What Is the *Real* Cost of Bananas?

Supporting Questions

1. Where do bananas come from?
2. What do corporations in the banana industry contribute to society?
3. What are fair-trade bananas?
4. What are the working conditions like for children in the banana industry?
# 5th Grade Banana Trade Inquiry

## What Is the *Real* Cost of Bananas?

**New York State Social Studies Framework Key Idea & Practices**

**5.7 ECONOMICS**: The people of the Western Hemisphere have developed various ways to meet their needs and wants. Many of the countries of the Western Hemisphere trade with each other as well as with other countries around the world.

- Gathering, Using, and Interpreting Evidence
- Geographic Reasoning
- Comparison and Contextualization

**Staging the Question**

Brainstorm a list of food and other products found in students’ homes that are typically imported from other countries.

<table>
<thead>
<tr>
<th>Supporting Question 1</th>
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</thead>
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<tr>
<td>Where do bananas come from?</td>
<td>What do corporations in the banana industry contribute to society?</td>
<td>What are fair-trade bananas?</td>
<td>What are the working conditions like for children in the banana industry?</td>
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</table>

**Formative Performance Task**

- Complete a map identifying the countries in Latin America from which the United States imports bananas.
- Make a list of things corporations in the banana industry contribute to society.
- Create a chart detailing the benefits of fair-trade bananas.
- Discuss the issue of child labor in the banana industry using evidence from sources to support ideas.

**Featured Source**

- **Source A**: “The World Banana Economy”
- **Source B**: Outline map of Central and South America
- **Source A**: Information about the Chiquita Corporation
- **Source B**: Table: Three largest banana-producing corporations
- **Source A**: “Bananas”
- **Source B**: “El Guabo”
- **Source A**: Source bank: Child labor and the banana industry
- **Source B**: “Widespread Labor Abuse on Banana Plantations”

**Summative Performance Task**

**ARGUMENT** What is the *real* cost of bananas? Construct an argument (e.g., a detailed outline, poster, or essay) that discusses the real cost of bananas using specific claims and relevant evidence from historical sources while acknowledging competing views.

**Taking Informed Action**

**UNDERSTAND** Survey the availability of fair-trade products in the local area, and how businesses and individuals feel about them.

**ASSESS** Compile the results of the survey to determine the perspectives of people in the area.

**ACT** Make a presentation of the findings to the local Chamber of Commerce, Rotary Club, or other service organization.
Overview

Inquiry Description

This inquiry prompts students to investigate the social, economic, and environmental issues surrounding the global banana industry. In investigating the compelling question regarding real cost of bananas, students explore the pros and cons of the banana industry, including the practices of multinational corporations (MNCs) and smaller fair-trade cooperatives and organizations. Students grapple with several layers of connected concerns relative to the banana industry and argue for or against increased governmental support for the fair-trade banana market. In doing so, students develop an understanding of the rights and responsibilities of private citizens and corporations. They also begin to build a foundational understanding of the complicated relationship between government and business in the local, national, and global economy, as well as their own roles as consumers and citizens in shaping these issues.

In addition to the Key Idea listed earlier, this inquiry highlights the following Conceptual Understanding:

• (5.7b) Peoples of the Western Hemisphere have engaged in a variety of economic activities to meet their needs and wants.

NOTE: This inquiry is expected to take four to six 40-minute class periods. The inquiry time frame could expand if teachers think their students need additional instructional experiences (i.e., supporting questions, formative performance tasks, and featured sources). Teachers are encouraged to adapt the inquiries in order to meet the needs and interests of their particular students. Resources can also be modified as necessary to meet individualized education programs (IEPs) or Section 504 Plans for students with disabilities.

Structure of the Inquiry

In order to address the compelling question “What is the real cost of bananas?” students work through a series of supporting questions, formative performance tasks, and featured sources in order to construct an argument with evidence while acknowledging competing perspectives.

Staging the Compelling Question

To introduce the compelling question in this inquiry, teachers might ask groups of students groups to brainstorm lists of food and other products found in their homes that are typically imported from other countries. They should consider why we purchase items from other countries and the potential pros and cons of doing so.

Supporting Question 1

The first supporting question—“Where do bananas come from?”—helps students understand unique geographic and economic factors that may be instrumental in building an argument that answers the compelling question. The formative performance task prompts students to use the featured sources—export data about major banana-
producing countries, banana-import data from the United States and an outline map of the Central and South America—in order to identify and label the countries that export the most bananas to the United States. By analyzing this data, students see that a handful of Latin American countries such as Ecuador, Costa Rica, Colombia, Guatemala, and Honduras have fueled most of the United States’ banana consumption over time. The individual items in Featured Source A are ordered so that students begin with a foundational geographical understanding of the global banana trade and then move towards an understanding of the unique trade relationships the United States has with banana-producing Latin American countries.

Supporting Question 2

For the second supporting question—“What do corporations in the banana industry contribute to society?”—students build on their geographic understanding by analyzing a source related to the corporate banana industry. This supporting question encourages students to begin thinking about the wider role of corporations in securing rights for workers, sustaining economic growth, and establishing social equity. The formative performance task prompts students to use information in the sources to make a list of things that corporations in the banana industry contribute to society. The featured sources help students understand the economic contributions of the three largest banana-producing corporations in the Western Hemisphere and the social and environmental contributions of one of those corporations, Chiquita Brands International.

NOTE: Featured Source A features material from Chiquita Brands International. Teachers may want to have their students compare and contrast those materials with that from other banana producers such as Dole (http://www.dole.com/Videos/2013/03/Giving-back-corporate-Responsibility-and-Sustainability) and Delmonte (http://freshdelmonte.com/our-products/world-product/bananas/).

Supporting Question 3

By answering the third supporting question—“What are fair-trade bananas?”—students explore the alternative viewpoints and practices behind this burgeoning sector of the banana industry. Building on their geographic and economic knowledge of the banana business, students create a chart detailing the benefits of fair-trade bananas. This formative performance task contributes to students’ knowledge about the banana industry and their overall economic understandings of related business practices. The featured sources for this task include information about the Fair Trade International organization and the El Guabo Association of Small Banana Producers.

Supporting Question 4

Having examined many of the geographic, economic, sociopolitical, and environmental issues in the banana industry, students now turn to the fourth supporting question—“What are the working conditions like for children in the banana industry?” In answering this question, students analyze the ethics behind the common practice of multinational companies employing child workers. In the formative performance task, students participate in an informed discussion in which they use evidence from sources that were used throughout the inquiry to support
their ideas. The featured sources for this task provide students with competing viewpoints about the necessity for, and conditions of, child workers in Latin America’s agricultural sector.

### Summative Performance Task

By this point in the inquiry, students have developed an understanding of the ethical and legal issues regarding the banana business. Students should be able to incorporate evidence found in the sources in their claims and arguments. In this Summative Performance Task, students construct an evidence-based argument responding to the compelling question “What is the real cost of bananas?” Students’ arguments could take a variety of forms, and teachers should use their own discretion to meet the specific needs of their students in this regard.

Students’ arguments likely will vary, but could include any of the following:

- Although fair-trade bananas may be a better option for Americans, it should be up to individual consumers, and not the government, to change the practices of the banana industry.
- The practices of the banana industry are harmful to small Latin American farmers, benefit too few people, and exploit children.
- The practices of the banana industry are actually helpful to child workers who earn money for their families.

Students could extend their arguments by creating a script for a television commercial to raise awareness about fair-trade practices in the banana industry.

Students have the opportunity to Take Informed Action by expanding their knowledge of the banana industry. They demonstrate their capacity to understand through the construction of a survey about the existence of fair-trade products in the local community and the feelings of area business owners about those practices. Students assess the problem by compiling the results of the survey, and then act by presenting the findings to the local Chamber of Commerce, Rotary Club, or other service organization.
Latin America and the Caribbean supplied about 70% of world’s banana exports in 2006. The four leading banana-exporting countries in 2006 (Ecuador, Costa Rica, Philippines, and Colombia) accounted for 64% of world exports with Ecuador alone providing more than 30% of global banana exports.

North American banana imports come mainly from Central and South America on an open market basis, that is, with no tariff (tax) or quantitative restrictions.

Supporting Question 1

| Featured Source | Source B: Outline map of Central and South America |

Outline Map of Central and South America

NOTE: Using the map on the following page and the information from Source A, students should identify and label the six (6) countries in Central and South America where most of the bananas imported into the United States are grown.
Supporting Question 2


NOTE: This source has been edited for clarity

Our Story
Bananas love hot, humid climates and ours are grown primarily in the lowland areas of Latin America. Banana farms are labor intensive and our produce relies on being in a temperature controlled environment from the farms at which bananas are harvested all the way to a local grocery store, a journey that can cover thousands of miles. We asked how we could make each step in that journey an environmentally responsible one.

Our answer came in the 1990s when we decided to test a pioneering program created by the Rainforest Alliance, an organisation that promotes good farming practices to protect the environment and support farming communities.

It wasn’t going to be easy. Rainforest Alliance certification was only granted to those farms that met strict environmental and social standards. To make sure we were meeting those standards, Rainforest Alliance had auditors, independent experts acting on behalf of member organisations of the Sustainable Agriculture Network (SAN), assess our farms every year while having full access to all workplaces, documents and employees.

In 1992, we became the first major banana company to agree to work with the Rainforest Alliance and by 2000 all our owned farms (which at the time were in Colombia, Costa Rica, Panama, Honduras and Guatemala) had become Rainforest Alliance Certified™. Today, the majority of our supplier farms are too. Rainforest Alliance certification means our bananas are grown with respect for the environment, and our employees receive fair wages as well as enjoying good working conditions.

This is not the only standard we use to make sure we’re respecting the environment and our employees. In 2000, we adopted Social Accountability International’s SA8000 labor rights standard, achieving SA8000 certification on all our owned farms since 2004. In 2001, Chiquita became the first major agricultural company to sign an International Framework Agreement with two leading trade unions: the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers’ Associations (IUF) and COLSIBA, the organization that represents Latin American banana workers’ unions.


Gallery of Chiquita Sustainability Videos

Over the last 22 years, Chiquita has actively invested in its social, as well as economic, responsibilities and developed a comprehensive corporate social responsibility (CSR) program. Here are some examples of our work.

©2014 Chiquita Brands L.L.C. All Rights Reserved. Used with permission.
Map Of Banana Farms

Delicious bananas are grown at banana farms in tropical regions of the world.

The banana industry in North America sources its bananas from tropical regions. Chiquita owns farms in Costa Rica, Guatemala, Honduras, and Panama. Most of the bananas you buy are grown within 20 degrees on either side of the equator.

Ever wonder where do bananas come from? It's not the banana stork.

In 1876, bananas were first introduced to the United States public through the Philadelphia Centennial Exposition of America. They sold for 10 cents apiece.

Today, there are over 400 banana varieties grown in the world. Where do bananas grow? Bananas are native to hot, humid tropical regions like Central America and the Caribbean. Chiquita banana farms are located in South America and North America. Chiquita banana farms are most concentrated in fertile soil regions of Central America; from Mexico, Guatemala, Honduras, Nicaragua, Panama, Colombia and Ecuador. If all the bananas grown in the world were placed end-to-end, the banana chain would circle the Earth 1,400 times.

The world's record for the longest banana split is 4.55 miles.

Check our map for interesting facts, and then find your favorite banana variety in your local supermarket.

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Commitment To Food Safety

We have a reputation to live up to, so Chiquita is committed to always providing you with the purest, safest bananas grown with the least impact on the environment.

• The peel of the banana is a natural barrier that protects the fruit from contaminants.
• Because the banana plant holds the bananas off the ground, there’s very little risk of contamination from ground water.
• We place bags on our bananas when they begin to mature in order to protect them from insects, birds or rodents.
• One hundred percent of Chiquita’s company-owned plantations gain Rainforest Alliance certification by complying with the standards of the Sustainable Agriculture Network. Rainforest Alliance Certified™ sustainable farming improves the quality of life for workers and the local community, conserves forests and protects wildlife and waterways. Read more about Chiquita’s collaboration with the Rainforest Alliance.
• Chiquita has committed to comply with the Sustainability Reporting Guidelines developed by the Global Reporting Initiative formed by the Coalition for Environmentally Responsible Economies and the United Nations Environment Program.

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### Supporting Question 2

<table>
<thead>
<tr>
<th>Featured Source</th>
<th>Source B: Pedro Arias, Pascal Liu, Cora Dankers, and Paul Pilkauskas, table of top three banana corporations in the United States, 2003</th>
</tr>
</thead>
</table>

**NOTE:** India is the leading banana-producing country in the world. This data only includes acreage of land farmed in Latin America.

### Data about the Three Largest United States-Based Banana-Producing Corporations

<table>
<thead>
<tr>
<th></th>
<th>Dole Food Company</th>
<th>Del Monte Foods</th>
<th>Chiquita Brands International</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Sales (in US dollars)</td>
<td>4.4 billion</td>
<td>1.9 billion</td>
<td>1.9 billion</td>
</tr>
<tr>
<td>Banana Sales (in US dollars)</td>
<td>1.2 billion</td>
<td>0.9 billion</td>
<td>1.2 billion</td>
</tr>
<tr>
<td>Acres of land farmed in Latin America*</td>
<td>37,065</td>
<td>n.a.</td>
<td>71,166</td>
</tr>
<tr>
<td>Number of employees</td>
<td>33,000</td>
<td>25,000</td>
<td>26,000</td>
</tr>
<tr>
<td>Rank in United States</td>
<td>1</td>
<td>3</td>
<td>2</td>
</tr>
</tbody>
</table>

Food and Agriculture Organization of the United Nations

NOTE: This article has been modified for accessibility.

Only about 20% of the prices paid by consumers for bananas reach exporting countries. Bananas are one of the most important foods for both consumption and trade. Almost 100 million metric tons of bananas are consumed every year. Bananas are the fourth most important food staple in the world and the fifth most-traded agricultural commodity (after cereals, sugar, coffee and cocoa), generating billions of dollars.

In the banana industry, just five corporations control around 80% of the sales on the banana import market worldwide. Meanwhile, it is hard for small banana farmers and workers on banana plantations to earn a living, and they often work and live in difficult conditions.

The cheapest production process possible

While large plantations can produce cheap bananas, there are problems in the system. Large banana corporations have not always been good for Latin American countries where their plantations are based.

For example, huge quantities of pesticide and fungicide spray are used to prevent the spread of disease on large plantations. These chemical sprays may have a serious impact on the health of workers and people living in the area, as well as the surrounding wildlife.

In many plantations, work days can be very long, often between 12 to 14 hours with unpaid overtime. The majority of workers lack job security or protection against sudden layoffs, and many employers only offer short contracts of six months or less.

Benefits of Fairtrade for producers

Bananas bearing the FAIRTRADE Certification Mark have been produced by small farmer organizations or in plantations that meet high standards.

Fairtrade price

- Producer organizations are paid a Fairtrade Minimum Price, which aims to cover average costs of production. The Fairtrade Minimum Price for bananas is different for each region and is based on the costs of sustainable production.
- The Fairtrade price for organic bananas is higher than for conventional bananas.

Fairtrade standards for small banana farmers

- Profits must be equally distributed among the members of the cooperative or association.
- All producer organizations must have a voice in the decision-making process and in group organization.

Fairtrade standards for banana plantations

- The Fairtrade Premium Committee is formed and includes workers and management to decide on the use of the Premium.
● The Premium must not be used to cover ongoing operating expenses, but rather to improve living and working conditions.
● Forced labor and child labor of children of 15 years and under is prohibited.
● Workers have the right to establish or join an independent union.
● Salaries must be equal to or higher than the regional average or than the minimum wage.
● Health and safety measures must be established in order to avoid work-related injuries.

NOTE: This text has been modified for accessibility.

Location: Ecuador

The story of El Guabo is a success story in grassroots organizing. In 1998, 14 small-scale banana farmers in southwest Ecuador decided to take a big risk. They sent one 38,400 pound container of bananas to Europe with the hope of selling it directly to a supermarket. By cutting out the middleman, they took the power back into their own hands. With the sale of their first container, the El Guabo Association of Small Banana Producers was born. The entrepreneurs transformed themselves from individual, marginalized growers into a democratically run organization with access to the international market.

Today, El Guabo is a farmer-run co-operative (co-op) with 350 small-scale banana farmers. Each farmer is committed to improving quality of life for themselves and their communities. In addition to earning a fair price for their bananas, El Guabo receives one dollar per case of bananas. El Guabo’s members voted to spend the extra money on education, health care, retirement, environmental projects and infrastructure improvements. El Guabo is also giving back to the local and global community by sharing their successful co-op model with other groups in Ecuador and throughout the world.

Supporting Question 4

| Featured Source | Source A: Source bank: Child labor and the banana industry |

Ten years after launching a worldwide campaign against child labour, the International Labour Office (ILO) today issued a landmark global study showing that despite "significant progress" in efforts to abolish child labour, an alarming number of children are trapped in its worst forms.

"Despite the increasing commitment by governments and their partners to tackle child labour worldwide, it remains a problem on a massive scale," said Juan Somavia, Director-General of the ILO. "While there has been significant progress towards the effective abolition of child labour, the international community still faces a major uphill struggle against this stubbornly pervasive form of work that takes a tragic toll on millions of children around the world."

"A Future Without Child Labour," the ILO's most comprehensive study on the subject, notes that there has been a worldwide response to calls for abolishing child labour, especially in its worst forms, through direct action at the local, national and international levels.

The report found that 246 million children - one in every six children aged 5 to 17 - are involved in child labour. Among its startling new findings, the report also says that one in every eight children in the world - some 179 million children aged 5-17 - is still exposed to the worst forms of child labour which endanger the child's physical, mental or moral well-being.

The report also says that of these children:

- About 111 million in hazardous work who are under 15 and should be "immediately withdrawn from this work".
- An additional 59 million youths aged 15-17 should receive urgent and immediate protection from hazards at work, or also be withdrawn from such work.
- Some 8.4 million children are caught in "unconditional" worst forms of child labour including slavery, trafficking, debt bondage and other forms of forced labour, forced recruitment for armed conflict, prostitution, pornography and other illicit activities.

Child labour continues to be a global phenomenon - no country or region is immune, the report says. A wide range of crises - including natural disasters, sharp economic downturns, the HIV/AIDS pandemic and armed conflicts - increasingly draws the young into debilitating child labour, including illegal and clandestine forms such as prostitution, drug trafficking, pornography and other illicit activities.


©1996-2015 International Labour Organization (ILO)
In August 2003, the *International Labour Organization* published a report that estimated that 25,000 children, predominantly boys, were working in the banana industry.

Around 50% of them received a monthly salary between $100 to $200 while 40% received no salary at all. In terms of health, “40% of the children interviewed mentioned that accidents were frequent and 30% acknowledged that they had been infected by herbicides.” In terms of education, less than half of them had completed basic education and seven percent of the working girls were illiterate.

Source 2: Lizette Ponce, conditions relating to child labor, “Eliminating Ecuadorian Child Labor in the Banana Industry” (excerpts), *Panoramas*, 2013

Panoramas, University of Pittsburgh
http://www.panoramas.pitt.edu/content/eliminating-ecuadorian-child-labor-banana-industry
The use of harmful child labor is widespread in Ecuador's banana sector....Their average workday lasted twelve hours, and fewer than 40 percent of the children were still in school by the time they turned fourteen.

In the course of their work, they were exposed to toxic pesticides, used sharp knives and machetes, hauled heavy loads of bananas, drank unsanitary water....Roughly 90 percent of the children told Human Rights Watch that they continued working while toxic fungicides were sprayed from airplanes flying overhead. For their efforts, the children earned an average of $3.50 per day, approximately 60 percent of the legal minimum wage for banana workers.

Chiquita, Del Monte, Dole, Favorita, and Noboa have all, at some time, been supplied by plantations on which children labored....

Fabiola Cardozo, 12-year-old worker:
“I got a fever....I told my boss that I felt sick....He told me to go home...[The second time,] I became covered with red things. They itched. I had a cough. My bones hurt. I told my boss. He sent me home.”

Cristbal Alvarez, 11-year-old worker:
“That poison--sometimes it makes one sick. Of course, I keep working. I don't cover myself. Once I got sick. I vomited [and] had a headache...after the fumigation. I was eleven years old....I told my bosses. They gave me two days to recover.”

Enrique Gallana, 14-year-old worker:
“When the planes pass, we cover ourselves with our shirts....We just continue working....We can smell the pesticides.”

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