**What were the Banana Wars?**

**Why did the USA get so upset?**

The banana war was a problem between the European Union and the USA. Where the USA wanted to enter the European market to trade, but the European Union had special deals with Caribbean Islands meanwhile the USA had a special deal with Latin American countries; where the USA wanted the European Union to drop those deals for him to be able to trade “fairly” because if not it would loose money.

Europe had this “special” deal with the Caribbean to help them out, because they don’t have much land to grow bananas, so their production rate is lower than the one of Latin American because Latin America has much more land to grow bananas. Therefore they can sell it cheaper than the Caribbean bananas. Because of these, the European Union decided to leave the deal with the Caribbean, and let the USA enter the European Market but imposing them some Tariffs so that USA bananas and Caribbean bananas are sold at the same prize.

Therefore these changes were made to make Trade “Fair” and allow the USA to the European market:

The quota for imports from African, Caribbean and Pacific countries (colonial bananas) will be increased to 750,000 metric tons from 850,000 metric tons, while the quota on bananas harvested by U.S. companies in Latin America will decrease to 453,000 metric tons from 353,000 metric tons.