Texas Papers on Latin America

Teresa Lozano Long Institute of Latin American Studies

Texas Papers on Latin America
Paper No. 95-01

The Experience of the Guatemalan United Fruit Company Workers, 1944-1954: Why Did They Fail?

by
Alejandra Batres
1995 ILAS Distinguished Paper Award
University of Texas at Austin

Introduction

Why do worker movements fail even when backed by the government and its policies? In the case of many Latin American countries, the government itself has commonly served to frustrate worker uprisings and taken positions that implicitly or explicitly favo r the business sector. Yet even when the government agenda matches that of the workers, some labor movements have still been unsuccessful. The experience of the United Fruit Company workers in Guatemala in the period 1944-1954 presents one example of such a movement that, despite government support, essentially failed. Before this period of "revolution," the Guatemalan governments had often ensured the failure of worker movements through either repressive means or simply refusing to take labor's s ide. The previous president, Ubico, had disbanded all unions and banned the word *sindicato*, claiming it had communist implications. In 1944, the "October Revolution," led by students and supported by workers, deposed Ubico and granted Guatemala a ten-year respite from this type of dictatorial leadership. With the democratic election of a self-proclaimed workers' government under Juan José Arevalo, a new relationship ensued, and the organization of workers flourished more than at any other time in Guatemalan history. Under Arevalo state policies began to

shift the government's role from the side of capital to that of an advocate of labor. This included the adoption of a new labor code in 1947 that granted workers rights they never had be fore. During the second presidency of the revolutionary period, Jacobo Arbenz continued this close relationship with workers and took an even more radical step with the implementation of an agrarian reform program.

Not counting the workers themselves, the United Fruit Company (UFCO) felt the biggest effects from the changes in Guatemala. As the largest single employer and landholder in the country, UFCO had to abide by the new labor code and had a large portion of its uncultivated lands expropriated under the agrarian reform. It had begun its operations in Guatemala in the early 1900s and had expanded to the extent that Guatemala became the company's fourth largest cultivator of bananas. Through these contracts w ith past governments, it set up its first plantation, Bananera, in the northern department of Izabal near the Atlantic Ocean, and a later plantation, Tiquisate, near the Pacific Ocean in the department of Escuintla. In addition, a previous Guatemalan gov ernment basically gave UFCO the rights to the only real port in the country, Puerto Barrios. Through the port concession, UFCO could control almost all the trade the country conducted. Even though there were some independent banana exporters, in 1946 UF CO exported 61.92 percent of the bananas from Guatemala, and that grew to 84.34 percent by 1954. To add to its power, UFCO was the major shareholder in International Railways of Central America (IRCA), which owned almost all of the rail in the country.

Much of the literature during this period has looked at the political implications of the revolution. Some authors have focused on the policies of Arbenz and Arevalo, while others look at the U.S. intervention in a coup that ended the revolutionary perio d. The issue of the extent of actual communist influences in the government has also been approached from all sides. In terms of the literature about the labor movement, most of the works specifically address the general urban worker movement in the cap ital. While the UFCO unions are mentioned as well organized and active, there is very little analysis of their experience and why they failed. Through the use of the Communist Party's newspaper, the newspaper of a labor federation, Guatemalan government publications and miscellaneous flyers, manifestos, and pamphlets from the time period, this paper examines why the UFCO workers did not succeed in winning their demands. Many of these sources, especially those published by political parties and unions, have not been utilized in previous studies and therefore will help shed new light on this period of worker organization in Guatemala. However, their contribution to the research must be considered carefully given that such

resources have inherent biases in line with the ideologies of the time.

Because of UFCO's virtual monopoly on transportation and bananas, it became a target not only of the government but of other leaders looking to reassert Guatemala's sovereignty. Given this environment, UFCO workers viewed this political opening as their chance to improve their working conditions and led at least three major strikes against the U.S.-owned conglomerate. Despite this window of opportunity, the movements gained few concessions to the demands and many workers even lost their jobs. By the ti me a U.S.-backed coup deposed the revolutionary government in 1954, UFCO workers had little more control over their working conditions than before 1944. This failure resulted because both the internal weaknesses and mistakes of the unions and the externa l strength of the United Fruit Company and its supporters combined to diminish the workers' and government's leveraging positions.

The UFCO Workers and Their Unions

To better understand the experience and eventual failure of the UFCO worker movements, there needs to be some understanding of who they were and what they wanted. The UFCO workforce consisted of primarily Guatemalan men who came from areas outside the dep artments where the UFCO had operations. The Guatemalan census of 1950 provides figures that break down the workforce and population in Izabal and Escuintla. In terms of gender, the majority of both agricultural workers and dock workers, or *muelleros*, were men. In Izabal, of 5,350 agricultural workers, only 80 were only female, and of 2,358 *muelleros*, only 14 were female. Similarly in Escuintla, only 586 women participated in an agricultural workforce of 25,656. In terms of background, the Guatemalan census depicted race only in terms of Ladinos and Indians, with a very small Indian population in both departments. Despite these figures, the UFCO worker population was far from homogeneous. Traditionally, the areas chosen by the United Fru it Company did not have the necessary labor force to undertake all of the necessary work; therefore, UFCO would bring in Black labor from the West Indies as was the case with their Costa Rican and Panamanian plantations. Despite a lack of figures, the fa ct that some of the early complaints of Guatemalan workers dealt with the hiring of West Indian labor and that some of the eventual union leaders were of Jamaican background suggests the presence of a racially mixed workforce in Guatemala also. The numbe r of foreigners was larger on the Atlantic Coast, which had more workers from other Central American countries and the Caribbean than did the Tiquisate plantation. While there was definitely a foreign presence in the UFCO operations, it probably was less pronounced in Guatemala than in other UFCO plantations. Partly this was due to

Guatemalan law, which stipulated that 90 percent of the company's workforce had to be Guatemalan. Also, by the 1940s and 1950s the use of foreign labor decreased, and it cea sed being a worker complaint. In 1946, only about 4.5 percent of tUFCO employees were foreigners, and by 1954 that percentage had dropped to 2.2 percent. Most of the heterogeneity resulted from workers' coming from different parts of the country. In Iz abal, only 25,637 of 55, 032 residents were born in the department, and in Escuintla, only 65, 971 of 123,759 were actually born in that department.

Many of the workers who migrated to Izabal and Escuintla were drawn by the prospects of employment with UFCO, which had relatively better working conditions. UFCO paid a higher daily wage than most other agricultural employers in Guatemala. In 1950, th e average starting daily wage for UFCO workers was Q1.36 (quetzales), while most of the Guatemalan workers earned only Q.80 in daily wages. UFCO workers were paid 3 percent more than other plantation workers in Izabal and 138 percent more than workers in the department of Escuintla. Supporters of UFCO pointed out that, while the wages may have been less than the U.S. minimum wage, the company also provided many indirect wages. For example, UFCO's efforts at maintaining sanitary conditions and providing clean water to the workers contributed to their health and decreased the potential of malaria, which was common in the banana zones. In return for paying a small percentage of their salaries, workers and their families could use the company's hospital a nd medical facilities. UFCO also provided barrackslike housing for all of its workers and their families, and under pressure from the government set up at least primary schools for workers' children. On some of the plantations, UFCO would even provide r ecreational halls. Finally, the company operated commissaries at a loss where the workers could buy basic foods such as corn, beans, and other staples at below cost.

While there were advantages of working for UFCO, working conditions were not always as ideal as the company claimed. First, not all workers received the same quality of indirect benefits. Because the Bananera plantation was older, it had fewer amenitie s than Tiquisate. While some housing facilities had drinking water, many did not. Also, in comparison to the dwellings given to higher level employees from the United States, the Guatemalan workers' facilities were clearly inferior. At times, the utili ty service to the workers' homes was limited and sporadic. For example, electricity came on only during certain times of the day. According to a *muellero* from Puerto Barrios, Manuel J. Reyes, water was also turned on only for a couple of hours a day for the general working population and sometimes not turned on at all during the weekends. Instead, the workers

claimed all the water went for the homes of the chiefs of UFCO. Electrical power in the worker areas was also limited. While UFCO did no t directly own the electric and water utilities, IRCA did, and therefore the workers believed that UFCO had influence over the service delivery.

As mentioned above, salaries were definitely higher than in other parts of Guatemala, yet increased wages became the focal point of worker demands. This did not occur simply because the workers greedily wanted more money but rather because other circumst ances lessened the value of the seemingly high wages. First of all, the cost of living on the plantations and Puerto Barrios was much higher than in other parts of the country. The port area was especially susceptible to insufficient goods, and the popu lation often did not have the ability to buy even basic goods. This is evidenced by the fact that when the Arevalo government set up a new social services department under the revolutionary government, Puerto Barrios was deemed one of the areas needing t he most immediate attention. UFCO often compared the salaries of the banana workers with those of coffee workers. But the latter, despite much lower salaries, had more opportunity to plant their own food for subsistence and could spend more of their inc ome on other goods such as clothes. Even though UFCO provided its banana workers with some plots for personal use, the land was less well suited for the growth of needed foods therefore forcing the workers to spend a larger part of their income on foods bought at the commissary. And even the commissaries could not be depended on consistently; in 1951, workers claimed that UFCO was no longer selling goods at the commissary below cost and was withholding some of the goods it had at a time when many worker s were out of jobs.

The lack of security of work on both the banana plantations and the dock also diminished the effect of high wages. One problem was that daily work was not always assured or scheduled. The nature of banana work is such that timing is everything, with cutt ing having to take place in a short period of time. As a result, banana workers could cut stems for only one day of the week, and work on the other days would depend on the need for other manual labor such as clearing of land. Daily work for *muellero s* also depended on the factors they could not control such as the arrival of bananas and ships. Dockworkers did not have a set schedule but rather would have to listen for a siren announcing that work was available. And even for those who did hear t he siren, work was not guaranteed if they arrived at the dock too late. The announcement of work never included an estimate of the number of workers needed, and jobs were handed out on a first come-first served basis. On average, **muelleros** m ight work and get paid for only 1,050 hours, or about 150 or fewer days in a year. One

muellero, Lopez Bermudez, emphasized this problem by pointing out that even though he had worked for UFCO for thirty-seven years and was one of the highest paid **muelleros**, he had not had any work the week before being interviewed. The week of his interview, he had earned only Q10.80, and he estimated that his daily expenditure on food was Q2.50. Another *muellero* who had worked with UFCO for twent y-six years complained of still receiving only Q.75 some weeks.

The fact that UFCO was the main employer in the two banana areas and produced most of the business for the dockworkers aggravated the problem of sporadic work. While waiting for UFCO to call them to work, **muelleros** had a hard time finding other wa ys to earn wages. Even worse, if for some reason UFCO decided to fire any of its workers, to lower their salaries, or in any other way to downgrade their working conditions, there was little other opportunity for workers to find another source of income. In addition, during this period the company cut back on employees as more technology was introduced. From 1946 to 1954, the total number of UFCO employees went down from more than 15,000 to just over 9,000. In other Central American countries, UFCO ha d pulled out of areas where the land was no longer in good condition and left behind massive unemployment. In Guatemala, UFCO had been pulling out of Bananera in Tiquisate since 1936. For the workers, the knowledge of the tenuous status of their daily a nd future work and the general freedom of the company to hire and fire at will led to efforts to gain firmer control over their working conditions.

When the new government came into power, the workers tried to counter their vulnerability through the formation of unions. Some worker organization on the UFCO plantations had existed prior to the revolutionary period. In the 1920s and 1930s strikes had broken out over issues such as salaries, cutbacks, and hiring of foreigners. Most of these movements were not well organized, and were broken either by the company playing upon racial differences or through military intervention on the part of the gover nment. Unions themselves did not actually form until 1944, but at that time the UFCO workers were quick to organize. There were three primary syndicates that UFCO workers could join. The banana workers organized into the Sindicato de Empresa de Trabajad ores de la Compañia Agricola de Guatemala (SETCAG) in Tiquisate or the Sindicato de Empresa de Trabajadores de la United Fruit Company (SETUFCO) in Bananera; and the **muelleros** of Puerto Barrios joined the Union Sindical de Trabajadores de Pu erto Barrios (USTPB). As a sign of the unions' organization, in 1947 when the new Labor Code required unions to register officially, SETUFCO and SETCAG were the first two to do so. While the unions showed different degrees of strength with workers and ov er time, all three played active roles

in the labor movement and were among the most important unions in the central worker federations.

Even though the unions started up quickly and began challenging UFCO, some problems arose in gathering worker support. The banana unions in particular had trouble getting unified support within their worker base. When the unions first begun, the majori ty of the workers regarded the organizations suspiciously. They wanted simply to feed their families and worried that joining a union might jeopardize their jobs. Many also lacked awareness of the general worker movement in the country and had no intere st in the calls for a unified proletariat. Because of the heterogeneity in the workforce, unity among workers had not come naturally; so the union leaders had to forge it. This task proved additionally difficult since the many *fincas,* or farms, w ere spread out, and groups of workers in the same division had little contact with each other . To rally support, union leaders had to travel to each individual *finca*. Even though union leaders often exaggerated the size of membership, probably on ly half of the banana workers belonged to their respective unions. In 1950, SETUFCO and SETCAG had about 4,500 and 5,720 members, respectively. Even most of these were only nominally involved by paying dues and left most of the decisions up to a small e xecutive group. In contrast, partly because of a smaller workforce and a history of organization, the USTPB received more support from its workers with an estimated 90 percent of the 1,500 permanent **muelleros** identifying themselves as members. De spite some of the initial setbacks, the unions soon became active in issuing complaints against UFCO and organizing labor movements.

During the revolutionary period, many conflicts arose between the workers and the company, but those of 1946, 1948-49, and 1950-52 stand out because of the national attention they garnered. Throughout the three conflicts some of the demands var ied, but the call for higher salaries and better working conditions remained constant. The strike of 1946 served as the first serious attempt on the part of the unions to challenge UFCO's power over the workers' salaries and jobs. This conflict, which l asted only six weeks, began with SETUFCO objecting to the firing of three workers at Bananera and then spread to the other divisions. The unions presented only a few demands of which an increase in salaries took precedence. Some examples of the addition al demands placed forward by SETUFCO included the improvement of housing facilities by adding drinking water and screens, the removal of two high-level American employees, the rehiring of the laid-off workers, and a promise of no reprisals against other w orkers. When UFCO ignored the demands, workers in Bananera and Puerto Barrios went on strike, followed two days later by the workers in Tiquisate. With no real

mechanism in place to conduct negotiations, this strike ended with President Arevalo interven ing and declaring the strike over. He ordered the resumption of work under the same conditions present before the movement, with the stipulation that UFCO could not fire any workers involved and workers could not demand the removal of UFCO employees. E ven though the workers made no progress in terms of their demands, the 1946 movement served as an example of labor's willingness to assert itself against UFCO.

More proof of the workers' boldness became apparent during the more antagonistic conflict of 1948-49. It actually began in 1947 when Tiquisate workers put forth demands for better working conditions and higher salaries. When conciliation talks betw een the two groups ended in stalemate, the government came in and ruled that various actions on the part of both parties were illegal. The situation returned to normal without any changes until the workers on the Atlantic Coast began their conflict with UFCO in late 1948. One complaint specific to the *muelleros* was that the company wanted to go back to paying them by the amount loaded instead of by the hour as had been the practice since 1930. In addition, when the *muelleros* arrived at th e dock for work they usually had to wait around for long periods of time before starting to load, but UFCO paid them only for the amount of time they actually loaded. At this point, the Tiquisate union also joined in their fight. This time the unions no t only asked for an increase in wages, but they also wanted UFCO to contract with labor through a collective pact in which the same wages would apply to all workers in the same category. Up until that time, UFCO's relationship with the workers had been co nducted through individual contracts.

Both the workers and UFCO employed a variety of tactics to hurt their opponent. The workers on the banana plantations struck, and the UFCO basically closed the port down at one point. The *muelleros* employed one of the more interesting tactics dur ing this conflict by working more slowly in loading the bananas. At one point, one ship had to leave behind 19,000 bananas because of the slowdown. While UFCO contended that the **muelleros** had been instructed by the unions to slow down their work, the workers argued that new machinery had caused the slowdown and that they were not involved in any type of planned sabotage. In conjunction with this claim, the workers called for the removal of these machines on the grounds that they presented a dang er to the workers. Despite the cries of innocence, once at the bargaining table the union leaders used promises to instruct the workers to speed up the loading as a bargaining chip and therefore proving the deliberate nature of the slowdown. Unions als o tried to win concessions from UFCO by working through the labor tribunals set up by a new Labor

Code in 1947, but when the two sides could not reach an agreement through this system, the government once again had to intervene with official decrees. By 1949, UFCO agreed to form collective pacts but signed separate contracts with each union of workers. Banana workers who earned below Q.90 received a 10 percent salary increase. The company agreed to increase the **muelleros**' hourly pay by an averag e of 5 to 10 cents depending on classification of worker and to pay them for waiting time on the dock in return for the **muelleros'** promise to load at least 2,900 stems an hour. In reality, the minimal concessions did little to change the workers' conditions; in fact, the pay raises from the pact soon lost their value as the cost of living rose rapidly.

The inadequacy of the 1949 contracts spurred on the development of the next big conflict during 1950-52. The previous contracts proved extremely insufficient as the cost of living increased and economic conditions worsened. According to the Direcc ion General de Estadisticas of Guatemala, between just 1949 and 1950 the cost of living had increased by 9 percent without any compensation through increased wages. Despite the unfavorable economic conditions of the time, the UFCO unions decided to ask f or a new collective pact giving them.once again.better salaries and working conditions. Feeling more experienced and enjoying more government support, the unions presented more demands than ever before: 197 by 1950 and even more were added in 1 951. At one point, some of the demands included a 100 percent increase in salaries, establishment of a pension plan paid entirely by the company, restrictions on the relocation of workers, and establishment of a minimum employment level that would be no lower than the current levels. Other demands included access to railroad facilities for use by union leaders. As time went on and negotiations became difficult, some of the unions adjusted their demands to more realistic levels than initially. The lar ge number of demands on the part of the workers and the intransigence of the UFCO made this conflict even more difficult to negotiate in the labor tribunals. While the actual strike took place in August 1951, no agreement could be reached until 1952. To complicate matters even more, a hurricane hit the Tiquisate area in 1951 and destroyed many of the banana plants. While the workers and the government disputed UFCO's claims that it could not accede to worker demands because of the losses at Tiquisate, t he individual unions eventually renewed the existing contracts for three years with only moderate wage increases but with a promise to pay back wages.

During this conflict the workers also raised many other complaints against the company that were not part of their original demands but highlighted their cause. In regard to UFCO's claim that it could not afford any type of

wage increase, the unions used a study that Marco Antonio Ramirez, an ex-subsecretary of economy and labor, conducted on the ability of UFCO to pay raises. By looking at stock earnings and profits, Ramirez claimed to prove that UFCO indeed had the ability to pay higher salaries to it s workers. Using this study, the **muelleros** argued that the increases they sought would make up only 5 percent of UFCO's total profits. Because the company had kept the same wages, workers also claimed that they could no longer afford the goods at the commissary, and to make matters worse, UFCO would hoard goods or raise prices as the conflicts proceeded. At Bananera, workers reported that there were shortages of such goods as rice, beans, sugar, maize, and butter. For a while, UFCO stocked the commissaries only with coffee and oil. The tools that workers had to buy for their jobs such as machetes also had recently jumped in price. Union leaders claimed that while UFCO had received its sugar quota from the government, the company maintained th at it did not have any to sell to the common workers; however, the preferred employees seemed to have all the goods they needed. Finally, unions also accused UFCO of trying to get around Labor Code laws and the conditions it had settled on in the last c ollective pact. For example, when UFCO would have to pay for overtime for a certain type of task, it would do everything possible to get the job done in less time, and overtime worked in a day would not show up in the record books. One worker at Tiquis ate complained that the company would pay three days of work out of the week by contract and the other three days by daily wage in order to get work done at a lower cost.

Despite all the petitions and complaints, all three strikes ended with few real concessions for the workers. In both the 1948-49 and 1950-51 movements, the unions ended a long conflict by signing pacts that would inevitably provide little progr ess for the workers. There are many reasons for the ineffective bargaining positions of the unions, but some of them have to do with internal weaknesses within and among the UFCO unions. Early on, the three sets of UFCO workers and other labor leaders c ame to realize that the only way to get any demands met was through a unified effort. First of all, this meant that leaders needed to foster unity within their respective worker bases. The insufficient strength of the union among the workers came to lig ht when labor officials polled the banana workers in 1948 to see if the necessary two-thirds supported a strike and found that only 47 percent in Tiquisate and 50 percent in Bananera did. The lack of unity might be partially explained by the lack of homo geneity among workers, but a more central cause was found in the way the unions functioned. Decision making took place only at the high levels, and workers usually had little direct input into final decisions or resolutions reached by the union. The cen tralization of the union decision making was blamed for exaggerated demands put

forth by SETCAG and USTPB in the 1951 conflict. When UFCO refused to negotiate, calling the demands impossible and outrageous, the central federations declared that only one or two executives had drawn up the demands without the consultation of others in the union. This led to the expulsion of some of the leaders in SETCAG and USTPB and the reworking of both sets of petitions. While the accusation may not have been complete ly accurate, such incidents demonstrated some of the divisiveness that existed at even the highest levels of the unions.

In addition to trouble with internal unity, the unions also had a hard time collaborating fully with each other. In general, when one union struck the other two would also place complaints before the company, but the reason seemed not so much support as opportunity. Even though the unions may have begun a conflict together, they eventually signed their contracts with the company separately as happened in 1949 and 1951. This created a problem in that when one union signed a contract on its own, that we akened the leveraging position of the other unions. In 1951, supporters of SETUFCO alleged that the union had to sign an inferior agreement with the company because "traitors" in SETCAG had given in to UFCO and signed a separate agreement. These separa te contract signings in 1951 came after serious attempts at unity between the three UFCO unions. In April 1951, SETUFCO and SETCAG with the help of the labor federations decided to unite in asking for the new collective pact. USTPB resisted joining the banana unions because it claimed that the drive for unity was a communist attempt to influences the unions. By May the two banana unions had created the Comité Coordinadora de la Acción de los Trabajadores Bananeros y Portuarios even though the name was a little misleading in that the **muelleros** were not yet involved. Finally, in July USTPB joined with the two other unions to form a committee consisting of representatives from each union and from the central labor federation. The p urpose was to coordinate and lead the fight against UFCO in a stronger manner by uniting. In August 1951, all three unions put out a joint manifesto denouncing UFCO and the tactics it used to weaken the worker movement.

After the 1949 contracts, both union and federation leaders made greater efforts to strengthen cross-union cooperation by increasing feelings of unity among the workers. Those proposing unity emphasized that all the workers shared the complaints of low s alaries and high cost of goods at the commissaries. They downplayed differences in race, religion, or politics, and stressed that all workers should unite because of their shared concerns for a more dignified life, success of the government, fighting aga inst imperialism and feudalism, and the political and economic progress of the country. Another way of encouraging support and unity that seemed partly

effective was meetings and rallies. A rally held in Tiquisate reportedly drew more than 1,500 workers, which was considered a lot since the only transportation was the UFCO train to bring the workers from their *fincas*. Representatives from the two other unions spoke to the attendees about the need for unity. SETCAG organized another rally that mo nth to show support for the demands being put forth in 1951 and to counter those who had sold out to the company. The attendance of more than five thousand workers was seen as a triumph because the night before the rally propaganda had been circulated by anticommunist groups threatening those who attended. The march was attended by workers on foot, bicycles, and horses, and behind the workers more than two hundred wives marched to show their support. Once again, representatives of the other unions show ed up to encourage unity. Since most of the reports of the rallies came from either the Communist Party or the unions themselves, the number of attendees may have been exaggerated, but the fact that attention was drawn to these meetings showed an effort to promote unity.

In conclusion, from the start of the October Revolution, UFCO workers sought ways to gain some kind of control over their salaries and working conditions. Despite earning higher daily wages than many of the country's agricultural workers, UFCO labor had to deal with a high cost of living and insecurity about getting paid. Even though the UFCO unions were some of the better and more active syndicates, problems such as lack of unity and centralized decision making weakened their support among the workers. Despite these setbacks, the unions still believed that they had a chance against the UFCO because of public government support.

The Government and the Workers

The workers and their leaders had good reason to believe that the government would be an advocate in their struggle against UFCO. When the revolutionary government came into power, it was partly due to support from the workers. During his election, Arev alo himself had received support from the newly organizing UFCO workers. Upon taking office, he began to show his concern for the labor issues facing Guatemala. Because he did not yet have a set economic policy, in 1945 Arevalo called a conference with both labor and capital in order to discuss the problem of production in Guatemala. This Triangulo de Escuintla, named for the department in which it took place, had as its goal the forging of a new relationship based on cooperationbetween state, labor, a nd capital. At this conference the government asserted its dedication to listening to the workers themselves and to supporting them in their efforts to achieve better working conditions. For workers accustomed to a repressive government, these promises seemed radical. Yet in many ways Arevalo tempered the

rhetoric by emphasizing that the government would deal with labor issues in the spirit of cooperation and fairness. While advocating workers' rights, Arevalo had the whole nation's welfare in mind an d did not want to alienate capital unnecessarily. As the meeting ended, the spirit of cooperation seemed to prevail as the expected hostilities between UFCO and its Bananera workers, who both attended, never materialized. The conclusion of the talks fou nd all three sectors agreeing on the need for a new labor code to replace the existing 1926 code in order to deal with labor conflicts.

The 1946 strike by the UFCO unions further emphasized the need for a new labor code if the government wanted to help the workers. The 1926 labor code had proved extremely weak and unenforceable. In dealing with worker movements, the government departmen t in charge of labor issues did not have the power to make companies, mainly multinational ones, come to the table for the legislated arbitration. Workers had criticized the older labor code since its inception, and by 1944 they knew the futility of tryi ng to use legal means under this code to get concessions. As a result, in 1946 when UFCO refused to hear worker demands they did not turn to the labor code, and instead called a strike without giving the mandatory eight-day notice. Their reservations ab out the code also made them reticent to engage in the conciliation process. For a government trying to establish itself as a legitimate democratic administration, it became difficult to take the side of the workers when UFCO correctly claimed that workers had not followed the law. In addition, in their demands the workers claimed rights that had not yet been codified, and therefore the government could not legally defend them. Arevalo realized that without some type of legal guidelines, labor conflicts could arise and endanger the productivity of the whole country. Faced with the weakness of it position, the government finally decreed that the strike would end and in addition declared that no strikes or work stoppages would be legal until the new labor code was passed. The justifications given included concern for the world political situation, agricultural interests, and the prestige of the October Revolution. It also warned that any attempt to defy this decree would be dealt with seriously and blam e would be placed especially on leaders. While acknowledging difficult working conditions, the government called on patriots to keep the peace until Congress developed the new labor code. Workers accepted the government ruling in anticipation of the new labor code that promised to help them.

From that point on, both executive government officials and labor leaders exhorted Congress to make the labor code a priority in its session. At one point, representatives from labor groups attended congressional sessions to make sure that the deputies d id not recess without finishing the code.

Finally on February 8, 1947, the Labor Code of 1947 became law through Decree 330. The government touted this labor code as its attempt to address not only social needs and economic conditions but also psycholog ical and political needs. In terms of working conditions, the code dealt with the length of the workday, health and safety precautions, vacation benefits, and salaries. It set guidelines for individual and collective contracts and pacts between the emp loyer and workers, and provided the circumstances under which companies or workers could break these contracts. Finally, it also dealt with the administrative and judicial institutions and guidelines for handling labor conflicts. Compared to past Guatem alan codes, this labor code seemed radically in favor of the worker. However, despite later UFCO allegations about the radical leanings of the government's labor policy, even a U.S. State Department report conceded that this code was really no more liber al than the U.S. code, and that in some ways it even limited workers in their ability to strike.

Most of the workers' familiarity with the labor code came through their interaction with the judicial and administrative organs that it set up. Under the Ministry of Economy and Labor, the Inspección General de Trabajo (IGT) became the department in charge of conducting inspections to ensure that both workers and employers followed the code. In addition, the code set up a three-tiered judicial system to deal with labor issues. The first level consisted of the Juzgados de Trabajo y Previsió ;n Social,which were located in predetermined economic zones and handled conflicts dealing with legal aspects of the code. Social and economic conflicts went to the Tribunales de Conciliación y Arbitraje, which formed on a case by case basis. In trying to keep a fair balance between worker and capital, representatives from both the employer and the workers sat on these tribunals. Finally, the Sala de Apelaciones de Trabajo y Previsión Social heard appeals of the rulings of the other two j udicial bodies. Through the tribunals, workers found support for their cause that they had not had before. The labor code was useful for the workers in that they now had a legal means to challenge UFCO. They could bring the government's attention to t heir situation by claiming that UFCO was not following the law. Because of the government's professed interest in executing the law and supporting workers, it would have to become involved whether through executive order or, more usually, the labor court s. The labor code also served to justify rulings in favor of the workers. When UFCO wanted to lay off 3,746 workers at Tiquisate, claiming destruction from the hurricane as justification, the IGT ruled that UFCO could not suspend the workers and owed th em salaries from the time at which the issue began to be discussed. In explaining its reasoning, the IGT referred to articles of the labor code that dealt with the breaking of contracts in light of acts beyond the company's

control. The IGT found that U FCO did not follow the procedures or the timeline for reporting the destruction of its plantations for this purpose. Instead, it found that the company's choice to fire the workers was deliberate and was linked to the ongoing conflict. In addition, it n oted that UFCO should calculate the risk of natural disasters into its budget since hurricanes were common in the area.

However, the labor code was not always used effectively in favor of the UFCO workers. Even though the government and workers claimed that the company violated many of the labor code regulations between 1947 and 1949, in that two-year period UFCO was fine d only a minimal Q690 for just a few of the alleged infractions. In other cases, the labor code actually worked against labor, as in 1948-49. The rules for legal strikes required initial conciliation efforts, and that IGT must determine that at lea st two-thirds of all workers supported the strike. So, when the two banana plantations called strikes in 1948, the labor tribunals ruled them illegal because they lacked both support and a "peaceful" quality required by law. Another way in which the lab or courts worked against laborers was that specific procedures had to be followed, and this took time. This favored UFCO because the workers without jobs needed resolution as soon as possible, but UFCO could stall. UFCO took advantage of the bureaucracy of the labor courts to postpone implementation of rulings against it. For example, when a labor tribunal in Escuintla ruled that UFCO had unjustifiably fired sixty-four workers and owed them damages, the company simply went to the appeals court in order to gain time. The workers realized that UFCO could circumvent the tribunals in this way, yet they usually accepted the tribunal rulings peacefully.partly in order to give the appearance of cooperation in contrast to UFCO's intransigent positions. However, this did not mean that workers would give up when the labor code did not function as they wished. In 1948, after a meeting before the Inspector General in which UFCO refused to accept IGT's suggestions for resolving the conflict, the general sec retary of SETUFCO informed both the media and the president that the workers were just waiting for the failure of the tribunal talks so that, having exhausted all legal means, the unions could call a general strike of all the Atlantic Coast workers. When ever the conciliation talks undertaken through the judicial labor courts reached an impasse such as this, the executive branch usually had to get involved.

The administrations of both Arevalo and Arbenz became personally involved in the labor conflicts. While both seemed interested in worker success, they differed in their attitude toward the conflicts. As evidenced in the Triangulo de Escuintla, Arevalo w as very concerned with fostering cooperation and keeping the country stable. In the 1948-49 movement, his

minister of Economy and Labor, Alfonso Bauer Paiz, reflected this concern when he became personally involved in the negotiation of a settlemen t. He initially drew both the **muelleros** and UFCO to the negotiating table by having the USTPB sign an agreement to speed up the banana loading, which was UFCO's main complaint at the time. However, rather than defining his position as prolabor, h e cited the government's role as one of simply bringing harmony into the conflict. This concern with the national good was reiterated when the talks before the IGT were at an impasse and the USTPB threatened to strike. At this point, high-level governm ent officials including Bauer Paiz, the Secretary of the Treasury, the IGT, and party leaders met to discuss the situation because of the potential negative effects on the economy. The group concluded that the conflict had to be fixed through arbitration and that the government would rule in favor of whoever was right, whether the workers or the company. In response, UFCO refused to submit to arbitration, and the government enacted a decree that named the UFCO port activities a public utility because of their importance to the national economy. According to Guatemalan law, there could not be strikes or lockouts in public utilities, and any conflicts had to be resolved through mandatory arbitration. In the view of UFCO and the United States, this was a hostile act on the part of the government that demonstrated its attempts to use its influence against the company. Indeed, the government was trying to get the company to accept arbitration, but at the same time the decree suspended some of the workers' rights to organize and strike as well. In any case, UFCO avoided arbitration by working through the labor courts.

Because it was important for Arevalo to let the workers know that he still supported them despite the fact that the government had little success in having UFCO meet worker demands, he undertook other ways to show support. For example, when Tiquisate wor kers had complaints in 1946, the president sent a representative to examine the situation, then publicly noted that the government was aware of what was going on. After he decreed the end of the 1946 conflict, Arevalo made trips up to Puerto Barrios and Bananera and promised that when other parts of the country started to produce staple goods, the port city would be the first area to receive them. During this trip, Arevalo also brought a labor inspector to help mediate the conflict between workers and U FCO because the federation leaders had personally requested that the president intervene. Almost as if to calm the fears of any Guatemalan about the consequences of the labor conflict, Arevalo pointed out that despite it he saw many boats loaded with ban anas leave the dock, thereby proving that the strike had not seriously affected the economy. The government also tried to show support and possibly defuse tense situations by sending down food in times of need. In 1949, the

Ministry of Economy arranged for beans, rice, salt, sugar, and corn to be sent to Puerto Barrios to ameliorate the lack of basic foods there. At this time, the government tried to address the fact that many people had inadequate sources of income by creating temporary jobs, such as cleaning the city, so people could earn money for necessities.

Arbenz also used this tactic to show solidarity with the workers in 1951 when his government sent basic food and necessities to over three thousand laid-off workers in Tiquisate. But his administration took an even harder line with UFCO in terms of labo r. In speaking to workers on the International Day of Labor, Arbenz made sure to mention the *bananeros* and **muelleros** who could not be in the capital city but were holding rallies in their own areas. He made references to how the relationsh ip between the government and the workers had moved toward more government support since 1944. In his view, government would have no reason for existence without the labor force; therefore, he exhorted the workers to maintain their unity and thanked them for supporting the government. He also addressed the issue of agrarian reform and credited the workers for pushing for it, making not-so-veiled references to UFCO as a privileged company whose intentions were to keep Guatemala antidemocratic. This rhe toric departed from the firm but conciliatory words of Arevalo. The workers seemed assured by the president who so blatantly decried UFCO's tactics.

The Arbenz administration reiterated this effort to identify with the workers when it publicized correspondence between it and UFCO. In 1951, UFCO had written the government presenting the case that because of the recent hurricane and the labor conflicts , it was thinking about closing down one of its plantations. It asked the government to have the workers accept renewal of the contracts on the same terms they had previously and asked the government for various concessions. Manuel Noriega Morales, mini ster of labor and economy under Arbenz, responded in a cordial but firm manner that the government was willing to work with UFCO but that it had to keep the national sovereignty in mind. He also stated that unions were not an organ of the state so the go vernment could not and would not force them to accept the terms set by UFCO. The role of the government was through the labor tribunals charged with making sure that the laws were followed, but government would be willing to mediate when all other channe ls specified by law were exhausted. The government also won points with labor in refusing to accept UFCO's demands that the government sign new contracts with the company that were similar to other Central American countries and gave concessions regardin g taxes and exchange rates to UFCO. Instead, the government said Guatemala was a different country with different conditions and the state would form a committee of its political leaders to

study its relations with UFCO. This committee would make recomm endations for a new contract, and only after the proposal was approved by the government would UFCO be allowed to discuss it. The government also stated its demands for new contracts including renegotiations of tax exemptions, increasing control of the g overnment over the UFCO's contracts with banana workers, and compensation for exhaustion of the land.

Actions such as these maintained the positive perception workers had of the government and its role in the labor conflicts. There were some complaints, such as that early on the government did not respond to worker demands, and that it hurt the workers t hrough its decrees to stop strikes. However, most workers felt the government was doing all it could. Even in 1948 when the government reported that it was decreeing a suspension of some constitutional rights and making the port activities a public serv ice, the workers received the news well, and on both the docks and the banana plantations workers promised to work without causing problems. The **muelleros** supposedly even began loading one thousand more bananas an hour upon hearing the decree. O ne worker at Tiquisate, when asked how the government had acted, responded with gratitude that it had supported the rights of workers. Another worker, in a more militant gesture, asserted that he would give his last drop of blood for the government and t he nation. Though these types of comments must be considered in light of the fact that they were printed in a communist paper and were said in the middle of the 1951 conflict, the feeling of trust of and support for the government was often voiced, espec ially by union leaders.who were probably the ones informing the opinions of the workers.

For the workers, it was important to have the connection with the government because it was one of the only powers that could provide balance with UFCO. The Ministry of Economy and Labor's statement that it had a duty to encourage and support unity among the working class gave hope to the workers and encouraged them to organize and seek their rights. Both administrations were sincere in their goal to help workers and at the same time decrease the stronghold of the UFCO, but the audacity of their actions and words differed. Yet, despite these pro-worker sentiments, the government was limited in the extent to which it could assist the workers. The labor code created to help the workers sometimes limited them, and the judicial system had little power ove r the stubborn UFCO. Because the government was committed to following a constitutional procedure, it could not simply rule in favor of workers had it wanted to. Therefore, the government was also partly to blame for the workers' failure because, though they had counted on it, the government could not match the

intransigence of UFCO.

External Actors and the Workers

In addition to the government, there were other external actors complicating the UFCO workers' attempts for control over the workplace. The most obvious of these was UFCO itself, and its role will be discussed below. However, the conflicts of the UFCO w orkers also held great importance for labor leaders of the central federations in Guatemala City, leading to their involvement with the UFCO workers. With the political opening, labor leaders tried to strengthen the general Guatemalan labor movement and increase their influence with the political parties and with the president. In reaching this goal, the general Guatemalan movement encountered difficulties when trying to unite the various unions into one federation. Conflict over the role that politic al ideology, and especially communism, should play in the leadership and goals of the unions became the primary divisive factor. Disagreements over this issue led to the existence of two competing federations, the Federación Sindical de Guatemala (FSG) and the Confederación de Trabajadores de Guatemala (CTG), until 1952 when the two agreed to join as the Confederación General de Trabajadores de Guatemala (CGTG). The labor leaders who sought a more political and unified effort on the part of the federations began to view the UFCO labor movements as an opportunity to raise national sentiment for the worker cause. Even though the federations supported the basic bread and butter demands of the workers, they also viewed the conflicts as having meaning for the larger worker movement. This became even more true as leaders with communist sympathies gained firmer control of the federation and the Communist Party or the Partido Guatemalteco de Trabajadores (PGT) became more influential in t he 1950s.

The federation and Communist Party interest in the UFCO movements manifested itself in various manners, the most obvious being the direct participation in labor conflicts. While SETUFCO and USTPB belonged to the CTG, SETCAG joined the FSG and all three later participated in the CGTG. As early as the 1946 strike, representatives from the CTG went to Izabal to help in the conciliation process. In 1949, the FSG intervened on behalf of Tiquisate workers who had been fired and was successful in reaching a n agreement with UFCO. During 1951, the CGTG would send representatives to the workers to discuss the progress of the negotiations and to gather opinions from the workers on possible settlements. The federations often brought complaints from the workers to the president or to the IGT. For example, the CGTG, on behalf of the Bananera workers, requested that the IGT look into suspicions that UFCO had destroyed its own plantations under the pretext of saying they were diseased but with the

real motive to weaken the workers' position in asking for a new contract. During the times of unemployment in the banana zones in 1951, representatives of the CGTG also went to the plantations to help distribute equally the goods that the government had sent for the wo rkers.

The federations and the Communist Party also tried to influence the UFCO labor movements by playing the advisory role. Both groups were very instrumental in pushing for unity between the UFCO unions. Both the PGT newspaper and statements from the federa tion warned the UFCO workers that nothing would be won from the company unless they presented a unified front. The PGT urged the workers in 1951 not to sign separate contracts again and stated that they needed to show revolutionary action in this movemen t. The interest in a united effort between the **muelleros** and banana workers went beyond simply wanting the workers to win. The CTG knew that it would need support from the masses in order to make the working class a powerful sector. The uniting of the three UFCO unions could help realize this goal by acting as an example of how unity was possible and how all the Guatemalan unions should unite. Once the unions formed the joint committee to fight UFCO, the CGTG constantly reminded all of its wor kers of this "success" and urged them to support the UFCO unions' efforts by following suit.

The rhetoric used by the outside interests when talking about UFCO and its unions also provides proof that they held ulterior agendas for the UFCO conflicts. In addition to concern with the lack of unity, the PGT chided the UFCO labor leaders in 1948 3;49 for not having a better understanding of the problems and how they transcended their own needs, and for lacking audacity in their actions. While it is not clear that the PGT necessarily wanted to oust UFCO from the country, it strongly advocated dim inishing its power. The party talked about the imperialist power of UFCO and encouraged workers to take actions in order to rip away the profits that UFCO sent abroad. Some even enumerated supposed benefits of a UFCO withdrawal, such as the end of the t ransportation monopoly, more profits for national banana producers, and fewer attempts to depose the government. In PGT propaganda, the fight against UFCO took on patriotic values and therefore required desperate action. One local Communist Party sent o ut a flyer criticizing anticommunists because they insulted the dignity of Guatemala by supporting UFCO. It characterized UFCO's imperialism as the main national concern and stressed the urgency of confronting the company. The Communist Party claimed t hat UFCO was trying to stem anticommunist, and therefore antipatriotic, sentiment and was behind violent acts toward communist sympathizers. The CGTG also joined in this anti-UFCO rhetoric by characterizing the company's refusal to accept

worker petitions as an attempt to keep them in miserable conditions and eating only tortillas and beans. By 1953 one of the goals set by the Communist Party included intensifying the fight against the imperialist monopolies like UFCO.

Rallies and meetings also became a way for the federations and the Communist Party to engage workers (UFCO or not) in these more militant and ideological battles against UFCO. In one rally in Izabal, some of the banana workers carried posters showing the hand of UFCO wringing out blood and dollars from Guatemala. At this rally, a speaker on behalf of the **muelleros** denounced anticommunist groups in the area as antidemocratic and antiworker. The Communist Party often characterized any rallies in the 1950s as slaps in the faces of those who had joined the anticommunist campaigns. Sometimes the federations organized their own independent anti-UFCO rallies in Guatemala City, but they would invite representatives of the UFCO unions. In advertising a general meeting of the FSG to condemn forces that were trying to weaken the worker movement, the flyer specifically noted that representatives from the Tiquisate workers would speak.. The CGTG also organized a large anti-UFCO rally in the capital city in which participants marched to the U.S. Embassy and UFCO headquarters, where they removed the Guatemalan flag flown by the company. At the same time smaller rallies were being held in the banana zones. The federation and the parties usually mastermind ed or at least sponsored most of the public events designated to advocate anti-UFCO sentiment.

The participation of outside influences was not always welcomed by the UFCO unions. In the early days of the union in Tiquisate, labor leaders wrote about the importance of keeping unions as professional organizations not used for political purposes by p arties. Using this reasoning, the USTPB became the most opposed to outside intervention, especially in the 1950s. In 1951, one of the reasons that the USTPB hesitated in joining a united front with the banana companies was that Eduardo Alfaro, general s ecretary of the USTPB, claimed that the call for unity was a way for the PGT to infiltrate the unions. While the PGT denied the alleged interference, as communists gained influence in the general labor movement, Alfaro was ousted from the USTPB on the pr etext that he had been an agent of UFCO. In 1950, even though the CTG insisted it wanted to be associated with its affiliates only to help and not undercut local leaders, SETUFCO almost withdrew because it felt that the federation sacrificed the workers for its own agenda. Despite all of these forces trying to intervene, the UFCO unions, while they may have had some communist members, maintained the increase of salaries as their main concern. The farther reaching implications

of their movement did not concern them except insofar as they brought more attention to their cause and garnered more support.

The unions needed all the support they could get since their opponent had so much more leverage in the conflicts. Despite the backing of the government and ideological leaders, the workers' movement was seriously challenged by UFCO's various tactics to counter the pressures from within and outside the unions to strike. One way it tried to diminish the conflict was by striking at the workers themselves by either firing them or decreasing the amount of work. One *muellero*, Pio R. Carranza, alleged that once the conflict started in the 1950s UFCO had cut back on the work artificially to weaken the movement. After the hurricane, a visit to one of the fincas showed that out of 143 workers only 4 had jobs despite the fact that many of the trees were still up. UFCO would also use the excuse that bananas had been destroyed by Panama disease to fire 366 workers in Bananera in 1949 before the conflict was settled. A few weeks earlier, 70 workers had been fired in the same area. Even when the labor tr ibunals and the government said that UFCO could not suspend workers because of the hurricane, the company stalled in giving workers back their jobs. Sometimes it also stalled by simply refusing to accept any tribunal ruling that supported the workers' so cial or economic complaints, including salaries. Once, it refused to discuss economically related issues altogether and instead offered a recreation club and dining room to the workers. The inability of the government and unions to really control UFCO's tactics against the workers would play a part in the workers' willingness to sign contracts with only minimal salary increases.

The other way UFCO struck at the workers was by playing up the weaknesses and conflicts within the unions. First it tried to hurt the unity of the unions by encouraging them to sign separate contracts. It also played the unions off each other, as was t he case when the **muelleros** slowed down their work on the port. As a result, UFCO suspended many of its banana activities and left banana workers without a job. When there were complaints, the company countered that the **muelleros** had caused the layoffs. Another way it tried to divide the workers within the unions was by creating its own mutual for workers in Tiquisate to belong to instead of a union. This *comité de conciliación* received money and transportation from t he company to carry out its meetings and work. To entice workers to join, a promise was made to try to give suspended workers a job again. The jobs never materialized and the company committee had little worker support. Union leaders also claimed that UFCO would try to divide the workers from one another and the government by turning off electricity at night so that no news broadcasts could be heard and therefore workers would not know

what was being done on their behalf by the government.

UFCO also consistently used the interference of federation and ideological forces in the unions to try to divide workers. In flyers handed out by managers on the plantation of Jocoten in Tiquisate, the UFCO questioned whether the union leaders really had the "true" worker's needs in mind or whether the outside influences of those with a political agenda were dictating the petitions. UFCO contended that outrageous demands proved that the union agenda was to kick the company out of the country. In other words, the UFCO flyers implied that the true worker would not support the demands because they would only hurt themselves. In addition, according to UFCO any real worker would not support the new contract petitions because the real worker had not lacked work. In another flyer in the Bananera area, UFCO alleged that the unions had not followed the labor code rules in petitioning for a new pact and therefore also refused to read demands. The company once again warned the workers that they would be the on es to suffer if UFCO left. While a group of "real" workers in Jocoten and SETUFCO rebutted these allegations, the intimidation tactics in the flyers served to weaken the resolve of workers already worried about their jobs.

Another tactic was to strike at the concerns of the government and the nation as a whole. With the entrance of Arbenz, the UFCO stated that it wanted to cooperate with the new government and make the leadership transition as smooth as possible. Labor le aders denounced these intentions as having a hidden agenda because, as part of its plan for cooperation, UFCO suggested that the current negotiations over renewal of contracts be postponed until Arbenz was more firmly in place. This would have weakened t he momentum of the labor movement and would have forced the workers to continue with the same contracts for another six months. In a less cooperative manner, UFCO also tried to pressure the government by consistently threatening to leave the country when ever conflicts arose. UFCO would state that the labor conflicts, the labor code, or salary increases would cut into profits too much and make it less cost-effective to be in Guatemala. Even though labor leaders and those holding anti-UFCO sentiments con stantly refuted this threat by pointing out that UFCO had too many good things going for it in Guatemala to leave, this threat seemed to have some sway and contributed to at least SETUFCO's decision to sign an agreement with the company. The worst threat s to leave came in 1951 when the company cited that the hurricane, the labor code, and worker conflicts would cause UFCO to invest millions of dollars in the Tiquisate area if it wanted to continue its operations. In return for all the good that UFCO had done for Guatemala in terms of health, development, and

economy, it asked the government to intervene and ask workers to sign a contract that would not allow them to request salary increases for another three years. Even though the government refused, w orkers scaled back demands and eventually did sign a similar contract partly as a result of this threat.

The reason that the threat, whether true or not, caused such effects was that since UFCO had other profitable plantations in Costa Rica, Honduras, and Panama, the company could conceivably pull out of Guatemala. If that were to happen, the effects on the Guatemalan economy could be devastating. Even though UFCO directly employed only 15,000 workers, Arevalo's minister of economy and labor, Alfonso Bauer Paiz, reported to Congress that up to 75,000 people were indirectly dependent on the company's activi ties for their survival. UFCO proved this critical role in the nation's economy in the 1948-49 conflict when it basically suspended all the port activities. The repercussions went far beyond the loss of jobs for UFCO employees. The whole nation su ffered because no raw materials could be imported, and no one could export anything. The decrease in boat traffic created serious consequences for agriculture, industry, and commerce, and the government feared that the export of coffee and future receipt s of foreign currency would be hurt. By threatening to leave, UFCO garnered if not support for itself then at least opposition to the workers' demands. In 1948 and again in 1949, the public through the press called for a quick end to the conflicts throu gh presidential intervention to avoid any subsequent harm to the economy of the country. The middle and upper classes in Guatemala became concerned about how a UFCO withdrawal would affect their livelihoods, and government actions that seemed to hurt UFC O raised support for the company among the business community. Editorials in the more conservative and moderate newspapers often asked the workers to lower their demands or completely give up their fight. Another former minister of economy and labor und er Arevalo, Clemente Marroquin Rojas surprised the unions by writing that salary raises would hurt UFCO because it would have to raise the prices of its fruit, and therefore should not be pursued. This change of heart of a former critic of UFCO may have well characterized the sentiment of more and more Guatemalans who saw UFCO gaining support both in Guatemala and abroad.

To add to the pressure on the government and the workers, UFCO enlisted the aid of the U.S. government. Starting with the implementation of the Labor Code of 1947, UFCO complained to the U.S .government that the Guatemalan government had an anti-American ax to grind. The company claimed that in labor conflicts UFCO was purposely discriminated against, and it went to great lengths to launch a public relations campaign in the

United States touting its contributions to the "ungrateful" Guatemala. State De partment memos showed that the United States believed that the Guatemalan government wanted to perpetuate a sense of nationalism among the people by picking the company as a target. The U.S. government let it be known that it considered the labor code di scriminatory against UFCO and expressed displeasure in the government attempts to force the company to accept arbitration in labor disputes. The U.S. Congress also became involved, with senators like Henry Cabot Lodge making official statements against t he treatment of UFCO. The concern with Guatemala stemmed from more than the alleged prejudice against UFCO; since the beginning of the revolution the United States had kept a cautious eye on the Guatemalan government and monitored communist influence in the country. Already concerned about the ties between some Guatemalan activists and the Soviet Union, the United States was receptive to UFCO complaints about what they claimed was a radical Guatemalan government. By June 1954, the Senate passed a resol ution stating that the United States was aware of strong influence by the communists on the government of Guatemala. This set up the justification for the overthrow that month of the Arbenz regime by Castillo Armas with the help of the CIA. Secretary of State Dulles characterized the situation in Guatemala as one where communism had infiltrated the government, but where the people had also supported the overthrow of Arbenz. While there were many other reasons than just "discrimination" against UFCO tha t led to U.S. intervention in this case, the company played a vital role in calling attention to policies in Guatemala it did not like. In the case of the UFCO unions, the fact that more radical influences had tried to integrate the labor conflicts into ideological struggles did not help the workers' case in the view of UFCO and, indirectly, the United States. In the end, UFCO helped implement the final blow to the workers' movements by eliminating the political opening that had allowed them to organize in the first place.

Conclusion

The coup of June 1954 ended the "ten years of spring" in Guatemala. For the UFCO workers this signified a defeat in that the new government disbanded their unions on the basis that they were communist. Yet, even before the end of the revolution, the wor kers would have had a hard time claiming success in many areas. In terms of union organization, there were some successes because the UFCO unions made UFCO take them seriously. UFCO worker unions became some of the most organized of the period and led s ignificant movements against the company; however, at least the banana unions never had full support from the workers, and internal conflicts did not allow for complete unity among the unions. The fact that

the unions could maintain a united front in the face of UFCO weakened their ability to advance more demands. Even though the government tried to improve worker conditions through a progressive labor code and public support, it could do very little in light of UFCO's refusal to negotiate with the work ers. Also, the threats of UFCO withdrawal put the government on the defensive because Guatemala still depended too much on the company's investments. In some ways, the central worker federations and the Communist Party tried to help the unions (and thei r own agendas) by characterizing the movements as national issues. The UFCO unions may have appreciated the attention in so much as it could have provided more popular support. However, even this backfired because UFCO could use claims of communist infi ltration both to refuse to negotiate and to gather support from the United States.

The three major worker movements were not a total failure because they did obtain some concessions such as collective contracts and higher salaries. But even though salaries increased, the value of the raises soon disappeared through the increased cost o f living and UFCO money-saving tactics. In the end, the most pervasive reason behind the workers' failures to gain more control rested in the power of UFCO. Because of its prominent position in the country, it not only played on the weaknesses of the un ions but also used their strengths (government and ideological support) against them. The company gained additional leverage through its operations in the rest of Central America and its backing in the U.S. government. For the Guatemalan UFCO workers, t he October Revolution provided a unique opening in time and opportunity for them to make headway toward control of their working conditions. Unfortunately, due to a combination of their own internal weaknesses and the limitations of a government influenc ed by a powerful multinational, the UFCO workers could not reap the full fruits of their ten years of spring.

Bibliography

Archival Materials

Arturo Taracena Flores Collection, *Broadsides, 1944-1963*. Nettie Lee Benson Latin American Collection, University of Texas at Austin.

Records of the Department of State relating to internal affairs of Guatemala, 1930-1949. Microfilm.

Newspapers

Adelante Tiquisate

Diario de Centro América

El Imparcial

Octubre

Unidad

Primary Materials

Arbenz Gúzman, Jacobo. "Discurso Pronunciado por el Ciudadano Presidente." Guatemala, 1953, speech given.

Bauer Paiz, Alfonso. *La Frutera y la Discriminación*. Guatemala, 1949.

Department of State. *Intervention of International Communism in Guatemala*. Inter-American Series 48, 1954.

Dictamen de la Comision Nombrada por el Congreso y la Directiva de la AEU para Estudiar el Conflicto de la Frutera. Guatemala, 1949.

Dirección General de Estadística. *Sexto Censo de Poblacion, Abril 18 de 1950*. Guatemala, 1950.

Labor Revolucionario: 333 Decretos del Congreso de la República. Guatemala, 1947.

Ramirez Marin, Gabriel. "La Unidad Sindical." *Adelante Tiquisate*. Tiquisate, Guatemala, 1945.

United States. "Guatemala: Communist Influences." *O.S.S./ State Department Intelligence and Research Reports, Part XIV, Latin America: 1941-1961*. Microfilm.

Secondary Sources

Asociacion de Investigación y Estudios Sociales. *Mas de 100 Años del Movimiento Obrero Urbano en Guatemala. Tomo 2: El Protagonismo Sindical en la Construcción de la Democracia (1944-1954).* Guatemala, 1991.

Bishop, Edwin "The Guatemalan Labor Movement: 1944-1959." Ph.D. diss., University of Wisconsin, 1959.

Bourgois, Philippe I. *Ethnicity at Work: Divided Labor on a Central American Banana Plantation* . Baltimore, 1989.

Bush, Archer "Organized Labor in Guatemala, 1944-1949: A Case Study of an Adolescent Labor Movement in an Underdeveloped Country." Latin American Seminar Reports 2, Colgate University, 1950.

Gleijeses, Piero. *Shattered Hope: The Guatemalan Revolution and the United States, 1944-1954* . Princeton, 1991.

James, Daniel. *Red Design for the Americas.* New York, 1954.

LaBarge, Richard Allen. *Impact of United Fruit Company on the Economic Develoment of Guatemala, 1946-1954.* New Orleans, 1960.

McCann, Thomas P. *An American Company: The Tragedy of United Fruit.* New York, 1976.

May, Stacy, and Galo Plaza. *The United Fruit Company in Latin America*. Washington, D.C., 1958.

Rodriguez Ramirez, Vicente Rene. "El Sindicalismo en Guatemala." Master's thesis, Universidad de San Carlos, Guatemala, 1964.

Schneider, Ronald M. *Communism in Guatemala.* New York, 1979.

Copyright © 1992-2007 University of Texas at Austin