

Rural Migration News

Vol. 29, No. 2, April 2023

RURAL AMERICA	1
CALIFORNIA: WATER, HOUSING	1
MEAT: CHILDREN, ICE	3
LABOR: WAGES, DEBT	4
FARM WORKERS	6
CALIFORNIA: LABOR’S BIG 3.....	6
FLORIDA, SOUTHEAST	8
NORTHEAST, MIDWEST, NORTHWEST	8
UFW; ALRB; UNIONS	10
IMMIGRATION	11
IMMIGRATION REFORM, UNAUTHORIZED.....	11
DHS: BORDER.....	12
H-2A; H-B.....	13
CANADA, MEXICO	14
EUROPE, ASIA	16
GLOBAL: POPULATION, DEBT.....	20
OTHER	21
CALIFORNIA AGRICULTURE	21
US AGRICULTURE.....	21
FOOD, WINE	22
CLIMATE CHANGE	24
FIGURE	25

RURAL AMERICA

CALIFORNIA: WATER, HOUSING

After the driest three years since record-keeping began, California received near-record precipitation in 2022-2023, including record levels of snow in the Sierra Nevada mountains that melts in summer and provides water for people and crops. California reservoirs that store winter precipitation and summer snowmelt and convey water south via the Sacramento-San Joaquin river delta filled to capacity

in 2023, up from very low levels during the previous three years of drought.

Farmers want to capture more winter rain and snow to irrigate crops. Some flooded fallow fields so that winter rain can replenish the aquifers that can hold 10 times more water than all of the state’s dams and reservoirs. The aquifers in the San Joaquin Valley have been depleted by pumping during dry years, with water levels dropping

hundreds of feet in some areas due to overpumping.

Can more winter rainwater be captured in northern California? A \$16 billion, 45-mile tunnel could take Sacramento River water under the Delta where the Sacramento and San Joaquin rivers meet and flow into the San Francisco Bay, thus moving water south of the Delta without disturbing the fragile Delta ecosystem where fresh and salt water merge. The long-delayed \$4

billion Sites Reservoir in northern California is scheduled to begin construction of two dams in 2024 and be completed by 2030, with a capacity to store 1.5 million acre feet of water, a third as much as Shasta Dam, the state's largest reservoir.

California lost almost 875,000 residents due to more people leaving than moving to the state between April 2020 and July 2022, making California one of 18 states that is losing people to other states. California has enacted laws that require cities to permit the construction of more housing, but many cities resist or charge such high fees that developers do not build. The top destination for people moving between states in 2021 was Florida, followed by Texas, California, and Colorado.

Wheelchair user and serial litigator Chris Langer has filed over 2,000 suits against small businesses in California, sometimes filing up to six suits a day alleging that businesses violated the Americans with Disabilities Act. Many of California's 33,000 ADA suits filed since 2013 are settled for less than \$5,000, sometimes by law firms that did not obtain the consent of the person on whose behalf they are suing.

The Unruh Civil Rights Act permits additional awards to plaintiffs that begin at \$4,000, and a 9th Circuit Court of Appeals ruled 2-1 in February 2023 that those who sue California businesses can recover both federal and state awards. Critics want complaints about non-compliance with the ADA to allow businesses 60 or 90 days to fix the problem before suits can be filed.

Labor

California workers filed a record 40,000 wage theft complaints with the state Labor Commissioner in 2022. Understaffing pushed the average time for a hearing to

800 days; four times the LC goal of dealing with claims within 200 days. Many workers who win wage theft claims after LC hearings never recover wages because their employer went out of business.

California voters in 2020 approved Prop 22 to keep gig workers such as Uber drivers independent contractors. Unions sued and a state judge ruled that Prop 22 was unconstitutional, but an appeals court in March 2023 overturned the judge, ruling 2-1 that most of Prop 22 was lawful, so the state's estimated 400,000 gig workers remain independent contractors.

Since 2015, California has allowed unauthorized foreigners in the state to obtain driver's licenses. Between 2015 and 2022, 1.2 million of the estimated two million unauthorized foreigners received California driver's licenses, including almost 400,000 in 2015 and 350,000 in 2016, and 700,000 renewed their driver's licenses at least once. California is one of 19 states that issue driver's licenses to unauthorized foreigners.

Silicon Valley Bank collapsed in March 2023. Almost 90 percent of SVB deposits were over the \$250,000 FDIC guarantee, but the FDIC reimbursed 100 percent of depositors; SVB had 400 winery clients. The five largest US banks have \$13 trillion of the \$23 trillion in US banking assets; the SVB had \$200 billion in assets, making it the 16th largest US bank.

Housing

California has taken steps to reduce housing costs by limiting zoning for single family homes and making it easier to build 600 to 1,000 square foot accessory dwelling units or granny flats on single family lots. There are an estimated 1.4 million ADUs in the US, half in California,

Florida and Texas. Some 20,000 ADU permits were granted in California in 2021.

California has both high housing and utility prices. Housing prices stabilized and fell in some areas in 2023, but gas and electric charges doubled in many areas due to higher prices and colder weather.

California has 25 million vehicles, and aims to stop selling gas-powered cars in 2035. Owners of electric vehicles are mostly affluent suburbanites who have chargers in their homes; most observers are skeptical that poor and more rural residents can make the transition from gas-powered vehicles.

California spent about \$10 billion to provide services to almost 600,000 homeless people between 2018 and 2021 as the number of homeless residents increased.

Legislature

The California Legislature is known for expanding individual rights and freedoms in some areas, and restricting them in others. Laws and regulations aim to give workers more rights to organize into unions, ensure women have access to abortion, and reduce felonies and ease re-entry into society. On the other hand, Californians may be banned from buying gas-powered cars or stoves or owning and carrying weapons.

Legislators approved about 60 percent of the 2,000 bills introduced in 2022, and 50 percent were signed into law. Some 2,600 bills were introduced in 2023.

California has the highest share of households that use natural gas for cooking, 70 percent. Since Berkeley took the lead in 2019, 50 California cities and counties have passed laws banning gas hookups in new

buildings to reduce carbon emissions. The California Air Resources Board in September 2022 banned the sale of all new gas furnaces and water heaters by 2030.

California has expensive gasoline due to state taxes and clean-air regulations that make the state's gas \$0.80 a gallon more expensive than in other states. However, the price gap between average gasoline prices in California and other states is \$1.25 a gallon, which may reflect less competition between gas stations in California, which earned an average \$0.80 a gallon on gas in 2022, compared to \$0.45 a gallon in the rest of the US. State and city regulations make it hard to open new gas stations in California, limiting competition.

The city of Manhattan Beach used eminent domain to seize Bruce's Beach in 1924, closing a beachfront resort available to Blacks. The city returned the land to the descendants of the Bruce family in 2022, and they promptly resold the land to Los Angeles county for \$20 million. The return and sale of previously Black-owned property may influence the California's Reparations Task Force.

Los Angeles public schools, which serve 422,000 students, closed in March 2023 when the 30,000 support workers represented by SEIU Local 99 went on strike; many of the 35,000 teachers stayed away to support the LAUSD strikers. The SEIU is demanding a 30 percent wage increase; the LAUSD offered 23 percent. The teachers are demanding a 20 percent wage increase.

San Bernardino county, the largest in the lower 48 states covering over 20,000 square miles, began as a 50,000 acre Rancho San Bernardino Mormon settlement after over 400 Mormons trekked 600 miles from Utah over the Cajon

Pass. A Mormon legislator in 1853 carved San Bernardino county from Los Angeles county, and today the county includes the Mojave Desert and some of Joshua Tree National Park.

MEAT: CHILDREN, ICE

Wisconsin-based Packers Sanitation Services in February 2023 paid \$1.5 million in penalties to DOL, the maximum penalty of \$15,000 for each of the 100 children between the ages of 13 and 17 hired to clean at 13 meatpacking facilities around the US. Packers employs 16,500 workers, says it does not hire workers under 18, and terminated the managers who had hired the under-18 year olds.

Packers, which is owned by private equity firm Blackstone, uses E-Verify to check the legal status of new hires. E-Verify does not check age, only eligibility to work in the US.

Some 130,000 unaccompanied children under 18 illegally crossed the Mexico-US border in 2022 and applied for asylum; most were released into the care of relatives, some of whom they have never met. Many are from Central America, and once in the US, many are under pressure to earn money and remit to relatives at home.

Worthington, Minnesota received more unaccompanied children per capita than any other city, including many who worked for Packers cleaning a local JBS plant.

Staffing agencies often supply workers to Packers and other food-related plants, including those that pack private-label foods. The agencies say that under-age children present false documents showing that they are 18 or older. Children are often encouraged to work by adults to pay off smuggling debts and send remittances to families at home.

The three usual responses to child labor are better enforcement of labor laws and carefully monitoring supply chains, so that firms that rely on staffing agencies require them to check documentation. One factor unique to migrant children is the sponsor system that releases children who illegally enter the US and apply for asylum to nonfamily members from their home countries who may exploit the children. Advocates oppose detaining migrant children and instead call for more careful monitoring of sponsors.

The Biden administration faces a trade-off between keeping unaccompanied children in custody or releasing them to relatives who may exploit them. HHS is responsible for locating relatives in the US and releasing children to them, and reportedly pressures staff to release the children quickly. Some settled Central Americans sponsor dozens of children, and a few have been convicted of trafficking the children in order to profit from their US work.

DOL has fewer than 900 investigators to enforce federal labor laws. The number of investigators peaked at 1,200 in FY73, and has fluctuated between 800 and 1,000 in recent years. In response to the child migrant cases, DOL said that it would target enforcement on industries most likely to employ children.

ICE

ICE agents detained almost 100 immigrants at the Southeastern Provision meatpacking plant in Bean Station, Tennessee in April 2018. The raid was authorized to help the IRS to determine that the workers were being paid in cash to avoid taxes.

The workers sued under the Federal Tort Claims Act, alleging that the ICE agents used racial profiling and excessive force when detaining workers. In February 2023, the US government agreed to pay

\$1.2 million to workers who were detained during the raid, an average \$5,700 each.

Beyond Meat and Impossible Foods are laying off up to 20 percent of their workers in a bid to achieve profitability. The question is whether plant-based meat substitutes can expand beyond those who are willing to pay extra to avoid cruelty to animals and reduce carbon emissions.

Dollar stores have thousands of outlets in rural and agricultural areas, including 19,000 operated by Dollar General, three-fourths in towns with fewer than 20,000 residents. Some town leaders oppose dollar stores, arguing that they provide only low-wage jobs and hurt established local businesses.

LABOR: WAGES, DEBT

The US added about 400,000 jobs a month in 2022, keeping the unemployment rate below four percent. In January 2023, employment rose by over 500,000, pushing the unemployment rate to 3.4 percent; the labor force participation rate was stable at 62.4 percent.

US workers are returning to in-person work. Three-fourths of the business establishments in a DOL survey reported that their employees worked almost exclusively in person in 2022, up from 60 percent in 2021. In-person work is expected to increase as firms try to increase productivity.

Some tech firms announced layoffs of 10,000 or more workers, many of whom were hired during the pandemic. Meanwhile, health care facilities and hotels and restaurants are adding jobs faster than tech is laying off workers, so that these two sectors account for almost two-thirds of private sector job gains.

The Federal Reserve in March 2023 raised interest rates a quarter

percent to curb inflation, which is running at a six percent annual rate. The Fed also took steps to prevent runs on mid-sized banks that invested in treasury bonds whose value fell as interest rates rose, causing the bonds to lose value and some depositors to withdraw their money. The Fed bailed out depositors, prompting criticism of bank executives who benefit from high salaries in good times and do not lose when their banks fail.

CPS data show that the labor force participation rate of US- and foreign-born workers who are 16 to 64 continues to diverge. LFPRs converged at 76 percent in 2004-05, and were 76 percent for foreign-born and 74 percent for US born workers at the end of 2022, when there were almost 30 million foreign-born and 125 US-born workers.

The largest gap is for less educated men and women: 91 percent of foreign-born men without college degrees who are 25 to 54, and 84 percent of similar US-born men, were in the labor force at the end of 2022. The LFPRs for similar women were 72 and 63 percent, meaning gaps of 8 to 9 percent for foreign- and US-born prime age workers.

The FLSA prohibits children under 16 from working during school hours, working more than 40 hours a week when they are not in school, and restricts their employment in particular industries such as manufacturing and mining. Central American migrant children under 18 are released to US sponsors within 20 days, which has led to an upsurge in under-18-year-olds found working in meatpacking, cleaning and other jobs, including some who were employed overnight in hazardous jobs.

Wages

Walmart in January 2023 announced that it would raise minimum wages from \$12 to \$18 an

hour to \$14 to \$19 an hour, affecting 340,000 of Walmart's 1.3 million hourly workers.

The US Chips Act provides \$40 billion to subsidize the fabrication of semiconductor chips in the US to companies that, for instance, provide child care to their employees. Making chips in the US is up to 50 percent more expensive than making them in Taiwan, and adding child care requirements could make US chips even more expensive.

California's Fast Food Accountability and Standards Recovery Act (FAST or AB 527) creates a 10-member council to set minimum wages as high as \$22 an hour in 2023 for 550,000 workers in fast food restaurants with at least 100 US outlets. However, the Save Local Restaurants coalition qualified a November 2024 ballot measure that halted implementation of FAST until voters confirm the FAST council. The November 2024 ballot will also include a proposition to raise the state's minimum wage from \$15.50 in 2023 to \$18.

Many city centers gentrified and attracted white residents to refurbished downtown areas between 2010 and 2020, including Brooklyn, DC, Denver, and Philadelphia. In all these cities, the number of minorities in refurbished areas declined.

Before pensions developed in the 20th century, most people worked until they died or were incapacitated. Pensions allowed workers to leave their jobs, and the age of retirement for full benefits dropped from 65 in the mid-20th century to the low 60s in the 1980s before rising again as lower fertility threatened the viability of pay-as-you-go pension systems financed by ever smaller cohorts of young workers supporting ever more retirees.

In the 21st century, many workers are likely to work 50 or 60 rather than 40 years, and to have portfolio careers, meaning different

occupations in different industries, rather than staying in the same job with the same employer.

Longer careers and more frequent employer changes have increased interest in noncompete clauses that prohibit employees from working for competitors or going into business for themselves for several years after quitting. The Federal Trade Commission concluded that non-competes limit worker mobility and new business formation, and wants to reduce the share of US workers who are required to sign such clauses from the current 20 percent. Sales, engineering and health, and hairdresser occupations are among those mostly likely to require non-compete clauses that California and a few other states refuse to enforce.

Why doesn't competition eliminate or minimize the extra fees charged by airlines and hotels? Economists note that people attracted to a low basic price may resist starting over on the search for a flight or hotel and rationalize the extra fee as a way to save time, or companies may have a quasi-monopoly, offering the most convenient flights or location. The Biden administration is trying to require firms to be more transparent about fees and tackling monopoly power.

Debt

The US owes \$31 trillion, and government debt is projected to increase by \$2 trillion a year over the next decade as spending outpaces revenue.

The federal budget is \$6 trillion a year, and the federal debt rose from \$6 trillion to \$23 trillion between 2000 and 2020, and by \$8 trillion between 2020 and 2023. Some of the debt was incurred to fight wars against terror in Afghanistan and Iraq, over \$6 trillion by one estimate, some reflected tax reductions that reduced federal revenues by \$6 trillion, and some reflected covid spending.

Some of the largest contributors to the federal deficit were federal spending in response to the 2008-09 recession and covid in 2020-21, but longer term contributors to the deficit include the growing cost of Medicare and Social Security, which together account for a third of federal government spending. Employers and employees contribute to the cost of both programs; efforts to slow spending on these programs center on raising the retirement age so that employees contribute longer and receive benefits for fewer years.

The US trade deficit widened to near a record \$1 trillion in 2022, as imports rose to \$4 trillion and exports were worth \$3 trillion; the trade deficit with China was almost \$400 billion.

US states are divided into four regions. The Northeast region has 57 million people and a median household income of \$77,000, the Midwest 69 million and \$66,000, the west 78 million and \$77,500, and the South 125 million and \$63,500. Northeast residents are best educated: almost 40 percent of adults have a college degree or more, compared to 30 percent in the South.

Incomes are lower and credit scores are lower in the South in part because residents are less healthy and have more unpaid medical debts.

Data for 2020 show that the top one percent of US tax filers had incomes of \$550,000 or more, had 22 percent of adjusted gross income, and paid 42 percent of federal income tax. The top five percent had incomes of \$220,000 or more, had 38 percent of AGI, and paid 63 percent of federal income tax.

Progress

Is scientific progress slowing? One study of 50 million papers

published in 2023 suggests that many innovations today provide incremental rather than disruptive breakthroughs as quantity replaces quality. Over 3,000 scientific papers a day are published.

Chatbots and other machine-based learning devices are improving. Alan Turing proposed the Turing test of machines in 1950, asking whether humans could determine whether they were interacting with another human or a machine. ChatGPT from OpenAI has passed the Turing test in many situations, from making reservations to writing papers, but chatbots have not yet learned how to respond in unexpected situations.

The neural networks that undergird chatbots and translation services enhance their skills by analyzing data, meaning that they improve over time. Some estimate that up to a third of the jobs in 500 of the 800 occupations defined by DOL, including call center agents and cashiers, could be automated within a decade. Many of these jobs have high turnover, and AI sentiment analysis that measures agent interactions with callers speeds up turnover.

Productivity, the value of the goods produced by an hour of labor, has been declining. Productivity rose by almost three percent a year from the end of WWII until 1973, fell to less than two percent a year in the 1970s and 1980s, rose to over two percent a year in the 1990s and early 2000s, and has been less than two percent since.

How much of the slowdown in productivity growth was due to new regulations, such as the environmental and OSHA regulations approved in the 1970s? Construction provides an example of a sector where labor productivity per worker today is lower than it was in 1970. One reason cited by builders is more regulation, including the

need to prepare reports on potential impacts of new projects and to satisfy critics who sue to block new construction.

Responses to covid were also being re-evaluated in spring 2023, three years after most countries closed their borders and urged all but essential workers to stay home. The WHO declared a pandemic on March 11, 2020, and epidemiological models predicted exponential spread and many deaths.

Stay-at-home orders and masks and social distancing in public aimed to flatten the curve or reduce sharply rising cases, but they also provoked a backlash that may make it hard to shut down the economy in response to a future pandemic. The covid experience may tilt future responses against shutdowns when weighing hypothetical worst-case pandemic scenarios against the socioeconomic costs of closing workplaces, schools and businesses.

Education

Many cities have elite high schools that rely on tests to determine who is admitted, resulting in a high share of Asian and fewer Black and Hispanic students selected. Efforts to change from tests to a lottery at the estimated 165 selective public high schools have drawn suits from Asian parents in San Francisco, New York City, and other cities, prompting a return to test-based selection in some cities.

Some elite universities announced in 2023 that they would stop providing data to US News and other ranking providers. When US News began to rank universities in 1983, the major source of data was peer assessment, that is, universities were asked to rank themselves and their peers. Over time, more of the data used to rank colleges and universities comes from publicly available data, so that rankings are likely to continue.

The share of Americans who believe that earning a four-year college degree is necessary for economic success fell toward 40 percent in spring 2023 polls, as a majority of women, seniors and even 18-to-34 year olds believe that graduates often lack specific job skills and have too much debt. Only 60 percent of those who enter four-year colleges graduate, there is a total of \$1.7 trillion in student debt, and many colleges charged full tuition during the covid pandemic when they provided classes remotely.

The marketplace in ideas is symbolized by DC-based think tanks whose funders often aim to push policy in a particular direction, such as toward more or less migration or more or less free trade, may emerge in universities as well. Most professors in the humanities and social sciences lean left, while fewer than 20 percent lean right, which is prompting some governors and funders to propose conservative leaning colleges and universities.

The US government uses Blacks or African Americans, Hispanics or Latinos, and American Indians and Alaska Natives to describe racial and ethnic minorities. There are 62 million Hispanic US residents, but efforts to use Latinx to describe them are encountering resistance in some states, where legislatures have banned Latinx in government documents. Latinx is not used in Latin America, but is used on some college campuses.

FARM WORKERS

CALIFORNIA: LABOR'S BIG 3

California's three major farm labor issues in 2023 were sharply rising wages, more H-2A workers and adjustments to new state laws. The average hourly earnings of farm

workers increased, giving California an AEW of \$18.65 an hour in 2023, the highest in the US. Young and better-educated H-2A workers are more productive than older and unauthorized farm workers who have settled in one place.

Second, California (44,000 H-2A jobs certified) should surpass Florida (51,000 H-2A jobs certified) as the number one H-2A state before 2025. About half of US H-2A certifications, and a higher share of California certifications, involve labor contractors who bring workers to farms.

Third, California farmers are adjusting to new state laws that require overtime pay on an 8/40 basis, create new ways for unions to organize farm workers, and raise health and safety standards. With farm wages projected to continue increasing, farmers and produce buyers face a choice between MMI: machines to replace hand workers, migrant H-2A workers, or imports of labor intensive commodities.

The race between machines and imports is most apparent in commodities such as blueberries. Machines are available to harvest blueberries, and rising imports from Canada, Mexico and Peru limit price increases for US growers. Harvesting blueberries by machine means accepting a lower pack-out rate, since machines damage more fruit.

Average hourly farm earnings have been half of nonfarm earnings, or \$12.50 and \$25 an hour. Today, hourly farm earnings are 60 percent of nonfarm earnings and, if current trends continue, could be 70 percent by 2030. Seasonality is decreasing as California farm employment increases during the winter months.

UI

California normally collects about \$6 billion a year in UI taxes and pays \$5 billion a year in UI benefits.

SB 227 would create an unemployment insurance program for unauthorized workers administered by the State's Employment Development Department to provide up to \$300 a week to laid off farm workers who are not eligible for regular UI at an estimated cost of \$350 million a year. A similar bill enacted by the Legislature in 2022 with an estimated cost of \$600 million was vetoed due to the state's looming deficit, which may top \$25 billion in 2023-24.

SB 262 would create a \$20 million California Farmworkers Drought Resilience Pilot Project to pay farm workers who lose income due to the fallowing of land up to \$1,000 a month for three years; a similar bill was vetoed in 2022.

Sant Maria-based Red Blossom Farms agreed in December 2022 to rehire and pay \$8,399 in lost wages to two strawberry workers to settle an unfair-labor-practice charge filed in 2022 with the ALRB alleging that the workers were not rehired because they complained about a foreman's misconduct.

SB 1162, enforced by the state's Civil Rights Department (formerly Fair Employment and Housing), requires employers of 100 or more employees during an employer-specified payroll period between October and December to report the pay scales for their jobs.

Cal/OSHA

The Cal/OSHA Standards Board in March 2023 refused to create an advisory committee to consider driverless tractors. Current regulations require drivers on all agricultural vehicles (Title 8, Section 3441). Equipment manufacturers say that autonomous and semi-autonomous vehicles are safe and used

in mining and construction; labor advocates maintain that operators are needed on all agricultural vehicles.

HMB

California suffered several mass killings of four or more persons in January 2023, including one in Half Moon Bay that led to the deaths of seven mushroom and nursery workers and another in Goshen, a town of 5,000, that was believed to be gang related. Kern, Merced and Tulare counties have the highest homicide rates per capita in California.

One of the HMB farms, California Terra Garden (previously Mountain Mushroom Farm) reportedly paid employees \$16 to \$24 an hour, or about \$3,000 a month, and charged \$300-a-month rent to eight employee families who lived in mobile homes on the 150-acre property that was leased from the landowners.

The housing was not inspected or licensed by San Mateo county, which is responsible for inspecting farm worker housing; the county reported no complaints about the housing on the farms where the shootings occurred. San Mateo officials promised to try to improve farm worker housing without displacing farm workers.

The shooter and several victims were Chinese immigrants who were 65 or older. According to the NAWS, only three percent of California crop workers are 65 or older. The owners of Terra Garden and several other mushroom farms are Chinese.

Most farm workers live away from the farm where they work in housing that is not owned by their employer. About 12 percent of US crop workers in the NAWS, and 10 percent of California crop workers,

lived in employer-provided housing in 2019-20, usually rent free.

There are no reliable data on the share of US farm employers who provide housing to their employees. Some 100,000 agricultural establishments are registered to pay UI taxes, and 500,000 report labor expenses to the COA. At least 10,000 unique employers hire about 300,000 H-2A and perhaps 50,000 US workers employed alongside them, and these employers must provide housing to both H-2A and US workers at no cost.

Housing has traditionally been offered to farm workers as a benefit, a recruitment incentive to entice workers to work and work in sometimes remote locations. Employers sometimes offer family housing to workers who are employed year-round, as with animal operations, supervisors, and equipment operators. Housing for seasonal workers, as to pick apples in Washington, is more often barracks, mobile homes or similar accommodations that are occupied for several months.

H-2A workers, who are in the US an average six months, are offered a wide range of housing, from purpose-built structures that may feature bedrooms for four workers each and shared living and cooking facilities to mobile homes. Almost half of H-2A workers are brought to farms by FLCs, who often house workers in motels by removing the usual furniture and installing bunk beds for four workers per room. Only five percent of California crop workers live in employer-provided housing; by contrast, two-thirds rent housing from someone other than their employer. The quality of farm worker housing varies significantly, from housing that could be rented to nonfarm workers to housing that is likely acceptable only to foreign workers seeking wages ten times higher than at home.

Health

UC Merced researchers released the results of a survey of 1,200 farm workers in February 2023 that found a third who reported that their health was fair. Among those with chronic health issues, a fifth reported diabetes and/or hypertension. Almost 60 percent said they did not qualify for UI benefits, and over half said they had low food security.

The survey reported that over 90 percent of the workers interviewed rented housing and a third complained of bad-tasting water. A quarter reported that their employers asked them to sometimes work near fields that were sprayed or when there was visible wildfire smoke. Two-thirds of the workers surveyed said they would file charges if their employers violated labor laws. (<https://clc.ucmerced.edu/>)

Planada, a town of 4,000 in a flood plain near Merced that is 90 percent Hispanic, was flooded in January 2023. Most homeowners did not have flood insurance, but eligible residents can receive \$41,000 each from FEMA.

Dole's Fresh Vegetables Division, which had revenue of \$1.3 billion in 2022, was sold to an affiliate of Chiquita's Fresh Express in February 2023 for \$293 million.

FLORIDA, SOUTHEAST

The Coalition of Immokalee Workers developed a Fair Food Program that requires buyers of mature-green tomatoes to pay premiums that are returned to workers. The US fresh tomato industry is shrinking; 60 percent of the fresh tomatoes consumed in the US are imported from Mexico and Canada.

The CIW after 2005 persuaded many supermarket and fast-food outlets to require their tomato

suppliers to join the FFP and pay pickers an extra penny a pound for FFP tomatoes. However, Publix, Wendy's and Kroger have not joined the FFP, prompting the CIW to organize a 45-mile march to Palm Beach in March 2023. Wendy's does not buy mature-green tomatoes.

Florida has become a Republican stronghold under Governor Ron DeSantis, who is expected to run for president in 2024. One reason is an influx of migrants from blue states such as New York, including ex-President Donald Trump; many migrants are attracted by the warmer weather and no state income tax. There are more registered Republicans, over five million, than registered Democrats, less than five million. Florida's conservative influencers tend to focus on cultural issues including parental rights in schools and no masks for covid, while Texas conservatives tend to focus on economic issues.

FLOC

Baldemar Velasquez founded the Farm Labor Organizing Committee in 1967 and was challenged for re-election as president of FLOC in September 2022 by a former FLOC VP in North Carolina, Leticia Zavala. Velasquez won re-election 135-21 in what Zavala supporters call a rigged election; they wanted the FLOC convention to be held in North Carolina so that more farm workers could participate.

Some of the delegates who voted for Velasquez were "certain non-farmworkers who have demonstrated their support" of FLOC, including 20 Velasquez family members who voted at the 2022 FLOC convention and associate members who pay \$30 a year to FLOC.

When Zavala announced that she was running for president of FLOC, she and her supporters were allegedly harassed by Velasquez and eventually fired. Zavala and her supporters believe that Velasquez's

refusal to step down, and his efforts to make his relatives union leaders, puts FLOC on the same path as the UFW as an enterprise run by and for the descendants of the founder.

FLOC has a contract with the North Carolina Growers Association (NCGA), which brings H-2A workers from Mexico to North Carolina tobacco and cucumber farms. The contract covers almost 10,000 H-2A workers but, as a right-to-work state, only some of the covered workers pay 2.5 percent of their wages to FLOC in union dues.

Velasquez led a boycott and march from Ohio to Campbell's headquarters near Philadelphia in 1983 to win a contract that recognized FLOC as the representatives of workers employed by farmers who sold cucumbers to Campbell's, and used a similar march and boycott strategy to win a three-way agreement between Mt Olive Pickle, FLOC, and cucumber growers in North Carolina in 1999.

Georgia

Some 5,000 GMO poplar trees developed by San Francisco-based Living Carbon were planted in southern Georgia early in 2023, the first trees modified to grow fast and absorb carbon that were planted in forests. Living Carbon improves the ability of the GMO trees to turn sunlight, carbon dioxide and water into sugar and starch, the photosynthesis at the core of plant growth. China is the only country to have planted large numbers of GMO trees.

NORTHEAST, MIDWEST, NORTHWEST

Maine

Maine has the oldest US population, but its low living costs are attracting migrants from nearby states, which in turn is driving up housing prices and making it harder for local

businesses to hire workers to serve the growing population. The ability to work remotely has increased interest in areas with low-cost housing and opportunities for recreation; net migration to Maine was 30,000 between 2020 and 2022.

Portland, Maine's largest city with a metro population of 555,000, is also attracting migrants who cross the Mexico-US border to seek asylum in the US and are released into the US. Once inside the US, migrants often rely on networks that link earlier arrivals to newcomers and advise them where housing and opportunities are available. NGOs receive government funds to assist the newcomers.

New York

DOL began to investigate Berkshire Nursery & Supply Corp in fall 2022, prompting Berkshire to instruct its Mexican H-2A workers to report only 40 hours of work a week rather than the 72+ hours they were actually working, adding that the workers' families in Mexico could be targeted by cartels if they did not follow Berkshire wishes.

Several H-2A workers sued Berkshire under the federal Trafficking Victims Protection Act, and DOL obtained an injunction that forbids Berkshire from threatening employees.

Overtime for New York farm workers begins January 1, 2024 for hours worked beyond 56 a week; farm employers can receive a tax credit of up to \$1,200 for the cost of overtime pay. The overtime threshold gradually declines, reaching 40 hours a week in 2032.

Ohio

Interviews with 285 H-2A workers in Ohio found that 85 percent were 20- to 40-years old, 80 percent completed at least nine years of schooling, most have farming backgrounds, three-fourths have at least one child, and a sixth have settled

relatives in Ohio. Almost 80 percent worked in Ohio as H-2A workers previously, including 40 percent who worked at least five years. The average stay in Ohio is six months.

The H-2A workers noted their isolation and loneliness. Many wanted to obtain driver's licenses, and almost 90 percent wanted to learn English.

Kansas

The Ogallala aquifer, which lies beneath eight western states from South Dakota to Texas, is being depleted as farmers pump water to irrigate grain, cotton, and hay. Some farmers in southwestern Kansas want to draw water from the Missouri river north of Kansas City and send it westward via a 360 mile and \$10 billion canal in order to irrigate crops in western Kansas.

Texas

Some 11,655 jobs were certified to be filled with H-2A workers in FY22, up from 8,500 in in FY21. The area around Dalhart accounted for over half of the H-2A jobs, many of which involve potato harvesting and packing for Blaine Larsen Farms, followed by a sixth of H-2A jobs around Coyanosa, where many jobs are in watermelons and cantaloupes produced by Mandujano Brothers. Blaine Larsen in 2023 was required to pay \$1.3 million in back wages to H-2A and US workers.

Texas cotton farmers normally harvest four million bales of upland cotton from four million acres; the harvest was reduced by over half in 2022 to 1.5 million bales (California plants Pima cotton). USDA provides Texas cotton farmers with over \$1 billion a year in subsidies.

Iowa

The low unemployment rate led to bills in several midwestern states to allow children under 18 to work in some jobs, including those as young as 14 in certain parts of meat-packing plants during the school

year. Critics assert that low-income families who encourage their children to work deny them the opportunity to complete schooling and enjoy higher incomes later in life.

Illinois

Chicago and its suburbs are experimenting with basic income payments, using GiveDirectly to send \$500 a month to residents using federal American Rescue Plan funds. Families of four with incomes below \$75,000 a year, and individuals with incomes below \$36,000, are eligible for the payments.

Chicago elected Brandon Johnson as in April 2023, a progressive supported by the teachers union who wants to raise taxes on the rich to help the lagging south and southwestern areas of the city. Johnson promised to invest more in education and housing to tackle crime, while his opponent was endorsed by the police union.

The US experimented with a negative income tax system in the early 1970s, sending checks to poor Americans and monitoring their behavior compared to a control group. However, the recipients of these payments worked less, divorced more, and had children more likely to drop out of school. As a result, welfare programs added work requirements and an earned income tax credit to ensure recipients continued to work.

Michigan

Michigan enacted a right-to-work law in 2012, meaning that employers and unions could no longer make agreements that required employees to become and remain union members to keep their jobs. Democrats won control of the legislature in November 2022 elections, and in spring 2023 repealed the right-to-work law. There are 27 right-to-work states, most in the South and Midwest.

Unions say they negotiate higher wages and better benefits for all workers in a workplace, so that employees who do not pay union dues are free riders. Workers represented by unions earn about 20 percent more than non-union workers.

Missouri

Missouri in 2023 banned camping on state-owned land to restrict visible homelessness. The Austin-based Cicero Institute urges governments to ban camping on public land to push people to seek services, and persuaded Texas to enact a similar camping ban on state land. Many advocates insist on a housing first approach to the homeless, meaning that people should be offered permanent housing before being nudged or forced to receive health services.

Oklahoma

Fast-growing Oklahoma City is the 20th largest US city, surpassing Boston and Washington DC in part by attracting businesses and people with low taxes and housing prices. Fast-growing Austin, with over a million residents, often edges out cities in Oklahoma in attracting new businesses.

North Dakota

Local officials rejected a planned \$700 million Chinese-funded corn mill near the Grand Forks Air Force Base, citing security concerns. Chinese investors owned almost 340,000 acres of US farm land in 2020, half in Texas.

New Mexico

New Mexico became the first state to establish an official aroma in 2023, green chile roasting, which normally occurs outdoors in July and August to peel off the pepper's thick skin. Red and green chiles are from the same plant, but the red peppers are left to ripen and do not have to be roasted.

Oregon and Washington

Oregon and Washington share similar geographies. Most residents live west of the Cascade mountains in the metro areas of Portland and Seattle, and residents east of the mountains sometimes resent statewide policies enacted with the support of western majorities. Some Eastern Oregon residents want to secede from the state and become part of Idaho.

Washington farmers support SB 5476, which would allow them to declare up to 12 special circumstance weeks a year and not pay overtime to farm workers until after 50 hours a week instead of the usual 40 hour threshold beginning in 2024.

Alaska

The Biden administration effectively stopped the Pebble Mine project when the EPA in January 2023 denied Pebble a permit to have waste water flow into Bristol Bay, the largest US salmon fishery. In January 2023, Biden restricted logging and road building in over half of the 17-million-acre Tongass National Forest, the world's largest temperate rainforest. Some 70,000 people live in the Tongass, and some say they will have to move because of the ban on logging.

In March 2023, Biden permitted the \$8 billion ConocoPhillips Willow project in the 23-million-acre National Petroleum Reserve, the largest new oil project expected to pump 180,000 barrels a day at its peak and 600 million barrels of oil over the next 30 years. Willow is expected to create 300 jobs.

UFW; ALRB; UNIONS

The UFW represented about 5,500 workers on 22 California farms with contracts in 2022. Governor Gavin Newsom signed AB 2183 in

2022, which created alternatives to in-person secret ballot elections on farms to determine whether workers want to be represented by a union, including having union organizers persuade a majority of workers to sign union authorization cards.

The UFW says that it helps farm workers achieve higher incomes, citing the four decades of representing Monterey Mushrooms, where year-round jobs offer up to \$40,000 a year, double the \$20,000 average of seasonal farm workers.

The UFW is battling Ostrom Mushroom Farms in Sunnyside, Washington, alleging that Ostrom in 2022 replaced US workers with H-2A guest workers at the \$60 million facility opened in 2019. In February 2023, Ostrom was sold to Canada's Windmill Farms, which renamed the Sunnyside facility Greenwood Mushrooms Sunnyside. Ostrom employees were offered jobs at Greenwood.

ALRB

The ALRB released guidance to implement AB 2183, the card-check law approved in 2022. Employers could register Labor Peace Agreements with the ALRB until January 31, 2023 pledging to allow union organizers to visit employees on their farms and not to oppose union efforts to organize their employees; in exchange, their employees may vote in a secret ballot election. No farm employers registered LPAs for 2023.

Alternatively, unions can collect signatures from workers over a year, present them to the ALRB when they have majority support, and be certified as the bargaining representative for the employees. The third option, a mail-ballot replacement for secret-ballot elections, is expected to be repealed in 2023. AB 2183 also requires employers to post bonds before appealing ALRB decisions and allows the ALRB to

impose civil money penalties of up to \$25,000 for ALRA violations.

Unions

The United Auto Workers replaced the incumbent appointed president with Shawn Fain in March 2023 in the first elections open to all members rather than being selected by delegates to a UAW convention. The UAW has 400,000 active members and 600,000 retirees who can vote in UAW elections. Fain promised to be tougher in negotiations with large auto firms.

The Amazon Labor Union, which won an election to represent warehouse workers at Staten Island's JFK8 facility in 2022 but lost elections at two other Amazon warehouses. Internal conflicts are weakening the union, which has yet to negotiate a contract. Without dues, the ALU depends on donations from foundations and other unions.

Starbucks Workers United represents workers at 288 of the 9,300 corporate-owned US stores, winning a majority of votes in NLRB-supervised elections beginning in August 2021 in Buffalo. Starbucks opposes the SWU, and has complained about the way that the NLRB conducted mail ballot elections at some of its stores, while the SWU has charged that Starbucks interference prevented free and fair elections.

The SWU's wants Starbucks to pay at least \$20 an hour, guarantee 37 hour weeks for full-time employees and 20 hours for part time, and offer fully employer-paid health insurance. Starbucks, which is negotiating with the SWU on a store-by-store basis, says it pays an average \$17.50 an hour and has average labor costs of \$27 an hour. Senate Democrats attacked ex-CEO Howard Schultz for not embracing unions during a March 2023 hearing.

A third of nonfarm unions negotiate a contract within a year of winning an election.

Julie Su, former head of the California Labor and Workforce Development Agency, was nominated to be the Secretary of Labor in February 2023. Su won compensation in the 1990s from the brands that had clothes sewn in Southern California sweatshops for Thai workers.

IMMIGRATION

IMMIGRATION REFORM, UNAUTHORIZED

There are few prospects for major immigration reforms in 2023-24. The Republican-controlled House announced plans to focus on unauthorized migration over the Mexico-US border and to impeach DHS Secretary Alejandro Mayorkas for not enforcing US immigration laws that aim to prevent unauthorized migration.

Restrictionist House Republicans introduced a bill in January 2023 that would empower DHS to bar unauthorized foreigners from the US if DHS is unable to process them via normal procedures. Admissionist Senate Democrats introduced bills to allow the 600,000 unauthorized foreigners who arrived in the US before the age of 16 and graduated from US high schools, and who are currently protected under the Deferred Action for Childhood Arrivals program launched in June 2012, to become immigrants and eventually US citizens. Bipartisan bills to legalize unauthorized farm workers and make it easier to employ H-2A guest workers are unlikely to be enacted in 2023-24.

Rep Maria Elvira Salazar (R-FL) introduced the Dignity Act, an IRCA-style grand bargain that would allow most unauthorized foreigners to live and work legally in the US for the next 10

years. After paying \$10,000 in fines, they could become immigrants and apply for US citizenship five years later. The bill also includes more funds for border security, mandates employer participation in E-Verify, and creates processing centers for asylum seekers on the Mexico-US border.

Immigration is likely to remain a political football in 2023-24. Republicans decry the record number of unauthorized foreigners encountered just inside the US border with Mexico and call on the Biden administration to enforce laws against illegal immigration. Democrats are divided between those who want to "do something" to slow illegal immigration and those who believe that the US should accept more immigrants and asylum seekers.

Less than 10 percent of voters are "progressive left." Almost all are Democrats who wield an outsized voice in politics because they dominate think tanks and the media. The progressive left supported lockdowns during covid and generous immigration policies.

Biden

President Biden's administration took over 400 executive actions on immigration during his first two years in office, putting Biden on track to surpass Trump's 472 executive actions during his first four years. Biden's actions restructured interior enforcement and reduced deportations, expanded Temporary Protected Status for foreigners in the US, and maintained legal immigration at over a million a year.

Biden's efforts to tackle the "root causes" of illegal migration in Central and South America are unlikely to have significant short-term effects. Instead, the carrot-and-stick approach embodied in granting parole to 30,000 migrants a month from Haiti, Cuba, Nicaragua and Venezuela if they have US sponsors and returning another 30,000

a month from these countries to Mexico if they arrive illegally drew criticism from both Republicans and Democrats.

Immigration may prove more problematic for Democrats than for Republicans, who are focused on what they call an out-of-control border. Democrats are torn between those who want more immigrants, guest workers, and refugees and those who believe that Americans want to limit immigration. In January 2023, 70 Congressional Democrats signed a letter to Biden complaining that his border control measures could limit the access of foreigners to asylum in the US.

Most legal immigrants are already in the US when they are “admitted” with immigrant visas, meaning that they adjust from student, tourist, or another status to immigrant. In recent years, a growing number of foreigners live in the US with a temporary legal status, including with Temporary Protected Status or the status associated with applying for asylum and waiting on decisions and appeals. Immigration to the US increasingly means arriving in a non-immigrant status and eventually finding a way to become an immigrant without leaving the US.

The number of unauthorized foreigners in the US peaked at 12 million in 2008 and has been between 10 million and 11 million since, as the number of unauthorized Mexicans dropped from about 6.5 million to 4.5 million.

DHS: BORDER

DHS Secretary Alejandro N. Mayorkas, committed to President Biden’s goal of a “fair, orderly and humane” immigration system, is criticized regularly by Republicans who want to impeach him for failing to secure US borders. Biden promised to reverse many Trump-era migration policies, but court decisions and DHS

decisions have kept many Trump-era policies in place.

Efforts to reduce unauthorized migration over the Mexico-US border have drawn criticism from all sides. A program that allows citizens of Cuba, Haiti, Nicaragua and Venezuela to apply for parole into the US, and returns those who enter the US illegally to Mexico, is criticized by Republicans for opening doors to all and by Democrats for denying some foreigners the right to apply for asylum.

DHS in February 2023 announced that foreigners who illegally enter the US after May 11, 2023 from Mexico and apply for asylum would have a “presumption against asylum eligibility;” families with children are exempt. DHS is trying to deter illegal arrivals by encouraging foreigners with US sponsors to apply online via CBP One. Once accepted by CBP One, asylum seekers can fly into the US, apply for asylum, and receive work permits as parolees until their cases are resolved.

Border

A record 251,500 unauthorized foreigners were encountered by the Customs and Border Protection agency in December 2022. Apprehensions fell to 156,000 in January 2023, from over 8,000 a day to about 4,000 a day, and further to 129,000 in February 2023, as more unauthorized migrants were returned to Mexico under Title 42. There were very few encounters with citizens of Haiti, Cuba, Nicaragua and Venezuela.

Some 2.2 million migrants were encountered by CBP just inside the Mexico-US border in FY22, up from 1.6 million in FY21. The bodies of 890 migrants trying to enter the US were recovered in FY22; most drowned in treacherous portions of the Rio Grande river.

Title 42, which allows CBP to return migrants encountered inside the

US to Mexico quickly, ended May 11, 2023. Since its introduction in March 2020, over 2.6 million unauthorized foreigners have been returned to Mexico soon after being apprehended.

The Biden administration aims to reduce unauthorized migration by expanding parole, which gives foreigners with US financial sponsors two-year work permits while they wait for decisions on their asylum applications. Up to 30,000 migrants a month from Haiti, Cuba, Nicaragua and Venezuela can be paroled into the US, while 30,000 migrants a month from these countries who are encountered just inside the US border can be returned to Mexico. About 40 percent of foreigners encountered in FY22 were from these four countries.

Over 80,000 Afghans and 100,000 Ukrainians have been paroled into the US, drawing criticism from those who say that parole is for unique individual circumstances rather than mass movements. Parole was used by President Carter to allow the 125,000 Cubans from the Mariel boatlift into the US.

About 40 percent of New York City residents were born abroad. The arrival of 45,000 migrants who crossed the Mexico-US border and were bussed to New York City to await decisions on their asylum applications prompted New York City Mayor Eric Adams to declare an emergency and ask for federal help to provide housing and social services to migrants.

New York City says it spends \$200 to \$300 per day per migrant for housing, food and health services, and expects to spend \$1 billion on newly arrived migrants in 2023. A third of the 71,000 people in New York City homeless shelters are migrants, many of whom are housed in hotels rented by the city for up to \$200 a night. About two-thirds of those housed in city shelters are families.

Chicago was criticized for re-opening closed schools in the Woodlawn area, which is 80 percent Black, to house Latin American migrants. About 80 percent of the 5,000 migrants who were bussed from the Mexico-US border to Chicago have been provided with city housing and services.

CBP One, designed to allow commercial truckers to speed up cargo inspections, is being used to allow foreigners to apply for asylum in the US from abroad. Up to 30,000 migrants from Cuba, Haiti, Nicaragua and Venezuela can apply for asylum in the US each month, and the expansion of CBP One to all foreigners seeking asylum in the US is aimed at reducing illegal entries of asylum seekers over the Mexico-US border. Restrictionists say that CBP One encourages smugglers to tell migrants the US is open to all migrants. Admissionists complain that not all migrants have smartphones and internet access.

USCIS

There are 10,000 U-visas a year available to foreigners who assist US law enforcement to prosecute criminals; recipients can eventually receive immigrant visas and naturalize. As knowledge of the program spreads, the backlog of applicants has risen to 315,000, prompting discussion of a process to grant immigrant visas sooner.

The 600 immigration-court judges employed by DOJ who decide whether to grant foreigners asylum or other benefits have a backlog of over two million cases, up from a million-case backlog in 2019, which means applicants can wait in the US and work for an average of four years until their case is resolved. Immigration judges are expected to decide 500,000 cases in 2023, but a million more cases may be added as foreigners continue to seek asylum.

H-2A; H-2B

DOL revised its AEW methodolgy effective April 1, 2023, switching from one AEW per state based on the USDA Farm Labor Survey of farm employers who hire workers directly to five to 10 AEWs in each state based on the job to be filled. AEWs will be set using the FLS if it generates an earnings for a particular job title. If not, DOL's OEWS will be used to establish AEWs.

Most employers of H-2A workers oppose the new AEW methodolgy. There are efforts in Congress to block the new AEWs under the Congressional Review Act and via the Farm Operations Support Act (S 874), which would maintain 2022 AEWs in 2023.

DOL emphasized that 98 percent of job titles are covered by USDA's FLS, including about 85 percent who were Farmworkers and Laborers, Crop, Nursery and Greenhouse Workers (45-2092) in FY22; seven percent who were Agricultural Equipment Operators (45-2091); four percent who were Farmworkers, Farm, Ranch, and Aquacultural Animals (45-2093); and less than one percent who were Graders and Sorters, Agricultural Products (45-2041) and All Other Agricultural Workers (45-2099).

For job titles that are not covered by the FLS, including construction laborers, truck drivers and supervisors, DOL's Occupational Employment and Wage Survey will be used to set statewide AEWs. DOL emphasized that these nonfarm job titles have higher hourly wages than field and livestock workers, so farm employers can save money by calling heavy truck drivers (SOC 53-3032) who move harvested crops over public roads to processing or storage facilities agricultural equipment operators (45-2091) in order to pay lower the lower FLS hourly wage and avoid overtime pay requirements.

Similarly, construction laborers (SOC 47-2061) who build facilities on farms may be called animal farm workers (SOC 45-2093), resulting in lower wages and no overtime. Finally, those who drive workers between their housing and fields could be deemed Shuttle Drivers and Chauffeurs (53-3053) whose wages are set by the OEWS.

DOL plans to announce new AEWs based on the FLS to be effective January 1 of each year, and new AEWs based on the OEWS to be effective July 1 of each year.

DOL's analysis of the impacts of the new AEW methodolgy reported that 10,000 unique employers (excluding FLCs) were certified to employ H-2A workers in FY20 and FY21. A sample of 2,600 of these farm employers found that 80 percent were small, with an average 11 employees and average annual revenues of \$3.6 million.

DOL analyzed a sub-sample of 2,100 farm employers and found that a third were in NAICS 111998, miscellaneous (often seed production) crop farming, 15 percent were nurseries and garden centers (444220) or landscaping services (561730), and 10 percent were fruit and vegetable (retail) markets (445230) or fruit and vegetable wholesalers (424448). This means that two-thirds of the DOL sample had NAICS codes outside FVH agriculture, which encompasses NAICS 1112 vegetables and melons, 1113 fruits and nuts, and 1114 horticultural specialties from greenhouse and nursery crops to mushrooms.

DOL ordered \$1 million Salinas-based FLC A Oseguera Company to pay almost \$1 million in back wages to H-A workers in December 2021, and in February 2023 negotiated a consent decree that requires Oseguera to pay another \$460,000 in final paychecks and unreimbursed transportation costs.

The Farm Workforce Modernization Act was approved by the House in 2019 and 2021, but not considered by the Senate, where the Affordable and Secure Food Act was introduced in December 2022. Both bills would have allowed unauthorized farm workers to become probationary immigrants and their family members in the US to become legal immigrants and naturalized US citizens, made it easier for farm employers to hire H-2A guest workers, and required farm employers to use E-Verify to check new hires.

With House Republicans focused on unauthorized migration across the Mexico-US border, there is little prospect that the 118th Congress will enact a bill that legalizes unauthorized farm workers. Some worker advocates want a quicker path to immigrant status, while some farm organizations want more H-2A visas to fill year-round farm jobs and limits on the ability of H-2A workers to sue farm employers.

The Farm Operations Support Act introduced in March 2023 would roll back AEWRs to their 2022 levels

DOL announced in March 2023 that its H-2A Workers' Wages Recovery Program aims to provide \$6.5 million in back wages owed to Mexican H-2A workers by providing worker names to the Mexican Ministry of Labor and Social Welfare.

CANADA, MEXICO

Almost 40,000 migrants illegally entered Canada from the US in 2022. Many migrants take buses from New York to Plattsburgh, and taxis to Roxham Road in upstate New York to cross into Quebec, where they are arrested, released and given work permits and access to social benefits.

A 2004 safe third country agreement between Canada and the US requires asylum seekers to

seek asylum in the first country they reach. The 2004 agreement applies to migrants who enter Canada at ports of entry but not to illegal entrants from the US. A March 2023 agreement allows Canada to return migrants who enter illegally from the US to be returned to the US. Canada will also admit 15,000 Latin American refugees a year.

Advocates in Canada filed suit against returning migrants to the US, arguing that the US is not a safe third country; that case is pending.

Canada's population rose by a million or 2.7 percent to almost 40 million in 2022, mostly due to net migration. Some 437,000 immigrants and 608,000 non-immigrant students, guest workers, and other foreigners were admitted in 2022.

Canada was rocked by revelations in winter 2023 that China tried to influence federal elections in 2019 and 2021 by ordering Chinese students to campaign for particular candidates in Liberal party nominating contests and expecting the winning MPs to be sympathetic to China. Up to 10 Liberal MPs may owe their victories to Chinese influence, and most have been sympathetic to China in their votes.

Canada produces most of the world's maple syrup, a record 17 million gallons in 2022, which was a 50 percent increase from 2021.

Mexico

Dozens of migrants awaiting deportation died in a fire they set to protest conditions in their National Migration Institute accommodations in Ciudad Juárez in March 2023. The migrants were picked up by NMI agents on the streets of the city and guards did not unlock the cells with burning mattresses. Many migrants are waiting in Mexican border cities for the May 11, 2023 end of Title 42, which allows the US to return migrants to Mexico without allowing them to apply for asylum.

Mexico's labor force of 60 million in 2023 included 26 million workers in formal jobs, 32 million in informal jobs, and two million unemployed. Mexico's minimum wage is 207 pesos (\$11) a day in most of the country in 2023, and 312 pesos (\$16.50) near the US border.

Mexico's economy expanded by three percent in 2022 due to booming exports of industrial and agricultural goods; growth is expected to shrink to two percent in 2023.

Mexico attracted \$35 billion in FDI in 2022, including a third in manufacturing. Many Chinese manufacturers are joining Japanese and Korean firms in northern Mexico so they can ship their goods duty-free to the US market. The border state of Nuevo León has received \$7 billion in FDI since 2021, including a third from China, as furniture and auto parts manufacturers move operations from China. Mexican workers are becoming more demanding, expecting wages above the minimum and transportation to and from work as well as meals.

Mexico and the US continue to struggle with the flow of drugs into the US, especially fentanyl. The efforts of three Mexican presidents and \$3 billion in US aid over the past 15 years have not slowed the flow of drugs or cartel violence. One reason may be corruption; Genaro García Luna, Mexico's former top security official, was found guilty of taking money from drug cartels to facilitate trafficking in February 2023.

Mexico exported autos worth \$35 billion to the US, plus parts and trucks.

Mexico-US farm trade was \$73 billion in 2022. Mexico exported \$44 billion worth of farm commodities to the US, while the US exported \$29 billion worth of farm commodities to Mexico, giving the US a farm trade deficit of \$15 billion. Among Mexican

farm exports, beer and tequila were each worth \$5 billion, followed by avocados \$2.9 billion, strawberries and blueberries, \$2.5 billion, and bell peppers, \$1.4 billion.

The OECD expects 12 million tons of avocados to be produced in 2030, including four million tons that are exported. Mexico is expected to account for two-thirds of global avocado exports. By 2030, avocados are expected to surpass pineapples and mangos as the most traded fruit.

The US in March 2023 formally requested consultations with Mexico under the USMCA over Mexican plans to ban the import of genetically modified corn for human consumption. Mexico produced 27 million tons of non-GMO corn in 2022 and imported 20 million tons of GMO corn from the US in 2021-22, most of which is used to feed animals.

Mexican President Lopez-Obrador in February 2023 enacted legislation to reduce the budget and power of the National Electoral Institute (INE), the independent election watchdog credited with ending the dominance of the PRI and allowing the PAN to win the presidency in 2000. AMLO narrowly lost the election in 2006, and blamed the NEI, so reducing its power has been a long-term goal.

Documents show that AMLO continued to allow the armed forces to spy on government critics using Israeli-developed Pegasus spyware to infect the cellphones of journalists and lawyers; AMLO promised to end such spying in 2018.

Haiti

Haiti slid toward chaos in spring 2023. The country of 11.5 million has a PM appointed after the elected PM was assassinated in July 2021. Gangs linked to rival elites control the capital of Port-au-Prince, and up to half of Haitians do not have

enough food. The PM has asked for foreign troops to restore order.

Haitians fleeing to neighboring Dominican Republic, the Bahamas or the US are often returned to Haiti. The US will allow some Haitians with financial sponsors in the US to seek asylum in the US.

Central America

VP Kamala Harris in February 2023 announced that private firms via the Partnership for Central America had pledged an additional \$1 billion in investments in Guatemala, Honduras and El Salvador that would create jobs and deter unauthorized migration to the US. Most observers believe that such efforts, if successful, will require up to a decade to show results.

South America

Peru, a country of 33 million including a third in metro Lima, was rocked by protests in January-February 2023 after President Pedro Castillo was impeached in December 2022 when he tried to dissolve Congress and attempted to rule by decree. Peru will likely have early elections to elect a new president, but the political fragmentation exemplified by over a dozen candidates may once again present Peruvians with a choice between the top two vote getters who may each have less than 20 percent support.

Castillo's mostly rural and indigenous supporters believe that the country's elite disdains them, and their protests shut down the economy in southern Peru by blocking highways that lead to mines and other facilities. Machu Picchu, Peru's most popular tourist destination, closed in January 2023, leading to 20,000 layoffs. Farmers who export fresh fruit warned of losses as protestors closed roads, and the government says the protests have led to over a million layoffs.

Alberto Fujimori won the Peruvian presidency in 1990, dissolved Congress in 1992, and won approval of a new constitution in 1993 that allows Congress to remove the president and the president to dissolve Congress. There were 18 candidates for the presidency in 2021, and none received more than 20 percent of the vote in the first round of voting; Castillo won a narrow victory in a run-off against Keiko Fujimori.

With US support, Colombia has been granting Venezuelans 10-year permits since 2021 that allow them to live and work legally; some two million were issued during the program's first two years. Most of the seven million Venezuelans emigres since 2015 moved to Colombia, Peru and Ecuador, but more have been coming to the US, almost 190,000 in FY22, because the US does not return them to Venezuela. However, many of those with work permits still dream of moving to the US for higher wages and more opportunity.

Meanwhile, Venezuela has become one of the world's most unequal countries. Currency depreciation and inflation wiped out the savings of the middle class, but the elite with access to US dollars is doing well by smuggling food and gas into the country. Venezuelans are scheduled to vote in presidential elections in 2024; the last election was in 2018.

Brazil's richest person, Jorge Paulo Lemann, teamed up with 3G Capital to buy multinationals from Anheuser-Busch and Burger King to Tim Hortons and SABMiller, and made profits by cutting costs. However, when Lemann ran out of firms to buy and squeeze, profits fell, leading to the first of what may be more bankruptcies, as with the collapse of the 1,700 store Brazilian Americans chain in January 2023.

Average per capita income in Latin America as a share of per capita income in the Group of Seven (G7) rich countries fell from over 40 percent in 1980 to 30 percent in 2020. By contrast, per capita income in China rose from five to 35 percent of the G7 average over the past four decades following a manufacturing for export model. China has almost 20 percent of its workforce employed in manufacturing, while most Latin American countries have fewer than 10 percent of workers employed in manufacturing (Mexico 15 percent).

What could close the income gap? Instead of agriculture or manufacturing, countries may have to focus on raising productivity in services, where a rising share of their workers are employed. However, with the exception of call centers and other back-office functions, there are few examples of services-for-export creating large numbers of high-wage jobs in developing countries.

EUROPE, ASIA

The Russian invasion of Ukraine entered its second year February 24, 2023 amidst renewed fighting in southeastern Ukraine. The invasion strengthened NATO as it supplied weapons to counter the Russian forces, and Ukrainians demonstrated that real-time intelligence and drones allows smaller and flexible forces to counter larger entrenched armies.

European nations that assumed peace was the normal state of affairs after the end of the cold war in 1989 were shocked by the 2022 invasion adjusted by quickly weaning themselves off of Russian oil and gas and providing over \$50 billion in aid to Ukraine. Finland joined NATO, but it is unlikely that Ukraine can join the EU or NATO unless it defeats Russia since a frozen Korea-style stalemate could

complicate accession negotiations. One question in the post-Ukraine era is whether European-US military cooperation will intensify or whether Europe will try to develop an independent military capacity.

Germany may be one of the most changed countries as a result of the Russian invasion of Ukraine. Many Germans credited Ostpolitik or détente as the key to ending the cold war, not the US arms build up of the 1980s that bankrupted the USSR. The German government promised a Zeitenwende or turning point after the Russian invasion and successfully reduced Germany's dependence in Russian energy, but has been slower to rebuild Germany's military, in part because Ukraine's successful resistance made threats to Germany less urgent.

NATO allies united to oppose Russia, but many developing countries including the BRICS remained neutral, often stepping up their purchases of Russian energy exports despite NATO-imposed sanctions. Many African leaders and political movements are sympathetic to Russia because of Soviet support for anti-colonial movements.

Over eight million Ukrainians fled to Europe in the first year of the Russian invasion, including two million in Poland and a million in Germany. In their first year in Poland, most Ukrainians moved west away from the Ukrainian border, and many found jobs.

Some 330,000 foreigners were detected trying to enter the EU illegally in 2022. Half were caught in the Balkans, and half were from Syria, Afghanistan, and Tunisia; over 80 percent were men, some of whom were apprehended multiple times.

Britain

PM Rishi Sunak's Illegal Migration Bill introduced in March 2023 would

not allow foreigners who arrive in the UK illegally to apply for asylum in the UK. The goal of the "stop the boats" policy is to reduce the number of foreigners who cross the English Channel from France in small boats. Sunak had an immigrant visa and owns a home in California.

Britain left the EU January 31, 2020. Three years later, the effects of Brexit continue to reverberate, especially complaints of labor shortages since EU citizens can no longer move freely to the UK and work. The National Farmers' Union says that Brexit has led to farm labor shortages. Boston, a city 160 miles north of London supported Brexit even though local farmers relied on Eastern Europeans, some of whom earned the right to stay in the UK and remained.

Many British workers went on strike during the Winter of Discontent in 2022-23 as public sector workers dis-satisfied with falling real wages refused to work. The NHS, Europe's largest employer with 1.2 million employees, has a budget of \$189 billion a year, but the aging British population is increasing the demand for health care faster than the supply.

The Conservative government kept inflation-adjusted NHS spending flat in real terms between 2010 and 2020, and was slow to increase NHS funding during covid, keeping health care spending to 12 percent of UK GDP compared with 18 percent of US GDP.

France

France experienced at least nine days of national strikes and protests in winter-spring 2023 as President Macron raised the retirement age from 62 to 64 by 2030 by decree, using Article 49.3 of the constitution that allows certain bills to be passed without a vote in parliament. Macron survived no-confidence votes in March 2023 that saw some

members of his Renaissance party defect; protests continued in spring 2023.

A 2019 effort by Macron to consolidate the country's 42 state pension plans and raise the retirement age to 64 led to the longest transport strike in French history, and was abandoned during covid.

Half of the people born in industrial countries today are likely to live to be 100. Government spending on pension benefits ranges from less than seven percent in the UK and US to over 14 percent in France and Italy, and will rise as people live longer and there are fewer births. Life expectancy in France is 82, compared with 77 in the US.

Analysts say that many countries are likely to experience financial crises if people live longer, continue to retire in their 60s, and expect government benefits that are paid for by taxes on younger workers. Many analysts want societies to change the school-work-retire model by beginning work sooner, engaging in lifelong learning, and working longer.

For example, Italy's population is aging and shrinking, a silver tsunami that holds lessons for what other countries with longer lifespans and lower birthrates can expect. The Italian First government wants to help older residents to remain in their homes by offering them cash benefits to make their homes safer, and to generate more money to care for the elderly by raising the birth rate but not accepting more immigrants.

Italy is experiencing low birthrates and low female participation in the labor force, the emigration of young professionals, and longer lifespans, creating a laboratory for the challenge of financing the care of the elderly. Under fascism, Italy's population rose from 40 million in 1922 to 60 million in 1950, and is 59 million today, including seven million people over 75.

Residents of and visitors to Paris made about 20 million trips on 15,000 rental scooters in 2022, making Paris one of the world's largest e-scooter markets. The maximum speed of e-scooters was reduced to 12 mph and they were banned from side walks, reduced the number of operators to three, and recommended helmets for riders. Almost 90 percent of those who voted in an April 2023 referendum supported banning e-scooters.

Germany

Some 217,774 foreigners filed initial asylum applications in 2022, more than twice as many as in 2020. An additional one million Ukrainians are in Germany.

The coalition government wants the EU to distribute asylum seekers throughout the EU, a long-time demand of front-line states such as Greece and Italy. The EU's Pact on Migration and Asylum aims to "distribute responsibility fairly among member states and act in solidarity to manage migrant flows." Many EU member states want to reduce inflows of asylum seekers rather than re-distribute those who have arrived.

EU member states find it hard to deport foreigners who are found not to need asylum. Only 20 percent of the 340,000 foreigners ordered to leave the EU in 2021 actually left, the same share as in previous years. Migrants and their home countries often resist deportation, prompting EU leaders to call for withholding development aid, trade preferences, and visas for legal entrants from countries such as Morocco, Tunisia and Algeria that make it difficult to return their citizens.

Another proposal would make deportation orders issued by one EU member state valid in all EU member states. However, half of all non-Ukrainian asylum seekers are

from Afghanistan and Syria, countries to which EU member states do not return people.

China displaced Germany as the world's second largest car exporter in 2022; Japan is the auto export leader. Will China's expertise in electric vehicles shrink German auto manufacturing and the ecosystem it supports, and will China displace Germany as a major exporter of machine tools?

Berlin's elections in September 2021 were marred by poor organization, forcing new elections in February 2023, challenging the two-decade long hold of the SPD on the mayor's office. The city of 3.8 million suffers from a housing shortage, disruptions to transportation due to repairs, and poor city services. One problem is governance; the 12 district mayors and councils share power with the citywide mayor and Parliament.

Italy

The number of migrants arriving by boat reached record levels of over 1,000 on some days in March 2023, threatening a repeat of 2015-16, when tens of thousands of migrants made the journey from Libya and Tunisia to southern Italian islands during the summer months when the Mediterranean Sea is calmer. Almost 30,000 migrants arrived in Italy in the first three months of 2023.

Pope Francis marked 10 years at the head of the Catholic church in March 2023. The first Latin American pope has been a voice for migrants, urging the countries where they seek asylum to be receptive to newcomers, and for the environment, urging governments to protect the planet to minimize the adverse effects of climate change on poor people.

Francis has been too liberal for some and too conservative for others. Germany's Catholic bishops

have endorsed same-sex marriage despite official teaching, and there has been little real change in roles for women in the Catholic Church and no room for married priests. Francis is also criticized for not dealing effectively with sex-abuse scandals, especially those involving friends, and not moving forward on contraception.

Norway

Norway supports its farmers generously; over half of a typical farmer's income is from government support, including government-set prices for major commodities that are up to twice world prices and direct payments to farmers. The value of Norway's farm output was \$3.3 billion in 2020 and included \$2.6 billion in producer support; about 70 percent of farm receipts are for animal products.

Norway is a net food importer that restricts the import of cheaper farm commodities in order to protect its farmers, and sets minimum prices for milk, pork, grains and some fruits and vegetables. A quota has capped milk production since 1997, and owners of quota to sell milk at the government's minimum price can sell their quotas.

Russia

The EU sharply reduced its purchases of Russian oil and gas in 2022, but Russia was able to shift oil and gas exports to Asia, boosting its oil export revenues to \$220 billion and gas revenues to \$140 billion due to higher prices. Russia remains the third largest oil producer, after the US and Saudi Arabia, producing 10 million barrels a day. China imports over 16 million barrels of oil a day.

Spain

A sea of plastic protects 30,000 hectares of vegetables around Almeria, where up to 100,000 migrants from Eastern Europe and Africa are employed sometime

during the year. Fewer acres planted due to irrigation restrictions combined with cold weather in February 2023 to reduce Almeria's production of tomatoes, cucumbers and peppers, prompting British supermarkets to limit how many fresh vegetables consumers can purchase.

Sweden

House prices have fallen 15 percent from their peak in March 2022 as interest rates rise, joining many other industrial countries in experiencing falling house prices. Unlike the US with 30 year fixed-rate mortgages, home loans in other countries often feature variable interest rates that change each year, so that rising interest rates mean higher payments.

Turkey

A magnitude 7.8 earthquake and aftershocks near Gaziantep killed over 43,000 people in 10 provinces in southeastern Turkey and northern Syria in February 2023. The Turkish government forgave builders in 2018 whose structures did not satisfy building codes enacted after a 1999 earthquake that left 17,000 dead, and arrested over 200 contractors after the buildings they built collapsed in 2023.

Turkey has eight million buildings constructed before 2000 that need to be retrofitted to withstand earthquakes. In some cases, builders can select the inspectors who ensure that their structures adhere to building codes, raising suspicions.

The 2023 earthquake damaged over 100,000 buildings and left losses of \$85 billion or 10 percent of Turkish GDP. Turkey raised its minimum wage to 8,507 (\$452) a month in 2023, up 55 percent from 2022 to cope with inflation approaching 100 percent. Turkey's central bank continues to maintain low interest rates in a bid to stimulate economic growth and exports, but the effect has been to add to inflation.

President Recep Tayyip Erdogan wants to be re-elected May 14, 2023, just before the 100th anniversary of the founding of modern Turkey in 1923 by Mustafa Kemal Ataturk. Erdogan's AKP party and its ally the MHP say that a victory in 2023 would launch a "Turkey century" that would see the country of 85 million join the ranks of the world's industrial powers, pointing to the success of, for instance, Turkish Airlines and Turkish soap operas.

The National Alliance coalition of six opposition parties led by the CDP and IYI argue that Erdogan has weakened checks and balances and become an authoritarian leader over his two decades in power; parties must get at least seven percent of the vote to enter Parliament. However, the leading opposition candidate, Istanbul mayor Ekrem Imamoglu, was sentenced to two years in prison in December 2022 for insulting election officials. Turkey's turn to autocracy has stalled Turkey's efforts to join the EU.

China

China's population shrank in 2022, as the 10.4 million deaths exceeded the 9.6 million births for the first time since famines in the 1960s. Efforts to increase births face challenges that range from employers who are reluctant to hire young women for fear they may take maternity leave to pressure on mothers to get their children into good schools while caring for aging parents.

Most couples were limited to one child until 2016, when all were permitted to have two children. The limit was raised to three children for all couples in 2021, birth limits were dropped entirely in Sichuan in 2023, and single mothers were allowed to register children for the first time.

China, Japan, and South Korea are among the world's fastest aging countries, with almost a third of the

population 65 and older due to low fertility and long lifespans. All three East Asian countries are expected to face pressure to import caregivers from lower wage countries.

Some believe that a shrinking Chinese population with a rising share of elderly residents will prompt Chinese leaders to act aggressively while China still has economic and military power, with some predicting a Chinese effort to take Taiwan by force before 2025. China spends over \$250 billion a year on its military, less than a third of US defense spending of over \$800 billion a year. Others dispute the notion that demography will increase Chinese aggression abroad.

China, which has 10 percent of the world's arable land and almost 20 percent of the world's people, is the world's largest importer of farm commodities. China wants to increase its food production so that it is less reliant on imports.

China consumes half of the world's pork and is building 26-story high-rise pig farms that can raise 600,000 hogs a year. African swine fever killed up to 40 percent of China's pigs in 2018 and raised pork prices, prompting efforts to modernize pig farming. However, raising pigs in large buildings increases the risk of disease spreading rapidly.

More wealthy Chinese emigrated as China reopened in 2023, many to Australia, Singapore, and the UAE in a bid to avoid future lockdowns and arbitrary justice that could take their wealth. An advising firm expects 125,000 persons with assets of \$1 million or more to emigrate in 2023, including 10 percent who are Chinese.

The covid virus that killed over seven million people, including a seventh in the US, originated in Wuhan late in 2019, but it is not clear whether covid jumped from animals to people or leaked from a virology lab. After President Trump

in 2020 asserted that covid likely leaked from the Wuhan lab, many Democrats asserted that covid must have jumped from animals to people. In 2023, both parties are recognizing that covid could have come from lab leaks or animal to people transmissions.

Public health authorities recommended steps to reduce covid before they knew how it was transmitted, such as assuming that covid droplets would quickly fall to surfaces rather than remain in the air, which led to people wiping down their groceries in 2020. Once it was understood that the virus was airborne, masking and ventilation became keys to slowing the spread.

The most contentious covid responses may be the closure of businesses and schools, which led to social isolation and more domestic violence. There is now general agreement that lockdowns should be targeted and short, aimed at protecting the most vulnerable.

India

India is on track to surpass China as the world's most populous country in 2023, and is on track to displace the UK as the world's fourth largest economy by 2025, after the US, China and Japan. PM Narendra Modi, in power since 2014, has encouraged the construction of infrastructure to increase the mobility of people and goods.

More homes in rural villages are getting tap water and electricity, so more rural families have appliances. Many purchases are made digitally, as are many interactions with government, spreading the usefulness of cell phones.

India's richest person, Gautam Adani, was worth almost \$150 billion in Fall 2022. However, allegations that Adani Enterprises and its subsidiaries fraudulently inflated their stock prices cut Adani's wealth in half by February 2023. Adani and

Indian PM Modi are from Gujarat, a west coast state where Modi was chief minister during Hindu-Muslim riots in 2002, leading to a private-market driven economy in which Adani firms play key roles.

India's GDP rose from \$1.8 trillion to \$3.2 trillion between 2011 and 2021, a time during which the government encouraged Indian firms controlled by Adani to build infrastructure, including the Mundra Port in Gujarat. Adani took on debt to expand into many other businesses, some of which have opaque accounting. After the prices of stock in Adani enterprises rose by five times or more, short sellers argued Adani stock was over-valued.

Some Adani deals have come under scrutiny. Adani Power signed an agreement in 2015 with Bangladesh that allows Adani to set the price of coal to generate electricity that it buys from mines it controls, which could lead to high prices charged to consumers.

ANZ

New Zealand exported ag, forestry and fishery commodities worth NZ\$53 billion in 2022, including NZ\$7 billion worth of horticultural exports led by kiwifruit and wine. Dairy products are the largest New Zealand export, and coop Fonterra is New Zealand's largest firm. New Zealand's minimum wage rose to NZ\$22.70 an hour, and is up 44 percent since 2017/18.

The New Zealand government has proposed a tax on the methane emitted by cows as they digest grass and feed, angering dairy farmers who may have to reduce the herd of five million cows (the US has nine million cows).

New Zealand's North Island had the wettest January 2023 on record, over 16 inches in Auckland, and was lashed by Cyclone Gabrielle's 90 mph winds in February 2023. The government declared a national

emergency to assist the clean-up in Hawke's Bay, New Zealand's fruit bowl known for the production of apples. Replanting apple trees using dwarf rootstocks and trellises can cost NZ\$200,000 per hectare.

Australians are voting on whether to guarantee indigenous peoples a Voice to Parliament via elected representatives. Eight of the 44 referendums held in Australia were approved, including a 1967 vote to recognize Aboriginal and Torres Strait Islander peoples in the constitution. The First Nations Voice vote will be held in late 2023.

Prescribed areas are those where alcohol is banned in an effort to reduce alcohol-related problems in areas with Aboriginal peoples. In the Northern Territory, alcohol bans were in effect from 2007 until 2022; when lifted, the result was a crime wave in the town of Alice Springs with only 25,000 residents, leading to a renewal of the alcohol ban in "town camps" surrounding Alice Springs in February 2023.

Australia's superannuation or pension fund has since the 1990s required employers to make pension contributions on behalf of their employees; the rate is 12 percent of employee earnings in 2025. Super contributions grow tax free, and workers do not pay tax on withdrawals after 65. Super contributions totaled A\$3.3 trillion in 2023, and about 20 percent are not spent and instead inherited by heirs.

The average super balance is A\$150,000, but is over A\$300,000 for persons over 60. Average Australian earnings are A\$94,000 a year, which should generate over A\$700,000 with 12 percent contributions for each year of work between 21 and 67. Australians who have multiple jobs may have multiple supers, which means they may pay management fees on several accounts.

The AUKUS agreement will buy and develop nuclear-powered submarines in Australia to challenge China in the Pacific for up to A\$368 billion over three decades. The submarines will not initially have nuclear weapons and are likely to include American and British sailors.

Egypt

The current government, in power since 2013, expanded the role of state- and military-owned firms in the economy and used debt to develop megaprojects that include a new capital city. The Egyptian pound fell from 16 to \$1 in 2022 to 30 to \$1 in 2023, and the government was forced to seek a bailout from the IMF, which imposed conditions including more privatization, although some state- and military-owned firms could be sold to friendly retired officers.

Kenya

The Dadaab refugee camp, built in the early 1990s about 45 miles south of Somalia to accommodate Somalis escaping famine and civil war, now has 325,000 Somali residents fed by the UN and NGOs with about \$50 million a year in donations are not likely to return to their countries of origin. A drought-induced famine affecting over eight million Somalis means that Dadaab is growing again.

Tunisia

President Kais Saied in February 2023 asserted that an influx of sub-Saharan migrants was changing Tunisia's demography and increasing crime, prompting attacks on migrants. Saied, elected in 2019, has become authoritarian, dismantling democratic institutions to repress protests against economic stagnation. The IOM, which estimates that there are over 20,000 unauthorized SSA migrants in Tunisia, says that the Tunisian government finds unauthorized migrants \$6 for each week they were in the country.

South Africa

Corruption and mismanagement under successive ANC-led governments since 1994 have made South Africa the world's most unequal society. State-owned electricity provider Eskom and train network Transnet have been unable to provide electricity or move coal to power plants, leading to blackouts that last hours. High labor costs, corruption, and vandalism mean that Eskom and Transnet are more likely to slow than to spur employment and economic growth.

GLOBAL: POPULATION, DEBT

The world's population of eight billion is expected to peak at 10 billion in the 2070s and then decline as fertility falls to the replacement level of 2.1 births per woman. The world's population more than tripled between 1950 and 2020, from 2.5 billion to more over 7.5 billion, and today many countries including China have declining populations. Average life expectancy rose from 51 in 1960 to 73 in 2020.

Africa, the continent where the population is growing fastest, is less democratic and safe in the 2020s than it was a decade earlier, the result of 23 attempted and successful coups between 2012 and 2022. Governments in sub-Saharan Africa have weak institutions that often lack effective checks and balances, and populations that are poor and unable to assert individual rights. Covid strengthened authoritarian governments by allowing them to postpone elections and impose restrictions on independent media.

The world's oldest person, a 118 year-old French nun, died in January 2023, leaving two 115 year-old women as the oldest people alive.

Debt

China is the largest government creditor to developing countries,

accounting for half of their debt. Many of the 150 countries that took Chinese loans cannot repay their loans, including Sri Lanka and Zambia, which is increasing pressure on China to accept less repayment. The US decries Chinese debt-trap diplomacy, which is China encouraging countries to take out loans that they cannot repay.

Global economic projections expect growth to slow due to slow recovery from covid, disruptions associated with Russia's invasion of Ukraine, and worries about banks. Developing economies grew at a six percent annual rate between 2000 and 2010, but their growth rate could fall to four percent a year in the 2020s.

World Cup

Qatar spent \$220 billion before the November-December 2022 World Cup on highways, a metro system, a new airport, eight new stadiums, and high-rises that were built with the help of millions of migrant workers from low-wage neighboring countries. The Qatar government changed its labor laws to increase protections for migrant workers, most from South Asian countries who earn \$300 to \$400 a month in Qatar.

Up to 6,500 migrants died working in Qatar between 2010 and 2022. Criticism of the treatment of migrants frustrated Qatar, which hoped that hosting the World Cup would transform Qatar and foreigners' views of Qatar.

Investigations after the World Cup found that Qatar paid EU parliamentarians to praise the country and slowed a potential ILO investigation of migrants in Qatar by lobbying and donating \$25 million in 2016 to the ILO. In response, critics allege that politicians and the ILO refrained from criticizing Qatar's migrant worker policies before the World Cup.

OTHER

CALIFORNIA AGRICULTURE

California had farm sales of \$51 billion in 2021, up from \$49 billion in 2020 and 1.5x the farm sales of Iowa. California accounted for 12 percent of US farm sales of \$434 billion in 2021, including \$238 billion from the sale of crops and \$195 billion from the sale of animal commodities.

The most valuable California commodity was milk worth \$7.6 billion, followed by grapes worth \$5.2 billion and almonds and nursery crops each worth \$5 billion. Cattle and calves, strawberries, pistachios, lettuce, tomatoes, walnuts and rice were among the 11 commodities that each had farm sales of over \$1 billion in 2021.

California exported farm commodities worth \$22 billion in 2021, led by \$4.6 billion worth of almonds (88 percent of the almonds were exported), \$2.5 billion worth of dairy products, and \$2 billion worth of wine. Tree nut exports of almonds, pistachios, and walnuts were over a third of California's farm exports.

The three leading farm counties, Kern, Fresno, and Tulare, each had farm sales of over \$8 billion and collectively accounted for over half of the state's farm sales. The leading commodity in Kern and Fresno county was grapes, and in Tulare county oranges.

The leading labor-intensive fruit crops by value included strawberries worth \$3 billion, oranges worth \$900 million, tangerines and mandarins worth \$800 million, and lemons worth \$600 million. Raspberries worth \$400 million were more valuable than cherries, \$300 million, and blueberries, \$200 million. Peaches were worth \$400 million and avocados \$300 million.

Many Salinas Valley fields were flooded in January 2023, which delayed the planting of lettuce and other leafy greens that are normally harvested in April and May. California processing tomato acreage has been falling. A record crop of 14 million tons was followed by 11-million ton crops in 2021 and 2022, which helped to raise grower prices to a record \$138 a ton for the 2023 crop.

California voters legalized the production and use of recreational marijuana via a ballot measure in 2016. Legal marijuana sales were \$5.3 billion in California in 2022, and the state collected about \$1 billion in sales and excise taxes. Twenty-one states legalized recreational marijuana by 2023.

US AGRICULTURE

The US had two million farms in 2022, including almost 250,000 in Texas and almost 100,000 in Missouri. There were 78,000 farms with annual farm sales of \$1 million or more, including 6,600 in Iowa and 6,400 in California.

The US exported farm commodities worth \$196 billion in 2022 and imported farm commodities worth \$199 billion, yielding the second farm trade deficit in recent years (2019). The leading destinations for US farm exports were China, \$38 billion, Mexico and Canada, \$28 billion each, and Japan, \$15 billion.

Americans are consuming less milk. After a peak 45 gallons per person in 1945, milk consumption fell to 16 gallons in 2021. Young people are consuming dairy products in cheese, yogurt and ice cream, but many drink almond, oat, or other nut- and plant-based fluid milks.

Limited supplies led to high prices for eggs in winter 2022-23, with retail prices topping \$4 a dozen, reflecting the higher price of chicken feed, avian flu that led to

the deaths of 40 million chickens (or 10 percent of the US egg-laying flock), and high consumer demand for eggs due to high meat prices.

Avian flu is spread from wild birds to chickens in many ways, including wind-borne feces that can be sucked into barns via fans. Egg-laying chickens are more susceptible because they live a year or more, while broiler chickens are vulnerable only during their typical six- to eight-week lives.

F&V

The US imported 22 million tons of fresh fruits and vegetables in 2022 worth \$28 billion; both import volumes and value were records. US exports of fresh fruits and vegetables were four million tons worth \$6 billion.

Half of fresh fruits and vegetable imports (11 million tons) were from Mexico, led by tomatoes, bell peppers, avocados, cucumbers, lemons and watermelons, followed by Guatemala; three million tons of mostly bananas, Costa Rica; two million tons led by pineapples; Canada, a million tons led by cucumbers, tomatoes, and bell peppers; and Peru, a million tons led by grapes and blueberries.

The US produced \$16 billion worth of (non-potato) vegetables from 2.1 million acres in 2022. The three largest vegetables by acreage were sweet corn, 340,000 acres; tomatoes, 264,000; and lettuces, 250,000. Other 100,000+ acre vegetables were snap beans, onions, green peas, and sweet potatoes. Broccoli was worth \$815 million in 2022; sweet corn \$810 million; watermelons \$750 million; bell peppers \$675 million; cabbage \$615 million; and sweet potatoes \$600 million.

Controlled environment agriculture (CEA) has attracted over \$7 billion in private investment in the past five years, but many CEA startups are

struggling. Europe has over 50,000 acres of greenhouses, compared to less than 5,000 acres in the US. Proponents of CEA say that the US industry is going through a shake out as firms with high costs and flawed business models quit. Fresh tomatoes are the commodity most likely to be produced in CEA.

Pennsylvania dominates agaricus mushroom production, accounting for two-thirds of the \$930 million in mushroom sales in 2021-22, followed by California with 11 percent. Pennsylvania growers get only about half of the \$2 per pound grower price for fresh.

FOOD, WINE

Kroger's October 2022 bid to buy Albertsons for \$20 billion drew opposition from consumers and unions but benefitted private equity firm Cerberus, which made profits on a 2006 investment in Albertsons. Kroger and Albertsons have a combined 5,000 stores, more than Walmart's 4,600 US stores.

If the buy-out is completed, Kroger-Albertsons would have annual sales of \$210 billion, just below the \$220 billion of Walmart grocery sales in 2021. Kroger has 2,750 stores under the Ralphs, Dillons and Harris Teeter labels, while Albertsons has 2,200 stores under its own name as well as Safeway and Vons. Kroger has been a leader in operating food processing plants that make its private label products, and Kroger and Albertsons operate over 4,000 pharmacies.

The UFCW, which represents 350,000 of the 710,000 workers employed by Kroger and Albertsons, opposes the merger, fearing job losses as stores are closed. Private equity firms often inject some cash after buying grocery chains, borrow more, and make changes before trying to resell the stores at a profit. Cerberus had trouble selling

Albertsons because of its low profit margins until covid made the firm profitable.

Whole Foods, which operates more than 500 stores in the US, Canada and the UK, asked its suppliers to reduce prices in January 2023 in a bid to attract more shoppers to stores that in the past were known as Whole Paycheck due to high prices for organic products.

Chipotle, which employs 100,000 workers at 3,000 outlets, aims to double the number of restaurants to 7,000.

The FDA in February 2023 allowed drinks made from almonds, oats and soy to be called milk but recommended that plant-based milks specify nutritional differences with cow's milk. Per capita milk consumption has halved since 1970 in US.

Some 41 million US residents receive Supplemental Nutrition Assistance Program (SNAP) or food stamp benefits at a cost of \$130 billion in FY23, double the \$65 billion of FY18; the average benefit is \$6 per person per day. Benefits were enhanced during covid at a cost of \$100 billion, so that the share of SNAP benefits in at-home food and beverage sales topped 12 percent in 2022, almost double the seven percent of 2019.

SNAP work requirements were eased during covid to allow able-bodied adults 18 to 49 without dependents and not employed or in training to receive SNAP benefits. The pre-covid rule of only three months of SNAP benefits every three years for non-workers without dependents returns in May 2023.

The leading organic foods by sales in 2022 were berries and packaged salads each worth \$1.6 billion; apples worth \$0.7 billion; herbs worth \$0.5 billion; and carrots, bananas and lettuce each worth \$0.4 billion.

A study of the greenhouse gas emissions associated with selected foods found that beef and lamb are associated with more due to methane emissions, while catching groundfish such as cod and halibut releases carbon as nets drag the ocean floor. Soybeans and cassava are crops that are widely produced and have fewer negative environmental impacts.

The World Obesity Council projected that the share of obese people worldwide would increase from 40 percent today to over 50 percent by 2035. Overweight is defined as a body mass index of 25 to 29, and obesity as 30 or more. Nutritionists call for governments to tax processed foods high in salt, sugar and fat and subsidize fruits and vegetables.

Some 1.1 million tons of blueberries globally were harvested from 164,000 hectares in 2021. Most are harvested by hand, prompting efforts to develop gloves without fingers but with collection baskets attached so that pickers can pick with both hands.

Wine

California crushed 3.6 million tons of wine grapes in 2022, including 1.9 tons of red varieties and 1.5 million tons of white varieties; the others were raisin and table grape varieties. The leading varieties crushed were Cabernet, 15 percent of the crush; Chardonnay, 14 percent; and Zinfandel and French Colombard, eight percent each. The Chardonnay crush was down over 100,000 tons to 520,000 in 2022.

The average grower price was \$911 a ton or \$0.46 a pound. District 13 (Fresno) grapes accounted for a third of the crush, with grapes worth \$357 a ton; a quarter of Fresno-area grapes were French Colombard. District 4 (Napa) accounted for 127,000 tons or four percent, with grapes worth \$2,858; over half of Napa's grapes were Cabernet.

About 2.7 pounds of grapes are needed to get the juice to make a bottle of wine, the average bottle cost of grapes was \$1.23. Red varieties were worth \$1,150 a ton, and white varieties \$682 a ton.

Wineries often sell their excess wine in bulk to other wineries. In early 2023, there were over six million gallons of bulk Cabernet available, followed by over two million gallons each of Chardonnay and Pinot Noir.

US wine sales were \$78 billion in 2021, representing sales of 450 million 9-liter equivalent cases; over 92 percent of the wine sold in the US was still wine. Some 35 percent of American adults drink wine regularly, meaning at least once a week, and these 85 million adults drink 90 percent of the wine drunk in the US.

About 60 percent of US wine drinkers are women and 40 percent are men. The demographic group drinking more wine is people over 60. Over 40 percent of US residents 70+ drink wine, and many older wine drinkers are buying more premium wines that cost \$15 or more per bottle.

About 30 percent of American adults drink wine and spirits but not wine. Wine industry leaders have called for a renewed effort to persuade especially younger Americans among these 75 million Americans to switch from craft beer, hard seltzer, and spirits to wine. Some want wine labels to include calorie information; a five-ounce glass of wine has about 125 calories.

Wine industry leaders in January 2023 warned of overproduction in California despite the third consecutive smaller than usual crop after the record crop in 2018, noting that new plantings of Sauvignon Blanc helped to make it the third leading variety, after Chardonnay and Cabernet Sauvignon. California is on track to have 580,000 acres of wine grapes in 2025.

Bulk wine prices vary by region, from about \$7 a gallon in the Central Valley to \$15 a gallon in the Central Coast; bulk Cabernet in Sonoma is about \$25 a gallon, and \$50 in Napa. A gallon of wine is five bottles; three-fourth of the wine sold in the US in 2022 cost less than \$8 a bottle. Wine that costs over \$15 a bottle are 13 percent of the volume of wine sold in the US.

The US had 11,700 wineries in 2022, up 50 percent from 2013. The top 13 wine labels in 2022 accounted for a third of US wine sales, led by Gallo's Barefoot.

Some wineries specialize in low-alcohol wines. Spinning cones can reduce the alcohol in wine by using centrifugal force to turn the wine into a thin film that includes the volatile compounds that give wine its taste from the liquid by steam. After the alcohol is removed from the liquid, the volatile compounds are added back. The US has since 2018 allowed up to 16 percent alcohol in wine.

The US has a three-tiered alcohol distribution system. Brewers, wineries and distilleries sell alcohol to distributors who in turn sell alcohol to retailers. The two largest distributors are Southern Glazer's Wine and Spirits, with about \$25 billion in sales in 2022, and Republic National Distributing Company, with \$12 billion in annual sales.

Bordeaux has too much wine. Growers want E10,000 per hectare in government aid to remove 15,000 hectares of the 150,000 hectares of 370,000 acres of wine grapes in the region. Some want subsidies to turn wine already made into industrial alcohol to reduce supply.

China doubled tariffs on Australian wine in April 2021 in response to the-PM Morrison's call for an independent investigation of covid's origins. China took 40 percent of Australian wine exports before the

doubling of tariffs, almost all red, and the result is a glut of red wine in areas such as Riverland, South Africa, a major wine production region, where some grape growers are switching to white varieties.

Most more expensive Arabica coffee beans are from the highlands of South America, while cheaper Robusta beans are from lower elevations in Asian countries such as Vietnam.

CLIMATE CHANGE

The Intergovernmental Panel on Climate Change in March 2023 reported that the earth has warmed 1.1C above preindustrial levels, and predicted that global average temperatures will rise to 1.5C or 2.7F in the first half of the 2030s. The IPCC called on countries to reduce their carbon dioxide emissions to slow global temperature increases that could otherwise raise global temperatures by over 2C.

There has been a significant slowing of carbon emissions, but UN SG António Guterres in February 2023 warned that up to a billion people could be forced to move by rising sea levels, forcing residents of low-lying cities from Bangkok to Lagos, and from Mumbai to Shanghai, to move as oceans warm. The latest UN projection is for an average global temperature increase of 2.4C or 4.3F by 2100, which could speed the melting of glaciers and ice sheets.

Former Mastercard CEO Ajay Banga was nominated in February 2023 to replace World Bank President David Malpass, who was criticized for not doing enough to tackle climate change. Banga, who was born in India, is expected to emphasize both reducing poverty and slowing global warming.

Policies to slow global warming may affect trade patterns, as the

US and EU governments subsidize local producers of green energy at the expense of foreign competitors. Requirements that batteries for electric cars be made in the US in order to receive US tax credits have alienated EU allies and may prompt European governments to favor EU-made vehicles in Europe. The EU plans to impose a new carbon tariff on imports from countries that are not reducing emissions via a carbon border adjustment mechanism.

California has 40 species of evergreen trees. Red firs are dying faster than Douglas firs, which have deeper roots to obtain water during droughts. California forests have become more crowded due to fire suppression policies that produce more and less well rooted trees that were weakened by prolonged droughts and insect infestations.

Australia pays \$450 million a year to farmers and others who sequester carbon by preserving or replanting trees. Critics say that ACCUs or carbon credits amount to greenwashing because they allow new gas and coal projects to be developed while paying farmers to maintain cattle and forest stations.

The Emissions Reduction Act of 2014 required the 215 largest US polluters, mostly energy companies, to offset the emissions beyond target limits. However, these limits were set so high that the Australian government rather than private firms became the major buyer of ACCUs, sending checks to farmers who would not have cut trees or where trees would regrow naturally. In some cases, the availability of ACCUs has increased land prices.

Many major oil companies are selling their wells in developing countries such as Nigeria in order to reduce their carbon emissions. The result is sometimes more emissions, as the local firms who buy oil wells fail to maintain them. Shell withdrew

from onshore wells the Niger Delta, and the Nigerian companies that bought Shell's wells have had far more spills than when Shell operated them. Nigeria's oil output is falling, and Angola surpassed Nigeria as the leading African producer in 2022.

Over 60 percent of US fresh fruit and a third of US fresh vegetables are imported. The value and volume of fruit and vegetable imports continue to set records each year as more Americans buy fresh produce year round. The value of fresh fruit and vegetable imports, about \$43 billion in FY22, is rising faster than their volume, about 30 million metric tons, reflecting the rising share of high-value avocados, berries, and tomatoes in imported produce.

FRUIT AND VEGETABLE IMPORTS

