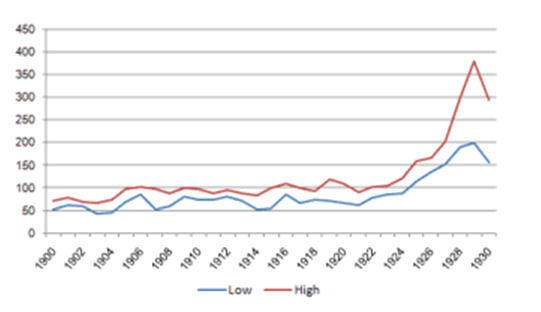
**“Banana Wars” - Case Study**

**Introduction:**

The “Banana Wars” are known as the series of conflicts between the U.S. and the Caribbean. As a result of the First World War, the U.S. gained the control of the Caribbean; there were serious advantages for the U.S. during this decision because of mostly economical and political terms:

**The Banana Trade:**

The tariffs that were created by Europe and the demand on fruits and main raw materials generated the U.S. to pay the prices that Europe wanted. With the control of the U.S. over the Central American countries, meant that the raw products like coffee, sugar and bananas made a twist in the tariffs. European countries, in order to have these products, now had to pay the prices that the U.S. wanted, and also the fact that they controlled the Panama Canal, generated a massive control of the products that travelled all over the world, and this gave the U.S. power, respect, and lots of money. (As it is shown in the graph above)

**Why did the U.S. get so upset about losing the control of Central America?**

When the U.S. lost the control over Central America because of the WTO (World Trade Organization), which took control over the situation and “freed” the Central American countries from the U.S. jurisdiction. Also, the Lome Convention leadered by England and France supported this idea because the U.S. was doing what they wanted with the trading prices and the tariffs. This got the U.S. very upset because they lost all control over the trading prices in the Panama Canal, and eventually, some historians argue, that this was one main cause for the Great Depression that setup in the U.S. in 1929.