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Zemurray as an "industrial statesman," remarked of his boss that "he was never accepted in brahmin society." Bernays, like Zemurray before him, faced anti-Semitism within Fruit Company ranks. Both men overcame prejudice by native ability.⁹

In the early years of his association with United Fruit, Bernays imaginatively "opened up" the banana firm to public scrutiny. He established a "Middle America Information Bureau" to supply company "facts and figures" to American and Latin journalists. The company founded newspapers for employees in Guatemala, Panama, Costa Rica and Honduras. A weekly "Latin American Report" for journalists and businessmen was spun off, written by William Gaudet, who was one of several actors in the unfolding Guatemalan drama said to have had simultaneous connections with both United Fruit and the Central Intelligence Agency. But in a period of surging nationalism in Central America, Bernays' efforts, all under the supervision of sometimes dubious Fruit Company executives, could do little to stem the rising hostility toward the company, especially in Guatemala.¹⁰

Bernays himself was beginning to develop private misgivings. He was disturbed by the company's feudal practices in Central America, which he had observed firsthand on a trip to Guatemala in 1947. Upon his return he submitted a report criticizing the company's lack of basic manuals on banana growing, its failure to provide libraries for workers, its unwillingness to hold meetings reporting on company activities in the United States and its lack of interest in offering adequate housing for American supervisors at its various outposts. In addition, he raised questions about the racism displayed by Fruit Company officials toward "colored" natives, mainly by Southerners whom the corporation originally hired because they were accustomed to living in humid climates. Bernays received a company-wide silent treatment for his memorandum. "I got no reaction to my voluminous report," he later complained.¹¹

The company made a major executive change in 1948. Zemurray brought in as the new president a Boston Brahmin, Thomas Cabot, brother of John Moors Cabot, Assistant Secretary of State for Inter-American Affairs just before the 1954 coup in Guatemala. Many insiders hoped that Cabot would bring "modern" ideas to the company. In fact, once in office Cabot proposed

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CHAPTER 6

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NOTES

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