

Bananas and Business: The United Fruit Company in Colombia, 1899–2000. By *Marcelo Bucheli*. New York: New York University Press, 2005. xi + 239 pp. Figures, maps, tables, bibliography, notes, index. Cloth, \$45.00. ISBN: 0-814-79934-5.

Reviewed by María Inés Barbero

Foreign investment is one of the most important topics in Latin American business history, owing not only to the relevance of the firms studied but also to the political and social implications of their actions throughout the nineteenth and twentieth centuries. In many cases, research on multinational companies has taken place within the context of debates on imperialism and dependency, which became especially heated in the 1960s and 1970s.

In Marcelo Bucheli's words, *Bananas and Business* is "the first general business and political history of the United Fruit Company in Colombia" (p. 180). It is also a polemic, as its aim is not only to recreate the evolution of the firm but to discuss some of the accepted views about its operations in Colombia as well. The book particularly deals with the assumptions of dependency theory, in which multinational companies are seen as all-powerful agents of imperialism whose aim is to permit the exploitation of Latin America by world powers with the help of local elites.

This is not the first research that has been carried out on United Fruit's activities in Colombia, but it differs significantly from previous publications, which focused on labor, land, and class conflicts before 1930 and were mainly concerned with the 1928 "*masacre de las bananeras*," when banana workers demonstrating in the city of Ciénaga were killed by the Colombian army. Marcelo Bucheli chooses another point of view.

In the first place, he adopts a long-term perspective, analyzing the dynamics of the firm throughout the twentieth century. This allows him to identify different stages in the history of United Fruit, which were conditioned not only by the evolution of the banana market but also by the economic, social, and political changes that Latin American countries experienced during that century. He emphasizes that these changes affected the strategy of the firm, "which was forced to adapt to the new political realities" (p. 6). The company's profitability decreased in the post-World War II period, partly because the advance of nationalism and trade unionism increased the risk of its operation in Latin America, forcing it to divest and to pull out of direct production.

Second, Marcelo Bucheli analyzes the United Fruit Company as a business enterprise, looking at it in the context of its corporate strategies, its shareholders' interests, and the evolution of its consumer market. The company's operations in Colombia are examined from a business-

historical approach, with a focus on the logic of a capitalist firm with an internal dynamics that integrated, diversified, and divested within a complex and changing environment. Its actions are seen as motivated “by one basic reason—to provide a good and secure profit rate to its investors through the sales of bananas in the United States and Europe. . . . This was the company’s main interest, not following a wider agenda of expanding capitalism in the Third World or exploiting labor” (p. 182).

Third, this approach to United Fruit’s history combines different perspectives, taking into account economic, social, and political issues. The book is organized into six chapters that analyze the evolution of the banana market, the firm’s strategies in Latin America, the Colombian political context and its impact on United Fruit’s operations, the labor conflicts in Magdalena in the 1920s, relations between the company and the workforce after World War II, and relations between the company and local planters. The result is a fascinating picture, in which the strategy of the firm is viewed in context and the different dimensions of its operations are shown to be interrelated.

Finally, the research is based on solid empirical evidence and drawn from several primary sources that had not been consulted by other scholars previously. Bucheli delved into the internal archives of the United Fruit Company in Colombia, and looked as well at many public and private files, filling in the gaps by conducting numerous interviews with various protagonists.

The picture of United Fruit emerging from *Bananas and Business* contrasts with the canonic image of a company “often regarded as the quintessential representative of American imperialism in Central and South America” (p. 3). Bucheli asserts that the vision of “a politically powerful institution with enormous gains from the exploitation of the ‘Banana Republics’ has to be reconsidered” (p. 182). In Colombia, United Fruit could not much influence the way politics evolved. It counted on a submissive government during the business-friendly conservative administrations that were in place until 1930, but, from that time onward, it had to accept increasing government intervention against its interests, was forced to respect a social legislation that legitimated workers’ rights, and had to deal with powerful trade unions. Also the relationship between United Fruit and local planters went through different stages, from the initial period in which the company had a monopsonic advantage to the emergence of a local export industry after World War II. “The workers, landowners and the government had agency, initiative and made rational decisions. None of them were resigned to accept their fate if it meant having lower wages, lower profits, or lower rents” (p. 185).

Bananas and Business is a seminal book, owing to the rigor and intelligence it applies to the recreation and analysis of the United Fruit operation and the scope of its theoretical and

methodological proposals. It presents many topics that are deserving of consideration in Latin American business history, an area in which inherited prejudices too often hold sway over empirical evidence (although there have been many advances during the past two decades). Marcelo Bucheli has taken the field a big step forward in his search to comprehend rather than make judgments on the history of United Fruit. The ten years of research that took him through a large compendium of sources have prompted him to reject the conventional wisdom that was in part inspired by Gabriel García Márquez's account in *One Hundred Years of Solitude*. Apart from its academic value, the book is written in a pleasant, clear style, which makes it accessible to the nonspecialized public.

Reading this book opens up two questions, however, which are not answered in depth. First, to what extent does the story of United Fruit in Colombia differ from the experiences in Latin America of other multinational corporations that were forced to change their strategies under growing pressure from labor and local governments after the 1920s? A comparative approach to their experiences would clarify the degree to which the United Fruit case was unique. The second question has to do with the relations among firms, societies, and politics. I wonder to what extent the search for profitability—the main target of a capitalist firm—drives companies to try to control governments, to construct a monopsonic power, to exploit its workforce, or even to approve of the massacres of hundreds or thousands of people. After 1930 the power of the United Fruit Company in Colombia weakened, but this fact does not clear up questions about its actions before that year. The same kind of query was posed by Karl Polany (in *The Great Transformation*, 1944), when he contested the logic of the self-regulated market in nineteenth-century Europe that produced an overwhelming reaction from society, eventually leading to a more regulated economy.

María Inés Barbero is professor of economic history at the Universidad de Buenos Aires. She has written many articles and edited several books on business and economic history of Argentina. She is coauthor of Globalizing from Latin America: The Arcor Case (2002) and editor of Americanización: Estados Unidos y América Latina en el siglo XX (2003) and Historia de empresas: Aproximaciones historiográficas y problemas en debate (1993). At present she is working on firm strategies in the food industry in Argentina in the 1990s.