

# The United States and the Caribbean, 1877–1920

by Jason Colby

Between 1877 and 1920, the United States' relationship with the Caribbean region underwent a profound change, which was closely tied to the transformation of the United States to an industrial and imperial power. Although the Civil War had ended large-scale territorial expansion, the nation emerged from Reconstruction with a dynamic economy that increasingly demanded overseas outlets for American exports and capital. With the US government concerned primarily with domestic questions, however, private entrepreneurs and investors proved the main vehicle of US influence in the Caribbean, particularly following the founding of the United Fruit Company. The Spanish-American War of 1898 brought Washington into a new imperial role in the Caribbean, and over the following years the US government conducted a series of military interventions and completed the massive construction of the Panama Canal. Yet, businesses such as United Fruit remained a critical factor in shaping life, work, and empire in the region.



*United Fruit Company banana conveyors in New Orleans, Louisiana, ca. 1910, published by Detroit Publishing Co. (Library of Congress Prints and Photographs Division)*

The role of private enterprise in US overseas influence was not unique to the post–Civil War years. In the 1850s, a New York company constructed the Panama Railroad—the world's first transcontinental railway. By the 1870s and 1880s, however, such ventures became increasingly common in the Caribbean. In Central America, US entrepreneurs built key railways and laid banana plantations, while US merchants moved into Cuban sugar production. These Caribbean investments played a central role in the crises of the following decade. In the mid-1890s, a severe economic downturn and labor upheaval spurred many political and business leaders to embrace commercial and imperial expansion as the answer to domestic turmoil. Some even hoped overseas conflict would shore up American character and manhood. As Theodore Roosevelt admitted in 1897, “I should welcome almost any war, for I think this nation needs it.”

By this time, their attention was focused on Cuba. By 1895, American interests held some \$50 million in investments on the island. That same year, Cuban nationalists launched a war against Spain that threatened both the sugar trade and American holdings in the colony. Although US officials hoped Spain would crush the rebellion quickly, the Cubans fought on, in the process winning sentimental support from much of the American public. By early 1898, Republican President William McKinley felt heightened pressure to intervene, both to halt the fighting and secure US property. Following the mysterious destruction of the USS *Maine* in Havana harbor in February 1898, the United States entered the war.

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The brief, decisive war with Spain transformed the United States into a two-ocean empire. In addition to occupying Cuba, Washington annexed Puerto Rico and Hawaii and seized control of Guam and the Philippines. Although American troops would fight a bloody three-year war to crush Filipino nationalists, Washington avoided a similar clash with Cubans. Because the so-called “Teller Amendment” renounced annexation of Cuba, American officials forced Cubans to accept a protectorate in 1902, which granted

Washington rights to the naval base at Guantánamo Bay and gave US firms a privileged position in the island's sugar industry. Meanwhile, the US government established formal rule in Puerto Rico. As the Supreme Court ruled in 1901, in one of the landmark “Insular Cases,” the island was to be regarded as “unincorporated territory”—in essence, a colony with no path to statehood.

By this time, the attention of US officials and the American public was focused on the quest for an interoceanic canal. Although private interests had previously attempted canal excavation in Nicaragua and the Panama province of Colombia, the War of 1898 convinced many of the need for the US government to carry out the work. In response to a fierce lobbying effort by a defunct French canal company, Washington opted for the Panama route, and when the government in Bogotá refused US terms, President Theodore Roosevelt sponsored Panama's secession from Colombia. US officials then imposed a canal concession on the new republic akin to the protectorate over Cuba. The ensuing canal effort resulted in a massive reshaping of the economic and demographic landscape of Central America and the greater Caribbean. The majority of canal workers were British West Indians, mostly from Jamaica and Barbados. Between 1904 and 1914, about 200,000 of these laborers came to Panama. To maintain order over this workforce, US officials imposed a strict system of racial hierarchy and segregation.

Even as canal construction changed local labor structures, the waterway's importance transformed US relations with the broader Caribbean region. Americans had long viewed the region as unstable and in need of supervision. With the seizure of Panama, however, US officials viewed any instability or foreign interventions in the region as a strategic threat. In 1904, Roosevelt declared his so-called corollary to the Monroe Doctrine, which claimed the right of the United States to act as an “international police power” in the region. This political supervision proceeded in tandem with pressure on the region's governments to transfer their national debts from European to American hands. Over the following years, Roosevelt and his successors drew upon this “Dollar Diplomacy” to justify military interventions and occupations in the Dominican Republic (under customs supervision 1905–1940, occupied 1916–1924), Cuba (occupied 1906–1909, 1917), Haiti (occupied 1915–1934), and Nicaragua (occupied 1912–1925, 1926–1933).

Yet, the US government was not the only force shaping the Caribbean. In fact, during the first three decades of the twentieth century, private US enterprise remained the predominant influence, and none was more powerful than the United Fruit Company. The firm had its roots in the spread of US entrepreneurs in Central America and the Caribbean in the late nineteenth century. Part of its beginning lay in the person of Minor Cooper Keith, who had played a key role in constructing the Costa Rican railroad in the 1870s and 1880s. Employing primarily Jamaican migrants, he developed both the labor system and commercial farming techniques that would come to define United Fruit's operations. Parlaying Costa Rica's financial troubles into a favorable contract, Keith made himself the virtual sovereign of the country's Caribbean coast. In 1899, he combined his interests with the Boston Fruit Company to found United Fruit.

Formed in the immediate aftermath of the war, the new firm benefited from Washington's new imperial presence in the region. Over the next decade, it expanded its operations aggressively in Central America as well as Cuba. Following the US government's seizure of Panama, the company found itself competing with Washington for West Indian laborers, while sharing many of the racial and imperial views of US officials. Indeed, like the US government in the Panama Canal Zone, United Fruit maintained strict racial segregation in its enclaves. As one former manager explained:

the Jamaican Negro . . . with his “cocky” attitude tended to offend American racial sensibilities. . . . To avoid complications, therefore, a strict color line is drawn. All persons of color must always give the right of way to whites, and remove their hats while talking. A rule also forbids any laborer

from entering the front yard of any white man's residence.

When resistance from its black workers threatened United Fruit's authority, the company sought to build a divided workforce by recruiting local Central Americans. It also relied upon regional dictators for favorable treatment. In Guatemala, it maintained a close relationship with President Manuel Estrada Cabrera, whose brutal rule lasted from 1898 to 1920.

By the 1920s, United Fruit had become the most powerful economic force in the region and the largest agricultural enterprise in the world. And while the firm's regional dominance would give way to the US government's growing influence during World War II, United Fruit's history remained a testament to the critical role played by private enterprise in the transformation of US–Caribbean relations.

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