coercion used by capitalists to impel workers as well as states to accept the 'hegemonic despotism' of contemporary working conditions is the expansion and global integration of the market itself. This globalization of capital, as Burawoy (1983: 603) warns, creates a 'fear of capital flight, plant closure, the transfer of operations, and disinvestment' that creates a situation wherein 'one can anticipate the working classes beginning to feel their collective impotence and the irreconcilability of their interests with the development of capitalism, understood as an international phenomenon'. The ICFTU and ILO reports, on contrast, highlight the fact that direct forms of violence *rather than the market itself* has become an important mechanism of labor control in the contemporary era. In frank terms, what is most disturbing about the ILO and ICFTU reports, then, is that they imply that the downward trend in global working conditions does not stop simply with the growth of global sweatshops, poverty, and slums. If there is a 'race to the bottom' in terms of working conditions, then the reports suggest that the 'bottom' appears to be the continued exploitation of workers through the imminent threat of violent death.

Under what conditions is a competitive international market itself an insufficient mechanism in forcing workers to accept deteriorating working conditions? What compels capitalists to rely upon state and private forms of violence to directly suppress worker repression and instill labor discipline? In this essay, I take up these questions, focusing on the political economy of one particular global industry singled out by the ICFTU report for its propensity for harshly coercive mechanisms of labor repression: Latin America's banana enclave zones. In doing so, I highlight how contemporary modalities of labor repression depart in significant ways from that the neo-imperialist practices of the past. However, in contrast to race to the bottom explanations that privilege market dynamics as the central causal factor underlying labor repression, I argue that the violence characterizing Latin America's banana zones is a perverse institutional outcome of a wave of labor unrest and economic nationalism that launched developmentalist regimes oriented to economic growth through banana production, despite the dispossession and proletarianization that these policies engender. Labor repression therefore occurs as these regimes prioritize the profitability of banana producers in an increasingly competitive global banana market over the demands of banana workers and the dispossessed.

Latin America's Banana Industry: The Visible Hand of Labor Repression

The regular appearance of violent labor repression in Latin America's banana industry should be somewhat surprising to labor scholars because it includes violations occurring within a number of 'mainstream companies' that are key national growth sectors and that have therefore agreed to adhere to international labor agreements and 'social clauses' that oversee labor relations, protect workers from abuses, and even permit the unionization of plantation workers (Chan and Ross 2003, Riisgaard 2005). In fact, between 2002 and 2006 Ecuador, Costa Rica, Colombia, and Guatemala ranked among the five largest banana producing and exporting countries, equal to 49 percent of banana exports worldwide (UNCTAD 2012). Each of these leading banana producers was also singled out in the ICFTU for their labor repression against banana workers in the labor reports.

In Ecuador, the world's largest banana exporter, the ICFTU reports that 'banana workers faced dismissals for setting up branch unions on several occasions' rather than accept the 'sub-contracting and "solidarismo" associations' promoted by their banana employers. Two hundred and fifty of these workers were tear-gassed and then sacked following a work stoppage in October 2005, while striking workers elsewhere were repeatedly tear-gassed by police (2006: 094, 125-128). Nowadays, the report concludes, 'most workers are too afraid to organise' for fear of reprisal (127). Costa Rica, a country typically known for its tolerance of union activities and social democratic political practices, was also singled out by the ICFTU report. A lawyer working on behalf of Costa Rica's banana unions even pointed out 'there have been many cases in which falling banana prices on the banana market have been used as a widespread pretext for the dismissal of unionized workers, who have been harassed and blacklisted [and complained about] the lack of association and collective bargaining rights in the banana plantations' (2006: 120-121). Two prominent banana union leaders were 'arrested for participating in a peaceful union demonstration for better environmental safety standards' while the demonstration itself 'came under attack from anti-riot police' (120-121). Similar incidents of labor repression were also reported in the banana enclaves of Nicaragua and Belize, where worker protests 'regularly met with police violence and jail sentences', where 'legal strikes are virtually impossible', and 'trade union protection is no longer respected' by legal authorities' (ICFTU 2006: 150-151). And while there were no specific mentions of incidents of violent labor repression in the banana enclaves of Guatemala, El Salvador, and the Dominican Republic in the 2006 ICFTU report, the current ITUC website now describes the widespread use of forced dismissals, death threats, forced exiles, and the lack of basic legal protections of unionized workers in each (ITUC 2012).

Less surprising, though equally disturbing, is the continuation of violent forms of labor repression in Colombia. The 2006 ICFTU report found that seventy unionists were killed for their trade union activities in 2005 alone, making Colombia the 'worst labor rights violator in the Americas'; this is despite its 'significant reduction' in union deaths since its peak in the mid-1990s. For example, paramilitaries linked to the country's banana planter association forcibly entered the home of unionist Medardo Cuesta, distributing pamphlets threatening his life and the Sintrainagro banana union leader Oswaldo Cuadrado's life if they did not back down from involvement in a planned strike (ICFTU 2006: 005, 093, 110-118). This type of paramilitaristic repression is just the most recent in a longer history of political violence in Colombia's banana enclaves. In fact, studies of Colombia's banana plantations in the region have pointed out how the rise of paramilitarism was critical to its transformation from a left-wing stronghold led by militant banana unions, leftist guerrilla groups and political representatives in the 1980s into a right-wing stronghold by the mid-1990s (Romero 2005, Hough 2010). Perhaps the most striking example of violence against banana workers came in 2007, when Chiquita Brands publically admitted to paying right-wing AUC paramilitaries US $1.7 million to protect their investments in the country's banana producing regions of Urabá and Santa Marta from leftist rebel influence (Evans 2011).

Although these examples of violent labor repression cut across Latin America's diverse national political fabric, they do not typically describe the labor regimes that exist outside of Central and South America, including the export sectors in the Eastern Caribbean, Africa, and the Asian Pacific, where producers livelihoods are also 'economically tenuous' and 'very labor intensive' (Raynolds 2005: 35-36). Nor are such incidents of violent labor repression characteristic of banana production in the world's largest banana producer, India (21 percent of world production), or other large producers such as Brazil, China, or the Philippines (9 percent each), whose production primarily feeds domestic consumption (UNCTAD 2012).

The remainder of this essay will take up the question of Latin American banana producer-exporters' particularly repressive labor regime. Why are producers so staunchly anti-union in terms of their practices? Why are banana producing governments so wont to turn a blind eye to these labor rights violations, potentially sacrificing their political legitimacy in favor of profitability concerns?

Labor Repression and Banana State Politics Under U.S. Imperialism: 1899-1960

Scholars of Latin American history might tempt us to interpret the recent ILO and ICFTU reports as simply a continuation of the atrocities regularly carried out against banana workers, peasants, and leftist political organizations since banana corporations first established large-scale plantations in Central America and the Caribbean at the turn of the 20th century. However, there are a number of critical differences in the institutional governance structures, the intensity of market competition and logic of capital accumulation, and therefore the nature of labor repression that distinguish the banana economies of the past and the present.

The market for Latin American bananas has been monopolized by three vertically-integrated banana transnationals: the United Fruit Company controlled roughly 50 percent of the U.S. market throughout the first half of the century, Standard Fruit Company (later renamed Castle and Cook) who controlled roughly 40 percent of the U.S. market, and Fyffes

Limited who controlled roughly 75 percent of the European market (Raynolds 2005: 25-27). Each of these banana transnationals owned and managed all stages of production, from the clearing of land for future sites of banana plantations, the development of transportation systems (railroads, highways, shipping) linking the plantations to regional population centers and coastal ports, and eventually refrigerated shipping that brought bananas from as far south as coastal Ecuador to New Orleans where it would be unloaded and transported to regional distribution centers (Soluri 2005: 67, Chapman 2007: 52, 54-58).

The high start-up costs and risky nature of production threw up barriers to entry into the market that were too high for most profit-seeking local entrepreneurs and national governments. Moreover, once consolidated, the vertically-integrated control provided these large transnationals with the ability to establish economies of scale and scope that allowed them to 'nip [potential] challengers in the bud' (Wells 2005: 318). The market for Latin America's bananas therefore remained highly concentrated, with profits stemming primarily from their ability to keep banana prices low enough for Europe's and America's burgeoning working and middle class consumers and to continually expand this market through massive advertising campaigns aimed at making bananas a staple of their diet (Soluri 2005: 53-59, Bucheli and Read 2006: 206).

Though monopolized, banana production brought great social and ecological risks that exacerbated an already tenuous system of production. Ecologically, bananas required a tropical ecology that was prone to malaria, Black Sigatoka funguses and Panama Disease, and tropical storms and hurricanes that could wipe out an entire crop. In response, the banana corporations purchased much more land that they could use at any given time, which meant that the UFC, Standard and Fyffes rapidly became some of the largest landowners through Central America and the Caribbean (Soluri 2005: 67-71, Wells 2005: 320-324, Chapman 2007: 49). The isolated, tropical ecology that banana production required also meant that banana transnationals faced chronic labor shortages, which they addressed by keeping wages relatively high to attract locals as well as by importing significant numbers of foreign workers from the West Indies, unemployed Chinese railroad workers residing in the U.S., and Italians (Purcell 1993, Chapman 2007: 75-77), in addition to 'experimenting unsuccessfully' with 'dozens of other national and ethnic groups, including Canadians, Dutch, Swedes, black North Americans, Carib Afro-Amerindians, Syrians, Turks, East Indians, Egyptians, and Cape Verdians' (Bourgois 1989: 48).

The ability of these early transnationals to develop banana enclaves, purchase vast acreage of land, and maintain stable systems of production and export depended upon their ability to internalize production costs while externalizing protection costs and risks onto local governments. For example, governments transformed their labor and land laws through lax regulations on production, access to cheap and plentiful lands, and minimal export taxes and levies in order to attract the banana transnationals. Each of these measures brought with them vast social costs for local inhabitants, who were often uprooted from the land and forced to transform their established patterns of life. Not surprisingly then, local governments also provided the security forces needed to quell rebellion and (re)establish a profitable climate for banana market investors. Government leaders were typically willing to sacrifice social unrest because they believed that the development of large banana enclaves would act as a motor of economic modernization linking them into the burgeoning capitalist world economy (Langley and Schoonover 1995: 14-16, 26-28).

At least two distinct, albeit interrelated, modalities of class conflict and repression emerged during the development of this early banana regime. The first resulted from the privatization of lands that would become future sites of banana production. Since many of the areas purchased by the banana transnationals were already occupied by peasant farmers and indigenous communities, local governments employed legal decrees, criminal punishments, and ultimately police forces and militias to dispossess these rural residents from promising production sites. This meant that these early 'struggles against dispossession'[2] did not only arise at the onset of the development of the banana export sector but instead were central axes of conflict throughout the subsequent development of the banana economy (Striffler 2002: 121-127, ch. 8; Striffler 2005: 171-190; Forster 2005: 191-228). The second modality pitted proletarianised plantation wage workers against the transnational banana capital in a struggle over the right to form unions, demands for higher wages and working conditions, and control over the conditions of work, and redistribution of the surplus labor exploited at the point of production. These struggles emerged because workers often lacked basic rights, faced terrible work conditions, and were frequently suffering from tropical illnesses that could otherwise be remedied through basic health, housing and sanitation services (Frundt 2009: 98-102).

Despite these obstacles, banana workers throughout Latin America gained some success in forming autonomous collective organizations demanding basic worker rights and greater economic security through better wages, work and housing conditions. These early upsurges in labor unrest, however, were typically met with various forms of state repression, including death threats of organizers, mass arrests, the use of spies and company informants, and the like (Frundt 2009: 98-102). When local repression did not suffice, as had occurred with the election of worker- and peasant-friendly regimes in Colombia (1928) and Guatemala (1952), the companies sought the assistance of the U.S. armed forces to send over boats and soldiers to quell the rebellions and 'restore order' (Schlesinger and Kinzer 1982, Langley and Schoonover 1995: 26-32).

Clearly then, this early patterning of violence stemmed from a convergence of the immediate economic interests of the banana TNCs, the desire of the US government to keep Latin America open to US business investments, and the desire of banana producer governments to use the strategy of foreign direct investment as a modality of economic and political development. Central to this system was the vertically-integrated nature of production, which externalized protection costs onto local governments while internalizing the transaction and production costs within each firm, and local banana producing governments, which prioritized capitalist development above the demands of workers and peasants.

Labor Repression and Globalization: A Global Race to the Bottom?

The problem with reducing contemporary incidents of labor repression to the neo-imperialistic system of the past is that scholars of the contemporary global banana industry now analyze a fundamentally different banana regime. Latin America's banana industry is now characterized by the predominance of what Bucheli (2005) calls a 'vertically-*dis*integrated' system of production that links large transnational banana corporations who monopolize the importation and distribution of branded bananas to a vast array of locally-contracted farmers, domestic plantation owners, and smaller-scale marketing companies spread throughout the region's sites of banana production.

To be sure, the size and ownership patterns of today's banana farms vary broadly by geographic regions. The largest domestically-owned plantations exist in the Central American countries of Honduras, Guatemala, El Salvador, Panama, Belize, and Nicaragua. Caribbean producers in Jamaica and the Windward Islands tend to be smaller, family-owned farms. And Colombian and Ecuadorian banana producers tend to vary between large, medium, and small-scale production units (Striffler and Moberg 2005: 3-9). Moreover, transnationals continue to own a sizable portion of banana plantations via subsidiary corporations in Central America and to a lesser extent in Colombia and Ecuador. However, the crux of banana production in Latin America now occurs on domestically-owned and operated plantations that internalize their own production costs (FAO 2003: 68-69, Raynolds 2005: 32-33, Frundt 2009: 25).

Latin American producers now sell their bananas through a system of 'contract farming' established through exporting and marketing firms (Grossman 1998). These marketing firms are typically subsidiaries of the large transnational fruit companies that purchase the bananas and monopolize the importation, wholesale, and distribution stages of the market. Four of these transnational conglomerates currently dominate over two thirds of world imports: Chiquita with 25 percent, Dole with 26 percent, Del Monte with 16 percent, and Fyffes with 8 percent. However, some banana producing countries have successfully developed their own national marketing firms that, like Colombia's Uniban marketing company, act as intermediaries selling to the transnational conglomerates or, like Ecuador's Noboa Fruit Company, have has grown to market directly to the U.S. and European markets (with 12 percent of the world market) (UNCTAD 2012).

This vertically-disintegrated banana regime is best described as a 'buyer-driven' commodity chain because the market concentration at the top of the chain has allowed the transnational fruit conglomerates to capture the largest profits within the market, shifting competitive pressures onto domestic producers who have little choice but to establish sales contracts with them (Gereffi 1994). It is this modality of intense market competition among producers in exporting countries, rather than the expansion of the market to working-class consumers that propelled the industry in the past, that is the central causal mechanism driving planter efforts to keep production costs down and continually extend their productive capacities by relying upon 'enhanced mechanisms of labor control and surplus extraction' (Grossman 1998: 7, 15; Frundt 2009: 3).

The intensification of market pressures on producers is perhaps most evident when looking at broad statistic trends on banana production. FAO (2008: 1) data shows that the total volume of banana production for export for the world market has been growing 'at an unprecedented [average] rate of 5.3 percent' over the past quarter century. Latin America in general has driven this surge, now supplying not only roughly 80 percent of exports to the world market, including 100 percent of the Dollar Market; but it now supplies 78 percent of the banana consumed in the European ACP market (8-9). This surge stemmed largely from Costa Rica and Colombia who doubled their exports, and Ecuador who nearly tripled its exports between 1982 and 2002 (section 2.1-2.4). This surge in banana production has far outpaced banana consumption, leading to a clear long-term decline in banana import prices in the U.S. from an average of nearly U.S.$700/metric ton in 1973 to roughly U.S.$400/metric ton by the turn of the century (14). The picture looks equally daunting when considering market competition within banana exporting countries. For example, in Colombia alone there are now over 200 privately-owned banana farms with an average of over 82 hectares/farm, each of which contracts out their bananas to one of six marketing firms operating in the country's two banana enclave regions (FAO 1983: 14-15, Striffler and Moberg 2005: 19). Ecuador's own Noboa and Favorita Brands both own large plantations of over 7000 hectares, in addition to contracting from some 5200 independent producers whose 30 hectares or smaller dot the landscape surrounding their larger neighbors (Hellen and Higman 2003: 14).

When viewing the global banana industry from this contemporary vantage point alone, the new vertically-disintegrated, global structure of banana production, and the race to the bottom dynamic it engenders, appears to be the death spell of banana workers in terms of their welfare, well-being, and potential to mount durable resistance to banana capitalist control. The threat of capital mobility and closures has been regularly employed as a bargaining chip by plantation owners against striking banana workers. In fact, fearing the apparent impotence of locally and nationally-situated demands, many banana unions have turned towards new transnational mobilizing strategies in an attempt to establish more potent international regulations (Riisgaard 2005, Frundt 2009: 104-116). Interestingly, however, the mere fact that banana workers continue to organize locally despite the race the bottom and despite the violent reactions from elites that it triggers, provides us with some evidence to suggest that the global, vertically-disintegrated structure of production characterizing Latin America's banana industry may be a necessary, but not sufficient explanation for why direct forms of labor repression persist.

The remainder of this essay will recast the development of Latin America's banana industry through a macro-historical analysis of its social and political underpinnings in order to clarify the interrelationship between the contemporary race to the bottom dynamic and the prevalence of violent forms of labor repression.

Labor Unrest, Economic Nationalism, and the Rise of Banana Developmentalism

At the center of the puzzle of labor violence in Latin America's banana sectors today is the notion of whether or not the globalization of the banana market has fundamentally undermined worker's ability to resist a race to the bottom in wages in working conditions. While it may appear to scholars and activists that globalization is a necessary and sufficient condition of labor control, historical studies point out that processes of capital and labor mobility in Latin America's banana sector is not new. As already mentioned above, early banana transnationals regularly moved their production sites and imported laborers across transnational and national territories to undermine worker unrest and keep up stable systems of production. Moreover, the perennial threat of labor unrest, in addition to the twin ecological threats of Panama Disease and tropical storms, forced the United Fruit Company to expand production southwards from the Caribbean through Central America and into the far reaches of Colombia and coastal Ecuador by the 1960s (Striffler and Moberg 2005: 10, Wells 2005: 316-320).

Over time, however, the corporate strategy globalizing production proved ineffective in quelling labor unrest and assuring steady profit margins. As Silver (2003) described with other global industries, the globalization of banana production only 'rescheduled' labor unrest to new times and places, echoing the notion that 'wherever capital goes conflict goes.' In fact, the early globalization of banana production triggered massive outbursts of worker and peasant militancy throughout the banana export zones of the leading banana transnationals, including Honduras in 1916 and again in 1932 and 1954, Nicaragua in 1925, Colombia in 1928, Panama in 1930 and again in 1960, Costa Rica in 1933 and again in 1959, Guatemala in 1944 and again in 1948-1949, Ecuador in 1962 (see Frundt 2009: 98-102). In each case, banana workers and peasants developed autonomous labor unions, peasant associations, and leftist political parties that demanded land, better wages and working conditions, and organizing rights that challenged the banana transnationals and pressured their respective states for reforms.

While repression was effective in quelling this unrest at its onset, by the close of the 1930s, the genie of labor unrest was no longer easily contained within its repressive bottle. New classes of worker-friendly political entrepreneurs emerged who chastised the old political guard for buttressing imperialist policies and who fanned the flame of worker unrest by advocating economic nationalist policies with more favorable contracts, levies on exports, and taxes. A wave of economic nationalism buttressed by labor unrest and aimed at the old political guard arose, including the reformist administrations of Alfonso López Pumarejo of Colombia in 1934 (Bergquist 1986: 298, 335), Rafael Angel Calderón of Costa Rica in 1944 (Edelman 1992: 176-177), Jacobo Árbenz Guzmán in Guatemala in 1951 (Forster 2005: 191-193), and Ramón Villeda Morales in Honduras in 1957 (Euraque 1996: 71). These reformers pushed to fundamentally alter existing contracts with the banana transnationals, implemented land and agrarian reform policies, and sought policies aimed at greater socioeconomic regulations in ways that threatened the economic viability of the banana transnationals (see Bucheli 2005: 80-100). The exception that proved the rule, of course, was the infamous CIA-backed ouster of Guatemala's Arbenz in 1954 after he had promised a redistribution of a portion of the UFC's lands back to uprooted peasants. While the coup d'état was effective in addressing the rise of economic nationalism in one country, the existence of U.S. government and United Fruit Company involvement verified the neo-imperialistic nature of U.S.-Latin American relations, fanned the flame of anti-imperialism and social revolution, and augmented the appeal of revolutionary icons in the popular imagination (Chapman 2007: 147, 150-158).

In the decade following World War II, the wave of worker unrest, economic nationalism and revolutionary fervor had reached its peak and it looked as if the banana transnationals had produced their own grave diggers. Rather than pull out of the market altogether, the banana TNCs responded by vertically dis-integrating the bulk of their production and focusing their efforts instead on the marketing and importation end of the banana chain. Beginning with the United Fruit Company in 1960 (renamed United Brands in 1970, then Chiquita Brands in 1984), but later adopted as the industry-wide standard for Standard Fruit (renamed Dole Food Company) and Fresh Del Monte Produce, banana transnationals began selling off portions of their banana plantations to local public and private owners who would take up the reigns of production and sell their harvests back to the TNCs through long-term contracts.

Vertical dis-integration was by no means a conscious strategy employed by the banana corporations to gain leverage over producers. As Bucheli (2005) notes, the UFC accepted a cut in its profit margins in order to ensure their longer-term economic viability, please their investors, and satisfy the demands of credit rating agencies such as Moody's Investors Service who feared the wave of anti-imperialism and labor unrest that had arisen. While the longer-term economic consequences of the UFC's policy of 'encouraging nationals to enter the banana industry' were not exactly certain, the UFC President Thomas Sunderland believed that they 'could contribute to the development of stable conditions in the tropics (i.e. aid in the creation of a growing middle class), gain partners who would be valuable allies in the development of joint interests, and reduce the frequent attacks by 'trouble makers' against United Fruit as a large land owner and employer, despite the fact that as a straight matter of production United Fruit could probably produce bananas at less cost on its own' (2005: 94-95).

The political significance of this transition would reverberate throughout the halls of government in both the United States and Latin America. In the U.S., the ability to cultivate a more 'benevolent' presence in Latin America through the externalization of the costs of both production and protection onto locals, mirrored the reformist path of capitalism advocated at home with the 'New Deal' and abroad with the 'Fair Deal' policy initiatives including support of agrarian reform, regulated trade, and other commercial and industrial policies (Silver 2003: 149-161, Talbot 2004: 51-66). The movement of Latin Americans into the banana market in the postwar decades was not considered to be a new guise of U.S. imperialism either. Rather, the ability to produce bananas for the world market became part and parcel of a new wave of state-backed developmentalist initiatives that itself came out of the economic nationalist critiques of the structural inequalities of the world market under the previous institutional arrangements. National banana production would now become a central motor of national development and modernization by generating the foreign exchange needed for economic diversification, industrialization, and social developments.

By the 1960s, Latin American banana producers began adopting a series of 'export promotion' measures that channeled state funds into domestic banana sectors. Transportation and communications infrastructure were constructed to link new tropical frontier sites to national financial and commercial centers, including the 'highway to the sea' linking Colombia's new site of Urabá on the Atlantic Coast to the regional financial center of Medellín (Parsons 1967). Older sites of production were also rehabilitated through new provisions of private and public credit and foreign aid, such as in Ecuador where Alliance for Progress funds, credit provisions from the Dole Corporation, and a loan from the Hannover Trust Bank laid the groundwork for a new boom in banana production by the 1980s (GAIN 2011: 14-15, Striffler 2002: 136-139). New taxes were also levied on banana production, sales and exports to supplement the public and private loans governments serviced to finance and ensure continued revenues (Chomsky 2007: 192), backward and forward linkages expanding banana capital to diversified domestic industries were subsidized (Euraque 1996: 80-84), and some countries, including Ecuador and Costa Rica, introduced currency devaluations to bolster exports (FAO 1983: 15-20, 22-25). Moreover, since these expansionary measures would require capitalist access to more land, they were sometimes coordinated in tandem with agrarian reform measures intended to put the labor of otherwise 'unproductive peasants' to good use on the plantations (Patridge 1979: 499-501, Striffler 2002: ch. 7).

The economic consequences of vertical disintegration and national development through banana production played out unevenly for producer states. As mentioned, Central American producers such as Honduras, Guatemala, Belize, and El Salvador retained more durable vestiges of vertical integration (Striffler and Moberg 2005: 19). In contrast, Colombia and Ecuador have been more successful in monopolizing national production and in developing local marketing and exporting firms to compete with those of the banana transnationals. For example, by 1983 Colombia had become 100 percent national in terms of ownership of plantations and the first stage of marketing, and 80 percent national in terms of the final stages of marketing (Carroll 2000: 149, Botero Herrera 1990: 101-104). Ecuador, as mentioned, was able to move up to the highest value-added niches of the chain by marketing directly in the U.S. and Europe through its Noboa Fruit Company (FAO 1986: 15-16).

Perhaps the peak of developmentalist optimism came in 1974 when the governments of Colombia, Costa Rica, Guatemala, Honduras and Panama agreed to sign the 'Panama Agreement' to establish a banana producer organization – the Union of Banana Producing countries (UBPC) – to challenge the transnational monopoly held by the remaining importing and marketing banana transnationals and to restructure the uneven distribution of the wealth generated in the global banana industry. Modeled after OPEC with oil and the International Coffee Agreements with coffee, and mirroring the Third Worldism of the 'New International Economic Order,' UBPC countries agreed to coordinate and control production in order to 'artificially' raise the global market value of bananas and to coordinate the modification of extant tax and land concessions previously granted to the TNCs in order to facilitate the full vertical disintegration of the TNCs in the region. They also advocated the placement of uniformly fixed banana taxes on national exports (U.S.$1/18.18 kg box) to finance economic diversification to lessen their reliance upon bananas as a key source of foreign exchange, the establishment of an intergovernmental marketing company, COMUNBANA (est. 1977), to market directly to distributers in Europe and the U.S., as well as the establishment of an export quota to capture greater value added. Over the next decade, the UBPC grew to include the Dominican Republic, Nicaragua and Venezuela, jumping from 42.9 percent of world production in 1974 to countries to 50 percent by 1982 (FAO 1985: 67-68, 77; Bailey and Sood 1987: 194-196).

By the close of the decade then, the future appeared to look brighter for the region's producers. However, hopes of optimism for Latin America's developmentalist-oriented governments quickly unraveled thereafter, leading to the consolidation of a geographically-segmented global banana market, with Latin American producers anchored into its most competitive niches.

Divided and Conquered: U.S. Hegemony and the Geopolitics of Dollar Bananas

While the secondary literature on the UBPC is admittedly spotty, the organization's rapid rise and even more rapid decline stems from its inability to create a political alliance of banana producing states that was broad enough and durable enough to favorably impact world prices and force transnational importing companies to accept their conditions and demands.

The biggest source of divisiveness for the UBPC was, of course, the newly established European Economic Community's (est. 1973) efforts to institutionalize an EEC-centered trade bloc to maintain their own hegemonic influence over their former colonies in Africa, the Pacific Islands, and the Windward Island nations in the Caribbean. These efforts culminated in the signing of the first 'Lomé Agreement' in 1974 which set forth a number of trade provisions including special market protections, quota and licensing agreements, and duty-free 'preferential entry' to the EEC market for a number of key commodities of which bananas was one (Myers 2004: 41). While the Lomé Agreements (renegotiated every five years thereafter) only formally institutionalized a pattern of trade linking ACP producers to a Europe that dated back to the colonial era, the regulated market conditions offered under the agreements drew potential support away from the UBPC, which promised a more robust distant future but which was too risky for most post-colonial producers in the short-run. As a consequence, the global market for bananas consolidated into two principal trade circuits: an 'ACP Market' linking some 45 countries in Africa, Caribbean, and Pacific to the EEC through a politically-regulated market system and a 'Dollar Market' linking Latin American producers to the US market through 'free market' arrangements (Myers 2004: 38-40, Slocum 2005: 263, Raynolds 2005).[3]

The consolidation of these two distinct market systems did not in itself completely undermine the UBPC's efforts to collectively mobilize Latin American producers to restructure the Dollar Market along more favorable lines. The UBPC set its efforts on consolidating a unified bloc of Latin American producers to force changes to the Dollar Market. However, these efforts ran up against a set of geopolitical and institutional constraints that effectively undermined their mutual cooperation and resulted in an intensification of market competition among them. One key constraint stemmed from the fact that banana producers came to the table with vastly different productive capacities and market niche histories. By the early 1980s, five key banana producing countries holding roughly 25 percent of the region's exports remained outside of the union (FAO 1985: 66-70). Of course the most critical potential ally was Ecuador, the region's largest producer (holding over 20 percent of the American market by 1983), whose cheap production systems on sizable plantations already made significant headway up the banana chain into the highest stages of marketing through its own Noboa Corporation despite any involvement in UBPC initiatives (FAO 1985: 66-70, Roche 1998: 49-50). Colombia, which was a founding UBPC member, itself had expanded its productive capacities to become the second largest producer in the region (holding 19 percent of the American market by 1983) and had squeezed out TNC competition with the development of its Proban and Uniban marketing firms (FAO 1985: 12-15). By the early 1980s then, the competitive edges gained by both Ecuador and Colombia made the UBPC's collective action efforts, including its goals of forcing new land and labor contracts and imposing new taxes and quota restrictions, appear unnecessary and potentially risky.

Second, UBPC measures aimed at establishing cooperative restrictions lacked a central enforcement mechanism that could oversee, regulate, and assure compliance to the uniform implementation of banana export taxes and quota restrictions on production. This stood in stark contrast to the durability of the International Coffee Agreements, whose active support and participation by the United States government was critical to its persistence (Talbot 2004: 58-63, 108-109). It also stood in stark contrast to the successful 'oil cartel' of OPEC, whose producer states could more easily establish limitations on production due to the absolute barriers to entry for new competitor states (Philip 1982: 29, 127). As a consequence, Costa Rica became the only country to institute the export tax at the rate agreed upon by the UBCP members. Other members gave lip service and promises to limit their production over designated periods, but in practice production yields were expanded (FAO 1985: 66-67, 77).

Finally, in their efforts to renegotiate more advantageous marketing contracts with the vertically-disintegrating TNCs, the Central American governments of Honduras, Guatemala, Costa Rica, and Panama ended up promising more lenient terms on land ownership and labor regulations, which effectively stopped the nationalization of production in its tracks. Transnational banana land holdings dropped from 71 percent of the region's sites in 1971 to 61 percent by 1984 – a sharp contrast to the full nationalization of Colombia and Ecuador over the same period (FAO 1985: 70, 77). Unable to squeeze the banana TNCs out, these countries remained beholden to them in ways that tamed their nationalist rhetoric as the decade ensued.

By the mid-1980s, the nationalist rhetoric of the UBPC had given way to more technocratic discourse over how to bolster production to meet market demands, Central American producers had gradually lowered whatever export taxes they levied, and COMUNBANA had ceased its operations altogether (FAO 1985: 68, Wells 2005: 330). The failure of the UBPC to attain any durable structural transformation of the gross inequalities of power and wealth characterizing the Dollar Market only further exacerbated any notions that 'there was no alternative' to its laissez faire institutionality. By the close of the 1980s, the gap had widened between the productive capacities and land owning patterns of the Central American producers and their more productive Andean neighbors, and the TNCs were able to use this cleavage to finagle more favorable land and labor contracts. As it turned out, the expansion of banana production that occurred throughout the region as a whole during its postwar 'developmental decades' only served to increase competitive pressures among them to the benefit of the four TNC (Noboa Corporation now included) who fanned the flames of competition by pitting producer against producer in a race to see who could produce the cheapest volumes of exported bananas.

Development Through Dispossession: The Class Contradictions of Developmentalism

During the postwar decades, vertical disintegration and the adoption of developmental policies appeared to create the opportunity for the region's political leaders to kill two birds with one stone. On the one hand, these policy initiatives were supported by local entrepreneurs who saw opportunity for profitable returns on their investments through the development and expansion of banana production (especially in lieu of governmental promises of subsidies and tax credits). On the other hand, as we saw, these policies were actively supported by workers, peasants, and others who sought national control over the wealth generated by their labor, land, and national resources. The development of new and expanded sites of banana production, like other types of state-led economic development policies, thus held the promise of a possible future of economic growth, modernization, and therefore greater wealth and welfare for the national population. However, the success of these policies depended upon satisfying both the profitability concerns of domestic capitalists as well as the legitimacy concerns of the national population, who demanded greater access to greater wealth and welfare. The inability of producer states to meet both profitability and legitimacy concerns, and their propensity to sacrifice worker demands in order to facilitate the adaptation of banana producers to an increasingly competitive global market for bananas, provides the structural context under which violent forms of labor repression occur.

In practice, developmental banana policies set forth modalities of capital accumulation and domestic class formation processes whose social and political contradictions could not be easily rectified by banana producer governments. First, in their efforts to develop and expand banana production enclaves, producer states used revenues to finance the opening of new tropical frontiers as future sites of banana production. Like the early development of banana production sites, these projects were not only costly due to the tropical ecological conditions bananas require for growth. Importantly, the development of new transportation, communications, and agro-industrial infrastructure required the displacement of local peasant and indigenous communities who contested their dispossession from the land and challenged governmental policies that prioritized large-scale agro-industrial growth over agrarian reforms that would redistribute the land. Not surprisingly then, the goal of economic growth and 'development through dispossession' intensified land conflicts, leading to the rise of radical agrarian movements that directly challenged the hegemony of domestic political elites by the 1960s and 1970s. Nowhere was this more evident than in Colombia, where state efforts to create a 'highway to the sea' from Medellín to the future site of banana production in the gulf region of Urabá led to a massive displacement of indigenous, Afro-Colombian, and peasant communities from the land. By the early 1970s, these populations became active in the radicalized 'Sincelejo' faction of the Peasant Users Association (ANUC), whose repression led to the growth and expansion of revolutionary guerrilla insurgency groups in the region (Zamosc 1986, Hough 2010). Similar processes of rural displacement and peasant struggles for land also emerged throughout Central and South America's banana regions in the 1960s and 1970s (see Brockett 1991: 256; Striffler 2002: 107-111; 120-126; Euraque 1996: ch. 9, 159-161; Frundt 2009: 102-105).

Second, and perhaps even more threatening, was the way that these developmental banana policies initiated the creation of fully-proletarianized classes of banana plantation workers whose movement to the shanties of the burgeoning banana enclave zones quickly became an economic burden to their employers and a social and fiscal burden for local governmental representatives. To be sure, the wages banana workers received were typically higher than the cost of living for those residents of the rural countryside surrounding the banana enclaves (Edelman 1992: 280-281). However, given their dispossession of the means of subsistence and the high costs of food and housing in the urban centers that they came to inhabit, the wages provided barely covered the 'living wage' costs of their social reproduction (FAO 2010: 12-18, See Arrighi et al. 2010). It is not surprising that poverty wages, in addition to dire working and living conditions, became central demands of banana worker unions once established (Frundt 2009: 98-108, Chomsky 2007: 196-197). And given the broad nature of their demands for more stable class reproduction, workers did not only organize unions, but also established workerist political parties and community associations to demand greater governmental investments in affordable housing, sanitation services, and public transportation and communications infrastructure for their respective states. Directly or indirectly, both the struggles on the plantations (at the point of production) and in their communities (at the point of social reproduction) combined to pressure domestic banana entrepreneurs to redistribute wealth back to the class of workers that had come to depend upon them for their subsistence.

Unlike the production systems of the ACP market, where producers retained control over their means of subsistence, the fully-proletarianized form of production characterizing the Dollar Market in Latin America has placed banana producer states into a highly precarious and contradictory position vis-à-vis labor and capital.[4] Given the state's intention of prioritizing banana production for export as a key motor of economic growth and development, it is not surprising then that these governments have typically sided with domestic banana capital by seeking ways to repress the development and power of autonomous banana labor unions and political leaders. Nor is it surprising that state efforts to quell labor unrest and curtail autonomous political mobilization has resulted in the tendency for banana worker unions to become some of the most radicalized and best organized unions in the hemisphere (Frundt 2009: 2).

Again, the case of Colombia is quite revealing. The development of the Urabá enclave zone in the early 1960s brought a wave of workers whose migration to and settlement in the region brought with it the need for higher wages and better work conditions. These workers developed a number of banana unions that were blocked from access to local political power by measures instituted by Colombia's National Front regime; and the region's planters (aligned with local cattle ranching elites) lobbied the central government to establish a military base in the region that was frequently used to repress worker militancy. By the 1970s, the banana unions formed protective alliances with revolutionary guerrilla groups who helped organize the plantations, communities and surrounding rural communities (Botero Herrera 1990: 100-101).

The democratization of Colombia's political regime and national peace negotiations in the 1980s allowed the guerrilla groups to openly organize the region's banana worker unions and nascent leftist political parties, leading to a series of massive strikes that forced local banana planters to accept sweeping demands for higher wages, regulatory oversight, and housing subsidies. Urabá's elites, however, responded by effectively lobbying the central government to bring new battalions and brigades into the region, making Urabá the most heavily militarized region in terms of troops per square kilometer in the country. They also financed the establishment of a paramilitary militia, the Peasant Self-Defense Group of Cordoba and Urabá (ACCU) and later becoming a central arm of the United Self-Defense Forces of Colombia (AUC), which began a massive dirty-war offensive that effectively purged the region of its leftist influence by the mid-1990s (Carroll 2000: 183, 204, 213-214). Despite the continued presence of neo-paramilitary militias in the region, the region's banana workers remained unionized today. However, worker demands typically advocate modest 'worker-management cooperation' and avoid open critiques of the political war waged against the country's labor and social activists, effectively isolating them from the majority of Colombia's more radicalized trade union movement (Chomsky 2007: 207-211).

The continued repression of Colombia's banana workers, while extreme, is indicative of the broader structural contradiction facing banana workers, capitalists, and states in the contemporary era. To reinvest profits made in the sector back to meet the demands of workers threatens the profitability of domestic banana capitalists. To re-invest these profits back into further accumulation processes threatens the legitimacy of domestic political elites, who make the profitability of their banana sectors possible through repression, subsidies, and economic support. This tension between the pressures of profitability and legitimacy, and the pendulum-like 'double-movement' swings that it engenders, is precisely what Karl Polanyi (2001 [1944]) argued to be the fundamental structural contradiction of capitalist development.[5] What makes this Polanyian contradiction particularly intense in Latin America's banana industry, however, is the fact the recent wave of globalization exacerbated an already competitive global market by increasing the number and productivity of banana suppliers and creating 'race to the bottom-like' pressures on capitalists to cut production costs beyond what workers can sustain. In this sense, we see that Latin America's banana sector suffers from a 'hyper-intensified' Polanyian contradiction because the room to maneuver between the pendulum swings of crises of profitability and legitimacy is very narrow, and becoming narrower with time as competition increases. The repression of labor, however, does not stem strictly from this pendulum dynamic. Rather, it results from the contradiction between banana states' prioritization of economic growth and development through banana production for export and the class formation processes that banana production set off, foremost of which being the development of fully-proletarianized populations of workers who are both expensive to finance as well as prone to mobilize collectively to meet their social reproduction needs.

The Contemporary Context: Trade Liberalization, Banana Wars, and African Palms

The race to the bottom dynamic characterizing the dollar banana market in Latin America, and the developmentalist orientation of banana states that perpetuates it, has only been intensified over the past decades. The ICFTU and ILO reports provide ample evidence indicating how banana planters continue to rely upon private and public forms of violence as one means of adapting to this competitive market. Repression alone, however, does not only generate its own set of problems, including radicalized labor unrest and international attention by human rights activists. By itself, it is also rarely sufficient in creating the conditions needed to lower labor and production costs in ways that make banana production a profitable investment, let alone an engine of economic development in today's harsh global economic climate. Consequently, banana producers and states have come to rely upon at least three other strategies.

First, is the tendency of banana producer states to implement neoliberal policies aimed at rolling back the social and economic gains won by banana workers in the past and deepen the marketization of their social reproduction. The modalities of neoliberalism, of course, have varied across the landscape. In Colombia, Chomsky (2007: 181-182) points out that the region's key banana producing zone of Urabá was established early on in the 1960s as 'an extreme version of the neoliberal dream: an ample supply of very poor migrant workers, virtually no government regulation or taxes, and ready access to military force to crush any kinds of protest'. As mentioned, Colombian workers have maintained formal collective bargaining rights. However, the banana union, Sintrainagro, is unwilling or unable to attain serious labor gains due to the rise and persistence of paramilitary hegemony over the enclave regions. It is not surprising then that country's banana workers have adopted a series of measures that closely align their interests with those of planter productivity through 'social enterprise' and 'contrato syndical' contracts that have turned the union itself into the employer and labor contractor (ibid: ch. 5). Ecuador's banana union, in contrast, has been hampered by formal state legislation passed that rolled back broad collective bargaining rights by banning industry-wide unions, forcing unions to 'attach' to specific business enterprises, and by raising legal restrictions on what constitutes permanent working status. As a result, banana workers as a class have become increasing fragmented and made casual (Striffler 2002: 197-198). Others, such as Honduras and Guatemala, were pressured by multilateral lending agencies to adopt neoliberal policies, leading to a rollback in public services that has been particularly damaging to women banana workers due to their inability to fully meet the demands of home and plantation work (Frank 2005: 18, 44-45, 71).

A second response has been the drive of Latin American producer states to beef up their production and sales by forcing the E.U. to dismantle the import quota and tariff restrictions established through the Lomé Agreements. This has led to a series of 'banana wars' over the past two decades that led to a perverse hegemonic alliance between Latin American producers, the U.S. Commerce Department, and the transnational fruit conglomerates, who used the trade liberalization stipulations codified through the World Trade Organization to force the European Union to dismantle its 'unfair regulatory restrictions' and open its markets to dollar bananas without restrictions. Originating in a 1993 lawsuit filed by Chiquita Brands against EU licensing agreements that allegedly violated the General Agreement in Tariffs and Trade (GATT), and culminating in a series of rulings (1997, 2000, 2006) by the newly-established WTO, the EU was eventually forced to terminate its quota-based import restrictions that previously kept Latin American imports to roughly 40 percent, essentially to meet European demand above that supplied by ACP producers (FAO 1985: 39-43). Instead a tariff-only system was adopted that permitted Latin American producers (and Chiquita) entry into the European market at substantially discounted rates (Frundt 2009: 84-87). As a consequence, Latin American exports to Europe jumped to roughly 63 percent by 2003 (FAO 2004: 2-3).

Third, some producers have tried to capture higher value-added profits by adopting 'fair trade' banana practices and certification standards. While more costly and less flexible in terms of production due to the assurance of a safe environment and good working conditions for plantation workers and small-scale farmers, fair trade bananas typically generate higher value per box sold than conventional bananas, ranging from 20.3 percent and 26.6 percent in Colombia and Costa Rica up to 52 percent in Ecuador and even 91.9 percent in the Dominican Republic in 2006 (FAO 2008: 63). While fair trade has grown substantially in the European market, where fair trade banana sales jumped by over 267.3 percent in Germany and 150.8 percent in the UK between 2001 and 2007, it remains a very small market niche in the Dollar Market, where U.S. sales of fair trade bananas actually shrunk over the same period (Frundt 2009: 44-45).

Finally, given the squeeze on profits from workers from below and competition from above, many banana plantation owners have shifted investments out of banana production altogether in favor of African Palm production (Frank 2005: 12, 31). The market for African

Palms has increased substantially over the first decade of the 2000s due to growing demand for palm oils used primarily by the urban poor in developing countries as a cooking butter substitute and for biofuels used as an alternative or supplement to gasoline and diesel (Wilkinson 2009: 92-93). This shift is particularly threatening to banana workers because African Palm production requires less labor than banana production – a 200 hectare banana plantation hires roughly 200 workers whereas the same plot dedicated to African Palm would hire roughly 25 (IUF-UITA 2009: 2-3). The conversion of banana to palm has faced resistance from banana unions; and there is growing evidence documenting planter reliance upon paramilitary militias to facilitate this conversion in Honduras and Colombia (Lydersen 2005, 2010). As a consequence, the rise of African Palm plantations has led to increased unemployment, poverty, and exodus from banana enclave zones (IUF-UITA 2009: 3-4).

Rethinking the Global Race to the Bottom and the Politics of Labor Unrest

This essay critically re-examines the mechanisms linking intense market competition among Latin America's Dollar Market banana producers with the violent forms of labor repression that now characterize banana production in the region. Not only has this analysis shed light upon the broad social and political forces in which these market dynamics are embedded, therefore highlighting the contingent ways that these market dynamics have been constructed and reconstructed over time. An examination of the social and political history of these banana industry dynamics over the longue durée helps clarify some of the presentism and market fetishism underlying the belief held by those labor activists and scholars who believe that there is no alternative to the global race to the bottom.

The key mechanism linking labor repression to Latin America's banana market was the adoption of developmentalist banana policies by producer states in the aftermath of the vertical disintegration of the old banana regime. These developmentalist policies, aimed at capturing wealth through economic growth in the sector, set off twin processes of class formation – dispossession and full-proletarianization – that created a class of banana workers who were both costly to reproduce as well as situated within an incentive structure that made them inclined to organize to demand that their costs of reproduction be met. This class formation process, in conjunction with the ability of banana transnationals to pit producer against producer through a buyer-driven system of contract farming, created a Polanyian pendulum-swing dynamic making the industry hyper-sensitive to double movements fluctuating between crises of legitimacy and profitability. This hyper-Polanyian dynamic has placed banana-producer states in a precarious position vis-à-vis conflicts between domestic banana capital and workers. Under this scenario, violence (including the threat of violence, impunity, and paramilitarism) is the result of banana states' decision to act decidedly in favor of banana capital.

This analysis raises a number of questions about the future trajectory of banana developmentalism as well as for the future prospects for banana workers. Foremost, it forces us to re-evaluate the question of whether globalization and/or the buyer-driven institutional structure of the market have spelled the death of labor activism in the industry. As we saw from the narrative above, global capital mobility has historically provided only a temporary fix at best to the problem of localized bursts of labor unrest. Over time, these early efforts at globalizing production ended up strengthening labor by transnationalizing the struggle of workers. The vertical disintegration of the industry, in turn, was also initially a victory for banana workers as it reflected the strength gained by workers in their respective national states. Over time, however, this victory of labor was transformed into a crisis of labor following the failure of Latin America's banana producer states to establish a counter-hegemonic alliance capable of fundamentally restructuring the market to their favor. In this sense, neither globalization nor the buyer-driven institutionality of the market is in itself a threat to workers. However, the fact that competition among banana producers has only intensified over time, and that no banana producer states appears willing or able to challenge this competition through cooperative collective action, does constitute a major obstacle to worker activism in the present day.

So how should workers respond? Organizing on and across the multiple plantations that spot local banana enclaves was useful in the past precisely because the vertically-integrated nature of production brought geographically-dispersed sets of workers into direct contact with the same target of their demands. Vertical disintegration has created various degrees of separation between plantation workers and the major banana oligarchic importers. Consequently, many labor activists are now dedicated to the creation of transnational banana union federations such as Colsiba (Regional Coordination of Latin American Banana Workers Unions) that can attack the transnationals at the scale at which they operate. This strategy has indeed brought some victories for the region's workers, including Chiquita's 2005 decision to adopt a series of 'social accords' in an attempt to set a new industry-wide standard (Frundt 2009: ch. 10).

Such labor transnsationalism is no doubt a promising avenue for future activism. However, this study points to the need to pay greater attention to the role that domestic states play in the industry. Local forms of labor unrest need not target plantation owners. Rather, local struggles can target their respective states, challenging these states to rethink their economistic growth priorities, their enduring support for domestic banana capital over the social reproduction needs of their respective worker-citizens, and their willingness to sacrifice profitability over legitimacy concerns. Perhaps one promising area in this regard would be to begin organizing around broad class-based and community-based concerns, around household and community reproduction needs, rather than more narrow sectarian demands for wages and working conditions on the plantations. That is, challenge their dispossession and proletarianization in addition to their exploitation at the point of production. Indeed, there is a growing literature on the shift from 'business unionism' to the type of 'social movement unionism' that this would require (See Watermann 1993). Future research can provide us with a broad macro-historical analysis of past attempts of workers to organize around these strategies and institutional and structural factors that would make this type of labor activism, class reproduction, and worker-based form of growth and development possible.

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NOTES

1. The ICFTU, now the International Trade Union Confederation (ITUC), continuously documents these labor code violations through its interactive website, *Annual Survey of Trade Union Rights*: http://survey.ituc-csi.org/. [Accessed 15 September 2012]

2. See David Harvey (2003) for an elaboration on the concept of 'accumulation by dispossession' and the struggles against this modality of accumulation.

3. A third banana market links Indonesia and other East Asian producers to the burgeoning Chinese and Japanese market (FAO 2003).

4. Chiquita's discussed the gravity of the productions costs by unionized workers, stating that 'we are the largest employer of unionized workers in the agricultural sector in Central America' (Taylor and Scharlin 2004: 55).

5. See Silver (2003; ch. 1) for an elaboration of the structural contradictions facing labor, capital, and states from a neo-Polanyian perspective.

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