The Covid-19 pandemic, which was defeated for the third time in January 2020 after opposition from local governments to block high density housing near mass transit stops, but was overruled by the state government to enact laws that allow the state to promote more transit-centered development.

Governor Gavin Newsom, elected in 2018, promised the state would add 3.5 million housing units by 2025, a goal unlikely to be reached. About 100,000 new housing units were built in 2019, when the state’s median home value was $556,000.

Greenfield and Salinas are getting more housing for H-2A workers. Developer Mike Avila is constructing seven buildings for 800 workers in Greenfield, with two buildings that house four workers per bedroom ready in spring 2021 for H-2A workers employed by Duda Farm Fresh Foods. Avila’s Harvest Moon project off North Davis Road near Salinas will house 1,200 workers in 10 buildings, making it the largest farm labor camp in Monterey county. Avila built the 800-bed Spreckels Crossing for Tanimura & Antle and the 600-bed Casa Boronda for Nunes Company.
McFarland, a city of 15,000 in Kern county, reversed an earlier vote in April 2020 and approved the conversion of two closed state prisons into private, 700-bed immigration detention facilities operated by the Geo Group. Geo, McFarland’s second-largest employer, after the school district, promised McFarland jobs as well as $2 million a year in taxes and fees.

Hispanics are 18 percent of US residents, and 34 percent of those diagnosed with Covid-19. In California, Florida and Texas, as well as states such as North Carolina, the Latino share of people with confirmed Covid-19 cases greatly exceeds the Latino share of the population. Hispanics were 39 percent of California residents, and 57 percent of Covid-19 cases in June 2020. The highest infection rate statewide is in predominantly Hispanic Imperial county, followed by Kings county, which has several meatpacking plants.

Many Hispanics are employed in essential jobs, live in crowded housing, and participate in extended family events, which may make them more prone to get and spread the virus.

Water. The federal government wants to transfer more of the water that flows into the Sacramento-San Joaquin Delta from Northern California mountains to farms and cities in the San Joaquin Valley and southern California, while the state and environmentalists want to keep more water in the Delta to preserve its ecosystem. A quarter of the water arriving in the Delta is used in the Delta or pumped south; three-fourths flows into San Francisco Bay and the ocean.

What is the optimal Delta outflow? Capturing more fresh water before it reaches the Delta in additional reservoirs is costly, and a great deal of water must flow into the San Francisco Bay in order to prevent salt water intrusion. Water managers have tried to preserve a large Delta outflow to prevent salt water intrusion and to preserve the ecosystem, dedicating 10 percent of the total outflow to environmental restoration.

Farmers and other water users want to reduce this environmental outflow toward zero, so that two-thirds of the water flowing into the Delta could be pumped south. The Trump administration in February 2020 signaled its support for reducing the Delta outflow to send more water south.

Budget. California’s unemployment rate, less than four percent in February 2020, rose to 16 percent in May 2020 and is expected to average 10 percent in 2020. Job losses were concentrated in lower wage sectors, including leisure and hospitality and retail.

There were 18 million California workers covered by unemployment insurance in February 2020, and 3.6 million or 20 percent applied for UI benefits during the six weeks between March 15 and April 25, 2020, including 30,000 or seven percent of the 431,000 workers employed in agriculture.

The highest share of UI claimants was in NAICS 71, arts and entertainment, where 45 percent of the 332,000 employees in February 2020 applied for UI benefits, followed by NAICS 71 accommodation and food service, where 34 percent of 1.7 million employees applied for UI. Fewer than six percent of those employed in NAICS 52 finance and insurance and NAICS 55 Management of Companies and Enterprises applied for UI benefits.

In January 2020, the state’s proposed a $222 billion budget for 2020-21 that included new initiatives to provide health care for unauthorized seniors and a $6 billion surplus. By May 2020, the state projected a $54 billion deficit due to $41 billion in lower taxes, $7 billion in increased health care costs for Medi-Cal for 14 million residents in July 2020, and $6 billion in spending on Covid-19. California’s state GDP was $3.1 trillion in 2019.

A revised $202 billion budget in June 2020 could reduce the pay of state employees by 10 percent and funding for higher education unless the state receives federal aid before October 2020. The revised budget preserves most state services for low-income residents, including a new tax break for unauthorized parents with earnings who have children under six.

California in May 2020 began distributing $75 million in state funds to 150,000 unauthorized residents in $500 grants on a first-come, first-served basis. The money was distributed by 12 nonprofits that reported thousands of calls from the estimated 10.6 million unauthorized residents of the state. Foundations have pledged another $50 million to provide grants to another 100,000 unauthorized residents. Applicants must prove they are unauthorized and jobless due to Covid-19.

California has 70 Indian casinos with 60,000 employees; some began to reopen in May 2020 despite state and local instructions to remain closed. The tribes closed their casinos in mid-March 2020 under pressure from the state government, and asserted their sovereignty to reopen.

Population. California surpassed New York as the most populous state in 1962, when there were 17 million residents. During the 1980s, the state’s population increased by over 600,000 a year due to natural increase and net immigration. California gained seven House seats after the 1990 census.
Population growth has stalled. California lost a net 88,000 people in 2019, leaving the state with under 40 million residents, as more US-born people left than arrived. Net immigration is positive, but lower than in the past, so California may lose a House seat after the 2020 census.

Meat and Migrants

Meatpacking was considered an essential business during the coronavirus emergency, so most animal dis-assembly plants expected their employees to work. Meatpacking plants are cold, have many metal surfaces, and are often loud, forcing workers to raise their voices to be heard and contributing to the spread of Covid.

Meatpacking plants, nursing homes, and prisons were three hotspots for Covid-19.

About three-fourths of meatpacking workers are represented by unions, which called on meatpackers to slow line speeds so that workers could be spaced further apart. Some workers staged protests, alleging that the plants placed employees too close together to prevent the spread of the virus. The United Food and Commercial Workers union, which represents 250,000 meatpacking workers, reported that 15,700 meatpacking workers contracted Covid-19 by July 2020, and 76 died.

The Centers for Disease Control and Prevention in July 2020 released a report on 16,000 Covid-19 cases at 239 meatpacking plants in 21 states that found that 87 percent of meatpacking workers infected were racial or ethnic minorities; these minorities were 61 percent of workers. White non-Hispanics are 39 percent of meatpacking workers, and they accounted for 13 percent of Covid-19 cases. The share of workers infected varied from three to 24 percent across plants.

The US has 800 federally inspected slaughterhouses, but the largest 50 account for most US meat production, including 15 that process 60 percent of US pork. Most of the plants owned by Tyson Foods, JBS USA and Smithfield Foods have over 500 employees and are not required to offer paid sick leave. Nonetheless, some began to offer paid sick leave, and some offered bonuses of up to $500 a month to employees who did not miss any work.

Tyson, JBS and Smithfield closed 15 plants in April 2020, reducing the US pork supply by a quarter. Tyson closed its largest pork plant in Waterloo, Iowa after almost 30 percent of the 2,700 employees tested positive for Covid-19, and closed another plant in Storm Lake, Iowa after a quarter of the 2,300 workers tested positive.

Smithfield Foods closed its 3,700 employee Sioux Falls, South Dakota plant that processes 19,500 hogs a day after over 500 workers tested positive; 30 percent of Covid-19 cases in South Dakota are linked to meatpacking plants. Smithfield, which employs 40,000 workers in the US, was bought by China’s WH Group Ltd in 2013 for $4.7 billion. South Dakota was one of five US states that did not issue stay at home orders during the pandemic.

President Trump in April 2020 signed an executive order that deemed meatpacking plants to be “critical infrastructure,” making federal authorities responsible for worker safety in meatpacking plants and barring suits from workers who contract Covid-19 at work. Unions asked meat processors to test all workers before reopening closed plants. Trump’s order allowed the plants to reopen without testing workers.

Meatpackers and many other US employers required workers returning to work to sign liability waivers, promising not to sue if they contracted Covid-19 at work. In some states, essential workers who contract Covid-19 are assumed to have contracted the disease at work, making it easier to obtain workers compensation benefits. Many service firms such as gyms and parks required their customers to sign liability waivers.

Most meatpacking plants reopened after deep cleanings at slower line speeds. As a result, there were too many hogs for meatpackers to process, and hundreds of thousands were gassed. Piglets become market-ready after six months, when they weigh about 300 pounds. Large hog farms are constantly raising new piglets, so they have little extra space to hold market-ready hogs that cannot be processed.

Covid-19 is expected to speed changes underway in meatpacking, especially automation. Tyson Foods employs 122,000 US workers to produce 20 percent of US chicken, beef, and pork, and its Manufacturing Automation Center is developing machines that can recognize differences between animals that are easy for humans to understand.

Chickens are more uniform than beef and pork, but consumer preferences for deboned and skinless chicken has added employees in processing plants. JBS’s Pilgrim’s Pride unit says that its deboning machines obtain 99 percent as much meat as humans. Meat robots must learn how to deal with soft material and variability, which is difficult. European meat plants are more automated than in the US.

Average employment in US food and beverage manufacturing was 1.7 million in 2018, including almost 30 percent in NAICS 3116, animal slaughtering and processing. BLS reported 4,100 establishments in NAICS 3116, average employment of 520,000,
meat consumption is higher only in Argentina. Meat costs 20 to 30 percent less in the US than in Europe, but Covid-19 may raise the cost of processing meat and accelerate automation in meatpacking plants. China consumes half of the world’s pork. The US exports a quarter of the pork it produces, with China the leading destination.

Sales of plant-based meat substitutes jumped in spring 2020 amidst publicity about Covid-19 in meatpacking plants. Increased production of meat substitutes has reduced their prices.

The Rural Community Workers Alliance sued a Smithfield plant in Milan, Missouri on behalf of workers who alleged that Smithfield created a public nuisance by not protecting employees from Covid-19. The suit was dismissed by a federal judge.

Many meatpacking workers are immigrants who live in crowded housing, so Covid-19 outbreaks can spread quickly in families that include a meatpacking worker. Environmentalists have on several occasions won public nuisance suits that allege farming and meatpacking activities polluted the local water supplies.

Residents of most US states were ordered to stay home in mid-March 2020. The unemployment rate surged from 3.5 percent in February 2020 to 14.7 percent in April 2020, fell to 13.2 percent in May 2020, and was 11.1 percent in June 2020.

The unemployment rates of minority and immigrant workers are higher: 10.1 percent for whites in June 2020, 15.4 percent for Blacks, 14.5 percent for Hispanics, and 13.8 percent for Asians. Hispanics are overrepresented among those who work in service jobs that were affected by state at home orders, including as restaurant cooks and hotel maids.

After 128 months, the longest US economic expansion came to an end in February 2020, as the US slipped into recession in March 2020. The US is headed for a record $2 trillion deficit in FY20.

By June 2020, over 40 million jobless workers applied for unemployment insurance (UI) benefits. UI systems are operated by states, which set benefit levels for jobless workers and job-search requirements to continue to receive weekly payments. Since the 2008-09 recession, many states have tightened requirements to receive UI benefits or limited their duration to less than the usual 26 weeks. The share of unemployed workers receiving UI benefits fell from about 35 percent in 2007 to 27 percent in 2019.

The average replacement rate, the share of previous earnings replaced by UI benefits, is about 40 percent across states, so that a worker who earned $1,000 a week receives $400 in UI benefits when jobless. The federal government added $600 a week in pandemic UI benefits through July 31, 2020, equivalent to $15 an hour, so that many jobless workers received as much or more in benefits, $1,000 a week or $15 an hour for a 40-hour week, than they were earning.

Half of US workers earned less than $1,000 a week in the first quarter of 2020. The $600 a week payment was aimed at replacing, through the UI system, 100 percent of the earnings of workers who earned $15 an hour.

Some employers complained that laid off workers did not want to return to work in summer 2020 because UI benefits exceeded their earnings. The median wage of restaurant workers in 2019 was $11.65 an hour or $466 a week, which was less than UI benefits. Some laid-off workers cited fears of contracting the virus as the
reason they did not return to work. In some states, employers reported workers who refused to return to state UI authorities, which cut off their UI benefits.

How many of the jobs lost during the lockdown will disappear? Fears of contracting the virus through personal interaction and requirements for social distancing may reduce the need for service workers in many industries. By some estimates, up to half of the service workers who were laid off during the shutdowns may be replaced by automation or outsourcing and not recalled.

Social-distancing directives that increase the cost of hand labor are combining with ever more flexible and cheaper robots to speed automation in warehouses and stores. Robotic cleaners and self-checkout in stores are expected to spread rapidly.

Foreign-born
The unemployment rate of foreign-born workers was 3.1 percent in 2019, lower than the 3.8 percent rate of US-born workers. The 28 million foreign-born workers in 2019 were 17 percent of the 164 million strong US labor force. Half of the foreign-born workers were Hispanic, and a quarter were Asians.

As in previous years, foreign-born men had higher labor force participation rates than US-born men, 78 percent compared to 67 percent, while foreign-born women had lower participation rates, 55 percent compared to 58 percent. Foreign-born workers earned an average $800 a week in 2019, compared with $940 a week for US-born workers.

The foreign-born workforce is more male, younger and less educated. Over 20 percent of foreign-born workers did not complete high school in 2019, compared to four percent of US-born workers. About 39 percent of the foreign born, and 42 percent of the US born, had at least a bachelor’s degree.

CARES
In March-April 2020, Congress approved $3.7 trillion in coronavirus aid. The CARES Act provided payments of $1,200 per adult and $500 per child, but only to families in which all members have valid Social Security Numbers, prompting suits on behalf of US citizen children with unauthorized parents and US citizen spouses with an unauthorized partner.

As Congress considered another aid package for state and local governments in May-June 2020, there was controversy over the first aid packages. Some Democrats decried the large publicly traded corporations that received benefits, while some Republicans worried that the extra $600 a week of UI benefits would reduce incentives to work.

Republicans oppose federal aid to states with large public employee pension deficits, and they want to protect essential businesses that remain open from lawsuits filed by workers who get sick. Business groups want limits on liability for allowing the virus to spread, for informing co-workers if a worker gets sick, and for manufacturing new items such as personal protective equipment.

Under the proposed Republican liability shield, employers who follow federal and state safety guidelines would be shielded from worker suits. Some states enacted laws shielding health-care facilities that follow guidelines from worker lawsuits.

H-1B
DOL certifies almost all employer requests for H-1B visas, but USCIS adjudicates employer petitions for particular foreigners to fill jobs that normally require a college degree. USCIS denial rates for these employer petitions are rising, from six percent in FY15 to over 20 percent in FY19, in part because some USCIS adjudicators believe that employers cannot require college degrees for particular jobs. The foreigners for whom employers are seeking H-1B visas often have Master’s or higher degrees; critics say that the H-1B program allows employers to cheaply hire highly qualified workers.

Universities
Some four million people are employed by the 4,000 two-year and four-year US public and private colleges and universities, educating about 20 million students and generating $650 billion in revenue in 2016-17. Due to the coronavirus, the enrollment of foreign students is expected to drop by 25 percent in 2020-21, and many US students may elect to stay home.

There were 1.1 million foreign students in the US in 2018-19, including 60 percent from four countries:
Farm Workers

California: Covid-19

California farmers faced higher labor costs and lower revenues due to Covid-19. Employers are required to have Injury and Illness Prevention Programs (IIPPs). The state’s Division of Occupational Safety and Health known or Cal/OSHA in April 2020 instructed farm employers to update their IIPPs to include policies to prevent the spread of Covid-19 and to designate someone to assess and mitigate hazards, investigate illnesses and keep records.

Most farm employers encouraged and required sick employees to stay home, installed more handwashing facilities and reminded workers to use them, and implemented physical distancing while working and during breaks. Some growers already require their employees to wear hair nets to enhance food safety, and some provided personal protective equipment to prevent the spread of the virus. Transportation providers often made several trips with their buses and vans in order to allow riders to spread out.

Prices for many commodities fell as consumers made fewer trips to supermarkets and bought less fresh produce. Sales of packaged salads and berries fell, as did grower prices of these commodities. Exports dropped due to lockdowns in other countries and the strong dollar, depressing commodity prices.

During the first three months of the pandemic, relatively few farm workers got Covid-19. However, in June 2020, over 85 percent of the 216 H-2A workers at the Villa Las Brisas housing complex that housed nine workers per room in Oxnard operated by Reiter Affiliated Companies tested positive for Covid-19.

Taylor Farms, which has 5,000 employees in the Salinas area, reported in April 2020 that only one worker tested positive for the virus. Many farm employers noted that food safety protocols already in place require frequent handwashing. Farmers whose employees did not report to work said the major reason was that absent employees were in high-risk groups.

State. Governor Gavin Newsom issued executive order N-51-20 in April 2020 that requires employers of food-sector workers with 500 or more employees to provide two weeks of paid sick leave to their employees. The federal Families First Coronavirus Response Act already requires employers with fewer than 500 employees to provide paid sick leave to employees.

Newsom on May 7, 2020 signed executive order N-62-20 that presumes essential workers who get Covid-19 contracted it on the job, which makes them eligible for workers’ compensation benefits. Employers can try to prove that their employees did not contract Covid-19 on the job.

Newsom’s order is retroactive to March 19, 2020 and lasts for two months. California employers paid almost $19 billion in Workers’ Compensation premiums in 2019; the extra cost of Newsom’s order may cost state employers perhaps $11 billion in additional premiums, depending on how many workers get sick and receive benefits. In March-April 2020, about 20 percent of those applying for WC benefits due to Covid-19 were hospitalized.

Assembly member Eduardo Rivas introduced the five-bill California Farmworker COVID-19 Relief Package in April 2020 to assist farm workers and farm employers during the Covid-19 pandemic. AB 2915 would expand state-mandated paid sick leave, provide supplemental hazard pay to farm workers, and offer subsidies to those who care for farm worker children. This bill would also fund outreach campaigns to inform farm workers of how to protect themselves from COVID-19.

California currently requires three days of paid sick leave for all workers, including farm workers. AB 2915 would expand paid sick leave to two weeks.

AB 2956 would grant tax credits to farm employers who pay overtime wages to farm workers; AB 2614 would improve telehealth services in rural areas; AB 3144 would streamline the approval process for smaller housing developments; and AB 2165...
would expand the availability of electronic filing to access state trial courts. The overtime tax credit could increase the supply of farm labor. If farm employers receive a state tax credit for the overtime wages they pay, they are more likely to pay 1.5 times usual wages for work in excess of nine hours a day and 50 hours a week, which would help to stretch the current workforce.

Piece Rates. Many employers pay piece-rate wages to workers whose effort is difficult to monitor, as when apple pickers earn $25 per 1,000 pound bin of apples picked. Piece rates are normally set so that the average worker earns more than the minimum wage, which gives workers an incentive to work faster.

Workers are entitled to paid rest breaks, and courts in California, Washington, and other states have ruled that workers paid piece rates must receive their average hourly earnings for these rest periods. Previously, many employers simply divided total employee earnings by the number of hours worked and, if the average hourly earnings exceeded the minimum wage, they did not provide piece-rate workers with extra compensation.

There are many piece-rate wage systems, including group piece rates that provide an hourly base wage and a bonus if a crew of workers exceeds a base level of production. Tanimura & Antle was sued by a group of workers in April 2017 who alleged that the hourly wage plus group bonus system was a piece rate, and that all crew members should have been paid the hourly wage plus bonus for rest periods.

T&A pay stubs listed each employee’s hourly wage and the worker’s share of the group bonus separately, but T&A convinced two courts that it was not paying piece-rate wages because the amount of the group bonus was not based solely on their units of production. Attorneys for 5,000 affected workers over several years appealed to the California Supreme Court in May 2020.

Strawberry pickers at Rancho Laguna Farms in Santa Maria received an increase in their piece rate from $1.60 to $2.10 a flat in June 2020 after a strike by some of the 600 workers. Some employees did not return after the strike, prompting a charge with the ALRB that they had been retaliated against for going on strike.

Cal/OSHA issued regulations in June 2020 requiring from three to 10-foot candles of light for night work in agriculture. Three-foot candles are required for rest areas, five for normal work, and ten for tasks that require sharp tools such as knives.

ALS. The Agricultural Labor Survey reported that US farmers hired almost 700,000 workers directly during the second week of April 2020 and paid them $15 an hour. Over 83 percent of these directly hired workers were expected to be employed on the responding farm 150 days or more, and they worked an average 40 hours a week. California employers reported 145,000 directly hired workers, including 88 percent they expected to employ more than 150 days. These 150-and-more day workers average 39 hours a week and $17.50 an hour in April 2020.

US farms with sales of $1 million or more employed 60 percent of directly hired US farm workers in April 2020. Half of directly hired US workers were employed on “other crop” farms, a seventh on field crop farms, and almost 40 percent on livestock farms. Some 30 percent of directly hired workers were employed on US farms with 51 or more farm workers. The ALS does not include data on workers by size of farm for states and regions.

The ALS collects data on employment and wages by SOC. The largest group in April 2020, 270,000 or 40 percent of all workers, were SOC 45-2092, crop, nursery or greenhouse workers. Their average hourly wage was $14 an hour.

Florida, Southeast

Immokalee in southwestern Florida emerged as a Covid-19 hotspot in June 2020 after 900 of 2,500 people tested, 36 percent, were found to be infected. Some of the workers based in Immokalee travel north for the summer months, harvesting crops along the eastern seaboard. These migrants could spread the virus.

Lake Worth, Belle Glade, and other cities with large numbers of farm workers were also hotspots for Covid-19. Florida Governor Ron DeSantis said in June 2020 that Covid cases were “overwhelmingly Hispanic farmworkers,” drawing widespread criticism. DeSantis said 90 percent of the 100 workers on a watermelon farm in Alachua County tested positive.

Florida produces tomatoes between October and June, including mature green round tomatoes and smaller grape and cherry tomatoes. Some 26 million 25-pound boxes of round tomatoes were shipped in 2018-19, continuing a downward trend in Florida tomato shipments from 38 million boxes in 2011-12. Grower prices are typically $15 to $20 a box between October and February, and decline toward $10 a box as the season winds down in the spring.

Plum, grape, and cherry tomatoes added about 30 percent to Florida’s round tomato shipments, making total shipments 40 million 25-pound equivalent boxes in 2018-19. The 98 million 25-pound equivalent boxes of tomatoes imported from Mexico in 2018 are mostly vine-ripened and preferred by US consumers.
If 40 million boxes of Florida tomatoes had an average grower price of $20, reflecting the fact that non-round tomatoes are more valuable, tomato revenues are $800 million a year for a billion pounds of tomatoes. At two cents a pound for picking, labor costs are $50 million.

The Coalition of Immokalee Workers has for two decades worked to improve wages and working conditions for workers who pick tomatoes and other vegetables. By organizing boycotts of the fast-food chains that buy many of Florida’s round tomatoes, the CIW persuaded restaurants and supermarkets to sign onto its Fair Food Program that adds a penny a pound to the piece-rate wage for picking round tomatoes and makes Florida’s seven major tomato growers responsible for compliance with labor laws on their farms.

The CIW had $2.8 million in revenue in 2017, almost all from grants, to advocate on behalf of farm workers. There were no elections on the farms participating in the Fair Food Program to determine whether workers wanted the program, and the CIW does not have a leadership elected by the workers it represents.

Most Florida tomatoes are not picked under the Fair Food Program, so workers receive the FFP bonus piece rate only on a part of their production. The piece rate in 2010 was $0.50 per 32-pound bucket for mature green round tomatoes and $3.75 per bucket for grape tomatoes.

Workers at one farm picked an average 22 buckets of mature green tomatoes per hour and 2.7 buckets of grape tomatoes an hour. There was significant variance in worker productivity: some workers averaged 10 or fewer buckets of mature greens per hour, while others averaged 40 or more buckets per hour, a ratio of four to one between the most and least productive workers.

A study of 800 workers found average earnings of $11 an hour in 2010 for picking mature greens and $10 an hour for picking grape tomatoes, when the Florida minimum wage was $7.25 an hour. Over the 40- to 50-day harvesting season, workers earned an average $1,450 or $290 a week, and received a seasonal bonus of $115 for the share of tomatoes that were picked and sold to buyers participating in the CIW’s Fair Food Program. The FFP bonus added eight percent to earnings, with faster pickers gaining a larger share of bonus payments. Most of the tomatoes picked on the sample farm were not purchased by FFP buyers.

**Georgia**

Reyes Quality Berry Farm of Poulan was debarred from the H-2A program in spring 2020 for three years and ordered to pay $47,675 in back wages to 32 H-2A workers. Reyes did not provide work for three-fourths of the contract period, and provided WHD investigators with false records.

Bland Farms in southern Georgia, which uses H-2A workers to harvest Vidalia onions, in spring 2020 organized workers into groups of 15 that lived and worked together and did not interact with other crews of 15 workers to minimize the spread of Covid-19. Many farm employers’ groups workers into crews and prohibits them from interacting in order to limit the spread of Covid.

Seven US states did not order their residents to stay home in March and April 2020. Georgia was among the first states that had ordered residents to stay home to reopen in April, 2020, after 19,000 Covid-19 cases and 800 deaths. Georgia has 10 million people, and 1.1 million applied for unemployment benefits in March-April 2020.

**Michigan**

H-2A workers employed at Four Star Greenhouse in Carleton charged that they were underpaid between January and July 2018. The workers were recruited by Vasquez Citrus & Hauling of Lake Placid, Florida to work in North Carolina in 2017. They were transferred to Four Star in Michigan after their North Carolina jobs ended early in 2018, even though Vasquez did not obtain new H-2A visas for the workers to be employed at Four Star.

Vasquez did not pay the workers’ wages in Michigan, prompting them to complain. Vasquez turned the complaining workers over to immigration authorities, and they were deported to Mexico. DOL debarred Vasquez from the H-2A program in 2018 for three years. The workers in June 2020 sued Four Star, even though the Vasquez-Four Star contract said that there was no joint employment relationship, alleging that the greenhouse should have been aware of Vasquez’s violations and was jointly liable with Vasquez to remedy them. Vasquez was fined $22,000 in 2016 after a bus crash that killed six H-2A workers being returned from Michigan to Mexico.

Migrants from Florida and Texas, mostly US citizens, migrate each year to Michigan and other Midwestern states to harvest fruits and vegeta-
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South Dakota
Strehlow Bees of Kadoka paid $467,000 in back wages to 36 US and H-2A workers and civil money assessments after DOL found that the Strehlow paid a lower wage than it promised in its job order, did not disclose all of the worksites, where H-2A workers were employed and failed to advertise for US workers as required. Strehlow’s H-2A workers were from South Africa and Nicaragua.

Louisiana
Louisiana has 480,000 acres of sugar cane in the southern part of the state that produce 14 million tons of cane a year, or 20 percent of US sugar from both cane and beets. Most of the state’s 11 sugar mills rely on H-2A workers to plant sugar cane and to operate harvest equipment during the 100-day October to January harvest. DOL has been reluctant to allow sugar mills to use H-2A workers to drive harvested cane from fields to mills; cane must be ground quickly after harvest.

Tennessee
Henderson Farms in Evensville tested its 200 H-2A workers in May 2020 and found that all had Covid-19, even though only three had symptoms. The employees continued to work, and did not leave the farm.

New Jersey
An estimated 22,000 workers, many of whom are from other states, work seasonally on New Jersey farms. In March, April, May and June, some 3,900 farm workers were tested for Covid-19, and five percent were positive.

The 1,300-acre Atlantic Blueberry Company in Hammonton is the state’s largest producer of the most valuable crop; New Jersey’s blueberries were worth $62 million in 2019. Atlantic harvests blueberries by hand and machine.

Maine
Lobstermen caught a record 132 million pounds of lobster in 2016 worth $540 million in 2016, but the price dropped as the trade war with China intensified and China imposed tariffs. In 2019, about 100 million pounds of lobster worth $485 million was caught. The catch and price are expected to be lower in 2020, as fewer than the usual 30 million tourists are expected to visit Maine and Chinese tariffs continue.

Nevada
Peri & Sons harvests 400 million pounds of onions in August-September in Mason Valley, Nevada, and partners with the Nunes Company to produce 65 million pounds of fresh vegetables in California each year. Peri hires 1,400 H-2A workers. The Adverse Effect Wage Rate (AEWR) that must be paid to H-2A workers rose 20 percent between 2018 and 2019, prompting Peri to sue in a bid to save an estimated $4 million in extra labor costs. A federal judge dismissed the suit.

Oregon
Worker advocates petitioned the state’s OSHA agency to increase protections for farm workers due to Covid. Farmers say that the safety precautions that are already in effect protect farm workers. There is a shortage of housing in the Columbia River Gorge, which has two-thirds of the 8,600 beds for temporary farm workers to harvest cherries and pears. Orchard View in The Dalles said that many of its harvest workers were families who live in family housing.

Beginning May 11, 2020, farm employers must keep unrelated employees at least six feet apart during work activities and breaks, and must keep beds six feet apart in farm worker housing, which means using only one bed in bunk beds. Farm employers must have one toilet for each 10 workers, down from one for each 20 workers, and sanitize them at least three times a day.

Washington
Several labor organizations, including Familias Unidas por la Justicia and the United Farm Workers, sued the state Departments of Health and Labor & Industries in April 2020 to encourage these agencies to issue emergency regulations to protect farm workers from Covid-19 after half of the 70 workers in a Stemilt farm labor camp tested positive.

Washington has 90,000 peak seasonal farm workers, including 20,000 with H-2A visas who are housed by their employers. Growers provide at least 31,000 beds for seasonal workers that are inspected by the state, most in dorms with bunk beds.

Unions wanted the top bunks left empty in farm worker housing, which would halve the number of workers who could be housed. Instead, state agencies in May 2020 allowed both bunks to be used if bunks were at least six feet apart and workers were isolated in groups of up to 15 as they work, travel, and sleep together. Employers must provide their employees with PPE, and isolate any group that includes someone who tests positive for Covid-19.

Some fruit-packinghouse workers went on strike in spring 2020 to protest what they considered unsafe working conditions and to demand extra hazard pay of $1 to $2 an hour. The Yakima Health District inspected the apple packinghouses and concluded that they were taking adequate protective measures to avoid the spread of Covid-19.
In July 2020, Covid-19 was spreading rapidly among field workers in Yakima, when 20 percent of the almost 7,500 Covid-19 cases in the county were among farm workers. Some growers tried to isolate their farm workers from Covid by arranging for them to visit supermarkets when they had few other customers, or having a few workers shop for all of the workers.

There were 34 million bushels of fresh apples in cold storage on June 1, 2020, including almost a third of the Red Delicious variety. Washington produces two-thirds of US apples, and expects a bumper crop in 2020, which may put downward pressure on apple prices.

Alaska
An influx of workers to staff summer resorts and fishing boats increased the number of Covid-19 cases. Some five billion worth of wild seafood is caught and processed in Alaska each summer, most seasonal workers are from the lower 48 states and guest workers who live in dorms and other crowded housing while in the state.

Cordova, the 2,000-resident city at the mouth of the Copper River, tried to test all newcomers for Covid-19 and trace the contacts of those with the disease. Health officials urged that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled that the salmon fishing season in Dil-lingham on Bristol Bay be canceled.

The United Farm Workers replaced the International Association of Machinists and Aerospace Workers at the Foster Poultry Farms in Livingston in 2017. In July 2020, the NLRB held an election to determine if the 2,400 employees wanted to decertify the UFW.

The UFW's reported 7,500 members in its 2019 LM-2 filing, down 17 percent from 8,700 members in 2018. The UFW reported 10,300 members in 2013. Since 2000, the UFW reported a high of 27,000 members in 2000 and a low of 4,300 members in 2011.

Between 2010 and 2019, the UFW reported an average 7,700 members. Receipts averaged $7.5 million a year, and disbursements $7.6 million a year. UFW assets averaged $41 million.

The UFW's Robert F Kennedy Farm Workers Medical Plan reported $22 million in revenue in 2017, down from $23 million in 2016. The average employer contribution to the RFK was about $2.20 per hour, suggesting 11 million hours worked on farms with the RFK health care plan in UFW contracts, or 5,500 full-time (2,000 hour) equivalent workers.

ALRB
A panel of the Ninth Circuit Court of Appeals ruled in 2019 that the ALRB’s access rule that allows union organizers to enter employer property and talk to farm workers about their union rights is constitutional; Cedar Point Nursery had challenged the access rule as an unconstitutional taking of private property. In April 2020, the Ninth Circuit refused to have all judges consider Cedar Point’s appeal, drawing a dissent from eight of the 29 judges.

Proposition 64 legalized recreational marijuana use after January 1, 2018 amidst expectations that the legal cannabis industry would supplant the largely illegal industry and generate tax revenues for state and local governments. This has not happened. California growers produce about 16 million pounds of raw dried marijuana flowers a year, and send 13 million pounds or over 80 percent out of the state. Of the three million pounds sold in California, 80 percent is sold in the unlicensed market.

The average wholesale price of medical marijuana was $1,200 a pound in 2020, and ranged from $850 a pound for marijuana grown outdoors to $1,800 a pound for marijuana grown indoors; greenhouse-grown marijuana was worth $1,200 a pound. About 60 percent of the state’s marijuana is grown outdoors, and over 70 percent is grown north of the Sacramento-San Francisco corridor.

Growing marijuana requires farm workers, and they were granted special rights under Prop 64 and its implementing regulations. Tending and harvesting outdoor marijuana plants requires about 20 hours of labor per pound of dry bud produced, and trimming marijuana flowers to obtain the buds requires 10 hours per pound, for a total of 30 hours per pound. At $15 per hour, labor costs are $450 per pound of dried leaves; at the average grower price of $1,200 a pound, labor costs are 38 percent.

Most trimmers are paid-piece rate wages per pound of leaves trimmed, and many earn $15 per hour trimming outdoor-grown marijuana in Northern California. Some growers pay their workers in-kind, with marijuana buds.

Many Northern California trim workers are family groups from Asia and Eastern Europe whose members aim to earn $200 to $600 a day trimming marijuana leaves. In Coastal California, where more marijuana is grown in greenhouses, wages are typically $20 an hour and farm workers are often ex-field workers who were born among employees.
in Mexico. Up to 100,000 people may be employed in the state’s cannabis industry sometime during the year.

Workers on cannabis farms are protected by the state’s labor laws, including the Agricultural Labor Relations Act that gives farm workers the right to organize and bargain collectively with farm employers. Under a unique labor peace provision, AB 1291 requires marijuana growers with 20 or more employees to sign a neutrality agreement with a union trying to organize employees within 60 days of a request. Employers and unions in cannabis, but not in other commodities, may negotiate collective bargaining agreements without an election to determine if workers want to be represented by a particular union. California’s 2020-21 budget includes $9.6 million to create an 87-person police force to enforce the state’s cannabis regulations.

Unions

Unions organized protests around the US May 1, 2020, Labor Day in most countries, to protest unsafe working conditions and to demand extra pay for essential works during the pandemic. Some city councils required businesses that lease city-owned land to continue contributing to health insurance premiums for laid off workers and to recall laid-off workers by seniority.

As their members were laid off and stopped paying dues, unions furloughed their own staff.

Some unions seeking NLRB-supervised elections in April-May 2020 accused employers of laying off union supporters and attributing the layoffs to the effects of the coronavirus. There were several cases of Amazon warehouse employees being laid off after complaining of poor working conditions. Some employers hired consultants who warned employees of the dangers of trying to unionize in periods of high unemployment.

The death of George Floyd on May 25, 2020 at the hands of Minneapolis police unleashed protests across the US. The Triumph of Injustice book estimates that the US spends twice as much federal, state, and local monies on police, courts and prisons, two percent of national income, than is spent on the major welfare support programs including TANF, SNAP, and SSI, one percent.

US spending on police rose during the war on drugs in the 1980s and 1990s, while spending on welfare fell after reforms in 1996. Many cities spend 30 to 40 percent of their budgets on police, including for active police and retirees.

Most police officers in major urban areas are represented by unions, many of which protect their members from charges of lying and unlawful conduct. Police unions donate to political campaigns, and their endorsements are often sought by candidates. In return for support, unions demand high bars to fire officers and restrict public access to disciplinary records.

New York City has the largest city police force, 24,000 officers and a budget of $6 billion a year. Some cities, responding to calls to “defund the police,” voted to restructure their forces and, in some cases, substitute county for city police forces.

IMMIGRATION

COVID-19 AND IMMIGRATION

President Trump on April 22, 2020 signed the Proclamation Suspending Entry of Immigrants Who Present Risk to the U.S. Labor Market During the Economic Recovery Following the Covid-19 Outbreak, which bars some immigration to the US for 60 days. Most US consulates abroad had already stopped offering the mandatory interviews required to receive immigrant visa when the proclamation was issued.

Trump’s proclamation exempts immediate family members of US citizens and other foreigners who are already in the US, that is, the proclamation primarily affects foreigners who are outside the US and seeking to immigrate. The proclamation could affect a quarter of the almost 100,000 legal immigrants “admitted” each month.

Most immigrants are already in the US when they are “admitted.” In FY19, USCIS adjusted the status of 580,000 foreigners already in the US by granting them immigrant visas, and DOS issued 460,000 immigrant visas to foreigners abroad. Those whose entry is blocked include family members of immigrants waiting to enter the US and the adult brothers and sisters of US citizens seeking to immigrate.

Guest workers arriving under the H-1B, H-2A, and H-2B programs were exempt from the April 2020 proclamation. Restrictionist groups criticized the decision to allow the entry of guest workers, prompting a June 2020 Executive Order that banned the issuance of new H-1B, H-2B, J-1, and L-1 visas until December 31, 2020. The June 2020 order could prevent 525,000 additional foreign workers from entering the US.

The purpose of suspending guest worker entries is to open up jobs for US workers. However, foreign students were exempted and, after graduation, they can be hired by US employers as H-1B workers. Major US tech firms such as Microsoft hire foreign graduates of US universities with H-1B visas, while Indian
outsources such as Infosys bring foreign workers from India with H-1B visas.

Farm and other food system workers were deemed essential and expected to continue to work during the pandemic. Foreign H-2A farm workers were also considered essential, as were food-service H-2B workers. Special arrangements were made to ensure that they could continue to obtain work visas abroad even as normal consular operations were suspended.

The fact that the H-2A program expanded as the US unemployment rate topped 14 percent in April 2020 suggests that the government sees little hope of persuading jobless US workers to fill seasonal farm jobs. There are many reasons, including US workers who want year-round jobs that offer upward mobility and farm employers who have become accustomed to experienced and hard-working guest workers.

Biden, Presumptive Democratic presidential nominee Joe Biden came under pressure from immigration rights activists to condemn the Obama administration strategy of increasing deportations in order to win Republican support for legalization. A Comprehensive Immigration Reform Act was approved by the Democrat-controlled Senate in 2013 that included a path to legalization for most unauthorized foreigners in the US as well as more funding for border walls and fences, but was not considered by the Republican-controlled House.

The US has 44 million foreign-born residents, including 21 million who are naturalized US citizens and 11 million who are unauthorized. Over three million unauthorized foreigners were deported during the eight-year Obama administration.

Biden promised to propose a path to legal status for unauthorized foreigners on his first day in office, and promised to invest $1 billion a year in Guatemala, Honduras and El Salvador to tackle the root causes of migration. Biden has not agreed with advocates who want to eliminate criminal penalties for entering the US illegally or to abolish ICE.

With Biden focused on winning swing states such as Pennsylvania, Michigan and Wisconsin, some migrant advocates fear that he will not be sufficiently generous to the unauthorized in order to win white working class votes in these states.

DACA
The US Supreme Court in June 2020 ruled 5-4 that the Trump administration did not follow proper procedures to end the Deferred Action for Childhood Arrivals program. DACA was begun in 2012 by President Obama to protect from deportation unauthorized foreigners who arrived in the US before the age of 16, and who graduated from US high schools.

Some 650,000 unauthorized foreigners had temporary work and residence permits in summer 2020. The Supreme Court’s decision reduces the pressure on Congress to develop a legislative fix for so-called Dreamers. The Development, Relief, and Education for Alien Minors Act (DREAM) failed in Congress in 2001, 2007, and 2011.

New regulations announced June 11, 2020 make it harder for foreigners to apply for asylum in the US. Under the 1951 Geneva Convention, the US and 144 other governments have pledged not to return foreigners to their countries of citizenship if they have a well-founded fear of persecution there due to their race, religion, nationality, membership of a particular social group or political opinion.

Most countries including the US allow foreigners to apply for asylum and then live and sometimes work until an immigration judge decides if the foreigner satisfies the well-founded fear standard. Negative decisions can be appealed, so that full court procedures may allow foreigners who are ultimately deemed not in need of asylum to live and work in another country for three to five years due to backlogs; there are more than a million immigration cases waiting in the US backlog. European governments often provide asylum applicants with housing and food during their court process.

The June 2020 regulation would allow USCIS asylum officers to make more decisions about asylum rather than immigration judges, who are part of the Justice Department. Expedited removal procedures could be employed to deal with foreigners who illegally enter the US and are found within 100 miles of the Mexican or Canadian borders.

Foreigners could no longer receive asylum because they are targeted by gangs or non-state actors in their countries, could not receive asylum due to gender discrimination, and could be prevented from applying for asylum in the US if they spent at least 14 days in another country and did not apply for asylum there. Foreigners unlawfully in the US at least a year could not apply for asylum to prevent their removal.

DHS: BORDER

CBP
The Customs and Border Protection agency apprehended fewer than 34,000 foreigners in March 2020, including three-fourths who were solo Mexicans. Most of the others were Central Americans. In April 2020, apprehensions fell to 15,862, but in June 2020, there were
30,300, including 27,000 who were not allowed to apply for asylum.

CBP in June 2020 announced that it had completed 220 miles of new border barriers, and was on track to complete 450 miles by the end of 2020. About 40 miles of border barriers are being constructed each month. CBP has spent $15 billion on border barriers since January 2017, two-thirds diverted from the Defense Department.

Beginning March 21, 2020, Border Patrol agents barred foreigners seeking to enter the US from Mexico without authorization on public health grounds, blocking the entry of 20,000 people in eight weeks. The number of foreigners trying to enter the US illegally fell after Mexicans and Central Americans who were apprehended realized that they would be interviewed, fingerprinted, and returned to Mexico within 1.5 hours. Non-Mexicans and Central Americans are handled differently.

The normal four-step process at the border is to apprehend, detain, prosecute, and deport migrants; those who are returned within 90 minutes are not considered deported. Critics decried the Trump administration’s policy of barring the entry of asylum seekers, especially the policy of returning children. Critics of returning children who illegally cross the US border say that the Trafficking Victims Protection Act of 2000 gives them the right to apply for asylum.

Over 120 countries barred the entry of foreigners in March-April 2020, and three-fourths banned the entry of asylum seekers. In June 2020, the ACLU sued on behalf of a 16-year old Honduran who was turned back at the border and not allowed to apply for asylum in the US.

The US Supreme Court in June 2020 ruled that CBP could remove asylum seekers who enter the US illegally without a full court hearing and appeal. A Sri Lankan Tamil who entered the US illegally and was removed in an expedited process sued. The US Supreme Court upheld the three-stage process of a USCIS asylum officer, a USCIS supervisor, and an immigration judge agreeing that the Sri Lankan was not targeted because he was Tamil.

The US Supreme Court reversed the Ninth Circuit Court of Appeals, which found that the expedited removal process included in 1996 immigration reforms was unconstitutional. The Supreme Court noted that 100,000 foreigners applied for asylum in 2018, and that 15 percent were recognized as refugees. The pandemic-justified border closure was renewed month-by-month, with the Trump administration promising to keep borders closed until Covid-19 is no longer a threat.

Some 65,000 foreigners, two-thirds Hondurans and Guatemalans, entered the US in 2019, applied for asylum, and were returned to Mexico until they could appear before an immigration judge. Judges denied asylum to half of the applicants, and 20,000 cases were pending in May 2020.

Under regulations announced in June 2020, new asylum applicants will be barred from receiving work permits for 365 days, up from the current 180 days. Asylum applicants who work illegally and do not report their income to the IRS face denial of their application for refugee status.

ICE
Deportations or removals continued under the pandemic, returning Guatemalans and others to their countries of citizenship. The Guatemalan government protested that the US was spreading coronavirus via deportation, leading to a temporary suspension of removals.

USCIS
The US Citizenship and Immigration Services agency is largely self-funded, charging applicants for immigrant and nonimmigrant visas to fund its $4.8 billion budget for 19,000 staff and contractors. Covid-19 reduced applications for immigration benefits, prompting USCIS in May 2020 to request a $1.2 billion supplement from Congress to continue its operations. USCIS has also proposed increasing the fees charged to applicants for immigration benefits.

The EB-5 program allows up to 10,000 foreigners a year who invest at least $500,000 and create or preserve at least 10 US jobs or to obtain immigrant visas; the minimum investment was raised to $900,000 in November 2019. In FY15 and FY16, there were over 14,000 I-426 applications a year for EB-5 visas, but the number fell to 4,000 in FY19. There is a backlog of 70,000 foreigners who have invested in the US and are waiting for immigrant visas to become available, which may explain the declining number of new applications.

The US is one of 100 countries that have citizenship and residence by investment or CRBI programs. Most countries offer permanent residence or immigrant status for the investment, as with the US EB-5 program; becoming a naturalized citizen takes additional steps. However, some countries offer citizenship for the investment, including many Caribbean island nations.

St Kitts and Nevis, a Caribbean island nation with 35,000 residents, first began to offer citizenship in 1984 for a “substantial” investment,
followed by Canada in 1986 and the US in 1990. Canada and the US are prize destinations, but Canada suspended its federal investor program in 2014 and the US EB-5 program has been under attack for the past two decades.

Due to Covid-19, St Kitts and Nevis reduced the price of passports for a family of four from $195,000 to $150,000 for the rest of 2020; applicants make a contribution to the country’s Sustainable Growth Fund. St. Lucia requires a five-year no-interest investment in Covid-19 relief bonds of $300,000 to obtain passports for a family of four, while Antigua and Barbuda offers citizenship for a $100,000 donation to its development fund.

Henley & Partners dominates CRBI discussions. London-based Henley created many of the CRBI programs of small island nations that now generate 10 percent or more of government revenue by selling residence and citizenship. Henley says that it helps governments to carefully screen applicants, but the OECD fears that many of those seeking another residence or passport are trying to hide grey money and evade taxes.

**H-2A; H-2B**

DOL certified over 13,000 farm employers to fill almost 258,000 jobs with H-2A guest workers in FY19. In the first two quarters of FY20, DOL certified 8,000 farm employers to fill over 138,000 jobs with H-2A workers. In FY19, almost half of the year’s job certifications were made in the first two quarters; if the same pattern holds in FY20, DOL would certify about 275,000 farm jobs, up seven percent from FY19.

DOL certified 23,321 jobs in California to be filled by H-2A workers in FY19. Two-thirds of H-2A jobs were in six counties, led by Monterey with over a quarter and Santa Barbara with 10 percent of jobs certified.

Over two-thirds of H-2A jobs were with farm labor contractors, including a third with the California’s largest H-2A employer, Fresh Harvest.

During the first six months of FY20, the same six counties accounted for two-thirds of H-2A jobs certified. As in FY19, FLCs accounted for 90 percent of the jobs certified in Monterey county, and less than half in Imperial county. Job certification data emphasize that most H-2A workers are in coastal counties with high-value commodities and high housing costs and near the border, where frequent Border Patrol checks require employers to hire legal workers.

On April 20, 2020, DHS allowed farm employers who have been certified to employ H-2A workers to hire H-2A workers already in the US who have finished a contract with another farm employer. Instead of returning home, these H-2A workers could stay in the US and work for another US farm employer. The switch-employers rule for H-2A workers is in effect through August 18, 2020.

Previously, farm employers could hire H-2A workers already in the US only if they enrolled in E-Verify and checked the legal status of all newly hired workers. DHS waived this enrollment in E-Verify requirement, and USDA created a website to enable farm employers to find H-2A workers who are finishing contracts with other farm employers.

DOS issued almost 205,000 H-2A visas in FY19, including 94 percent to Mexicans. DOS in March 2020 waived the requirement that workers seeking H-2A visas appear at consulates for in-person interviews.

Article 28 of Mexico’s 1970 labor law, revised in 2019, requires that H-2A and other contracts for work abroad be registered with the Mexican Ministry of Labor. Article 28 explicitly states that employers must pay all worker costs, including for recruitment, visa fees and food and transportation.

Mexico had 433 registered labor recruiters in 2019, including nine registered to recruit workers for foreign jobs. Mexico’s MOL conducted 81 inspections of recruiters between 2009 and 2019, and found no violations of Article 28.

US Custom Harvesters complained in May 2020 that South Africans and others were having trouble getting H-2A visas to enter the US to operate harvesting equipment. A third of the US hired workers who operate combines and drive grain trucks are H-2A workers. Custom Harvesters says that its member firms harvest wheat as they move from south to north, beginning in Texas and Oklahoma and ending the season in Canada.

President Trump in April 2020 reportedly considered reducing the adverse effect wage rate, the wage that must be paid to H-2A and similar US workers to avoid having the presence of guest workers depress the wages of US workers. AEWRs vary by state, and in 2020 ranged from $11.71 to $15.83 an hour.

HR 6083 would reduce the AEWR to the higher of the state minimum wage (29 states have minimum wages that are higher than the federal $7.25 an hour) or to 15 percent above the federal minimum wage or $8.34 an hour. There are 21 states whose minimum wage is $7.25 an hour, including major H-2A using states such as Georgia and North Carolina. In Georgia, the AEWR would fall by almost $3 an hour and in North Carolina by $4 an hour.
New Jersey-based Overdevest Nurseries failed to pay its 69 US workers the AEWR that it paid to 55 H-2A workers. A federal court in May 2020 ordered Overdevest to pay $92,000 in back wages to the US workers and $50,000 in civil money penalties because the US workers were in similar or corresponding jobs to those held by the H-2A workers.

H-2B
The H-2B program allows US employers to hire foreign workers to fill seasonal nonfarm jobs. There is a cap of 66,000 visas a year, but employers typically request 100,000 or more H-2B workers. Congress allowed DHS to increase the number of H-2B visas in FY17, FY18, and FY19.

For FY20, DHS announced that an additional 35,000 H-2B visas would be available, but withdrew these additional visas as unemployment spiked in March-April 2020. Employers protested that, while closed hotels and restaurants wanted fewer H-2B workers in 2020, landscapers and food-related sectors wanted more H-2B workers.

In May 2020, DHS allowed food-related nonfarm employers to hire H-2B workers who completed one contract with another employer, potentially saving recruitment and transport costs.

Employers apply to DOL for certification to employ H-2B workers, and they attach DOL’s certification to their petitions filed with the USCIS agency of DHS, which reviews them and forwards approved petitions to DOS so that consular officers can issue visas to the foreigners that employers want to employ.

In FY18, DHS approved petitions from 3,700 employers, including 127 who were approved for more than 100 H-2B visas. Most H-2B workers are employed in landscaping, hospitality, forestry and construction.

An April 2020 GAO report concluded that wages were higher and unemployment lower in counties with employers who hired H-2B workers. GAO interviewed 35 employers of H-2B workers, many of whom complained that their revenues were reduced because they did not receive all of the H-2B workers they requested.

Over half of the crab-picking workforce of the responding seafood employers were H-2B workers. They attributed their inability to hire more US workers to the seasonality and difficulty of the work as well as its remote location. H-2B workers were a third of the employees of the landscaping firms interviewed.

In FY19, DOL certified 7,400 employers to fill 150,500 jobs with H-2B workers. Landscaping accounted for 44 percent of the jobs certified, followed by forestry, eight percent, maids and housekeepers, seven percent, and meat and fish workers, six percent. Brightview was certified to fill almost 3,500 jobs with H-2B workers, followed by Imperial Pacific, a Chinese firm with a casino in Saipan that was certified to fill 2,600 jobs with H-2B workers, and Silver Bay Seafoods, a Sitka, Alaska seafood processor that was certified to fill 1,800 jobs with H-2B workers.


CANADA, MEXICO

The United States-Mexico-Canada Agreement replaced NAFTA on July 1, 2020, with some new provisions still to be implemented. A major goal of USMCA is to change Mexican labor laws so that workers can form independent unions and bargain for higher wages. Mexico enacted labor law reforms in 2019, but internal opposition has slowed their implementation, helping to keep Mexican wages low.

The USMCA allows workers and unions to file complaints of violations of labor laws and can lead to products made in violation of national labor laws being blocked from free trade in North America. US unions say that activists who try to form independent unions in Mexico continue to be harassed and arrested.

Mexico’s president Andrés Manuel López Obrador (AMLO) made his first foreign trip to Washington DC in July 2020 to commemorate USMCA; Canada’s Prime Minister did not attend. AMLO acceded to Trump’s demands to reduce the flow of Central Americans who transit Mexico to the US in order to preserve free trade.

Canada
Canada endured a recession in summer 2020 as a result of the Covid-19 shutdown and the falling price of oil. The unemployment rate was expected to double or triple from the 5.7 percent rate in 2019.

Some 60,000 temporary foreign workers were employed in Canadian agriculture in 2019, up from 45,000 employed on 3,600 farms in 2015. Some 15,000 guest workers were employed in Canada in 2019, up from 45,000 employed on 3,600 farms in 2015. Some 15,000 guest workers were employed in 680 greenhouse operations, 12,000 on 670 vegetable farms, and 10,500 on 825 fruit farms, that is, over 80 percent of guest workers were employed in FVH agriculture. (https://www150.statcan.gc.ca/n1/daily-quotidi en/190708/t001a-eng.htm)
Migrant guest workers from Mexico and the Caribbean were deemed essential and allowed to enter Canada despite closed borders, but were required to quarantine for 14 days before going to work. After going to work, over 600 Mexican farm workers contracted Covid-19 by June 2020, prompting the Mexican government to stop more migrants from traveling to Canada for a week until improved safety protocols were in place.

The Mexican government said that 26,400 Mexicans worked in Canada in 2019 and remitted $250 million. Scotlynn Group in Vittoria abandoned 450 acres of asparagus in June 2020, meaning that an eighth of the 3,750 acres of asparagus in Ontario was abandoned after seven guest workers got Covid-19 and the other 210 were quarantined. Scotlynn admitted that it waited too long to seek local workers to replace the sick guest workers.

**Mexico**

The economies of Mexico and Latin America shrank as businesses and factories closed to prevent the spread of the coronavirus. Export-dependent economies were also hurt by reduced demand and prices for oil and other commodities, while fewer tourists and remittances reduced the inflow of foreign exchange.

Latin America has eight percent of the world’s people, but had half of the world’s new Covid cases in June 2020. Covid was sometimes introduced into highly unequal Latin American countries by the mobile rich who transferred the disease to their maids and gardeners, who in turn transmitted Covid to their relatives. Obesity and other underlying conditions increase deaths among those who contracted Covid-19. Mexico’s economy is projected to shrink by 10 percent in 2020, which is likely to increase the number of Mexicans in poverty by 10 million to 12 million.

Mexican President AMLO proposed an additional $25 billion for social programs and infrastructure projects to stimulate the economy, financed in part by reducing the salaries of government officials and spending less on supplies. AMLO has been reluctant to increase Mexico’s debt, but wants to continue spending on the Maya Train in the country’s southeast, the Santa Lucía airport north of Mexico City, and the $8 billion Dos Bocas oil refinery on the Tabasco coast.

AMLO relies increasingly on the 300,000 strong Mexican army, which is building the $3.2 billion Santa Lucía airport and supervising the 75,000 strong National Guard; 80 percent of National Guard members are also in the army. Mexico’s army is also expected to build two sections of the 950-mile, $6.3 billion Maya Train that will have 15 stations to attract tourists to Mayan sites. AMLO is considered authoritarian, and reportedly likes the army’s can-do response to orders.

AMLO’s handling of Mexico’s response to Covid-19 was widely criticized, reducing his popularity below 50 percent for the first time since he took office in December 2018. Women’s groups denounced AMLO’s dismissal of a record number of calls to domestic violence hotlines during the lock down; AMLO said that most of the calls were “fake.”

Business leaders pressed AMLO to endorse a stimulus package, citing widespread layoffs as the economy shrinks by a projected 10 percent. The Mexican stimulus package is equivalent to one percent of GDP, compared with the 10 percent of GDP stimulus packages of Brazil and Chile.

Mexico has hundreds of factories in border cities that assemble electronics and produce parts for US firms. As US factories began to reopen in May 2020, they asked the Mexican government to reopen factories that provide them with parts, arguing that their final products were essential. In some Mexican states, state governments tried to shut down factories that did not provide workers with masks and take other steps to prevent the spread of coronavirus.

Mexico has the lowest rate of testing for Covid-19 among OECD countries; less than one test per 1,000 residents compared to an average 23 per 1,000 throughout the OECD. The Mexican government reported relatively few deaths from Covid-19; experts said the Covid-19 death toll was far higher.

The AMLO government reduced health care spending before the pandemic. Many nurses and other health care workers complained of too little protective equipment; up to 20 percent of Mexicans infected with Covid-19 are health care workers.

The Jalisco New Generation Cartel (CJNG), which controls a third of drug shipments to the US, attacked Mexico City’s police chief in June 2020, killing three but not the chief. Mexican drug cartels usually bribe rather than attack federal and state government officials. Over 35,500 people were killed in Mexico in 2019, which authorities blaming competition between the Jalisco Cartel and other drug gangs.

The CJNG emerged as an ally of Joaquín “El Chapo” Guzmán in 2010, and became independent in
2013, recruiting teen juvenile delinquents and developing a reputation for brutality. The US has $10 million reward for information that leads to the arrest of CJNG leader Nemesio Oseguera Cervantes (El Mencho).

Northern Triangle
The governments of El Salvador, Guatemala, and Honduras locked down their countries to prevent the spread of the coronavirus, slowing the exit of migrants bound for Mexico and the US. Smugglers reported that migrants who wanted to apply for asylum in the US were unwilling to pay $10,000 and risk being turned back without being able to apply.

El Salvador has been governed by two parties that alternated in power since the end of civil wars in the 1990s, a pattern disrupted in 2019 when ex-San Salvador mayor Nayib Bukele became president and promised to reduce violence. By 2020, Bukele was relying more on the military and police to confront gangs and to enforce strict quarantine orders, setting the stage for a return to authoritarian government.

Caribbean
The economies of islands dependent on tourism suffered due to travel restrictions imposed in the wake of Covid-19. As travel resumed in July 2020, some islands restricted the arrival of Americans to those with negative Covid-19 tests. Islands that depend on cruise ship passengers were especially hard hit.

Puerto Rico continues to struggle with the aftermath of hurricanes and earthquakes as well as a debt crisis. The Puerto Rico government had less than $40 billion in debt in 2006, when federal tax advantages for mainland investors expired. Unable to raise taxes and unwilling to cut spending, the Puerto Rico government took on more debt, over $70 billion by 2016. Congress appointed a board to restructure Puerto Rico’s debt, which has led to budget cuts and clashes with Puerto Rico’s elected government.

Brazil
Many South American farmers complained that restrictions on internal travel made it difficult to recruit migrant workers. Brazil’s coffee harvest depends on local and migrant workers, but the migrants in May 2020 were often blocked from moving from their homes in the northeast to the richer southern Brazilian states that produce most of Brazil’s coffee, citrus and sugar.

A third of Brazil’s arabica beans are harvested by hand, and all of the robusta beans are hand harvested, in part because many coffee trees are planted on hills that are not suited to machines. Brazil expects 45 million 60-kg bags of arabica and 15-million bags of robusta beans in 2020.

Brazil had over 1.5 million Covid-19 cases by July 2020, second only to the US, as President Jair Bolsonaro downplayed the threat while some governors and mayors ordered lockdowns. In Brazil, Ecuador and Peru, emergency funds to purchase protective and hospital equipment were sometimes squandered on inferior items at high prices, highlighting the corruption that helped to spread the virus and made it harder to treat the sick.

Guyana
ExxonMobil began pumping light sweet crude oil from fields 125 miles off the coast in summer 2020, potentially making Guyana the richest country in the Americas. A barrel of oil contains 42 gallons and currently sells for $40; a million barrels a day generates $40 million in gross revenue. Guyana is to receive 52 percent of the profits from the offshore oil, less than the usual 65 to 85 percent.

EUROPE, ASIA

After a two-month lockdown, European countries began to reopen their economies in May 2020. Governments required people to wear face masks in public and while working close together in factories, and conducted widespread testing to monitor the number of Covid-19 infections.

Agriculture was considered essential in all European countries, and governments made special arrangements to allow migrant workers from Eastern Europe move to Western Europe to fill seasonal jobs on farms. Italy employs 370,000 foreign seasonal workers; Germany 300,000; France 270,000; and the UK 60,000. Due to closed borders, farmers in some countries chartered planes to transport Romanian and other workers to their farms.

Governments tried to persuade local jobless workers to accept seasonal farm jobs. The results were mixed. Germany created a web site (https://www.daslandhilft.de/) to link German workers with seasonal farm jobs. Workers could continue to receive 80 percent of their regular pay if their employers put them on Kurzarbeit or furlough. These workers could work up to 115 days in a seasonal farm job without paying social security taxes on the farm earnings. Most local workers did not start or stay in seasonal farm jobs.

The EU provided E59 billion to its 10 million farms in 2018, and some countries provide additional aid to farmers and food processing firms.
**Britain**

Farmers rely on migrant workers from Bulgaria and Romania to fill 70,000 seasonal jobs, but travel restrictions in 2020 reduced the number of migrants. Leaders including Prince Charles urged jobless Britains to “Pick for Britain” by applying for jobs that pay about $125 a day, and added that the UK needed “pickers who are stickers.” Many jobless British residents applied for farm jobs, leading to predictions that a third of seasonal jobs in 2020 could be filled by Britons.

One woman reported picking 100 pounds of strawberries an hour. US berries are picked into ten-pound flats for $1.80 each, suggesting earning the equivalent of $18 an hour. Britain’s minimum wage is £8.72 or $11 an hour; Hall Hunter in Surrey reported that its strawberry pickers averaged £414 or $520 a week.

British labor recruiter Concordia said that only 10 percent of the 1,000 British workers who responded to the “Pick for Britain” campaign in April 2020 went to work on farms; the others cited the short duration of the job, difficulties getting from their homes to farms with jobs, and the need to care for children. Many British farmers said they preferred experienced Romanians to first-time British farm workers.

**France**

France imposed a severe 55-day lockdown after the coronavirus spread in February 2020, in part due to a shortage of masks and tests. France has one of the world’s largest and most centralized governments and a health care system that failed to deal effectively with the virus.

One result of France having three times more deaths from Covid-19 than Germany was soul-searching about why the French government and health care system did not perform better. One conclusion: the centralized French government was too slow to adapt to a rapidly changing virus threat.

President Emmanuel Macron in July 2020 changed prime ministers and restarted efforts to revise pensions systems that were put on hold by Covid-19. Unions oppose the proposed changes, which would merge the country’s 42 pension systems into one and base pension benefits on points earned while working, and shut down public transit in protest in December 2019 and January 2020.

**Germany**

Covid-19 broke out in several meatpacking plants. Meatpacking employs over 90,000 workers, including a third who are migrants from Eastern European countries such as Romania. Most migrants are hired via staffing agencies that bring migrants into Germany.

A quarter of the workers at a Tönnies pork plant near Guterslöh that processes 17,000 hogs a day tested positive for Covid in June 2020, leading to the closure of the plant and putting the mostly Romanian workers in quarantine. Tönnies processes 30 percent of Germany’s pork at a cost of less than $7 per pig, pre-packaging meat for discount and other supermarket chains.

The government and meat buyers insisted that the Covid outbreak required a closer look at labor standards in meatpacking. Beginning in January 2021, all employees of meatpacking plants must be hired directly.

The German government was widely praised for its handling of the pandemic, using science to guide reopening in May 2020. The Alternative for Germany, the largest opposition party in Parliament, used protests against the lockdown to question the government’s competence, noting high unemployment and half-empty hospitals. The AfD surged to popularity in the former East German states after Chancellor Angela Merkel allowed a million Syrians and other refugees to move to Germany in 2015.

Germany assumed the six-month EU Presidency July 1, 2020, and laid out plans to create asylum centers at EU external borders to triage asylum applicants. Those with no claim to refugee status would be returned immediately, while those with a clear need for protection would be admitted and divided among EU countries. Asylum applicants whose cases require judges to make decisions would be held in reception centers until decisions are made.

**Greece**

Southern European countries such as Greece and Portugal are very dependent on travel and tourism for 20 to 25 percent of their jobs. Greece was emerging from the Euro crisis of 2010-16 just as the pandemic shut down travel and pushed Greece and other Southern European countries into recession.

**Italy**

Italy, the EU country most affected by the coronavirus, expects its economy to shrink by 10 percent in 2020 and for government debt to rise to 160 percent of GDP. Richer northern Italy was most affected by the virus in March and April, but the Covid-19 soon shifted to southern Italy, where 20 million people live in six regions and two islands. Many workers in southern Italy are employed in the informal economy and are not eligible for unemployment insurance and other safety net benefits, although the poorest southern Italians can receive a monthly basic income support.
Almost a quarter of Italians are 65 or older; the average age of Italians who died of Covid-19 was 80.

A million people are employed in Italian agriculture, and most farmers rely on Eastern Europeans to fill seasonal jobs. In 2020, some 150,000 Eastern European migrants could not travel to Italy to fill farm jobs, prompting efforts to attract jobless Italians into farm work. Some farmers reported that five or more Italians applied for each seasonal job available, but that many who started to do farm work soon quit.

A $1.1 billion support package proposed in May 2020 included legalization for unauthorized farm workers, which critics said would not add to the seasonal farm workforce because workers legalized were already in Italy.

Switzerland
Switzerland was the great exception among industrial countries during the Covid-19 pandemic, keeping elementary schools, workplace, and restaurants open and asking residents to voluntarily practice social distancing. By remaining open, Switzerland kept most workers employed and developed herd immunity sooner, the point where 60 percent of residents recovered from Covid-19.

Is the Swedish approach a model for future pandemics? Many people say yes, noting that Swedes have high levels of trust in their government and fellow citizens that helped them to avoid spreading the virus. The government acknowledged that it was too slow to require PPE in nursing homes, and has promised to do more to protect immigrants who live in crowded housing and work in service jobs.

Russia
There were about five million migrant workers from ex-USSR republics in Russia in spring 2020, and many lost their jobs as businesses closed. However, few could return to countries such as Uzbekistan because all of the previous 15 daily flights were cancelled. There were long waiting list for the few charters.

After 2005, Russia encouraged ethnic Russians in the ex-USSR republics to return, and many did. The return of ethnic Russians was followed by non-ethnic Russian migrants who moved from the poorer ex-USSR republics to Moscow, where wages of $600 a month are two or three times what they could earn at home. Some Uzbeks and other Central Asians are moving to other countries to work such as South Korea.

Gulf
Many of the migrant workers in the oil-rich Gulf states lost their jobs in spring 2020, prompting sending-country governments such as India to repatriate 200,000 migrant workers via ship and plane in June. After Iraq invaded Kuwait in 1990, Air India returned 170,000 Indians from Kuwait.

There have been many reports of abuse of migrant workers in Middle Eastern countries, especially domestic workers, and there were more in spring and summer 2020 as some employers tightened rules for their domestic helpers, refusing to allow them to leave the house for fear of returning with the virus.

The ILO estimates there are at least five million domestic workers in Middle Eastern countries, most of whom are recruited by employment agencies to work for citizens who become their sponsors while abroad. Sponsors are employers as well as providers of food and housing, making workers very dependent on them. If workers get sick or fired, their employers sometimes return them to the recruiting agency’s hostel to recover or be deported.

The Philippines requires that its citizens who work as domestic workers earn at least $400 a month abroad; Kuwait’s minimum wage for domestic workers is $195 a month.

Gulf oil exporters depend on a high price for oil and migrant workers to keep their economies going. The plunge in oil prices in spring 2020 due to Covid-19 lockdowns reduced economic activity, raising questions about dependence on migrant workers to fill most private sector jobs.

Two-thirds of the citizens of Gulf oil exporters work for the government, often in make-work jobs. More Gulf-country citizens are taking private jobs as government spending shrinks, and some criticized the visa brokers who bring migrants into Gulf countries and the crowded housing offered to migrants.

China
China’s $14 trillion economy shrank in 2020 for the first time in 50 years, ending an unprecedented growth wave that began in 1976. China was locked down for most of February 2020 in a bid to stop the spread of coronavirus, but reopened in April 2020.

China rejected calls for outside investigations of the origins of the virus in Wuhan, and some countries discussed suing the Chinese government for damage caused by the virus. The Boxer Rebellion of 1899-1901 led to the destruction of foreign property in China and the payment of reparations to eight countries.

As a result of the virus and the Chinese lockdown, many firms that include China in their supply chains are rethinking their dependence on the country that has become the world’s factory. There was discussion of efficiency versus resiliency in supply chains. Should firms...
source products in China because it is the lowest-cost supplier, or keep production at home to guarantee supplies in emergencies?

**Singapore**
The city-state of Singapore was widely praised for its quick and effective response to the coronavirus in February-March 2020. However, in April 2020 there were more than 1,000 new cases a day, 90 percent migrant workers who live in crowded dorms and work on construction sites and in services. Over 20 percent of Singapore’s 5.7 million residents are foreign workers.

The government halted work on construction sites, idling 180,000 migrant construction workers. Each worker must have 48 square feet of space in dorms, most of which have 20 workers in bunk beds in rooms that are 25 by 40 feet. Bangladeshis and Indians were those most likely to contract the virus.

**Africa**
Employment in agriculture falls as per capita incomes rise. In sub-Saharan Africa, the share of workers employed in agriculture fell from 66 percent in 2000 to 58 percent in 2015. Increasingly, rural Africans are spending more time in nonfarm activities, such as transporting or selling goods, so that even rural Africans buy half of their food.

African countries are unlikely to be able to imitate Asian economic successes by beginning with labor-intensive manufacturing and climbing the manufacturing ladder from garments to electronics. Instead, many are trying to add value to the farm commodities that they export, such as slicing and packing fresh fruit in ready-to-eat containers.

**GLOBAL: COVID-19 IMPACTS**
The number of Covid-19 cases surpassed 10 million at the end of June 2020, and 500,000 people died from the virus. A high share of those who die are over 60, and men are more likely to die from Covid-19 than women.

The UN divides countries into more and less developed, and puts Russia, Middle Eastern oil exporters, and Singapore in the less developed category. Some 22 percent of the world’s total deaths each year are in the more developed countries that have 16 percent of the world’s population, largely due to their higher share of elderly residents.

Almost 80 percent of the deaths from Covid-19 were in more developed Europe and North America during the first four months of the pandemic. The reasons for the high share of Covid-19 deaths in more developed countries include higher shares of older residents and people who travel internationally and contract and spread Covid-19.

Covid-19 reduced international mobility, including labor migration and remittances. Many migrants who lost jobs in higher wage countries returned to their countries of citizenship in spring 2020, including Haitians in the Dominican Republic who lost their jobs and had no access to Dominican Republic social safety net programs.

The ILO estimated that almost 200 million workers are employed outside their country of birth, and UNDP says that over 760 million people cross a significant internal border to work, as with Chinese workers who are employed away from the place where they are registered with the government.

Fears that returning international and internal migrants would spread the virus to rural and poor areas with few health care facilities led to border closings that often backfired as migrants rushed home before lockdowns went into effect, as with Burmese in Thailand who rushed home before borders closed. Some returned migrants were shunned at home for fear that they were carrying the virus.

**Impacts**
Migrants sent $554 billion to their developing countries of origin in 2019, but remittances are projected to decline 20 percent to $443 billion in 2020 due to Covid-19 shutdowns. India was the top recipient in 2019, receiving $85 billion; followed by China, $69 billion; and Mexico, $39 billion. Within Mexico, Michoacán was the top recipient, receiving $3.4 billion in 2018 or more than 11 percent of the state’s GDP.

The Philippines received $35 billion in remittances in 2019, and was especially hard hit by Covid-19 because so many Filipinos are employed in services that involve personal contact. The US is the top source of remittances, accounting for 40 percent of the total in 2019 from mostly immigrants with permanent residence rights, followed by a quarter from Saudi Arabia and the UAE, where most Filipinos are migrant workers on two- or three-year contracts.

Filipinos are a quarter of the 1.6 million workers employed on the world’s ships, and remittances from Filipinos employed on ships surged 70 percent over the past decade. The shutdown of the cruise industry sent many jobless Filipino cruise ship workers home.

However, many seafarers were stranded on ships when countries closed their borders to non-essential travel. In July 2020, the International Maritime Organization...
brokered an agreement among 13 nations including the US to consider seafarers essential so that they can disembark and be replaced. The IMO estimates that 150,000 seafarers end their contracts each month; some of those who were stranded since March have been on ships over a year.

Lower-middle and low-income countries borrowed over $2 trillion over the past decade to fuel growth. With currencies weak and recessions looming, many are unable to repay these foreign loans. Argentina defaulted in May 2020, prompting so-called vulture funds to buy the bonds of Argentina and other indebted countries as they decline in price and then seek full repayment. Private investors who bought Argentina’s bonds cheaply before and after the country’s default in 2001 earned very high returns when Argentina finally settled with them in 2016.

The World Bank and IMF in March 2020 agreed to suspend debt and principal repayments for 76 developing countries in the International Development Association. However, many private investors say that the regulations under which they operate do not allow them to forgive debt repayments because they must protect the clients on whose behalf they invest.

The economic downturn associated with Covid-19 is likely to increase the number of poor people. In 1990, the World Bank estimated there were 1.9 billion poor people; by 2016, the number of poor fell to 734 million, meaning that 10 percent of the world’s people lived on less than $1.90 a day. Many families that were able to climb into the middle class in developing countries may be pushed down into the ranks of the poor.

The World Food Program in April 2020 predicted that up to 265 million people in 30 countries could face starvation without food relief due to Covid-19. The WFP provided assistance to 100 million people in 2019 with a budget of $7.5 billion. The WFP appealed for government contributions to double its budget for 2020.

As governments relaxed stay-at-home orders, pundits drew lessons. Most expect more pandemics, noting that Covid-19 follows SARS, MERS, H1N1, and Ebola as 21st century disease outbreaks that spread quickly from person to person. Will more pandemics increase or decrease international cooperation?

The argument for more global governance emphasizes that maintaining health is a public good that only larger national governments and more international cooperation can achieve. Those who are skeptical of national and global governance emphasized the failures of the WHO and national governments to contain Covid-19.

In the short term, the prospect of more pandemics is strengthening anti-globalists and nationalists, making it harder for migrants to cross borders for work or asylum. Migrants who once went to the richest countries may instead seek jobs in richer developing countries, where they may have fewer rights and little prospect of long-term residence.

The economic globalization symbolized by free-trade agreements may retreat in a world of pandemic threats. The 2008-09 recession resulted in public and private policies to reduce financial integration, and Covid-19 may slow supply-chain integration after closed factories and borders prevented factories in other countries from operating. If there is a trade off between the efficiency and resilience of supply chains, firms may favor more resilience in the form of in-country or near-country suppliers even if their costs rise.

For example, there are expectations that garment manufacturers may move sewing jobs from southeast Asia to Turkey for European markets and Latin America for US markets. Bangladesh, Cambodia, Indonesia and other countries that depend on exports of garments, footwear, and other items to create jobs for women are searching for a new source of jobs.

Walls

Most international migrants move from poorer to richer nations. The 30 richest countries have a sixth of the world’s people and two-thirds of the world’s $90 trillion GDP. The Walls of Migrants project argues that removing all barriers to migration would double world GDP to $180 trillion as workers moved to higher wage countries and earned higher incomes.

Proponents of more migration point to Australia, which has almost 30 percent foreign-born residents. Australia uses a point system to assess foreigners seeking immigrant visas, and allows many of the foreigners who earn degrees at Australian universities or arrive as guest workers to become immigrants. Selecting for skills and treating students and guest workers as probationary immigrants means that Australia gets mostly well-educated immigrants who easily find jobs.

Immigrants earn more in Australia than they would in their countries of origin, raising global GDP. They also have harder-to-measure effects that could spur economic growth, such as introducing new perspectives into business or starting businesses to fill gaps.
Most international migrants are low-skilled, and the effects of low-skilled migrants are more controversial. Economic theory predicts that increasing the supply of low-skilled migrants depresses the wages of similar native workers, but economists find it hard to detect wage depression in the dynamic labor markets of migrant-receiving countries. Low-skilled migrants may benefit high-skilled natives, as when the availability of nannies and gardeners encourages more high-skilled natives to work.

People who move are the major winners from international migration, absorbing 80 percent or more of the estimated global gains from migration. Many migrants share some of their higher foreign earnings with families at home through remittances.

Advocates for more migration say that restrictionist governments leave trillion dollar bills on the sidewalk, suggesting that if governments lowered barriers to migration, GDP would rise by trillions and most citizens would be better off. Restrictionists argue that too much migration can fray the social fabric, exacerbating social tensions and undermining institutions that facilitate economic growth and social trust.

OTHER

CALIFORNIA: COVID-19 IMPACTS

There were three major impacts of the coronavirus on agriculture. First, spending on food shifted from meals away from home to meals at home. This reduced overall food spending, since the cost of food away from home is higher to reflect convenience in fast food and cafeterias or atmosphere in restaurants.

Second, there were shifts between foods, away from fresh milk as schools closed and away from fresh meat, seafood and produce as restaurants closed. Within supermarkets, consumers shifted from purchasing goods at the side and back of the store, such as fresh produce and meat, to the center of the store where pasta and canned and frozen foods are often located. Farms producing for the food service industry, which encompasses outlets serving food away from home, from airlines to college dorms to restaurants, lost most of their customers.

Third, fears of too few farm workers proved to be unfounded during the first month of stay-at-home orders. Farm workers were deemed essential and expected to continue reporting to work. As hired worker employment rose toward its summer peak, there were few reports of labor shortages. School closures encouraged some mothers to stay home, but DOS waived interviews for H-2A workers, enabling the 10 percent of US crop workers who are Mexican guest workers to enter the US.

The major short-term impacts of Covid-19 in the food system include widespread layoffs in the hospitality industry, such as hotels, restaurants and bars, and outbreaks in meat-packing plants, which often have several thousand employees working close to each other.

2018 California’s farm sales were $50 billion in 2018, the same as in 2017. Iowa was the number two farm state, with sales of $28 billion, followed by Texas, Nebraska, and Minnesota; the top five states accounted for 37 percent of US farm sales of $373 billion. California had 69,000 farms in 2018, including 20,000 with more than $100,000 in sales.

California’s top 20 commodities were worth $43 billion or 86 percent of the state’s total farm sales, led by milk worth $6.4 billion, grapes worth $6.3 billion, and almonds worth $5.5 billion.

California exported farm commodities worth $21 billion or 42 percent of its total farm sales, led by almonds, whose exports were worth $4.5 billion, and pistachios, $1.7 billion. The three leading destinations, the EU, Canada, and China/Hong Kong, accounted for 42 percent of California’s farm exports.

US farm sales are divided 50-50 between crop and animal commodities. California is different: crops were worth $38 billion or 77 percent of the state’s farm sales, led by $21.8 billion worth of fruits and nuts, $7.9 billion worth of vegetables and melons, $6.2 billion worth of nursery, floriculture and other horticultural specialty crops, making FVH commodities worth $36 billion 72 percent of the state’s farm sales and 94 percent of the state’s crop sales.

The leading fruits by value were grapes worth $6.2 billion in 2018, strawberries worth $2.3 billion, and oranges worth $1.1 billion. Lemons were worth $682 million; avocados $383 million; peaches $345 million; raspberries $331 million; and peaches $304 million. The acreage of grapes rose from 810,000 to 863,000 between 2009 and 2018, while strawberry acreage fell from 39,800 to 35,800 and orange acreage fell from 186,000 to 147,000.

The leading vegetables were lettuce worth $1.8 billion, broccoli $679 worth million, and carrots worth $664 million. Garlic was worth $453 million; celery $425 million; cauliflower $455 million; and spinach $302 million. The acreage of leaf and romaine lettuce rose between 2009 and 2018 while the
Agricultural and Resource Economics

California expects a record 75 million pounds of blueberries in 2020, but prices were down due to the reduced consumer demand and imports from Mexico. One grower complained that it was hard to break even with grower prices of $2.50 a pound and picking costs of $0.90 a pound. Mechanical harvesters cost $300,000 or more, but some growers are reluctant to use them because they can also remove unripe berries.

Almost 30 percent of the state’s raisin grapes were harvested mechanically in 2019, double the 16 percent of 2013. The most common mechanical harvest method, used on 19 percent of raisin grape acreage, was continuous tray, with the grapes knocked from the bunches unto a paper tray that lays between rows where they dry into raisins. Second, and used on nine percent of the acreage, was dried on the vine (DOV), with an overhead trellis forming a canopy over the rows and a grape harvester passing underneath to knock the raisins onto a conveyor belt for transport to gondolas and bins.

US Ag, Trade

Covid-19 led to simultaneous shortages of meat and surpluses of milk and eggs in March-April 2020, as closed restaurants and other food service outlets closed, eliminating markets for farmers and processors. There were local efforts to redirect surplus commodities to retailers and the poor, and USDA promised to spend $300 million a month on vegetables, fruit and milk to donate to food banks.

Food supplies returned to normal in May-June 2020. USDA announced several programs to assist farmers, so that net farm income in 2020 may be higher than the $88 billion in 2019. A third of the expected $100 billion in net farm income in 2020 could be federal government support.

About 80 percent of US milk is marketed under 11 Federal Milk Marketing Orders that base farm prices on the final use of the milk, fluid, dry milk products, or butter and cheese. Milk prices reflect the three C’s of commodity, component, and class. Dairy processors report the quantity and value of the dairy products they manufacture, and USDA uses these data to determine the price of fluid milk and milk products. For example, milk used for butter can be valued by the butterfat component of the milk used to make it. Class four milk is used for butter and milk powder.

USDA predicted that farmers would produce 15 billion bushels of corn from 92 million acres, an average of almost 180 bushels an acre.

The closure of restaurants and bars reduced plantings of the hops used in beer. Instead of a record 60,000 acres in 2020, breweries advised growers to plant no more than 55,000 acres of hops. Most hops are grown in Oregon and Washington and sold under long-term contracts to brewers, but 20 to 30 percent of hops are grown without a contracted buyer.

Wine, Food

The global wine organization OIV reported 7.4 million hectares (18.4 million acres) of grape vineyards in April 2020, suggesting that the global acreage of grapes for table, raisin, and wine was stable over the past five years. World wine production was 260 million hectoliters or 6.9 billion gallons in 2019, and world wine consumption was 244 million hectoliters, meaning that stocks of wine rose in 2019.
About 106 million hectoliters or 40 percent of the world’s wine worth $32 billion was traded over national borders.

The EU has 3.2 million hectares or 43 percent of the world’s vineyards, led by 966,000 hectares in Spain; 794,000 in France; 708,000 in Italy; 195,000 in Portugal; and 191,000 in Romania. Turkey has 436,000 hectares of vineyard, with many of the grapes devoted to table grapes and raisins, while Moldova has 143,000 hectares of vineyards used mostly for wine. China has 855,000 hectares of vineyards; the US 408,000; Argentina 215,000; Chile 200,000; Australia 146,000; and South Africa 128,000.

The EU produced 60 percent of the world’s wine in 2019, led by Italy, 48 million hectoliters, France 42 million, and Spain 34 million, the three countries that produced almost half of the world’s wine. Russia, Ukraine, and Moldova produced 7.5 million hectoliters. The US produced 24 million hectoliters, Argentina 13 million, and Australia and Chile, 12 million each. South Africa produced 10 million hectoliters, and China eight million.

The EU consumed 128 million hectoliters or 53 percent of the world’s wine in 2019, led by France, 26 million hectoliters; Italy, 23 million; Germany, 20 million; the UK 13 million; and Spain 11 million. The US consumed 33 million hectoliters; China 18 million; Argentina 8.5 million; Australia 5.9 million; and South Africa 3.9 million.

The best-selling US wine is Gallo’s Barefoot; some 15 million cases were sold for $6 a bottle, in 2019 followed by Sutter Home and Woodbridge. Barefoot added hard seltzer made with wine in spring 2020, joining White Claw and Spiked Seltzer as drinks that appeal to millennials. Napa-based Beckstoffer Vineyards had revenue of $55 million in 2019 from about 1,000 acres of vineyard. Andy Beckstoffer is credited with helping to raise the price of the best cabernet sauvignon grapes to as much as $25,000 a ton, which in turn pushed up the price of Napa wines.

Beckstoffer in 1967 helped Heublein to buy the Inglenook and Beaulieu wineries, Beckstoffer bought Heublein vineyards as the liquor firm exited the wine business in the 1970s, and encouraged replanting with cabernet in the 1980s as phylloxera destroyed zinfandel grape vines. Beckstoffer aims to keep Napa in vineyards by limiting non-farm hotel and resort developments, and to keep the price of premium wine high by having the farm price of grapes be one percent of the retail price of the wine made from the grapes, so that $15,000 a ton of grapes translates into $150 a bottle wine.

Food

Covid-19 changed shopping habits. Most consumers made fewer trips to supermarkets and bought more on each visit. Some who bought online and had groceries delivered for the first time, such as retirees, may continue to buy online for both safety and convenience. The consolidation of the food business may be accelerated as some firms go bankrupt and remaining firms automate more of their operations.

Covid-19 altered the demand for particular commodities. Sales of fresh flowers fell as restaurants closed and events were cancelled or postponed, forcing the destruction of tons of flowers that would normally be sold between Easter and Mother’s Day.

Some food manufacturers and retailers may reduce the number of items they make and stock. The average supermarket stocks 33,000 items, a four-fold increase since 1975 (Walmart superstores stock 120,000 items). Warehouse clubs such as Costco and discounters such as Aldi developed less-choice models that appeal to many consumers.

Covid-19 forced many restaurants to rely on takeout orders to stay in business. Consumers often use apps such as DoorDash and Grubhub to order food for delivery, leading to complaints that app fees of 20 to 30 percent are too high. Many restaurants say that they lose money on app-delivered orders, but believe they must accept them to avoid becoming invisible to consumers.

California, which banned single-use plastic bags in 2016, allowed grocery stores to provide them to customers in March 2020 to protect supermarket employees from the coronavirus that may lurk on reusable bags. Several other states and cities also allowed the return of plastic bags.

Americans spent over $100 billion on fish and seafood in 2017, including $70 billion at restaurants and $33 billion at grocery stores. Lobster is the highest value fishery, with wholesale sales of $685 million in 2018, followed by crabs worth $645 million. The CARES Act allocated $300 million for US fisheries impacted by the coronavirus.

Chipotle Mexican Grill in April 2020 paid a $25 million fine for selling food that led to 1,100 cases of foodborne illnesses. Blue Bell Creameries paid $19 million in penalties in May 2020 for knowingly distributing ice cream products contaminated with listeria that killed three in 2015; Blue Bell’s CEO tried to cover up the contamination. A Fresh Express plant in Streamwood, Illinois made...
bagged salads that were recalled in June 2020 after dozens were sickened from cyclosporiasis.

MIT closed its OpenAg project that promoted growing food in mini-greenhouses in April 2020. Director Caleb Harper won widespread publicity for what he called the “fourth agricultural revolution” before it was revealed that Harper exaggerated the ability of mini-greenhouses to produce significant quantities of food.

**CLIMATE CHANGE**

Carbon emissions dropped sharply in Spring 2020 due to economic lockdowns. As economies began to reopen in May-June 2020, some wanted to use the government spending aimed at cushioning the impacts of the lock-downs to also speed the transition to a greener economy.

Many developing countries reduced subsidies for fuel and electricity, and there were few protests because energy prices were low due to less economic activity. However, Ecuador’s government had to reverse a decision to reduce energy subsides when truck drivers protested. Iran, China, Saudi Arabia and Russia heavily subsidize energy prices. Iran’s annual subsidies of $86 billion are almost triple China’s subsidies of $30 billion a year.

About 20 percent of US electricity is from coal-burning plants, down from 50 percent in 2010. Meanwhile the share of electricity from natural gas doubled from 20 to 40 percent over the past decade, while the share from renewable energy doubled from 10 to 20 percent. The share of electricity from nuclear has been steady at 20 percent. Many environmentalists want to speed the development of renewables and slow the expansion of natural gas fueled electricity production.

The EU’s Green Deal aims for carbon neutrality by 2050, a goal that some want to move forward to 2030. However, if recovery from the pandemic lock-down is slow, the priority may be economic growth to reduce unemployment, even if recovery means a slower path to carbon neutrality. The $800 billion EU recovery package announced in May 2020 includes incentives to purchase electric cars and to make buildings more energy efficient.

The UN’s annual meeting to assess each country’s progress toward achieving the emissions reductions was postponed from November 2020 to November 2021.

The Mekong (Lancang in China) river flows 2,700 miles from the Tibetan Plateau by or through Burma, Laos, Thailand, Cambodia and Vietnam into the South China Sea. There are dozens of dams on the Mekong, with another 20 plus planned, and they are rapidly changing the river’s water flow. China’s completion of the Jinghong Dam in 2020 led to the lowest water level on the Mekong in Thailand on record, prompting complaints from downstream countries.
The US Department of Labor’s Wage and Hour Division (WHD) is the major federal agency that protects the rights of US farm workers and H-2A guest workers. WHD enforces two agriculture-specific labor laws, the Migrant and Seasonal Worker Protection Act (MSPA) and regulations governing the H-2A program. Over the past two decades, WHD found almost $9 million in back wages owed to workers due to MSPA violations, and assessed $21 million in civil money penalties (CMPs) for MSPA violations. WHD found $22 million in back wages owed to H-2A and US workers, and assessed $29 million in CMPs for H-2A violations.

WHD’s Back Wages and CMP Assessments for MSPA were $30 million, and for H-2A Violations $51 million, between FY00 and FY19.

Rural Migration News summarizes the most important migration-related issues affecting agricultural and rural America. Topics are grouped by category: Rural Areas, Farm Workers, Immigration, Other, and Resources.

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