Two Chickens

In the Corporate Pot

by Laura Carlsen

Pedro Martin works on a chicken farm outside the village of Pegueros, Jalisco. According to a Washington Post story, for many years Pedro and his co-workers had little reason to even consider making the dangerous trek across the border to the US in search of work. They made a decent living at the chicken farm, and the locally-produced chickens found a steady market in the region. Jalisco ranks among Mexico's top chicken-producing states, providing the nation with 11% of all chicken meat produced.

But since all protective tariff barriers to US imports were removed on January first of this year, Pedro's not sure he'll have a job anymore. Chicken was originally slated for zero tariffs and import controls for the year 2003. However, faced with an influx of US chicken exports, the industry convinced the Mexican government that "imports cause a threat of serious damage to the national industry." The government asked for a safeguard to restore tariff protection, and it was granted to 2008.

The negotiation wasn't that hard. US producers didn't oppose the measure since the export of leg quarters to Mexico is merely supplementary income for them. US producers generally make up costs plus profit just through the sale of the coveted breast meat on the US market. The Mexican industry alleged that US poultry producers were "dumping" (exporting below costs) the leg quarters on their market.

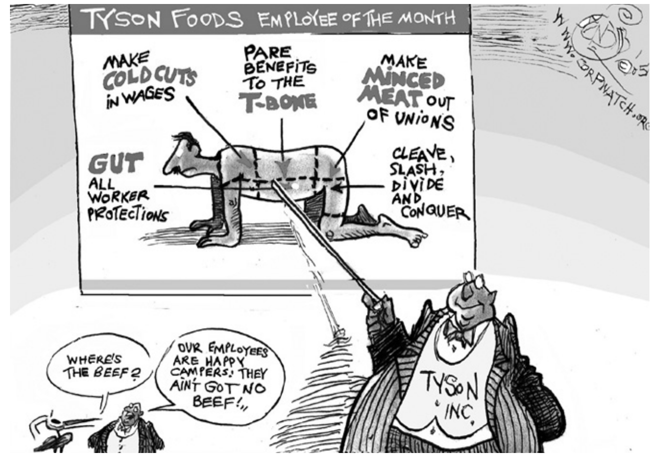
Lorenzo Martin, president of the neighboring Tepatitlan Poultry Farmers Association and the head of a large, well-established poultry farm in the area warns, "If the US starts selling things extra cheap outside the US, then it won't just be small farmers and individuals who will be leaving. It will be people like me."

Some of Mexico's chicken farmers displaced from their own communities could end up working in substandard conditions in poultry processing plants in the US.

NAFTA promised win-win economic integration throughout the continent. These two chicken stories do add up to a win-win—but only for the likes of the world's largest poultry producer, Tyson Foods.

Tyson wins when it takes over the Mexican market share and drives Pedro's company out of business. It wins again when it hires the unemployed Pedro as an undocumented worker in a US plant. Meanwhile, for its workers—migrants and native, documented and undocumented—corporate mobility coupled with repressive immigration laws means lower wages, fewer benefits and less power in the employer-employee relationship both abroad and at home.

If we add in US government corn and soybean subsidies that have delivered an estimated $1.25 billion a year in feed-stock savings to Tyson and its three closest competitors, things could hardly be better for the food giant.



graphic: CorpWatch.org

This is the single most important thing to understand about NAFTA—who are the winners and the losers. Tyson's win-win scenario is a lose-lose for Pedro and thousands like him. The international system is rigged to strengthen the hand of mega-corporations and weaken small farmers, workers, women producers and migrants.

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The good news is that we can create a new win-win scenario. We can reform immigration policies to integrate workers legally into the system and provide full labor rights so they are not, by their very existence, unfair competition to US-born workers. We can guarantee the right to organize, the only route open to evening up the imbalances and inequality of the system.

We can also heed the call of small farmers in Mexico and even US presidential candidates and renegotiate NAFTA to create and maintain decent jobs in both Mexico and the United States.

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Two Tyson Attacks

Tyson has been sued twice now for operating an illegal immigrant smuggling operation that included recruiting in Mexico, providing false documents and employing undocumented workers. A class action suit charged that these practices enabled the company to drive down wages by 10-30%.

In a 2005 Human Rights Watch report, a Tyson worker at one of its Arkansas plants stated in Spanish, "They have us under threat [*bajo amenaza*] all the time. They know most of us are undocumented—probably two-thirds. All they care about is getting bodies into the plant. My supervisor said they say they'll call the INS if we make trouble." Although ample evidence was presented on both hiring and recruiting practices, the politically powerful Arkansas-based transnational beat the rap.

Tyson also controls, along with Pilgrim Pride and the Mexican company Bachoco, 52% of chicken production in Mexico today, thanks in large part to favorable foreign investment rules under NAFTA. These factory farms typically lead to layoffs and increased pollution in Mexico. The rapid concentration of poultry production in Mexico has been called a threat to the right of people to define their own food and livestock systems for future generations.