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Big Dixie Chicken Goes Global: Exports and the Rise of the North Georgia Poultry Industry

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Over the past one hundred years, chicken raising in the American South has evolved from a small-scale local barnyard business to a highly capitalized and mechanized industry. Over the past few decades, exports—mainly to Russia and China—have become an increasingly important part of the operations of the large vertically integrated operations that dominate chicken raising and processing throughout the United States. This fact was brought home to many Americans for the first time when in March 2002 the Russian government cut off all U.S. poultry imports and caused a storm of protest. The global marketing of poultry products has certainly been in evidence in North Georgia, home to the city of Gainesville, which boasted for many years of being the chicken capital of the world. Gainesville has several regionally based companies for which exports are a key part of the business. In this paper, I examine the process by which the industry evolved in this region and eventually turned to foreign markets as one way of dealing with the intense competition among the big processors. I look not only at the causes of this shift, but also at the consequences for business owners, workers, and chicken growers.

A century ago, chickens in North Georgia were barnyard creatures raised primarily for their eggs. Eggs were consumed on the farm, sold in local markets, or used as currency in general stores. Because chickens ranged freely and developed strong muscles, which made the meat tough, the birds themselves were rarely eaten. Today North Georgia chickens and their eggs are at the center of a multi-billion dollar vertically-integrated industry, which markets poultry around the globe. In 2001, Georgia exported $308 million worth of poultry products, more than any other

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U.S. state.[1] How did the transition from small-scale household chicken-raising to agro-industrial exporting take place in North Georgia?

Economic History of North Georgia

North Georgia includes a roughly thirty-county area north of Atlanta. The region includes the gently sloping hills of the upper piedmont and the steeply sloping mountains of the Appalachians that cover the extreme northern portion of the state. This study focuses on Gainesville, Georgia, in Hall County, some 50 miles northeast of Atlanta, which sports a water tower proudly boasting the town is the "Poultry Capital of the World." Going back before the Civil War, North Georgia was distinguished from the rest of the state by the predominance of small-scale subsistence farming and by the relative absence of plantation slave agriculture. After the Civil War, an influx of railroads, which came to Gainesville in 1872, a profusion of towns dotting the countryside, and the arrival of furnishing merchants in large numbers paved the way for an increase in commercial cotton raising in the upcountry, but also the emergence of large-scale tenancy and sharecropping for both black and white North Georgians.[2] By 1930, over 68 percent of Georgia's farms were worked by tenants or sharecroppers.[3]

As Henry Grady preached the virtues of the "New South," northern investors sought out opportunities in North Georgia, which included mainly extractive and primary products industries, such as marble quarrying in Pickens County, lumber throughout the region, deep shaft gold mining in Lumpkin County (Dahlonega), copper mining in Fannin County, on the North Carolina border, and most importantly, textiles in Gainesville and further south in Atlanta. Three textile mills and adjacent mill villages were constructed in Gainesville between 1899 and 1927.[4]

While more North Georgians were tied into industrial production, most still raised cotton and corn for a living. Despite the onerous crop lien, cotton prices rose steadily and World War I tripled the production of cotton in Georgia. The 1920s, though, were a disaster for most Georgia farmers, as the boll weevil and a general farm depression devastated corn and cotton prices. The stock market crash of 1929 turned a bad situation worse. As one Lumpkin County man recalled, his father "took one bale on to Gainesville to try to sell it. Cotton was bringing about seven cents a

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[1] Carol Whitton "Fiscal 2001 U.S. Agricultural Exports Rose, but Exports by State Showed Both Gains and Losses from 2000," Aug. 2002, U.S.D.A. Economic Research Service reports; URL: **http://www.ers.usda.gov/publications/fau/july02/fau6602/fau6602.pdf**

[2] Steven Hahn, *The Roots of Southern Populism: Yeoman Farmers and the Transformation of the Georgia Upcountry, 1850-1890* (New York, 1983), 170-203.

[3] Kenneth Coleman, ed., *A History of Georgia,* 2d ed. (Athens, Ga., 1991), 259.

[4] Gordon Sawyer, *Northeast Georgia: A History* (Charleston, S.C., 2001), 103.

pound and he couldn't even sell it. He had to bring it home."[5] Roosevelt's New Deal aimed to raise farm prices by cutting production, but the Agricultural Adjustment Act crop allotment system favored larger farmers with land to spare. The result, as Gilbert Fite, Pete Daniel, and others have documented, was a dramatic drop in sharecropping and tenancy, as poorer southerners were forced off the land, and a rise in farm mechanization that continued through the World War II years. Sharecropping declined by 39.6 percent in Georgia during the 1930s.[6] The economically marginal nature of farming in North Georgia would set the stage for its emergence as a chicken growing region.

The Rise of Large-Scale Chicken Growing and Processing

Traditionally, it was farmwomen and children who were responsible for raising barnyard chickens and collecting their eggs. Besides feeding their families with eggs, and earning "egg money" in small-scale trading, women also used eggs and young chickens as a form of currency to buy needed items at the general store. Norman Saine, who came of age in Lumpkin County during the 1920s and 30s, recalled that during the 1930s the family had enough to eat because they raised their own food, but noted, "we didn't go to the store and buy groceries like we do now. We had hens. My mother, she would raise all the pullets [young hens--CW] she could raise to lay eggs. [We] saved the eggs to buy coffee, kerosene oil, soda and sugar with it, what[ever] we wouldn't raise on the farm." Edna Seabolt, another Lumpkin County resident, who ran a small store, remembered that "People bring me chickens, they didn't have nothing, and as quick as their chickens got big enough . . .they'd bring them to me to buy kerosene oil …and those chickens they wouldn't weigh a pound. But they had to have it you know."[7]

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[5] Interview with Norman Saine, 24 May 2001, Murrayville, Georgia. Northeast Georgia Poultry Oral History Project, North Georgia College and State University, Dahlonega, Ga. The Northeast Georgia Poultry Oral History Project is based in the History Department at North Georgia College and State University (NGCSU) in Dahlonega, Ga. It has received support from the Excellence in Teaching program at NGCSU and from the Georgia Humanities Council (GHC). Interviews have been conducted by the author and by students enrolled in the author's U.S. Labor History class at North Georgia College and State University. Dr. Vicki McCard of NGCSU has provided Spanish translation assistance under a GHC grant.

[6] Pete Daniel, *Breaking the Land: The Transformation of Cotton, Tobacco, and Rice Cultures since 1880* (Urbana, Ill., 1985), 176. For an excellent study focusing on north Georgia, see Wally Warren, "Progress and Its Discontents: The Transformation of the Georgia Foothills, 1920-1970" (M.A. Thesis, University of Georgia, 1997).

[7] Interview with Norman Saine, 24 May 2001, Murrayville, Georgia; Interview with Edna and Betty Seabolt, Dahlonega, Ga., 21 Feb. 2000.

Since women had developed the expertise to raise chicken and eggs on the farm, it is not surprising to learn that the first individuals to begin marketing poultry on a large scale were women. Indeed, the traditional histories of the poultry industry have mentioned some of these individuals. Gordon Sawyer, for instance, notes that it was Mrs. Wilmer Steele, of Ocean View, Delaware, who sold a large number of broilers (young adult chickens for eating) in 1923. The Delmarva (Delaware-Maryland-Virginia) peninsula would become the leading poultry-producing region of the country.[8] Other sources have given the prize to a Mrs. Bennett in Hall County, Georgia, who raised as many as 500 broilers in 1917 during World War I.[9] Both women sold broilers to distributors who then sent the live birds to urban markets by rail and sold them. What historians have not recognized is that large numbers of southern farmwomen demonstrated the potential profitability of poultry sales for decades before commercial chicken growing took off. Steele and Bennett were hardly alone.[10] As Lu Ann Jones shows in her groundbreaking study *Mama Learned Us to Farm: Farm Women in the New South*, essentially, women were the pioneer entrepreneurs in the industry. In 1919 in North Carolina, for instance, women sold 3.1 million chickens for $2.1 million; and sold 11 million dozen eggs for $4.5 million. In a telling confirmation of women's economic contribution, because poultry was still considered "women's work," as late as 1940, a poultry expert acknowledged that many men considered it "a disgrace to be caught in the chicken house."[11]

It was not that men stayed uninvolved. The story of post-World War II poultry in northeast Georgia has usually revolved around one man: Jesse D. Jewell. Born in Gainesville in 1902, the son of a feed dealer, Jewell attended college, moved briefly to Florida, and then returned to Hall County to take over the family feed store in 1930. By the 1930s, the promise of commercialized egg and chicken production had already become evident to Jewell through the example of the Delmarva peninsula, where farmers were growing more than 7 million chickens a year by 1937, and selling them in the big urban markets of New York, Philadelphia, and

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[8] Gordon Sawyer, *The Agribusiness Poultry Industry: A History of Its Development* (New York, 1971), 37.

[9] George Watts and Conner Kennett, "The Broiler Industry," *Poultry Tribune* (Sept. 1995), 7.

[10] Sussex County Delaware boosters have attempted to cash in on their supposed status as the birthplace of the broiler industry. They give due credit to Wilmer Steele, but convey the misleading impression that a lone woman started the whole enterprise. See "Birthplace of the Broiler Industry," Sussex County Online; viewed 16 June 2003. URL: **http://www.sussexcountyonline.com/business/poultry.html**

[11] Lu Ann Jones, *Mama Learned Us to Farm: Farm Women in the New South* (Chapel Hill, N.C., 2002), 90; quoted on 102. For a provocative look at gender and work in the meatpacking industry, see Roger Horowitz, "'Where Men Will Not Work': Gender, Power, Space and the Sexual Division of Labor in America's Meatpacking Industry, 1890-1990," *Technology and Culture* 37 (1996): 187-213.

Baltimore. Though not producing on this scale, Georgia farmers had also begun to tap into a wider market for chicken. As early as 1924, for instance, chickens raised in Hall County were transported by rail to Columbia, South Carolina.[12] Just to the north of Gainesville, in Lumpkin County, a similar development was underway in the early 1930s as local cobbler Alec Housley experimented by raising chicks with different types of brooders. Around the same time, county agent W. Gladstone Owens organized spring co-op sales for farmers to get their chickens to market. Clearly, the notion that chickens were "women's work" was beginning to fade.[13]

From his vantage point at the Jewell and Loudermilk Feed Company, Jesse Jewell's main concern was not chickens but feed sales. Feeling the pinch of the Great Depression, Jewell looked for ways to extend the market for feed. Bigger feed producers, such as Ralston-Purina and Puritan, had been seeking to increase their sales. In Arkansas, as early as 1929 and 1930 feed companies had provided chicks and feed to farmers willing to raise broilers.[14] In 1936, with the possibility of a commercial chicken market already demonstrated, Jewell tried this approach in Georgia. He would buy the chicks and supply these along with chicken feed on credit to cash-poor farmers in the Gainesville hinterlands. Once the chicks were grown, Jewell would buy them back at a price that would cover his feed costs and also guarantee the farmers a profit. He then personally drove the grown chickens south to Florida where he knew a market existed from his time there in the 1920s.

By 1940, Jewell had added his own hatchery to Jesse D. Jewell, Inc. and was contracting with farmers throughout northeast Georgia. One of these was J. C. Sirmons, then dean of North Georgia College in Dahlonega, who began with a small chicken house in 1939 and later in the 1940s built a larger one, growing flocks of 10,000 birds for Jesse Jewell's expanding poultry empire.[15] In 1940, Jewell also paid for the construction of a processing plant, which turned out "New York dressed" chicken (whole, plucked, slaughtered birds with the head, feet and innards intact) for the growing Atlanta market. They left Gainesville on Railway Express packed with ice in large wooden barrels.[16]

World War II gave Jewell and the trend toward vertical integration in poultry a major boost. Needing to feed millions of men and women in uniform, the federal government became (virtually overnight) a gigantic

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[12] Sawyer, *The Agribusiness Poultry Industry*, 37; Warren, "Progress and Its Discontents," ch. 4, p. 5.
[13] "Cobbler's Dream Grows into $10 Million Poultry Industry for Lumpkin County," *Georgia Poultry Times*, 13 May 1955.
[14] Gilbert C. Fite, *Cotton Fields No More: Southern Agriculture, 1865-1980* (Lexington, Ky., 1984), 200.
[15] "Cobbler's Dream Grows into $10 Million Poultry Industry for Lumpkin County," *Georgia Poultry Times*, 13 May 1955.
[16] Sawyer, *The Agribusiness Poultry Industry*, 91.

guaranteed market for poultry nationwide. First, it commandeered the Delmarva poultry supply. Then, in 1944, the War Food Administration ordered that all the processed chicken in a seven-county area in North Georgia be reserved for the government.[17] Though Jewell was not the only company contracting for chicken production, he had an advantage in getting large supplies of feed from the feed companies: because his company also slaughtered the birds, he could offer a steady supply of chicken byproducts in return for a guaranteed supply of feed. This bolstered his market position, as did his decision during the war to shift processing away from "New York dressed" to the fully processed chickens of today. By 1954, Jewell was adding the final touches: his own feed mill and rendering plant. As the company advertised, "With the completion of their new feed mill, J. D. Jewell, Inc., will have forged the last link, giving them complete step-by-step quality control over the production of frozen poultry."[18]

The rise of Jesse Jewell in Gainesville spurred chicken growing in the nearby countryside. The statistics for Hall County are telling: From 1939 to 1950, the number of farms that mainly raised chickens went from 57 to 1,044. The value of chickens raised in the county rose from $750,000 in 1939 to over $5 million in 1950.[19] The story from Lumpkin County is similar. In 1941, County Agent Owens, who had encouraged local farmers to market their birds jointly, got heavily involved in the poultry business himself, building a 5,000 capacity laying house just outside of Dahlonega. Another local farmer, Lee Anderson "caught the fever" for chicken and began growing for Jesse Jewell with 1200 broiler chicks at a time. Alec Housley, who had started with a modest 350 chicks, was now raising 5,000 in 1947. Following Jewell's example of vertical integration, at least in part, Anderson and Tom Folger opened hatcheries just off the Dahlonega town square in the early 1950s. By 1955, their Dahlonega Feed and Hatchery was producing 200,000 broiler chicks a week; that year, the Owens Farms hatchery was producing 174,000 White Leghorn broiler chicks.[20] Northeast Georgia farmers, now known as chicken growers, had finally joined the ranks of their Delmarva counterparts: chicken was big business.

What did this change mean for the chicken growers themselves? To some extent, the rise of commercial chicken growing seemed ideally suited to replace the small-scale cotton agriculture that was dying out in the post-war South, including northeast Georgia, due to federal allotment policy and farm mechanization. For many who were essentially subsistence farmers, poultry offered a rare opportunity to earn cash from farming. Furthermore, the contract arrangement, in which the feed companies

[17] Warren, "Progress and Its Discontents," ch. 4, p. 9.
[18] Sawyer, *The Agribusiness Poultry Industry*, 91.
[19] Warren, "Progress and Its Discontents," 12.
[20] "Cobbler's Dream Grows into $10 Million Poultry Industry for Lumpkin County," *Georgia Poultry Times*, 13 May 1955.

supplied chicks, feed and medicine in return for farmers' labor was strikingly similar to the relations between local merchants and sharecroppers and tenants in the pre-World War II south.[21] The plans of Jesse Jewell and others, that is, seemed well-timed and well-designed for the northeast Georgia region, a marriage made in heaven.

Many North Georgia resident certainly view the impact of poultry in this way—as a godsend that brought much needed cash into the area, in the face of economic decline. In both Carroll and Jackson counties, for instance, which historian Steven Hahn spotlighted in his study of nineteenth century upcountry Georgia, poultry began to take the place of cotton. From 1931 to 1956, Carroll County's cotton allotment declined from 90,000 acres to 10,200 acres. As Carroll County farmers were gradually convinced to raise broilers, they sold 150,000 in 1946 and by 1955, they were producing more than 5 million annually. According to *Poultry Times*, this production succeeded in "providing a cash farm income to more than offset the loss of cotton."[22] Similarly, the poultry boom in the 1950s and 60s transformed life for some farm families in Jackson County after Gold Kist set up a hatchery and feed mill there. When rural mail carrier Elridge Baxter and his wife Hilda moved into their own home together in 1948, near Commerce, GA, it had four rooms and no indoor toilet. In 1961, Baxter caught the poultry bug and signed a contract with Gold Kist to grow 6,400 broilers. Before long, he had convinced other members of the Baxter extended kin network to join with him and twenty years later, Baxter, his son, son-in-law, nephew and brother-in-law all raised a total of 175,000 broilers and 9,800 breeder hens. By 1982, he and his wife lived in a seven-room house with two baths and a two-car garage. "We all owe that to Gold Kist," Baxter said. "Chickens have been mighty good to this family."[23]

In the same vein, Lumpkin County grower Norman Saine recalled the poultry boom of the 1940s. "I got back from WWII in '46," he stated. "While I was in the army, and in the war, my daddy had a 2,000 chicken house. Held 2,000. He wrote me and he said, Son, he always called me son, he said I sold my chickens the other day and I made $600 on them. I thought, Lord have mercy, that's the most money I've heard of making on a farm. When I get home I'm going to build me some chicken houses."

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[21] On this process, see Fite, *Cotton Fields No More*, ch. 9; For a similar process in Tennessee where poultry is replacing tobacco farming, see Donald D. Stull, "Tobacco barns and chicken houses: Agricultural transformation in western Kentucky," *Human Organization* 59 (Summer 2000): 151-61.

[22] "Carroll County Poultry Grew As Cotton Acreage Decreased," *Poultry Times*, 28 March 1956. The article provides no statistics for "cash income" received by farmers.

[23] "Raising Chickens Keeps Baxter Family Together," *Gold Kist News*, 28 March 1982.

Build them he did, and spent the next 39 years as a successful chicken grower.[24]

If this tale of upward mobility has been the experience of some of northeast Georgia's poultry growers, it is only part of the story. The early growth in the number of growers in North Georgia was a temporary phenomenon. As chicken-growing became ever more technologically advanced, and as the volume of chicken production skyrocketed, the number of growers who were able to stay in the business declined dramatically over time. In 1950, there were 1176 Hall County farms that sold a total of 6.8 million chickens. In 1997, only 192 farms sold 44.3 million chickens. In other words, the average broiler production per farm grew over 3900 percent in 47 years, with an annual increase in farm productivity of roughly 83 percent. To put it another way, one sixth of the growers contracted in 1950 could produce six times as many chickens in 1997.[25]

What has allowed these technological changes to shrink the ranks of chicken growers so quickly is the contract farming arrangement that Jesse Jewell initiated in the 1930s in the hills of North Georgia. Despite the prosperity that contract chicken growing has brought for some, this contract is at the heart of the dispute that has developed over the years between some growers and the likes of Gold Kist (ironically a farm cooperative), Fieldale, Mar-Jac, Tyson and others. Growers contract with an integrator to deliver one flock of chickens at a time. According to the contract, the grower will be provided with the chicks, feed, and medicine. All else is the responsibility of the grower: the house and requisite equipment, utilities, water, labor, and last but not least, the health of the chicken flock. When the birds are fully-grown, or "fed out," the integrator sends a crew of chicken catchers to collect the flock at which point the sale actually takes place. The grower is paid per pound of live chicken, as per the contract, and is rewarded for a good conversion ratio (how many pounds of feed are used to raise one pound of chicken; the ratio is currently below 2). Typically, growers take out loans to build and/or upgrade the chicken houses and over time, as the loan is paid off, their net income will increase, all provided they continue to sign contracts with an integrator.[26]

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[24] Michael Scupin and Tim Singleton, "A Dime on Each One," Disguised case prepared for presentation at the NACRA Case Symposium, Nov. 1993; Interview with Norman Saine, 24 May 2001, Murrayville, Georgia.

[25] U.S. Bureau of the Census, *United States Census of Agriculture: 1950: Counties and State Economic Areas: Georgia*, Volume 1, Part 17 (Washington, D.C., 1952), 197; U.S. Department of Agriculture, National Agricultural Statistics Service, *1997 Census of Agriculture,* Volume 1: Part 10, Chapter 2, Georgia County Level Data, Table 16, Poultry-Inventory and Sales: 1997 and 1992, 646. URL: **http://www.nass.usda.gov/census/census97/volume1/ga-10/ga2_16.pdf**

[26] For a discussion of the contract system with sample contract provisions, see Packers and Stockyards Administration, U.S.D.A., *The Broiler Industry: An*

The growers' problem is that there is no guarantee that an integrator will continue to contract with them. As a result, chicken-growing involves a tremendous sense of insecurity. Take, for instance, the contract offered in the early 1990s by Mar-Jac. First, it stipulates that "This contract shall expire when birds are marketed," reminding growers that they have no right or expectation that Mar-Jac has any obligation beyond one house worth of birds, which today can be anywhere from 10,000 to 100,000 chickens. Second, the contract notes that "If for any reason Mar-Jac Farms shall determine that Grower is not properly caring for and feeding said chickens, Mar-Jac Farms is authorized, at his option, to enter upon Grower's premises where said chickens are located, retake possession of them without legal action, and remove them from Grower's premises." This clause underlines the fact that even though the growers supply the physical labor to raise the chicks, they do not own them, and they can be easily repossessed. Finally, the contract states, "Grower is an independent contractor and is not to be considered in any way an employee of Mar-Jac Farms and Grower shall be solely and only responsible for his own activities. Grower will be responsible for all his own agents, employees and subcontractors as to wages, insurance, and any an all other normal and usual employer and employee expenses."[27]

The overriding insecurity hanging over the heads of chicken growers means, among other things, that if they do have a difference of opinion with an integrator, they are likely to keep their mouths shut. Disagreements happen over a variety of issues, which most likely would take the form of a heated conversation between a chicken grower and the integrator's field representative (sometimes called "field man" or "service man"). Topics might include the quality of the chicks delivered to the grower, the feed quality, over-medication or under-medication of the flock, fuel or utility costs, the need for modernization of the chicken house, problems arising from disposal of chicken litter (manure), disputes over the accurate weighing of grown-out birds, and many others.[28]

As even scholars sympathetic to the industry have noted, the contract system created tensions from the very beginning. While those who raised broilers were initially "independent growers," noted J. Franklin Gordy, in the "late 1950's and early 1960's, growers became dependent on commercial firms for contracts… Moreover," he wrote, "loss of independence and lower incomes caused some growers to become disenchanted."[29] Similarly, historian Gilbert Fite observed "Critics of

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Economic Study of Structure, Practices and Problems (Washington, D.C., 1967), esp. 35-62 and Appendices 5A-11.

[27] Scupin and Singleton, Exhibit 1.

[28] "Letter from the President," *United Poultry Growers Newsletter* 1 (Aug. 1999): 4. "Poultry Contracts Paltry, Some Say," *Atlanta Journal-Constitution*, 4 June 2000, D4.

[29] Oscar Hanke, ed., *American Poultry History, 1823-1973* (Madison, Wisc., 1974), 384-85.

vertical integration charged that poultry farmers were controlled and sometimes exploited by their suppliers; that, in effect, formerly independent farmers became little more than hired hands."[30] In a 1995 study of the Arkansas poultry industry, Stephen Strausberg observes that despite the integrators' claim that growers are "independent contractors" who have freedom of choice, "many growers view the relationship as vastly unequal."[31] Finally, the companies themselves have taken note of the need to "improve the relationship between the grower and the integrator." The U.S. Poultry and Egg Association has sponsored a "grower relations" seminar series, which resulted in the publication of several books devoted to this topic, such as *Teamwork in Poultry Production: Improving Grower and Employee Interpersonal Skills* (2001). This book includes chapters, among others, on "Being Friendly," "Communicating Through Respect," and "Putting the Magic Ingredient of Trust to Work for You."[32]

Because the magic has not always been successful, chicken growers have participated in a number of collective efforts to improve their bargaining position vis-à-vis the integrators at contract time. As Gordy notes, grower cooperation in poultry goes back at least to the 1960s, when the American Agricultural Marketing Association, a Farm Bureau Federation affiliate, lobbied for changes in the law to benefit growers.[33] North Georgia growers, including Becky Eddington of Maysville, formed the Georgia Contract Poultry Growers Association. Barry and Becky Eddington started raising chickens in Maysville in 1989 for Wayne Farms, a subsidiary of Continental Grain. They grew chickens in six modern houses for 12 years, producing some 500,000 broilers per year. However, according to Becky Eddington, they had "not taken one cent from chicken raising." Rather than live on their income from growing, they both survived on "public," or non-farm, jobs. To Barry Eddington, things were actually getting more difficult for growers, despite the higher productivity of their operations. "Poultry farmers are making far less than we did about 10 years ago," he said. There was a "continued uneven playing field" in contract negotiations, in the Eddingtons' view, which unfairly exempted the integrators for any responsibility for dead chickens and litter disposal. Testifying in 1996 in Washington, D.C. about the situation facing chicken growers, Becky Eddington commented that "The absolute power of the

[30] Fite, *Cotton Fields No More*, 201.
[31] Stephen F. Strausberg, *From Hills and Hollers: Rise of the Poultry Industry in Arkansas* (Fayetteville, Ark., 1995), 136.
[32] Larry Cole, *Teamwork in Poultry Production: Improving Grower and Employee Interpersonal Skills* (Ames, Iowa, 2001), v.
[33] Hanke, ed., *American Poultry History, 1823-1973*, 385-86.

processors taken under the 'take it or leave it' contracts have created an untenable situation for growers..."[34]

Or as William Boyd and Michael Watts have argued, growers are "semiproletarianised" "peasant-workers." That is, "they have lost control over their labour process via the contract, and...they must resort to wage labor to reproduce the household enterprise."[35]

If chicken raising in northeast Georgia has undergone some drastic changes since World War II, so too has chicken processing. Before the war, the predominance of marketing "New York dressed" and live poultry to urban customers meant that skilled male meat cutters—butchers—were the ones who actually processed the chicken right before they reached consumers. Even in the early 1950s, after companies began to eviscerate the birds in their plants, chicken processing "remained in an incipient, disorganized state of development," according to one scholar of the industry.[36] However, several things combined to change this. For one, this emerging industry sought a source of cheap, nonunion labor at a time when national union membership was at its historic peak of 35 percent of all manufacturing workers. Meatpackers in the northeast and Midwest, including the Amalgamated Meatcutters and Butcher Workmen, had been one of the groups in the forefront of these labor gains. For another, this was precisely the time when large-scale contract chicken growing began to take hold in Georgia. The answer to industry's need to maximize profits was obvious: move south. Thus, a shift took place between 1950 and 1980, when the south's share of U.S. broiler production rose from 66 percent to 80 percent.[37] The mechanization of agriculture and decline of cotton production, cited earlier, also contributed to the availability of a large pool of rural people looking for wage-earning opportunities. Finally, as poultry consumption took off in the 1970s, due to public health concerns about red meat, competition between existing companies for a share of the booming market led to rapid changes in technology and labor recruitment.

Even though the technology of poultry processing is constantly in development, the production routine in northeast Georgia plants in this early period was fundamentally similar to what it is today: the disassembly line. After a crew of chicken catchers drove to a broiler farm, loaded the chickens on trucks and drove back to the plant, hopefully just in time for the morning shift to begin, the first group of workers in the production

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[34] National Contract Growers Institute, "Poultry Grower Serves on Ag Committee"; viewed 8 April 2001. URL: **http://www.web-span.com/pga/library/becky.html**.

[35] William Boyd and Michael Watts, "Agro-Industrial Just-In-Time: The Chicken Industry and Postwar American Capitalism," *Globalising Food: Agrarian Questions and Global Restructuring,* ed. David Goldman and Michael Watts (London, 1997), 214, 213.

[36] David Griffith, *Jones's Minimal: Low-Wage Labor in the United States* (Albany, N.Y., 1993), 85.

[37] Griffith, *Jones's Minimal,* 85-88.

process—the live hangers—would hang the still living birds upside down on metal shackles, which moved automatically along a conveying chain. By various means, the chicken's neck was cut enough to get its blood pumping out onto the blood tunnel floor, but not enough to kill it before it was emptied of its life fluid. The birds were electrically stunned, then scalded in hot water to complete the kill and both loosen and soften up their feathers for removal. Next, a defeathering machine plucked them relatively clean, and their feet (or "paws" as they are called in the industry) and head were removed. At this point, they were re-hung back on shackles, head side up, for evisceration. Once gutted, chickens were then chilled to remove body heat. Then, depending on the particular plant and what order they were filling, the chilled birds were cut up further in various ways or packaged whole.[38]

As with the other major southern industry tied to a primary agricultural product—cotton textiles—the workforce in poultry processing consisted of a large contingent (often more than 50 percent) of rural white women.[39] Poultry processing and even hatchery work was considered particularly well suited to women because they had been the ones on the farm in charge of raising the chickens. No longer the primary entrepreneurs in the business, they now provided the relatively unskilled labor on chicken farms and processing plants. As Lu Ann Jones writes, "Women's loss of autonomy prefigured the erosion of independence that their men folks, in turn, would experience when they began growing broilers on contract with corporations…" Frances Hopkins is probably typical of this group. Born on a farm in Stephens County in northeast Georgia in 1934, she attended school until she was sixteen, worked as a waitress, got hired at a local cotton mill, and then married Carlton Beck at the age of twenty, with whom she had four children. Once her children were grown, she went back to work at a large chicken processing plant in Cornelia, in neighboring Habersham County. She heard of an opening through a friend, put in an application, and started work that day. She stayed for 14 years.[40]

Unlike textile mills, which totally barred African-Americans from inside employment for decades, the processing plants in the Gainesville

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[38] Robert E. Moreng and John S. Avens, *Poultry Science and Production* (Reston, Va., 1985), 288-323; Griffith, *Low-Wage Labor*, 100-102; "From Egg to Table," *Southern Exposure*, 17 (Summer 1989): 18; Field notes on tours of Gainesville Fieldale Plant, 31 May 2000 and Murrayville Fieldale Plant, 4 Dec. 2001 and 24 April 2003. Thanks to Mr. Rafael Guadalupe, Gainesville Fieldale Personnel Manager; Doug Hatley, Director of Processing, Fieldale Farms Corporation; David Stephens, Murrayville Fieldale plant manager; and Tom Hensley, Fieldale Farms Corporation, for permission to tour these plants.

[39] Griffith's comparative analysis (Texas/Ark., North Georgia, N.C., and Delmarva region) of the gender mix in processing plants found that on the average, plants in North Georgia had an even 50/50 of men and women. See Griffith, *Low-Wage Labor*, 150-51.

[40] Interview with Frances Hopkins, Mt. Airy, Ga., 23 April 2000.

area offered these workers jobs, at least in certain areas of the plant. Poultry executive and inventor Jack Prince, who had had the good fortune to marry Jesse Jewell's daughter and rose rapidly in Jesse D. Jewell, Inc., pointed to this as a feather in the poultry industry's cap.[41] While black workers came to hold a wide variety of production jobs in at least the larger plants in the earlier period, they seem to have been concentrated in the least desirable job: live hanging. Ruth Alexander, who briefly worked at Fieldale with her friend Frances Hopkins in 1982, recalled that "where they killed chickens, there were some black people there that worked there more than whites…I didn't even know them, you would just see them come through."[42]

One young African-American who "came through" the Con Agra processing plant in Gainesville in 1977 was Donald Mays, an East Hall High School student who worked evenings hanging chickens. "What they would do is someone would unload them off the truck, they would put them on the conveyor belt," he said. "Someone at the end would take open the coop and set it down on the line and all we would do, reach in there and grab the chickens and hang them on a shackle and let them go on their way." You had to be quick, he remembered, because "if you missed one, the person beside you would have to almost work double hard, I mean they would have to grab two chickens, for their spot and your spot also."[43]

The challenge facing processing companies in the decades after World War II was to retain their workforce. High turnover had been a problem in the industry from the outset. The injury resulting from repetitive motion in poultry processing has become legendary. But women like Frances Hopkins, young African-Americans such as Donald Mays and countless white male workers (typically farmers and construction workers in the winter or in period of unemployment) all filled the ranks of the production lines as the industry matured during these years. Starting in the 1970s, however, poultry production underwent explosive growth in Georgia and strained the labor market. From 1975 to 1995, the total amount of poultry processed in the state more than tripled to over 5 billion pounds.[44] In 1995, the Georgia House of Representatives acknowledged the state's new status as chicken producer by taking the unusual step of declaring, as a matter of law, that "The State of Georgia is designated as the Poultry Capital of the World." In support of this action, the text of the bill noted "on an average day, Georgia processes approximately 18 million

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[41] Interview with Jack Prince, Dahlonega, Ga., 23 Feb. 2000.
[42] Interview with Ruth Alexander, Mt. Airy, Ga., 9 April 2000.
[43] Interview with Donald Mays, Dahlonega, Ga., 20 April 2000.
[44] Georgia Poultry Federation figures see **http://www.uga.edu/~poultry/gapoultry/gpf2/sld013.htm**.

pounds of chicken."[45] Three years later, Georgia surpassed Arkansas as the nation's top broiler producing state.[46]

The severity of the turnover problem in North Georgia in the early 1970s is reflected in the coverage devoted to it by *The Poultry Times*, the national poultry industry publication based in Gainesville, Georgia. In May 1972, reporting on an Atlanta meeting of the Southeastern Egg and Poultry Association (SEPA), the *Times* noted, "the light labor situation continues to be one of the main problems of the broiler industry in the Southeast." Among the problems raised at the meeting was a high level of absenteeism in the processing plants and a "serious shortage" of men to work on chicken catching crews. According to the *Times*, many company owners attributed these problems to "governmental social programs," such as unemployment compensation, welfare, food stamps, and low-cost housing. Another employer blamed the problem not on programs per se, but on the "willingness on the part of many employees to be satisfied with a minimum income level."[47] In a subsequent article, the *Times* editor reported that two Gainesville area plants had annual turnover rates, respectively, of 120-240 and 400 percent.[48]

These problems were confirmed by a study published the following year by the USDA Experiment Station at the University of Georgia (UGA), which had strong links to the Georgia poultry industry. Based on interviews with poultry industry owners, managers, and suppliers, the researchers noted that while the phenomenon of absenteeism and turnover was present in all industries, "it is more severe in the broiler processing plants. Some managers report employing 20 percent more than would be needed for a full crew, yet many days they have to operate with less than 90 percent of a full crew." One answer, according to members of SEPA, was more automation. Ray Burch, of CWT Farms, in Gainesville, a company that specialized in exporting hatching eggs, announced that the trade group would focus more of its research funds on developing "more automation in the production and processing of broilers…"[49] However, the UGA researchers made a point of cautioning that "automation does not automatically solve the problem, it just changes it."[50]

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[45] Text of HB 594—Poultry Capital of the World; designate Georgia. URL: **http://www2.state.ga.us/Legis/1995_96/leg/fulltext/hb594.htm**
[46] "Ga. Named Top Poultry State," *Gainesville Times*, 6 July 1998.
[47] "Emphasis Must Be Placed on Absenteeism Problem," *Poultry Times*, 30 Aug. 1972.
[48] "Emphasis Must Be Placed on Absenteeism Problem," *Poultry Times*, 30 Aug. 1972.
[49] "Tight Labor Plagues SE Broilermen," *Poultry Times*, 17 May 1972.
[50] University of Georgia College Experiment Station, Committee on Automation in the Poultry Processing Industry, *An Evaluation of Poultry Processing: An Indepth Study of Problem Areas Associated with Automation and Resource Utilization in Poultry Processing Plants* (Athens, Ga., 1973), 2.1, 2.4.

It was not only absenteeism and turnover that posed a challenge to the poultry integrators at this point, but the chronic problem of overproduction and consequent low market price for their product. There were several causes of this problem, aside from the inevitable overproduction that accompanies any "free-market" capitalist industry. First, the rate of technological advance in the broiler industry had slowed by the late 1950s, so that additional economies of scale and other efficiencies were less common. Second, the supermarket chain stores, which had become the biggest customer for broilers, had begun to periodically use whole chickens as a "loss leader" to attract customers. This, according to one study done in the 1960s, "caused broilers to flow very rapidly in the low-price weeks, and practically stop movement in the high-price weeks." This "two-price" system, according to industry leaders, was a serious obstacle in the way of achieving price stability.[51]

By the early 1970s, the situation had only gotten worse. "The broiler and egg industries have been learning the same lesson over and over every couple of years for a period of at least the past 20 years," wrote *Poultry Times* editor John Yarborough in May 1972. "So long as the industry chooses to produce with little or no thought given to either price or profits," he added, "the outcome can be expected to be rather dismal." The solution? "Continued curtailment of production," Yarborough concluded, "by the individual firm or operator, is the ONLY hope at this moment for those who wish to stay in the broiler or egg business." In a subsequent editorial, commenting on the proposal to cut production, Yarborough put the point more succinctly: "Heed or bleed."[52] According to one industry observer, however, the "bleeding" continued for the next decade as prices and profits suffered, hitting bottom around 1982.[53]

As production soared and the further mechanization of chicken processing made the job less attractive for those native Georgians who had filled the plants during the 1960s and 70s, North Georgia chicken processors turned to a new source of labor, which large farmers in north and south Georgia had already used for decades: Mexican migrants. After the oil-driven economic "miracle" in Mexico began to fall apart, the 1980s saw a series of economic shocks due to currency devaluations, International Monetary Fund and World Bank "bailouts," and further penetration by U.S. capital due to the North American Free Trade Agreement (NAFTA), signed in 1994. All of this, along with traditional migration from Mexico *al norte*, paved the way for the transformation of

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[51] Sawyer, *The Agribusiness Poultry Industry*, 182. See also Bernard Tobin and Henry Arthur, *Dynamics of Adjustment in the Broiler Industry* (Boston, 1964), on which much of Sawyer's discussion is based.

[52] "Statistics Tell Tale of 1971 Industry Woes," *Poultry Times*, 3 May 1972); "Broiler Production Slash is Imperative," *Poultry Times*, 20 Dec. 1972.

[53] "Over-supply Drives Industry Slump," *Poultry Times*, 27 April 1992.

the poultry industry workforce in the United States, including in northeast Georgia.[54]

In the early 1980s, the number of Latinos in Hall County was roughly equal to the number of blacks in the mountain counties in extreme North Georgia, in the hundreds. Twenty years later, estimates run as high as 50,000. Many of Hall County's Latinos no longer work in the processing plants (*las polleras*) but many originally come to Gainesville for this reason. Their coming has transformed areas of the city into a "Little Mexico." The Atlanta Highway in Gainesville is lined with Mexican-owned businesses. A Mexican migrant in Gainesville can listen to a Spanish-language radio station, read a locally published bilingual newspaper, *Mexico Lindo*, and attend church services *en espanol* at St. Michael's Catholic church.[55]

When anthropologist David Griffith published a study of low-wage labor in 1993, and presented statistics on the growing employment of Mexican migrants in the North Georgia poultry industry, he reported that the average proportion of Latino workers in the processing plants was about 11 percent. Within a decade, this picture has changed dramatically.[56] In 2000, at the Gainesville Fieldale plant, which employed about 350 production workers, Latinos made up about 75 percent of the workforce, according to the plant's Personnel Manager, Rafael Guadalupe. For all of Fieldale's production facilities, which included the plants in Gainesville, Murrayville, and Cornelia, Guadalupe estimated that Latinos made up roughly 70 percent of the total employed.[57] In a recent tour of the Murrayville plant, managers there estimated the total proportion of Latinos in their workforce of some 1500 is about 90 percent.[58]

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[54] Philip Martin, "Mexico-U.S. Migration Three Years after NAFTA," 6 Oct. 1997, *Migration News*; viewed 15 March 2001. URL: **http://migration.ucdavis.edu:80/mm21/PLM10-6-97.html**; Linda Garrett, *Looking for a Better Life: Buscando Una Vida Mejor: Latinos in Georgia: Myths & Realities of the Immigrant Journey* (n.p., 2000)(Also available online at **http://ourneighbors.tripod.com/**).

[55] On the strains that this change has caused at St. Michael's, see "Study: Worship often Separate, Unequal," *Gainesville Times*, 6 March 2000.

[56] Griffith, 151; See also David Griffith, "Hay Trabajo: Poultry Processing, Rural Industrialization, and the Latinization of Low-Wage Labor," *Any Way You Cut It: Meat Processing and Small-Town America*, Donald D. Stull, Michael J. Broadway, and David Griffith eds. (Lawrence, Ks., 1995), 129-151; and Greig Guthey, "Mexican Places in Southern Spaces: Globalization, Work and Daily Life in and around the North Georgia Poultry Industry," *Latino Workers in the Contemporary South*, ed. Arthur D. Murphy, Colleen Blanchard and Jennifer A. Hill (Athens, Ga., 2001), 57-67.

[57] Interview with Rafael Guadalupe, Gainesville, Ga., 1 May 2000.

[58] Field notes on tour of Fieldale Farms plant, Murrayville, Georgia, 24 April 2003.

The Rise of an Export Sector

In their 1964 discussion of the price instability plaguing the poultry industry, Bernard Tobin and Henry Arthur of the Harvard Business School noted "Export packs, necessarily frozen, provide the seller with another alternative to the uncertainties of the daily spot market."[59] Another analyst wrote, given the "economic doldrums" of the late 1950s, exports as a solution to overproduction were "a largely unexplored opportunity."[60] Indeed, as early as the mid-1950s, U.S. poultry exports began to grow, mainly to the six European European Community (EEC) or "Common Market" nations. In the 1950s, the International Trade Development Committee (ITDC) and the Institute of American Poultry Industries (IAPI) both began to lobby heavily for U.S. government support for poultry exports. IAPI set up an office in Frankfort, Germany in 1957.[61]

North Georgia integrators got into the business early. In 1956, for instance, Georgia Broilers, Inc. of Gainesville shipped frozen broilers to West Germany under authority of the Agricultural Trade Development and Assistance Act (also known as Public Law 480 or the "Food for Peace" program). An agreement signed by the United States and West German governments in December 1955 had allowed for $1.2 million worth of frozen or canned poultry products. According to then Assistant Secretary of Agriculture Earl Butz, "The American poultry industry now has an opportunity to introduce its products to the world's largest importers of poultry. This new arrangement could be the basis for establishing a mutually helpful trade between our two countries in a product not previously supplied to West Germany."[62] Georgia poultry industry leaders also eyed markets in Latin America, such as Cuba and Mexico, where small amounts of poultry were already imported from the United States.[63] By 1962, the United States sold 221 million pounds of poultry abroad, roughly 2/3 of this total going to West Germany. This export total represented a six-fold jump from 1958, and in 1962 amounted to 3.6 percent of total U.S. poultry production.[64]

Though this percentage was small, given the narrow profit margins of the industry at the time and the problem of overproduction noted above, exports mattered. This became evident in early 1962 when a full-scale trade war erupted between West Germany and the United States over chicken exports. The genesis of the war was the development of a

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[59] Tobin and Arthur, *Dynamics of Adjustment*, 122.

[60] Ross Talbot, *The Chicken War: An International Trade Conflict between the United States and the European Economic Community, 1961-64* (Ames, Iowa, 1978), 10.

[61] Talbot, T*he Chicken War*, 54.

[62] "West Germans to Enjoy Georgia Broilers Under New Trade Pact," *Poultry Times*, 16 May 1956.

[63] "Cuba—Historical U.S. Poultry Market," *Poultry Times*, 18 May 1956; "Mexican Government Aiding Poultrymen; Potential Great," *Poultry Times*, 25 July 1956.

[64] Tobin and Arthur, *Dynamics of Adjustment*, 29.

Common Agricultural Policy (CAP) by the EEC, specifically Regulation No. 22, which applied to poultry.[65] In January, reports reached Georgia poultry industry leaders that the Europeans were considering raising import barriers. The *Poultry Times* estimated that the new policy "would represent a serious slash in poultry exports."[66] Between January and July, when the new policies were to go into effect, Georgia poultry industry leaders mobilized to pressure the Kennedy Administration in Washington to take a strong stand in their favor. Governors from major poultry producing states, including Georgia's Ernest Vandiver, joined with integrator leaders, such as D. W. Brooks of Gold Kist (owned by the Cotton Producers Association), to meet with Kennedy at the White House in June.[67] Gold Kist had developed a brisk export business by this time. Some 40 percent of its production in Canton, Georgia, in Cherokee County, and in Boaz, Alabama, was frozen chickens, most of which went into export. Its main customers were in West Germany and Switzerland, but it also shipped to Austria, Greece, Hong Kong, Hawaii, Puerto Rico, Bermuda, Kuwait, and Italy.[68]

No doubt, Gold Kist stood to lose by a higher tariff wall, but other Georgia producers would also be affected. Senator Herman Talmadge (D-GA) wrote to the U.S. State Department official negotiating with the West German government to emphasize this point. "In the last few days," Talmadge wrote, "I have received a flood of communications from constituents who are greatly alarmed over the Common Market's announcement..." "Georgia is the largest individual broiler producing state," Talmadge added, "and this increased duty if placed into effect will be disastrous to our poultry industry." Meanwhile, the Georgia Poultry Federation quantified the effect of ending poultry exports from Georgia. According to the group's estimate, if no broilers had been sold abroad in 1960, this would have raised the domestic price for broilers a full cent per pound, thus costing the Georgia industry over $11 million.[69]

After meeting with the combined delegation of poultry industry leaders and governors, Georgia's Governor Vandiver informed the public that "the President was fully aware of the problem and its impact on poultry producing states. I feel certain he will do all within his power to help us."[70] In the following year, the Kennedy Administration carried out a series of negotiations with the EEC. Eventually, the General Agreement

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[65] See Talbot, *The Chicken War*, ch. 2.

[66] "U.S. Poultry Markets in W. Europe Reported Endangered by Mart Stand," *Poultry Times*, 24 Jan. 1962.

[67] For an article which tells the story of Brooks using an extensive collection of photos, see Brian S. Wills, "D. W. Brooks: Gold Kist's Goodwill Ambassador," *Georgia Historical Quarterly* 74 (Fall 1990): 487-502.

[68] "Gold Kist Is Geared Up For Big Trend to Frozen," *Poultry Times*, 6 June 1962.

[69] "Georgia Poultrymen Seek Easing of Export Barriers," *Poultry Times*, 9 May 1962.

[70] Quoted in Talbot, *The Chicken War*, 71.

on Tariffs and Trade (GATT) established a panel to rule on the matter. They determined in late November 1963 that Regulation No. 22 had cost the U.S. poultry industry $26 million and therefore the United States was entitled to raise tariffs an equivalent amount on EEC imports of various products to the United States. The implementation of the decision was delayed because the very next day Kennedy was assassinated in Dallas. In any event, the decision represented a compromise but one insufficient to gladden the hearts of the U.S. integrators. In the words of Lee Campbell, the Washington representative of IAPI, "The U.S. poultry industry didn't get one damn thing out of it."[71]

Perhaps so, but the conflict served to emphasize the importance of exports to the industry, and also to bring to the attention of the American public that there was such a thing as poultry exports. Not surprisingly, jokes about the "chicken war" abounded. One columnist for *Atlantic Monthly* took the occasion to bemoan the effect of industrialized chicken production on the quality of the chicken that the United States was exporting, calling it a "battery-bred, chemically fed, sanitized, porcelain-finished, money-back-if-you-can-taste-it bird." A cartoon accompanying the column portrays chicken being fed into a machine—the "Instofreezo Automatic Food Processor, Packager & Deflavorizer, A Product of the U.S.A." A production executive stands atop the machine, as it pumps out cubes of generic chicken food product, which threaten to engulf the globe.[72]

Though the "chicken war" did seriously lower U.S. poultry exports to western Europe for many years (for example, Gold Kist lost its markets), this event only pushed the industry harder to develop markets elsewhere.[73] In part, the industry built on its previous privately organized exporting activity in Europe, Asia, Latin America, and the Middle East. In addition, the federal government introduced a number of new programs to boost U.S. agricultural exports. In 1985, for instance, the United States Department of Agriculture (USDA) initiated the Export Enhancement Program (EEP), operating under the authority of the Agricultural Trade Act of 1978. This program works with the Commodity Credit Corporation, which holds stock of surplus farm commodities. Companies can compete for a contract to provide specified products to particular countries that the U.S. government selects for food "aid."[74] In fiscal 1979, U.S. poultry exports had grown to $546 million, more than twice the 1962 level. Expanding markets included Egypt, Saudi Arabia, and Iraq, as well as

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[71] Quoted in Talbot, *The Chicken War*, 116.

[72] Charles Morton, "The International Poultry Traffic," *Atlantic* 212 (Nov. 1963): 130.

[73] Wills, "D. W. Brooks," 492.

[74] Foreign Agricultural Service, U.S.D.A., "Summary of Program Activities, 1999." URL: **www.fas.usda.gov/excredits/quarterly/1999/dec-sum.html**

Japan, Venezuela, and the Caribbean.[75] By 1992, exports had reached $1.2 billion, with sales growing to Hong Kong, Mexico, Romania, and Poland.[76] As indicated by the last two nations on the list, the collapse of the Stalinist governments in the Union of Soviet Socialist Republics and Eastern Europe opened up a whole new set of potential markets for U.S. poultry, and as it would develop, a whole new set of problems.

In April 1992, Georgia Senator Wyche Fowler, Jr. (D-GA) met with Sergey Barykin, the sole Russian purchasing agent, to discuss exporting Georgia poultry to Russia. "We stand at a pivotal point in history," Fowler stated. "The United States must step up to the challenge of aiding our former foe as it makes the difficult transition to a market economy." "I want Georgia to be part of this transition," Fowler added. "We have the poultry and other commodities that they need to feed their people now, and we can develop a long-term trading partner at the same time." President Bush had just announced that the U.S. was expanding its "aid" to the Commonwealth of Independent States and Russia alone had at its disposal some $600 in agricultural credits.[77]

The centrality of Georgia to poultry exports during the 1980s and 1990s is indicated by the decision of poultry industry leaders to locate the headquarters for their reincarnated export organization in North Georgia. In 1984, SEPA provided funds to organize the U.S.A Poultry and Egg Export Council (U.S.A. PEEC). Initially located in Tucker, Georgia, it moved in 1992 to Stone Mountain, Georgia, outside of Atlanta, and currently has offices in Tokyo, Hong Kong, Singapore, Moscow, Shanghai, and Mexico City, with consultants in Johannesburg, Seoul, and the Middle East.[78]

By 1995, poultry exports had expanded further to $1.88 billion. The top market was Russia, which imported $310 million in poultry products from the United States. Of their total imports, over 95 percent were in chicken parts, as opposed to the whole frozen bird. In particular, Russian as well as Asian markets, have become the major consumers of U.S.-produced dark chicken meat, which is prized over white meat, unlike in the United States. As of 1996, Russia imported more than 40 percent of all broiler exports from the United States, which translated to 853,000 metric tons of chicken.[79] In the 1990s, the People's Republic of China joined

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[75] "U.S.D.A. Project 33% Rise in 1981 Poultry Exports," *Poultry Times*, 13 July 1981.

[76] "Poultry, Egg Exports Hit Record in 1992," *Poultry Times*, 15 Feb. 1993.

[77] "Georgia Senator Discusses Poultry Exports to Russia," *Poultry Times*, 27 April 1992.

[78] "USAPEEC moves to new headquarters in Georgia," *Poultry Times*, 8 June 1992; USAPEEC, "Welcome to the USAPEEC Homepage." URL: **http://www.usapeec.org/**

[79] "U.S. Poultry and Egg Exports Are Up 37% for 1994," *Poultry Times*, 13 March 1995; "Poultry Exports Predicted to Increase to 20 Percent by Turn of Century," *Poultry Times*, 20 Oct. 1997.

Russia as a growing market for U.S. poultry. This was mainly by re-export through Hong Kong. As of 1999, the United States was the top exporter into China, taking 62.3 percent of the market. Chicken wings and legs tend to stay in Hong Kong, while chicken feet (paws) go onto the mainland, where they are a delicacy.[80] By 1999, total worldwide U.S. poultry exports topped the $2 billion mark.[81] Moreover, of Georgia's total poultry sales for 1997, fully 16 percent of revenue came from exports, which had grown from a small but important slice in the 1960s to a substantial piece of the pie.[82]

Entrepreneurs and Their Companies

Just as Mrs. Wilmer Steele did not single-handedly invent the extensive broiler sales business in the Delmarva Peninsula, it is unfair to attribute the development of the post-World War II poultry industry solely to the big names such as Jesse Jewell, Don Tyson, and Frank Perdue.[83] To further illustrate the process of development from barnyard business to export-oriented agribusiness, it is useful to look at some examples of entrepreneurs who helped mold the North Georgia poultry industry into its current form.

David W. Brooks and Gold Kist. David William "DW" Brooks was born in 1901 in Royston, Georgia, in Franklin County in the northeast portion of the state. Brooks was the youngest son of a furnishing merchant and planter who owned several farms in northeast Georgia, as well as five stores. In a sense, his father represented a world that would have to crumble in order for Brooks to achieve the success he did in the chicken industry. In 1918, Brooks entered UGA to study agriculture and while still in school he formed the Georgia Cotton Growers Cooperative Association in Carrollton, in Carroll County. Brooks then began a promising teacher career at UGA, but left in 1925 to devote himself full-time as supervisor of field operations for his cooperative. The problem was that this was North Georgia in the 1920s, one of the hardest times for cotton farmers.

By 1933, the venture failed, but Brooks, ever the optimist, began yet another cooperative, which was christened the Cotton Producers Association (CPA) in 1934. Later in that decade, the CPA invested in a fertilizer plant in order to supply farmers more cheaply. Then, in the early 1940s, the CPA got into the feed business. The company's first farmer's

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80 Agricultural Marketing Service, U.S.D.A., "China Poultry and the WTO," 23 Nov. 1999, *International Egg and Poultry Review*; URL: **http://www.ams.usda.gov/poultry/mncs/International/x112399.pdf**

81 Dale Colyer, "Poultry and the World Trade Organization," viewed 16 June 2003. URL: **http://cnas.tamu.edu/publications/12Poultry.pdf**

82 "Taiwan Gives Southeast Farmers A Golden Egg," *Wall Street Journal*, 15 July 1998, S2.

83 For a study that puts Tyson in a broader context, see Strausberg, *From Hills and Hollers*.

supply store opened in Gainesville in 1944. Like Jesse Jewell and others, the CPA began supplying chicks and feed to area farmers on consignment. Soon, in addition to Gold Kist, which became its poultry operation, CPA had a feed mill and hatchery, and in 1951 acquired its first processing plant in Holly Springs, Georgia. Gold Kist began its export business to Switzerland in 1957. Brooks also entered the farm insurance field in 1941, and Cotton States Insurance, an offshoot of this venture, still does general insurance business today. Gold Kist became one of the leading exporters of poultry and Brooks witnessed it all, living until the ripe old age of 97. By the time of his death in 1999, Gold Kist had become "the second largest chicken processor in the United States. It has nine divisions, which include 12 processing plants, 19 hatcheries, 12 feed mills, 10 distribution centers and 3 by-product plants. These operations process 14 million birds per week and employ more than 18,000 people." North Georgia processing plants include one in Ellijay (in Gilmer County) acquired in 1972. Brooks is remembered by many in Georgia not only as the man who brought Gold Kist to Fortune 500 status, but also as someone who cared deeply about the problems of ordinary Georgia farmers and a philanthropist who was highly active in the United Methodist Church.[84]

Thomas T. Folger and Dahlonega Feed and Poultry. Thomas Folger was born in North Carolina in 1909 and grew up in the north central town of Dobson, where his father was a Methodist preacher and, like Brooks' father, ran a general store. His mother was a schoolteacher. No doubt due to the heavy indebtedness of its customers, the Folgers' store went out of business in the 1930s. Thomas Jr. had the opportunity to attend college and graduated in the depths of the depression with a degree in poultry science from Ohio State University. He returned to work as a door-to-door sales representative with the Jewel Tea Company until he could reenter school for a Master's Degree. He eventually became a manager with Swift Meatpacking, which had entered the commercial chicken business.

Folger worked in Wisconsin, Minnesota, and Maryland, helping manage hatcheries and eventually "dressing plants." World War II found him back in the south in Gainesville, Georgia as the plant manager for the Swift plant. At this point, Swift was not a fully integrated company. Typically, at this point in the 1940s, a hatchery and feed mill were connected, but processing was the last step to be added. This meant that for a time, there were poultry auctions set up where processing companies would bid on the price of live birds. Nonetheless, supplied by chickens

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[84] Brian Wills, "D.W. Brooks," 487-91; University of Georgia Library, "D.W. Brooks Biography." URL: **http://www.libs.uga.edu/russell/collections/brooks.html**; Gold Kist, "Gold Kist History." URL: **http://www.goldkist.com/company/history.asp**; "Gold Kist Expands Processing Capacity," *Poultry Times*, 20 June 1994; United Methodist News Service, "Philanthropist D. W. Brooks, 'Mr. Methodist,' Dies at 97," 12 Aug. 1999. URL: **http://www.umns.umc.org/99/aug/420.htm**

from Hall County and nearby Lumpkin County, the plant did a booming business during the war. Afterward, the company transferred Folger briefly to the corporate office in Chicago; but in 1948, Folger left the company to start his own business.

For Folger the decision to leave a salaried job with Swift to start his company was an easy one. The reason was simple, he explained: "Money…[y]ou could make money in the chicken business then. Real money. At first you couldn't hardly lose. At first." From 1948 to 1954, Folger joined in a partnership with two prominent chicken growers in Lumpkin County, Lee and Marvin Anderson, a father and son team. They were selling their chickens to Folger when he was manager at Swift, so this relationship naturally turned into a business partnership. They bought a hatchery and feed mill in nearby Dahlonega and in 1954, they incorporated as the Dahlonega Feed and Poultry Company, and because Swift lacked full integration, they sold their chickens to Swift.[85]

By the late 1960s, competitive pressures pushed Folger to move toward further vertical integration. As Folger recalled, "If you didn't own that [a processing plant], you'd be out of business. You couldn't sell chickens unless you had somebody to sell to. And everybody had their own chickens, was getting that way." To get his start in the processing end of the business, Folger bought out a processor, "Shorty" Ellison, who had trouble getting an assured supply of chickens. "He didn't have any way of getting chickens. And he wanted me to sell him all my chickens and go on a deal of some kind. And I just didn't want to do it. Then it come up that he wasn't doing too great at that time and he offered to sell it. And I bought it." Shortly after this, in the early 1970s, Folger financed the construction of an entirely new plant in Murrayville, next door to Gainesville in Hall County. Folger ran this plant for the next 10 years, supplied by his chickens contracted in Dahlonega. His main customers were Atlantic & Pacific (A&P) supermarkets and a major food service company. Finally, in 1983, Folger sold out. As he explains this decision, "Well, I was getting a little old and the chicken business was getting a little rough." The main problem, in his estimation, was simple: "Too many chickens."[86]

Hatfield and Arrendale: Fieldale Farms Corporation

Just as the northeast Georgia contract chicken growers found themselves more and more at the mercy of large integrated companies during this period, the companies themselves went through a process of merger and combination, which left fewer and fewer large companies at the top of the poultry corporate pecking order. It was at the opening of this period, in 1972, for instance, that Joe Hatfield and brothers Lee and Tom Arrendale formed Fieldale Farms Corporation. Hatfield, a Tennessee native, had

[85] Interview with Thomas T. Folger, Sr. Gainesville, Ga., 23 Aug. 2001.
[86] Interview with Thomas T. Folger, Sr., Gainesville, Ga., 23 Aug. 2001.

been a Vice President at Georgia Broilers of Gainesville in the 1950s. In 1957, he bought another company, Gainesville Fryer, and in 1962, sold it to the feed giant, Ralston-Purina.[87] The Arrendales had run their own venture further north in Cornelia, Georgia, in Habersham County, and were also bought out by Ralston-Purina. Oddly enough, 10 years later, in 1972, Hatfield and the Arrendales bought back the Poultry Division of Ralston-Purina and formed Fieldale Farms, with headquarters and a processing plant in Habersham County. It was not a good time to buy into the industry, given the problems with turnover, overproduction, and the like. In fact, Tom Arrendale later recalled that financing the deal was a real problem. "We spent almost four months looking for money," he said. "It seemed as though the lenders weren't interested in a then-faltering industry." Bankers in New York, New Orleans, and Chicago turned them down before an Atlanta bank finally decided to back them. It was Fieldale that, in 1983, bought out Thomas Folger and his Murrayville plant. By the early 1990s, Fieldale was a major player in the national poultry industry. In addition to three standard processing plants, one further processing plant (specializing in chicken products for restaurants and institutional customers), Fieldale operated four hatcheries, two rendering plants, and a gigantic feed mill. At that point, Fieldale employed over 3,600 workers and contracted with some 600 North Georgia chicken growers. Though it competed with even bigger companies, such as Tyson, ConAgra, and Gold Kist, Fieldale found a niche in the export market over the next 10 years, shipping chicken to Africa, Russia, China, and Central America.[88]

According to Hardy "Bo" Coursey, Fieldale's export manager, Fieldale currently exports about 12 percent of its chicken, by tonnage, about 15-20 percent in total sales. Fieldale's total sales in 1999 were $450 million.[89] Most of the exports consist of dark meat and products like chicken paws and wingtips. About 80 percent of the company's export business is direct to customers in target countries, which are primarily wholesale food distributors. The other 20 percent of exports go to trading companies in the United States who buy the product from Fieldale and then bid for CCC bonuses for export. The company has used the EEP, but mainly for help with advertising. Otherwise, Coursey has traveled to Fieldale's top export customer, Russia, six or eight times.[90]

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[87] "Ralston Purina Confirms Its Acquisition of 'Fryer,'" *Poultry Times*, 7 March 1962.

[88] Fieldale Farms Corporation, "Fieldale Background Information," in subject files of *The Gainesville Times*. My thanks to reporter Alvin Peabody for granting me access to this information. See also, "Hatfield Chosen for NPFDA's Lifetime Achievement Award," *Poultry & Egg Marketing*, Jan./Feb. 1995; "Expansion at Murrayville Nearing Completion," *Fieldale Today* 1994; "Poultry Giant is Flying High," *Gainesville Times,* 15 Oct. 2000.

[89] "Poultry Giant is Flying High," *Gainesville Times*, 15 Oct. 2000.

[90] Phone Interview with Mr. Hardy "Bo" Coursey, Fieldale Farms Corporation, Dahlonega, Ga., 9 June 2003.

The McKibbon Brothers and Mar-Jac. Whereas Folger began his work career with Jewell Tea, Marvin and Jack McKibbon began their pre-poultry business careers with another supermarket chain, Piggly Wiggly. In the early 1950s, Jack and Marvin McKibbon owned a number of Piggly Wiggly stores, including in Gainesville where Jack was "one of the city's most popular businessmen."[91] In 1952, after a butcher at McKibbon's Griffin, Georgia store devised a way of butchering chicken entirely by hand, the McKibbon brothers established a small-scale processing operation in the store. In 1955, they moved an expanded, more advanced version of the operation to Gainesville. By 1956, their workers were processing 4,000 chickens an hour. McKibbon Brothers soon became Mar-Jac, Inc. However, in 1959, the McKibbons sold the business to a local farmers' cooperative. According to a *Gainesville Times* article on the company, the McKibbons sold out because they "didn't own chickens and the buying of the chickens to be processed was done on the open market."[92]

A weightier factor in their decision to sell may well have been the fact that Mar-Jac was one of the few processing plants in North Georgia successfully organized by a union. In 1957, organizers for the Amalgamated Meatcutters and Butcher Workmen of North America arrived in Gainesville. Before the sale of Mar-Jac in early 1960, Local 454 of the Amalgamated had won a National Labor Relations Board (NLRB) election at Mar-Jac. The NLRB officially certified the union as the representative bargaining agent on November 17, 1959. According to testimony offered by McKibbon before the U.S. Congress, the union won support by carrying out a secondary boycott of Mar-Jac's customers.[93] Once the company reorganized after the McKibbons left, the new owners promptly attempted to organize a new NLRB vote to decertify the union but in 1962, the NRLB voted against Mar-Jac, arguing that they had not given the new union enough time to bargain for a contract. Indeed, this ruling became known as the "Mar-Jac rule" and is still applied today in labor law. For at least 15 years after the ruling, the union continued to represent workers at Mar-Jac.[94]

Mar-Jac's workers distinguished themselves by successfully winning union representation and the company's new owners won accolades for their export activities. Starting in 1960, the company had begun pursuing exports and in 1962, it received President Kennedy's "E" for Export citation. Mar-Jac poultry products found their way to Europe,

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[91] Warren, 114.

[92] "Veteran Poultryman Watches Some Drastic Changes," *Gainesville Times*, 28 March 1982, 4E.

[93] Sawyer, 209.

[94] "NLRB Rejects Petition For Mar-Jac Union Vote," *Poultry Times*, 11 April 1962; William T. Downey, "The Mar-Jac Rule Governing the Certification Year," *Labor Law Journal* 9 (Sept. 1978): 608-14; Mar-Jac Poultry Co., 136 NLRB 785 (1962).

the Middle East, the Caribbean, and the Far East. According to the U.S. Commerce Department, Mar-Jac used "special marketing techniques" to succeed overseas. These included packaging to conform to local customs, using local weights (kilograms instead of pounds), and using foreign languages in promotion and advertising.[95]

Mar-Jac's connections to the Middle East drew the attention of some wealthy Saudi and Pakistani businesspersons in the early 1980s who were looking for a good investment. In 1984, a group including Dr. M. Yaqub Mirza, of Pakistan, acquired Mar-Jac, as they were establishing the SAAR Foundation in Herndon, Virginia, which according to the *Washington Post*, was named for Sulaiman Abdul Aziz Rajhi, a wealthy Saudi "patriarch," who funded charities, invested in corporations and supported research, "all with a goal of fostering the growth of Islam."[96] From this point on, Mar-Jac expanded its specialty of Halal chicken processing, slaughtering chickens according strict Muslim guidelines.

Exports and Challenges Facing the Poultry Industry Today

Although Georgia poultry companies have come a long way in their exporting activities, a number of serious challenges remain. First, tariff barriers remain, though lowered by GATT, NAFTA, and various World Trade Organization rulings in recent years. For instance, on January 1, 2003, the Mexican tariff on imported chicken was set to fall from 49 percent to zero, based on NAFTA. Mexico is the third largest poultry export market for the United States, after Russia and Hong Kong. However, the previous December, about 3,000 Mexican chicken growers had protested outside the U.S. Embassy in Mexico City to demand a renegotiation of the policy. Farmers blocked highways, bridges, and town squares. They also dumped bags of beans and sorghum in front of the Mexican Senate. As a result, when the day came for tariffs to fall, they did not. Instead, United States and Mexican negotiators reached a deal that allowed the reimposition of a 98.8 percent tariff on U.S. chicken legs until 2004, after which it will drop gradually to zero by 2007. The USAPEEC actually supported the compromise, not wanting to lose the Mexican market for U.S. poultry. Faced with losing the Mexican market, James Sumner, head of USAPEEC commented that "This will just seal the coffin for a lot of companies."[97]

Sumner's reaction is understandable considering that an even bigger crisis facing Georgia chicken exporters in 2002: the Russian ban on U.S. poultry. In March 2002, shortly after the United States had raised

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95 "Mar-Jac Co. Trade Wins `E' Citation," *Poultry Times*, 11 Aug. 1962.

96 "U.S. Trails Va. Muslim Money, Ties," *Washington Post*, 7 Oct. 2002, A1; "Principals [of Sterling Management]." URL: **http://www.sterlingmgmt.com/principals.htm**

97 "NAFTA Deadline Sets Off Squawks," *Atlanta Journal-Constitution*, 1 Jan. 2003, 1F; "U.S. Mexico Reach Chicken Deal," *Atlanta-Journal Constitution*, 24 Jan. 2003, 3F.

tariffs on imported steel from Russia, Russia announced a ban on U.S. poultry, claiming the action was due to concerns about food safety. In response to allegations that Russia was simply retaliating against the United States, and not so concerned about sanitary issues, a Russian Foreign Ministry spokesman said that "There is nothing in common between purely protectionist measures, which bar metal exporters from a number of countries, including Russia, from access to the U.S. market and the purely technical issue of limiting the supply of poultry from the U.S.A. to Russia, which has to do with the observation of sanitary norms and protection of the population's health."[98] Whatever the real cause, Georgia poultry exporters were nervous. Georgia Poultry Federation head Abit Massey pointed out that 8 percent of the state's poultry production went to Russia. Mar-Jac Poultry estimated that it would lose $50,000 if the ban were not soon lifted. In light of this, the company eliminated all overtime and prepared for layoffs. At Fieldale, the company was intensifying its domestic sales efforts, including boosting sales of dark meat.[99] Although the Russian ban was lifted in April 2002, the effects were felt through the remainder of the year. Gold Kist President John Bekkers commented that "This has been a difficult six-week period for the U.S. industry in which product values have fallen below the cost of production, causing operating losses for most processors…[T]he expectations are that the recovery period for export sales and shipments will be gradual, causing higher than normal industry-wide inventory levels and decreased profit margins to last into the summer months."[100]

On top of tariffs and import bans, competition from other poultry exporting countries has given headaches to Georgia poultry exporters. The primary challenge to U.S. exporters is Brazil, which is second only to the U.S. in total production of broilers. In a speech at UGA, Eric Joiner, a former USAPEEC chair, told his audience that Brazil is "blowing the doors off production. They have an incredible ability to grow and harvest soybeans (a chief component in chicken feed). And their plants are first-class. Brazil's exports grew by 38 percent in 2001."[101] Two examples of export markets where the United States and Brazil compete are Russia and Iraq. When Russia banned U.S. imports, Brazilian exporters projected that they could boost their exports to Russia by 20 percent. The head of

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98 Interfax Russian News Agency, "Russia Condemns U.S. Response to Poultry Ban—Foreign Ministry Spokesman," *BBC Monitoring International Reports*, 6 March 2002, Available online through LexisNexis.

99 "Russian Ban on U.S. Chicken Could Hurt Georgia Producers," *Associated Press State and Local Wire,* 14 March 2002; available online through LexisNexis.

100 "Chicken Sales to Russia to Resume but Recovery May Be Slow, Says Gold Kist President and CEO John Bekkers," *PR Newswire* 17 April 2002; available online through LexisNexis.

101 University of Georgia College of Agricultural and Environmental Sciences, "Expert: U.S. Poultry Industry Faces Tough Tests," 17 Dec. 2002. URL: **http://apps.caes.uga.edu/news/storypage.cfm?storyid=1730**

the Brazilian Food Trading Company (BRF), Brazil's leading poultry exporter, said that "if the Russians maintain the ban on U.S. chicken for two or three months, we shall certainly benefit from this."[102]

The United States and Brazil also compete over Iraq. During the 1980s, Iraq was Brazil's biggest chicken market. During the Iran-Iraq War, Iraq purchased up to $150 million worth of chicken products from Brazil. However, the United States also supplied Iraq with poultry during this time, peaking at $58 million worth of chicken in 1987. Iraq was the twelfth largest market for U.S. agricultural exports in 1989. During the latter half of the 1980s, Iraq was the seventh largest subsidy recipient of the Export Enhancement Program. It is tempting to conclude that U.S. poultry exports to Iraq in the 1980s, almost certainly including those from North Georgia, were among the measures the United States took to quietly support Iraq in its war against the armed Iranian revolution.[103] Of course, all of that changed in 1990-91, with the sanctions and then massive bombing campaign led by the United States. According to the USDA, Iraq's production of food had "deteriorated considerably" by 1997. One factor in this was certainly the lack of electricity during the 1991 bombing. Iraq had 8400 electrically run poultry houses. As a result of the blackout, some 90 percent of the chickens, hatching hens, were killed—a total of 106 million birds.[104] After yet another massive bombing campaign in Iraq in 2003, and the establishment of a virtual U.S. protectorate in Iraq, it is likely that U.S. poultry exporters will have a leg up on their Brazilian competitors.

Beyond facing tariffs and intensified export competition, Georgia poultry exporters find themselves inevitably enmeshed in global politics. The connections between international politics and poultry exports became clear to Gainesville residents on March 20, 2002 when six U.S. Customs agents descended on the Mar-Jac processing plant to serve a search warrant to investigate a number of businesspersons with ties to the Middle East, including Yaqub Mirza and Jamal Barzinji, both owners of Mar-Jac, through Sterling Management. Federal agents claimed that these men were connected to Al-Qaeda.[105] According to Mar-Jac Vice-

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[102] Russian News Agency RIA, "Brazil Hopes to Boost Poultry Exports to Russia After Ban on U.S. Chicken," *BBC Monitoring Reports*, 11 March 2002; available through LexisNexis.

[103] Agricultural Marketing Service, U.S.D.A., *International Egg and Poultry Review* 6 (13 May 2003); URL: **http://www.ams.usda.gov/poultry/mncs/International/2003%20Reports/X051303.pdf**; Agricultural Marketing Service, U.S.D.A., *International Egg and Poultry Review* 6 (20 May 2003); URL: **http://www.ams.usda.gov/poultry/mncs/International/2003%20Reports/X052003.pdf**.

[104] Agricultural Marketing Service, U.S.D.A., *International Egg and Poultry Review* 6 (20 May 2003); URL: **http://www.ams.usda.gov/poultry/mncs/International/2003%20Reports/X052003.pdf**.

[105] Daniel Pipes, "The Enemy Within," 15 Feb. 2003, *Capitalism Magazine*; URL: **http://capmag.com/article.asp?ID=2420**.

President Doug Carnes, the federal agents requested company documents and stayed in the plant from 10:30 A.M. to after 5 P.M. For his part, Carnes affirmed that Mar-Jac does contribute to charities like the Salvation Army and Boys and Girls Clubs, but that he did not recognize the names of the Islamic organizations raided elsewhere by federal agents, which were allegedly tied to Mar-Jac. In response to the raids, a spokesman for the Council on American-Islamic Relations said that "The Muslim community is deeply concerned about what appears to be a fishing expedition by federal authorities using McCarthy-like tactics in a search for evidence of wrongdoing that does not exist."[106]

Although no evidence of ties between Mar-Jac and terrorism has been uncovered, the raid certainly did not help the company's image. In the fall of 2002, incumbent Democratic Governor Roy Barnes was running for reelection and accepted a campaign contribution from Mar-Jac. Republican opponent Sonny Perdue "said the donation shows Barnes will take money from anyone." In response, Barnes' campaign manager said he would not return the money to Mar-Jac because if the allegations against them were true, "we shouldn't send the money back to them because of what it would be used for." Likewise, if the charges were untrue, there was no reason to return the money either. In case this logic was unconvincing, Barnes announced that he would give a $5,000 donation to a charity benefiting the families of September 11 victims if the allegations about Mar-Jac were proved true.[107]

As the North Georgia integrators navigate around the obstacles to a successful export business, one additional challenge is their own workers. Further automation in growing and processing and a new source of labor recruitment appeared to be the answer to the problems of turnover and absenteeism in the early 1960s highlighted by *Poultry Times*. The face of the poultry labor force has been transformed and automation proceeds apace. In 2000, for instance, Perdue Farms announced that they were automating the company's chicken catching operations on the Delmarva Peninsula using a "chicken harvester." The machine, which Tyson is now beginning to use in its North Georgia chicken houses in Forsyth County, features a double conveyer belt on wheels, which uses twin rotating cylinders with "fingers" which gently (in theory) push the birds up the moving conveyor belts and into the back of the machine for storage. The trick, of course, is not to kill or injure the birds in the process.[108]

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[106] "Georgia Poultry Company Searched in Terror Probe," 23 March 2002, *Savannah News*; URL: **http://www.savannahnow.com/stories/032302/LOCterrorpoultry.shtml**.

[107] "Barnes Says He'll Return Money If Donor is Linked to Terrorism," 6 Sept. 2002, *Macon Telegraph*. URL: **http://www.macon.com/mld/telegraph/4012167.htm**.

[108] "Perdue Farms to Automate Chicken Catching," 4 June 2000, *AgJournal*. **http://www.agjournal.com/story.cfm?story_id=861**. Interview with Jeff Elzey, 16 April 2001, Cumming, Ga.

Despite the constant advances in processing, growing, and catching technology, however, the integrators cannot dispense with human labor. At Fieldale Farms, for instance, the company at one point invested in deboning technology, which separated the breast meat from the bone. This is a key operation in that breast meat is the most desirable part of the bird, at least in U.S. markets. The problem was, according to Murrayville plant manager David Stevens, that people did the job better. Today, the debone department of the plant is highly labor-intensive, with row upon row of largely immigrant workers, standing shoulder to shoulder, wearing metal mesh gloves and separating meat from bone with extremely sharp knives. From Fieldale's standpoint, the advantage of this process is the quality of the work. The problem, from management's point of view, is that they cannot regulate the speed of the work. Therefore, Fieldale has instituted an incentive pay system. Each worker has a bin, which is weighed at the end of the shift. They are paid a base rate, plus a bonus for anything above a certain total weight. For workers, naturally, the dilemma is that the faster they work, the more they are paid; and yet, the faster they work, the greater the threat of repetitive motion syndrome.[109]

Just as advances in technology do not solve the labor problem, the transformation of the poultry labor force in North Georgia is having unintended consequences for the poultry companies. In Ellijay, Georgia, in mountainous Gilmer County, the Gold Kist plant employs roughly 1,300 production workers, roughly 60 percent of whom are Latino. Many of them are not from Mexico, but from Guatemala. They are Maya people who speak a variety of languages. For a number of months in early 2001, Local 1996 of the United Food and Commercial Workers Union (UFCW), based in Suwanee, Georgia, north of Atlanta, carried out an organizing drive in Ellijay. According to one report, the union focused on issues of break schedules, pay, and respect for immigrant workers. Just days before the election was scheduled, some 1,300 workers were evacuated from the plant due to a spill of sulfuric acid in the plant parking lot. According to the UFCW, some of the chemical leaked into a nearby river. The union called on the company to pay the workers for time lost and it claimed that the spill "raises serious questions about Gold Kist management's inability to protect workers and the community from exposure to the potentially fatal chemical." On May 11 and 12, 2001, workers voted on the question of union representation, with roughly 90 percent voting. The union was defeated 77 percent to 23 percent. Commenting on the vote, Gold Kist Chief Executive Officer John Bekkers said, "We are extremely pleased with the results of the election as well as the turnout. We are glad our employees recognize that we (Gold Kist) care about their welfare, listen to their concerns, and strive to always treat them with fairness and respect."

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[109] Field notes on tours of Murrayville Fieldale Plant, 4 Dec. 2001 and 24 April 2003.

He added "We look forward to working with all our employees to promote a harmonious working relationship."[110]

Although the vote was clearly a defeat for the UFCW, it was remarkable in some ways that a vote even took place. Considering the high proportion of recently arrived immigrant workers at the plant, the relative isolation of Ellijay, and the paternalism D. W. Brooks nurtured at Gold Kist for so many years, a pro-union vote of 23 percent seems impressive. One also has to wonder about the links between the Maya community in Ellijay and the concentration of Maya poultry workers in Morganton, North Carolina, not too far north, who engaged in a battle for dignity and unionization during the 1990s.[111]

Conclusion

In a recent analysis of the interplay between science, technology, and chicken production, scholar William Boyd describes the process by which "the barnyard chicken was made over into a highly efficient machine for converting feed grains into cheap animal-flesh protein." After surveying the measures taken by integrators to "intensify and accelerate the biological productivity of the chicken," Boyd notes both the spectacular successes, as well as the resulting problems: "growing numbers of food-borne illnesses, the spread of antibiotic-resistant bacteria in chicken, beef, pork, and other foods, and the growing animal waste problem." As he writes, the "inherent contradictions of industrial livestock" are like the "proverbial chickens come home to roost." In their efforts to perfect the chicken, that is, the industry is undermining the bird's "own biological foundation." [112]

It may well be that the North Georgia poultry industry, in its efforts to vertically integrate, automate, and expand internationally, all in the search for greater profits, is laying the foundation for its own demise in a much broader sense. More than ever before, chicken growers and processing workers in Iraq, Mexico, China, and Ellijay, Georgia answer to the same big corporations, backed by the U.S. government, in the form of export subsidies and ultimately through military might. It is possible for them to see their common interests across the world's borders, more than ever before. Moreover, every time North Georgia poultry exporters push their low-cost products into the world market, more farmers will be forced off the land, into the cities, to join the ranks of the workers. At the same

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[110] "Gold Kist Employees Nix Union," 17 May 2001, *Times-Courier*; URL: **http://www.timescourier.com/051701/union.html**; UFCW, "Does Gold Kist Care About Worker and Community Safety?" 7 May 2001; URL: **http://www.ufcw.org/press/viewrelease.cfm?id=204**; See also the website for UFCW Local 1996: **http://www.ufcw1996.org/**.

[111] See Leon Fink, *The Maya of Morganto: Work and Community in the Nuevo New South* (Chapel Hill, 2003).

[112] William Boyd, "Making Meat: Science, Technology, and American Poultry Production," *Technology and Culture* 42 (Oct. 2001): 638, 663, 664.

time, as more countries send up tariff barriers to world trade, governments around the world will stoke the fires of nationalism as the answer to employment, declining living standards, hunger, and malnutrition. Whether the chicken growers and workers of the world will unite only time will tell.