Yes, We Have no Bananas: Re-Regulating Global and Regional Trade

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I. Introduction[1]

The most recent round in the worldwide struggle between trade liberalization and economic regulation is being fought over bananas. The World Trade Organization recently ruled that the European Union's preferential trade regime for bananas from its former colonies violates the General Agreement on Tariff and Trade free market accords. At first glance it appears that free trade interests have prevailed, overriding efforts at national and regional regulation and homogenizing trade conditions under the banner of global economic liberalization. Yet this conclusion may be premature.

The current trade dispute, often called the "Banana Wars," is rooted in an historical conflict between two divergent commodity systems, each characterized by its own trade geography, state sponsorship, corporate involvement, social relations of production, and environmental conditions. In the most recent skirmish, the US centered "Dollar Banana" system appears to have triumphed over the "ACP Banana" trade between Europe and its former African, Caribbean, and Pacific (ACP) colonies. But while the World Trade Organization ruling favors Dollar Bananas, we argue that it leaves open opportunities for alternative trade systems. Provocatively, our analysis of the faltering ACP commodity system reveals an incipient Fair Trade system — based on a consumer/producer alliance around social and environmental criteria — which could represent an important countermovement to global trade liberalization.

This paper begins by locating our research on the banana industry within the agro-food commodity system and global trade regulation literatures. Next we examine the historical construction of two

politically and economically delineated circuits within the world banana trade. In section four we analyze the current social, spacial, and environmental production relations which distinguish the Dollar and ACP Banana commodity chains. Section five investigates the dynamics of the current banana trade and the ongoing Banana Wars between the Dollar and ACP Banana systems. It is in our analysis of these competing production systems and the potential fate of the ACP Banana trade that we find a glimmer of a Fair Trade alternative. As we conclude, this countermovement suggests a possible new form for socially re-regulating production, trade, and consumption.

II. Research Approach

To understand how bananas have been transformed from a common tree crop in Latin America and the Caribbean to a favored fruit on the tables of European and American consumers requires an historical analysis. As has been found in studies of other agro-food commodities, the regional and global dynamics of the banana trade have been overlaid on divergent local economic, political, and cultural histories (Mintz, 1985). Early mercantilist relationships and successor affiliations between countries of the North and South configured the international banana trade and its two divergent circuits. The world banana market was created by the two hands of colonialism — by the direct rule of European colonial powers and by the indirect rule of the increasingly hegemonic United States and its corporations. As with other key agro-exports (Friedmann and McMichael, 1989), the politics of bananas has been, and continues to be, a central feature of the politics of national development.

We utilize a commodity system approach to analyze the social relations which move bananas through the integrated processes of raw material production, preparation/ /packaging/shipping, and marketing (Friedland, 1984; Hopkins and Wallerstein, 1986). As Gereffi (1994:97) notes, the strength of commodity system analysis is its ability to illuminate (1) the

interlinking of products and services in a sequence of value-added activities; (2) the nature and spatial configuration of enterprises forming production and marketing networks; and (3) the power relations determining how resources are allocated along the commodity chain. In contrast to the unitary approach taken by most commodity system research, our analysis is essentially a comparative one, since ACP and Dollar Bananas have been historically defined as distinct commodities (though they are agronomically the same product). The ACP and Dollar Banana production systems exhibit important organizational and agro-ecological differences — differences which we argue are rooted and maintained largely by social, not technical, factors.

To understand how the divergent ACP and Dollar Banana commodity systems coexist and compete in the world banana market, we analyze the relations of trade and consumption (Arce and Marsden, 1993), as well as production. The coexistence of two such disparate systems challenges industrial restructuring models based largely on economic criteria or assumed unitary patterns of global competitive organization, and points to the importance of analyzing the ways in which economic advantage is politically, and potentially differentially, constituted (Jessop, 1994). In bananas, as in other commodity areas, the current competitiveness of firms depends in large measure on their ability to reallocate social and environmental costs and influence the mechanisms by which major markets are regulated.

Regulation of the banana trade involves the interaction of competing global, regional, national, and local pressures. There are two conflicting regulatory regimes: the trade in Dollar Bananas is regulated by "free market" conditions; the trade in ACP Bananas is regulated by preferential market agreements. To understand this trade we must analyze processes of international regionalization emanating from the US and European trading blocs as well as global forces (Hirst and Thompson, 1996). While the banana commodity system is configured by pressures from local to

global levels, the nation state remains critical in mediating these competing pressures (Tickell and Peck, 1995).

Particularly interesting in the current conflict between the ACP and Dollar Banana regimes is the role of the World Trade Organization (WTO) in shaping emerging trade regulation. As the new arbitrator of the world market, the WTO is redefining the nature of "free trade" in agriculture, as well as other spheres. The recent rulings of the WTO in the Banana Wars privilege the interests of the United States and large transnational corporations, yet we argue that there may be openings for counter-movements. The future of the banana trade is not decided, but is being hotly contested by international organizations, regional trading blocs, national governments, corporations, producer associations, labor, and community groups.

Our analysis contributes to the literature by transcending two major weaknesses inherent in many earlier agro-food studies: (1) the tendency toward biologically or technologically deterministic explanations of production organization (e.g. Goodman, Sorj, and Wilkensen, 1987) and (2) the tendency to overstate singular global agro-food production and trade models (e.g. Friedmann and McMichael, 1989). This study highlights the role of political contingency in the global organization of the banana industry, thus responding to the recurrent call for a more nuanced approach to agro-food system analysis (see for example, Bonanno et al., 1994; Goodman and Watts, 1994; McMichael, 1997; and Watts and Goodman, 1997).

III. The Making of the Banana Trade: Divergent Circuits

Bananas have a long history as a major internationally traded commodity, having helped found the global fresh produce market in the 1800s. The banana trade has been particularly important in Latin America and the Caribbean, integrating the region into the international division of labor. Along with sugar and coffee, bananas forged the region's ties to major US and European metropolitan centers. Until the late 19th century the

international banana market was organized by a number of US and European trading companies which bought produce from independent growers in the Americas, Africa, and the Pacific. At the turn of the century the US based United Fruit Company transformed the banana industry, linking the shipping and distribution of bananas — which characterized the earlier mercantilist trade — to major production enterprises. The newly formed United Fruit Company merged large banana operations in Latin America and the Caribbean, major railroad, port, and shipping facilities, and a substantial US fruit distribution network (Davies, 1990:23-36,96).

United Fruit continued to expand its holdings in the early 1900s, consolidating its control over the regional banana industry. In this era, company plantations were relocated every 10-20 years due to the onset of major diseases and the rapid depletion in soil fertility (Bourgois, 1989:6). Though only a portion of its land was ever under cultivation at any one time, United Fruit acquired some 3.5 million acres in Honduras, Costa Rica, Nicaragua, Guatemala, Panama, Colombia, Cuba, and Jamaica (LAB, 1987:18). By combining this productive base with expanding shipping, railroad and port facilities, the company successfully drove most of its regional competitors out of business and captured the US consumer market (Bourgois, 1989:14-7).

In the mid-1900s, an era of rising US hegemony, United Fruit became a significant political as well as economic force in the hemisphere. The powerful banana company was involved in shaping domestic politics within producer nations increasingly dependent on banana revenues. At the same time, the company played an important role in guiding US diplomatic relations toward a region increasingly defined as vital to American interests (Langley and Schoonover, 1995). For example, in 1954 United Fruit played a critical role in orchestrating and gaining US support for the overthrow of Guatemala's president; in 1974 the company was again implicated, this time in bribing the president of Honduras. United Fruit exerted such

influence over the economies and governments of Central America that these countries came to be referred to pejoratively as "Banana Republics." Given its strangle-hold over the region, United Fruit in turn came to be known locally as "el pulpo," the octopus (Kepner, 1936; Langley and Schoonover, 1995).

United Fruit's banana monopoly was so complete that it was challenged repeatedly under US anti-trust laws, resulting in the creation of two spin off banana companies which, after several permutations, were to become United Fruit's major competitors. Standard Fruit, spun off in 1909, became a major producer and shipper of Central American bananas and was purchased in 1964 by the US food company Castle and Cooke, now known as Dole Food Corporation. A 1972 anti-trust action against United Fruit precipitated the sale of banana lands to the smaller US based Del Monte Fresh Produce Company. Despite these divestments, United Fruit remains a major economic and political force in the region. In part to shed some of its notoriety, the United Fruit Company was reorganized and renamed, first as United Brands, and more recently as Chiquita Brands.

Chiquita, Dole, and Del Monte have largely maintained their preeminence in the Latin American banana industry, despite two major recent challenges to their market dominance. One challenge has come from the rise of independent Ecuadorian banana producers and exporters. Though Ecuador has gained an important share of the banana trade, particularly in Asia, US companies have maintained their market position by buying Ecuadorian produce and expanding their own production in the Pacific (Glover and Larrea Maldonado, 1991). The 1974 creation of the Union of Banana Exporting Countries (Union de Paises Exportadoras de Banano) raised a second potential threat to US based banana company domination, but this group's impact has been largely limited to the imposition of a modest tax on corporate banana exports (Glover and Larrea Maldonado, 1991). While these developments have modified the parameters of the Latin American

banana trade, they have not significantly undermined the market positions of Chiquita, Dole, and Del Monte.

The Divergence of the Caribbean/ /European System

Though initially part of the Latin American banana trade, the development of the Caribbean banana industry diverged sharply, due to the region's prolonged colonial ties to Europe, and the persistence of mercantilist trade policies and statist administrative structures imposed by European powers. The introduction of on-board cooling techniques at the turn of the century facilitated long distance produce shipments and opened up the trans-Atlantic banana trade (Davies, 1990:74). Seizing this opportunity, the British and French made bananas a central vehicle for colonial rule in the region, forging a distinct banana circuit linking the Caribbean to Europe. In contrast to the Latin American banana industry, the key players in this new Caribbean banana circuit were not large-scale producers, but state administrators and banana shippers.

In the early 1900s British colonial policies transformed Jamaica — previously a minor source of US and European bananas — into the major supplier of bananas to Britain, the largest market in Europe. Mercantilist policies channelled exports almost exclusively to England, where Jamaican bananas were given guaranteed markets. To counter United Fruit's growing monopoly over the banana trade, the British government arranged and paid for the shipping and distribution of bananas by a British trading company, known today as Fyffes Ltd. (Davies, 1990:86). Fyffes was guaranteed 75 percent of the British market and an exclusive contract over bananas from Jamaica, and later Belize and Surinam (LAB, 1987:80). Since Fyffes was not a banana producer, colonial administrators established an association of growers charged with maintaining banana supplies and coordinating links with the shipping firm (Sealy and Hart, 1984).

After World War II, British colonial policies sponsored the emergence of the Windward Islands as a major supplier in the European banana circuit. Borrowing from their experience in Jamaica, colonial administrators created a decentralized banana industry to channel peasant production into the export economy (LAB, 1987:13-44). Peasant smallholders were encouraged to grow bananas, which could be cultivated with relatively few purchased inputs, and market them through a powerful state backed banana growers' association. Again British colonial administrators granted exclusive exporting rights to a major UK food company, this time to Geest corporation (Trouillot, 1988:127).

England's colonies in the Caribbean have won their independence, but their economies still hinge on the smallholder banana industry established by the British. The former colonies have maintained their preferential access to the lucrative British market. Geest and Fyffes have maintained purchasing contracts granting them exclusive rights over exports from the major Caribbean banana islands. In recent years, Fyffes has controlled 25 percent and Geest another 60 percent of the British banana market (Sutton, 1997:7). Though smaller than the US fruit monoliths, Geest and Fyffes have been central to the European banana trade and have remained largely British concerns.[2] In 1995 Fyffes purchased Geest's banana division, consolidating that companys' position as the largest distributor in the European banana circuit (Grocer, 1996).

Colonial relationships similar to those of Britain have configured other strands of the European banana circuit, creating a network of smallholder production systems in the former colonies which remain linked to the metropolitan centers through preferential trade agreements. The former French colonies of Martinique and Guadaloupe have traditionally provided the second largest share of European bananas under a system which mirrors that in the neighboring Windward Islands. Like their British counterparts, French colonial administrators founded a smallholder

banana export industry coordinated by a state supported growers' association. This decentralized banana industry remains critical to the economies of Martinique and Guadaloupe, which are now French off-shore territories (Welch, 1996). While the locus of the European banana circuit has always been the Caribbean, other former colonies in the Mediterranean and Africa have also helped supply this system.

The Dollar Banana Zone and the ACP Banana Zone

By the 1960s, the political and economic ties between the United States and its Latin American neighbors and European countries and their former colonies had defined two opposing banana zones, each with its own trade geography, corporate actors, and production politics. The Dollar Banana Zone centers on the US market, which has long been the largest market in the world. As noted in Table 1, the United States currently absorbs about 29 percent of total world exports. Reflecting the historical sphere of influence of the US government and US based fruit companies, imports come almost exclusively from Latin America. This inter-American trade forms the core of the Dollar Banana Zone, with seven countries — Ecuador, Guatemala, Colombia, Honduras, Costa Rica, Mexico, and Panama (in that order) — accounting for the vast majority of US banana imports in recent decades. Latin American bananas dominate the world market, representing about 80 percent of world exports. Trade from Latin American countries takes place on the open market and remains largely in the hands of the big three banana companies. Over the years the Dollar Banana Zone has expanded into the Pacific to accommodate the rise of major markets in Japan, and more recently China. These new Asian markets are sourced largely by corporate operations in the Philippines, augmented by supplies from Ecuador (Glover and Larrea Maldonado, 1991).

The ACP Zone which links former colonies and off-shore territories in Africa, the Caribbean, and the Pacific with the European

Table 1: World Banana Exports and Imports, 1996

Exports		Imports	
Country	Tons (1,000)	Country	Tons (1,000)
Latin America		*North America*	
Ecuador	3,817	United States	3,317
Costa Rica	2,083	Canada	460
Colombia	1,402	*Europe*	
Panama	715	EC-12	2,959
Guatemala	647	Former USSR	748
Honduras	529	Poland	211
Caribbean		Czech Rep.	163
Windwards	223	Sweden	158
Martinique &	311		
Guadeloupe		*Asia*	
Jamaica	89	Japan	802
Africa		Saudi Arabia	180*
Ivory Coast	192	China	160*
Cameroon	190	*Latin America*	
Asia		Argentina	219
Philippines	1,235	Chile	153
World Total	11,758	*World Total*	11,397

Sources: FAO (1997; 1998).

* These figures are for 1995.

market is the world's second major banana circuit. The Lomé agreement between the European Union (EU) and the ACP group of seventy ex-colonies has upheld the historically rooted preferential trade access and market share of ACP Bananas (Chambron, 1995:2; Sutton,

1997:11). While the EU has become increasingly integrated in recent decades and now absorbs 26 percent world banana imports, its banana trade continues to reflect the varied European colonial legacy. In recent years ACP countries, primarily in the Caribbean, have supplied 21 percent of the EU banana market. European off-shore territories supplied an additional 17 percent and Dollar Bananas made up the remaining 62 percent of the EU banana market (Farmers' Link, 1995:14). Almost all of Britain's bananas come from its former Caribbean colonies. The majority of France's bananas also come from the Caribbean (from its off-shore territories, Martinique and Guadeloupe) with additional supplies from its now independent African colonies, the Ivory Coast and Cameroon. Portugal and Spain acquire most of their bananas from their island territories, Madeira and the Canary Islands. Italy is supplied largely by its former colony Somalia. Only those countries with weak colonial ties, like Germany, Denmark, Belgium, Luxembourg, and the Netherlands, have relied primarily on Dollar Banana imports (Chambron, 1995:2; Sutton, 1997:6).[3]

IV. The Banana Commodity Chain and Competing Production Regimes

Bananas move through an intricate set of transnational production, processing, and marketing activities as they make their way from the fields to distant consumers. As with other fresh fruits and vegetables (Friedland, 1994), distributors play the pivotal role in this commodity system since it is they that must guarantee that bananas reach their destination undamaged and ready to eat.[4] To ensure that bananas are not bruised in transit and are delivered in amounts that will be sold before spoiling, distributors must tightly coordinate activities along the commodity chain. While the perishability of bananas demands that the central tasks of cultivation, washing, packing, local transport, international shipping, ripening, and wholesaling be smoothly linked, these activities may be carried out by distributors themselves or by associated firms.

As depicted in Figure 1, the Dollar Banana system is vertically integrated with the biggest corporations — Chiquita, Dole, and Del Monte — managing most production and distribution activities themselves. Dollar Banana cultivation remains anchored in the huge Latin American plantations acquired by the heirs of United Fruit. The big three banana corporations produce roughly 70 percent of their own produce, acquiring most of the remainder via contracts with large growers. In the event of production shortfalls, Ecuadorian bananas are purchased on the open market (Glover and Larrea, 1991). Interlocking divisions of Chiquita, Dole, and Del Monte are responsible for intermediary produce handling: (1) preparing and packing the bananas, often in boxes from their own cardboard factories, (2) transporting the produce from field sites to the port, often on their own truck or rail systems, and (3) shipping the bananas internationally, often using their own refrigerated containers, their own boats, and sometimes even their own harbors.[5] Bananas from Chiquita, Dole, and Del Monte subsidiaries around the world are shipped to corporate ripening centers in major North American, European, and Asian markets. These global sourcing networks help balance out regional production variations and guarantee a consistent supply for sale to supermarkets and institutional food services. Dollar Banana corporations' vertically integrated structure provides important advantages in guaranteeing produce quality and supplies, channeling market information into production planning, and facilitating promotional efforts to expand markets for their brand name fruit.

Reflecting its strikingly different historical roots, the ACP Banana production system based in the Caribbean is much less vertically integrated than the Dollar system. As highlighted in Figure 1, ACP Banana distributors are essentially trading companies with limited involvement in cultivation. Over the years the largest traditional ACP firms, Fyffes and Geest, have experimented with plantation production and open market purchases, but the bulk of their produce still comes from

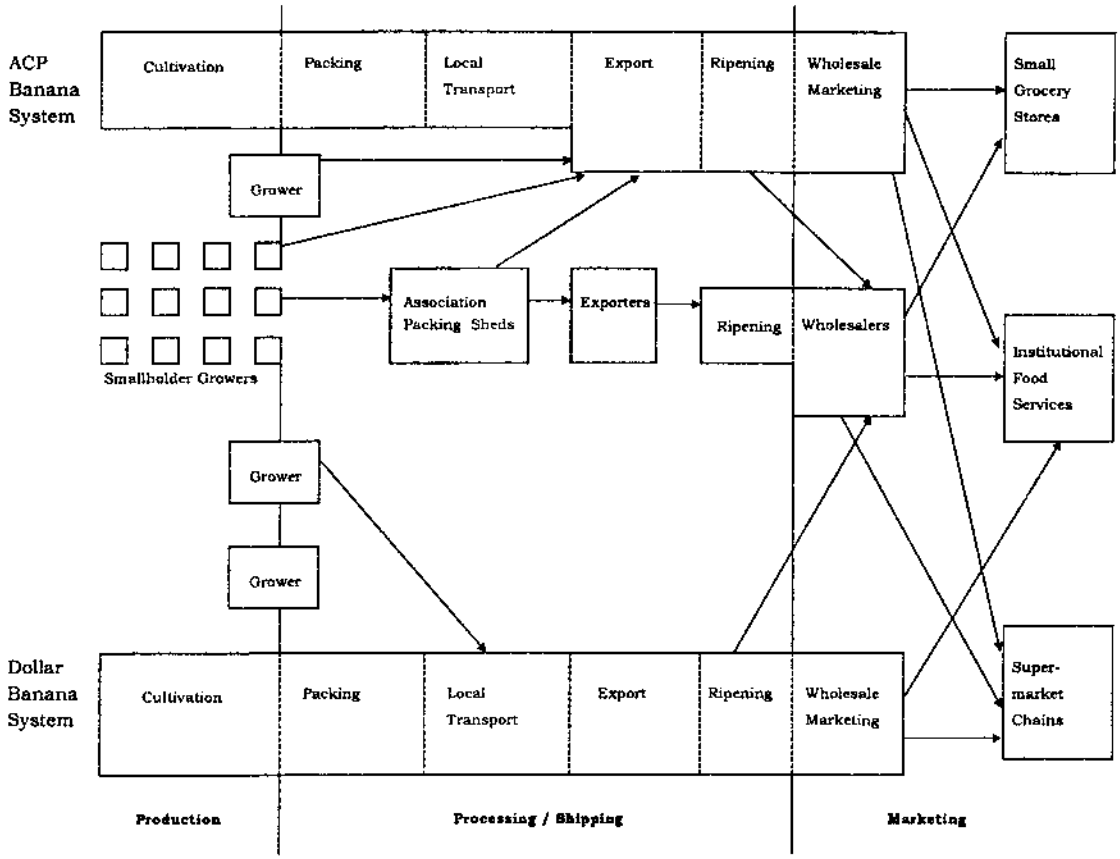

Figure 1: The ACP and Dollar Banana Commodity Systems

contracts with Windward Island smallholders. In Martinique and Guadeloupe, production is channeled through a number of distributors, making the system even more decentralized. On each of the major Caribbean banana islands, thousands of small-scale banana producers are organized into state sponsored growers' associations which facilitate various production tasks and, most importantly, coordinate banana exports.[6] Banana growers' associations in Martinique and Guadeloupe rent shipping space for their members, but leave them to market their bananas individually to various European distributors (Welch,

1996).[7] In contrast the Windward Island banana growers' association, in association with the Windward Island Banana Development Exporting Company (WIBDECO),[8] has for decades sold all their export quality produce to the same shipper/ /distributor. Geest, now under the control of Fyffes, ships the bananas on company and rented vessels to its European ripening centers and then sells the produce to supermarkets, institutional food services, and grocery stores. Under the Windward Island banana contract the distributor does not purchase the bananas prior to shipping, but rather agrees to pay WIBDECO for the produce at a rate fixed in Europe, minus shipping and handling fees (Trouillot, 1988). Shipping and distribution costs of ACP Bananas are significantly higher than those for Dollar Bananas, since volumes are lower and vessels must make multiple stops to load their cargo.[9] While ACP distributors have higher costs and less control over produce supplies than vertically integrated Dollar Banana companies, they are able to shift some costs and risks onto banana growers, either individually or collectively via growers' associations.[10]

Social Relations of Banana Production

One of the sharpest distinctions between the Dollar and ACP Banana commodity systems lies in their divergent mechanisms for assembling land, labor, and capital for production. Dollar Bananas are grown primarily on plantations which often exceed 12,000 acres and are operated directly by the major distributors, Chiquita, Dole, and Del Monte. As suggested in Table 2, Dollar corporations and their huge plantations dominate Latin American banana production.

Chiquita, Dole, and Del Monte all have extensive plantations which provide the core of their supplies and allow them to benefit from important economies of scale. These plantations entail substantial fixed investments, though much of the land is leased from local governments. Chiquita, for example, cultivates 17,000 acres of largely rented land on the border of Panama and Costa Rica, producing

Table 2: Major Dollar Banana Producers

	Major Exporters[a]	Acres Planted	Yield[b]	Holdings	Workers
Ecuador	Noboa; Dole; Del Monte; Chiquita	246,000	12	7,000 medium 20 large	
Costa Rica	Dole; Del Monte; Chiquita	123,000	20	25% medium 75% large	20,000
Colombia	Uniban; Dole	69,000	16	100% medium	
Panama	Chiquita; Dole	40,000	24	25% medium 75% large	13,000[c]

Sources: APROMA (1992:11-14); ECCR (nd:10-16)

[a]Firms listed in order of export shares.

[b]Tons per acre.

[c]This is the number of workers employed by Chiquita.

almost half a million tons of bananas a year (Bourgois, 1989:4). Production on this scale permits the efficient use of human, chemical, and mechanical inputs. Particularly important in bananas, is the use of cost-saving scale dependent technologies like the aerial spraying of pesticides and the use of cable networks which transport harvested bananas to packing sheds up to a mile away.[11]

Even large-scale banana production remains labor intensive since the fragility of the fruit limits mechanization. Chiquita's Panama/ /Costa Rica enterprise for example employs roughly 10,000 workers. Men are hired in the fields to apply chemicals, prune, wrap the stems with plastic, harvest, and load bananas on the aerial cables. Women are mostly hired in the packing sheds to cut up the banana bunches, to select, sort, and wash the exportable produce, and to pack the boxes. Banana harvesting is timed around the shipping dates, causing labor demand to fluctuate. To cut costs, corporations typically employ temporary laborers excluded from

legal minimum wage standards, job security guarantees, and benefits (Bourgois, 1989; Foro Emaus, 1997). Further weakening the position of labor, most Central American banana plantations hire ethnic minority workers, often migrants working in the country illegally.[12]

Despite the potential efficiency of plantation production, banana transnationals have recently increased their reliance on contracts with large associate growers who now supply about 30 percent of their produce.[13] There are two major benefits for corporations in using these, typically five year, contracts. First, it allows corporations to avoid increasingly frequent and costly conflicts over the violation of labor, health, and environmental standards.[14] Second, it increases the flexibility of produce supplies. Contracts specify the quantity and timing of banana deliveries, but corporations regularly loosen quality standards when supplies are low and tighten their standards to exclude produce when their supplies are high (Glover and Larrea Maldonado, 1991). Associate growers are paid for their produce upon delivery, unlike growers in the ACP Caribbean who are not paid until the bananas are sold in Europe.

In contrast to the large-scale production of Dollar Bananas, the majority of ACP Banana production is in the hands of small and medium scale producers. As noted in Table 3, in the Windward Islands there are 27 thousand banana growers, most of whom cultivate less than ten acres. Landholdings are slightly larger in Jamaica and the French Caribbean, but production remains decentralized.[15]

Small-scale banana production in the Caribbean is economically tenuous and is made possible only by the actions of producer associations which help members coordinate production and access scale dependent technologies. Banana growers' associations may provide research and extension, bulk input purchases, credit advances, collective aerial spraying, local transportation and packing facilities as well as joint shipping and marketing services (Welch, 1996). A major challenge for small-scale producers is getting the

Table 3: Major ACP and Overseas Territory Producers

	Major Exporters[a]	Acres Planted	Yield[b]	Holdings	Growers[c]
Windward Islands	Fyffes/ WIBDECO	42,000	8	53% < 10ac 43% 10-50ac 3% > 50ac	27,000
Jamaica	Fyffes; JAMCO		18	6,000 small 2 large	6,000
Guadeloupe	SICA-ASSOBAG	15,000	12	34% < 10ac 22% 10-50 ac 44% > 50ac	1,400
Martinique	SICABAM	19,000	12	29% < 10ac 17% 10-50ac 54% > 50ac	7,567

Sources: Windward Islands, WINBAN data cited Nurse and Sandiford (1995:45). Guadeloupe and Martinique, SICABAM data cited Welch (1996:288-93).

[a]Firms listed in order of export shares.

[b]Tons per acre.

[c]This is the number of banana growers; if fieldworkers and banana association workers were included, the figures listed here would double (Nurse and Sandiford, 1995:3).

bananas from their dispersed and often distant holdings to the point of export, quickly and undamaged. Windward Island producers have traditionally transported the fruit, often on foot, to centralized association packing stations. Growers' associations recently introduced a system where the bananas are prepared and packed in the field,[16] allowing the boxed fruit to be more safely and easily transported to the port for shipping.

Caribbean ACP Banana production remains very labor intensive. Small-scale producers rely on unpaid household labor, supplemented by day labor hired to help facilitate the timely harvesting and packing of bananas immediately prior to set shipping days. Caribbean wages are three times higher than

they are in Central America. Since labor may account for up to 75 percent of ACP Banana production costs, this wage differential helps explain why production costs are so much higher in the Caribbean than in the Dollar Zone (Nurse and Sandiford, 1995:52,144).

Environmental Dimensions of Banana Production

The divergent social organization of the ACP and Dollar Banana systems has shaped their divergent agro-ecologies. The Dollar Banana system is characterized by a uniform pattern of chemical and mechanical input intensive, large-scale, mono-cropping. Bananas are cultivated over large tracts of relatively rich, fertile lowland soil, on terrain that is often graded to facilitate irrigation. The agro-ecology of the Dollar Banana system fosters a number of serious environmental problems. Dollar Banana plantations have fueled tropical deforestation in Latin America. For example, the recent expansion of Dollar Banana production has resulted in the clearing of thousands of acres of Costa Rican jungle (Foro Emaus, 1997). Paradoxically, the cyclical contractions in banana production may harm the forests more than expansions. During periods of over-production and declining prices, Dollar Banana companies lay off hundreds of workers who are often unable to find other jobs and move into the surrounding rainforest, clearing land for subsistence farming.[17]

The preparation of large tracts of land for Dollar Banana production leads to substantial erosion as the forest cover, root systems, and biomatter stabilizing the top soil is removed. During the rainy season, plantation top soil washes into irrigation canals and rivers and on to the ocean. In many parts of Latin America, banana production has become a source of river siltation and water-borne chemical contamination (ECCR, nd; Colburn, 1997). Runoff from coastal plantations has destroyed major reef systems, including up to ninety percent of the reefs off the Caribbean coast of Costa Rica (ECCR, nd). In addition to

damage from siltation and chemical runoff, the reefs are injured by the pesticide-laced plastic bags used to protect maturing bananas. These bags are removed during harvesting and are often left on the ground to be carried off by the rain to the ocean, where they envelop and poison the reefs.[18]

One of the most critical environmental problems arising from Dollar Banana production derives from their intensive pesticide use. The large-scale monocropping of bananas has fostered the rise of large pest populations and diseases able to wipe out entire plantations. To combat these threats, Dollar Banana companies rely on an increasing volume and variety of pesticides. Large quantities of fungicides are applied to control Black Sigatoka, while extremely toxic insecticides, nematocides, and soil fumigants are used to control nematodes (Wheat, 1996). A large share of the pesticides are for cosmetic treatments to assure the uniform size and appearance of the fruit. Banana production has increased pesticide use throughout the Dollar zone. Bananas absorb nearly one-third of all pesticides in Costa Rica, contributing to the country's dubious distinction as the world leader in per capita pesticide use (Murray, 1994). Pesticides, particularly when aerially applied, contribute to both environmental contamination and public health problems.[19] The use of the nematocide, DBCP, has led to the sterility of thousands of Central American banana workers (Thrupp, 1991).

ACP Banana production in the Caribbean is characterized by very different agro-ecological conditions than those associated with Dollar Banana production, conditions which are far less environmentally destructive (CCA, 1991; Vandermeer and Perfecto, 1995). Due to the historical control of the limited rich lowland territory by European settlers, most smallholder banana production in the Caribbean takes place on hillside lands. In sharp contrast to the monoculture characteristic of Dollar Banana plantations, small-scale Caribbean producers typically intercrop their bananas with other fruit trees and

ground crops oriented toward household consumption and local markets. This small-scale inter-cropping of hillside lands partially explains the more limited yields of ACP Bananas (Nurse and Sandiford, 1995:70-71). Yet, it also helps explain why this system is less environmentally destructive than Dollar Banana production.

Banana production in the Caribbean has historically led to some deforestation, but the damage to local biodiversity and forest ecosystems has been limited by the interspersing of small banana holdings with remaining tropical forest areas. This diversified land use pattern and the intercropping of bananas with other crops help curtail the soil erosion and river siltation so common in Dollar Banana regions (CCA, 1991; Lawton, 1993). Since their farming system gives them intimate long term contact with the land, small-scale ACP banana producers are arguably better stewards of the land than are plantation producers who divide land management responsibilities among a number of workers oriented toward short-term returns. Land reform initiatives, like that in St. Lucia, have supported the terracing of hillside banana parcels and other soil conservation efforts (Nurse and Sandiford, 1995). Because ACP Banana producers rely on household and local labor, cyclical production downturns do not drive displaced workers to clear forest land as occurs in the Dollar zone.

Pesticide use in the production of ACP Bananas is significantly lower than in Dollar production. The maintenance of agro-ecological diversity within Caribbean banana regions helps control pest populations through natural processes. Although Caribbean producers have generally tried to match the high chemical input use characteristic of Dollar Bananas in order to compete with Latin American producers, pesticide use in ACP Bananas has recently declined, due to producers' budgetary constraints and the inability of banana growers' associations to finance expensive inputs (Welch, 1996:260). In the Windward Islands costly aerial pesticide spraying, with its related environmental and health

hazards, has virtually disappeared. In some cases, small-scale Caribbean banana production has become almost pesticide-free (ECCR, nd).

The divergent social and agro-ecological characteristics of the ACP and Dollar systems both explains how Dollar Bananas can be produced for less than half the cost of ACP Bananas — for US$ 180 as compared to US$ 458 per ton f.o.b.[20] — **and** discloses the hidden costs of this production. Vertically integrated Dollar Banana corporations benefit from economies of scale which significantly reduce their production, packing, and shipping expenses, but much of their cost advantage over smaller ACP producers appears to come from the lower returns paid to disadvantaged workers. Similarly though Dollar Banana plantations achieve higher yields than ACP producers, this is largely due to their chemical intensive monocropping system which creates substantial environmental and health problems. In short, while the ACP Banana production system may be more expensive than the Dollar system, this ancillary system represents a more environmentally and socially sustainable form of production.

V. Trade Regulation and the Banana Wars

Bananas have maintained their historical preeminence as the most important internationally traded fresh agricultural commodity. Valued at over US$ 7.5 billion, Dollar Bananas account for over 85 percent of the nearly 12 million tons of bananas on the world market (FAO, 1997). Most Dollar Bananas continue to be produced in Latin America. Ecuador, Costa Rica, and Colombia supply 62 percent of the world's bananas, followed by Panama, Guatemala, and Honduras (see Table 1). These Latin American countries have become more diversified than in the era of the Banana Republics, but bananas continue to play a critical role in their economies, contributing from one to ten percent of gross domestic product.[21]

As previously noted Chiquita, Dole, and Del Monte — the big three transnational banana corporations — have oligopolistic control over the

Dollar Banana market. These vertically integrated corporations sell huge quantities of their relatively inexpensive, standardized, blemish-free, input-intensive bananas. They have captured the lion's share of the consumer banana market with the help of extensive costly advertizing for their "name brand" fruit. These corporations have increased their dominance of the banana trade over the past thirty years, with their combined share of the world market rising from 47 to 65 percent (Farmers' Link, 1995:4; Hallam and Peston, 1997:46).

Conditions in the so called "open market" for Dollar Bananas are essentially established by the competitive pressures between Chiquita, Dole, and Del Monte. The world's largest banana distributor, Chiquita Brands, currently controls about 26 percent of the world market. Chiquita is the most aggressive company in the banana industry since almost half of its US$ 2.4 million in annual sales comes from bananas and it has the largest investments in banana vessels and other infrastructure (Friedland, 1994:182). Dole Food Corporation controls the second largest share of the world banana trade, with 25 percent of the market. Dole is substantially larger than Chiquita (with sales of US$ 3.8 million), but is more diversified and thus focuses on increasing markets for its broad produce portfolio rather than concentrating primarily on the banana market (Dole, 1994). The third major banana distributor, Del Monte, is also a potentially powerful international player, although due to repeated internal reorganizations it is not currently taking a lead role in shaping world markets.[22]

Chiquita, Dole, and Del Monte have virtually complete control over the US banana market, which is the largest in the world, with 27 percent of total imports (FAO, 1997). Having largely saturated the North American market, these corporations have had to find new markets for their growing exports. Over recent years Dollar Banana corporations have expanded their markets in Japan and other countries in Asia and the Middle East (Hallam and Peston, 1997:24). But the real prize has been the European market.

Since the mid-1980s, Europe has experienced a dramatic increase in consumer demand for bananas, with per capita imports rising far faster than in other regions (FAO, 1997). Banana imports have risen throughout Eastern and Western Europe, with the European Community (EC) now absorbing 26 percent of world imports (FAO, 1998). European unification has made expansion in the EC particularly attractive to Dollar Corporations since it permits them to pursue costefficient continent-wide distribution strategies. To take advantage of this growing market, Chiquita, Dole, and Del Monte have expanded their Latin American plantations over the past decade and flooded Europe with Dollar Bananas. Excess production has heightened competition and driven world banana prices down in the 1990s, encouraging Dollar Banana corporations to challenge the position of smaller European banana distributors and the ACP Banana system in prized European markets.

The Single EU Banana Market

As previously noted, the European banana market was until recently structured around preferential trade agreements granted to former ACP colonies under the Lomé agreement. In an effort to harmonize diverse national policies and further unification, a single EU banana market was created in 1993 which regulated market access based on three criteria. First, only bananas from Europe and its overseas territories were given free market access. ACP Bananas were given a tariff-free quota set at the traditional import level of 858,000 tons per year; Dollar Bananas were given a quota of 2,000,000 tons with a 100 ECU per ton tariff.[23] Any further imports were heavily taxed. Second, an import licensing system regulating tariff quota (ie. Dollar Banana) imports was created, with 30 percent of licenses reserved for traditional EU and ACP distributors, 66 percent for Dollar companies, and the remainder for new operators. Third, within these distributor categories, firms involved in importing were given greater access

to licenses than those in ripening or other portions of the commodity chain (Chambron, 1995:4; Solidaridad, 1995:48-54).

Fearing that the single EU market regulation would harm their Dollar Banana exports, five Latin American producer countries brought an immediate legal challenge to the General Agreement on Tariff and Trade (GATT) dispute panel, charging that the banana regulations violated the EU's commitment to the Uruguay free trade accord. To settle the dispute, the EU agreed to reduce the Dollar Banana tariff to 75 ECU per ton, raise the Dollar Banana quota to 2,200,000 tons and grant complainant countries favorable shares of the new quota, and reallocate 70 percent of import licenses to producer countries (Chambron, 1995:3; Sutton, 1997:22).

European responses to the new EU banana market regulations have varied. Countries like Britain and France have supported the system, since it upholds their colonial obligations to overseas territories and ACP countries, and privileges their traditional ACP import companies. In contrast Germany has largely opposed the regulations, since the new rules taxed their traditionally large Dollar Banana imports and raised consumer prices, and made it difficult for small German banana distributor, ripener, and transport companies to acquire licenses (Chambron, 1995:4; Sutton, 1997:15-6).

ACP countries and European overseas territories have supported the new banana trade regulations which reserve a large share of the EU market for their relatively expensive, variable quality, low-input produce.[24] This protected market is particularly critical for the major ACP suppliers, the Windward Islands, where bananas continue to contribute roughly 16 percent of gross domestic product (Hallam and Peston, 1997:4). As noted in Table 4, in the first years, the single EU regulations bolstered ACP Banana imports, increasing the earnings of ACP countries by an estimated US$ 100 million (Solidaridad, 1995:57). Much of the ACP increase has gone to West Africa. Although the ACP Caribbean

countries have been unable to fill their quotas due to storm-induced crop losses, the EU regulations have allowed them to continue to market their produce at twice the price of Dollar Bananas, augmenting returns to island producers as well as ACP distributors (Hallam and Peston, 1997:60).

Traditional ACP Banana importers have perhaps been the major beneficiaries of the single EU banana market. Geest and Fyffes (the key British banana importers), Ponoma (France's largest distributor), and Iberga (the Spanish supermarket chain) benefit from their control over supplies of tariff-free ACP Bananas

Table 4: ACP and Dollar Banana Shares in EU Imports

	ACP Bananas*	Dollar Bananas	Total Bananas
1991			
Tons (1,000)	1296	2384	3680
Percent	35.2	64.8	100.0
1992			
Tons (1,000)	1422	2487	3909
Percent	36.4	63.6	100.0
1993			
Tons (1,000)	1403	2151	3554
Percent	39.5	60.5	100.0
1994			
Tons (1,000)	1296	2084	3380
Percent	38.3	61.7	100.0
1995			
Tons (1,000)	1310	2140	3450
Percent	38.0	62.0	100.0

Sources: Eurostat and FAO data cited Solidaridad (1995:58) and Hallam and Peston (1997:29).
*Includes ACP countries and European overseas territories.

and from the use and frequent sale of their importing licenses (Kuilwijl, 1996). Instead of simply fueling the growth of the ACP Banana trade, the licensing system has encouraged ACP companies to increase their access to Dollar Bananas via both purchases and the establishment of plantations in Latin America.[25] The licensing system has also spurred the concentration of the European banana industry, with large EU produce importing companies buying up smaller distributors and ripeners driven out of business by the difficulty of obtaining licenses (Pitcher, 1995).[26] Fyffes has acquired a continent-wide distribution system and greatly increased its share of the European market in recent years. With its purchase of Geest's banana division, Fyffes now controls 85 percent of the British market, and 20 percent of the EU banana market (Grocer, 1996). This EU market reorganization has propelled Fyffes into third place in the banana industry, with sales surpassing those of Del Monte.

Chiquita, Dole, and Del Monte have maneuvered the new EU regulatory environment with varied success. When the companies flooded Europe with Dollar Bananas in the early 1990s, they reduced their profits but secured their position in the EU market by inflating the base of the subsequent Dollar Banana quota (Shapiro, 1992). To expand sales above this quota, Dollar corporations acquired ACP Banana supplies, gaining control of almost a third of all ACP production (Arthur D. Little, 1995, cited in Southey, 1995). For example, Dole initiated production in African ACP countries to source tariff-free bananas and purchased ripening and distribution centers in France, Spain, and Britain to facilitate access to EU import licenses (Dole, 1994). Since the implementation of the new regulations, Dole has actually increased its share of the EU market from 11 to 15 percent, with European sales rising from 8 to 21 percent of corporate earnings (Dole, 1988; 1995). Del Monte has held onto its 8 percent share of the EU market by pursuing a similar strategy. Only Chiquita has seen a major decline in European sales in the 1990s, with its share of the EU market falling from

25 to 18 percent, due to its failure to break into the ACP Banana trade (Arthur D. Little, 1995 cited in Southey, 1995).

The Banana Wars

Chiquita has virulently attacked the European banana regulations, blaming them for the corporation's recent million dollar losses. In 1994 Chiquita sought action against the EU for violating US Trade Law 301, charging that the single EU banana regulations discriminate directly against US corporations and permit the framework agreement signator countries to discriminate in the distribution of EU banana licenses (US ITC, 1994). Despite the tenuous US national interest in this matter — given that the US neither exports bananas nor has a significant number of jobs in the industry — Chiquita was able to use its substantial political clout to ensure that the US government pursue the case (see Larimer, 1997).

The US government filed Chiquita's complaint against the EU with the World Trade Organization (WTO), GATT's successor and the new arbitrator of world trade. The multitiered complaint charged that the EU single banana market regulations discriminate against Dollar Banana producers and trading companies, thus violating the GATT Uruguay Round free trade accord. The US government and Chiquita recruited the governments of Ecuador, Guatemala, Honduras, and Mexico — countries which had not been given favorable export shares under the 1995 banana framework agreement — to sign the WTO petition. But Dole and Del Monte refused to back Chiquita, raising serious questions as to the validity of the charge.[27]

In 1997 the WTO dispute panel ruled that the EU banana regulations did indeed violate international free trade agreements on two counts: (1) in granting preferential banana licenses to traditional ACP Banana importers, and (2) in allocating preferential quota shares to Latin American framework agreement signators. The dispute panel did not fault the use of tariffs to favor ACP Bananas, since this practice is

protected under a previous WTO waiver for Lomé provisions until the agreement's renegotiation in 2002 (de Jonquieres and Urry, 1997).

Chiquita and the US government are heralding the WTO ruling as a victory for free trade. The governments of Latin American Dollar Banana countries which backed the charge call it a deserved boon for their economies. In contrast ACP country governments and producer associations decry the ruling, arguing that if the EU banana regime is dismantled it will force many producers out of the industry and will destroy the banana dependent economies of the Caribbean (Hall, 1997).

In Europe the reaction to the WTO ruling and to proposed EU responses is divided. Initial proposals are being discussed that would scrap the current banana import licensing arrangements, but maintain a revised EU tariff-quota system privileging ACP Bananas. While European countries with strong colonial ties, like Britain and France, support this type of arrangement, others like Germany suggest that it does not go far enough to bolster free trade (Domberg, 1998).

Whatever the final form of the EU banana regulation, it is clear that it will be increasingly untenable for the EU to give preferential treatment to particular banana distributors or particular banana producing nations. Even if some distinctions between ACP and Dollar Bananas are maintained, when Lomé IV expires in 2002 this too is likely to fade. Higher cost ACP Bananas can expect to be hit hard in a world market regulated by competitive free market pressures and the oligopoly power of large banana corporations.

The Opening for Fair Trade Bananas

Is there a place for alternative bananas distinguished not by distributor or by country of origin, but by environmental and social production conditions? We see the initial definition of such a category of Fair Trade Bananas in Europe which may provide a critical opportunity for threatened smallholder ACP Banana growers, like those in the Windward Islands. As the British Minister for

International Development suggests, "a consumers boycott against Central American Dollar Bananas, as a rejection of plantation production where workers receive low pay, could save Caribbean banana production" (ICTSD, 1997).

The prospects for an alternative banana system derive from shifting consumption patterns in the North which challenge the homogeneity of food products. Over the past decade, mounting consumer concern over pesticide residues and food safety have contributed to a burgeoning market for organic foods. Organics represent one of the fastest growing agro-food sectors in Northern countries, with organics projected to soon account for five percent of the US agricultural economy (PAN, 1995).

In Europe, non-governmental organizations have fueled consumer awareness, broadening the consumer discourse to include not only food safety, but also environmental and social justice issues. In bananas, as well as other selected foods, we have seen the social construction of a new "fair trade" commodity which involves limited pesticide use, gives a fair price to producers, and internalizes social and environmental costs (Brown, 1993). Introduced just one year ago, Fair Trade Bananas marketed under the Max Havelaar label have captured 10 percent of the banana market in the Netherlands and 14 percent of the Swiss market (Sarno, 1997). England's fifth largest supermarket chain has launched a nationwide promotion to boost sales of Windward Island bananas produced by small farmers using environmentally sound practices (Banana Trade News, 1997a). Similar initiatives are evident throughout Europe and are likely to be quite successful given the apparent untapped market for this produce. According to a recent EC study, there is an annual market for up to 400,000 tons of Fair Trade Bananas in Europe. Seventy-five percent of European consumers report that they would buy "fair trade bananas" if they were available, and most would be willing to pay a 10 percent premium over the cost of "standard" bananas (EC Press Release 11/27/97 cited in Banana Trade News, 1997c).

Fair Trade Bananas for the European market are already being produced in Ghana, the Dominican Republic, Costa Rica, and Ecuador and initial efforts are underway to develop Fair Trade production in the Windward Islands (Banana Trade News, 1997b). According to the distributor, producers of this new commodity are receiving twice what they would get from Chiquita, Dole, or Del Monte (Sarno, 1997). The European Fair Trade market appears to provide an important opportunity for small-scale ACP Banana producers, some of whom are already producing bananas eligible for a fair trade label (EC Press Release 11/27/97 cited in Banana Link, 1997c). This Fair Trade market may represent an opening not only for ACP producers, but also for traditional ACP Banana distributors who are likely to face intensified competition from Dollar Banana corporations in coming years.

IV. Conclusion: Re-regulation in the Free Market Era

The history of bananas could be read narrowly as a description of the ascendancy of the Dollar Banana system and the supremacy of transnational capital in an era of globalization and deregulation. But we suggest an alternative, less deterministic, reading of this account. The dominance of Dollar Bananas is rooted in the intensive exploitation of human and natural resources by transnational corporations and in the success of these corporations in mobilizing national and supra-national state institutions to their cause under the banner of free trade. Historically an important divergent banana commodity system was created and maintained by the national regulation of trade between European countries and their former colonies. While the ACP Banana system appears to be on the decline, there may be a new countermovement shaping the discourse on trade and providing an alternative to Dollar Bananas.

The rise of a new Fair Trade Banana system counters the socially and environmentally degrading character of Dollar Banana production. This challenge emanates from the nexus of consumption, where the conscious support of environmental protection and worker's rights on the part of Northern consumers has created, and given meaning to, a new category of Fair Trade commodities. By revitalizing and solidifying the link between food producers and consumers, the Fair Trade movement provides an alternative to impersonal capitalist market relations. This countermovement suggests a provocative new possibility for socially re-regulating and re-linking production, trade, and consumption in a manner which bridges the widening global/local divide and challenges the domination of the agro-food system by profit maximizing transnational corporations.

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NOTES

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[2] United Fruit owned a controlling share of Fyffes for awhile, which is why the contract for Windward bananas was given to Geest, but an Irish firm then purchased United Fruits' share in the company (Davies, 1990).

[3] Though Dollar Banana imports to the EU faced a common 20 percent import tax, Germany managed to gain a waiver from this tariff and has thus imported Dollar Bananas duty free.

[4] The importance of banana distributors is related to the fact that the perishability of this produce increases dramatically as it ripens. Green bananas can be, and are, traded on the open market, but ripe bananas need to be handled as little as possible and promptly sold. Some European supermarkets ripen their own bananas; specialized fruit distributors do the ripening in North America and are increasingly doing so in Europe.

[5] Of the big three corporations, Chiquita is the most vertically integrated. It has its own railroads and cardboard box factories in three Central American countries, exclusive rights to a number of the region's deep water ports, and the world's largest fleet of refrigerated vessels (Burbach and Flynn, 1980; Friedland, 1994).

[6] Welch (1996) outlines the banana grower association activities, demonstrating that the Windward Island associations are more involved in coordinating production, packing, and transportation than are their counterparts in Martinique or Guadeloupe.

[7] While one firm, the Compagnie Generale Maritime, controls the shipping of French Caribbean bananas, there are a number of distributors involved. The top distributors, Pomona, Agrisol, and Compagnie des Bananes, together handle only 62 percent of the bananas from Martinique and Guadeloupe (APROMA, 1992:63).

[8] WIBDECO is jointly owned by the governments of St. Lucia, Dominica, St. Vincent, and Grenada and by the four national banana associations.

[9] ACP Banana shippers typically make eight stops in the Caribbean to backhaul cargo and load bananas, in contrast to only three stops when shipping Dollar Bananas to Europe (Hallam and Peston, 1997:52).

[10] In Martinique and Guadeloupe these costs and risks remain with individual producers; in the Windward Islands, WIBDECO must absorb these costs and risks and determine how they will be distributed amongst various members.

[11] Chiquita's Panama/Costa Rica plantation has numerous packing facilities each served by an aerial cable system.

[12] In Costa Rica, Atlantic Coast banana plantation workers are largely descendants of 19th century Jamaican migrants; those on the newer plantations come from other parts of Costa Rica, as well as Nicaragua, Panama, and Honduras (Bourgois, 1989; Purcell, 1993; Vandermeer and Perfecto, 1995:8). In Belize 91 percent of workers on one banana plantation were recent migrants from Guatemala, Honduras, and El Salvador (Moberg, 1996:427)

[13] In 1978 roughly 25 percent of Dole's and Chiquita's Honduran bananas were

produced on contract (Glover and Larrea Maldonado, 1991:98). Currently, 35 percent of Dole's, 50 percent of Del Monte's, and 25 percent of Chiquita's Costa Rican bananas come from contract growers (Fabre, 1997:15). Glover and Larrea Maldonado (1991) estimate that at least 30 percent of all Dollar Corporation bananas now come from associate growers. The rising use of contracts is confirmed by corporate officials (Dole, 1994).

[14] By not producing the bananas themselves, corporations can escape responsibility for abiding by labor and environmental regulations and discourage increasingly common large-scale strikes (e.g. Hernandez, 1997). Companies can also avoid potential lawsuits like that filed by Latin American plantation workers for pesticide exposure, which recently cost Dole US$ 22 million (Interpress News Service, 1997). These costs clearly begin to erode the savings from large-scale production.

[15] Production of ACP Bananas in Africa is based on larger holdings, except in Somalia.

[16] With the new system, bananas are selected and divided into bunches, drained of latex, packed in boxes, and a fungicide impregnated pad is attached to deter crown rot (Nurse and Sandiford, 1995:57).

[17] The large numbers of migrant workers hired in Dollar Banana production are particularly unlikely to be able to find jobs off the plantation (Purcell, 1993; Vandermeer and Perfecto, 1995).

[18] Recent reports from Costa Rica describe the "rivers running blue" after flooding as the blue banana bags are carried off with the seasonal monsoon-like rains (ECCR, nd:8). Scuba divers report dead reefs off the Caribbean coast literally draped in these blue bags.

[19] One study finds that in the aerial spraying of bananas in Costa Rica, 40 percent falls on the ground instead of the plants, 35 percent washes off the leaves in the rain, and 15 percent is carried off by the wind or irrigation water (Foro Emaus, 1997).

[20] ACP Banana production costs were calculated as Dominica 515$, St. Lucia 463$, St. Vincent 461$, and Jamaica 391$; Dollar Banana production costs were calculated as Colombia 200$, Costa Rica 179$, and Ecuador 162$ f.o.b. in 1992/3 (Hallam and Peston, 1997:23).

[21] The share of GDP from bananas for 1990-92 averaged 9.6 percent for Honduras, 6.8 percent for Costa Rica, 5.2 percent for Ecuador, 0.9 percent for Guatemala, and 0.9 percent for Colombia (Hallam and Peston, 1997:4).

[22] With sales estimated at US $1.5 million, Del Monte has substantial market power, but it has changed hands four times in the past eight years, undermining any attempts at strategic

planning (Company Profiles databank, 1997).

[23] Bananas from ACP countries not traditionally exporting to Europe (e.g. the Dominican Republic) fell under the dollar quota but were exempted from the 100 ECU tariff (Solidaridad, 1995:48).

[24] Nontraditional ACP countries like Ghana and the Dominican Republic which are excluded from the quota, find the regulations problematic (Solidaridad, 1995:59).

[25] Geest established a plantation in Costa Rica; Fyffes set up operations in Guatemala and Honduras.

[26] Fyffes and Geest raised their share of the EU banana market by 65% from 1991-94 (Arthur D. Little, 1995 cited in Southey, 1995).

[27] For appearances sake the insignificant and non-exporting Hawaii Banana Industry Association did sign the complaint.