## Document Profile: "Guanchias Limitada"

**Title**: Guanchias Limitada: A Case Study of an Agrarian Reform Cooperative and its Long-Term Relationship with a Multinational Firm in Honduras

Contributors: : Carolyn M. McCommon, Norlin G. Rueschhoff, Lee A. Tavis, Jean Wilkowski, the

Kellogg Institute for International Studies at the University of Notre Dame

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## **Description and Contents Summary:**

The main purpose of the pamphlet is to highlight the partnership between the Guanchias Cooperative and the multinational corporation, Standard Fruit Company, which proved to be beneficial for both companies and for Honduras. Guanchias provided Standard Fruit with large quantities of high-quality fruit and access to independent growers and Standard provided the cooperative with a consistent market for their fruit, modern farming technology, and financial support. A task force was assembled to conduct this research study after the Fourth Workshop on Multinational Managers and Third World Poverty, a conference discussing the dynamics between cooperatives and multinational enterprises. The pamphlet addresses the positive aspects of the relationship between Standard and Guanchias using charts and statistics to show that both companies benefited from their partnership. Since the intended audience was US AID and multinational companies based in the US, the report provides a biased view by focusing on the advantages brought out by such a relationship and not expanding upon the challenges. The study/paper uses an evidence-based approach to highlight the positive impacts the partnership had brought for the organizations and the community. It begins by outlining the difficulties involved in life in Honduras, such as a lack of access to electricity, health care, and similar commodities, but moves into a more positive outlook after the relationship between Guanchias and Standard begins, as it discusses the ways in which the companies and its workers benefited. Standard launched a series of projects to help elevate the quality of life for Guanchias workers, providing essential commodities such as housing, education, and potable water.

## Significance:

This pamphlet intends to persuade the US audience of the merits of capitalism and provides a counterexample to the idea that capitalism requires exploitation, as the cooperative involved actually benefited from the partnership with a multinational corporation. Guanchias workers saw an improvement in their quality of life through their involvement with Standard Fruit. However, it doesn't provide as much insight into what the negative impacts of the partnership were compared to its focus on the positives from the point of view of Standard Fruit Company. The pamphlet was created to study the question of whether a partnership between a multinational company and a cooperative in developing regions would be feasible. Specifically this pamphlet intended to answer two questions:

- 1. Are cooperatives a threat to the multinational enterprise or vice versa?
- 2. Should multinational managers assist in the development of cooperative business enterprises in developing regions? (A-1).

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