

Rural Migration News

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RURAL AMERICA

CALIFORNIA: WATER, HOUSING

After three dry years, California received record rain and snow in 2022-23, over 33 inches, ending drought conditions. Tropical Storm Hilary brought a rare burst of summer rain to southern California in August 2023. There were also fewer wildfires in 2023 than in previous years.

The federal government does not regulate the pumping of groundwater. California enacted the

Sustainable Groundwater Management Act in 2014, which gives local water districts responsibility for not over drafting aquifers. Most mid-western states do not regulate the extraction of groundwater, which means that the Ogallala Aquifer could be drained by center pivot irrigation systems that irrigate circular fields from Kansas to Texas.

California provides benefits to its estimated two million unauthorized residents, including driver’s licenses, K-12 education, in-state

tuition at public colleges and state financial aid, and Medi-Cal health insurance for low-income unauthorized children, young adults, and seniors. California’s 1.1 million unauthorized workers are eligible for tax credits, meaning that they can receive state payments to augment low earnings if they file taxes and have children.

In 2024, the state will make Medi-Cal benefits available to all low-income residents regardless of immigration status, and in 2025 the

state will provide food aid to the unauthorized. Several pending bills would provide state unemployment insurance benefits to laid off unauthorized workers.

Housing

California has 12 percent of US residents and almost half of US homeless people, some 170,000, including 115,000 who sleep on the streets, often in tent encampments. Over \$20 billion was spent on homelessness between 2020 and 2023 as the number of homeless people increased, in part because many homeless people reject city-offered shelter.

Oakland razed the Wood Street homeless encampment with 200 residents and moved half of the residents to community cabins and an RV camp. The other half rejected six month stays in city-run shelters because they wanted to keep their belongings with them.

In 2018, the US Court of Appeals for the Ninth Circuit ruled that Boise could not clear homeless camps and criminally charge campers unless it could offer adequate housing. Grants Pass, Oregon challenged this Ninth Circuit decision before the USSC, and leaders of states and cities in September 2023 filed briefs in support of Grants Pass, arguing that the Ninth Circuit decision was making parts of cities unlivable.

Flannery Associates spent about \$1 billion over five years to buy farmland near Fairfield 60 miles north-east of San Francisco to create a new city. Silicon Valley tech executives want Solano County voters to allow the land to be rezoned for cities.

California is a story of growth, from very few people in 1848 to almost 40 million with a \$3.6 trillion GDP

in 2020, giving the state the fifth largest economy in the world after the US, China, Japan and Germany. After decades of growth, California's population slipped to 39 million during covid, and is projected to remain at about 40 million over the next decade.

The state's revenue, which depends heavily on income taxes paid by the top one percent of earners, is unlikely to grow fast enough to finance the state's \$310 billion a year budget. With Texas, Florida, and other states adding people, California will likely lose Congressional seats.

San Francisco and its 808,000 residents are struggling. The 26 percent office vacancy rate in downtown San Francisco in 2023 is higher than the 19 percent average vacancy rate in US cities. Many downtown San Francisco anchor stores closed, as did the largest downtown San Francisco mall. Tech firms are giving up office space as more of their employees work remotely to avoid homelessness, open drug use and street crime.

Across the US, many office workers are in their offices only Tuesday, Wednesday, and Thursday.

SF is also in the vanguard of cities suffering from organized theft rings that target retailers, taking goods worth hundreds and sometimes injuring employees and shoppers; stolen items are often sold online on Amazon or Ebay. A third of the \$110 billion in annual "shrink" in retail stores is attributed to external theft including theft rings. Many cities have made thefts of less than \$1,000 misdemeanors, which retailers say invites theft.

SB 403, which would ban discrimination by caste in California, divided Indians. Immigrants from India and their descendants who are Dalits

or untouchables say the anti-discrimination bill is needed, but other South Asians say that SB 403 is an attack on the Hindu religion and that current laws that ban discrimination on the basis of religion and ancestry are sufficient.

MEAT AND MIGRANTS

A 16-year-old Guatemalan died in a Mar-Jac Poultry plant in Mississippi in July 2023, re-igniting a debate over the US policy of sending foreign youth under 18 who are encountered just inside the Mexico-US border to sponsors who may not be their relatives.

Over 300,000 minors, most from Central America, entered the US between 2021 and 2023. Half travel to distant relatives settled in the US, many of whom expect them to work and to pay rent, which encourages the teens to find jobs.

Mar-Jac hired workers via staffing firms, and said it did not know the 16-year-old was under age. DOL reported that violations of child labor laws rose by over 50 percent between 2015 and 2022. HHS was criticized for not vetting the US sponsors of under-18 migrants, and state legislatures have been criticized for relaxing regulations that prohibit youth under 18 from working in dangerous jobs.

A 14-year-old Guatemalan who lost an arm at a Perdue Farms poultry processing plant in Parksley in Virginia's eastern shore was sent to the US by his parents to work in the US. Using false documents that said he was 20, he was hired by Tennessee-based Fayette Industrial and earned \$100 for a six-hour overnight cleaning shift. The injury kept the teen from working, leaving his parents with unpaid smuggling debts.

Community members who knew about the injury did not contact

DOL. Some said that they knew teens were filling dangerous jobs cleaning chicken processing plants, but they also knew that the teens had to earn money to send to their parents.

DOL in September 2023 announced an investigation into child labor cleaning poultry processing plants. Most plants rely on third party cleaning services; one question is whether the owners of the plants being cleaned are liable for labor law violations. Tyson announced that it would begin to employ cleaners directly.

Tyson, which employs 124,000 US workers to process about 20 percent of US beef, chicken and pork, is closing several chicken plants and eliminating 3,000 jobs. Beef accounts for 40 percent of Tyson's revenue.

Good Meat and Upside Foods produce meat from cells rather than animals. Lab-grown meat or cell-cultivated meat is often billed as a solution to both slowing climate change and feeding ever more people, since less land is needed to produce feed for animals.

LABOR, FISSURES

The US unemployment rate remained below four percent in 2023 even as the labor force expanded. More workers joined the labor force as the labor force participation rate reached 63 percent. Of the 267 million US residents 16 and older, 167 million are in the labor force.

Some 134 million US workers had private sector nonfarm jobs, including 22 million in goods-producing industries such as construction (eight million) and manufacturing (13 million). Another 112 million workers were employed in private services, including 17 million in health care and 17 million in leisure and hospitality.

Over 3.6 million more workers who earn \$35,600 to \$55,000 a year would be eligible for overtime wages under DOL regulations proposed in August 2023. Median US earnings are \$57,000 a year.

Wages

Average hourly earnings for private sector non-supervisory workers were \$29 an hour in summer 2023. They ranged from a low of \$19 in leisure and hospitality to a high of \$45 in utilities.

The federal minimum wage has been \$7.25 an hour since 2009. After 14 years, the longest period since 1938 without an increase, most US employers are paying more than \$7.25. Fewer than 100,000 US workers received \$7.25 in 2023, down from almost two million in 2010. Minimum wages are higher than \$7.25 in 30 states and many cities and counties. Washington has the highest state minimum wage of \$15.74 in 2023.

The covid pandemic led to an explosion of requests for tips, from restaurants and hairdressers to many other service establishments, including workers making home repairs. One analysis found that tips increased the wages of service workers by 25 percent in 2023, up from 20 percent before covid.

Technology

Are we on the verge of another wave of labor-displacing new technologies fueled by robots and artificial intelligence? Most observers believe that robots and AI will eliminate some jobs but create others, while others warn of a looming jobocalypse, with more jobs eliminated than new jobs created. The result could be rising unemployment, depressed wages, and more inequality.

Some warn that, just as robots displace manual labor, AI can displace mental labor or skilled professionals.

Oregon-based Agility Robotics makes Digit, a humanoid-like robot that can do physical labor in warehouses. New Hampshire-based C&S Wholesale Grocers, the largest grocery distributor, uses robots to fulfill orders from supermarkets in almost lights-out warehouses, those with no human workers. Robotic dogs with thermal and acoustic sensors are taking over security monitoring at construction sites and other facilities, and robots that load and unload trucks are becoming routine.

Walmart's one million square foot warehouse-of-the-future in Brooksville, Florida uses robot forklifts to load and unload trucks. Workers say that their jobs are easier physically but harder mentally as their responsibilities change from moving goods to monitoring the robots who move goods. Walmart had a peak 1.7 million US employees in 2021 and less than 1.6 million in 2023.

For as long as machines have been replacing human labor, there have been protests against labor-displacing machines. Luddites in early 19th century Britain tried to protect their hand-operated looms in homes by smashing looms powered by water or steam in factories that produced lower quality but cheaper cloth. Luddites wanted to protect a system of adult craftsmen who began as apprentices from factories that employed vulnerable women and children to produce faster.

Luddites lost the battle to stop technology, but sowed the seeds of labor unions and government regulation of wages and working conditions.

Poverty

The share of US residents in households with below-poverty level incomes rose from less than eight percent in 2021 to over 12 percent in 2022, meaning that 38 million people lived in poor households. Poverty as measured by

the supplemental poverty rate that includes the value of benefits such as child tax credits, earned income tax credits, and stimulus checks was lower in 2020-21 because of covid-related payments and an expanded child tax credit.

The official poverty rate of \$13,590 for individuals and \$23,030 for a family of three was unchanged at about 11.5 percent.

About eight percent of US residents lacked health insurance sometime in 2022. Over 36 percent of those with health insurance in 2022 were in public programs, divided almost equally between Medicaid and Medicare, although Medicaid enrollment is expected to decline as states resume eligibility checks that were suspended during covid. Almost 12 million US residents bought health insurance on the Affordable Care Act marketplace.

Most Americans get health insurance via their jobs at an average cost of \$22,000 a year, almost \$2,000 a month. Employers in Indiana advocated for a law that requires hospitals to disclose their prices to the state, which the employers say are higher than in neighboring states.

Median household income fell from over \$76,000 in 2021 to less than \$75,000 in 2022.

Federal and state governments made it easier to obtain Unemployment Insurance benefits during the covid pandemic. One result was fraud: up to \$135 billion of the \$900 billion paid in UI benefits between April 2020 and May 2023 went to ineligible persons. There was also fraud in Small Business Administration's pandemic loan program, where \$200 billion of the roughly \$1.2 trillion in pandemic loans was disbursed to "potentially fraudulent actors."

Gig Work

Many gig workers are using apps to find jobs. Traveling nurses often decide where and how many hours to work via app, as do many drivers and delivery workers. Most gig workers are paid as independent contractors and receive 1099 statements, but some are employees who receive W-2 earnings statements.

Gig platforms vary widely, from those that detail exactly what workers must do and how they will be paid to those that allow suppliers of services to specify their rates and timelines to complete projects. The common thread in gig work is reviews: how do customers rate the gig worker who performed the service?

Analysts sometimes distinguish between "freelance by choice and freelance by force," asking whether a gig worker is a highly educated service provider offering services for specified or negotiated fees or a less educated driver who accepts the terms offered by a gig app. Firms that rely on just-in-time staff to meet peak labor needs often turn to staffing agencies that may provide temporary workers for two to four-hour shifts, reducing labor costs. Apps often encourage workers to accept more hours in order to receive preference for future assignments.

Workers whose schedules, productivity, and performance are measured on apps fear negative reviews. Managing labor by having a core in-house workforce and a supplemental gig workforce is sometimes called fissuring, as when the core employees at Apple or Intel are supplemented by temps who come and go. Farmers have long fissured their workforces with a core of long-season or year-round workers supplemented by farm labor contractors to bring crews of workers to perform specific pruning

and harvesting tasks. Competition between FLCs keeps wages for FLC employees low.

Farm labor reformers in the past wanted to make farm work like non-farm work by eliminating FLCs and having farmers hire workers directly. Instead, the role of FLCs in farm work has increased, and nonfarm work has become like farm work as more firms rely on gig workers and temp agencies.

Gig platforms that treat workers as independent contractors, but also exert control over amount and quality of work done, can be hyper-fissured. Some apps collect information on where and how work is performed and post reviews from customers. The Coalition for Workforce Innovation wants a third category of workers beyond employees and independent contractors to allow workers to confirm that they want to trade employee status for flexibility and apps that monitor their performance.

Gig work is likely to expand, making the quest for a package of benefits and protections for gig workers more urgent. Independent contractors must obtain their own health insurance and pension benefits. Gig platforms have more power to negotiate benefits for a group of workers, but many app platforms are reluctant to develop benefit packages for fear that they will be considered employers who must satisfy all provisions of labor law for those who use their apps.

As gig work expands, more workers may be subject to flexible scheduling, monitoring and point-and-penalty measures of the quality of work they do.

There are no definitive data of the share of US workers who have at least some income from gig work; estimates range from 10 percent to 30 percent of the US workforce of 167 million, including many who

are occasional gig workers. California's Prop 22, approved by voters in November 2020, maintains the independent contractor status of gig-based drivers but requires them to earn at least the state's minimum wage and have some benefits.

Many US businesses are franchises, which means that a franchisor develops a business concept and product, organizes supplies and sells the right to operate a restaurant outlet to a franchisee who must follow rules that often include buying supplies from the franchisor and paying royalties on sales. The International Franchise Association says the 800,000 franchised US businesses employ over eight million workers.

The largest US franchisee, San Francisco-based Flynn Restaurant Group, has 2,400 locations and 73,000 employees, operating brands that include Taco Bell, Pizza Hut and Panera. The California Legislature in September 2023 approved SB 476 to require employers rather than employees to pay \$15 for food safety training for fast-food workers that is mandatory in California and AB 1228, which would set a minimum wage for fast-food workers of \$20 an hour beginning in April 2024 and ensure that franchisors are not responsible for the labor law violations of their franchisees.

Journalist David Gelles says that GE CEO Jack Welch in the 1980s and 1990s legitimized the idea that the major purpose of a business is to make profits for shareholders rather than to share profits with employees and customers, helping to make GE the world's most valuable company. Gelles argues that GE under Welch made more profit from buying and selling other firms and acting as a bank than making goods and providing services, leaving GE vulnerable during the 2008-09 recession. Gelles concluded that Welch

increased profits in the short term but weakened GE in the long run.

Behavioral Science

Academic research relies on reviewers or referees to ensure that studies submitted for publication in journals are rigorous and relevant. However, some peer-reviewed studies have been withdrawn after others questioned the data and methods.

Harvard Business School professor Francesca Gino was placed on unpaid leave after she was accused of manipulating data in four behavioral science papers that were published between 2012 and 2020. The findings included the assertion that asking people to attest to their truthfulness at the top of a tax or insurance form, rather than at the bottom made their responses more accurate because it supposedly activated their ethical instincts before they provided information.

The blog Data Colada, launched in 2014, questioned Gino's data, prompting an investigation that led to Harvard's action against Gino, who sued Harvard and Data Colada.

Behavioral science research seeks to understand how people make decisions, and urges steps such as helping people to lose weight by putting healthy foods first in buffet lines and requiring people to opt out of organ donor plans. Gino teamed up with Dan Ariely, the author of *Predictably Irrational: The Hidden Forces That Shape Our Decisions* (2008), which aims to explain why people often act irrationally, such as postponing medical appointments.

Ariely and Gino wrote many papers on dishonesty, finding that cheating can be contagious and that creative people can be more dishonest than average. They aimed to develop simple rules to help people to control their behavior, such as counting

to 10 before choosing what to eat. Gino published *Rebel Talent: Why It Pays to Break the Rules at Work and in Life* in 2018.

Behavioral science raised doubts, including after a 2011 paper asserted that test subjects had precognition, the ability to sense the future or predict where a figure would appear on a computer screen. Critics including the Data Colada bloggers said that, if precognition were real, those who had it would gamble and win. Similarly, they and others criticized priming, the notion that people who wear counterfeit designer sunglasses are more likely to cheat.

The resulting controversy has led to a new norm in behavioral science. Instead of believing surprising findings, some say that they do not believe any finding that is surprising.

FARM WORKERS

CALIFORNIA: FARM EMPLOYMENT

Fewer California crop employers are hiring workers directly. In 2000, average employment on California crop farms was 190,000 and average FLC employment was 105,000. By 2022, average employment on California crop farms was 160,000 and average FLC employment was 155,000.

Overall average employment in crop agriculture was stable at about 300,000, but the share of workers brought to farms rose from 35 to 50 percent. If current trends continue, more workers will soon be brought to California crop farms by FLCs than are hired directly.

California's minimum wage will increase from \$15.50 to \$16 an hour January 1, 2024.

Employers pay a tax of one to five percent of each worker's first \$7,000 in earnings to cover the cost of unemployment insurance benefits. California's UI fund owes \$18 billion due to covid-era shutdowns and a liberalization of the rules for receiving benefits. SB 799, which would make workers who strike for less than two weeks eligible for UI benefits, was vetoed by Governor Gavin Newsom, citing the state's UI debt.

SB 616 increased the required amount of paid sick leave from three to five days. Employees accumulate one hour of paid sick leave credit for each hour worked, and employees must allow their employees to accrue up to 80 hours or 10 days.

California introduced a \$4.5 million pilot program to provide free immigration assistance to farm workers involved in state labor investigations. Workers involved in cases with the Labor Commissioner's Office, the Division of Occupational Safety, and Health or the Agricultural Labor Relations Board are eligible for state legal assistance.

Lodi-based VINO Farms, which manages 17,000 acres of vineyards with 350 full-time employees to generate over \$80 million a year in revenue, paid back wages and CMPs in October 2022 to US workers in Sonoma County who alleged that they were not hired because VINO preferred H-2A workers.

In June 2023, VINO settled a PAGA class-action suit filed by Los Angeles-based Moon and Yang alleging that VINO failed to pay the minimum wage and overtime to its workers. After mediation in July 2022, VINO agreed to settle the case for \$1.4 million in June 2023.

The settlement provides up to \$600,000 to the attorneys and \$800,000 or about \$1,500 each to

537 workers who were employed between July 2021 and September 2022, including \$500 for unpaid wages and \$1,000 for penalties and interest. Moon and Yang, whose principals have a \$795 hourly rate, has settled over 125 PAGA suits.

FLC Maria Guadalupe Luna of Parlier collected payments from growers Madera Persimmon Growers of Madera and Willems Farms of Kingsburg but did not pay 356 farm workers \$1.9 million in wages, mostly for waiting time.

A federal court in September 2023 ordered Rancho Nuevo Harvesting of Santa Maria to pay \$558,298 in back wages to 649 farmworkers and \$475,211 in CMPs for violating H-2 regulations by, for instance, not paying for three-fourths of the contract period. Rancho Nuevo had similar violations in 2020 and 2022.

H-2A shepherders in California earn \$3,864 a month, but goat herders are subject to regular minimum wage laws. Employers of goat herders asked EDD to allow them to pay their H-2A goat herders the same \$3,864 a month rather than the \$15,925 a month that would be due because of 24/7 work schedules and overtime wages.

A 59-year-old Fresno-area farm worker died in August 2023. The coroner said that the cause of death was obstructed arteries, but the UFW blamed heat and called for federal heat-safety protections to bolster state efforts. Senator Alex Padilla (D-CA) introduced a bill that would establish federal heat-safety standards.

FLORIDA, SOUTHEAST

Florida state law requires most employers with 25 or more employees to use E-Verify to check new hires after July 1, 2023. One result is

complaints of labor shortages from some construction subcontractors who said that some of their employees left Florida for other states because they fear that they or their relatives would be detected.

Arizona enacted a similar law in 2010, followed by Alabama and Georgia, but the Florida law is more expansive, not recognizing driver's licenses issued to unauthorized foreigners in other states and making the transporting unauthorized migrants a violation of state law.

Florida has an estimated 770,000 unauthorized foreigners. The Farmworker Association of Florida sued to block implementation of the law, arguing that only the federal government can regulate immigration.

Governor Ron DeSantis, campaigning for the Republican presidential nomination, said he would authorize the use of deadly force against people crossing the border, end the practice of birthright citizenship, and send the military to strike against drug cartels inside Mexico. DeSantis also promised to deport the "six or seven million" unauthorized foreigners who arrived during the Biden Administration's time in office.

Ex-President Donald Trump promised "the largest deportation operation in the history of our country" if he is re-elected. In FY13, some 432,000 foreigners were deported, the most in recent years.

South Carolina

FLC Enrique Balcazar of Nature Harvesting was sentenced to 40 months in federal prison in June 2023 for subjecting at least 55 H-2A workers to exploitative labor, confiscating their passports and housing employees in unsafe and unhealthy conditions.

NORTHEAST, MIDWEST, NORTHWEST

Maine

The governor in July 2023 vetoed a bill that would have required employers to pay farm workers the state's \$13.80 an hour minimum wage, up from the current federal minimum of \$7.25 an hour. A requirement that farm workers receive overtime pay was dropped, prompting complaints from worker advocates. State minimum wage laws do not apply to farm workers in 19 states including Maine.

New Jersey

DOL required Sun Valley Orchards in 2015 to pay \$344,946 in back wages and \$211,800 in other penalties for violations of H-2A regulations, and these penalties were upheld by an ALJ. Sun Valley appealed with the help of the Institute for Justice, which alleged that the ALJ system was unconstitutional. A federal judge in August 2023 upheld the ALJ system and Sun Valley's obligations to pay WHD-assessed back wages and CMPs.

New York

NY farmers sued in September 2023 to block implementation of the Farm Laborer Fair Labor Practices Act (FLFLPA) enacted in 2019. The state's Public Employment Relations Board administers the FLFLPA.

The UFW says that H-2A workers at five NY farms want the UFW to represent them, while farmers say that H-2A workers should not be considered farm laborers under the FLFLPA because the federal government approves detailed contracts that set wages and conditions of work. The UFW, which wants farmers to guarantee that current H-2A workers will be invited to return next season, alleged in September 2023 that Wafler Farms

of Wolcott is refusing to recognize it as the representative of its H-2A workers.

Illinois

Rivian Automotive based in normal sells \$80,000 electric-powered pickup trucks with extensive features and loses over \$30,000 on each sale. Rivian raised \$12 billion in a 2021 IPO, and spent \$18 billion since then, losing money as it scales production beyond the 50,000 vehicles delivered so far. Rivian says it will be profitable in 2025 as per unit costs decline as production expands.

Car manufacturers invest significant capital and aim to operate their factories at least two shifts. Rivian designed a skateboard chassis to house the batteries and electric motors, and a suspension system that can raise and lower the vehicle's height by six inches. However, Rivian's R1T pickup is smaller than the Ford F-150 and weighs almost 700 pounds more.

Texas

Texas-based Naturesweet has 6,000 employees, most in Mexican greenhouses. Naturesweet is certified by Fair Trade, the Equitable Food Initiative (EFI), and has B-Corp certification.

Unincorporated subdivisions with little infrastructure known as colonias were established in rural Texas in the 1950s, and today 840,000 people live in colonias without full water and sewage systems. Poor residents often buy lots for less than \$25,000 and build their own houses, moving in before the house is completed.

Wisconsin

Clark County has the most dairy farms in the dairy state, marked by a 16-foot-tall, black-and-white talking Holstein in the county seat of Neillsville. Many dairies rely on

unauthorized workers, but Wisconsin does not allow them to obtain driver's licenses.

Technology that allows police to scan license plates and detect cars without insurance often results in drivers being stopped and ticketed, leading to complaints that local police use migrants as an ATM. Some dairy farmers want the state to issue driver's licenses to the state's 70,000 unauthorized foreigners, including at least 6,000 employed on the state's dairies. Some district attorneys have stopped bringing criminal charges against those caught driving without licenses, and some counties issue local ID cards to local unauthorized workers.

Foxconn promised 13,000 jobs on a Mount Pleasant campus of 3,000 acres 30 miles west of Milwaukee in 2018, and received \$500 million of the promised \$3 billion in state and local assistance. However, an LCD manufacturing plant was not built, and Foxconn had 1,000 employees at the mostly empty site in 2023. Critics say that Foxconn made promises to discourage President Trump from levying tariffs on iPhone assembled in China.

Idaho

John Anchustegui relied on H-2A shepherds from Peru, some of whom complained of insufficient food while watching bands of 1,000 to 2,000 sheep for \$1,900 a month (\$3,850 in California and \$2,423 in Colorado). Anchustegui, who died in June 2023, allegedly threatened workers who complained and state inspectors who checked the housing he was required to provide to H-2A shepherds.

Mountain Plains Agricultural Services, the H-2A agent for Anchustegui, notified the Idaho Department of Labor in 2004 that Anchustegui was making illegal deductions from wages and not paying his workers

each month as required. However, Mountain Plains continued to be Anchustegui's agent and ID's DOL SWA continued to approve his job offers and housing.

ID DOL has 12 employees to administer the H-2A program and monitor conditions for the state's farm workers. An ID DOL employee in 2008 wrote that Anchustegui held "onto their [employees'] money until they need it — or want it."

There are about 600 H-2A sheepherders in Idaho, and some leave their jobs to work illegally in construction or service jobs. A state senator wants to make it a misdemeanor punishable by a \$1,000 fine and up to six months in jail for H-2A sheepherders to leave their employers; he argues that employers pay for H-2A transportation to the US and may leave a herd of sheep unattended if they abscond. The senator's goal is to give absconding sheepherders a state criminal record so that they become an enforcement priority for ICE.

Oregon

Portland, the rose city of 635,000, is struggling with homelessness and crime. The city allowed tents on the streets and under bridges after a federal appeals court ruled that tents cannot be removed unless the city provides alternative shelter, prompting a backlash from businesses and residents. The city is trying to group the homeless into pods operated by contractors.

Utah

Utah Farm Bureau Federation president and owner of Green Acres Dairy Ron Gibson employs H-2A workers to grow vegetables. Gibson resigned in August 2023 after being arrested for assaulting an employee who complained of not being paid promptly.

The assault led to an investigation of human trafficking and fraud for

not paying his employees. Gibson said that his employees agreed not to be paid on a regular schedule even though deferred pay schedules are unlawful.

Washington

The US expects a 250-million bushel apple crop in 2023, including 160 million bushels or two-thirds in Washington; Michigan and New York each produce about 27 million bushels or a sixth of the US crop. The leading variety is Gala, 45 million bushels, followed by 31 million bushels of Red Delicious and 28 million bushels of Honeycrisp. Red Delicious production is falling while Honeycrisp production is increasing, and Cosmic Crisp is rising.

About 20 percent of US apples are branded varieties such as Honeycrisp that was developed at the U-Minnesota; most branded apples were developed at Cornell, Minnesota, and WSU. Even though Honeycrisp is number three in volume, it is number one in sales revenue because of its higher selling price.

Washington is phasing in overtime pay for farm workers, which begins after 48 hours in 2023 and after 40 hours in 2024. Complaints from both employers and workers prompted proposals to allow farm employers to select 12 weeks a year when overtime pay would not begin until after 50 hours a week. Colorado allows farmers to select 22 weeks during which overtime begins after 56 hours a week.

Stemilt Ag Services settled a suit for \$37,500 against a former employee who double-billed Stemilt for H-2A recruitment services. The fired employee created H2Global in 2016 and Stemilt fired her in 2017.

Ostrom Mushroom Farms in Sunnyside in 2023 was assessed \$60,000 for unpaid wages for 62 H-2A employees and almost \$75,000 in CMPs for failing to provide the housing listed on its job

order and failing to provide meals or cooking facilities. One H-2A worker paid \$10,000 for his job, which was also a violation of H-2A regulations.

Ostrom has been renamed Windmill Farm and is the target of a UFW organizing campaign. Union organizers say that Windmill is hiring limited Spanish-speaking H-2A workers from southern Mexican states.

Walfa is the largest H-2A operator in Washington, serving 300 employers and bringing 18,000 H-2A workers into Washington and other states.

PWRs

DOL is approving Washington H-2A job orders that guarantee the AEW and specify piece rates for picking apples, cherries, and pears. For example, a 2023 Stemilt order for over 1,500 H-2A workers guaranteed the AEW of \$17.41 and offered piece rates of \$28.26 per bin to pick most varieties of apples (more for pink lady and Honeycrisp), with workers expected to pick three-fourths of a bin an hour.

The piece rate for picking pears in Stemilt job orders is about \$25 a bin and the productivity standard is three-fourths of a bin an hour, while the piece rate for picking red cherries is \$0.21 a pound. Workers pick cherries into 20-pound buckets and are expected to average 5.4 buckets or 108 pounds an hour. Washington produced 180 million pounds of blueberries in 2021, more than the 150 million pounds produced in Oregon; most growers pay \$0.50 a pound to hand pick blueberries.

Washington's Employment Services Department released the results of its 2022 prevailing wage rate (PWRs) surveys in June 2023. Employer response rates were low: 28 percent or 358 employers responded and 53 percent or 644 workers responded.

ESD uses a capture-recapture technique to estimate wages and peak

week employment for 284 crop-variety-activity combinations, aiming to distinguish between the PWR for harvesting Gala and Honeycrisp apples. However, ESD received sufficient data from employers to determine prevailing wages for only 12 of these 284 combinations, four percent.

ESD is the only SWA that uses capture-recapture to determine PWRs, a technique borrowed from biology that aims to estimate the number of fish in a closed lake by capturing and tagging some, releasing them, and then capturing more fish. The share of tagged fish that are recaptured is used to estimate the total fish population.

ESD starts with the number of establishments registered with the state UI agency, which was 605 for apples in 2022 (NIACS 111331), down from 965 a decade earlier. ESD estimated there were almost 900 apple employers, including 770 with the most common variety Gala, reflecting the fact that some employers who are registered as cherry growers also grow apples. ESD estimated 200 berry employers, most with blueberries, over 1,000 dark red cherry employers, and 600 pear employers.

There is no way to cross-check the validity of these ESD employer estimates. Some Washington tree fruit farms have apples, berries, cherries and pears, so one establishment in UI data could be four or more employers in ESD estimates.

ESD weights employer responses by peak-week employment. For example, 65 sample employers who harvested Gala in 2022 reported a peak week employment of 1,765 or an average 27 employees each. ESD estimated there were a total of 770 Gala employers with a peak week employment of 22,460, an average 29 employees each.

Estimated peak employment is used to determine the most common

payment system, such as a piece rate or hourly plus bonus system. ESD reviews employer responses to identify the pay scheme that applies to the most workers within a crop-variety-activity using the weighted employment estimates. Once the major payment system is found, ESD determines a PWR for that crop-variety-activity if it receives a sufficient number of employer responses.

There were 12 PWRs in 2022, including seven hourly and five-piece rate (three cherry and two pear piece rates). Most employers guaranteed their employees the minimum or AEW wage during the peak week of a particular activity such as pruning, thinning or harvesting, and most employers reported no minimum productivity standard that workers must satisfy to keep their jobs.

The employee survey was different. A higher share of workers responded to the telephone interview, and most workers reported that they earned piece-rate wages. Workers reported a median \$30 piece rate for picking a 900-pound bin of Gala apples, while employers reported a median \$29.

DOL on November 14, 2022 issued new regulations that allow PWRs to be based on responses from at least five sample employers who have a total of 30 or more employees, provided that no single employer has more than 25 percent of the sample's employment. ESD found that one sample employer accounted for more than 25 percent of many apple and cherry activities in 2022.

ESD goes further than DOL and requires a certain share of small, medium, and large employers to respond to its surveys to determine a PWR. Too few employers in each size category responded in most crop and activity combinations to determine PWRs in 2023.

Most SWAs collect data from a sample of employers and weigh the results, so that a sample of 30 strawberry growers who employ 1,000 harvest workers would weight the wages paid by a grower with 60 workers twice as much as a grower with 30 workers. These SWAs aim to obtain PWRs for all strawberries rather than particular varieties, and may distinguish organic and conventional, but not the first versus 5th pick.

ESD aims to determine so many PWRs that the agency cannot obtain sufficient data, an example of the perfect being the enemy of the good.

Wyoming

Over 100 economists meet each August in Jackson Hole to discuss economic policy making. John D. Rockefeller Jr donated much of the land that became the Jackson Hole section of Grand Teton National Park and built the Jackson Lake Lodge in the early 1950s. The Kansas City Fed began to hold an August economics conference in 1978, and has used the Jackson Lake Lodge since 1982. Most of the discussions are private.

UFW; ALRB

The United Farm Workers administers the RFK medical insurance plan for covered workers. SB 145 allows the state to reimburse the RFK plan up to \$3 million per year for claim payments that exceed \$70,000 on behalf of an eligible employee or dependent for a single episode of care on or after September 1, 2016. The state has been providing \$3 million a year to the RFK plan, and AB 494 would increase the RFK subsidy to \$4 million a year and extend it until 2031.

ALRB

Sonoma vineyard manager Mauritson Farms in July 2023 agreed to pay \$328,077 to ex-H-2A employees to settle an ALRB retaliation case. The workers alleged that after they complained of unsafe working conditions in fall 2021, Mauritson did not rehire them in 2022, instead turning to CIERTO to recruit H-2A workers.

The ALRB found, in response to a Teamsters complaint, that Pro-Tech 33 was not a bona fide “labor organization” under the state’s cannabis laws that require growers to sign Labor Peace Agreements with unions seeking to represent their employees. The Teamsters have an LPA with Three Habitat Consulting of Palm Springs. Pro-Tech 33 says it is trying to organize cannabis workers in other states.

The first Majority Support Petition under the card check procedure was filed by the UFW on behalf of the tomato workers of DiMare Fresh in Newman, but the ALRB in September 2023 reviewed payroll records and found that the UFW’s petition did not indicate majority support. The UFW has 30 days to obtain additional signatures.

Unions

The share of US workers who were members of a union fell to 10 percent in 2022, down from 20 percent in 1983. A third of public sector workers are union members, compared with six percent of private sector workers. Almost a third of the 14 million US union members in 2022 lived in two states, California with 2.6 million union members and New York with 1.7 million.

Christian Smalls has led the Amazon Labor Union since the ALU won an election at a Staten Island warehouse with more than 8,000 employees in April 2022. Amazon is challenging the results, and had

not begun bargaining a year later, prompting a challenge to Smalls from within the ALU from workers who say there should have been a leadership election within 60 days of the election win. Smalls, who has become a celebrity, counters that the ALU will not hold a leadership election until after a first contract is signed.

Some 13,000 of the 146,000 United Auto Workers members went strike in mid-September 2023 at three Ford, General Motors and Stellantis plants. The Big 3 US auto firms are responsible for half of US car sales and want to use profits from gas-fueled cars to finance the transition to EVs.

The UAW wants a 32-hour week, a 40 percent wage increase over four years, and more predictable work schedules for auto workers. The Big 3, which say that auto workers currently cost about \$65 an hour in wages and benefits, want the right to shift workers between plants and to use more temporary workers. The UAW, which has an \$825 million strike fund, is paying striking workers \$500 a week.

A key issue is how to use the profits from gas-fueled cars and trucks to finance the transition to EVs. The Big 3 have been very profitable, and the UAW wants a share of the profits, while the Big 3 want to use some of these profits to finance the transition to EVs, which are not yet profitable and require fewer workers to build and maintain. Federal legislation requires two-thirds of new cars sold to be EVs by 2032, up from three percent of Big 3 cars and trucks sold in 2022.

Tesla has a lower cost structure because its factories are highly automated and it does not have the legacy costs of retirement benefits. Tesla is not unionized, and its \$45 an hour labor costs are \$20 an hour less than the Big 3. Tesla workers receive stock options.

IMMIGRATION

MIGRANTS: SURGE AND BACKLASH

Title 42, the public health measure that allowed unauthorized foreigners who are encountered just inside the US to be returned to Mexico, ended on May 11, 2023. Instead of the expected upsurge in illegal immigration, encounters fell to less than 3,000 a day in June 2023.

Encounters rose to 9,000 a day in September, as migrants from many countries reported they received loans from relatives already in the US or sold land and houses to finance a trip to the US to apply for asylum. Smugglers advertising on social media “guarantee” migrants US work visas.

The Biden Administration tried to reduce illegal immigration, with a program that allows foreign asylum seekers in Mexico to use an app, CBPOne, to obtain an appointment with an immigration officer. During the interview, foreigners can establish a credible fear of persecution in their home countries and then enter the US legally via one of the 26 ports of entry on the Mexico-US border. After about 180 days in the US, foreign asylum seekers can work legally while they wait for immigration judges to hear their cases.

Another program allows up to 30,000 citizens of Cuba, Haiti, Nicaragua and Venezuela a month who have US financial sponsors be paroled into the US and given two-year work permits; Ukrainians were previously paroled into the US if they had US financial sponsors. Over 160,000 citizens of the CHNV countries entered the US in the first half of 2023, while illegal entries from these countries declined by 90 percent.

US sponsors file paperwork with USCIS showing that they can support the foreigner being paroled into the US, which results in travel authorization to enter the US for two years initially. There are no published guidelines, but sponsors must generally have incomes above the poverty line for themselves and the foreigners they are sponsoring, or at least \$50,560 for a family of four that is sponsoring four foreigners in 2023.

There are about 2.5 million immigration cases awaiting first decisions or appeals pending in immigration courts, making waits for first decisions by the 700 immigration judges several years, and longer for final determinations if there are appeals.

To further deter unauthorized asylum seekers, the Biden administration introduced a requirement that foreigners who travel through a country where they could have applied for asylum cannot apply in the US. This so-called transit ban was found to be “arbitrary and capricious” by a federal judge in July 2023, but his decision was put on hold by a federal appeals court.

Texas has been supplementing federal border control efforts, installing razor wire and floating barriers along the Rio Grande River to deter illegal entries. Border-area residents initially approved the state’s additional deterrence measures, but several migrant deaths in summer 2023 began to erode support for Operation Lone Star.

Venezuelans

Some 7.1 million Venezuelans have left and resettled in other South American countries. Some of these resettled Venezuelans have entered the US, from which they cannot be deported to Venezuela.

New York City Mayor Eric Adams and other Democrats urged DHS to grant Venezuelans the right to work immediately rather than after 180

days to reduce the cost of caring for them. Adams warned “this issue [the arrival of 10,000 migrants a month] will destroy New York City. Every service in this city is going to be impacted.” Governor J B Pritzker said that the migrant surge “created an untenable situation for Illinois.”

In September 2023, DHS agreed and granted TPS to 472,000 Venezuelans who were in the US before July 31, 2023, which allows them to work immediately for 18 months. Previously, 250,000 Venezuelans in the US before March 2021 received TPS.

Republicans say that granting TPS to Venezuelans will encourage more to come to the US, while Democrats say that allowing Venezuelans who cannot be deported to work alleviates labor shortages and allows them to support themselves.

TPS is extended frequently, so that citizens of some countries have had TPS status for over 20 years. As of March 2023, citizens of 16 countries have TPS: Afghanistan, Burma, Cameroon, El Salvador, Ethiopia, Haiti, Honduras, Nepal, Nicaragua, Somalia, South Sudan, Sudan, Syria, Ukraine, Venezuela and Yemen.

Republicans

Donald Trump is the frontrunner in summer 2023 for the Republican presidential nomination ahead of November 2024 elections, but Trump did not participate in the first two candidate debates. Florida Governor Ron DeSantis is second to Trump in most polls, and doubled down on Trump’s approach to reducing illegal migration and drug smuggling by promising to send special forces into Mexico to confront drug cartels.

Republican presidential candidates often portray persons who cross the Mexico-US border illegally as a menace, echoing the two-thirds of Republicans who want to reduce immigration and asylum seeking. A

2023 Gallup poll found that over 40 percent of Americans believe that immigration should be decreased, and that the asylum seekers being admitted to the US and bussed to various cities are a “serious problem.”

The Republican-controlled House in September 2023 enacted legislation to increase spending to deter illegal entries at the border and make it more difficult for foreigners to obtain asylum in the US. Republicans also deposed House Speaker Kevin McCarthy (R-CA), ushering in a period of uncertainty and dampening prospects for legislative action on immigration and other issues.

More Americans are traveling abroad. Department of State expects to issue 25 million passports in 2023, up from 22 million in 2022, which has stretched the time for obtaining or renewing a passport to two months or more.

Cities

Democratic mayors of major cities complained of too many asylum seekers in summer 2023. One said: “The city of Chicago cannot go on welcoming new arrivals safely and capably without significant support and immigration policy changes.” New York City has received over 100,000 migrants, only 10 percent of whom were bussed north by Texas Governor Greg Abbott, and was providing shelter to almost 60,000 migrants in September 2023 at an average cost of \$400 a night.

Many cities have right-to-shelter laws that require all persons needing housing to receive city-provided shelter; New York City has had a right-to-housing policy since a 1981 legal settlement. FEMA is making shelter and service grants to cities and states that are receiving migrants, including \$1 billion in 2023.

Most asylum seekers must wait 150 days before applying for work

permits, but some are entitled to seek work permits immediately, including those who are granted TPS and some of the foreigners who have been paroled into the US. Working migrants are less likely to need housing and other aid from cities. The Biden administration in September 2023 sent over a million texts to migrants who are eligible for work permits to urge them to apply.

DHS: BORDER

Congress funds the federal government via 12 appropriations bills, many of which contain riders that dictate how funds are to be spent. Congress agreed on \$1.6 trillion in discretionary spending for FY24, but the Senate wants to spend more with “emergency” measures while the House wants to cut federal spending by rescinding previously approved appropriations.

Congress avoided a government shutdown October 1, 2023 when the House enacted a last-minute bill supported by Democrats and opposed by a handful of Republican conservatives that provides funding through mid-November 2023 but does not include funds for more border security and aid for Ukraine.

CBP

Customs and Border Protection reported 182,000 encounters between ports of entry in August 2023, up from 132,000 in July, 100,000 in June, and 171,000 in May. Half of those encountered in summer 2023 were parents with children, and most were released into the US.

There were over 8,000 encounters a day in September 2023; the record was almost 10,000 a day in May 2023. Mexican railroad company Ferromex suspended freight operations on 60 trains serving border cities such as Ciudad Juárez due to the high number of migrants

using them to get to the border.

DHS in October 2023 announced that 20 miles of border barriers would be constructed in the Rio Grande Valley to deter illegal entries, waiving 26 federal laws to speed construction.

The Biden Administration is trying to deter illegal entries by increasing penalties for crossing illegally and opening new channels to enter legally. However, the upsurge at the border made it impossible to use the harsher policies and, as more migrants were released into the US, more migrants entered.

Over 2.2 million unauthorized migrants were encountered just inside the Mexico-US border in FY22, including almost 500,000 families with children. During the first 10 months of FY23, there were 1.6 million encounters just inside the border, including over 400,000 families with children. The number of encounters with migrant families reached a record 91,000 in August 2023, surpassing the previous record of 84,500 in May 2019 and putting the US on track for three million encounters in FY23.

Over 40,000 migrants a day may enter the US legally at ports of entry to apply for asylum after making appointments via the CBPOne app. If these migrants are included, encounters and CBPOne entries exceeded 230,000 in August 2023, putting the US on track for over three million entries.

CIS estimated 12.6 million unauthorized foreigners in the US in May 2023, up from 10.2 million in January 2021. MPI estimated that there were 11.2 million unauthorized foreigners in the US in 2021, including 5.2 million from Mexico and 0.8 million each from Guatemala and El Salvador. The number of Mexican-born unauthorized foreigners in the US peaked at 7.7 million in 2007.

More migrants are crossing the Darien Gap and headed north, almost 400,000 in the first nine months of 2023 compared with 248,000 in 2022; over 500,000 migrants are expected to cross the Darien Gap in 2023. Colombian towns at the southern end of the Darien Gap such as Acandí are benefiting from migrants headed north. Local residents charge migrants for boat rides and guides through the roadless jungle.

A major beneficiary is the Gaitanist Self-Defense Forces or Gulf Clan that collects an \$80 tax from each migrant to ensure that migrants are not robbed during their journeys. Guides charge \$150 or more to accompany migrants through the Darien Gap, which is developing restaurants and other infrastructure that provide migrants with places to rest and refresh; prices rise as migrants get further from major towns. Migrants are vulnerable in southern Panama, where multiple gangs operate.

To discourage migrants from heading for the US border, DHS’s safe mobility initiative is opening processing centers for foreigners in Colombia, Costa Rica, and Guatemala seeking to enter the US for family unification or another status. About 10 percent of the 40,000 applicants who registered in these centers between June and September 2023 were put on a path to enter the US.

ICE

Several owners and managers of Magnolia Cleaning Services in Williamsburg, Virginia were sentenced to prison for trafficking Central American youth under 18 to clean linens for hotels and timeshares. Magnolia charged the workers for housing and was ordered to pay \$4 million in penalties and restitution.

The Family Expedited Removal Management program was created

after Title 42 ended in May 2023 to quickly determine who may qualify for asylum and who should be deported quickly. Solo adults are deported quickly, and the FERM is aimed at speeding up the removal of families to deter their entry. Some 62,000 solo adults were encountered in July 2023, compared with 60,000 families.

Under FERM, ICE places ankle monitors on household heads, releases them into the US, and arranges for an interview with an asylum officer within a few weeks. Those who do not qualify for asylum, about half of those interviewed in summer 2023, are allowed one appeal and then deported, drawing protests from advocates who want migrants to have more time to present their cases and appeal.

DACA

Federal judge Andrew S. Hanen ruled in September 2023 that the Deferred Action for Childhood Arrivals created by President Obama in 2012 was unlawful because Obama did not have the authority to create DACA. The number of people with DACA status peaked at 700,000 and was 580,000 in September 2023.

H-2A: DOL, SIGNET

DOL in September 2023 announced new regulations to allow H-2A workers to have visitors in employer-provided housing and require buses and vans used to transport H-2A workers to have seat belts. DOL justified the new regulations by asserting that rapid growth in the number of jobs certified to be filled by H-2A workers has made seasonal farm jobs less attractive to US workers: <https://www.dol.gov/agencies/eta/foreign-labor/h2a-nprm>.

Under the 327-page proposed regulation, employers of H-2A workers would have to provide the names of and agreements with their recruiters in foreign countries to DOL, and the names of H-2A workers to US unions. Employers would have to advise H-2A workers of their right to organize freely by certifying to DOL that they will bargain in good faith over the terms of a proposed labor neutrality agreement with a union if the union has majority support.

AEWRs would become effective when they are published, and H-2A workers could be paid 14 days wages if the employer does not notify them that the start of work has been delayed.

DOL proposed to define employer terminations of H-2A workers for cause, outlining six conditions such as a worker failing to meet pre-specified productivity standards or failing to comply with employer policies after progressive discipline. Employers must disclose any minimum productivity standards, and both piece rates and the AEWR on their job order, along with any overtime pay required by state or local laws.

DHS also issued new proposed regulations in September 2023 to enhance protections for H-2A and H-2B workers by protecting whistleblowing workers, by barring employers whose guest workers paid recruitment fees from hiring guest workers, and allowing the recruitment of H-2A and H-2B workers in any country. DHS will also allow H-2A and H-2B workers to seek to become immigrants while they are working in the US.

DHS clarified that employers must pay all fees and costs for guest workers that primarily benefit the employer. H-2A and H-2B workers who are in the US could cease working for the employer with whom they have a contract for up to 60 days while seeking a new US

employer. New US employers do not have to be enrolled in E-Verify to hire H-2 workers who left their previous employer.

Beginning July 1, 2023, employers seeking certification to fill jobs with H-2A workers must specify the job title of the work to be done. If USDA's FLS does not provide an hourly wage for that job title, pay the OEWS wage, which is often higher for job titles such as truck driver and construction worker.

Employers in several states sued to block the implementation of the new DOL regulation. A NC federal judge in September 2023 refused to issue an injunction in a suit brought by USA Farm Labor, but also refused DOL's request to dismiss the case. USA Farm Labor submits over eight hundred H-2A applications a year on behalf of farmers, many of which bring South African farm truck drivers to the US.

USDA's Farm Labor Stabilization and Protection Pilot Program provides up to \$65 million in \$25,000 to \$2 million grants to farmers over two production seasons who recruit in El Salvador, Guatemala, and Honduras. USDA funds can be used funds to hire recruit H-2A workers, to cover housing costs, and to pay contractor or consultant fees.

USDA says that the number of H-2A and H-2B visas issued to Northern Triangle workers almost tripled from less than 10,000 in FY21 to almost 30,000 in FY23.

Congress

Rep Tony Gonzales (R-TX) in July 2023 introduced the H-2 Improvements to Relieve Employers (HIRE) Act, which would extend DOL certification of an employer's need for H-2A and H-2B from one to three years, waive in-person interviews for returning H-2A and H-2B workers, and increase public information on seasonal job availability.

The House Committee on Agriculture Bipartisan Agricultural Labor Working Group used a 26-question online survey to ask farm employers whether they use the H-2A program and what issues they have had with H-2A administration, including cost, complexity, and delays; the questions ask which agency, DOL, DHS, or DOS, was responsible for delays. Respondents are asked to provide the number one change they would like in the H-2A program, and to list other desired H-2A changes. Four questions allow workers to submit information on whether they feel adequately protected.

Guatemala's Labor Ministry is touting a program to deploy more H-2A workers; the number of ministry-deployed migrants sent to the US rose from 700 in 2021 to over 3,700 in 2023. Guatemala says that a total of 20,000 workers leave the country every year to work in Canada, Italy and the US.

Signet

Signet Builders constructs structures on farms, and switched from hiring H-2B workers to H-2A workers in 2008, when DOL approved H-2A job orders to build to build facilities on farms for Iowa-based Alewelt Concrete.

H-2B workers are paid the prevailing wage for their job title and entitled to overtime pay, while H-2A workers are paid the prevailing wage for their job title or the AEWR, but not overtime wages in many states. Some of Signet's H-2A workers sued for overtime wages, but a federal judge agreed with Signet that constructing buildings on farms was secondary agriculture work not subject to the overtime requirements of the Fair Labor Standards Act of 1938, which exempts the production of crops and livestock and activities that are "incident to or in conjunction with" farming.

The 7th US Circuit Court of Appeals sent the Signet case back for trial, emphasizing that DOL's definition of farm work under H-2A was broader than in the FLSA, so that some H-2A work does not qualify for FLSA overtime exemptions (*Vanegas v. Signet Builders*). Signet appealed to the USSC, hoping for a USSC decision that construction work on farms is farm work exempt from overtime pay requirements.

The USSC in the 1949 Farmers Reservoir case involving Colorado irrigators distinguished between primary agriculture, producing crops and livestock on farms, and secondary agriculture, activities on farms that are necessary to farm. The 1949 USSC decision found that an irrigation company that collected, stored, and distributed water was a non-farm business not engaged in secondary agriculture, so its employees received overtime pay.

Signet says that its business is secondary agriculture because it builds structures on farms, while lawyers for the workers argue that Signet is a subcontractor to the general contractor in charge of constructing farm buildings.

CANADA, MEXICO

Canada added a million immigrants and temporary workers in 2022, and plans to admit 465,000 immigrants in 2023, 485,000 in 2024, and 500,000 in 2025. Most foreigners who are granted immigrant visas are already in Canada, often as foreign students or temporary workers.

There were 798,000 temporary workers in Canada at the end of 2022 and 807,000 foreign students. Many temporary workers are sponsored by their employers and provincial governments for immigrant visas, and Canada allows foreigners who graduate from Canadian

universities to work while they study and during breaks, and to work for at least three years after graduation.

Many of the students who are recruited by brokers enroll in for-profit colleges that promise one-year work permits after eight months of study. After an increase from 350,000 to over 800,000 foreign students between 2015 and 2023, PM Justin Trudeau said that Canada may impose a cap on the number of foreign students.

Canada in July 2023 offered foreigners in the US with H-1B visas the opportunity to move to Canada and seek jobs. Those who find jobs can qualify for immigrant visas under the Canadian point selection system that favors foreigners who are young, have advanced degrees, and speak English.

PM Justin Trudeau, after eight years in office, reshuffled his cabinet in July 2023 in anticipation of national elections before October 2025. Trudeau in September 2023 said Canada may cap the number of foreign students to relieve pressure on the housing markets, where prices and rents have been rising.

Canada had its worst wildfire season in memory in 2023. In June, wildfires in northern Quebec led to poor air quality in cities from Montreal to Washington DC. Fires spread westward to the prairie provinces and northern territories, and led to a state of emergency in British Columbia in August 2023, where many of the 200,000 residents of metro Kelowna in the Okanagan wine country evacuated.

Ontario has 3,800 acres of greenhouse farms, including over half or 2,000 acres around Leamington. The farm value of the tomatoes and other vegetables produced in Ontario greenhouses was \$1.3 billion in 2022, including tomatoes and bell peppers, 35 percent each, and cucumbers, 25 percent. There

are about 10,000 jobs in Ontario greenhouses, including half around Leamington.

Employment and Social Development Canada (ESDC) in September 2023 reported that 94 percent of its investigations between April 2022 and March 2023 found employers of temporary foreign workers in compliance with regulations. Ontario farms employ 20,000 guest workers under the Seasonal Agricultural Worker Program or SAWP and the agricultural stream of the Temporary Foreign Worker program.

Mexico

Government agency Coneval reported that the number of Mexicans with below-poverty level incomes fell from 56 million in 2020 to 47 million in 2022, including nine million people who are in extreme poverty. Mexico's poverty rate fell from 44 to 36 percent. Coneval uses several indicators of poverty, including no social security coverage (50 percent of Mexicans lack IMSS coverage) and lack of access to nutritious food (18 percent).

Coneval uses per-capita incomes of less than 4,200 pesos (\$250) a month in urban areas, and 3,000 pesos (\$175) a month in rural areas, to define income poverty. More government payments to the elderly and remittances were credited with reducing income poverty. President Andres Manuel Lopez Obrador took credit, saying that his policies of "for the good of all, the poor come first" were responsible for less poverty.

A third of Mexicans receive benefits under one of Mexico's social programs. AMLO ended the widely praised conditional cash transfer program that underwent several name changes, from Progresas to Oportunidades to Prospera, and was copied in over 80 countries since 2000. Instead of payments to mothers who kept children in school, AMLO transferred money to

the elderly without conditions, providing about 2,100 pesos per month to households receiving payments.

Two women will compete to replace President AMLO in June 2024 elections. The ruling Morena party nominated Claudia Sheinbaum, while the opposition National Action Party (PAN) nominated Xóchitl Gálvez. Mexico has gender parity in its federal Congress, and women are almost half of the representatives in the legislatures of the 32 states.

The Mexican peso strengthened to \$1 = 17 pesos on summer 2023 as the central bank raised interest rates to 11 percent; the rate was \$1 = 25 pesos in April 2020. Remittances were \$61 billion in 2023, making Mexico second only to India in remittances. Mexico's GDP grew by three percent in 2022 to \$1.4 trillion, making it the 14th largest globally.

Mexico exported goods worth almost \$50 billion a month to the US in the first eight months of 2023. Exports included \$350 billion worth of manufactured goods, \$15 billion worth of farm commodities, and \$22 billion worth of oil.

Mexico surpassed China as the leading source of US imports in the first half of 2023, a reflection of US decoupling from China. Two-way China-US trade was almost \$700 billion in 2022, when Canada, China and Mexico vied as the top US trading partner. China accounts for a third of the world's manufacturing value added, followed by the US contributing a sixth.

Mexico is the leading supplier of imported farm commodities to the US, supplying \$34 billion of farm commodities in 2021. There are several reasons for Mexico's emergence as a major farm exporter, including the free-trade NAFTA and USMCA agreements, good road and rail transportation links to the US, foreign direct investment in Mexico, and US buyers and partners

who work with Mexican farmers to ensure that food safety and other protocols are followed on Mexican export farms.

The five commodities whose imports increased the most over the past decade were fresh berries, tequila, fresh avocados, beef and beef products, and beer. Growing US demand explains much of the increase in fresh berry and avocado imports.

Mexico exported a record 1.1 million tons or 2.5 billion pounds of avocados to the US in the year ending June 30, 2023. Mexico produces 2.5 million tons of avocados a year, and exports almost half. Michoacan (73 percent of Mexican avocado production) and Jalisco (12 percent) export fresh avocados to the US.

Haiti

As the poorest country in the western hemisphere continues to struggle with gang violence, the government asked the UN to endorse a plan to have Kenya lead an international police force of 10,000 or more to reassert control over Port-au-Prince. A previous UN peacekeeping operation in Haiti in 2010 was plagued by a cholera outbreak and sexual exploitation.

The Dominican Republic in September 2023 closed its border with Haiti to protest construction of a canal on the Haitian side of the Massacre River that divides the two countries in Hispaniola. The DR has 11 canals that divert water for its farmers.

Ecuador

Colombia and Peru are the major cocaine producers in Latin America, but Ecuador has emerged as a major transit hub, with cocaine sometimes smuggled in banana exports. Ecuador was the world's largest exporter of bananas in 2022, shipping bananas worth \$3.5 billion, followed by the Philippines,

Guatemala and Costa Rica, each of which exported about \$1 billion worth of bananas in 2022.

Presidential candidate Fernando Villavicencio was killed in August 2023 after turning the spotlight on drug gangs; some of whom moved from Colombia to Ecuador after a 2016 peace agreement between the Colombian government and FARC. Albanian and Mexican gangs turned Ecuador into a major transit hub for drugs bound for Europe and the US, with a homicide rate higher than that of Venezuela and Honduras.

Why has Latin America lagged behind East Asia in economic growth? One reason is macroeconomic instability, as in Argentina. Second is a relative paucity of high-return private investment projects, as in Colombia and Peru. Third is the mis-allocation of resources and insecurity, as in Mexico, and fourth is high real interest rates as in Brazil.

The combination of presidents and proportional election systems mean that presidents can stay in office without a working majority in the legislature. This means that presidents often fail to deliver on campaign promises, leading to voter frustration.

EUROPE, ASIA

The foreign-born share of the population is about 15 percent in the US and many European countries, including France, Spain and the UK. In almost all industrial countries, the share of foreign-born residents was low in the 1960s, began to rise in the 1970s and 1980s, and rose faster in the 21st century. In Europe, 12 percent of residents are foreign-born.

Many countries have admissionist or open-borders coalitions that include employers who hire migrants and leftists who want diversify the

population with migrants from poor countries that they believe were impoverished in colonial times. Most US labor and civil-rights leaders opposed large-scale immigration during the 1960s and 1970s, fearing that new arrivals could detract from helping US minorities, but today's union and civil rights leaders are mostly admissionist.

Migration restrictionists often want to preserve cultures that developed over centuries. Some fear that newcomers will compete with natives or not integrate successfully into the workforce, adding to the cost of the welfare state rather than relieving pressure on welfare financing in aging societies by adding workers and taxpayers.

An unwillingness or inability of mainstream parties to reduce immigration has fueled populist parties in Denmark, Finland, France, Germany, Italy, Spain and Sweden. The governing coalition in the Netherlands collapsed in July 2023 when the PM's plan to reduce immigration drew objections from an admissionist party that withdrew from the coalition.

The EU is likely to receive over a million asylum applications in 2023 and there is a more restrictionist reaction than there was to a similar level of asylees in 2015. The most common response is to push EU borders out, which involves paying the governments of Libya, Turkey, and Tunisia to care for migrants and discourage them from leaving for Europe.

Britain

The UK government discourages asylum seekers from using small boats to cross the English Channel from France by trying to send them to Rwanda to apply for asylum and to begin new lives there if they were recognized as refugees. The UK has provided Rwanda with \$180 million in development funding, but no asylum seekers were sent as of

September 2023 because a court held that Rwanda is not a "safe third country." This decision is under appeal.

Over 2,000 boat people a month arrived in the UK in the first half of 2023. There were over 74,000 asylum cases pending in May 2023, and NGOs say that three-fourths of applicants are likely to be recognized as in need of protection. Some 50,000 migrants awaiting decisions were being housed in hotels in summer 2023 at a cost of \$7.5 million a day.

UK Home Secretary Suella Braverman in September 2023 called for an end to the individualized treatment of asylum seekers enshrined in the 1951 refugee convention. She said the refugee convention was "devised and intended for a sustainably limited number of bona fide victims of persecution." Today it is being abused by vast numbers of economic migrants who view requesting asylum as a way to obtain residence in their preferred country.

The 1951 refugee convention dealt with events occurring before January 1, 1951 in Europe and applied to an estimated two million people. A 1967 protocol removed the geographical and time restrictions, obliging signatory countries to offer asylum and refugee status to individuals who have a "well-founded fear of being persecuted [in one's homeland] for reasons of race, religion, nationality, membership of a particular social group or political opinion." The US incorporated this language in the 1980 Refugee Act.

Braverman asserted that persecution has been replaced by discrimination as a basis for granting asylum, and that well-founded fear has been replaced by credible fear. She noted that "particular social group" can lend itself to abuse, covering individuals who are gay or subject to domestic violence,

making up to 800 million people eligible for asylum in another country.

The UK raised the cap on the number of foreign seasonal farm workers from 30,000 to 45,000 in 2023.

The British government caps the price of tuition for domestic undergraduate students at less than £9,250 a year, similar to the \$9,600 tuition at US public universities. Universities say they lose money on British students, encouraging them to enroll foreign students who pay more, up to £25,000.

Some British pubs are adopting surge pricing for pints of lager beer, raising the average price of £4.30 by 20 pence during evenings and weekends.

France

As the French returned to work and school in September 2023, the education minister declared that abayas or full-length robes worn by some Muslims can no longer be worn in schools. The minister voiced the belief that the 1095 laïcité or secularism law requires education to dissolve ethnic or religious identity and create a shared commitment to the rights and responsibilities of French citizenship, and was supported by most French residents.

France banned “ostentatious” religious symbols in middle and high schools in 2004, targeting Muslim head scarves, Catholic crosses and Jewish kippas. Unlike the US focus on freedom of religion, the French government is more concerned with freedom from religion.

Bernard Arnault, CEO of the world’s largest luxury goods group LVMH Moët Hennessy Louis Vuitton with 75 brands sold in 81 countries, briefly became the world’s richest person in 2023 with over \$200 billion in assets. Arnault began his career in France by buying a bankrupt textile firm for one franc

and retaining only Dior, then taking over LVMH, and buying other luxury goods firms including Tiffany in 2020.

Germany

There were 2.2 million foreigners in Germany at the end of 2022 who arrived from Syria and other countries since 2013 and were given some form of protection. After seven years in Germany, some 62 percent of these newcomers were in the labor force, including 67 percent of the men and 26 percent of the women. About 70 percent of the newcomers were employed full time and 15 percent were employed part-time; others were self-employed or in some kind of paid training.

A far higher share of the asylees were helpers, over 40 percent, compared with less than 10 percent of Germans. Newcomer earnings averaged about €2,000 a month.

Germany has a workforce of 45 million that could shrink to 38 million by 2035 unless more older workers and women work and more immigrants are admitted. The Alternative for Germany party, which has been polling at about 20 percent, wants to return some migrants to their countries of origin. The AfD has surpassed the SPD in most polls, and is now second only to the CDU.

Can Germany’s economy rebound despite war in Europe and tensions with China? Germany has an ambitious program to reduce CO2 emissions, but its chemical and metals industries rely on energy mostly from fossil fuels, making it hard to achieve the goal of obtaining 80 percent of German electricity from renewable sources by 2030.

Germany thrived in a world of free trade as China and other countries bought high-quality manufactured goods such as cars, machine tools and chemicals. China has become a competitor rather than a customer, and Chinese auto manufacturers

surpassed German firms that were slow to make the transition to EVs.

Transforming Germany’s industrial base with high energy prices is a daunting challenge. Optimists point to the Mittelstand, small companies often directed by their owners searching for new opportunities, often niche markets where there is little competition. Germany raised business costs in the 1990s to unify the country, but reformed labor and economic policies in the early 2000s to set the stage for a golden decade of growth with high labor force participation and low unemployment.

A third of Germans smoked in mid-2023, up from a quarter before covid in 2020; a quarter of French residents smoke. A cost of an average pack is about \$7.25, relatively low among EU countries, and cigarettes are readily available.

Greece

The government in September 2023 announced plans to allow up to 300,000 migrants in the country to work due to employer complaints of labor shortages, especially in agriculture.

The largest wildfire recorded in the EU, over 300 square miles, raged in a national forest in the Evros region of northeastern Greece in August 2023. Drought has made forests more prone to burn. The government has made fire rather than forestry services responsible for managing forests, so little is done to remove fuel.

Heat and wildfires spoiled vacations and caused damage in Greece and other southern European countries in 2023. Temperatures topped 118F in July 2023, forcing some of the attractions that attracted 10 million tourists to close.

Greece’s economy is booming, a turnaround for the sick man of Europe a decade ago, encouraging

the government to promise to increase the minimum wage, €780 a month in 2023. Debt is still 165 percent of GDP, and many loans made earlier will have to be written off, but reduced taxes and regulation have re-ignited investment. Unemployment, which topped 30 percent in 2013, is now about 10 percent. Greece's citizenship-by-investment program offers passports in exchange for a €500,000 in real estate.

Italy

Over 105,000 migrants arrived in southern Italian ports in the first eight months of 2023, double the number who arrived in the same period of 2022. Italy enacted a law in February 2023 that requires migrant rescue ships to sail to the nearest Italian port after each rescue rather than making multiple rescues and then sailing to port with a full ship.

PM Giorgia Meloni, who took power in October 2022, promised to reduce migrant boat arrivals. Her government pledged \$1.1 billion to Tunisia in August 2023 to combat migrant smuggling.

Many of the migrants who arrive in Italy move on to Germany and other EU countries. The Italian government estimated that 700,000 of the one million migrants who arrived between 2012 and 2021 moved to other EU countries.

Italian employers complained of labor shortages and requested over 850,000 work visas for non-EU foreigners between 2023 and 2025. PM Meloni promised 425,000 work visas for non-EU nationals.

Russia

After 18 months of war, Ukraine was inching forward in Fall 2023, slowly reclaiming territory seized by Russia. The use of cheap drones has revolutionized warfare, making it very difficult to surprise the

enemy. With \$300 drones able to identify and disable tanks that cost millions, the new arms race is how to manufacture and deploy cheap drones that can evade enemy detect-and-destroy systems.

One result of the Russia-Ukraine war may be a rethinking of US military doctrine that calls for massive mobilization of heavy weapons, especially if cheap drones can destroy sophisticated tanks and other weapons. Amidst calls for negotiations to end the fighting, some analysts warned that Russian President Vladimir Putin has a history of breaking agreements. US and EU priorities are to weaken Russia, keep NATO united, and avoid WWII.

Turkey

Many small island nations have citizenship by investment (CBI) programs that offer passports to foreigners who buy real estate or local businesses or invest in government bonds. The cost ranges from \$100,000 to \$1 million or more, and the price of "golden passports" is influenced by how many countries can be accessed without visas.

Turkey launched its CBI program in 2016 and naturalized over 5,000 investors and family members by 2020. The Turkish government has been naturalizing 1,000 foreigners a month, so that Turkey accounts for a quarter of 50,000 golden passports issued each year. Since 2018, foreigners can invest \$250,000 in real Turkish estate or \$500,000 in government bonds to qualify for a golden passport. The leading nationalities include citizens of Afghanistan, Egypt, Iraq, Palestine and Russia.

Turkish citizens need visas to enter the EU without visas, but Turks are eligible for long-term multi-entry visas. Turkish citizens can obtain US E-2 visas that provide indefinitely renewable visas to foreigners who

invest at least \$250,000 in a US business and manage it, such as a motel, and not be liable for US income taxes.

Citizenship by investment schemes began in the Caribbean, and have become important sources of income for small island countries. St Kitts (45,000 people) and Nevis (10,000) launched a CBI program in 1984, and today 40 percent of its GDP comes from selling citizenship. St Kitts was built on sugar, and when that mainstay faded, tourism, but the conversion of long-stay tourists into cruise ship tourism means that a third of people are poor. Belize followed with a CBI program in 1985, and other Caribbean countries followed in the 2000s.

Henley and Partners took over and professionalized the St Kitts CBI program in 2006, standardizing the application process and procedures for evaluating applications, keeping 10 percent of the minimum \$250,000 investment required in the Sugar Industry Diversification Fund. Holders of St Kitts passports were allowed to enter the Schengen area for 90 days after 2009, spurring interest in the St Kitts CBI.

Microstates with populations of less than a million have one asset, sovereignty, which allows them to sell citizenship. Former British colonies in the Caribbean were the first to sell citizenship, touting the ability of their citizens to enter the UK and other countries without visas.

China

China's economy and Chinese exports slowed in 2023 amid falling prices, posing the threat of deflation in the world's second-largest economy. Much of Chinese household wealth is in housing, and several real estate developers missed payments on loans or defaulted in summer 2023, threatening the finances of local governments that gain revenue from selling land to

developers. China's lightly regulated trust industry, which has \$3 trillion in assets and often lends to property developers, may be in trouble.

If China's economy slows after four decades of fast growth, world economic growth could slow, since China accounted for 40 percent of the world's additional GDP over the past decade, double the 20 percent US share.

China owes debts that are almost 300 percent of GDP, making China more indebted than the US. Over 60 percent of China's household savings are invested in real estate, leaving the country with up to 75 million empty apartments. Many Chinese have paid for condos that bankrupt developers may not build.

Chinese households save a high share of their income because the government is reluctant to expand the social safety net. Leader Xi Jinping does not want generous social assistance programs, warning leaders not to "aim too high or go overboard with social security, and steer clear of the idleness-breeding trap of welfarism." Two-thirds of Chinese live in cities, but many rural-urban migrants remain registered in rural villages in order to retain their right to farmland.

Countries are sometimes seen as rising temporarily above normal economic limits before crashing back to reality. Japan broke through economic constraints during the 1980s bubble economy that was followed by several decades of slow growth and deflation. Germany was praised in the 1990s for its apprenticeship system and medium-size businesses that exported advanced-manufacturing products before stagnating, reviving after labor market reforms, and stagnating again.

China aims to become a high-income country, which the World Bank defines as a per capita income of at least \$13,845. China's per capita

income was \$12,850 in 2022, compared to \$76,400 in the US, about six times more.

China's aging population, reliance on housing for growth and wealth accumulation, and borrowing for infrastructure development may mark an end to four decades of extraordinary growth. Some 14 million housing units were sold in 2021, and sales are expected to fall below 10 million in 2023. China has 12 million college graduates a year, many of whom cannot find jobs.

China's total fertility rate was 1.1 in 2022, among the lowest in the world; there were fewer than 10 million births in a country of 1.4 billion. The TFR must be 2.1 to keep a population stable. Hong Kong and South Korea have TFRs below one.

India

India overtook the UK in 2022 to become the world's fifth largest economy with a GDP of \$3.4 trillion or \$2,400 per capita. India's economic growth is held down by bureaucracy, slow employment growth, and low female labor force participation. Less than a quarter of Indian women had wage jobs in 2022, about 38 million, compared to 368 million men.

Australia and New Zealand

ANZ have seasonal worker programs that bring Pacific Island workers into the country to fill farm and related jobs. A record 40,000 PIC migrant workers were in Australia in June 2023, up from 24,400 in May 2022. Over 27,500 PIC migrants were employed in agriculture, followed by 9,100 in meatpacking and less than 1,000 each in hospitality and care.

Queensland had a third of Australia's farm guest workers, almost 9,000, followed by Victoria with 4,600 and Tasmania with 4,100; two-thirds of PIC migrants were in these three states.

Complaints of exploitation prompted reforms effective July 1, 2024 that require Australian employers to provide 30 hours of work each week to PIC migrants and to guarantee PIC migrants at least A\$200 a week after deductions for taxes and housing.

The Australia-US FTA of 2005 created the E-3 visa that allows up to 10,500 Australian college graduates with US jobs to obtain renewable two-year work visas. Sometimes seen as a reward for Australia's support in the Iraq war, the E-3 visa enables thousands of young Australians to live and work in the US, leading to an estimated 30,000 Australians in New York City and 25,000 in California. Since the 10,500 visas are not used by Australians, some want to open the E-3 visa to Irish college graduates.

Australia will vote in October 2023 on whether to give indigenous Australians a "voice to parliament." Aboriginal Australians are three percent of residents but a quarter of prison inmates. Alice Springs has the highest share of Aboriginals among residents, and is marked by domestic violence and property theft. Aboriginals won the right to vote in 1962, and there is an indigenous affairs minister, raising questions about the need for a voice to parliament.

Australia expects 2023-24 to be another El Nino year. The 2018-19 El Nino was associated with drought and heatwaves that reduced farm output as well as bushfires and coral bleaching. Australia's farm exports are likely to fall with reduced farm output and continued disputes with China.

New Zealand has an RSE program that allows employers to recruit PIC migrants to fill seasonal farm jobs. The Big 3 source countries for New Zealand are Samoa, Tonga and Vanuatu, countries that account for three-fourths of all RSE migrants. Of

the 11,600 RSE migrants who arrived between July and April 2023, over half were from Vanuatu, followed by a third from Samoa. The cap on RSE arrivals was 12,850 in 2018/19 and 19,000 for 2022/23; arrivals in 2022/23 were about 90 percent of the cap.

Some 48,000 visas were issued under Australia's PALM (Pacific Australia Labor Mobility) scheme and New Zealand's RSE (Recognized Seasonal Employer) scheme between July 1, 2022 and June 30, 2023, almost double the 25,000 visas issued under both schemes in 2021-22. They included 18,400 migrants under the short-term PALM (previously SWP) and 17,400 under the SWP, plus 12,000 visas issued under the PALM long-term program.

The leading country of origin for ANZ migrant workers was Vanuatu, which accounted for 16,600 or 35 percent of the ANZ work visas issued, almost all for short-term work (1,000 visas were issued under PALM long-term). Samoa (6,700) and Tonga (6,400) were next, while Fiji and Solomon Islands sent mostly PALM long-term migrants.

Many PICs are re-examining the benefits and costs of labor mobility. The Samoan government has been reviewing seasonal worker departures on a month-by-month basis since October 2022, while Tonga began a review of its migration policy in April 2023. The Vanuatu government released a Labor Mobility Policy and Action Plan (2023-26) in May 2023, and is allowing 1,500 migrants into the country to deal with complaints of labor shortages.

GLOBAL MIGRATION

Aging

The world's population is aging as fertility declines and people live longer. Most countries have

pay-as-you-go social support systems that rely on contributions from current workers to provide pensions and health care to retirees.

Birth rates often fall as countries get richer due to urbanization and women getting more education. Couples often choose quality over quantity by having fewer children and investing more in each child. The result can be a demographic dividend that persists for several decades, as the share of working-age residents increases while the share of children and the elderly remains low. Eventually, the share of elderly residents rises, creating more demands on government that are most easily dealt with in rich countries.

Remittances

Remittances to developing countries reached a record \$647 billion in 2022, including over \$100 billion to India and \$60 billion to Mexico. Remittances are generally considered the payoff to migrating abroad to work and earn, but they can also prop up authoritarian and corrupt regimes in countries such as Venezuela, where a third of households depend on money sent from some of the 7.3 million people who have left the country.

Nicaragua, the Central Asian "stans," and Cuba are examples of countries where popular discontent has been reduced by emigration and remittances. Some economists believe that remittances can become a substitute for needed reforms when they exceed 10 percent of a country's GDP. In Tajikistan and Tonga, remittances are 45 percent of GDP.

Governance

Is liberal democracy, the belief in individual rights and freedoms for all people, a universal goal? Polarization in the US and other liberal democracies is bolstering an alternative, often systems led by authoritarian leaders who promise

order, stability and progress at the expense of individual freedoms, as in China.

PM Lee Kuan Yew of Singapore argued against the 1990s consensus that the fall of the USSR marked the end of history with liberal democracy triumphant. He argued that Asian or Confucian values emphasized family and community more than individual rights dominated in many societies.

Many developing countries want the post WWII and US-dominated multilateral global order to be replaced by a system that recognizes alternative systems. The expanding the BRICS alliance does not preach the virtues of liberal democracy and, with members including almost half of the world's people, could become a Chinese-dominated group opposed to the postwar system.

Africa, with 54 countries, has countries with the world's highest fertility and political instability. The military seized power between 2021 and 2023 in six countries: Guinea, Mali, Burkina Faso, Niger, Chad, and Sudan, often justifying coups by saying there was a need to tackle Islamist militancy more forcefully. Poverty, corruption and high birth rates create the conditions for more instability and violence. There were 98 successful coups in Africa between 1952 and 2023.

Ghana and several other African countries are bankrupt; Ghana for the 17th time since 1957 turned to the IMF for a bailout. Developing countries owe over \$200 billion, including the \$63 trillion owed by Ghana, and are unable to repay their loans as interest rates rise. Some of the loans supported worthwhile projects that may generate funds to repay the loans, but others financed white elephants that were ill-conceived and not completed.

Western militaries depleted stockpiles of weapons and ammunition to

supply Ukraine, and then began to replenish their stockpiles, pushing global military spending to a record \$2.2 trillion in 2022, over two percent of global GDP of \$101 trillion. Howitzers are mobile, long-barreled battlefield guns that fire shells and are the most widely used western weapons in Ukraine; experience shows that making battlefield repairs is critical to maintaining their effectiveness, and constant use of howitzers leads to failed electronics and gun barrels.

OTHER

CALIFORNIA

California's farm sales of \$51 billion in 2021 were 1.5 times the farm sales of Iowa, the second-leading farm state. California accounted for 12 percent of US farm sales of \$434 billion in 2021. US farm sales included \$238 billion or 55 percent from the sale of crops and \$195 billion from the sale of animal commodities.

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 Counties was grapes, and oranges in Tulare county.

California's 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.

Salinas-based Taylor Farms generates over \$6 billion a year processing and marketing almost 60 million pounds a week of leafy greens and

other fresh vegetables supplied by 280 North American farmers from over 150,000 acres of open fields. The production of tomatoes and other fresh vegetables in Controlled Environment Agriculture (CEA) structures such as greenhouses is expanding. Most fresh tomatoes, cucumbers, and bell peppers are from some form of CEA, but leafy greens are mostly grown in California-Arizona fields and bagged for consumers.

Packing and marketing bagged salads is dominated by a few firms, including Taylor Farms, Dole Foods, Fresh Express (Chiquita), and Ready Pac (Bonduelle). Taylor bought Mission Produce in 2019 and renamed it TF Agricultural Operations to supply about 40 percent of TF's vegetables from 42,000 acres. TF also bought Earthbound Farms in 2019. TF has three major divisions: retail bagged salads, deli for salad bowls, and food service, and accounts for half or more of each segment in the US market.

Building CEA is expensive, perhaps \$7.5 million an acre for greenhouses and \$15 million an acre for vertical farms. Many CEA firms in the eastern states near most Americans are struggling and several have gone bankrupt.

California harvested over 13 million tons of processing tomatoes from the 255,000 acres contracted by processors in 2023, a quarter in Fresno County. Wet weather delayed planting, so many tomatoes ripened at the same time. Growers received a record \$138 per ton or seven cents a pound for tomatoes in 2023, up from \$105 a ton in 2022.

US Ag, CEA

Net farm income is forecast to be \$141 billion in 2023, down from a record \$183 billion in 2022. Cash

receipts from farm commodities are expected to total \$514 billion, including 267 billion from crops and \$247 billion from livestock. Farm assets are \$4.1 trillion, including 83 percent in real estate, and farm debt is \$520 billion, including two-thirds loans for real estate.

Beef prices remained high in summer 2023. Some ranchers reported that their costs were \$700 to raise a cow before it is sold to a feedlot, leaving them a profit of \$10 a cow. Beef cows need about 20 months to reach market weight, compared with six weeks for chickens and six months for hogs.

CEA

The shakeout in controlled environment agriculture (CEA) continued in 2023, leading to fewer and larger operators. CEA farms grow commodities in greenhouses, vertical farms, and other structures. Most are closer to consumers than the commodities that are grown in open fields, reducing transportation costs but increasing energy costs.

The leading CEA firms include Mastronardi with an estimated 18.5 million square feet of US greenhouse operations, Windset with 7.3 million, AppHarvest with 7.2 million, Village Farms with 6.1 million, and Intergrow with 4.6 million. The major crop for all of these firms is tomatoes.

How much more will consumers will pay for local and fresh produce from CEA? Most snacking tomatoes are grown in CEA, and CEA boosters believe that many leafy greens, strawberries, table grapes and melons will be produced in CEA.

CEA operators such as Plenty and Gotham Greens are expanding, sometimes buying CEA operators such as Aero Farms and AppHarvest that went bankrupt in 2023. AppHarvest operated a 60-acre flagship farm in Morehead, Kentucky to produce tomatoes, a 15-acre indoor farm for salad greens in

Berea, a 30-acre farm for strawberries and cucumbers in Somerset and a 60-acre farm in Richmond for tomatoes. AppHarvest was ordered out of its Berea greenhouse by partner Mastronardi Berea, which bought the greenhouse from AppHarvest for \$127 million and leased it back to AppHarvest.

Paarlberg

Resetting the Table is an eight-chapter book that praises the ability of commercial US farmers to produce ever more corn, soybeans and other field crops with fewer inputs, but decries the inefficiency of feeding most of these field crops to animals to produce meat, eggs and dairy products from animals that are confined in tight quarters.

Along the way, agricultural economist Rob Paarlberg examines opposition to the green revolution that helped to prove Malthus and later-day Cassandras such as Paul Ehrlich wrong about population growth outstripping the ability to produce enough food.

Paarlberg's book is especially useful in dissecting the opposition to GMOs in Europe that prevents farmers in Africa and Asia from using seeds that would produce more nutritious crops with fewer chemicals. In one extreme case, Zambia rejected GMO corn from the US in 2002 to feed three million hungry citizens, even though some other African countries accepted the GMO corn after it was milled into flour so that farmers could not plant the seed.

The puzzle is why many of the same people who believe strongly in the science behind climate change remain unconvinced by the science that finds GMO crops to be safe. African countries avoid GMOs so that they can export farm commodities to European countries.

Resetting the Table covers the entire food landscape, from hunger,

poverty and malnutrition in farm families in many African countries to obesity in many rich countries as well as developing countries from Egypt to Mexico to the Pacific Islands. The book shatters the myth that local and organic food is "better," emphasizing that local and organic are niche items that appeal to affluent consumers.

The book is at its strongest when it punctures myths, including that old-style farming with horses was better than today's high-tech machines from drones to GPS devices on tractors that allow farmers to achieve ever-higher crop yields with less land and a smaller environmental footprint. The world has eight billion people today, up from two billion in the 1920s.

Agricultural romantics who decry industrial farming methods often fail to realize how much more land would be required to farm as their grandparents did. Using horses requires land to be set aside to grow feed and is associated with lower yields of the major crops consumed by people.

There are problems in the food system, including with food and drink companies that add the salt, sugar and fat craved by humans but lead to obesity and chronic health problems. Concentrated Animal Feeding Operations or CAFOs have made the production of meat more efficient. Confined animals that maximize weight gains in short periods consume most of the world's corn and soybeans and raise animal welfare concerns.

Farm labor is mentioned in the context of farmers and their families struggling to feed themselves in developing countries and in prospects for workers who could be displaced by machines in the production of fruits and vegetables in rich countries. Paarlberg emphasizes that few mothers dream that their children will grow up to be seasonal

farm workers. Instead, farm worker parents hope that their children will get the education needed to find nonfarm jobs rather than follow in their footsteps.

Europe

European farmers are protesting demands that they reduce their emissions by reducing the number of cows and changing farming practices to reach the EU goal of zero net emissions by 2050. Dairy cows are responsible for half of the Netherlands nitrogen emissions, and the Dutch government allocated \$26 billion to farmers to reduce or close dairies.

Fewer than 10 million of the 400 million Europeans are associated with agriculture, but the farmer-oriented BBB political party is expected to do well in November 2023 Dutch elections in a protest against policies to curb agricultural emissions.

Switzerland is known for its small dairies, some of which move cows to Alpine meadows during the summer. The average Swiss dairy has 27 cows, and Swiss cheesemakers specialize in high-value hard cheeses such as Gruyere.

FOOD, WINE

Ozempic (Wegovy), Mounjaro, and similar weight-loss drugs emphasize the importance of brain chemistry to determine a person's weight. Weight-loss drugs seem to change the brain's set or fullness point, encouraging people to stop eating sooner.

Over 40 percent or 100 million US adults, and 20 percent of US children, are obese, and up to 10 percent of the adults are expected to be taking weight-loss drugs within a decade. Some observers say that diet or obesity and climate change are among the existential crises facing humankind.

One calorie is the amount of energy required to raise the temperature of one gram of water by 1C. Food calories come from carbohydrates (4 calories per gram), proteins (4), fats (9), and alcohol (7). The calorie counts on food and drink labels are based on the ingredients.

Most nutritionists argue that calories-in-calories-out (CICO) is the only way to think about weight, and they caution that not all calories are equal. Sugar is easy to digest, while lentils are harder to digest and some pass through the body. Most researchers believe that overeating causes obesity, but some believe that obesity can cause overeating.

Ultra-processed food is often blamed for obesity and heart disease. UPFs, which are often high in salt and sugar, range from cereals and protein bars to fast food. UPFs average half of typical diets but they exceed 80 percent of the diet of some people, and some analysts believe that firms such as Hershey, Mondelez, Hostess, and Campbells may lose sales. Chile and Mexico require black warning labels on UPFs.

Sales at fast-food restaurants are increasing faster than sales at fast-casual and fine-dining restaurants, reflecting the three D's: digital or ordering online, delivery, and drive-through. Over 85 percent of orders at fast-food restaurants are for take-out or delivery food.

McDonald's had almost \$50 billion in revenue from its 13,500 US restaurants in 2022, an average of \$3.6 million for each outlet. Chick-fil-A restaurants have the highest average sales, \$6.7 billion per outlet in 2022, so that Chick-fil-A's 2,800 stores generated almost \$19 billion.

Kroger is the largest US seller of sushi, selling over 40 million pieces of raw fish and rice a year in its namesake and Ralphs, Smith's and Harris Teeter stores. Restaurants sell almost five times more sushi

than supermarkets to both take out and eat-in diners, but the gap is narrowing as more supermarkets sell more prepared fresh food. Cooked chicken and sushi are emerging as the items in supermarket delis that lead in sales.

The EU has 3,500 foods, wines, and spirits whose names are reserved for use by traditional local producers, such as Parmesan ham and Champagne. Wine names make up roughly half of the products protected by the EU; name protections also cover 300 cheeses. The EU uses geographical indications to suggest where and how particular foods and wines are produced.

Wine

Gallup's annual alcohol consumption survey in August 2023 reported that 40 percent of Americans abstain and 20 percent overindulge sometimes. Half of those who go to church weekly or whose income is less than \$40,000 a year abstain, compared to 20 percent of those who are college graduates or whose income is over \$100,000 a year.

Beer is the most popular alcoholic drink of 37 percent of respondents who drink, followed by spirits at 31 percent and wine at 29 percent. Women prefer wine, 44 percent, to spirits, 31 percent, and beer, 22 percent, while men prefer beer, 53 percent, to spirits, 29 percent, and wine, 15 percent.

Ste. Michelle Wine Estates, which accounts for half of Washington's wine production, said in August 2023 that it may not accept all of the fruit from the 30,000 acres of vineyards from which it buys grapes. Ste. Michelle was bought by New York-based Sycamore Partners for \$1.2 billion in 2021. Sycamore sold off Napa's Stag's Leap, which was founded in 1970, judged the best Cabernet in 1976, and sold to Ste. Michelle in 2007.

Gallo bought Rombauer and its three wineries, two tasting rooms, and 700 acres of Napa vineyards in August 2023. The price was not disclosed, but Gallo may have paid \$100 million for the 350,000 case-a-year winery that is known for Rombauer Chardonnay. Rombauer was started in 1980 by the nephew of Joy of Cooking author Irma Rombauer.

Gallo makes about three billion cases of wine a year, over three percent of the world's wine or 1,100 bottles a second. Gallo bought Napa's Louis Martini in 2002 and created a luxury-wine branch in 2015 that includes Stagecoach Vineyards.

Napa's Spring Mountain Vineyard, an 845-acre vineyard and winery featured in the 1980s TV series Falcon Crest, was sold to MGG Investment Group in 2023, which plans to add 200 acres of vineyards.

Italy is projected to produce 44 million hectoliters of wine in 2023 and lose its role as the world wine leader to France. A hectoliter is 100 liters, 26.4 gallons, or 133 standard wine bottles.

France has too much wine, and is spending over \$200 million in 2023 to distill some of the surplus into industrial alcohol. France's per capita wine consumption peaked in 1926 at 136 liters a year, and today is about 40 liters. Up to 120,000 workers are employed to hand pick grapes in the Champagne region, and several died during a period of high heat.

Canada is known for ice wine made with very overripe grapes, but increasingly makes high-quality table wines, especially from the British Columbia's Okanagan Valley. Ontario has the most vineyard acreage in Canada, followed by British Columbia. Canada's Arterra Group owns vineyards and wineries across

the country, including British Columbia's Jackson-Triggs.

CLIMATE CHANGE

June and July 2023 were the hottest months on record, with Northern Hemisphere cities around the world reporting record temperatures. Tuesday, July 4, 2023 is believed to be the hottest day ever globally. Phoenix had 31 consecutive days with 110F or more, and 16 nights of 90F or higher. Barrow (Utqiagvik), the northernmost US city, hit a record 66F on August 5, 2023, an Australia had its driest September on record.

The National Oceanic and Atmospheric Administration's Climate Prediction Center in September 2023 predicted a super El Niño in 2024, meaning more warmth in surface waters along the equator in the eastern and central Pacific Ocean. The result could be more floods, heat waves and droughts due to west-to-east winds that bring weather systems to the western US, as occurred in 2015-16. Other effects of El Niño include a hot and dry summer in Australia, which could increase wildfires.

El Niño was named in Peru, where Pacific Ocean warmth around Christmas was associated with heavy rain in coastal communities when celebrating the baby Jesus.

Average global ocean surface temperatures have risen steadily since the 1970s. The uneven distribution of heat and salt pushes the densest liquid to the bottom and the most buoyant water at the surface, so the surface water can be disconnected from the depths. Sun light acts as an engine to heat up ocean water and shape weather by creating winds and currents such as the Gulf Stream that moves up along eastern North America, turns south along

the west coast of Europe, and turns west before the equator to return to the Americas.

Oceans are warming because carbon traps energy that is stored as heat in ocean water. The extra energy in ocean water can lead to extreme weather as currents shift speed and direction.

The north and south poles are warming faster than other areas. Antarctica had 6.6 million square miles of sea ice in September 2023, the peak month for ice and the lowest area of sea ice since the mid-1980s. The extent of sea ice in the Arctic has shrunk for the past several years.

The US is subsidizing the transition to green energy and attracted \$285 billion in foreign direct investment in 2022, followed by almost \$200 billion of FDI each in China and the EU. Subsidies for green energy and chip manufacturing are drawing FDI away from smaller economies based on free trade such as Singapore.

Wildfire smoke is eroding and, in some cases, reversing efforts to clean up US air. Between 2000 and 2016, air quality in most US states improved, but steady improvement reversed in 10 states after 2016. Smoke-filled air limits outdoor activities and increases hospital visits.

Mesopotamia, the land between the Tigris and Euphrates rivers in southern Iraq, is often described as the birthplace of civilization. Southern Iraq is drying up and depopulating as dams in Turkey's Taurus Mountains capture more of the snow melt. Turkey built 22 dams and other projects on the Tigris and Euphrates since 1974, and Iran built dams and tunnels on tributaries to the Tigris.

The UN says that countries share 900 rivers lakes, and aquifers, setting the stage for disputes between

upstream and downstream countries as water supplies dwindle. Turkey has rebuffed Iraq's pleas for more water by pointing out that many Iraqi farmers flood irrigate their fields.

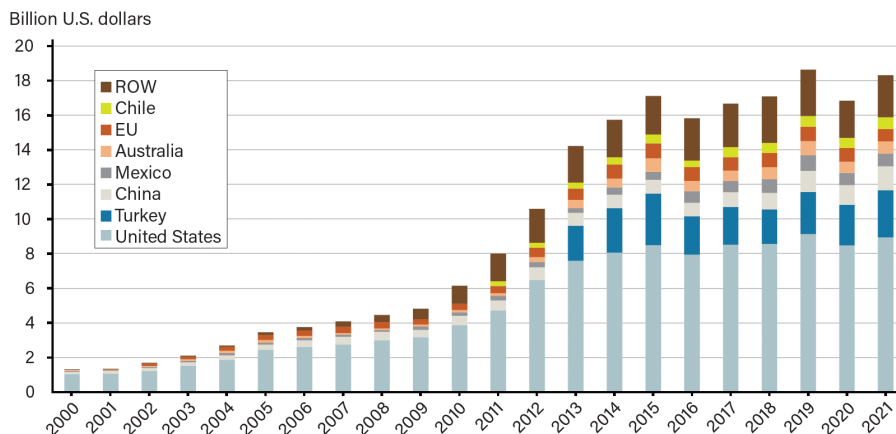
The Panama Canal reduced the daily number of ships that can transit from 36 to 32 in summer 2023 due to low water levels, a result of drought. Three rivers provide water to Lake Gatun, the artificial lake that was created to allow ships to do most of the transit under their own power. There are plans to divert water from four more rivers to replenish the water lost when ships are raised and lowered in locks. Most bulk carriers pay about \$400,000 to transit the canal.

Is a more populous world on the road to ruin or abundance? The book Superabundance argues that more people mean more abundance, echoing economist Julian Simon, who was among the first to calculate the cost of many items in terms of how long someone had to work at average wages to buy them. Such time-cost calculations show that a wide range of services and minerals have become cheaper.

The US is the leading producer and exporter of tree nuts, led by almonds, pistachios and walnuts. US tree nut exports of \$9 billion a year dwarf Turkey’s tree nut exports of almost \$3 billion and China’s \$1 billion. Almonds are over half of US tree nut exports, followed by almost a fifth for pistachios and a sixth for walnuts. The US exports about 70 percent of its tree nuts.

TREE NUT EXPORTS

Value of Global Tree Nut Exports, CYs 2000–2021



Top five fastest growing occupations within farming, fishing, and forestry occupations, 2021 and projected 2031

Occupation		Employment		Change (2021–2031)		Median Annual Wage, 2021	Typical Education Needed for Entry
		2021	2031	Number	Percent		
Total, All Occupations	00-0000	158,134.7	166,452.1	8,317.4	5.3	\$45,760	
Farming, Fishing, and Forestry	45-0000	1,069.6	1,078.0	8.4	0.8	\$29,860	
Agricultural Equipment Operators	45-2091	66.6	74.7	8.0	12.1	\$36,360	No formal education credentials
First-line Supervisors of Farming, Fishing, and Forestry Workers	45-1011	53.3	56.7	3.4	6.4	\$48,640	High school diploma or equivalent
Agricultural Workers, All Other	45-2099	11.6	12.1	0.6	4.9	\$32,550	No formal education credentials
Animal Breeders	45-2021	7.3	7.6	0.3	4.3	\$40,090	High school diploma or equivalent
Log Graders and Scalers	45-4023	4.5	4.6	0.2	3.5	\$37,820	High school diploma or equivalent

Note: Data are from the Occupational Employment and Wage Statistics program, U.S. Bureau of Labor Statistics. Wage data cover nonfarm wage and salary workers and do not cover the self-employed, owners and partners in unincorporated firms, or household workers.

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

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