

# Rural Migration News

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## RURAL AMERICA

### CALIFORNIA: DROUGHT, POPULATION

California is experiencing a drought, which also raises the risk of wildfires. The Sierra snowpack, which provides a third of the state’s summer water for irrigation, was 60 percent of normal levels on April 1, 2021, and the major dams that store winter rain and snowmelt were half full.

In July 2021, a drought was declared in 50 of the 58 counties, and residents were asked to reduce their water consumption by 15 percent.

California experienced drought between 2012 and 2016, and drought returned in 2020. Dry forests and grasslands, combined with extreme heat, increase the risk of wildfires and make it harder to fight them. The Beckwourth Complex fire caused by lightning strikes

in Plumas National Forest quickly expanded to become one of the largest in the state’s history in July 2021 as temperatures in Death Valley reached 130F or 54.4C.

Over 80 percent of California’s water is used to irrigate crops. When there is less surface water available, farmers pump more ground water, reducing water levels and drying up residential wells. Laws enacted in 2014 require groundwater recharges to match withdrawals by 2040, but farmers can continue to over pump groundwater until local water districts

develop plans to regulate pumping and to recharge aquifers.

The 22,000-resident city of Corcoran in Kings county is sinking due to the over pumping of ground water. Soil subsidence occurs when water is extracted from deep wells, compacting the soil. The Corcoran Bowl highlights the problems that arise when ground water is extracted faster than it is replenished, including the need to drill new and deeper wells to obtain drinking water and to rebuild levies to prevent flooding.

J.G. Boswell, the major farming company based in Corcoran, has the most irrigation wells that are deeper than 1,000 feet. Boswell sold some of its surface water to other farmers during droughts in 2015 and 2016, raising questions about whether Boswell substituted pumping from deep wells and accelerated soil subsidence. The Sustainable Groundwater Management Act requires California's water basins to be balance by 2040, meaning that the pumping of ground water must not exceed its replenishment.

Farmers want more water storage facilities, such as the Sites Reservoir in Colusa county and a Delta Conveyance Project to move Sacramento River water around the delta estuary that flows into the San Francisco Bay. Environmentalists want to "right-size" agriculture by reducing the production of commodities in the San Joaquin Valley that require large amounts of water, including alfalfa hay.

Many economists advocate water marketing, which means allowing farmers who have access to low-cost water to sell the water to other farmers willing to pay more. There are normally about 500,000 acres of water-intensive rice grown in the Sacramento Valley with low-cost water. In 2021, over 100,000 acres

of the rice land was fallowed, and the three- to four-acre feet of water that would have been used to grow each acre of rice was sold for \$500 to \$600 an acre foot to almond growers in the San Joaquin Valley.

The Klamath Project has since 1907 delivered irrigation water from Upper Klamath Lake in southern Oregon to farmers in the Klamath basin, but will deliver no irrigation water in 2021. During a previous drought in 2001, the federal Bureau of Reclamation announced there would be no irrigation water but relented after farmer protests.

## Population

California's population shrank by over 192,000 in 2020 to 39.5 million, the first year the state's population fell since annual state counts began in 1900. Between 2016 and 2020, some 631,000 white residents left the state while 850,000 minorities moved to California.

California lost one of its 53 Congressional seats after the results of the 2020 census were announced in April 2021 because its population grew only six percent during the 2010-20 decade, slower than the seven percent growth of the US population. California's population rose by over 30 percent during each of the decades of the 1960s, 1970s and 1980s.

Between 2010 and 2020, some 6.1 million people left California and 4.9 million people moved to California. Those moving to California were better educated than those leaving. There has been a significant migration within California, especially from the San Francisco Bay area to inland areas such as the foothills of the Sierras east of Sacramento.

One reason for leaving California and moving within California is high housing costs. The median

price of California homes was over \$818,000 in May 2021.

Governor Gavin Newsom proposed a \$268 billion budget for 2021-22 that includes a record \$14,000 per pupil in K-12 school funding and a raft of subsidies, incentives and cancellations of bills, such as unpaid traffic tickets accumulated by low-income residents. The rising stock market in 2020 increased state revenues, which prompted plans to deal with homelessness.

Newsom promised that at least 500,000 new housing units would be built each year to reduce the state's housing affordability problem, but 103,000 new housing permits were issued in 2020. Newsom faces a recall vote in September 2021. Governor Gray Davis was recalled in 2003 and replaced by Arnold Schwarzenegger.

The University of California in May 2021 agreed to stop using SAT and ACT test scores to determine admissions, settling a suit that alleged the college entrance tests are biased against poor and mainly Black and Hispanic students. UC has 225,000 undergraduates and 10 campuses.

San Francisco experienced a wave of shoplifting in spring 2021 that led to the closure of several drugstores, adding to the issues in a city that had twice as many deaths from drug overdoses as from Covid. Nonviolent thefts of goods worth less than \$950 were reclassified as misdemeanors in 2014, which prompted organized gangs to use the homeless and others to steal from chain stores.

## MEAT AND MIGRANTS

Red meat prices rose in summer 2021, reflecting rising demand and difficulty finding enough workers to staff dis-assembly lines. A cyber

attack closed nine beef processing plants of JBS, the largest US beef producer and the second-largest US pork producer, for a few days in June 2021. JBS paid \$11 million to unlock its computers and restart operations.

Brazil-based JBS is the world's largest meat company by sales, with worldwide revenue of \$53 billion in 2020.

As the retail and farm prices of beef diverged in summer 2021, farmers complained that concentration in the meatpacking industry lowers the price they receive for cattle. Four firms, JBS, Tyson, Cargill, and National Beef Packing, account for 80 percent of US beef, while Smithfield Foods, JBS and Tyson produce 60 percent of US pork, and all had record profits in 2020. Meanwhile, some farmers complain that they are losing money on each cow or pig they sell because meatpackers buy relatively few animals in live auction markets.

Suits filed by grocery chains, ranchers and others allege that the meatpackers are conspiring to hold down farm prices and raise the prices they charge for meat. The North American Meat Institute, which represents large meatpackers, disputed these charges, saying that cattle prices were depressed when slaughter lines slowed or stopped due to covid.

Democrats introduced the Farm System Reform Act to crack down on the monopolistic practices of meatpackers and corporate integrators, stop the growth of concentrated animal feeding operations (CAFOs), and return to mandatory country-of-origin labeling of meat. Proponents want to protect family farmers from large meatpackers, while opponents say that the FSRA is government overreach into a system that produces quality red meat at low cost for consumers.

## Chicken

Chicken processing is less concentrated than red meat packing, but chicken processors have more control over the farmers who raise chickens for them. Chicken processors supply chicks and feed to farmers. Some use a tournament system that pits farmers against each other to determine how much each is paid for chickens.

Cal-OSHA levied \$181,400 in fines on Foster Poultry Farms and several staffing agencies for failing to protect employees at Foster's Livingston, California chicken processing plants from Covid and for failing to timely report a fatality from Covid. The staffing firms cited included Human Bees, Marcos Renteria Ag Services, Intermountain Employment Services (Ascend Staffing), and Staffing Solutions.

The price of chicken rose as absenteeism reduced line speeds in poultry processing plants while fast food chains promoted chicken sandwiches. Tyson Foods said in May 2021 that a third of its 125,000 workers had been vaccinated, and that it was raising wages and introducing flexible work shifts to attract more workers.

## Infrastructure

President Biden's infrastructure investment plans raised questions about investing in people versus places; should people in lagging areas be encouraged to get more education and leave the area for jobs elsewhere, or should governments invest in local projects so that people do not have to move? Coastal cities have been attracting venture capital and educated people, widening the gap with places in the Midwest and south that are losing economic activity and people.

Biden plans to send more federal R&D funds to lagging states. Five states received half of federal R&D funds in 2018, California, Maryland, Massachusetts, New York and Virginia.

Smaller cities such as Greenville, South Carolina that attracted new residents in 2020 may become new economic hubs. Greenville attracted BMW and Michelin and eventually 120 other auto-related firms, and the city revamped Falls Park along the Reedy River to improve the local quality of life.

## LABOR, UI, WAGES

The US added 850,000 jobs in June 2021, when the unemployment rate was 5.9 percent. Employment was 152.5 million in February 2020 and dropped by over 20 million in April 2020 when the unemployment rate was 14.8 percent before rebounding to 145.7 million in June 2021.

The labor-force participation rate was 61.6 percent in June 2021, two percentage points less than before the pandemic.

## Unemployment Insurance

The number of job openings increased faster than the labor force in summer 2020, raising questions about the lack of US workers. Analysts point to fears of getting or spreading Covid, closed schools and lack of childcare, and generous unemployment benefits as the major reasons for the slow return of workers to jobs.

Many employers complained that jobless workers received more in benefits than they could earn by working. Average UI benefits in May 2021 were \$318 in state benefits and \$300 in federal benefits, for a total of \$618 a week or the equivalent of \$15.45 an hour, which is more

than many employers are offering. Over 40 percent of those receiving UI benefits in spring 2021 got more in benefits than they earned while working.

Most states limit UI benefits to 26 weeks, and 22 states led by Republicans announced plans to end the \$300 federal benefits before they expire in September 2021 to induce jobless workers to return to work.

## Wages

President Biden in April 2021 issued an executive order that begins a rule-making process to raise the minimum wage of the employees of federal contractors to \$15 an hour by 2022, up from the current \$10.95 established in 2014. Another executive order in July 2021 encourages the Federal Trade Commission to ban or limit noncompete agreements that prevent workers from moving to another employer in the same industry and to review the need for occupational licenses. Some fast-food restaurants and hair salons barred their employees from taking jobs at similar establishments in the same area.

Many economists believe that employers have monopsony power in local labor markets, as when one hospital employs most of the nurses in an area. Monopsony employers can hold down both wages and employment to increase profits. Some divide their workforces so that they do not have to raise wages for all workers, as when hospitals pay high wages to traveling nurses to fill jobs rather than raise wages to attract more nurses to the area.

By one estimate, lack of competition costs the typical US household over \$5,000 a year in higher prices and lower wages.

As restaurants reopened in spring 2021, many employers complained

that they could not find enough workers to cook and serve food. Employers cited generous unemployment benefits as a reason they could not hire enough workers, while worker advocates noted that wages for fast food workers averaged \$11.50 an hour in mid-2020. Amazon to Walmart raised starting wages to \$15 an hour, and worker advocates said that other employers would have to follow suit.

Biden welcomed wage increases for low-skilled workers, saying “we want employers to compete with each other to attract workers.” McDonald’s in May 2021 announced plans to raise wages at the 650 corporate-owned US outlets by 10 percent to \$11 to \$17 an hour. Wages in the other 14,000 McDonald’s US outlets are set by franchisees.

New York City sued Chipotle for violating its Fair Workweek Law, seeking \$150 million for 6,500 workers employed between November 2017 and September 2019 who had their schedules changed without sufficient notice and for hiring new workers without offering additional hours to current employees. Chipotle owns most of its 80+ New York City restaurants, and the Service Employees International Union Local 32BJ has been trying to organize Chipotle’s New York City employees.

Amazon’s semi-automated warehouses rely on robots and employees to ship items quickly to consumers. Warehouse employees are paid at least \$15 an hour and monitored. Media exposes conclude that Amazon encourages worker turnover in its warehouses to retain a “fresh” workforce. Turnover in Amazon warehouses is reportedly three percent a week or 150 percent a year.

There is limited upward mobility for warehouse workers, which is one reason for high turnover. Amazon

prefers to hire outside managers, often fresh college graduates, rather than to promote from within; by contrast, three-fourths of Walmart managers began as hourly employees. Amazon, which calls itself “Earth’s most customer-centric company,” says it will change its HR policies to become “Earth’s best employer.”

During their convention in June 2021, the Teamsters voted to make organizing workers in Amazon warehouses a priority. The Teamsters have a million members and revenue of \$200 million a year, and aim to use boycotts and protests to persuade Amazon to recognize the Teamsters as the bargaining representative of Amazon workers rather than to call for NLRB-supervised elections.

The specter of inflation appeared as wages rose in the recovery from Covid; the consumer price index rose by five percent in May 2021. The Biden administration and the Federal Reserve believed that the spike in prices is temporary, linked to false predictions of falling demand a year ago that led to a shortage of computer chips. There was also unexpected behavior during the pandemic, such as remodeling projects and new home construction that led to a jump in the price of lumber.

## H-1B

The US makes 65,000 H-1B visas a year available to employers who seek to hire college-educated foreigners, and there are an additional 20,000 visas for foreigners with master’s degrees from US universities. President Trump agreed with critics who allege that H-1B workers are indentured servants, and increased scrutiny of applications for H-1B visas and restricted the ability of spouses of H-1B visa holders to work in the US.

The effects of limiting the number of H-1B visas are disputed. Employers requested 308,000 H-1B visas for FY21 and the USCIS selected the winning H-1B visas by lottery. The 15 US employers receiving the most H-1B visas got 33,000 in FY20, including six outsourcers, firms that provide computer support to US firms. Infosys is an outsourcer that received over 5,500 H-1B visas in FY20, followed by Amazon with 4,900.

President Trump's Buy American, Hire American executive order prompted USCIS to publish more data on the US firms that hired foreign graduates of US universities under the optional practical training program and the characteristics of foreigners who won H-1B visas.

## **Covid**

The Occupational Safety and Health Administration released an emergency workplace safety rule in May 2021 that mandated mask-wearing, hand-washing and social distancing in workplaces. Employers threatened to sue to block implementation of the OSHA regulation, arguing that the rising share of US residents who are vaccinated makes an emergency rule unnecessary.

Critics attacked the CDC for recommending too many safety precautions, including mask wearing outdoors, as vaccination rates rose and Covid rates dropped. A particular flashpoint involved CDC recommendations to wear masks outdoors, where documented cases of Covid transmission are rare.

Spending on Medicaid topped \$600 billion in 2019, ten times more than was spent on the Earned Income Tax Credit. Many economists favor cash transfers rather than the provision of services to poor people, noting that poor people value their Medicaid benefits at less than 50 percent of

the cost to provide them, while they value cash transfers at 100 percent of their cost. Subsidizing health insurance for the poor primarily benefits hospitals.

President Biden proposed a \$6 trillion budget for FY22 that includes the largest increase in federal spending since WWII to combat climate change and to reduce income inequality. The national debt exceeds the value of US GDP, \$22 trillion, and is projected to increase to 115 percent of GDP by 2030 as Biden borrows to fund new initiatives. The budget assumes that economic growth will average two percent a year and inflation will be 2.3 percent a year. Biden proposed to pay for the increased federal spending by raising the corporate tax rate from 21 percent to 28 percent.

Covid encouraged many people to move to suburbs and others to renovate their homes. One result was rising lumber prices, which peaked at \$1,600 per thousand board feet in May 2021 before falling below \$1,000 in summer 2021 as Covid restrictions were relaxed. Lumber prices remain well above the average \$400 per thousand board feet in pre-pandemic times.

Canada is a major producer of the softwood used in home construction. Most of Canada's lumber is from public lands, and loggers pay fees to Canadian governments to cut timber that US lumber producers allege are artificially low. The US charges a nine percent tariff on Canadian lumber imports that could double to 18 percent, renewing interest in resolving the conflict. Most US lumber is from private land, while most Canadian lumber is from public land.

Ivy League schools are selective, accepting a fraction of the students who apply. Since the federal Grad

Plus loan program that allows unlimited borrowing for graduate studies was created in 2005, many Ivy League schools added master's programs in fields such as film and theater than leave students with large education debts and low salaries.

Columbia University in NYC has 32 master's programs, including half that left graduates with more debt than they earned two years after graduation. Despite the failure of film graduates to earn enough to repay their loans, fewer than 10 percent of the 800 applicants to Columbia's master's program in film were accepted in 2020.

Many Ivy League schools offer generous financial aid to undergraduate students, but treat their master's programs as cash cows that subsidize other programs.

## **FARM WORKERS**

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### **AG EMPLOYMENT DOWN, WAGES DOWN**

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Covid accelerated three changes in farm labor. First is the shift from direct to indirect employment in crop agriculture. There were 1.7 directly hired crop workers for each worker brought to farms by a crop support employer in 2020, but the ratio is falling as the FLC share of crop employment increases.

Second is the jump in weekly wages between 2019 and 2020 in low-wage sectors such as FLCs, where wages rose fastest. Third is more agricultural employers or establishments. Average employment per establishment was 11 for crop farms in 2010 and 2020, but the average for animal farms rose from eight to 10 and for FLCs from 54 to 60.

USDA's Farm Labor Survey found that the employment of directly hired workers fell 11 percent between April 2020 and April 2021.

The FLS includes only workers who are hired directly by farm operators, which means that workers who are brought to farms by nonfarm employers such as farm labor contractors and farm management firms are excluded. Second, the FLS sample is relatively small, which can produce large fluctuations from year to year. For example, employment in OR and WA rose from 47,000 in April 2019 to 58,000 in April 2020 before falling to 47,000 in April 2021.

Hourly farm wages rose faster between April 2020 and April 2021 than between April 2019 and April 2020. After rising three percent between 2019 and 2020, the gross hourly wages of US field workers rose seven percent to \$15.19 in April 2021. The April 2019-20 and April 2020-21 wage changes were six and 11 percent in California, which took field worker wages to \$17.25 in April 2021.

The FLS highlights the increase of farm earnings in California. In April 2010, the average hourly earnings of US, California and Oregon-Washington field workers was \$10 an hour. By April 2021, California field worker earnings were \$2 more than US field worker earnings and \$1.35 an hour more than Oregon-Washington hourly earnings.

The Quarterly Census of Employment and Wages provides a more comprehensive look at farm employment and wages. The employment data are the average employment of workers who were on the payroll for the period that includes the 12th of the month, and the weekly wages are what a full-time worker would earn.

The QCEW data are from the unemployment insurance system, and UI coverage varies by state. Federal law requires all farm employers who employ at least 10 workers on each of 20 days in 20 different weeks during the

current or preceding calendar year, or those who paid cash remuneration of \$20,000 or more in any quarter during the current or preceding calendar year, to enroll in their state's UI system and report employment and earnings.

Some states including California and Washington require all farm employers to enroll and report the employment and earnings of their workers, including H-2A guest workers, while other states such as Florida do not, so QCEW data cover a variable share of farm employment across states. The QCEW estimated that wage and salary employment in US agriculture averaged 1.7 million in 2017, including 76 percent or 1.3 million that was reported by employers to state UI systems.

Average covered agricultural employment (NAICS 11) rose eight percent between 2010 and 2020 to over 1.2 million, but fell by almost two percent between 2019 and 2020. Agricultural employment rose by an average 20,000 a year between 2010 and 2015, but by only 1,600 a year between 2015 and 2020, including the decrease of 22,000 between 2019 and 2020. FLC average employment fell by five percent or 10,000 between 2019 and 2020 to 172,000.

Animal agriculture was the exception, adding over 1,000 jobs between 2019 and 2020.

The average weekly wages of workers employed in agriculture rose 49 percent between 2010 and 2020, from \$512 to \$765. Employees of FLCs have the lowest weekly wages, but their wages rose fastest between 2010 and 2020, up 75 percent over the decade from \$331 to \$579 a week.

Weekly wage growth in all agricultural subsectors rose faster between 2015 and 2020 than between 2010 and 2015, and

weekly wage increases between 2019 and 2020 were especially noticeable for FLC employees, up 10 percent, and crop workers, up seven percent.

Workers in animal agriculture had the highest weekly wages in 2020 of \$815, but they experienced the slowest growth in weekly wages between 2019 and 2020, up less five percent. FLC employees had the lowest weekly wages of \$580, but had the fastest wage growth, up 10 percent between 2019 and 2020.

The QCEW data suggest that the Covid pandemic reduced employment in crop agriculture, and that the drop in employment was concentrated among FLCs.

## **CALIFORNIA: COVID, FLCs**

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Cal/OSHA in June 2021 announced that masks are not required in outdoor workplaces regardless of the vaccination status of employees. Employers should know the vaccination status of employees and provide N95 masks and impose distancing and barriers in the event of a Covid outbreak.

Farmers opposed efforts of the California Labor and Workforce Development Agency to cooperate with NGOs including CRLA to educate farm workers about Covid safety by visiting workers at work. Many employers expressed reluctance to have NGO staff accompany Cal/OSHA and ALRB agents under the \$3 million COVID-19 Statewide Agriculture and Farmworker Education Program.

SB 83, enacted in April 2021, requires California hospitality and business services employers to rehire qualified former employees who were laid off due to Covid before hiring new employees. SB 83, in effect through 2024, protects laid-off employees who were employed at least six months

in the 12 months before January 1, 2020. AB 3216, which would have required employers to rehire workers laid off during a state of emergency based on seniority, was vetoed. Employers opposed both bills.

The city of Coachella required employers of essential workers to pay them an additional \$4 an hour for at least 120 days after February 10, 2021. Farmers sued, arguing that they may be forced to harvest crops at a loss due to the extra \$4-an-hour-pay requirement.

Hot temperatures renewed concern about heat stress for farm and other outdoor workers. California and Minnesota have relatively comprehensive heat-safety regulations, while Oregon and Washington adopted emergency heat-safety regulations in 2021. The Asunción Valdivia Heat Illness and Fatality Prevention Act, introduced in March 2021, would require the Occupational Safety and Health Administration (OSHA) to develop enforceable standards to protect workers in high-heat environments by introducing paid breaks in cool spaces, access to water, and emergency response procedures for workers with heat-related illness.

Santa Maria in 2019 enacted an ordinance that requires agricultural employers to obtain city permits to house H-2A workers in areas with single-family homes. Federal and state agencies investigated in 2020 and found that the city ordinance was discriminating against people from a foreign country since almost all H-2A visa holders are Mexicans. A threatened \$400,000 fine prompted Santa Maria to repeal the ordinance.

In spring 2020, there were many predictions of farm labor shortages and higher prices for fresh vegetables due to farm workers who live in crowded housing working while sick and spreading

Covid. These predictions were largely wrong; there were neither labor shortages nor produce price spikes in 2020.

Some media reports highlighted the efforts of large growers to vaccinate their employees, including the 30,000 vaccinations arranged with the help of the Grower-Shipper Association of Central California. By some estimates, a higher share of farm workers than other residents are vaccinated in many agricultural areas. Federal, state and private funds were spent to reserve housing for sick farm workers that was not used because there were few farm workers with Covid and those who are sick preferred to recover at home.

Senator Melissa Hurtado (D-Sanger) wants the state to give priority to farm workers in the \$35 million Universal Basic Income pilot program, citing “drought, extreme heat, the pandemic, and overtime pay rules” as reasons why farm workers need UBI. The pilot program requires local governments to provide matching funds, and allows them to establish eligibility requirements for payments. Hurtado also called for Supplemental Guaranteed Income for farm workers who work six rather than eight hours on days when the temperature exceeds 100F.

West Coast Tomato Growers produces pole-ripened tomatoes (Oceanside Pole) in Oceanside, California with the help of 500 H-2A workers; the company plants a million plants on 750 acres that are picked up to 20 times during the summer months. H-2A workers are paid the AEW of \$16.05 an hour in 2021 and expected to pick 15 to 20 totes (25-pounds) of tomatoes an hour during the peak of the season, and 10 totes an hour at the beginning and end of the season. Packers are expected to pack 60 to 70 boxes an hour.

The Singh family leased land from the Camp Pendleton Marine base to grow tomatoes between 1940 and 2011, when WCTG was formed to produce on non-base land.

The owners of several Greenfield-based FLCs, including PFL Contracting Inc, Future Ag Management Inc, and Future Harvesters and Packers Inc, underreported their payroll by over \$17 million to save \$1.4 million in workers compensation premiums. An injured worker filed a worker’s comp claim in July 2016 that exposed the underreporting. Between July 2014 and August 2017, the FLCs paid \$43 million in wages, but paid WC premiums on \$23 million in wages.

California will require sheepherders to be paid overtime wages after January 1, 2022, raising sheepherder wages from \$2,134 a month in 2019 to \$4,381 a month in 2022 for employers with more than 26 employees; smaller employers have until 2025 to pay the \$4,381 a month wage. The California Wool Growers Association says that the state has 3,500 sheep farms with 550,000 sheep, and that most of the 375 herders are H-2A workers from Peru. California is the leading producer of wool and the second-leading producer of lamb meat.

AB 1066 assumes that herders who stay with their sheep work 24/7 or 168 hours a week. The CWGA wants the state to assume that herders work a 48-hour week, which would mean eight hours a week of overtime wages. DOL assumes a 48-hour week when setting the AEW for sheepherders.

The California Farmer in 1854 asked where the state’s farmers could find farm workers, asserting “Americans will not become [farm workers]... In the south, this is the work of the slave. But California is a free state. Then where shall the laborers be found...The Chinese...are to be to

California what the African has been to the south. This is the decree of the Almighty, and man cannot stop it." Pp87-8

Quoted in House Committee on the Judiciary. Subcommittee on Immigration. 1995. Agricultural guest worker programs. December 14. <https://babel.hathitrust.org/cgi/pt?id=umn.31951d012282203&view=1up&seq=1>

## **FLORIDA, SOUTHEAST**

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Farmers in southeastern states compete directly with fresh fruits and vegetables from Mexico. The rapid expansion of fruit and vegetable production in Mexico is an example of trade in place of migration. A million Mexicans are employed on Mexican export farms, and there are two million Mexican-born US farm workers.

The Mexican-born US farm workforce is aging and settled with US-born children, reducing their flexibility. H-2A workers from Mexico are the fresh and flexible blood in the US farm workforce. Florida and other southeastern states are most dependent on H-2A workers, who are a decade younger than settled Mexican-born farm workers, are legal, and are 15 to 25 percent more productive in terms of boxes or bins picked per day.

Employer-paid transportation and housing costs are higher for H-2A workers, but these higher costs are offset by higher productivity and the labor insurance inherent in contract workers who must remain with their US employer.

H-2A workers are likely to account for 15 percent of average US crop employment in 2021, approaching the peak 20 percent Bracero share of US crop workers in the mid-1950s. The roles of H-2A workers vary by commodity, from a bridge to mechanization in apples to

sustaining shrinking melon and tomato sectors. Regulatory and legislative uncertainty surround the H-2A program; if employer costs are reduced, the H-2A program could expand faster.

Florida produced 52 million boxes of oranges in 2020-21, about the same as California, as citrus greening or HLB reduced Florida production. In 1997-98, Florida produced a record 244 million boxes of citrus.

IMG Citrus subsidiary Happy Food LLC was denied permission by St Lucie county to build four 2,930-square-foot dormitory-style buildings to each house 24 H-2A workers in May 2021. The citrus firm has H-2A housing in Groveland.

Lehigh Acres' Pride Harvesting paid an additional \$268 each to 81 H-2A workers in May 2021 because it failed to keep their meal costs at \$12.46 per day. The workers slept in motels, and Pride allowed them to pay for their own meals from visiting taco trucks.

Statewide Harvesting & Hauling LLC of Dundee in May 2021 was found to owe overtime wages to supervisors who drove H-2A workers to buy groceries each week. Statewide employs H-2A workers to harvest oranges from 1,500 orchards and haul them to processing plants. Two Statewide field supervisors sued in 2017 for overtime wages because of the four hours a week they spent driving the workers for non-work activities. The 11th Circuit Court of Appeals ruled for the supervisors, holding that they were covered by the overtime provisions of the FLSA because their work was entirely off the farm.

## **MIDWEST, NORTHEAST, NORTHWEST**

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### **Colorado**

Senate Bill 21-087, signed into law in June 2021, grants farm workers

the right to unionize and requires them to be paid at least the state's minimum wage of \$12.32 an hour in 2021, plus overtime pay after 12 hours a day and 40 hours a week. Worker advocates supported the bill, arguing that farm workers should have the same rights as nonfarm workers, while employers warned that worker pay would drop because farmers would reduce hours rather than pay overtime wages.

### **Iowa**

A Mexican-born dairy worker who entered the US illegally at age 17 was convicted of killing a college student in Brooklyn in 2018 when he was 24; he was found guilty in May 2021. Cristhian Bahena Rivera used false documents to get a job at Yarrabee Farms, but did not learn English.

Iowa is a Republican state that may presage losses for Democrats in states where unionized manufacturing workers have been replaced by non-union immigrant workers. Factories have fewer workers, and declining populations leave a sense that elites are unable to reverse the decline, making voters receptive to America-First messages. Some Democratic leaders want a more diverse state such as Nevada to replace Iowa and New Hampshire as the first states to vote in presidential primaries.

Iowa is expected to produce a sixth of the 15 billion bushels of US corn in 2021 and a ninth of the 4.4 billion bushels of soybeans from 13.2 million and 9.8 million acres, respectively. Iowa replaced Nebraska as the leading producer of red meat in 2019, accounting for a sixth of the 55 billion pounds of US red meat production.

The US had 683 federally inspected meat processing plants in 2020. The 13 largest each slaughtered over a million animals a year and

accounted for 54 percent of all animals processed.

## Illinois

The Native American city of Cahokia east of St Louis had an estimated 20,000 residents in the 1100s, but was largely abandoned by 1350. There is no consensus on why Cahokia was abandoned, but researchers suggest that Native Americans did not commit ecocide, cutting down trees that later led to flooding. Some of the descendants of Cahokia became the dispersed Osage Nation.

## Michigan

Tart cherries are harvested by shake and catch machines, and the area around Traverse Bay, Michigan produces most of the US crop, a record 201 million pounds in 2017. The 2021 crop is estimated to be 66 million pounds due to first drought and then heavy rains.

## Pennsylvania

Mushroom growers around Kennett Square say that workers are leaving for jobs in construction, landscaping and warehouses, leaving them with too few harvesters. Most mushrooms are harvested for piece-rate wages, and the experienced workforce is aging. Mushrooms are grown indoors, making it easier to develop machines to pick them.

## Oregon

HB 2358 and SB 616 would require farm employers to pay overtime wages to farm workers after 40 hours a week. Farmers oppose these bills, arguing that agriculture was exempted from overtime wage laws because of its seasonality.

A 38-year old Guatemalan employed by Brother Farm Labor Contractor died of heat stress at the Ernst Nursery and Farms in July 2021, prompting worker advocates to call for emergency heat-stress regulations to protect farm workers.

Portland has had almost nightly protests since the killing of George Floyd in Minneapolis in May 2020, with an estimated 200 black-clad demonstrators regularly engaging in vandalism of businesses.

## Washington

A state judge in April 2021 issued an injunction that prohibits the state from enforcing regulations that require employers to ensure that their farm workers are within an hour of an emergency room that has a ventilator and to allow community workers to access farm workers in the workplace. The state government in June 2021 agreed with farmers that vaccinated farm workers do not need to wear masks if all workers are vaccinated in the workplace or in worker housing.

SB 5172 requires farm employers to pay overtime wages after 55 hours a week starting January 1, 2022, after 48 hours in 2023, and after 40 hours in 2024. The bill blocks suits for overtime pay in past years.

The House Workforce Protections Subcommittee held a hearing May 3, 2021 on the workers who remain exempt from the overtime requirements of the Fair Labor Standards Act of 1938. Democrats said that essential farm workers should receive overtime pay as a matter of fairness and justice, while Republicans said that requiring overtime pay would force farmers to automate and lead to increased imports, leaving some farm workers worse off (<https://edlabor.house.gov/hearings/from-excluded-to-essential-tracing-the-racist-exclusion-of-farmworkers-domestic-workers-and-tipped-workers-from-the-fair-labor-standards-act>).

Seven states, California, Colorado, Hawaii, Maryland, New York, Minnesota and Washington, require overtime wages for farm workers, although most do not require overtime after 8/40 and Hawaii's

law raises the hours worked before overtime is required during the harvest season. Bills are pending in Maine and Oregon to require overtime pay for farm workers.

Washington is expecting a 112 million bushel apple harvest in 2021, down from 134 million bushels in 2020.

## UFW, ALRB, UNIONS

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The UFW was decertified at Foster Farms poultry processing plants in Livingston, California in an NLRB-supervised election by a vote of 560-101 in January 2021. There were over 400 Covid cases at the Foster plants, and the UFW sued to improve compliance with safety protocols.

The UFW displaced the International Association of Machinists at Foster in 2016 and negotiated a new contract in spring 2020. The UFW charged that Foster did not implement the contract in June 2020, but the NLRB refused to intervene.

Over half of the UFW's 2019 revenue was from non-dues income such as contributions and donations. The UFW's Juan de la Cruz Pension Plan paid \$8 million in benefits in 2018 is considered by DOL to be in "critical status" with too few assets to pay promised benefits.

The Robert F. Kennedy health insurance plan limits annual benefits to \$70,000 per person, which violates the 2010 Affordable Care Act's prohibition on annual limits on benefit payments. The UFW said that if the plan failed, covered workers would be forced onto Medi-Cal, prompting the state to provide a subsidy since 2014 of up to \$3 million in 2021. The state RFK subsidy, which is scheduled to continue through at least 2026, may have helped the UFW to displace

the UFCW at some farms and nurseries in Ventura county in 2016.

The UFW reported 6,240 active and 1,200 retired members in its 2019 LM-2 report. DOL requires unions to report their end of year membership, and the UFW's membership fell from 27,000 to 5,000 in 2001 and has since fluctuated between 5,000 and 10,000. The UFW was decertified at Gerawan Farms by a 1,098-197 vote in 2013.

## **ALRB**

The US Supreme Court in a 6-3 decision in June 2021 found that the ALRB's 1975 access regulation was an unlawful physical taking of private property. The NLRB's access regulation allows nonfarm union organizers to enter private property and talk to workers when there is no other way to reach them, as when the workers live on a ship or on company property.

The ALRB in 1975 cited low levels of education and English among farm workers, and the fact that some workers live on farms, to presume that union organizers would request and the ALRB would grant union organizers limited and temporary access to workers on farms. Cedar Point Nursery and Fowler Packing Company argued that automatic union organizer access was an unlawful physical taking of their private property even if it was limited and temporary, and the US Supreme Court agreed.

The dissent argued that the access rule was aimed at achieving labor peace and should be permitted under the US constitution. The dissent warned that property owners may similarly argue that inspections to determine the status of wetlands or endangered species could be deemed unlawful physical takings.

The practical impact of the Supreme Court decision is limited because

there is relatively little union organizing. If unions want to take access in the future, they will have to show that they have no other practical means to communicate with workers. There may be more disputes over access in the future if the ALRB grants access to organizers and employers counter that unions have other ways to communicate with their employees.

AB 616 would allow the ALRB to recognize a union on the basis of a card check in addition to winning a secret ballot election. The ALRA in 1975 required secret-ballot elections to avoid a repeat of some growers recognizing the Teamsters as the representative of their workers without an election. The UFW has been pushing for a card-check procedure to represent farm workers for a decade. The Legislature approved card-check bills several times, but they were vetoed by the governor.

## **Unions**

The Protecting the Right to Organize Act (PRO) was approved by the House on a 225-206 vote in March 2021.

The almost 6,000 employees of an Amazon warehouse in Bessemer, Alabama voted 1,798 to 738 against representation by the Retail, Wholesale and Department Store Union in a February-March 2021 mail ballot. Amazon's \$15 minimum wage is twice the state's \$7.25 an hour minimum wage, and Amazon offers its employees' health and other benefits. The RDSWU alleged that Amazon unlawfully interfered with the vote, while others said that the RDSWU relied too much on phone calls to workers rather than in-person meetings.

Unions have not been successful organizing workers employed by Amazon and Walmart, the two largest private US employers. Unions represent six percent of private sector US workers, down

from 24 percent in 1973. Some 40 percent of employees of federal, state and local governments are union members.

Jobs in Amazon warehouses are akin to factory jobs in the sense that workers often interact with robots rather than other employees. Their activities are monitored closely, just as assembly line workers are tied to one spot on the production line and monitored.

California's State Building and Construction Trades Council, which represents 450,000 construction workers, routinely blocks affordable housing bills in the state legislature if they do not require workers to be graduates of apprenticeship programs, most of which are operated by unions. The Council wants affordable housing projects that receive state subsidies or easier approval to require that the workers who are employed to build them are "skilled and trained" graduates of union training programs.

## **DOL**

David Weil, who was administrator of the Wage and Hour Division between 2014 and 2017, was named to return to WHD in April 2021. Weil examined fissured workplaces, emphasizing that some businesses shift risks to workers by classifying them as independent contractors. WHD sued some businesses that classified workers as independent contractors, arguing that the workers were employees who were entitled to minimum wages and overtime pay.

WHD also tried to make master franchisors responsible for the labor violations of their franchisees. Weil argued in 2019 that Uber and Lyft drivers should be classified as employees, and DOL Secretary Marty Walsh repeated the case for considering gig workers to be employees in April 2021. California voters approved Prop 22 in

November 2020 that continues to classify gig workers as independent contractors. Prop 22 overturned AB 5, a state law that would have made almost all gig workers employees.

## IMMIGRATION

### IMMIGRATION, POPULATION

President Joe Biden, in his first speech to Congress in April 2021, pledged to push for comprehensive immigration reforms that would allow the 11 million unauthorized foreigners in the US to become legal immigrants and US citizens. Biden also endorsed bills approved by the House with some Republican support in March 2021 to legalize Dreamers, who are unauthorized foreigners who arrived in the US before age 16, and unauthorized farm workers.

A May 2021 DHS blueprint to implement Biden's immigration vision laid out administrative changes that could make it easier for foreigners to obtain immigrant visas and naturalize, including substituting virtual for in-person interviews. Another change would make it easier for foreigners to receive asylum in the US due to domestic violence or discrimination in their home countries based on sexual orientation.

Biden stopped work on the border wall with Mexico, reduced efforts to locate and deport unauthorized foreigners from inside the US, and rescinded the ban on travelers from particular countries. However, an upsurge in the number of Central American families and unaccompanied teens seeking asylum may make it difficult to win Republican support for any large-scale legalization proposal.

A bipartisan group of 21 senators launched an effort in May 2021 to develop an immigration reform

proposal. Republicans say that immigration reform must deal with the influx of Central Americans at the Mexico-US border, while Democrats say that immigration reform must legalize most of the 11 million unauthorized foreigners in the US. Some Democrats want to attach immigration reform to Biden's infrastructure package, which they say could be passed via reconciliation and a simple majority vote because of its budgetary implications.

Immigration reform may be upstaged by Biden's \$2.3 trillion infrastructure investment program and a \$1.8 trillion plan to provide universal preschool, cost-free community college education, and government child care subsidies. Congress approved a \$1.9 trillion corona-relief and stimulus bill in March 2021, prompting some economists to warn that additional government spending may fuel inflation.

Migrant advocates who in the past insisted on comprehensive immigration reforms now urge piece meal or incremental reforms to legalize Dreamers and farm workers. Previously, advocates feared that incremental reforms would reduce Congressional support to legalize other unauthorized foreigners.

An analysis of 2020 voters warned Democrats that they need to develop an economic agenda that appeals to minorities to keep them from switching to Republicans. Many anti-Trump voters liked the economic boom under Trump and agreed with Trump's refusal to close the economy to fight Covid. Some Democratic candidates have been tagged as defund-the-police socialists, scaring immigrants from countries ruled by leftists. Republicans who appeal to working class whites stress the need for low taxes and a strong military.

### Refugees

Candidate Joe Biden promised to raise the number of refugees resettled in the US to 125,000 a year, but was slow to raise the 15,000 limit established by President Trump after taking office, drawing protests. The upsurge in the number of Central Americans seeking asylum at the Mexico-US border reportedly slowed the increase in the refugee quota.

President Biden ended Trump's Migrant Protection Protocols or Remain in Mexico program that required asylum seekers to apply for asylum in the US and in Mexico for court hearings. Many of those outside the US did not learn about or participate in their hearings, and less than two percent were recognized as refugees. In June 2021, DHS announced that over 30,000 asylum seekers who missed US court dates while they were waiting in Mexico could re-apply for asylum via a web site maintained by UNHCR.

### Population

The US population grew at the slowest rate in decades, up 7.4 percent during the 2010s to 331.4 million in April 2020. The fastest US population growth was in the 1960s, when the population increased by over 18 percent during the decade, and the slowest growth was in the 1930s, when the population grew 7.3 percent.

Five states grew by 15 percent or more, Utah, Idaho Texas, North Dakota and Nevada. Three states had shrinking populations, Illinois, Mississippi and West Virginia. The census shows that Americans continue to move south and west, from higher-tax and colder states to warmer and lower-tax states.

Five states, Colorado, Florida, Montana, North Dakota and Oregon, will gain one House seat, and Texas will gain two House seats. Seven

states will lose one House seat each, California, Illinois, Michigan, New York, Ohio, Pennsylvania and West Virginia.

There are 435 House seats. The average House district had 761,000 residents in 2020, up from 711,000 in 2010.

The US population quadrupled in the 20th century, from about 70 million to 280 million. During the 21st century, the US population is expected to stabilize at less than 400 million. The median age of US residents in 2020 was 38, and there were more US residents in 2020 who were 80 and older than children two and younger.

There were 3.6 million births in the US in 2020, an average of 10,000 a day, the smallest number since 1979 and well below the peak 4.3 million births in 1957. Some 25 states had more deaths than births in 2020, and the fertility rate dropped to 1.6 children per woman, below the 2.1 rate required to replace the population.

## **DHS: APPREHENSIONS UP**

The Department of Homeland Security in April 2021 announced that it would change terms: “alien” would become “noncitizen or migrant,” “illegal” is now “undocumented,” and “assimilation” is “integration.”

Tucson, Arizona police chief Chris Magnus was nominated in April 2021 to head the Customs and Border Protection agency, Harris County (TX) sheriff Ed Gonzalez was nominated to head the Immigration and Customs Enforcement agency, and Californian Ur Jaddou, who was head of DHS Watch (America’s Voice), was nominated to head the US Citizenship and Immigration Services agency.

Restrictionist groups opposed Magnus and Gonzalez because

they oppose state and local police cooperating with federal immigration enforcement authorities, while admissionist groups worried that they were not sympathetic enough to unauthorized foreigners. Some call for the new leaders of CBP and ICE to embrace immigration as a human right.

### **CBP**

During the first half of FY21, CBP encountered 570,000 foreigners just inside the Mexico-US border, more than the 458,000 encountered in all of FY20 and on track to surpass the 978,000 in FY19. Mexicans were almost half of those encountered in the first half of FY21, down from 65 percent in FY20 and 25 percent in FY19.

The US since March 2020 has been returning to Mexico foreigners encountered just inside the Mexico-US border under Title 42 of the Public Health Act to prevent the introduction of Covid. Mexico enacted a law in 2020 that prohibits children from being detained with adults in its detention facilities, prompting President Biden to end returns to Mexico of unaccompanied youth and families with children under six.

The Biden administration announced plans to end Title 42 “turnarounds” for migrant families by September 2021 and later for solo migrants; those arriving from Mexico are returned to Mexico. Migrants who are not turned around may be released with ankle monitors rather than detained. The US turned around 867,000 migrants between March 2020 and July 2021, some several times as those who were apprehended tried again.

Some analysts expect the number of Central Americans entering the US will jump after Title 42 turnarounds are halted. One option would be to have the asylum

officers who now conduct credible fear interviews to make decisions on asylum applications so that those who are rejected could be removed from the US quickly.

Border Patrol agents encountered 172,331 foreigners in March 2021, including a record 19,000 foreigners under 18, straining the capacity of the Department of Health and Human Services (HHS) to care for them until they are sent to US relatives as they await hearings on their asylum applications. CBP is supposed to turn minors over to HHS within 72 hours of encountering them, but the lack of space in HHS’s 150 facilities for children mean that some children stay in CBP facilities longer. HHS opened emergency shelters in convention centers and reduced the time required to verify the credentials of US residents to whom children are released.

Some 178,622 foreigners were encountered just inside the US border with Mexico in April 2021, and another 180,034 in May 2021. Two-thirds of these foreigners were solo adults, and almost 40 percent were apprehended at least once previously in the past 12 months.

Over 65,000 unaccompanied minors were encountered in the first five months of 2021, and 16,000 were being cared for by HHS in June 2021. There were 53,000 people encountered in family units in March 2021, and many were released into the US. Such releases encourage more Central Americans to make the trip north.

A rising number of migrants from Ecuador, Brazil and other South American countries are seeking asylum by entering the US illegally near Yuma. Mexico refuses to accept the return of most South Americans, so they are released into the US to await court dates, a procedure President Trump derided as catch and release.

Most of the 111,000 solo adult migrants encountered were returned to Mexico under Title 42, and some tried to re-enter the US immediately. Smugglers often offer several chances to be smuggled into the US for a fixed price.

President Biden canceled the Trump administration's transfer of \$10 billion from the Defense Department to DHS to build the wall on the Mexico-US border. Some 450 miles of border wall were constructed under Trump, mostly in Arizona, before Biden halted construction on January 20, 2021. Texas Governor Greg Abbott announced in June 2021 that the state would use state funds to build a fence on the Texas-Mexico border.

Vice President Kamala Harris visited El Paso in June 2021 and said that the Biden administration aims for a "fair, orderly and human immigration system." Republicans have called the upsurge in border apprehensions "Biden's border crisis," while Democrats are pressing Biden to reverse more Trump administration policies that allow unauthorized foreigners to be returned to Mexico. Ex-President Trump visited the Rio Grande Valley in July 2021 and condemned the Biden administration's failure to prevent unauthorized migration.

Many non-Mexican foreigners are waiting in Mexico to enter the US and apply for asylum. DHS in summer 2021 allowed NGOs to recommend particularly vulnerable migrants who are in Mexican border camps to enter the US and apply for asylum. Some 3,900 people in family units were allowed to enter the US and apply for asylum in May 2021, up from 1,800 in April 2021.

In May-June 2018, some parents were separated from their children and deported without them. In May-June 2021, some of the parents who were deported were admitted to the US to join children who

have been living with relatives. Advocates want the US government to give parents and children who were separated immigrant visas and to provide them with supportive services.

### ICE

President Biden changed ICE enforcement priorities to focus on terrorists and other national-security risks; aliens apprehended entering illegally after October 31, 2020; and criminal aliens incarcerated for aggravated felonies committed in the US. ICE seeks such foreigners inside the US, often as they exit state prisons, and detains them until they are ordered deported by an immigration judge.

ICE arrests inside the US are falling. There were 13,000 arrests from February through June 2021, compared with nearly 40,000 over the same period in 2020. The number of foreigners in ICE detention fell from a peak 56,000 in 2019 to 14,000 in March 2021 before rebounding to 26,000 in July 2021 as more non-Mexicans were apprehended. Most of the foreigners who are apprehended are not vaccinated, which allows Covid to spread through detention facilities.

### USCIS

Up to 150,000 Haitians in the US before May 21, 2021 are eligible for temporary protected status (TPS) for the next 18 months, which includes work and residence permits and can be renewed. In March 2021, USCIS granted up to 320,000 Venezuelans who were in the US TPS. When President Biden took office, 400,000 citizens of 11 countries had TPS.

The US Supreme Court in June 2021 ruled that foreigners who enter the US illegally and are later granted TPS cannot apply for immigrant visas inside the US because they were not admitted

legally. A Salvadoran who entered the US illegally was granted TPS in 2001, but he was denied an immigrant visa in 2014 because of his previous illegal entry. A lower federal court overturned USCIS and ordered that the man receive an immigrant visa, an appeals court disagreed, and the USSC confirmed the appeals court decision that only lawful entrants are entitled to apply for immigrant visas inside the US.

In another case, the US Supreme Court reversed the Court of Appeals for the Ninth Circuit in June 2021, which had held that the claims of asylum seekers are credible unless an immigration judge specifically finds otherwise. The USSC said that appeals courts do not have to treat asylee statements as true.

The US Attorney General in June 2021 reversed Trump-era decisions that foreigners could not obtain US asylum due to domestic or gang violence in their home countries. Many Central Americans cite domestic or gang violence as their reasons for seeking asylum in the US. Victims of domestic or gang violence can be deemed members of in a "particular social group" and thus eligible for asylum, as with a Salvadoran woman in 2016 whose asylum was withdrawn by the Attorney General in 2018.

Asylum is available to foreigners who have a well-founded fear of persecution on account of their race, religion, nationality, political opinion or membership in a particular social group.

### H-2A; H-2B

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DOL certified almost 9,900 applications to fill 166,000 jobs with H-2A workers in the first two quarters of FY21, up from 8,600 applications and 138,000 jobs certified in the first two quarters of FY20. Job certifications in FY21 were 20 percent higher than in FY20.

The second quarter accounted for 35 percent of all jobs certified in FY20. If this pattern holds in FY21, the 117,000 jobs certified during the second quarter of FY21 suggests that there could be 334,000 jobs certified in FY21. Bracero admissions peaked at 455,000 in the mid-1950s.

Florida accounted for 15 percent of jobs certified in the first half of FY21, followed by 13 percent in Georgia, 10 percent each in California and Washington, and seven percent in North Carolina. Crop workers were 84 percent of the jobs certified, followed by agricultural equipment operators, eight percent, animal workers six percent, and construction workers and truck drivers.

Representatives Henry Cuellar (D-TX) and Dan Newhouse (R-WA) added language to the FY22 Homeland Security Appropriations bill that would allow dairy and other farmers that offer year-round jobs to employ H-2A workers. In the past, efforts to eliminate the requirement that only seasonal jobs can be filled by H-2A guest workers failed.

The Farm Workforce Modernization Act, approved by the House in March 2021, is being considered and modified by Senators Michael Bennet (D-CO) and Mike Crapo (R-ID). The Agriculture Workforce Coalition of several hundred farm organizations urged the Senate to act soon, calling the current H-2A program “cumbersome and expensive.” The AWC criticized the FLS-based AEWR, asserting that it is a “flawed survey-based wage rate set using data that does not take into account the value of other expensive mandated benefits” provided to H-2A workers.

Support for the FWMA among migrant advocates is uneven. The UFW and Farmworker Justice support the FWMA, while the Washington-based Familias Unidas

por la Justicia and other worker groups oppose the FWMA.

A federal judge in May 2021 required employers of H-2A workers to pay them 2021 AEWRs between January 15, 2021 and February 23, 2021. The 2020 AEWRs were in effect until 2021 AEWRs were released February 23, 2021, and the judge ruled that H-2A workers and US workers in corresponding employment are entitled to back wages for the period that they were paid the lower 2020 AEWRs.

### **H-2B**

There are 66,000 H-2B visas a year available to admit foreign workers to fill seasonal nonfarm jobs. In April 2021, DHS announced that an additional 22,000 H-2B visas would be available, with some set aside for citizens of the Northern Triangle countries of Guatemala, El Salvador and Honduras.

Morey's Piers in Wildwood, New Jersey, says that it relies on H-2B and J-1 foreigners to fill 1,500 amusement park jobs. Morey's wants US consulates abroad to begin processing more visas without interviewing applicants in-person.

An owner of Midway West Amusement, Jordan Jensen, was charged with human trafficking in July 2021 in Utah after some of the 20 Mexican workers with H-2B visas complained that they worked long hours and did not retain their passports. Midway paid \$400 a week, but required workers to work 70 hours a week or more, and did not provide them with adequate housing.

### **CANADA, MEXICO**

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The Canada-US border has been closed to non-essential travel since March 2020, and may remain closed through the summer of 2021.

Over 55 percent of Canadians had received one vaccine dose and 20 percent were fully vaccinated by June 2021, compared with 65 and 55 percent in the US. Canada's Atlantic provinces and British Columbia want to reopen borders with the US, but the leaders of Ontario and Quebec want to wait to reopen borders.

Canada legalized marijuana use in 2018, setting off a green rush as investors bid up the prices of businesses that grow and distribute legal cannabis. Canopy Growth, the largest Canadian producer, lost \$1 billion in 2020 when buyers for marijuana failed to materialize. British Columbia-based Tilray and Ontario-based Aphri plan to merge in 2021 to create the world's largest legal cannabis grower.

Investors blame strict government regulation for slowing sales, emphasizing the high taxes they pay and the relatively few government-licensed retail stores that sell marijuana products. Mexico legalize marijuana in June 2021, which may allow lower cost Mexican cannabis to replace Canadian-grown marijuana. Mexico's marijuana farms are concentrated in the mountains surrounding Badiraguato, Sinaloa, the state that leads in exports fresh vegetables to the US.

### **Mexico**

Over 9,000 foreigners applied for asylum in Mexico in March 2021, putting the country on track for 100,000 asylum applications in 2021; more Central Americans who cannot get into the US are applying for asylum in Mexico. Over 70,400 foreigners applied for asylum in Mexico in 2019, and three-fourths received asylum or other protections.

Mexican President Andrés Manuel López Obrador in April 2021 asked the US to grant six-month work visas to some of the 400,000 Mexican farmers who have participated in

AMLO's tree-planting program for at least three years. The program pays rural Mexicans about \$225 a month to plant and tend fruit and timber trees. A million trees were planted as of May 2021, and critics allege that some rural Mexicans have cut down trees to qualify for the subsidy to replant. AMLO wants US support to expand the tree-planting program to Northern Triangle countries.

Mexicans on June 6, 2021 elected a new 500-seat lower house of Congress, electing 15 of the 32 state governors and 21,000 local officials. AMLO's Morena party won about 200 seats in Congress, and can count on the support of another 100 representatives of coalition parties, less than the two-thirds majority desired. Morena won 11 of the 15 governorships, but lost the mayor's offices in the three largest cities, Mexico City, Monterrey and Guadalajara.

At least 35 candidates were killed by gangs; most worker running for mayor. Gangs have diversified from trafficking drugs to the US to selling black market gasoline, smuggling migrants into the US, and investing in legitimate business, including avocado farms and other agribusinesses. Many candidates for local office stopped challenging incumbents after being threatened.

Mexico had 27 homicides per 100,000 people in 2020, compared with five homicides per 100,000 people in the US. There are an estimated 200 criminal groups operating in Mexico, where only one percent of crimes are solved.

The National Agricultural Council (CNA) in April 2021 estimated there were 2.4 million migrant farm workers who, with dependents, totaled 8.5 million people. The CNA promised to work with the Mexican DOL to ensure that farm employers register and pay taxes on the wages of migrant farm workers to IMSS so they are eligible for health and

pension benefits, CNA estimated that 20 percent of migrant farm workers or 480,000 are currently registered with IMSS.

Mexico exported 207,000 tons of strawberries worth \$851 million in 2020, up from 140,000 tons worth \$368 million in 2015. Jalisco is the leading producer of raspberries, with 6,300 hectares that produced 104,000 tons in 2020; two-thirds of Jalisco's raspberries are in Zapotlan El Grande and Jocotepec. Mexico exported over 500,000 tons of romaine lettuces in 2020, up from an average 200,000 tons in previous years. Half of the export lettuce is from Guanajuato and Zacatecas.

Sinaloa is Mexico's leading farm state, producing commodities worth \$17 billion or 16 percent of Mexico's total \$104 billion in farm sales in 2019. A survey of 400 farm workers in Elota found that most were young and married, a sixth spoke the indigenous Nahuatl language, and family incomes averaged \$540 a month, or 4.2 times the minimum wage. Some 55 percent of the workers interviewed were born in Sinaloa, followed by 25 percent in Guerrero and six percent each in Veracruz and Oaxaca. Almost 87 percent of the Elota farm workers reported that their employers enrolled them in IMSS.

The Mexican government in December 2020 announced plans to ban imports of GMO corn by 2024. Mexico imported 16 million tons of GMO corn in 2020 from the US for animal feed, and the GMO ban is expected to exempt GMO crops used for animal feed. Some Mexicans want to ban all GMO crops, including corn used to feed animals.

Michoacán is Mexico's leading producer of avocados and strawberries, and is a stronghold of the Jalisco New Generation Cartel (CJNG) and the Los Viagras

gangs. Avocado farmers in the municipalities of Salvador Escalante, Ario de Rosales, Nuevo Urecho and Taretán formed militias and established 54 roadblocks to counter kidnappings and demands for protection payments of 50,000 pesos (\$2,500) per hectare of avocados.

USMCA requires Mexico to allow workers to choose unions to represent them via secret ballots. Some 400 workers at the Tridonex auto-parts plant in Matamoros tried to switch from the SITPME union to the independent union SNITIS formed by activist Susana Prieto in 2020.

The regional labor board did not authorize a vote at Tridonex and 45 other Matamoros factories where workers wanted to switch unions. Some of the Tridonex workers who supported SITPME lost their jobs, which Tridonex attributed to reduced demand. The AFL-CIO filed a complaint against Tridonex in May 2021, and sought quick action under the USMCA's rapid response mechanism. The US government backed the AFL-CIO complaint in June 2021.

The US government in May 2021 complained that the incumbent employer-friendly union interfered with an April 2021 union vote at a GM truck plant in Silao, Guanajuato, prompting the Mexican Labor Ministry to order a new vote before the end of August 2021 with over 30 observers to ensure a secret ballot vote.

A Mexico City subway bridge on Line 12 collapsed in May 2021, killing at least 24 people. The subway system handles over four million passengers a day, second only to New York City in the Americas. Line 12, opened in 2012 at a cost of \$2 billion, was plagued by construction defects that could taint both the current foreign secretary, Marcelo Ebrard, who was

mayor when Line 12 was built, and Carlos Slim's Carso Infrastructure, which built the bridge that collapsed, likely due to bad welds on the steel studs that supported the bridge.

### **Northern Triangle**

The US released a list of 16 high-level officials in Guatemala, Honduras and El Salvador who were deemed corrupt in May 2021, highlighting the challenges facing Vice President Kamala Harris, who is leading an effort to provide \$1 billion a year in US aid to tackle the root causes of migration from Guatemala, Honduras and El Salvador. Harris attributed emigration to the "the violence, the corruption, the gangs and the political instability, hunger, hurricanes, earthquakes, natural disasters."

Harris visited Guatemala in June 2021, a country that received \$1.6 billion in US aid since 2010, a period of rising poverty and outmigration. She said: "Do not come. Do not come. The United States will continue to enforce our laws and secure our border...if you come to our border, you will be turned back."

Between 2019 and mid-2021, some 400,000 Guatemalans, over two percent of the population, were apprehended just inside the Mexico-US border.

Most experts believe it will be hard for US assistance to change the narrative from hopelessness and a need to emigrate to opportunity at home. Because local government agencies are often corrupt, foreign aid flows via foreign NGOs whose operations cease when the aid stops flowing. Over 80 percent of US aid goes to US contractors capable of satisfying reporting requirements, such as how many people attended training meetings.

Many NGOs print brochures and hire local trainers to provide training

that may not be relevant to the target audience, while others build toilets and other facilities that are quickly dis-assembled and used for building materials. There were at least three US-funded projects in the coffee-growing village of San Antonio Huista near the Mexican border that involved trainings but no tangible benefits, since coffee farmers still sell their unprocessed beans to a few wholesalers who set prices.

Meanwhile, the spread of microcredit and the development of a migration infrastructure makes it easier to borrow money to migrate to the US than to fund new local businesses. There are fears that giving US aid directly to Central Americans could encourage some to pay smugglers rather than invest at home.

### **Colombia**

Some 5.6 million Venezuelans have left their country since 2017, making Venezuela second only to Syria as a source of refugees. Some 31 percent moved to Colombia and 18 percent to Peru.

Colombia in January 2021 granted ten-year work and residence permits to Venezuelans in the country before January 1, 2021, and promised similar ten-year permits to Venezuelans who arrive via official ports of entry when borders reopen after Covid. The government estimates that there could be three million to five million Venezuelans in the country by the end of 2022, and is seeking foreign assistance to care for them.

### **Ecuador**

One of the longest-running environmental suits continues between Chevron and Ecuador's government. Texaco was sued in New York 1993 for damaging the environment in the Lago Agrio region of the Amazon where it drilled for oil with state-owned

Petroecuador. Texaco obtained a release of liability from the Ecuadoran government in the 1990s, and Chevron inherited the suit when it bought Texaco in 1991.

Steven Donziger, the plaintiffs' lawyer, refiled the suit in Ecuador in 2003 after it was dismissed in New York, and turned it into a cause célèbre for environmental activists. Donziger's team wrote most of the report of an outside expert who said that Chevron owed \$27 billion for environmental damage. An Ecuadorean judge in 2011 ordered Chevron to pay \$19 billion, later reduced to \$9.5 billion.

In 2014, a US judge found that Donziger and his team submitted false evidence and promised money to the Ecuadorean judge in exchange for the verdict, and ruled that the Ecuadorean judge's order could not be enforced in the US and that Donziger could not benefit from the judgement. Chevron in 2018 won a verdict from the Permanent Court of Arbitration at The Hague nullifying the Ecuadorian court order. Chevron objected to Ecuador roses obtaining duty-free access to the US until the judgement against it is withdrawn.

Peruvians gave Pedro Castillo, a far-left teacher, slightly more votes than far-right Keiko Fujimori in the June 2021 presidential election. Peru adopted free-market policies in the 1990s and experienced rapid economic growth, but corruption and poor handling of Covid left many voters disillusioned with mainstream parties. The priorities of the richer coastal areas of Peru that voted for Fujimori often conflict with those of poorer residents in the Andes mountains who voted for Castillo.

Argentina received the largest bailout in IMF history, some \$57 billion in 2018, and found it hard to repay the \$45 billion debt remaining in 2021. Argentina defaulted on its

government debt nine times, which limits foreign investment. Interest rates in Spring 2021 were almost 40 percent, and taxes on farm exports aim to help the government avoid printing more pesos.

Covid devastated Latin America, which has less than 10 percent of the world's people but a third of the world's Covid deaths. Public schools were closed for 16 months in 2020 and 2021, and 100 million children dropped out of school. Teachers' unions are especially powerful in many Latin American countries, and many unions refused to allow teachers to return for in-person instruction.

Haiti was in turmoil in July 2021 after the president was assassinated and two men competed to replace him. Initial reports suggested that Christian Emmanuel Sanon, a Haitian-born doctor living in Florida, hired the Colombian mercenaries accused in the assassination.

Political intrigue, gang violence, lawlessness, and a public health crisis could fuel another wave of migration toward Florida; by some estimates, gangs control 60 percent of Haiti. As the poorest country in the Western Hemisphere, Haiti never fully recovered from a 2010 earthquake that devastated the western half of Hispaniola island. One of the men competing to become the new president asked for US troops to keep order.

## **EUROPE, ASIA**

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The European Union on July 1, 2021 launched a digital health certificate that permits people who have been vaccinated to travel freely within the bloc without the need to quarantine or test negative for Covid-19 upon arrival at their destination. Some 200 million of the 450 million residents of the EU-27 countries have scannable QR code certificates.

The EU (including the UK) produced 43 million tons of fruit and 51 million tons of vegetables in 2020. Spain was the leading producer, with 13 million tons of fruit and 10 million tons of vegetables, followed by Italy with 10 million tons of fruit and seven million tons of vegetables. Poland produced four million tons of fruit and France six million tons of vegetables.

The leading commodities by tonnage were tomatoes, 16 million tons; apples, 11 million tons; onions and oranges, six million tons each; and carrots, five million tons. The EU is a net importer of fresh fruits and vegetables, with imports led by six million tons of bananas and a million tons each of oranges and pineapples.

### **Britain**

EU citizens could apply for permanent residence status before July 1, 2021. Some 5.6 million did, demonstrating that there were more EU citizens in the UK than the 3.7 million estimate. There were a million Polish applicants, 900,000 Romanian applicants, 500,000 Italian applicants, 400,000 Portuguese, and 300,000 Spanish applicants.

Many Eastern Europeans who worked in British agriculture left during the Covid lockdown, and some are traveling to Germany and Spain to do farm work rather than the UK. In response to farmer complaints of labor shortages, the government allowed up to 30,000 foreign workers to work in UK agriculture in 2021.

The government's proposed a Nationality and Borders Bill in July 2021 that would allow asylum seekers to be held and processed offshore, and subject foreigners who arrive in the UK without proper documents to be charged with illegal entry. Australia and Denmark already allow offshore processing of asylum seekers.

Critics say criminalizing illegal entry and offshore processing violate the 1951 UN Refugee Convention, which obliges governments not to refool or return asylum seekers to face persecution. Some analysts say the Conservative government is proposing the bill to win working-class Labor voters worried about the upsurge in arrivals across the English Channel.

Covid closed many hotels and restaurants, prompting Eastern European service workers to go home. As Britain reopened in summer 2021, restaurants complained of labor shortages after Poles and others could not return unless they received job offers and sufficient points under the British point system that prioritizes work visas for higher wage jobs.

Some restaurant owners are trying to improve the image of cooks and others who work in hospitality, while others want hospitality to be added to the list of labor-short occupations to make it easier to hire foreign workers.

The UK is the largest country that contributes 0.7 percent of its GDP in foreign aid. Plans to reduce the foreign aid budget to 0.5 percent of GDP due to Covid drew protests from activists and the programs that would have their funding cut.

The US and UK are negotiating a free-trade agreement. Two-way trade between the US and UK totals \$230 billion a year. Some British people fear that the US has the upper hand in negotiations and will impose its food safety and other standards in the UK. Many activists believe that the US food processing industry prioritizes low costs, and takes steps such as chlorinating chickens to deal with any remaining pathogens. They want the US industry to change procedures so that there is no need to chlorinate chickens. The US chicken industry counters that it has switched from

chlorine to peracetic acid to wash chickens.

London-based law firm Hogan Lovells and private investigative firm Diligence often use civil suits in British courts to target opponents of kleptocrats in Russia and the ex-USSR. After disputes between insiders in Kremlin-linked firms cause the losing side to flee, British courts are often asked to freeze the global assets of the losing side, and they do.

### **Denmark**

The government aims to prevent ghettos by limiting the share of non-western residents (mostly from outside the EU) in public housing to less than 30 percent. Since 2010, Denmark defined ghettos as places that met at least two of five criteria, including high crime or high unemployment rates, low levels of education or, since 2018, more than 50 percent non-western residents.

After four years being classified as a ghetto, the area becomes a “hard ghetto” that the government attempts to restructure by selling the public housing, which forces non-western residents to move. Most Danes support tough policies to limit immigration and promote integration, while human rights activists say that these government policies violate migrant rights.

### **France**

French President Emmanuel Macron, in a bid to head off a challenge from the right in 2022 elections, reaffirmed secularism or the separation of church and state as a keystone of French identity in April 2021. Macron reasserted the principle of equality and liberty to justify prohibiting the collection of data by race and ethnicity and promised to do more to reduce crime, which the French often call insecurity.

After losing the presidency to Macron in 2017, Marine Le Pen of the National Rally is expected to challenge Macron in 2022. Le Pen opposes more immigration, saying “We can’t solve the problem of insecurity if we don’t acknowledge the idea that immigration is anarchic, and is the engine of insecurity in our country.” When the National Rally appears on the verge of taking power, as in regional elections in June 2021, the other parties form “front républicain” coalitions that unite around one candidate to ensure that the National Rally does not come to power.

France is the world’s most visited country, and its hotels and restaurants in summer 2021 scrambled for workers as they reopened. The French government provided furloughed workers with 85 percent of their take-home pay for much of the pandemic, so that many of those who were employed in hospitality took time to re-evaluate their options and sometimes change industries and occupations.

France debated some of the toughest regulations to reduce climate change in May 2021, including a ban on short flights and on outdoor gas heaters. The employers’ association Medef objected to the creation of the crime of ecocide, defined as deliberate and lasting pollution, while farmers objected to new restrictions on pesticides and fertilizers.

### **Germany**

Germans go to the polls in September 2021 to elect a new coalition to replace the current CDU-CSU-SPD coalition led by Angela Merkel for the past 16 years. The three leading parties are the CDU led by Armin Laschet, the Greens led by Annalena Baerbock, and the SPD led by Olaf Scholz.

### **Greece**

Migrants continued to arrive on Greek islands off Turkey’s western coast in summer 2021, prompting Greek authorities to charge some with human smuggling and sentence them to long prison terms. The migrants say that smugglers abandon the boats when they see the Greek Coast Guard, forcing migrants to take control of the boat and setting migrants up to be charged with human smuggling.

Greek officials often charge the migrant in charge of the boat. Advocates acknowledge that some smugglers train migrants to steer boats.

Turkey in 2021 stopped preventing migrants from leaving for nearby Greek islands, reneging on a 2016 agreement with the EU. Greece has designated Turkey as a safe-third country for asylum seekers, meaning that migrants arriving from Greece can be returned if Turkey accepts them back. With Turkey reluctant to accept returns, Greece prosecutes boat operators to deter smuggling.

Greece offered quarantine-free entry to vaccinated foreign tourists in May 2021 in a bid to support a sector that employs a quarter of Greek workers and accounts for 20 percent of GDP.

### **Italy**

A 27-year old Malian migrant died in June 2021 after picking tomatoes in Puglia in southern Italy on a day with temperatures over 100F. In response, Puglia’s governor banned farm work between 12:30 and 4pm on hot days.

In Italy and Spain, about 15 percent of youth do not complete high school. Covid aggravated the drop-out problem, especially in the south where high schools were closed for in-person learning. Italians are required to be in school until age 16,

but some dropped out at younger ages in 2020.

Italy has a problem with ghost employees, public sector employees who are paid but do not work. In April 2021, a hospital safety employee at the Pugliese Ciaccio Hospital in Calabria was found to have been paid for 15 years while doing no work. The ghost employee threatened one person who confronted him about his absence; others ignored him. Another 57 employees of the hospital are accused of being “timecard weasels” who had others swipe their timecards as if they were at work.

## Spain

Spain has two outposts on the Moroccan coasts, Ceuta and Melilla, that are ringed by high fences and protected by both Moroccan and Spanish police. In mid-May 2021, Moroccan police allowed 12,000 migrants to enter Ceuta over two days. The influx stopped after Spain granted E30 million (\$37 million) to Morocco for border enforcement.

An estimated 40,000 African migrants are in Morocco and seeking to enter Spain. The Moroccan government appears to be following Turkey and “weaponizing” migration, that is, threatening or allowing migrants to enter an EU country in order to receive financial aid or to achieve other goals. Morocco received E13 billion in EU development aid between 2007 and 2020.

The southwestern Spanish province of Huelva has a peak spring workforce of 90,000 farm workers, including half who are Spanish and half who are migrants, mostly from Eastern Europe but also 13,000 Moroccans. The southeastern province of Almeria has a sea of plastic, hoop-covered structures that produce E2.2 billion worth of vegetables for export with the help of African migrants. There were

32,320 hectares of vegetables in 2021, including 12,400 acres of peppers and 8,500 hectares of tomatoes.

## Turkey

Turkey’s economy stumbled in 2021, and the value of the lira fell amidst a slowdown in foreign investment in the country. As Turkey’s economic woes mounted, President Recep Tayyip Erdogan replaced the head of the Central Bank and attacked the Montreux Convention of 1936, which made the Bosphorus waterway connecting the Black and Marmara Seas open to all civilian and trade vessels while limiting the passage of war ships.

Erdogan’s AKA party has been slipping in opinion polls ahead of 2023 elections that mark 100 years of the Turkish Republic. Erdogan hopes that the international reactions to his efforts to end the Montreux Convention will bolster nationalism among Turks.

President Joe Biden on April 24, 2021 fulfilled a campaign promise and declared the killing of 1.5 million Armenians between 1915 and 1923 a genocide. Turkey argues that Armenians collaborated with invading Russian forces against the Ottoman Empire, leading to their expulsion to Syria and other areas during which many died and were killed. Some 500,000 Armenians survived the expulsion.

Turkey builds affordable drones armed with missiles that can destroy tanks and other weapons and were used to turn the tide of some battles in Azerbaijan and Syria. China, Iran, Israel and other countries also produce cheap drones that can stay aloft for 24 hours and provide targeting information for planes or carry out attacks themselves. The US is developing low-cost drones known as Skyborg and Valkyrie that could flood areas around enemy forces and wait for openings to attack.

## Bangladesh

The collapse of the Rana Plaza building housing sewing factories killed 1,100 people in 2013 and led to agreements to improve safety for the 4.5 million workers employed in 4,500 garment factories; clothing buyers agreed to pay for independent and unannounced inspections. Apparel employs 4.5 million workers and accounts for 80 percent of the value of Bangladeshi exports. The agreements signed in 2013 are being re-negotiated in 2021 between labor rights groups, buyers and factory owners.

Dhaka locked down in July 2021 to prevent the spread of the covid delta variant, sending millions of residents to their home villages in an internal migration that may spread covid. Garment factories were allowed to remain open, but government offices and other businesses were closed.

## China

China released the results of its 2020 census in May 2021, reporting 1.4 billion residents, up 72 million since 2010. Births fell to 12 million in 2020, the fourth consecutive year of falling fertility, and the total fertility rate fell to 1.3 children per woman. The government plans to raise the age for full pension benefits, now 55 for most women and 60 for most men. Some 300 million people, 20 percent of Chinese residents, are projected to be over 60 by 2025.

China adopted policies to reduce fertility in 1980, limiting most couples to one child. The result was an estimated 400 million fewer births, fewer girls than boys, and changed attitudes that favor small families. In 2010, there were 118 male babies born for each 100 females; by 2020, the ratio was 111 to 100.

The government relaxed but did not end fertility restrictions. Beginning in May 2021, all couples may have three children, up from

the current limit of two children per couple adopted in 2015. Many demographers want to eliminate limits on fertility, but the government appears reluctant to eliminate its family-planning bureaucracy that once had eight million employees.

China has the world's largest fishing fleet. The Chinese government says there are 2,700 Chinese vessels that operate outside of Chinese territorial waters, but some NGOs say that China has 17,000 deep-sea vessels, far more than South Korea and Taiwan, which have 2,500 deep-sea vessels combined. Each Chinese ship can catch 700 tons of fish a day.

China has bases for its fishing fleet in Mauritania and Pakistan, and sends two-thirds of the pelagic (open ocean) fish caught by its ships to China. Many Chinese fishing vessels belong to state-owned companies. Some 300 Chinese fishing vessels fished near Ecuador's Galápagos Islands in August 2019.

China's nine-dash line claims most of the South China Sea for China, a claim that is disputed by nations from the Philippines to Vietnam. The Permanent Court of Arbitration rejected the nine-dash line in July 2016 and ruled that the Scarborough Shoal was in Filipino waters. However, China rejected the Court's ruling and continues to keep Filipino fishing boats away, which reduces the incomes of Filipino fishermen from nearby Luzon island. The Filipino government regularly protests Chinese fishing in its coastal waters, but to no avail.

China celebrated the 100th anniversary of the founding of the Chinese Communist Party with speeches that asserted that the country was rising and that foreign efforts to intervene would be met by a "Great Wall of steel built from the flesh and blood of 1.4 billion Chinese people." The celebration

highlighted the unity between the Chinese people and the 95-million member Communist Party, asserting that their interests were identical. President and Party leader Xi Jinping is expected to seek a third five-year term in 2022.

## **India**

India had relatively few Covid cases in 2020, but cases topped 400,000 a day in April 2021, surpassing the US peak of 301,000 covid cases a day in January 2021. Indian experts emphasized the relative youth of the population, low levels of obesity, and more time outdoors as reasons for low covid infection rates in 2020. Covid cases surged in spring 2021 after restrictions on gatherings were relaxed, and doctors found that those who had mild cases of Covid in 2020 were vulnerable to the new Covid delta variants in 2021.

The Indian government guarantees a floor price of wheat and rice for farmers in Punjab in northern India, where water is scarce. India has 20 percent of the world's people and four percent of the world's water, and depends on both surface and groundwater for irrigation. The wheat and rice price guarantees encourage the planting of water-intensive crops, which further depletes ground water. Farmers oppose government plans to replace government price guarantees with competition between private buyers, fearing that they will be at the mercy of large buyers.

## **Japan**

A 33-year old Sri Lankan who had overstayed her visa and twice applied for asylum died in prison in March 2021, sparking criticism of officials who did not provide her with medical treatment because they thought she was faking illness to avoid deportation. Japan recognizes fewer than one percent of asylum applicants as refugees,

47 in 2020, one of the lowest acceptance rates globally.

Japan has over 50,000 convenience stores, including 40 percent that are 7-Eleven outlets that the franchisor requires to be open 24 hours a day. After an Osaka franchisee refused to keep some of his stores open around the clock, his store was shuttered, leading to a lawsuit to determine the power of franchisors over franchisees.

## **Taiwan**

Migrant workers in some electronics factories were ordered not to leave their dorms except to work in June 2021 to halt the spread of Covid. Some charged discrimination, since Taiwanese workers at the same factories were not confined to their homes when they were not at work. There are over 700,000 foreign workers in Taiwan. Singapore similarly confined migrant workers to their dorms when they were not working to limit the spread of covid.

## **Australia**

PM Scott Morrison announced that the country's borders will likely remain closed until mid-2022, well after national elections that must be held before May 2022. Most Australians support keeping the borders closed, which they credit for low rates of Covid and the absence of masks.

A sixth of the six million people born in New Zealand live abroad, drawn by higher wages and more opportunities in more populous countries. The New Zealand government in May 2021 announced that it may restrict temporary work visas.

Australian farmers are scrambling for seasonal workers. The number of working holiday makers in the country dropped from over 140,000 early in 2020 to less than 40,000 in summer 2021, plus 9,000 workers

admitted under the Seasonal Worker Program and Pacific Labour Scheme.

## **GLOBAL: MIGRANTS, COVID**

Remittances to low- and middle-income economies were \$540 billion in 2020, down only slightly from 2019 despite the pandemic and remittances are expected to top \$550 billion in 2021.

There are three major reasons why remittances did not drop as expected during the pandemic in 2020. First, many migrants were essential workers and encouraged to continue to work in person in agriculture, retail and other jobs. Some governments opened otherwise closed borders to admit migrant workers to fill farm and health care jobs.

Second, governments in many countries that host migrants enacted safety net programs that preserved jobs and incomes, enabling migrants to continue to send money to families at home from both their earnings and income support. Third, with less international travel, some money that would have been carried home personally was sent via banks and transfer services, increasing the share of remittances that was transferred via formal channels.

Remittances are concentrated in a few countries. India and China received a quarter of remittances to LDCs in 2020, and the top five recipients, India, China, Mexico, Philippines, and Egypt, received a total of \$251 billion or 46 percent of all remittances to LDCs. Remittances are the highest share of GDP in island nations such as Tonga, and countries in turmoil such as Lebanon, accounting for a third or more of their GDP. Remittances are more than a quarter of GDP in the ex-USSR countries of Kyrgyz and Tajikistan.

The ILO in June 2021 estimated that Covid eliminated 114 million jobs in 2020 and prevented the creation of an estimated 30 million new jobs. There were 187 million jobless workers globally before the pandemic; the ILO projects that the number of unemployed will remain above 200 million until 2023.

### **Covid**

Government responses to the pandemic in 2020 and 2021 fueled partisanship and polarization in many countries. Some wanted the central government to assume more powers to keep people at home to prevent the spread of Covid, while others argued for more individual freedom and local control. The pandemic exposed the trust gap between government institutions and many people in society.

Governments have taken on record debt to deal with covid, so that total government debt exceeds global GDP of \$88 trillion. The government debt of the 20 rich industrial countries reached 125 percent of GDP in 2020, led by Japan where government debt is 250 percent of GDP. However, average yields on government debt have fallen from over 12 percent in the early 1980s to less than two percent today.

Rising government debt is facilitated by low interest rates, which reduce make the cost of paying bondholders. Many critics warn of the risk to inflation, arguing that governments that were criticized for not doing enough during the 2008-09 recession are trying to ensure they do not underspend to recover from covid.

Many governments and businesses want vaccine passports to facilitate travel and full participation in mass events. Many schools require pupils to show proof of vaccination for childhood diseases, and advocates of vaccine passports embrace the same principle for Covid. The

European Union is developing a Digital Green Certificate to allow free movement with the 27-nation Schengen block.

Governments in countries that receive guest workers often insist that newly arrived migrants be vaccinated. However, less than five percent of adults in Bangladesh and Nepal are vaccinated, making it hard for workers in these countries who have contracts to work abroad to leave. At least 90,000 Bangladeshis and 35,000 Nepalese with work contracts have been unable to leave because of vaccine shortages. Many destinations do not accept the Chinese-made Sinopharm vaccine as proof of vaccination, which is the major vaccine available in these countries.

As tourism increased in 2021, there were worries about unvaccinated workers serving vaccinated travelers and leading to breakthrough cases among those who had been vaccinated; vaccination rates are low in many tourist destinations. There were about 1.5 billion international tourist arrivals in 2019 and 380 million in 2020, down 75 percent.

G7 leaders meeting in Cornwall, UK pledged to donate a billion doses of the Pfizer covid vaccine. The US paid about \$7 a dose for the 500 million Pfizer doses donated to Covax, the system established to provide vaccines to poorer countries.

President Biden ordered a review of the origins of the corona virus amidst a debate over whether the virus escaped from the Wuhan Institute of Virology. Since the 1970s, there has been gain-of-function research, which means that researchers insert genes or encourage gene mutations that allow a virus to grow faster, transmit easier, or resist immune responses. The goal of such research is to improve preparations for future

pandemics, but the research could wind up producing viruses that lead to pandemics.

## Population

There were 7.8 billion people worldwide at the end of 2020, when the global fertility rate was 2.3, meaning that the average woman has 2.3 children. The global population increases by 1.1 percent or 86 million a year, and is on track to reach 10 billion in 2050.

There are several ways to classify countries. The UN divides countries into more and less developed. The 30+ more-developed countries have 1.3 billion people and a fertility rate of 1.6, which means that deaths exceed births and populations will shrink without immigration. The 170+ less-developed countries have 6.5 billion people and a fertility rate of 2.5, so that all of the expected 2.2 billion increase in global population over the next three decades is in less-developed countries.

The UN classifies Gulf oil exporters, Singapore, and Taiwan as less developed countries despite high-per capita incomes.

The World Bank divides countries into high, middle and low income. The high-income countries (per capita incomes above \$12,500) have 1.2 billion people, a fertility rate of 1.6, and a projected population of 1.3 billion in 2050. The middle-income countries (\$1,000 to \$12,500) have 5.8 billion people, a fertility rate of 2.2, and a projected population of 7.1 billion in 2050, while low-income countries (less than \$1,000) have 750 million people, fertility of 4.6, and a projected 1.5 billion people in 2050.

As census results from 2020 were released in 2021, many countries reported slower population growth or declines in their populations. If low fertility persists, there are likely to be many adjustments in social welfare systems created after WWI

that assume that ever larger cohorts of working age people will pay taxes to support the elderly.

Between 1900 and 2000, the world's population rose from 1.6 billion to 6.1 billion. By 2000, a third of the world's people were in China and India.

South Korea has the world's lowest fertility rate, about one baby born per woman in 2020, while Niger has the highest rate of about seven births per woman. The Korean government offers child allowances to encourage more births, which has not increased fertility significantly. If the population pyramid of a few old people and many babies flips to have many elderly and few children, older people will have to work longer and expect fewer government benefits.

## OTHER

### CALIFORNIA AGRICULTURE

The Global Harvest Automation Initiative aims to speed up labor-saving change in the fresh produce industry. Denver-based Tortuga says that its robotic harvesters can pick blueberries, strawberries and vegetables on a cost-per-pound basis that is competitive with hand harvesters. More farmers are also adopting mechanical aids that make hand labor more efficient.

Soft tree fruits are harvested by hand because shake-and-catch machines would leave peaches bruised and unmarketable. Engineers are working on shake-and-catch machines with inflatable arms that would pick and catch peaches and other soft fruit so that it does not hit limbs as it falls. Since each peach tree has at least 1,000 pieces of fruit, shake and catch is most economical because the most advanced robots that detect and pick individual fruit would require

50 minutes to pick 1,000 pieces of fruit.

There are several important differences between hiring workers and buying machines. Workers are a variable cost, so employers do not incur labor costs if there is no crop, while machines are a fixed cost regardless of whether there is a crop. Wages are taxed, so that paying a worker \$1 means an additional 25 to 30 percent in payroll taxes, while purchasing machines is often subsidized, since employers can write off or depreciate the cost of the machine and reduce their tax bill.

California expects a 2.8 billion-pound almond crop in 2021 from 1.3 million bearing acres, meaning an average yield of 2,150 pounds an acre. California produces 80 percent of the world's almonds, and the US is the world's largest consumer of almonds and almond products. However, growing almonds requires 1.3 million gallons of water a year for each tree, so acreage has been expanding in the Sacramento Valley with more water and may shrink in the San Joaquin Valley.

Farmers are grappling with the theft of high-value nuts. A truckload of pistachios worth almost \$200,000 was stolen from Touchstone Pistachio in Terra Bella in spring 2021, leading to the arrest of a truck driver.

Almonds also require lots of water, a gallon per nut by some estimates. Water requirements are usually measured how many acre-feet of water are required for each acre planted. Almonds require three to four acre feet of water, which is less than water requirements for rice, irrigated pasture or alfalfa hay that is fed to dairy cows. Alfalfa accounted for four percent of California's farm revenues in 2018 but used 18 percent of the state's irrigation water.

Prima Wawona, California's largest producer of soft tree fruits such as nectarines and peaches, announced plans to expand from 12,400 to 15,000 acres. The company replants 1,000 acres of tree fruit each year.

California expected almost 10 million 18-pound boxes of fresh cherries in 2021, almost matching the record of 2017. San Joaquin county produces 60 percent of the state's cherries, offering piece-rate wages to workers that enable some to earn \$25 an hour or more. Northwest Cherry Growers predicted 238,000 tons or 22 million 20-pound boxes of cherries from Oregon and Washington; the peak northwest cherry harvest was 26 million boxes in 2017.

## US AG, TRADE

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US corn and soybean prices reached their highest levels since 2012 in summer 2021, reflecting Chinese purchases to feed hog herds that were decimated by African swine fever and droughts in Argentina and Brazil that reduced corn exports. China's hog herd returned to its pre-swine fever levels of 420 million in summer 2021, which required more animal feed.

US farmers finished planting corn and soybeans by mid-June, and worried about heat and drought in summer 2021. Corn requires nitrogen while soybeans fix nitrogen in the soil, so the crops are often rotated. Argentina, Brazil and the US produce 80 percent of the world's soybeans, while the US produces a third of the world's corn, China a quarter and Brazil a tenth. About 40 percent of US corn is used to make ethanol.

Three-fourths of US commercial farmers reported receiving almost \$15 billion in 2019 according to USDA's ARMS survey, an average

\$85,000 each; commercial farms have gross cash farm income (GCFI) of \$350,000 or more. Intermediate farms have GCFI of less than \$350,000 but a principal operator whose primary occupation is farming, while residential farms have GCFI of less than \$350,000 and a principal operator who is retired or has a primary nonfarm occupation.

Potatoes are the largest acreage vegetable, with almost a million acres planted each year, led by a third in Idaho and a sixth in Washington.

Fair Trade USA and Chobani announced a program in May 2021 to provide certified US dairy farms that are in compliance with economic, environmental and social standards with a \$0.45 premium for each 100 pounds of milk, which is about two percent of the \$20 price. Fair Trade's 100-page Agricultural Production Standard includes 200 items grouped into six modules that cover topics that range from wages and fundamental worker rights to sustainability and management systems, and the standards may vary between small (less than 25 employees), medium (25 to 100 employees), and large farms. The standards are further divided into critical, in-progress and best practices.

President Biden's \$1.9 billion Covid relief plan, the American Rescue Plan, included \$4 billion to forgive the loans of up to 13,000 Black, Hispanic or Native American "socially disadvantaged farmers." About five percent of the two million US farms are operated by nonwhites, and 16,000 farms operated by minorities were expected to have their loans forgiven. However, some white farmers alleged that the loan-forgiveness program discriminated against them and sued, winning an injunction that halted loan forgiveness for minority farmers.

The US Supreme Court has ruled that programs based on race must be "narrowly tailored" to accomplish a "compelling governmental interest." Democrats say that prioritizing minorities in federal assistance programs corrects historic wrongs, while Republicans say that affirmative action programs assume all whites are racists. A pandemic recovery program to prioritize aid to restaurants owned by minorities was also blocked by a court injunction.

The EU and US imposed tariffs against a range of goods, including farm commodities, because of government aid to Airbus and Boeing. These tariffs were suspended in March 2021, and are expected to be lifted by December 2021.

The US Supreme Court ruled in June 2021 that Nestlé USA and Cargill could not be sued in US courts by Malians who alleged they were enslaved as children to produce cocoa in Ivory Coast that was bought by the US firms. The Malians argued that the companies should have known that the farms from which they bought cocoa had enslaved workers. The USSC said that the 1789 Alien Tort Statute does not allow suits by foreigners in US courts unless the US firm aided and abetted the unlawful foreign conduct.

Peru exported \$1.2 billion worth of table grapes in 2021 from about 21,000 hectares, including 41 percent to the US. Peru exported another \$1.1 billion worth of blueberries.

Bonn-based Fairtrade International says that 24,000 workers are employed on banana farms that are covered by its certification program. Beginning July 1, 2021, all Fairtrade-certified banana workers must be paid at least 70 percent of the living wage that is set for their country of employment by the Global

Living Wage Coalition (<https://globallivingwage.org>). For example, the monthly living wage in Ghana is \$250 and in the Dominican Republic \$335 a month. Fairtrade-certified bananas earn a \$1 per box premium, half of which can be paid to workers to supplement their wages.

India (29 million tons) and China (11 million tons) produce a third of the world's 115 million tons of bananas each year, followed by the Philippines, Ecuador, and Brazil. There are 5.6 million hectares devoted to banana production, and yields range from 40 to 60 tons a hectare. The leading banana exporter is Ecuador, accounting for a third of banana exports, followed by the Philippines, Costa Rica, Guatemala and Colombia, each accounting for an eighth of banana exports.

Mexico produces bananas in 16 states, but 60 percent are from Chiapas, Veracruz and Tabasco. The GLWC living wage for Michoacán is \$625 a month.

## FOOD, WINE

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Americans spent \$1.7 trillion on food in 2020, down from \$1.8 trillion in 2019 due to an almost 20 percent drop in food spending at restaurants and other away-from-home outlets, from \$980 billion or 54 percent of US food spending in 2019 to \$813 billion or 48 percent of US food spending. Food service spending is for food that is purchased for immediate consumption in restaurants or cafeterias.

Spending for food consumed at home reached a record 67 percent of all food spending in April 2020.

Online grocery sales topped \$96 billion in 2020, over seven percent of the \$1.3 trillion in US grocery store sales. Online sales may fall as consumers return to shopping

in person, but grocers are building infrastructure to support online shopping, expecting sales to increase over time.

Picking and delivering items ordered online is labor-intensive when done in supermarkets in competition with other shoppers. Apps developed to increase the efficiency of warehouse workers are being adapted for workers who fulfill online grocery orders in supermarkets. Picker-shoppers say that they have a minute to find, purchase and prepare each item for an online order, and that the apps do not anticipate realities such as other shoppers who slow them down and having to contact customers to deal with out of stock items.

App developers want grocery stores to weigh and price produce rather than have customers select and weigh their items, and to group holiday- and birthday-related items in one section of the store. Some apps expect picker-shoppers to use multiple tote bags and fulfill several orders simultaneously as they move through grocery aisles. Some stores plan automated warehouses only for online orders in order to raise the picker rate from 60 items per hour to 600 items an hour.

Sweden's Oatly, a maker of dairy substitutes made from oats that was founded in 1994, went public in May 2021 in an IPO that valued the firm at \$10 billion, reflecting growing sales of plant-based or healthy living foods. Nestle, Unilever and other food firms are launching plant-based milk substitutes and plant-derived meats.

Americans had 400 pounds of vegetables per person available in 2019, down from 417 pounds in 2000. Americans shifted toward leafy green vegetables such as romaine and leaf lettuces and away from white potatoes.

US dollar stores are adding fresh fruits and vegetables. Family Dollar, which has 7,000 US stores, is offering apples, oranges and potatoes at 100 of its stores, while Dollar General pledged to add fresh produce in 10,000 stores. German discounter Aldi aims to have 2,100 of its 12,000 square-foot stores open in the US by the end of 2021, making it the third largest grocer by store count.

The OECD reported that French, Italian and Spanish adults spent two hours a day eating and drinking, while Canadians and Americans spent an hour a day eating and drinking.

There is growing interest in indoor farming, which involves producing high-value and fast-growing vegetables in greenhouses and other structures year-round with the help of artificial light. Kentucky-based AppHarvest began to harvest tomatoes grown hydroponically (without soil) in January 2021, and plans 11 more greenhouses in Appalachia by 2025.

New Jersey-based Bowery, the largest US vertical-farming company, and specializes in producing herbs and leafy greens. Some organic farmers want USDA to deny indoor produce an organic label, arguing that organic produce must be grown in soil and that indoor farms are divorced from the local environment.

Indoor farming, also known as protected culture farming or controlled environmental agriculture, is expanding as investors look for opportunities to produce local and organic produce. There are believed to be 2,300 indoor US farms using hydroponics in summer 2021, and investors in these and other indoor farming operations attracted almost \$1 billion in 2020.

## Wine

Global wine consumption fell three percent to 235 million hectoliters or 6.2 billion gallons (one hectoliter is 26.4 gallons) in 2020, the third consecutive year of falling wine consumption. There was 17 percent less wine sold in China, seven percent less in Spain and six percent less in Canada; wine consumption was flat in the US. Wine consumption peaked at 250 million hectoliters in 2006-07.

The largest wine-consuming countries are the US, which accounted for 33 million hectoliters (8.7 billion gallons) or 14 percent of global wine consumption in 2020, followed by France and Italy, 25 million hectoliters each; Germany, 20 million; UK, 13 million; China, 12 million; and Russia, Spain and Argentina, about 10 million each.

Per capita wine consumption varies across countries. Those 15 and older in Southern European countries such as France and Italy consume an average of almost 50 liters or 13 gallons of wine per person per year. A gallon is five 750 ml bottles, so 13 gallons is 65 bottles or about five bottles a month. Americans who are 15+ drink an average 12 liters of wine a year, which is 3.2 gallons or 16 bottles a year or more than a bottle a month. Americans consume half as much wine per person as UK residents.

Covid reduced sales of premium wine and champagne in 2020 as restaurants closed and many events were cancelled. The US levied tariffs on EU wines in a dispute over aid for Airbus, China raised tariffs on Australian wine, and Brexit complicated imports of EU wines to the UK.

Global wine production was stable at 260 million hectoliters or 6.9 billion gallons in 2020. The EU produced 63 percent of the world's wine, including 49 million hectoliters in Italy, 47 million in France, and 41

million in Spain, so that these three countries produced 53 percent of the world's wine. The US produced 23 million hectoliters, about nine percent of the world's wine, and Argentina, Australia, Chile, and South Africa about 10 million hectoliters or four percent each.

Some 105 million hectoliters of wine, 45 percent of the world's wine, was exported from the country where it was produced. The leading wine exporters by volume were Italy, 21 million hectoliters exported; Spain, 20 million; France, 14 million; Chile and Australia, eight million hectoliters each; and Argentina and the US, four million hectoliters each. France was the leading wine exporter by value, exporting wine worth E8.7 billion in 2020 and followed by Italy, E6.2 billion, and Spain, E2.6 billion.

The three largest wine importers by volume were the UK, Germany and the US. These three countries accounted for about 40 percent of wine imports by both volume and value.

The world had 7.3 million hectares of vineyard in 2020, including grapes grown for raisins and table grapes. About 45 percent of the world's vineyards are in the EU, including 960,000 hectares in Spain, 800,000 hectares in France, and 720,000 hectares in Italy. China has 785,000 hectares of vineyards and Turkey 430,000 hectares, but most of the grapes in these countries are used for raisins and table grapes.

The US had 405,000 hectares of vineyards, including 60 percent with wine grape varieties. Argentina and Chile each have about 210,000 hectares of vineyard, Australia 145,000 hectares, and South Africa 120,000 hectares.

Climate change is leading to warmer winters and earlier plant bud growth in Europe. Late frosts, as occurred in April 2021,

are expected to reduce wine production in France and Italy in 2021, the two countries that normally account for over a third of global wine production. Vineyard owners tried to prevent frost damage by spraying water over the vines and lighting straw bales and other devices, drawing complaints of air pollution.

Most of France's winegrowing regions, including Bordeaux, Burgundy and Champagne, were affected by the April 2021 frost.

E&J Gallo, which bought 30 wineries from Constellation, closed the Clos du Bois winery in Geyserville in May 2021 after sales of Clos du Bois wine fell by over half. Constellation bought Clos du Bois in 2007. Windsor mayor Dominic Foppoli, the so-called prince of the wine country, was accused of sexual assault in April 2021 and forced to resign.

Tobacco firm Altria in July 2021 sold Chateau Ste. Michelle Wine Estates to private equity firm Sycamore Partners for \$1.2 billion.

## CLIMATE CHANGE

President Biden hosted a climate summit on Earth Day in April 2021 during which several world leaders pledged to reduce their countries' greenhouse gas emissions to prevent average global temperature from rising more than 1.5 degrees Celsius above preindustrial levels. Biden pledged that the US would reduce carbon emissions by 50 percent from 2005 levels by 2030.

Leaders of developing countries called on the industrial countries to do more to slow climate change, arguing that the past emissions of industrial countries are responsible for most global warming today. Developing countries want at least \$100 billion in aid to help them to reduce emissions and to cope with the effects of climate change. They

want the COP26 meeting to assess progress in meeting climate change targets scheduled for Glasgow in November 2021 to endorse climate change aid.

Burning coal is the largest single source of carbon dioxide emissions and remains the major source of energy to produce electricity. China and India account for two-thirds of global coal consumption, and both countries continue to build coal-fired power plants. The emissions from these new coal-fired plants in China and India are offsetting the reductions in emissions from the closure of coal-fired power plants in the US and Europe.

Instead of coal, many fast-growing developing countries are building gas-fired power plants, so that natural gas now generates a quarter of the world's energy. Gas provides a third of US energy and a fifth of Europe's energy, but some environmentalists want countries to move directly from coal to solar and wind, skipping natural gas because burning gas releases methane.

The US wants to generate all electricity from carbon-free sources such as solar, wind or nuclear power by 2035, up from 40 percent in 2020. Chinese firms produce most of the world's solar panels using polysilicon from Xinjiang that enables solar panels to absorb energy from sunlight.

Many NGOs accuse the Chinese government of turning minorities including Muslim Uyghurs in Xinjiang into forced laborers. They want to restrict trade in Chinese-made solar panels. The US blocked imports of silica-based products made by Hoshine Silicon Industry Company in June 2021.

US efforts to promote wind and solar have run into local opposition. Wind turbines are noisy and kill birds, and plans to put turbines in the waters off of some of the 90,000 miles of US coastline have

been slowed by the Jones Act, which requires ships that carry turbines from US ports to sea to be built in the US and manned by Americans. The Jones Act was suspended for the 2021 Alaska cruising season, allowing ships built abroad and staffed by foreigners to travel between Seattle and Alaska without stopping in Canada. US shipping firms and unions oppose a repeal of the Jones Act to speed the deployment of offshore wind turbines.

Europe has 5,400 offshore wind turbines, compared with seven in the US. Offshore wind energy can be generated for \$50 per megawatt, which is more than the cost of land-based wind and solar electricity, but offshore energy can be economically viable because of short transmission distances to cities. The US had 55,000 wind turbines on land in 41 states in 2020.

Re-insurer Swiss Re in April 2021 estimated that rising temperatures could reduce global GDP, projected to be \$164 trillion in 2050, by up to \$23 trillion due to falling crop yields, more disease, and damage to coastal cities from rising seas. Swiss Re says that keeping the increase in average global temperatures at less than two degrees Celsius above preindustrial levels would lower the reduction in global GDP from 14 to five percent in 2050.

The resumption of tourism triggered protests in places with fragile environments such as Venice, which was closed to cruise ships between March 2020 and June 2021. Most residents of Venice's main island depend on tourism, but many believe that large cruise ships that transit the deep-water Canale della Giudecca and dock in at Marittima on the island accelerate environmental damage in the lagoon. Three-fourths of visitors to Venice are day trippers who sleep on ships or on the mainland and

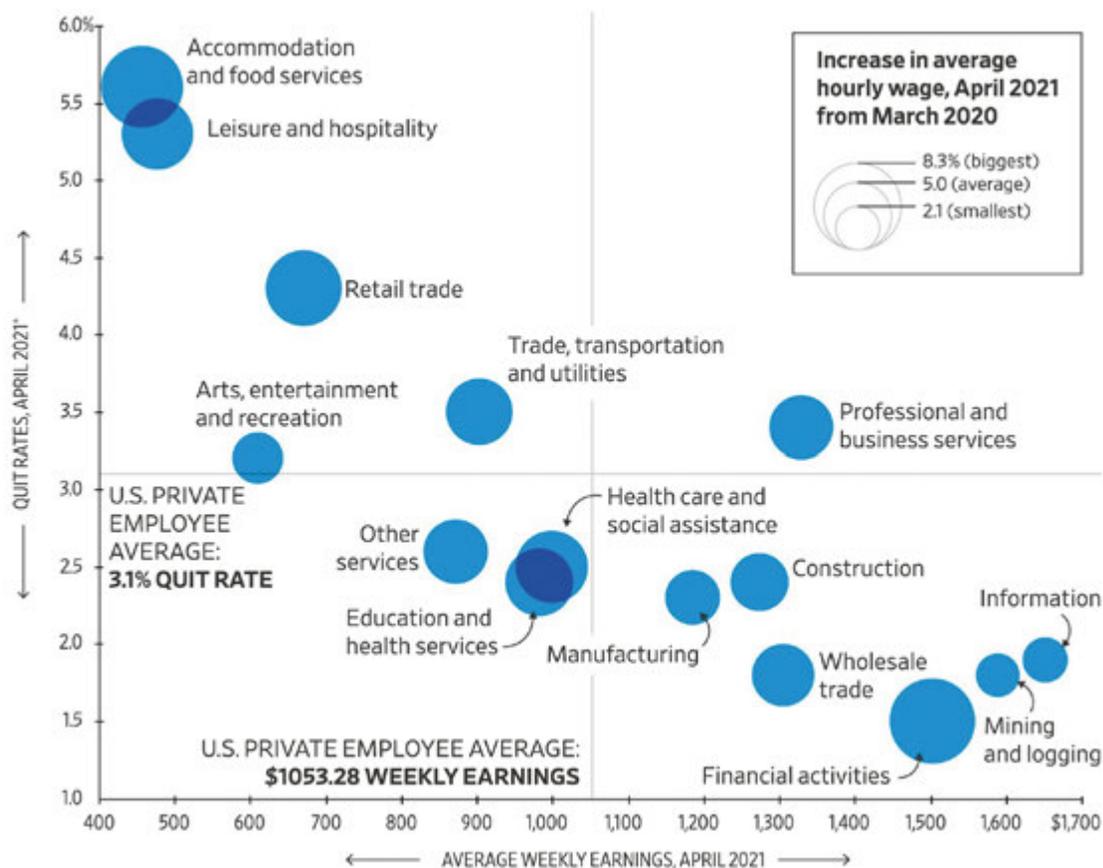
account for less than 20 percent of tourism spending, which is one reason why some local businesses want to ban cruise ships.

Egypt in July 2021 protested the filling of reservoir behind Ethiopia's \$5 billion Grand Ethiopian Renaissance Dam. Water flows into the Nile from tributaries in 10 countries, and downstream Egypt is assured by treaties of receiving at least 55.5 billion cubic meters of water from the Nile river, while downstream Sudan is promised 18.5 billion cubic meters; the GERD reservoir near the border with Sudan can hold 74 billion cubic meters.

There are 1.2 billion people in the 30+ rich countries, and 6.6 billion in the 170+ poorer countries. Some 1.1 billion vaccine shots had been given by May 2021, mostly in rich countries, prompting calls for drug companies to waive their patents to enable poor countries to produce and administer vaccines without paying royalties. Drug companies resisted patent waivers, emphasizing that many poor countries lack the raw materials or facilities to make vaccines safely.

## HIGH QUIT RATES ENCOURAGED HOTELS AND RESTAURANTS TO RAISE WAGES TO ATTRACT WORKERS

Employment in the leisure and hospitality industry fell sharply in 2020, and was 14.6 million in May 2021, 10 percent below pre-pandemic levels. Accommodation and food services account for 86 percent of leisure and hospitality employment, and many hotels and restaurants complained that they could not recruit enough workers to fully reopen in summer 2021. Many of the workers who were employed in the leisure and hospitality industry before Covid are reluctant to return to relatively low-wage jobs that might disappear again in a future pandemic. The larger circles in the chart mean larger increases in hourly wages between 2020 and 2021, while the location of the circles on the Y-axis indicates the worker quit rate. Many leisure and hospitality workers are quitting despite relatively large wage increases.



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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