

## **Immigration and the American Dilemma**

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### **Abstract**

*Immigration is one small part of an “American Dilemma.” The American Dilemma describes three identifiable mismatches: jobs that “nobody wants”; jobs that are shipped overseas; and jobs for which American workers are unqualified. From computer specialists to cabbage pickers, businesses lobby for immigration in order to expand their respective labor pools. This research demonstrates how labor management conflict created the alleged vacancies. The case study samples from one industry (poultry processing), in the Southeastern United States, during the decade of the 1990s. This three-dimensional sampling frame captures the convergence of an industry recently transformed by Taylorism, a region new to labor-management conflict, and a time (and place) new to immigration inflows. It concludes that without educational and labor reforms, immigration reform is inadequate.*

**Keywords:** immigration, labor displacement, educational reform, worker rights, labor reform

### **1. Immigration: The Conventional Wisdom**

The current coalition advancing immigration reform merges two disparate interests groups. First, businesses are lobbying for more generous immigration policies for highly skilled technicians (H-1B) and unskilled manual labor (H-2A). The need for reforms is predicated on the claim that immigrant workers fill positions for which Americans are “not qualified,” or “not interested.” Second, immigrant advocacy groups lobby for a more generous immigration policy for those here illegally, for family members of those here, and for others who would like to immigrate. The justification for these reforms is predicated on the principle that it is the just and humane thing to do. The two perspectives, joined in one frame, stress the need for saving the lives or families of those crossing illegally, in the desert for example, who are drawn to the United States because of the U.S. labor demand.

The conventional wisdom is that immigrants take jobs that nobody wants. In the last Gallup poll to ask the question (July 2008), 79 percent agreed that immigrants “take low-paying jobs that American workers don’t want”). In a 2013 survey conducted by the John Heldrich Center for Workforce Development, 7 in 10 workers attributed unemployment to competition and cheap labor but only 4 in 10 attributed it illegal immigrants.

The conventional wisdom reflects two pillars of our “New American Dilemma:” the U.S. labor market is comprised of jobs for which natives are not qualified and jobs that Americans do not want. On the face of it, both of these assertions seem accurate. Employers at the technical/skilled end of the occupational continuum justify their need for high-tech immigrants arguing that immigrants have superior skills, experience, and scientific knowledge found “wanting” in the native population. Warren Buffet, Mark Zuckerberg Bill Gates, and other well-know high tech Silicon Valley CEOs call for “a more logical immigration policy” in order to help the U.S. attract bright talented workers from abroad. They, as founders and members of immigrant advocacy group (FWD.US), lobby Washington for a more generous immigration policy. This, they argue, will allow the hiring of the best and the brightest and keep the U.S. competitive in the global economy. They object to the current “country caps” on employment-based visas which result in hundreds of engineers and scientists from China and India having to wait years for a green card. U.S. executives also lament the low quotas for H1B visas granted by Congress that permit companies to recruit high tech “guest workers.” These limits result in the United States losing out on immigrant talent and entrepreneurial initiative.

Zuckerberg even referred to this as one of the biggest civil rights issues of our time (November 2013). U.S. business owners such as Caterpillar Inc. also worry about the inadequate skill level of U.S. applicants for their high tech manufacturing jobs.

International comparisons highlight the poor performance of U.S. students on math and science tests. Here is a small sample of recent reports on U.S. student achievement that give credence to their case. On the quantitative portion of the 2012-2013 GRE (taken by aspiring graduate students) the U.S. ranked 18<sup>th</sup>: below advanced countries, and others such as Brazil, India, Russia, and Iran. The 2013 ACT overall scores were the lowest they've been in five years. The English and reading sections registered the biggest drops. Thirty-one percent of future college students taking the ACT exam did not meet a single benchmark -- up 3 percent from 2012. Those numbers exclude the twenty-five percent of U.S. students who drop out of high school and do not take the ACT. In the 2012 Programme for International Student Assessment (PISA), America's teens ranked mid-pack among their peers in 34 OECD countries. U.S. scores in reading, math and science have been stagnant for the last ten years. Asian countries held their lead; Poland, Germany and Ireland grew; and Vietnam eclipsed the U.S. The U.S. ranked 26<sup>th</sup> in math, 17<sup>th</sup> in reading, and 21<sup>st</sup> in science. And, in a recent U.S. survey, only half of the 2,000 students enrolled in two- and four-year colleges said they felt very or completely prepared for a job in their field of study. Only 39 percent of 1,000 hiring managers said the same about the recent graduates that they'd interviewed in the past two years

At the other end of the occupational continuum, executives lobby for increased immigration for the dirty, dangerous, and low paying jobs "nobody wants." The poster child for this claim is the farm worker. The need for farm labor is critical: a long standing preoccupation. In July 1876, the U.S. Congress special committee to investigate the question of Chinese immigration<sup>1</sup> heard much testimony and produced a 1,200 page report. Col Wm Hollister, a large CA landowner, testified that the country would be greatly enriched by Chinese labor and, that without such labor farmers in Santa Barbara would have to give up farming. When asked whether there should be any legal limitation he said "No sir, I would open the door and let everybody come who wants to come,...I say fully, freely, and emphatically, that Chinese should be allowed to come until you get enough here to reduce the price of labor to such a point as that its cheapness will stop their coming." Farmers struggling to develop capitalist agriculture appreciated the role of cheap and tractable labor. His opinion was shared by owners of land, gasworks, factories, and railroads. Charles Crocker of the Central Pacific Railroad testified that the presence of the Chinese as laborers among us goes very far toward the material interest of the country. More recently, Larry E. Craig (R-Idaho), in support of a 2005 immigration bill, said that 72 to 78 percent of the agricultural force in Idaho was illegal and that the potato industry would collapse without these workers. Large-scale farmers lament the shortage of immigrant workers with motivation and financial need -- characteristics absent in the native population -- and call for an expanded guest worker program or a more open immigration policy.

Clearly the farm-worker portrait misrepresents the contemporary immigrant worker who is found not only in agriculture, landscaping, and construction, but also in service and factory work<sup>2</sup>; economic activities not easily shipped overseas or substitutable with imported goods.

## **2. Research Findings**

Research investigating the effect of immigrant flows on the employment of skilled and unskilled native workers offers mixed evidence. Most of the public debate revolves around non-tech immigrants, who, on the whole, are low-skilled and less educated. Jobs with low-wages, few benefits, and undesirable working conditions, are assumed to be of no interest to native-workers. This disinterest is attributed to African- Americans and teenagers, despite their high unemployment rates.

In support of the conventional wisdom, scholars argue that immigrants do not displace native workers or exert downward pressure on wages or union membership.

<sup>1</sup> 44TH CONGRESS, 2d Session. Senate. Report No. 689. Report of the Joint Special Committee to Investigate Chinese Immigration. [http://cpr.org/Museum/Chinese\\_Immigration.html](http://cpr.org/Museum/Chinese_Immigration.html)

<sup>2</sup> Fussel gives an historical account of why this might be the case. For most of the twentieth-century, Mexico-U.S. migration flows were predominantly from rural areas of Mexico to agricultural areas of the United States (2004, 937). While the migration stream has become more diversified over the last two decades, the public image seems unchanged.

Some suggest that there is little risk of displacing native-labor because immigrants have even less skill and/or education levels (Bean and Stevens 2003: 207), or an illegal status which prevents them from practicing their own profession. Non-displacement conclusions are based on the observation that the groups often fill different labor market streams. Neither the garment industry nor agriculture, it is argued, could fill its labor needs with teenagers.

Enchautegui (1998) and others assert that displacement is non-existent because of U.S. demographic trends. First, the number of U.S. born native-workers who were high school dropouts declined from 20 million in 1980 to 13 million in 1994: an insufficient number for the low-skilled jobs. Second, while the number of low-skilled jobs declined by 4.3 million between 1980 and 1994; the number of U.S.-born low-skilled workers declined by 6.8 million. These gaps, she concludes, indicate that the U.S. economy has the capacity to absorb low-skilled immigrant labor.

Statistical studies frequently invoke market principles to understand the “immigrant effect.” David Card et al. (2009) working paper summarizes this literature. He and others find little evidence that immigration is responsible for the rising income inequality between skilled and low-skilled. They argue that immigrants today are as easily absorbed into U.S. labor markets as they were at the turn of the 20th century. Often these conclusions are based on the notion that the “market” will resolve the inflow of workers who are also new consumers. More people equal more investment: one increase begets another.

Clearly there are many exogenous processes, such as technological change, local labor market shifts, native labor out-migration, or skill upgrading, that affect the labor status of native workers. And, several mutually reinforcing processes, such as network hiring and African Americans losing interest in those jobs, may contribute to exclusion. In these studies “labor substitutions” are not “displacements” but rather the result of neutral market forces and/or of the social capital of job seekers. Jorge Borges, Vernon Briggs, Roger Waldinger, and others have argued that we need to focus specifically on the low-skilled who are most often substituted or excluded. Their research leads them to conclude that low-skilled workers suffer a significant negative impact.

The virtue of some of the quantitative studies--their multivariate analysis of aggregate data sets -- is also their limitation. Many of these snapshots expunge history. They are less adequate for examining industry or firm dynamics over time. Waldinger (1997), for one, thinks that these cross-sectional surveys may underestimate the potential for immigrant competition. The leave unanswered questions such as: how immigrants come to occupy certain jobs in the first place; and how native-labor displacement then becomes “exclusion.”

In contrast, ethnographies highlight factors such as employer preference for one group, or a labor-management conflict that might lead to a dual labor market (Piore 1979). The aggregate data is extremely important, but equally essential are ethnographic and over-time analyses. Journalist and ethnographic accounts describe clear cases of job displacement, depressed wages, lowered union density, and worsened working conditions. Reports about Wal-Mart are typical. Wal-Mart in Pennsylvania was the target of a Federal prosecutors’ grand jury investigating the use of illegal immigrants at its stores. On October 23, 2003, Federal officials rounded up 250 illegal immigrants at 60 stores in 21 states. Wal-Mart denied knowing that its janitorial contractors were using illegal immigrants, but Raymond Drude, a vice-president at Jani-King claimed that his company lost contracts at several southern stores to contractors who used illegal immigrants (Greenhouse, 2004).

These two claims -- “jobs for which natives are not qualified” and “jobs that nobody wants” -- are frequently repeated. Unfortunately, they lead to the shortsighted conclusion that catastrophic job-worker mismatches can be fixed solely with immigration. To correct the misunderstanding we must confront the origins of an “apparent” inadequate pool of qualified Americans for hi-tech jobs, and of an “apparent” surplus of so many unwanted jobs. The following case study focuses on the second question.

### ***3. Jobs that Somebody Wanted***

Americans, for the most part, have long eschewed farm labor. In meat and poultry processing, however, ethnic succession is recent. By 2012, 42 percent of meat and poultry workers were Hispanic or Latino and only 14 percent were Black or African American. But poultry-producing states such as Alabama, Arkansas, Georgia, and Mississippi were not common immigrant destinations before 1980. Whether looking at U.S. Census data or company, union, media, and academic reports, it’s clear that African Americans had previously worked poultry processing jobs.

My analysis of this ethnic succession is based on an examination of the industry prior to the ethnic shift. Only a longitudinal analysis reveals the societal and global processes which transformed the industry and the labor force. Despite a consensus that poultry processing was nasty, it provided a living for many workers. Then, the industry underwent technological and corporate transformations which contributed to the ethnic succession. Here I summarize my research findings .

Chicken production, on the rise since the 1930s, evolved from an informal and highly fragmented industry, where meat was a by-product of egg production, to a formal, highly specialized agribusiness. The restructuring involved geographic concentration, technological upgrading, pharmaceutical innovations, vertical integration, mergers and acquisitions, and U.S. government subsidies. These changes are summarized in Table 1.

Geographic concentration resulted from the financial incentives and antiunion environment offered by southern states, and a shift toward vertical integration that placed a premium on proximity to growing out farms (independent contract that raise birds<sup>3</sup>). By the end of the 1990s approximately half of all poultry processing was concentrated in four low-wage, anti-union states: Alabama, Arkansas, Georgia, and North Carolina (Fink 2003, 12). The number of broilers produced between 1934 and 2000 increased twenty-four thousand percent! Taylorism had arrived, finally making good on the promise made by the Republican National Committee during Hoover's 1928 presidential campaign ("a chicken in every pot"). The chicken is no longer in the "American pot" (only 13 percent are sold as whole birds), but annual per capita consumption is almost 100 lbs. Even between 1980 and 1992 consumption increased by more than 50 percent (Hetrick 1994). The reorganized production process allowed the industry to meet (and generate) the rising domestic demand. Production also met an international demand heightened by troubles such as: mad cow disease, Chinese bird flu, Newcastle bird disease in northern Mexico, the 1991 collapse of the Soviet Union's collective farm system; and from growing wealth in Japan, and other international trade agreements.

Taylorism had implications for workers. By 1992, 88 percent of poultry value was shipped from plants with more than 400 workers. This was up from 30 percent in 1967. Disassembly lines are fast, cramped, noisy, and dangerous. Unscheduled bathroom trips were discouraged and often required approval (Ollinger et al. 2000). Poultry processing injuries rank high among the nation's industries. Hand ailments were common. The 1911 Shirtwaist Fire in NYC and the 21<sup>st</sup> century factory fires in Bangladesh are known because they are emblematic of poor working conditions. The lesser known 1991 Imperial Foods fire (Hamlet, NC) signifies the same for poultry processing. A spontaneous rupture of hydraulic line on a deep-fat fryer set off a fire that injured 56 and killed 25—many because they could not escape the locked plant. Such conditions brought on by Taylorism gave rise to new worker protests.

Something else had changed: Southern workers were no longer the unorganized labor force that had typified the South since the failed unionization attempts in the 1930s. In 1986, the UFCW successfully unionized the catfish processors working for Delta Pride. In 1990, workers at the Delta Pride plant struck; it was the largest strike by African-American workers in Mississippi history. Poultry plants did not escape this rise in union activities. In 1979, Laurel, MS, some 200 workers struck over line speed of 68 birds/minute, and dangerous gases. They were represented by the International Chemical Workers Union that spent \$130,000 on the strike and called for a boycott of Sanderson products. In 1980, UFCW launched a nationwide boycott against Perdue as part of its campaign to organize Perdue's 3,500 workers. In the 1980s and early 1990, actions focused on line speed, bathroom breaks, chemical spills, earnings, benefits, and hours. Later more grievances were filed focusing on unfair labor practices and violations of the NLRA.

This was a response to worsening labor conditions; it was also the result of new labor organization. In 1968, the Amalgamated Meat Cutters and Butcher Workmen merged with the United Packinghouse Workers of America. The new union had some half-million workers—it was powerful and progressive. In 1979, this union merged with the Retail Clerks to form the UFCW (United Food and Commercial Workers). This merger established one of the first modern multi-jurisdictional mega-unions. With its million plus members, it gave workers a unified voice in the food industry, from the packing house to the grocery store.

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<sup>3</sup> In 2007, Tyson had contracts with about 6,500 independent "growers." Tyson provides the chicks (usually after twenty days), feed, and the technical assistance; growers provide the facilities, labor, and utilities. The contract guarantees a consistent price regardless of feed or grocery market price vacillations.

In 1995, the UFCW and LIUNA joined forces in the National Poultry Alliance. Although union membership was declining nationwide, rates were significantly flatter in the South.

Labor actions were supported by social movements. Notables from the civil rights organizations of the 1960s, churches, and community groups joined with unions leading to stronger and more effective labor actions. For example, the 1985 strike at Lumbee Farms was supported by the Robeson County Clergy. The 1986 strike against Country Pride was supported by a coalition of black ministers, business people, and civil rights leaders.

Twenty-five members of the clergy prayed in front of the Case Farms poultry plant in Morganton, N.C., to urge management to sign a union contract. In another case, the National Poultry Workers Alliance brought together workers, activists and religious leaders in 1995 to spearhead a Freedom Summer 95. Notables included the Rev. Jesse Jackson and Congressman John Lewis (D-GA) (of Freedom Summer -1960s).

Management responses included: anti-union campaigns, harassment of organizers, legal delays in the courts or with the NLRB, filing for Decertification elections (RDs), and unfair labor practices (ULPs – CBs) against unions to name a few. The conclusions that I draw from my analysis of the poultry industry 5-state NLRB data are consistent with portrayals drawn from various reports. The 1984 to 1989 were years of early labor mobilization which provoked the highest levels of management reactions. 1990 to 1994 were years of greater labor militancy, with the highest level of union electoral success. In the last period, 1995–2000, labor’s militancy and labor defensiveness were least successful. Despite filing more unfair labor practice complaints (CAs), only 16.4 percent were resolved in labor’s favor.

#### **4. An Industry Crisis**

Labor-management struggle might have continued throughout the 1990s except for a second crisis--overproduction and declining profits. In the early stages industry transformation, Taylorism promoted growth and profits. Between 1980 and 1990, Tyson’s profits increased fourteen-fold, and growth in the company’s per-share earnings ranked first among Fortune 500 companies (Behar 1992). By 1988 the industry had record production. In 1992, U.S. poultry consumption surpassed beef, and productivity per worker was almost three times what it had been in the 1960s. Producers eyed international markets and invested. Cagle’s Inc. earnings increased because of a strong market price. In 1994, Tyson Foods Inc. planned to spend \$400 million to build four new broiler complexes. In 1996, Simmons, the 19th-largest poultry processor, completed a \$27 million construction program—increasing processing capacity 25 percent.

By 1995, overproduction and rising expenses were driving down profits. And by 1999, armed with breeding flocks rebuilt from the J-virus and more than a decade of profits, the chicken industry had expanded two to four times as much as it should have. For two consecutive years, companies had losses that were previously unimaginable (Smith 2001). From 1995 to 2001 the industry struggled with overproduction, low pricing and minimal to negative returns (Smith 2002). Rising grain prices further squeezed profits. Executives speculated that production had rushed ahead of demand, leading to consumer “chicken fatigue.” Poultry executives pointed to overproduction, particularly on the part of smaller producers who didn’t pull back to the same extent that the major producers did. “They don’t have obligations to shareholders the way we . . . the public companies do, and their lifestyles haven’t needed to change” (John Tyson at Tyson Foods Inc.). Smith reports that 2000 and 2001 were the worst since 1980–82. Some companies were selling off related businesses. Gold Kist Inc., for example, sold off its farm-supply operations in 1998. The executives of larger firms also told Smith that they expected smaller family businesses would exit the business because they lacked adequate capital for technological upgrading. The prospering international market also was volatile; following Russia’s call for additional testing of U.S. exports in 1996, producers cut back. Industry was increasingly challenged by France and the Netherlands’ exports. In China, “A decade of double digit growth in world poultry meat trade has come to a halt.” Shipments to Japan dropped almost 20 percent as U.S. poultry encountered competition from Thailand and China (USDA 1998).

The Holly Farms-Teamster conflict captures the calamitous mixture of the labor and profit crises. A worker told a reporter that until 1987, Holly Farms was the “best place to work in North Carolina” (Swoboda 1990). However, in 1988, a financially-weak Holly was trying to avoid a takeover. Struggling to cut costs, it reduced the pay of three hundred drivers, who would no longer receive compensation for “waiting time” to unload cargo. Several drivers went to Greensboro and joined the International Brotherhood of Teamsters. By 1989, Local 391 had signed up enough drivers to win a union election.

But after Tyson's 1989 successful takeover, it folded the Holly Farms transportation department into its own. Teamsters Local 391 no longer represented a majority of drivers. Tyson ordered further cuts in pay, required drivers either to sign a card agreeing to new conditions or be fired, and then fired fifty workers. Drivers struck and the Teamsters attempted to organize four thousand production workers at three Holly Farms processing plants.

A union activist complained that "ever since Tyson took over the company, it's been nothing but push, push, push on the assembly line . . . things have got worse and worse . . . it has reached the point where it gets harder and harder to get relief to go to the bathroom because of the push in production."

In short, this labor conflict, which began during periods of industry expansion and profit, became increasingly problematic in the mid-1990s as the industry responded to the profit crisis. The industry profit crisis was exogenous to the labor-management regime, but it weighed heavily on its resolution. Businesses sometimes respond to falling profits by curbing production. But as indicated above, industry leaders perceived barriers to any industry-wide curb. Tyson's had already innovated by elevating its product mix to higher-quality, higher-value-added products (like nuggets). Industry consolidation (mergers and takeovers) was another possible solution but a decade of very aggressive consolidation had already taken place and in fact had contributed to overproduction. Furthermore, these solutions while addressing the profit crisis would do little to mitigate the labor conflict.

Some U.S. industries solved their profit squeeze of the 1970s and the refusal of the workers to absorb the costs by offshoring: not simply relocating production to capitalize on lower labor costs, but also fragmenting and decentralizing production. One Pilgrim's Pride Corp. executive didn't see any advantage to offshoring—shipping whole carcasses to Mexico for the labor-intensive cut-up and deboning operations and importing it back. He said, "All you'd bring back is white meat. . . . You'd send down there a 4.5-pound chicken and you'd only bring back 10 to 12 ounces of boneless breast meat." Add import and export fees, plus transportation and refrigeration costs, he judged, it wouldn't be worth it (*Arkansas Democrat-Gazette* 1997).

In contrast, bringing immigrants into the labor force had the potential of dampening labor aggressiveness and extracting more value from labor. Immigrant hiring was not passive; companies were actively recruiting. One Tyson case demonstrates the active aspects of hiring, including advertising, using recruitment agents, providing fraudulent documentation, transportation, housing, and assistance in accessing social services. These details came from the Department of Justice indictment against Tyson, unsealed in the Federal District Court in Chattanooga, Tennessee (December 2001). As the result of an INS undercover action (Operation Everest), Tyson managers were accused of a seven-year scheme (1994 to 2001) to recruit and hire hundreds of illegal immigrants from Mexico and Guatemala and of arranging counterfeit work papers for jobs at more than a dozen Tyson plants. The sting uncovered illegal immigrants who were employed at plants in Oklahoma, Virginia, Arkansas, North Carolina, and Tennessee. The indictment claimed that Tyson paid smugglers \$100 to \$200 per head. One smuggler paid another \$3,100 for delivering illegal immigrants from Guatemala to the Shelbyville plant. The government found documents that showed payments from Tyson to smugglers as well as temporary employment agencies (Barboza 2001a, 2001b). No Tyson executives were convicted, but former employee Amador Anchondo-Rascoon was and spent two and a half years in prison for recruiting and transporting illegal immigrants from Mexico to Shelbyville (Rosenbloom 2003). Tyson attorneys argued that if the company hired illegal workers, it was a result of the huge underground market for phony immigration papers, the government's flawed system of screening immigrants, and Tyson's use of temporary employment agencies (Poovey 2006). In 2003, a federal jury acquitted the company and three former managers of conspiring to hire illegal immigrants and two former managers who made plea deals were each sentenced to one year of probation. The UFCW described it as a massive ring to smuggle more than 2,000 illegal aliens into the United States (2001). Industry experts had long believed that American food companies recruited in Mexico and knowingly hired illegal workers.

In this early period, companies used recruitment agents or paid existing employees to bring others. Griffith reported that 34.4 percent of the plants he surveyed provided bonuses to workers who recruited friends and kin (1990, 160). Some plants had a policy of paying for each worker that an existing Hispanic brought to the company: "I called my cousin; he called his cousin, his brother-in-law. . . ." (Guthey 2001, 64). In 1995, Hudson Foods paid employees \$300 for bringing a friend to the job (Katz 1999). In 1998, *Rural Migration News* reported that many of the workers in the Midwestern meat and poultry processing were recruited along the Texas-Mexico border by "independent recruiters" who received a bonus of up to \$300 for each referred worker who stayed on the job for thirty days. Companies accommodated their illegal immigrant labor force with housing, and building or using nearby trailer parks (Griffith 1990, 166).

In North Carolina, Case Farms secured initial lodging for new workers in a trailer park and an old hotel revamped into apartments. It organized a van pool, distributed bicycles, and provided a private postal service to send money home to families (Fink 2003, 18).

Companies gained labor tranquility and a financial boost. A 2000 U.S. Department of Labor survey of fifty-one poultry processing plants found that every employer was violating federal wage and hour laws.

The DOL reported widespread undercounting hours worked, impermissible deductions from wages, failure to pay required overtime wages, and improper employee charges e.g. paying for required gloves. Perdue agreed to pay over \$10 million in back wages to approximately twenty-five thousand workers (Bobo 2002). In another case, a federal judge granted class-action status to a lawsuit that contended that Tyson Foods Inc. had depressed wages by hiring illegal immigrants at eight plants. The original suit was filed in 2002 in a Tennessee district court by four Shelbyville plant workers who claimed that Tyson had violated the Racketeer Influenced and Corrupt Organizations Act (RICO) by knowingly hiring illegal immigrants who were willing to work for wages below those acceptable to Americans. Illegal immigrants told Nicholas Stein of *Fortune* magazine that their status was being used against them: “If we didn’t do what they wanted, they would threaten to call immigration.” Hispanics were forced to work harder than their American peers. Workers say that pressures, combined with a lack of understanding of U.S. employment practices, made them far less likely to report injuries or file for workers’ compensation. For a serious cut, the company infirmary provided a band-aid. Supervisors even carried band-aids with them so that workers would not lose time going to the infirmary (Stein 2002). According to Assistant Attorney General Michael Chertoff, “The INS charged that Tyson preferred hiring illegal immigrants [between 1994 and June 2001] because they were forced to be more productive and were less likely to complain to management about inhumane working conditions and lack of benefits” (Vicini 2001).

In short, immigrants did not initially move into labor markets that had been vacated by native labor or were experiencing shortages. Employers were not faced with a choice of workers; they created that choice by the active recruitment of immigrants. These hiring policies which followed on the heels of the labor management and profit crises mitigated both: it resolved labor conflict without compromising the surplus value extracted from the production process.

Even after 2000, suits were filed against poultry processors for their use of undocumented workers. In 2007, a plaintiff filed a nationwide class action against two managers at the Pilgrim’s Pride poultry plant in Russellville, Al. alleging that Pilgrim’s Pride engaged in a massive scheme to hire undocumented immigrants at below-market wages for the purpose of depressing employee wages. They alleged that the company recruited undocumented immigrants, provided free temporary housing at hotels, transportation to and from work, and ignored obviously fake work papers. Other suits have been filed against Tyson Foods and Mohawk Industries for allegedly using illegal immigrants to cut their costs and reduce worker wages. A U.S. District Court Judge dismissed a lawsuit against Tyson Foods, which claimed that Tyson workers deserved another \$25 million because of illegal use of undocumented workers (Flessner 2008). And in 2013, Americans, mostly black, who live near farms in Georgia, say they want field work but can’t get it because it is going to Mexicans. They contend that they are discouraged from applying for work or treated shabbily by farmers who prefer foreigners—with or without guest worker status—for their malleability (Bronner, 2013).

My goal is to demonstrate the negative impact of immigration under certain circumstances, in certain industries, and at certain historical moments. I believe that the poultry industry—newer to Taylorism, located in a historically antiunion South, and facing two major crises—meets those conditions. I have rejected the two most-cited explanations for ethnic succession—“jobs that nobody wants” and “need for additional labor”—and have argued instead that the most historically accurate explanation is labor-management conflict.

### **5. Immigration Reform is not Social Reform**

Immigration reform is partial reform at best and bogus reform at worst. It suffers from numerous shortcomings. First, it is based on a conventional wisdom (immigrants occupying vacant jobs) that is silent about how those jobs came to be vacated. Second, an incomplete presentation of the historical processes of ethnic succession leads to inadequate solutions and a disregard for the fate of those displaced. American society may successfully absorb this new wave of immigrant workers from around the world who fill these alleged labor vacancies; but what will be the economic future of those continually displaced: unemployment, welfare, or prison? Third, immigration reform is a myopic fix.

The children of immigrants--brought in to fill alleged labor vacancies--will, after acquiring English language skills and educational levels above that of their parents, reject those same jobs. With a one-time snapshot, analysts may comfortably argue that immigrants do not replace teenagers, African Americans, or others. A backward glance, however, sheds light on processes which created high levels of unemployment among teens, African Americans, and those with limited education.

Sum et al. report that employment for teens (16-19) has deteriorated significantly since 1999. Based on the CPS data, the 2012 rate of 32.3 was the lowest in the entire post-World War II history (2013, 65). Even during the 2012 gain in overall employment, jobs did not go to teenagers. They point to drops in manufacturing and construction employment, but it is also clear that Hispanic workers have come to occupy jobs such as landscaping and construction which historically provided jobs for a teen population. The Economist (2013) reports that only 30 percent of fast food workers are teens, while 50 percent are over 23 yrs of age (including 1 percent over 65). Teen displacement is the outcome of income inequality and the need of adults to find employment in what was typically referred to as the secondary labor market, but here too teens, and in particular high school drop outs, are in competition with immigrants.

The employment situation for African Americans is the least optimistic. Black men, particularly the poorly educated, are not doing well; they are more disconnected from the mainstream than Hispanics or whites. And even during the economic growth of the 1990s, young black men made little improvement (Eckholm, 2006). Blacks are described as in permanent recession. In 2007, the black unemployment rate was 8.3 percent, above the pre-recession low and more than twice the white unemployment rate (Austin, 2008). Among those without a high-school diploma, nearly half have no jobs; and if there were not for the fact that five times as many blacks behind bars as whites, the figures would look even worse (Economist 2009). Standard explanations for black unemployment include: deindustrialization in geographic regions with high African Americans concentration; inner city separation from suburban jobs, lower propensity to use networks; and voluntary idleness. These processes unfolded over a long period of time. Nevertheless, it is difficult not to compare the total numbers of unemployed, be they teens, blacks, or low-skilled whites, with estimates of undocumented workers.

### **6. Real Policy Reforms—a Political Task for the Left**

The immigration fix does not rise to the level of responsible public policy, nor does it even approach important related policy questions. My case study has sampled from the less-skilled end of the occupational continuum. Nevertheless, it is possible to make parallel arguments about the skilled end. The educational achievement data lends support to the claim that U.S. youth are inadequately trained for high tech jobs. But once again the conventional wisdom has purged out the historical process responsible for an insufficiently skilled labor pool.

High tech firms lament the low quotas granted by Congress for H1B visas which allow companies to bring in “guest workers” who have the skills, experience, and scientific knowledge found wanting in the native population. Agribusiness laments the shortage of immigrant workers who have the motivation or need found wanting in the native population. At both ends of the occupational continuum, stakeholders lobby for immigration reforms to expand their respective labor pools.

We should be asking why we have mismatches between job offers and job seekers. Why, from computer specialists to construction workers to cabbage harvesters, do the only solutions lie with immigrants? Is immigration-only reform the best solution for our shortage of physicians, engineers, nurses, computer technicians, and yes, even agricultural workers? Employers may prefer H1B immigrants over natives who they disparage as inadequately skilled and/or trained. This speaks not to a dysfunctional immigration policy but to a dysfunctional U.S. educational system. That native workers have the alleged “motivation” deficit for low paying jobs speaks not to a dysfunctional immigration policy but to a dysfunctional U.S. labor policy.

Recently we have seen rising nation-wide protests: from strikes and walk-outs by low-wage unionized and non-unionized fast-food and retail workers, to Occupy Wall Street protests. In 2013, workers in the Fast Food Forward Campaign and protesters in the 400-plus Occupy Wall Street events demanded mitigation of growing income inequality.

Some concessions have been won. Minimum wage laws have been passed in a number of locations and direct home care workers will be entitled to receive federal minimum wage and overtime pay protections.

Overall, however, businesses have responded with the standard repertoires: the National Restaurant Association launching a publicity campaign against the fast-food workers; firms violating labor laws and/or employing nontraditional workers without health insurance and other benefits; underpaying overtime; or violating safety standards. Still, businesses complain about a lack of workers and the need for immigrant labor. But in weakening labor rights, businesses themselves have contributed to native unemployed-immigrant paradox, producing “jobs that nobody wants.”

Reasonable social reforms need to tackle the 99 percent in income *and* in education--those whose salary (or potential salary) is insufficient for survival, and those whose education leaves them without the needed technological expertise. Reform needs to address the problems of the working poor. In 2012, the official poverty rate was 15.0 percent (46.5 million). In 2012, 9.1 percent of the poor over 16 yrs were working full time all year round. Paradoxically, an estimated 12 million illegal immigrants in the U.S. (2013) is a number that is matched by the estimated 11 million unemployed Americans. And this latter number is an underestimate because it does not count discouraged workers or those in the informal economy. Such numbers beg the question of why unemployed workers are not filling the jobs taken by immigrants.

Without significant labor and educational reforms, the immigration “fix” is a diversion. We must neither demonize nor sanctify immigrants, businesses, college students, or African Americans. The immigration-reform debate is intense, but we should also reflect on the current incentive structures which lead educational institutions to expand “educational access” through store-front schools and online degrees which often fall short on “education” and exacerbate the growing educational attainment gap between the top 1 and bottom 99 percent. And, we should reflect on the current incentive structures which lead college students to eschew science careers and the unskilled workers to eschew low paying or dangerous jobs.

Educational and labor reforms may be *even* more difficult than immigration reform for lack of a viable political coalition. Advocates of restricted immigration are not necessarily supporters of living wages or radical reforms which will attend to real educational opportunities for the growing “99 percenters” in the U.S. school system. The humanitarian-only approach of immigration reform advocates is noble but it must be expanded to include real social policy reform.

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**Table 1: U.S. Poultry Industry Transformations**

<b>Poultry "Growing"</b>	(1940) Feed Stores sell chicks	(1994) contract growers
<b>Line speed: Birds per minute</b>	(1970s) 35	(1998) 140
<b>Broilers produced (billion lbs)</b>	(1945) 1.11	(2001) 42.45
<b>Time to 3 lbs</b>	(1940) 4 mos	(1990) 6 wks
<b>% sold whole</b>	(1963) 84.8%	(1997) 13.1%
<b>Top 4 firms market share</b>	(1963) 14 %	(1992) 41 %