The United Fruit Company in Latin America

May Stacy
THE
UNITED FRUIT COMPANY
IN LATIN AMERICA

BY STACY MAY AND GALO PLAZA

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May 23, 1958

My dear Mr. Symington:

I appreciate your sending me a copy of the text of your latest case study in the series relating to United States business operations abroad. I also note with interest, that in the preparation of this volume, "The United Fruit Company in Latin America" you had the good fortune of securing the services of Mr. Galo Plaza, my friend of many years standing, as co-author.

Your series of studies to date has clearly shown that United States enterprise is being moved more and more by a growing sense of social responsibility in its activities abroad and that it has demonstrated how profitable operation, on the one hand, and general economic improvement and development, on the other, can be mutually accelerative.

Economic and social development throughout the Americas is one of the fundamental objectives of the Organization of American States and its various organs. Your case studies reflect the many areas in which United States business enterprise has contributed to these ends in particular countries in Latin America. I call attention especially to such constructive steps as are exemplified in the founding of the Escuela Agrícola Panamericana al Zamarano, Honduras, by the President of the United Fruit Company in 1942. This is but one of many instances in which the foresight of enlightened business leaders has resulted in practical measures and in the type of collaboration which is bound to strengthen the bonds of inter-American economic, social, and cultural relations.

Sincerely yours,

Jose A. Mora
Secretary General

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Chairman, Policy Committee for NPA Case Studies
National Planning Association
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AUTHORS' NOTE

THE AUTHORS of this report share a deep conviction that there is need for an ever-increasing degree of understanding and collaboration between the citizens of the Latin American republics and of the United States. Trade exchanges excepted, the flow of capital from the United States to Latin America in the form of direct private investments has been the most important factor in the economic interrelationships of the two areas. In addition to their evident contribution to development, there is growing recognition that direct private investments have exerted a very large influence upon the volume and structure of United States-Latin American trade.

When we were invited by the National Planning Association to report upon the United Fruit Company’s operations in Latin America as a case study of this type of investment, as a condition of our acceptance, we asked for assurance of full access to all relevant accounts and reports of the company. This assurance was given by the management of United Fruit, and was carried out not only in letter and spirit by the company’s representatives in Boston and in the field, but with a generosity and freedom that has earned our respect as well as our sincere gratitude.

We owe an equal debt to numerous government officials, including heads of state, in the six countries in which our field studies were centered. They gave unstintingly of their time and in many cases provided special compilations of unpublished economic data that were a necessary background against which United Fruit’s impact on local economies could be measured. An equal measure of generous and gracious response and cooperation was afforded by private citizens of the six countries—by businessmen, independent banana growers, members of the company’s work force, labor union officials, and others too numerous to catalog. And the debt multiplies to include the help of U.S. officials in Washington and in the embassies abroad, to officials of the Organization of American States who made available to us the findings of their own forthcoming study of the banana industry, to officers of United Fruit’s competitors, and to jobbers and retailers whose establishments we visited.

All of these gave us their help in a measure that far transcended the accepted amenities of social courtesy. We acknowledge their assistance with gratitude and with a deepened awareness of the meaning of inter-American cooperation.

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