

# How Tyson Foods chairman John Tyson made \$600 million by exposing meatpacking workers to coronavirus

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The billionaire heir of Tyson Foods, John H. Tyson, has increased his personal wealth by \$600 million to \$2.2 billion since April.

The vast accumulation of wealth is based upon a staggering loss of life. Tyson's personal wealth rose as an estimated 11,000 Tyson workers have been infected with the virus, more than any other meatpacking company in the United States. The industry has been a central spreader of the virus, with more than 50,000 infections and 250 deaths. Tyson Foods pays its employees an average wage of only \$15.94 an hour, according to the company's website.

Tyson is only one of 2,000 billionaires who have profited enormously from the policy of reopening workplaces which has led directly to mass death. As of this writing, there were 66.7 million confirmed cases and 1.53 million deaths worldwide, and the United States, the world's hotspot, is experiencing the equivalent of a 9/11 occurring every day.

But an analysis conducted by Chuck Collins at the Institute for Policy Studies uncovered that billionaires in the United States have grown their fortune by \$1 trillion since March of this year, a 34 percent increase. This is on top of a \$1.2 trillion rise in wealth for the super-rich last year, according to the 2019 Bloomberg Billionaires Index.

As staggering as this is, Tyson is actually one of the odd men out in this process. The increase in his wealth pales in comparison to Amazon CEO Jeff Bezos, who nearly doubled his net worth to \$200 billion, and to SpaceX and Tesla CEO Elon Musk, whose wealth rocketed from \$24.6 billion in April to \$152.9 billion.

Tyson, meanwhile, has yet to fully recover from his losses in the spring, when the stock market was in free fall and meatpacking and other manufacturers were compelled to carry out limited, temporary shutdowns. Tyson's wealth in October 2019 was \$2.7 billion but in the beginning of the year Tyson took a plunge, dropping off in 2020 from #319 in the Forbes 400 to #1415.

Tyson has managed to rebound, and his personal fortune

recovered especially after US President Donald Trump's invocation of the Cold War-era Defense Production Act in late April, mandating that all meatpacking facilities remain open during the coronavirus pandemic.

Tyson has not merely been a passive beneficiary of the policies of Trump and the political establishment. He has directly intervened to ensure the maintenance of production.

On April 26, Tyson took out a full-page advertisement in the *New York Times* complaining that in "small communities" the company is being "forced to shutter our doors" and threatening food shortages if his company's plants were forced to shut down to control the virus. "The food supply chain is breaking ... [Meatpacking] is as essential as healthcare," Tyson said. "Our plants must remain operational so that we can supply food to our families in America."

The open letter was part of an intense lobbying campaign by the company to prevent or limit lockdown measures, which culminated in Trump's executive order two days later.

The reference to "small communities" in the letter is particularly significant, given that top Tyson leadership, including then-CEO Noel White, personally intervened to prevent local health officials from ordering the shutdown of its massive pork plant in Waterloo, Iowa. According to a recent lawsuit, on April 20 White took part in a conference call with Iowa governor Kim Reynolds, who issued an executive order prohibiting local officials from closing facilities on their own initiative.

Tyson did eventually close the Waterloo plant on April 22 but reopened it little more than two weeks later on May 7. But by then, the company had knowingly lied for weeks to the public and to the workforce about the danger the virus represented, while supervisors privately took bets on how many workers would contract COVID-19. More than 1,000 workers became infected and five died.

Mass infections were by no means limited to the Waterloo

plant. More than half of the workforce at Tyson's pork plant in Perry, Iowa became infected in the spring. At its facility in Columbus Junction, Georgia, 1,300 workers were infected and 2 died. In Camilla, Georgia, another four workers died.

The North American Meat Institute (NAMI) drafted Trump's executive order on maintaining production in the meat industry. White, who holds a position on NAMI's board of directors, issued a statement the following day in which he declared: "And as it is assured, facilities should be allowed to re-open. We are grateful to the President for acting to protect our nation's food supply chain."

After falling by more than half from mid-January, Tyson Foods' share value has partially recovered since March, from a low of \$44.18 to \$69.16 at the close of trading yesterday. On the basis of maintaining breakneck levels of production, as well as a six-fold increase in pork exports to China, where the virus has long since subsided, the company more than doubled its net income last quarter to \$692 million. This is despite a 2 percent fall in sales compared to the same time last year.

Incredibly, Tyson's board of directors also voted last month to raise its quarterly dividends paid out to shareholders by 6 percent, to \$.0445 per share. Many other large manufacturing companies, such as General Motors, have abandoned dividends for the immediate future in order to free up cash to respond to the pandemic. With 365 million shares outstanding, according to [macro-trends.net](https://www.macro-trends.com), this works out to \$16 million paid out to shareholders every three months.

The company is expected to rake in even more for its stockholders with the lifting of lockdown measures by both Democratic and Republican politicians. As lockdown measures relax and restaurants open, market analysts consider Tyson shares a good buy.

That said, the meatpacking industry is still under enormous pressure by investors. The sector is seen as particularly vulnerable to the pandemic and other shocks, including wildcat strikes, due to its still heavy reliance on manual labor.

The long-term solution to this, according to a Resilience360 report which criticized the industry's "overreliance" on manual labor, is for meatpacking companies to "introduce more automation and robotics technology in their supply chain to address labor shortages to mitigate the impact of future crises." In plain language, this means the use of technological advances to lay off whole sectors of the workforce and to enforce brutal speedup, in the manner of Amazon and other hi-tech companies, of those who are left.

Even among the world's billionaires, a polarization is taking place, where Tyson and other billionaires in labor-

intensive sectors are in danger of being left behind in the Wall Street bonanza. According to a report by PriceWaterhouseCoopers, while many, mostly tech billionaires, have profited immensely during the pandemic, "Other billionaires, on the wrong side of economic, technological, societal and environmental trends are becoming less wealthy. Contrast this polarization with most of the past decade, when steady growth and buoyant asset prices lifted billionaire wealth in all sectors. Most of the decade was a time of exceptional prosperity for billionaires regardless of sector, but in the last two years those using technology to change their business models, products and services have pulled ahead. The COVID-19 crisis just accentuated this divergence."

Such concerns are behind the change of leadership at Tyson Foods, which has named Dean Banks, a former executive at Google-parent Alphabet, as its new CEO. Prior to joining Tyson, Banks was a project lead at X (formerly Google X), where he remains an advisor. X is a quasi-secret research facility that excels in the development of automation, e.g., robotics technologies and self-driving vehicles. Banks was also managing partner of SEED Ventures, a group investing in early-stage health care technologies.

The mass infection and death in the pandemic are the result of the fact that the financial interests of John H. Tyson and his fellow super-rich oligarchs have been placed above all public health concerns. To oppose this, the working class must organize itself independently, in opposition to the capitalist policy of mass death, in rank-and-file safety committees, and fight for an immediate shutdown of nonessential production. The trillions of dollars hoarded by the capitalist class must be seized to pay for a massive public health program, including free and rapid vaccinations for every human on earth, and to guarantee workers' wages while they quarantine.



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