California had average precipitation during the 2023-24 water year; southern California had more than normal precipitation. The state’s dams and reservoirs were fuller than usual, and the Sierra snowpack was normal.

California’s minimum wage for 723,000 fast food workers employed in chains that have 60 or more US outlets rose to $20 an hour on April 1, 2024, prompting layoffs and price increases to offset the typical $250,000 in increased labor costs for a McDonald’s restaurant. Pizza restaurants were most likely to lay off workers, especially drivers employed directly by the restaurant who delivered pizzas.

California’s unemployment rate is over five percent, compared with the US rate of less than four percent.

California Forever, which wants to build a city for to 400,000 residents in Solano County with the backing of Silicon Valley investors, aims to place an initiative on the ballot to win voter approval.

The 125,000-resident city of Santa Clara, home to the San Francisco 49ers Levi Stadium, is struggling with budget deficits that it blames on the football team. Levi Stadium has led to higher-than-expected costs and lower-than-expected economic benefits. Levi Stadium opened in 2014, but it soon became clear that Santa Clara would not get
much revenue from non-football stadium events, including nothing in 2018. The reason, according to the team, is the high cost of city police who provide security for events.

California has 10 million immigrants, a quarter of its almost 40 million residents, including 1.9 million unauthorized foreigners, down from a peak 2.7 million in 2007.

Many of the 29,000 California State University faculty went on a short strike in January 2024 to win higher wages and better benefits, including two wage increases of five percent each, one retroactive for 2023 and another effective July 1, 2024. The minimum starting salary will rise from $54,000 to $60,000 on July 1, 2024. CSU has 23 campuses and 450,000 students.

**Budget**

California faces a deficit of $40 billion to $60 billion in the proposed $292 billion budget for 2024-25, and expects more deficits for the rest of the 2020s. Governor Gavin Newsom wants to eliminate the 2024-25 deficit by drawing down reserves and reducing spending.

Homelessness continues to bedevil California. Between 2018 and 2024, the state spent over $22 billion to deal with the homeless even as the number of unhoused people rose to 170,000, a third of the US total.

California cannot complete mega projects on time. Voters approved a $10 billion bond in 2008 to build a high-speed rail system to cover the 350 miles between San Francisco and Los Angeles in less than 2.5 hours at a cost of $33 billion. The project was supposed to be completed by 2020, but had not yet completed a Merced-Bakersfield link by 2024. The estimated cost of completing the high-speed rail system has increased to over $100 billion.

The state government has undertaken several IT projects that failed to deliver, including the Financial Information System for California or Fi$Cal. The number of state prisoners has dropped by almost half in the 21st century to 90,000, but prison system costs have increased to $133,000 per inmate per year.

Should today’s Blacks be compensated for the effects of slavery and discrimination that was ordered or tolerated by governments after slavery ended in the 1860s? California’s reparations task force issued a report in May 2023 that said yes, and made over 100 recommendations for remedies, including payments to Black Californians because they have less wealth than similar white residents. There are few prospects for reparations payments given state budget deficits.

California has expensive electricity: PG&E charges an average $0.45 a kilowatt, far more than the US average $0.16. California promotes the installation of solar panels, now installed on over 1.8 million rooftops, to obtain more electricity from renewables.

The state reduced the credits provided to homeowners for daytime solar power in 2023, when additional electricity is not needed. Instead, the state subsidizes solar installations with batteries so that homeowners can draw from them in the evening. The average cost of a solar panel system is about $23,000, or $34,000 with batteries.

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The influx of unaccompanied youth from Central America since 2014 has led to more under-18-year-old migrants employed in meatpacking and food processing plants. Some Central American families borrow money to pay smugglers who bring their children to the US border, where they enter illegally, apply for asylum, and are released for the several years required to decide their cases.

Solo children are often sent to relatives or others from the same community, given false documents showing they are 18 or older, and sent to work. Accident investigations often reveal that those injured or killed were under 18, prompting meatpackers and others to require their subcontractors to undergo audits and do a better job scrutinizing documents. Brand-name firms are amending their supplier contracts to require better documentation and monitoring of the subcontractors that hire them.

**MEAT AND MIGRANTS**

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codes of conduct to require security guards to verify that the person presenting the ID is the person going to work.

Verité and AIM-Progress, two of the major social audit firms, want underage youth who are detected to be provided with social services rather than simply fired.

Federal labor laws prohibit youth under 18 from working in hazardous jobs. The share of 16 to 19 year olds in the labor force is rising toward 40 percent, and so is the number of child labor law violations detected by WHD, which topped 4,000 in FY23, up from less than 2,000 a decade earlier, including those in meatpacking and fast-food restaurants. Some states are placing more restrictions on under-18 workers, while others are loosening child labor laws, such as ending the requirement that parents or schools sign work permits for under-18 workers.

Alt-Meat

Americans buy $58 billion worth of fresh meat each year and $5 billion worth of frozen meat. By contrast, Americans spend about $325 million a year on fresh non-meat protein alternatives, and $725 million on frozen non-meat.

Predictions that concerns about global warming would lead to increased sales of alternative meats have not come true. Alt-meat firms raised $3 billion in venture capital between 2016 and 2022, allowing Eat Just (previously Hampton Food) and Upside Foods to achieve billion-dollar stock valuations. The Good Food Institute and others predicted that alt-meat consumption could surpass animal meat consumption by 2030.

Most alt- or cultivated-meat firms have been unable to reduce costs and improve flavor enough to compete with animal meat. Many alt-meat firms are reducing expectations in 2024 as they grapple with fundamental scientific questions in an era of less venture capital. Many now predict that less than 10 percent of US meat will be alt-meat by 2035.

Chicken has been the most-consumed US meat since 1993. The price of chickens is expected to fall in 2024 as the demand for soybean oil to make renewable diesel increases. Feed costs are 60 percent of the cost of raising broiler chickens. Four tons of soybean meal are produced for every ton of soybean oil, making soybean meal more abundant and cheaper.

Hog farmers lost about $30 per hog in 2023. Consumer demand for pork fell 10 percent since 2000 to about 50 pounds per person, while the supply of pork rose by 25 percent to 28 billion pounds from 125 million hogs in 2023. Pork processors are trying to increase the demand for bacon in the US by precooking it to reduce home preparation time and increasing pork exports from current levels; 30 percent of US pork is exported.

Tyson Foods in March 2024 announced the closure of its 1,200-employee pork processing plant in 8,000-resident Perry, Iowa, saying it was too old and small to permit two work shifts. Tyson has 120,000 US employees, a third immigrants, often refugees. Due to high turnover, Tyson plans to hire 12,000 new workers in 2024.

Iowa voters gave Donald Trump 51 percent of their votes in January 2024 caucuses, with especially rural voters supporting Trump’s populist conservative agenda. Trump also does well with voters 65 and older, some of whom believe that the criminal charges he faces are politically motivated and who believe that Trump’s wealth will allow him to curb the “deep state.”

Labor: Jobs, H-1B, Housing

The US unemployment rate remained below four percent in 2024 as employment topped 168 million, up sharply from a low of 156 million during covid lockdowns in April 2020. The labor force participation rate, the share of those 16+ who are employed or looking for work, rose from a low of 60 percent in April 2020 to 63 percent in early 2024.

The US added a net 225,000 jobs a month in 2023, down from 399,000 a month in 2022. Instead of the widely predicted recession, the US economy expanded in 2023 as consumers continued to spend.

WHD reported almost 5,000 teens under 18 working in violation of federal labor laws in the 2023, including three-fourths in food service establishments, often fast-food restaurants owned by franchisees. Many are teens from Central America sent to the US to work and send home remittances, and investigators say the maximum fine for violations of $15,000 is not enough to change the behavior of employers who have thin profit margins. About 90 percent of McDonald’s stores are owned by franchisees.

Inflation fell in 2023 from almost 10 percent in 2021-22 to less than four percent. How much did the post-covid surge in immigration contribute to slower increases in wages and prices?

Economists agree that immigration has little effect on overall wages and prices, prompting many migrant advocates to argue that the US can increase immigration at all skill levels without hurting similar US workers or contributing to inflation. However, in a bid to resume large-scale immigration as covid restrictions were lifted, some advocates argued that more immigration could
reduce wage and price pressures. Most of the sectors with high shares of immigrants such as agriculture account for such a small share of US wages, less than one percent, that a high share of immigrants has a small impact on overall price levels.

The Employee-Retention Credit was enacted during covid to encourage firms to keep employees on the payroll by providing tax credits of up to $26,000 per employee. Third parties quickly emerged to help employers apply for the ERC in exchange for 15 percent of the tax credit received by the firm, pushing the cost of the credit from the estimated $75 billion to over $230 billion and climbing.

The IRS has begun over 330 criminal investigations of employers who received the ERC, prompting some of those charged by the IRS to sue the third parties who applied on their behalf and collected fees.

There is a growing movement to reverse laissez-faire policies that allowed some companies to dominate particular sectors, such as the government’s suit against Apple in March 2024 for using a closed system to keep competitors out of its iPhone system, which accounts for two-thirds of US smartphones. A similar suit accusing Microsoft of excluding competitors from its digital ecosystem was filed in 1998 and settled in 2001.

US anti-trust laws were enacted in the late 19th and early 20th centuries to break up trusts in oil, steel and meat that dominated their industries.

Milton Freedman and Robert Bork popularized the idea in the 1980s that big is not necessarily bad, persuading federal judges that they should look to effects of large firms on consumers rather than other businesses. The Federal Trade Commission opposes Kroger buying Albertsons and taken other steps to reduce concentrated corporate power. Democrats such as Senator Bernie Sanders (I-VT) have normally been in the forefront of anti-trust battles, but Senator Josh Hawley (R-MO) has emerged as a conservative voice for breaking up big business.

President Biden endorsed the FTC’s more aggressive stance in 2021, asserting that “Capitalism without competition isn’t capitalism. It’s exploitation,” praising FTC efforts to eliminate junk fees.

Stock markets reached record highs in January 2024 even as investors soured on three technologies: the metaverse, blockchain, and autonomous vehicles. Three-dimensional virtual worlds were supposed to allow people to stay at home instead of interacting in public places, but people quickly tired of wearing the heavy glasses needed to be in a virtual world. Blockchain aimed to rewire the internet by turning valuable items into tokens that could be traded and launching digital currencies.

Self-driving cars must be safer than human drivers because the manufacturer or operator of a robotaxi service assumes liability for accidents. Autonomous vehicles that obey traffic laws are safer, but also expensive due to their array of sensors and computers, slowing their adoption.

Education
A quarter of all K-12 public school students were chronically absent in 2022-23, up from 15 percent before covid. In the districts with the poorest and highest share of minority students, a third of students were chronically absent. Many attribute the school-optional attitude of parents and students to extended school closures during covid and the belief that students can catch up on line because many teachers are still posting homework.

Just as work has become hybrid for many workers, with a few in-person days and remote work, some say that K-12 schools will have to accommodate students who mix in-person and remote attendance.

Accusations of plagiarism contributed to the downfall of the presidents of Harvard and Stanford, adding to the list of problems facing universities. Exposes of wealthy parents bribing coaches to admit their children, clumsy policies for affirmative action and sexual complaints, complaints about diversity, equity and inclusion (DEI) programs, and coddling students with anti-microagression and other policies add to the sense that universities have lost their way.

Harvard accused HBS Professor Francesca Gino of manipulating data in June 2023 that “proved” people are more likely to be honest if they sign at the top rather than the bottom of pages. The blog Data Colada raised questions about Gino’s data in 2021 and again in summer 2023, and Gino sued Harvard and the bloggers for $25 million after being placed on unpaid leave.

More young people are questioning the value of a college education and professional degrees, especially MBAs that can cost $200,000 for two years of education. Instead of landing jobs that pay $175,000 or more right after graduation, a fifth of the MBAs were jobless three to six months after graduating from Harvard and other top business schools in June 2023. Most MBA students have several years of work experience before earning an MBA, making them 25 to 30 when they graduate.

The USSC banned affirmative action in college admissions in June 2023. One result is a search for new mechanisms to weigh applicants to selective colleges and assemble a diverse class, including giving more
weight to low parental income, so called class-based preferences.

The Hamas-Israeli war led to protests and charges of anti-Semitism on US campuses, leading to the resignation of several Ivy League college presidents and government probes that asked whether college leaders were doing enough to protect Jewish students. Colleges and universities that accept federal monies can be investigated by the Department of Education’s Office for Civil Rights, which prompts college leaders to investigate particular conduct that critics say could stifle free speech.

Can the government implement large IT projects? The rollout of the Affordable Care Act and the Free Application for Federal Student Aid raises doubts. The Education Department botched an effort to make FAFSA easier, leaving many of the 15 million applicants unsure of how much financial aid they will receive to attend college. Education noted tight deadlines and other priorities, such as student loan debt forgiveness, as reasons for the FAFSA problems.

**Farm Workers**

**California: OT, Workers**

California farm employers must pay farm workers 1.5x their usual wage after eight hours of work in a day or 40 hours in a week. AB 1066, a law enacted in 2016, phased in overtime after eight hours a day or 40 a week, replacing the previous requirement to pay farm workers overtime wages after they worked 10 hours a day or 60 a week.

Other states are also phasing in overtime for farm workers, including Colorado, New York, Oregon and Washington.

Farm employers oppose 8/40 overtime, arguing that the seasonal nature of farm work means that farm workers want to work long hours when work is available and that price-taking farmers cannot afford to pay overtime wages. Worker advocates argue that farm workers should be treated like any other workers, and that 8/40 overtime laws raise farm worker earnings.

AB 1066 was not studied or debated before being enacted. Three types of workers who are often employed long hours should be most affected: dairy and other animal workers, equipment operators and irrigators. Most workers who are engaged in heavy hand tasks such as using ladders to pick fruit or picking and carrying fruits and vegetables work up to eight hours a day and perhaps a half day on Saturday.

AB 3056, introduced in February 2024, would require overtime pay for farm workers after nine hours a day or 50 a week.

**Data**

Some farm workers in 2023-24 complained of lower earnings due to 8/40 overtime as employers reduced work weeks to avoid paying overtime wages. There are reports of workers who work eight hours on one farm and four hours on another farm, effectively requiring them to be away from families more hours due to the commute between the two farms.

The USDA Farm Labor Survey collects data on workers who are hired directly by farmers, so the FLS should include the types of workers who are most likely to be affected by 8/40 overtime such as dairy workers, equipment operators and irrigators. In 2016, California farm workers averaged 2.7 more hours a week than all US farm workers. That fell to 1.9 more hours a week in 2019, to 0.1 more hours in 2021, and to -1 in 2023, that is, directly hired US farm workers averaged an hour more a week in 2023 than California farm workers.

The NAWS, which includes only 20 percent harvest workers, also found that California farm employers reduced the hours of workers who would have been expected to work more than 55 hours a week.

An Assembly Labor Committee hearing in February 2024 heard that Cal/OSHA was sometimes notifying farm employers before conducting inspections, prompting an effort to audit the agency. Cal/OSHA promised to establish a hotline for workers and advocates to report violations of safety laws. Similar complaints against the Labor Commissioner’s Office prompted an audit expected to be released in 2024.

Worker advocates have far more power in the Legislature than in the fields, leading to the enactment of laws that can open a wide gap between the benefits and protections promised in law and the realities in the fields. Worker advocates say that their priority is to narrow this gap in 2024 by stepping up oversight of enforcement agencies to ensure that they have staff that, for instance, can speak farm worker languages.

California’s EDD administers UI payments and benefits, and is embarking on EDDNext to reform its procedures after accumulating $20 billion in debt during covid due in part to fraud.

**Workers**

California agriculture employed an average 413,000 workers between 2018 and 2021, but farm employers reported 882,000 unique workers a year, a ratio of 2.1 workers for each year-round equivalent job. There are several reasons for the 2-1 ratio of workers to jobs, including
seasonal peaks in farm employment and worker turnover, as when someone tries farm work for a few days or weeks and moves on to a nonfarm job.

California is unique in having more workers brought to farms by crop support employers such as farm labor contractors than are hired directly by the farm operator where they work.

Most farm workers have only one farm employer a year, although if that employer is a FLC, the worker may be employed on multiple farms. A primary farm worker is someone whose highest earning job was with an employer in a particular commodity, such as in grapes for workers who are hired directly or with an FLC; there is no data on the commodity of FLC employees.

There were an average 725,000 primary farm workers between 2018 and 2021, meaning they had their highest California earnings with an agricultural employer. Most of the remaining 157,000 workers (882,000-725,000) had their highest earning job with a nonfarm employer and also had one farm job.

The largest share of primary farm workers, 62 percent, were employed by crop support employers who bring workers to farms, followed by 33 percent who were hired directly by crop farms. Within the three major farm sectors, crops, animal ag, and crop support, one subsector dominates:

- fruit and nut farms employed 62 percent of crop workers who were hired directly and had their highest earnings in crop farming,
- dairy employees were 61 percent of animal agriculture primary workers,
- FLC employees were 74 percent of crop support primary workers.

Primary farm workers are concentrated by county similar to farm sales. California’s 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 of $51 billion in 2021.

The distribution of primary farm workers is slightly different: Kern had 15 percent, Monterey 10 percent and Fresno eight percent, giving these three counties a third of the total and reflecting the fact that counties with large dairy sectors such as Tulare and Merced have fewer primary farm workers because most dairy workers are employed year-round.

Most primary farm workers had one job in one commodity, including almost 80 percent of primary animal workers, 70 percent of primary crop workers, and 80 percent of primary FLC workers. A quarter of workers had at least two California jobs, and 15 percent had three or more jobs.

Other

Seven farm workers en route from Kerman to Lion Farms in Madera were killed when their van collided with a pickup truck at 6am.

Sunshine Raisin (National Raisin) of Fowler in March 2024 agreed to pay $2 million to settle EEOC charges that it failed to prevent the harassment of female workers, and retaliated against some who complained. The EEOC also has a suit pending against Select Staffing.

Peri & Sons, which farms 2,600 acres in the Imperial Valley, sought permission to build a 660-bed housing complex for farm workers in Holtville to replace the defunct Park Manor Hotel. Peri plans 66 units by 2026, and aims to use 44 CalVans that each hold 15-passengers to transport workers from the housing to the fields.

Each unit of the Peri farm worker housing would have five bunk beds, an 8-foot by 9-foot 6-inch bath, and a 22-foot by 12-foot 6-inch kitchen/dining area for 1,125 square feet per unit. H-2A regulations require one shower for each 10 workers and one laundry facility for each 30 workers. Peri & Sons has housing for 2,000 H-2A workers in Yerington, Nevada.

Florida, Southeast

The Coalition of Immokalee Workers created the Fair Food Program in 2011 to influence wages and working conditions for farm workers who work on farms that sell to 14 tomato buyers, including Walmart, Trader Joe’s, Whole Foods and McDonald’s. The CIW says that the FFP covers “dozens” of farms in Florida and east coast states with 20,000 workers. The CIW is targeting Wendy’s, Kroger and Publix, urging them to require their suppliers to adopt the FFP.

During the 1990s, the CIW tried to get tomato growers to pay a penny a pound more to workers who pick mature-green tomatoes into 32-pound buckets, which would have doubled their pay. Growers refused, prompting the CIW to urge boycotts of tomato buyers such as Taco Bell until they required their tomato suppliers to pay the extra penny a pound and implement the FFP. Taco Bell agreed in 2005, and the Florida Tomato Growers Exchange agreed to allow its member farms to participate in the FFP in 2010.

The FFP includes heat-safety rules and operates a hotline to receive reports of violations. Four states, California, Colorado, Oregon and Washington, have state laws that protect farm workers from heat stress.

Florida orange production is falling, to about 835,000 tons in 2023-24,
when California is expected to produce 1.7 million tons.

**Georgia**

Operation Blooming Onion led to the indictment of 24 people in October 2021 for conspiring to engage in forced labor and related crimes. Federal prosecutors say the defendants required guest farmworkers to pay illegal fees to obtain H-2A jobs, withheld their IDs so they could not leave, made the H-2A workers work for little or no pay, housed them in unsanitary conditions, and threatened them with deportation and violence.

The ringleader was Maria Patricio, whose brother Jorge Gomez was a state monitor advocate responsible for protecting farm workers. Two defendants pleaded guilty and were sentenced, and eight more were preparing to plead guilty in spring 2024. Patricio is contesting the charges.

A 26-year-old Venezuelan migrant who arrived in the US in September 2022 was accused of killing a 22-year-old student in February 2024 at the University of Georgia in Athens, where local law enforcement does not cooperate with ICE. The killing of Kate Steinle in 2015 in San Francisco by a Mexican who had been deported five times was noted frequently by Donald Trump in the 2016 campaign. Steinle’s killer was deported to Mexico in March 2024.

The Georgia legislature in March 2024 approved a law to prohibit sanctuary cities such as Athens from refusing to cooperate with federal immigration authorities.

Retirees known as halfbacks are settling in northern Georgia and western North Carolina, turning a region of southern Appalachia that was known for poverty into an affluent retirement haven. Retirees are attracted to lower housing costs and taxes, low crime and warm weather (but with seasons). Local governments are struggling to build infrastructure for the influx of residents.

**North Carolina**

Barnes Farming was assessed $187,000 in March 2024 by the state DOL for “willful serious violations” that led to the death of a 29-year-old H-2A worker from heat-related illness while harvesting sweet potatoes in September 2023. North Carolina is producing fewer sweet potatoes due to high labor costs. About 40 percent of US sweet potatoes are exported.

**Mississippi**

Many cities struggle to maintain basic utilities, including the capital of Jackson. Siemens in 2010 promised to install modern water meters in Jackson and other cities that would expedite the collection of water charges, but failed and returned the $90 million payment. Instead of water meters that expedite collections, most cities lost a decade of water charges because Siemens Master Meters failed to charge households properly.

The major impetus for installing smart water meters was federal subsidies to install energy-efficient devices. Mississippi interpreted energy saving devices to include water meters that measure and send household consumption data to a central office. Neither the meters nor the software worked as promised.

**South Carolina**

A father and daughter, Enrique and Elizabeth Balcazar, operated FLC Balcazar Nature Harvesting and were convicted in June 2023 of trafficking H-2A workers by retaining worker passports and providing them with substandard housing surrounded by armed guards. Balcazar was founded in April 2021, and Elizabeth traveled to Mexico to recruit 55 H-2A workers and returned with them to the labor camp in Batesburg, South Carolina, where they worked at Clayton Rawl Farms.

Instead of the 40 hours a week specified in the job order, the H-2A workers worked up to 90 hours a week. Balcazar provided only two rather than three meals a day and charged workers for food, prompting some of the workers to escape and leading to a federal investigation and the arrests of the father and daughter. Balcazar was ordered to pay over $500,000 in back wages to the H-2A workers.

**Tennessee**

Tosh Pork LLC, an 11,000-acre grain and hog producer, was assessed $40,000 in back wages and $37,000 in penalties in March 2024 for retaliating against H-2A workers who questioned their wages.

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**NORTHEAST, MIDWEST, NORTHWEST**

**New York**

Grow New York Farms sued to block implementation of provisions in the Farm Laborers Fair Labor Practices Act that allows unions to negotiate contracts that require farmers to promise to rehire H-2A workers for the next season. Farmers argue that, because they must try to recruit US workers annually, they cannot guarantee the employment of H-2A workers in subsequent years. A US judge in February 2024 lifted an injunction on enforcement of the FLFPA.

The UFW says that workers on five New York farms have selected the UFW as their bargaining agent.

**Vermont**

The Jay Peak ski resort in northern Vermont, which is two hours from Montreal, was seized by the SEC.
in April 2016 for fraudulently using the EB-5 program to raise over $350 million. Some 835 foreigners, mostly Chinese, invested $500,000 to create or preserve at least 10 US jobs in depressed areas and received probationary EB-5 immigrant visas.

Instead of developing the promised ski resorts and a biotech facility in Newport, Vermont, one of the Jay Peak partners used some of the Chinese money for personal expenses even as the other partner continued to recruit more investors. Park City-based Pacific Group Resorts bought Jay Peak for $76 million in 2022, and 80 percent of the foreign investors eventually got EB-5 immigrant visas.

The EB-5 program was created in 1990, and initially few of the 10,000 visas available each year were issued. However, regulations were loosened to allow the 10 jobs to be created indirectly and foreign investor funds to be pooled. The number of applications rose as US intermediaries began to market US “golden visas” abroad. Depressed areas were defined to include Manhattan’s Hudson Yards and hotels in Beverly Hills and Las Vegas.

The Jay Peak operators were often accompanied abroad by the state officials who were supposed to ensure that EB-5 projects were legitimate. Foreigners invested and did not closely track their investments because their real goal was a US immigrant visa.

**Minnesota**

Evergreen Acres Dairy in Paynesville was charged in January 2024 with underpaying its mostly unauthorized employees from Oaxaca by $3 million. Evergreen, which has several dairy facilities in Stearns or Redwood counties, paid workers $12.50 to $17.50 an hour. However, Evergreen did not pay for all of the hours worked and charged employees for the substandard housing that Evergreen provided to them.

**Missouri**

Missouri Vegetable Farm LLC, part of the Proffer Company, agreed to pay back wages of almost $400,000 to 102 H-2A and 10S US workers in December 2023. The farm required workers to do both farm and packing work in 2021 and failed to pay overtime wages for the nonfarm packing work.

**Texas**

Texas developed several policies under the $10 billion state-funded Operation Lone Star to deter illegal migration, including placing barriers in the middle of the Rio Grande River. After declaring an emergency in March 2021, Governor Greg Abbott mobilized state troopers and the national guard to patrol the border with Mexico and signed SB 4, which makes it a state crime to force migrants to illegally enter Texas and allows Texas judges to deport unauthorized entrants.

Enforcement of SB 4 was enjoined by a federal judge in February 2024, who ruled that enforcing immigration laws was a federal responsibility under a 2012 USSC decision in a case involving a 2010 Arizona law, SB 1070, that allowed police to detain unauthorized foreigners.

**Colorado**

Denver, a city of 715,000, received 40,000 asylum seekers in 2023, the most per capita of any US city. The city spent over $40 million on housing and food for the newcomers, most of whom cannot apply for work permits until at least 180 days after they apply for asylum.

**Oregon**

The governor in January 2023 declared a state of emergency in Portland, a city of 635,000 that is struggling with homelessness and crime linked to fentanyl. Oregon voters approved Measure 110 in 2020 to decriminalize the use of fentanyl and other drugs, with police ordered to refer users to services rather than arrest them. Many drug users refused services and shopped to buy more, prompting a tougher stance.

**Washington**

Washington has 8/40 overtime. Farmers are urging enactment of SB 5476, which would allow them to raise the overtime threshold from 40 to 50 hours a week for up to 12 weeks a year.

Washington produces two-thirds of US fresh apples. A third of the state’s apples are sold during the September-October harvest and two-thirds are placed in controlled atmosphere storage, where the temperature is lowered to just above freezing and replacing oxygen with nitrogen. Apples are washed and packed over the other 10 months as they are sold.

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**ALRB, Unions**

The United Farm Workers (UFW) was certified to represent the employees of Olive Hill Nursery in Fallbrook in January 2024 under AB 113 card check procedures after submitting signatures from 47 of the 79 eligible employees.
The UFW was certified in March 2024 to represent the 640 farm workers employed by Wonderful Nurseries in Wasco, California. A bare majority of employees signed UFW cards. Wonderful disputed the certification, asserting that up to 150 employees complained that the UFW tricked them into signing UFW cards when they signed papers to receive $600 payments from USDA’s Farm and Food Worker Relief Grant Program.

The UFW Foundation is one of 15 nonprofit organizations that distributed $670 million to farm workers. The UFW received $97 million, including 10 percent for overhead.

The ALRB has scheduled a hearing before an ALJ on objections raised by Wonderful and the UFW. However, the ALRB’s certification of the UFW means that the 90-day clock to bargain or face mandatory mediation and a contract developed by a mediator has begun.

The UFW complained that consultants hired by Wonderful told employees that there could be job losses under a union contract and that under a UFW-Wonderful contract workers could have three percent of their earnings deducted in union dues.

Card check was approved by the Legislature in 2009, 2011 and 2021 and vetoed by governors before Governor Newsom signed card check into law in 2022. Using card check, the UFW has been recognized as bargaining representative at three farms, DiMare (300 employees), Olive Hill (80), and Wonderful (640).

Wonderful is owned by Lynda (81) and Stewart Resnick (87) of Beverly Hills, who have about $13 billion in wealth and have donated $2 billion to various causes, including $600 million to Lost Hills and Delano, cities where Wonderful has operations. Wonderful is the largest US producer of pistachios and a major almond producer. Water & Power: A California Heist argues that Wonderful is the state’s largest private user of water.

West Coast Berry in February 2024 agreed to pay $58,000 in fines to the ALRB and offer reinstatement jobs to 18 workers who went on strike seeking an increase in the piece rate wage. After the strike, West Coast raised the piece rate by $0.15 but did not rehire the 18 workers the next year.

Unions

The Amazon Labor Union won an election to represent workers at a Staten Island warehouse in New York (JFK8) in 2022, but has been unable to negotiate a first contract. The ALU lost elections at other Amazon warehouses. Internal turmoil combined with Amazon’s resistance puts the future of the Amazon Labor Union in doubt, as critics accuse leader Chris Smalls of seeking rather than negotiating a contract.

A National Labor Relations Board ALJ ruled that Amazon interfered with pro-union workers, drawing an appeal from Amazon that includes the assertion that the NLRB is unconstitutional because it violates Article II of the US constitution. SpaceX and Trader Joe’s have made similar arguments.

Coffee shop workers continue to organize. Some 375 Starbucks stores have voted for union representation, and 9,000 of 235,000 Starbucks employees are union members. However, there is no Starbucks-union contract, prompting the NLRB to agree with Workers United that Starbucks is failing to bargain as required.

The United Automobile Workers union is attempting to represent the 4,000 workers who are employed by Volkswagen in Tennessee. The UAW won higher wages and more time off in new contracts with Ford, General Motors and Stellantis, and wants to represent workers employed by foreign firms that assemble cars in the US. UAW efforts to organize Volkswagen employees in Tennessee failed in 2014 and 2019.

A federal judge in March 2024 vacated a rule issued by the NLRB in October 2023 that made franchisors jointly liable with franchisees or staffing firms for labor law violations, even if the franchisor does not exert direct control over the employees. The NLRB reported that unions won 1,225 elections in FY23 and lost 500.

DOL’s Wage and Hour Division has 720 investigators to oversee 10 million US workplaces; states have additional investigators to enforce state labor laws. WHD aims to increase its impacts in 2024 with targeted enforcement, focusing on violations of child labor laws.

Immigration

Immigration, Politics

Senators James Lankford (R-OK), Kyrsten Sinema (I-AZ), and Chris Murphy (D-CT) negotiated a $118 billion, 370-page bill in February 2024 that included provisions to reduce illegal entries over the Mexico-US border by restricting access to asylum. The Senate bill, opposed by ex-President Trump and declared dead on arrival in the House, failed to advance in the Senate.

President Biden blamed Trump for the opposition of Republicans, saying that Trump prefers chaos at the border to fuel support for his re-election. Lankford confirmed Trump’s role when saying that a “popular commentator” warned him, that, if he solved the border crisis: “I will do whatever I can to destroy you, because I do not want you to solve this during the presidential election.”
Under current law, an unlimited number of foreigners may apply for asylum at the border or within a year of entering the US. Applicants can be detained until first decisions and appeals are concluded, but most are released into the US to await hearings that may be several years in the future. Meanwhile, asylum seekers may work legally and their children may attend K-12 schools.

Between FY 17 and 23, only 15 percent of US asylum applicants were recognized as refugees. Most foreigners whose applications were rejected were ordered deported in absentia, meaning they were not present for the hearing before an immigration judge. Many remained in the US because there is little enforcement to detect and remove them.

Immigration judges decide whether a particular individual faces a well-founded fear of persecution at home due to their race, religion, nationality, political opinion or membership in a particular social group. A third of the three million cases pending in immigration courts are asylum cases, and the current “catch and release” policy means that most asylum applicants can live legally in the US for an average of four years until they are ordered deported.

The Senate bill would have raised the first bar for migrants, requiring them to provide more evidence of a “credible fear” of persecution at home before they were allowed into the US to apply for asylum.

The most noteworthy feature of the Senate bill was the provision allowing DHS to “shut the border” during the next three years if a weekly average of more than 4,000 migrants a day apply for asylum and requiring the border to be shut after the number of asylum seekers average 5,000 a day. Foreigners who tried to enter the US when the border is closed would be returned to Mexico without applying for asylum. However, even when the border is shut, 1,400 foreigners a day could have made asylum appointments via the CBP One app and entered the US at a port of entry.

President Biden in February 2024 considered imposing limits on asylum applicants under Section 212(f) of the 1952 Immigration and Nationality Act, which gives the president broad powers to regulate immigration.

Parole was especially contentious in the bipartisan bill. Parole authority was granted to the president in the 1952 INA, to be used when there is urgent humanitarian need to admit individuals or groups of foreigners outside normal channels. Between 2014 and 2019, about 5,600 people a year were paroled into the US, with exceptions for 100,000 Vietnamese who were paroled into the US in 1974 and 80,000 Afghans and 150,000 Ukrainians more recently.

President Biden used humanitarian parole more broadly, allowing 30,000 Cubans, Haitians, Nicaraguans and Venezuelans (CHNV) a month to enter the US in 2022 and 2023. The Senate bill would end humanitarian parole at the Mexico-US border but maintain the President’s authority to allow foreigners who arrive at airports to be paroled into the US. A federal judge in March 2024, noting that over 360,000 CHNV citizens a year were being admitted, upheld Biden’s parole authority.

The bipartisan bill would have made other changes. An additional 50,000 immigrant visas a year would have been available for five years, including 32,000 for family members of US citizens and 18,000 for employer-sponsored immigrants. Many of the 80,000 Afghans paroled into the US would have been allowed to become immigrants, and there would have been a special fix for the children of Indians who turn 21 while their parents work in the US.

Biden endorsed the Senate bill, calling it the “toughest and fairest set of border reforms in decades” because it would allow Homeland Security to “shut down the border.” However, his language was not as strong as President Bill Clinton, who said in his 1995 State of the Union speech: “The jobs [illegal migrants] hold might otherwise be held by citizens or legal immigrants; the public services they use impose burdens on our taxpayers.”

Ex-President Trump demanded a “perfect” border control bill, which doomed the Senate bill. Immigration is the number one issue for many Republican voters, and Trump’s core supporters want “tough” migration control policies.

Past Congressional failures to compromise on immigration legislation encouraged presidents to use executive orders to deal with migration issues. President Obama created DACA by executive order in 2012, President Trump issued executive orders to block the entry of migrants from particular countries, and President Biden issued executive orders to reverse Trump policies.

Some analysts interpret the stalemate in Congress to Democrats who have become more admissionist and Republicans who have become more restrictionist. With the extremes of no borders and no migrants dominating the debate, it is hard to find a middle ground on migration issues.

**Democrats**

President Biden, under pressure from admissionist Democrats in 2020, reversed many of Trump’s border-control policies and supported legislative proposals that would have legalized most of the unauthorized foreigners in the US.
After taking office, Biden issued 535 executive orders in his first three years that halted construction of the border wall, reversed the travel ban on several Muslim-majority countries, and ended the Remain in Mexico policy. President Trump issued about 470 executive orders related to immigration in four years.

After reversing or modifying many Trump migration policies, the Biden administration was paralyzed by a debate between those who wanted more generous migration policies and those who urged policies to reduce illegal immigration and asylum seeking. This stalemate allowed smugglers to advertise that the US was open, and that migrants should go now before the possible re-election of Trump leads to a closed US border.

President Biden has so far resisted calls to resume workplace raids to detect unauthorized workers and to detain foreigners who enter the US illegally from Mexico.

Most asylum applicants are released into the US and move to relatives and friends. Their children can attend K-12 schools immediately and, after 180 days, asylum applicants can obtain permits to work legally.

Some asylum applicants moved to cities that guarantee housing and support for all residents. Some 70,000 migrants are being sheltered and fed in New York City at an estimated cost of $10 billion between 2023 and 2025; migrants can stay in shelters for 30 to 60 days. New York City’s budget is $115 billion a year budget and the state’s budget is $235 billion.

**Republicans**

All of the major candidates for the Republican presidential nomination promised to reduce illegal migration over the Mexico-US border. A third of the six million migrants apprehended just inside the US border over the past three years were released into the US. This means that many foreigners who do not qualify for refugee status are allowed to spend several years legally working in the US.

Immigration is the top issue for many Republican voters, and ex-President Trump claimed that unauthorized foreigners “poison the blood” of Americans. Trump ads say: “Illegals are criminals. That’s what illegal means.” Democrats argue that illegal entry is a crime but, since it is civil violation rather than a crime to be in the US without legal documents, they use the term “undocumented migrant.”

Trump said that, if re-elected, he would close the border using the authority of Section 212(f) of the 1952 Immigration and Nationality Act, which allows the president to “suspend the entry of all aliens or any class of aliens” whose entry “would be detrimental to the interests of the United States.” Trump said that other countries are emptying out “mental institutions and insane asylums … into the United States, and then you have terrorists pouring in at levels we have never seen before.”

House Republicans approved the Secure the Border Act of 2023 (HR 2), which would build 200 miles of wall a year on the Mexico-US border, require CBP to prevent all unlawful entries into the US, and eliminate the CBP One that allows foreigners to make appointments to apply for asylum and enter the US at ports of entry.

Under HR 2, asylum applicants would have to apply in the first safe country they transit en route to the US. Once in the US, foreigners would have to prove that they are “more likely than not” to qualify for refugee status in the US, and those with credible applications would be detained or returned to Mexico until a decision on their application is made.

HR 2 would modify the Flores Settlement that limits the detention of migrants under-18 to 20 days by requiring parents and children who enter the US illegally to be detained together, require the return of unaccompanied children to their country of origin if they do not have a credible fear of returning, and require HHS, which settles children inside the US, to provide DHS with information on the US guardians of migrant children.

HR 2 would place limits on the president’s parole authority to admit foreigners to the US and restrict most foreigners who have been paroled into the US from working. Foreigners who overstay visas would face criminal rather than only civil penalties, and all US employers would have to use E-Verify to check new hires.

**Polls**

Opinion polls suggest that most voters disagree with extreme Republican views on immigration and extreme Democrat views on abortion. However, many voters do not like the choices presented to them.

Before Trump was elected, many Democrats including Senator Bernie Sanders (I-VT) argued that low-skilled immigrants and guest workers hurt similar US workers. Trump’s demonization of migrants, combined with academic research that did not find significant negative effects of migrant on US workers, persuaded many Democrats that large-scale immigration of all types is good for migrants and the US.

However, the share of Americans who say that illegal immigration is a serious problem has risen from 60 percent to 75 percent. A majority of Americans support firing employers who knowingly hire unauthorized workers (current law that is not enforced), deporting unauthorized foreigners (current law), and allowing employed unauthorized
workers to apply for legal status (not available).

Most registered voters say that Trump would do a “better job” on immigration than Biden. The expectation of a permanent Democrat political majority due to the rising share of minorities in the US population is not occurring, perhaps because a rising share of low-skilled minorities favor restrictions on immigration.

Immigration is one of many affective polarization issues dividing Americans. Affective polarization refers to the sense of us versus them that can lead to dislike for those who do not agree with one’s views on political issues.

Historically, survival required cooperation, leading to tribes that united against outsiders and the creation of winners and losers in two-party systems. The outcomes of many congressional races are decided in primary elections, so many elected representatives care more about satisfying their core voters than bridging partisan divides.

Political scientists say that othering, aversion and moralization turn those with different political beliefs into enemies rather than fellow Americans with different views. Anger stimulates tribal behavior, turning core supporters into foot soldiers for a particular candidate or party.

**DHS: CBP, ICE, USCIS**

The House voted 214-213 to impeach DHS Secretary Alejandro Mayorkas in February 2024 for “breach of trust” and “willful and systemic refusal to comply with the law.” During Congressional hearings, Mayorkas was asked repeatedly if DHS had “operational control” of the border and, when he answered yes, was accused of lying to Congress.

**Border**

Some 250,000 unauthorized foreigners were detected just inside the Mexico-US border in December 2023, and most were released into the US to apply for asylum. Encounters averaged over 8,000 a day in 2023, with 10,000 migrants arrested some days, increasing pressure on the federal government to “do something” about illegal migration.

Encounters fell to 124,000 in January 2024 before rising to 140,000 in February 2024. Some say that Mexican President AMLO could determine the outcome of the US presidential election in November 2024. Biden is helped if Mexico slows the flow of migrants north, while Trump is helped by an influx of migrants and chaos at the border.

Between January 2021 and January 2024, CBP had more than six million encounters with unauthorized migrants. There were two million gotaways, who are foreign- ers detected by cameras but not apprehended.

DHS aims to reduce illegal migration over time by expanding opportunities to migrate legally and toughening penalties for unauthorized entrants. The Circumvention of Lawful Pathways rule announced in May 2023 requires asylum seekers to apply in the first safe country they reach, prompting a suit by migrant advocates to block its implementation.

The number of unauthorized migrants who apply for asylum and are interviewed by the roughly 1,000 asylum officers and rejected doubled to 115,000 in the first year of the Circumvention rule, but border interviews remain a small fraction of the 1.7 million migrants encountered during the rule’s first year. Migrants who are not rejected by asylum officers are usually released into the US to await hearings before immigration judges, who find that 20 percent of applicants are refugees.

Half of border encounters are families with children who are released into the US. The Family Expedited Removal Management system places GPS trackers on an adult in family units to monitor their movements inside the US.

**ICE**

About 12 employers were cited for hiring unauthorized workers in FY23, and $23 million in criminal and civil penalties for hiring unauthorized workers were assessed in FY22. A sixth of the estimated six million US employers are enrolled in E-Verify.

**USCIS**

The US issued 1.2 million immigrant visas in FY23 and naturalized 883,000 immigrants as US citizens. Almost 700,000 foreigners from 16 countries are living in the US with temporary protected status.

USCIS obtains 95 percent of its funding from fees assessed on migrants and employers seeking immigration benefits. USCIS fees rose for the first time since 2016 on April 1, 2024, and the rationale for USCIS charges changed from “beneficiary pays” to “ability to pay,” meaning that employers pay more than the cost incurred by USCIS to handle their applications for foreign workers.

For example, the fee for filing an I-129 form for H-2A workers increased from $460 to $780 for most employers, with a discount for small employers. The fee for an EB-5 immigrant visa doubled.

Net immigration was 3.3 million in 2023, including both legal and illegal migrants. Net immigration averaged 919,000 a year in the 2010s. OMB in March 2024 updated federal race and ethnic categories for data collection, allowing people to check Middle Eastern or North
Agricultural and Resource Economics

**ARE UPDATE**

median hourly earnings). The USDA does not publish median rather than the higher mean wage (USDA does not publish median hourly earnings).

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

Growth in the H-2A program slowed in FY23 to about 380,000 jobs certified, the most ever but less than the 400,000 expected. The number of H-2A jobs in California and Arizona fell from the year earlier, although H-2A job certifications rose significantly in many midwestern states.

Five states, Florida, California, Georgia, Washington, and North Carolina, each had 25,000 to 50,000 H-2A jobs certified and collectively accounted for over half of all H-2A jobs certified in FY23.

AEWRs in 2024, which are the average hourly earnings of field and livestock workers in 2023, range from over $19 an hour in the Pacific coast states to less than $15 in the southeastern states.

Beginning in 2023, farm employers who hire H-2A workers to fill nonfarm jobs such as doing construction work on farms, driving heavy trucks on public roads, or driving buses and vans that take farm workers from their housing to workplaces, must pay the nonfarm wage for these jobs, often doubling the AEWR.

**Issues**

Farm employers oppose using the USDA Farm Labor Survey, which collects data from about 6,000 US farm employers who hire workers directly, to set the AEWR. They argue that the average earnings of field and livestock workers are pulled up by the higher earnings of higher-wage employees, and that the AEWR should be the lower median rather than the higher mean wage (USDA does not publish median hourly earnings).

Furthermore, employers who hire H-2A workers argue that DOL should be required to prove that the presence of H-2A workers adversely affects US workers before being allowed to require farmers to offer and pay an AEWR wage.

Worker advocates disagree, arguing that H-2A guest workers are vulnerable to exploitation because they lose their right to be in the US if they lose their jobs. Most H-2A workers earn five to 10 times more in the US than they would earn at home, so they do not complain because they want to keep their jobs and be invited to return next year. DOL's WHD finds violations of immigration and labor laws at two-thirds of the farms investigated.

**House**

The 14-member bipartisan House Agriculture Committee's Agricultural Labor Working Group (ALWG) released a report in March 2024 with 15 recommendations that were supported unanimously. These recommendations include allowing employers to file one application to the three agencies that administer the program (DOL, DHS, and DOS), to specify different entry dates for H-2A workers on one application and to waive in-person interviews at US consulates abroad for returning H-2A workers.

Other ALWG recommendations would require DOL to consult with USDA before issuing new or modified H-2A regulations and to have GAO review employer reliance on H-2A workers and compliance with H-2A regulations. The GAO would investigate the ability of H-2A workers to report violations and determine whether changes to H-2A procedures that were made during covid should be made permanent.

The AEWR was addressed directly and indirectly. The ALWG recommended an AEWR wage freeze that would be followed by caps on how much the AEWR could increase or decrease each year. An ALWG majority recommended an alternative to the FLS to calculate the AEWR.

If H-2A workers mostly harvest crops, the ALWG recommended that they be permitted to devote up to 25 percent of their work time to other activities such as driving a bus or van with workers and still receive the crop AEWR. The ALWG recommended a federal heat standard for H-2A workers and called for making employers who offer year-round farm and nonfarm processing jobs eligible to employ H-2A workers.

A majority of the ALWG recommended:

- a pilot program to allow some H-2A workers to remain in the US continuously for three years and to work for one or more US employers,
- an exemption from the AEWR for farms with an annual gross cash income of less than $350,000 and
- allowing H-2A workers to be employed full-time by one employer and part-time by a second joint employer.

An ALWG majority recommended more federal funding for farm worker housing that can be used to house H-2A workers.

There was no ALWG majority for allowing employers to provide a housing allowance or stipend rather than provide housing, to require mediation before workers can sue employers for violations, and to prohibit predatory loans that workers may take in their countries.

The Heritage Foundation, as part of its Agenda 2025 for a re-elected Donald Trump, recommended capping the size of the H-2A program and phasing it out by increasing private and public expenditures on labor-saving machines.
**CANADA, MEXICO**

Canada increased immigration after covid, aiming to admit an average 500,000 immigrants a year between 2023 and 2025. The population increased by 1.3 million or over three percent in 2023, giving Canada almost 41 million residents. Almost all of the increase was due to immigration, as 472,000 immigrants and 805,000 temporary foreign residents arrived.

Most Canadian immigrants are already in Canada when they are “admitted.” Foreign students are often de facto guest workers while studying because they can work full time off campus at sometimes dubious private institutions, and many become immigrants by finding a Canadian employer to offer them a job.

Many foreign students graduate from Canadian colleges, after which they have three years to live and work in Canada and find an employer to offer them a job or gain the work experience needed to obtain an immigrant visa. Most foreign workers and students are in the three provinces with three fourths of Canadian residents: Ontario has 16 million people, Quebec, nine million, and British Columbia, 5.6 million.

Canadians may be less welcoming of large-scale immigration despite the fact that 23 percent of residents were born outside Canada. Polls find that many believe immigrants push up housing prices, increase the cost of tax-funded services, and sometimes compete for jobs. The Liberal government has said that the number of immigrant visas would remain at 500,000 in 2026, and the number of temporary work visas may be reduced from the 605,000 issued in 2022, and the number of new visas for foreign students capped at 360,000 in 2024.

Over 130,000 foreigners applied for asylum in Canada in 2023, including a sixth from Mexico. Canada allowed Mexicans to visit without visas after 2016. In recent years, more Mexicans entered Canada and applied for asylum by citing crime linked to gangs. About 40 percent of Mexicans who applied were granted some form of protection before Canada on March 1, 2024 re-imposed visa requirements on Mexican visitors.

Canada is a hotspot for auto theft, with thieves stealing cars, loading them into shipping containers in Montreal and other ports, and sending the stolen cars to Africa and the Middle East. For cars parked in driveways, thieves often use devices that detect signals from remote keys and copy them to start cars and drive them away. Over 100,000 cars were stolen in Canada in 2022, compared with a million in the US. The US has about nine times more people than Canada.

The UN says that Africa has 40 percent of the world’s stolen cars. Late model SUVs command higher prices in Africa than in industrial countries.

Canada has more lakes larger than 0.2 square miles than all other countries combined, about 900,000 of the total 1.4 million, followed by Russia and Finland with 200,000 lakes each, and the US with 100,000. Hydro-Québec hoped to become the battery of the northeastern US by building dams on its rivers to send clean energy to the US. Canada already gets 60 percent of its electricity from hydro-power, but drought in recent years has forced more energy providers to rely on fossil fuel plants.

**Mexico**

President Andrés Manuel López Obrador often attacks journalists by name, and 18 journalists were killed in Mexico in 2022-23. As Mexico prepares for national elections in June 2024, some journalists believe that may be in danger.

AMLO, who took office in 2018, may be remembered for a failed policy of hugs, not bullets to reduce gang violence. AMLO turned to the military to complete mega infrastructure projects, including the Maya train, a Dos Bocas refinery in Tabasco, the Santa Lucia airport, the Trans-Isthmus rail and industrial corridor.

Mexican cartels and gangs produce and transport fentanyl and methamphetamine to the US. More competition between gangs is lowering drug profits and encouraging some cartels to extort money from Mexican businesses, including avocado and lime farms in Michoacán. Some gang members get appointments to government jobs in areas the controlled by AMLO’s Morena party, which governs 23 of Mexico’s 32 state, and skim off money when government agencies contract for services. Some cartels are smuggling migrants through Mexico to the US.

There are over 200 criminal gangs active in a third of Mexico’s 2,454 municipalities, which are akin to US counties, including the most powerful, the Sinaloa or Jalisco cartels that often fight one another. About 70 percent of the 450,000 murders since 2007 are linked to gangs.

The Jalisco New Generation is reportedly moving into a new business, persuading Americans who want to sell timeshares in Mexico to wire upfront fees to them; the gangs then disappear with the money. Almost 10 million Americans own time shares, which cost an average $22,000 and incur annual maintenance expenses of $2,000. Most of these timeshares are in the US, but some are in the Caribbean and Mexico.

AMLO is a nationalist who reversed a 2013 law that opened Mexico’s oil, gas, and electricity markets.
to private competitors, including foreigners who invest in solar, wind and natural gas generation. A law enacted in 2021 gave priority to the government electricity company, but this law was partially overturned by courts on a 3-2 vote in January 2024.

Mexico reformed its labor laws May 1, 2019 to comply with Chapter 23 of USMCA. A new Federal Labor Conciliation and Registration Center registers unions and collective bargaining agreements (CBAs), independent labor courts decide labor disputes, and union leaders are now elected via secret ballot. Workers now have the right to engage in union activities without employer or union interference, and all existing CBAs had to be renegotiated by May 2023.

There were about 140,000 CBAs in Mexico in 2019. Only 30,000 were registered before the May 2023 deadline, making 110,000 CBAs invalid and leaving these previously unionized workplaces with no CBA. Most of these CBAs were “protection contracts” that were negotiated between unions affiliated with the national union federation CTM and employers before any workers were hired.

Critics allege that the CTM and the PRI, the party that governed Mexico for most of the 20th century, collaborated with employers to keep wages low and attract foreign direct investment.

Mexican labor laws were amended in January 2024 to require farm workers to receive written contracts and access to healthcare, education and childcare.

Mexico exported goods worth $475 billion to the US in 2023, topping Chinese exports to the US of $425 billion for the first time, reflecting near- or friend-shoring and the effects of tariffs on Chinese goods imposed by Trump and maintained by Biden. The total amount of Chinese exports may be understated because some goods that are made in China appear to come from other Asian countries.

Two-way Mexico-US trade was almost $800 billion in 2023, more than Canada ($775 billion) and China ($575 billion). The leading US imports from Mexico were passenger vehicles, $45 billion, auto parts, $35 billion, and computer chips, $12 billion. Laredo was the US port of entry handling the most Mexican trade, $310 billion in 2023.

Almost all Mexican farm exports in 2023 went to the US ($52 billion), and almost all of Mexico’s farm imports were from the US ($44 billion). The leading Mexican farm exports were $6 billion worth of beer, $4 billion worth of tequila, and $3 billion each of avocados and tomatoes and almost $3 billion worth of berries. Mexican farm exports more than doubled from $24 billion in 2013.

Guatemala

Anti-corruption crusader Bernardo Arévalo became president in January 2024 after winning 60 percent of the vote in 2023 elections despite efforts by the political opposition to charge him with crimes and thus block his inauguration. The US imposed sanctions on members of the Guatemalan Congress and local prosecutors and judges who tried to block Arévalo from taking office.

Guatemala has 18 million people, almost half indigenous and 60 percent poor, and an entrenched political class and bureaucracy that aims to cling to power. Cayalá (paradise in the local indigenous language) is home to 2,000 families and a world apart from Guatemala City, with orderly streets and plazas that are mostly open to all and free of street vendors and beggars.

The 40-mile Panama Canal normally handles 36 to 38 ships a day for tolls that average about $300,000 per passage. Less rain lowered water levels in Lake Gatun, the artificial lake that allows ships to transit most of the canal under their own power, and reduced daily transits to 22 in early 2024. With ships waiting to transit, tolls were raised, sometimes doubling as ships that wanted an early passage paid the regular toll plus a surcharge determined by auctioning off early passage that sometimes doubled the toll. Panama Canal revenues are about $5 billion a year, a quarter of Panama government revenue.

Haiti

Gangs took control of most of Port-au-Prince in spring 2024, preventing Prime Minister Ariel Henry from returning home after a trip to Kenya, where a plan to bring 1,000 Kenyan police to help stabilize Haiti stalled. Henry agreed to resign to allow a transitional council to lead the country.

Two main gang federations, G-Pèp affiliated with the ruling Haitian Tèt Kale Party, and the G-9 Family that supports the opposition, control the capital. Political parties use gang members to obtain or suppress votes, collect tolls on highways, and kidnap opponents and disrupt their businesses. The US spent $200 million to bolster the 15,000-strong Haitian National Police force, which has been unable to subdue the gangs.

Outside intervention has a mixed record in Haiti. President Jean-Claude “Baby Doc” Duvalier fled Haiti in 1986, and an unstable democracy followed. The US sent 25,000 troops to restore President Jean-Bertrand Aristide to power in 1994 after a military coup, but Aristide did not provide the desired stability or growth, and the US intervened again in 2004. Some 76,000 Haitians requested asylum in FY23 after entering the US from Mexico.

The Dominican Republic, which shares the island of Hispaniola
with Haiti, is building a $120 million, 12-foot wall on its border with Haiti to keep out Haitian migrants. Dominican Republic incomes are about seven times higher than Haitian incomes, and the Dominican Republic deported 225,000 Haitians in 2023.

Argentina

President Javier Milei took office in December 2023 and abruptly changed the country’s economic policies. Milei tried to reduce inflation by allowing the value of the peso to fall, which increased the prices of imported goods and led to a nationwide strike in January 2024.

Milei issued a mega-decree making 350 changes to deregulate the Argentine economy, and justified this executive action by asserting that the economic crisis required bypassing Congress. However, a court suspended the proposed labor law reforms in the decree, and other interests may try to block deregulation in other sectors.

Argentina is a potentially rich country of 46 million that has long printed money to live beyond its means; the country owes $44 billion to the International Monetary Fund. Juan Peron and his successors won the support of the working class with generous wages and benefits, but left many others in the informal economy.

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Europe, Asia

Africans continue to cross the Sahara Desert bound for Libya and Europe. Agadez in Niger is halfway between Lagos and the Libyan coast, and a place where a variety of trucks await migrants who hope to cross the Mediterranean to Italy; a pick-up truck can transport 30 migrants across the Sahara.

The EU paid the Niger government about $100 million a year to restrict migrant movements from Agadez, but the elected government was deposed by the military in summer 2023 and the gate northward reopened. Niger’s new military government may be allowing more migration to retaliate against the EU for reduced funding.

Ukrainians are another looming issue for EU leaders. The EU Temporary Protection Directive issued in March 2022 granted four million Ukrainians access to housing, employment and education in all EU countries, and some countries provided additional benefits.

EU economies are growing slowly, reflecting factors that range from aging and slow population growth to national and EU-wide regulations that slow innovation and productivity growth. Some critics say that America innovates, China replicates, and Europe regulates, calling attention to EU goals such as protecting workers, consumer privacy and avoiding monopolies.

There are tradeoffs. Europe has more mobile phone operators and lower consumer costs than the US, but they make less investment in 5G. The EU’s proposed regulations to safeguard consumers from AI that may push AI firms elsewhere.

Britain

The UK provided $176 million to Rwanda to integrate asylum seekers who arrive illegally by boat across the English Channel from Europe, but had not sent any boat people to Rwanda by spring 2024. The UK received some 75,000 asylum applications in 2023; the peak was 84,000 asylum applications in 2002.

Farmers

French and German farmers protested plans to reduce subsidies on diesel fuel in January 2024, highlighting farmer discontent in many European countries that contributed to the ascension of the anti-migrant Party for Freedom in the Netherlands in 2023. Right-wing and anti-migrant parties in France and Germany that support farmer protests are gaining support in opinion polls.

European farmers are grappling with rising costs, reduced subsidies, and EU and national regulations that aim to reduce carbon emissions. Governing parties often provide some relief from costs and regulations after farmers block streets in capital cities.

Rightist parties echo farmer complaints that far-off bureaucrats who do not understand agriculture are imposing their will on the farmers who feed Europeans. Farm protests may lead to victories for populists who say they represent ordinary people opposed to the globalist elites who govern countries and the EU.

The French government promised more aid and looser regulations in February 2024 to persuade farmers to eliminate tractor roadblocks, offering $165 million in aid to livestock farmers and to embed “food sovereignty” in French law. France received the most CAP subsidies, $10 billion in 2022, and runs a farm trade surplus, but CAP subsidies are increasingly conditioned on adhering to environmental regulations.

Some of the farmers’ ire is aimed at the EU, which in February 2024 abandoned efforts to force farmers to reduce their use of chemicals and scaled back recommendations to reduce farming-related carbon and methane emissions. Farmers want the EU to impose tariffs on food imports from countries that do not follow EU environmental regulations.

Germany

The Alternative for Germany party is polling at 25 percent among voters, just behind the Christian Democratic Union and the Christian
Social Union. AfD leaders have publicly called for deporting “millions of foreigners back to their home countries.”

Over a million Germans protested in January 2024 after learning that AfD leaders met with far-right groups in Potsdam, site of the 1942 Wannsee Conference that developed the “final solution.” AfD leaders explored ways to “reverse the settlement of foreigners.”

The German economy shrank in 2023, leaving it about the same size as in 2017 in real terms. Integrating immigrants while dealing with labor shortage complaints and maintaining a path toward renewable energy are proving to be very difficult challenges for the coalition government. Germany’s auto industry, which employs 800,000 workers and exports three-fourths of the vehicles produced, as well as the mechanical engineering sector that employs a million, complain of high electricity and energy costs.

German industries pioneered the mass production of solar panels, but Chinese competitors can produce solar panels cheaper, leaving only German firms that produce niche solar products. Almost all of the solar panels installed in Europe in 2023 were imported, usually from China, prompting German solar panel manufacturers to demand a resilience bonus, higher prices for electricity from panels produced in Europe. Germany wants to increase its solar power production from 10 to 80 gigawatts a year, and some argue that, instead of protection from imports, German firms must build complete heating and battery systems rather than only panels.

Germany’s previous economic crises in the early 2000s led to labor market reforms known as the Hartz laws that required the unemployed to more quickly find new jobs.

The German train drivers union (GDL) called a six-day strike in January 2024, the fourth in two months, in support of demands for an 18 percent wage increase and a 35-hour work week. While Deutsche Bahn offered 13 percent wage increase for the current 38-hour work week. There have been other strikes that increase dissatisfaction with the so-called traffic light SPD-Green-FDP coalition government. Germany’s economic growth slowed due to higher energy prices, and inflation was higher in 2023 than any time in the previous half century. There are few prospects for relief from labor force growth due to an aging and shrinking population.

Netherlands
The anti-migrant and anti-Muslim Party for Freedom led by Geert Wilders won 37 of the 150 seats in the Dutch Parliament in November 2023 elections, making the Netherlands the third country after Italy and Sweden with rightist and anti-migrant parties with political clout. The Party for Freedom may form a coalition government with mainstream rightist parties.

Israel-Hamas
The Hamas attack in Israel in October 2023 included killing and taking hostage some of the 30,000 Thai guest workers in Israel. A third of the Thai guest workers left to avoid the conflict, prompting Israel in January 2024 to announce that up to 20,000 (Hindu) Indian migrants would be admitted to fill jobs paying about $1,500 a month that were previously filled by daily commuter Palestinians no longer admitted from Gaza and the West Bank as well as migrants from other countries.

Before the war, almost 200,000 Palestinians worked in Israel, compromising 20 percent of the West Bank’s workforce.

Russia-Ukraine
Russia invaded Ukraine in February 2022. Two years later, the two sides remain in a stalemate, with Russia occupying about 20 percent of Ukraine’s territory.

The war had major repercussions in both Russia and Ukraine, including reducing the power of Ukrainian oligarchs, many of whom got rich by buying state-owned factories and farms cheaply in the 1990s. There were 10 Ukrainian billionaires before the Russian invasion, and two in 2024. Unlike Russia, where most oligarchs support President Putin, oligarchs in Ukraine supported different media outlets and politicians.

Russia doubled spending on its military from 14 to 29 percent of federal spending over the past several years, explaining its ability to replace drones and ammunition used against Ukraine. Western sanctions have not cut Russia off from supplies of semiconductors that are used in drones and bombs.

Will the Russia-Ukraine war encourage European NATO countries to increase military spending? Denmark, Germany, Italy, and the Netherlands spend about one percent of GDP on defense, half of the two percent NATO target. Since the end of the cold war in the early 1990s, European nations enjoyed a peace dividend of about $2 trillion.

A March 2024 attack on a Moscow concert hall by four Tajik migrants left over 130 people dead. Migrants from the Central Asian “stans” do much of the low-skilled work in Russia, and Russian Muslims are a disproportionately high share of the Russian army fighting in Ukraine. Tajikistan has a population of 10 million, and a million Tajiks are employed in Russia.

China
China’s population of 1.4 billion dropped by 2.1 million in 2023, as
births fell to nine million and the fertility rate fell to one, well below the average 2.1 births per woman needed to keep the population stable. China had 30 million births in 1963 and 18 million births in 1980 when the one-child policy was adopted. India has 1.4 billion people and a growing population.

Some 20 percent of Chinese are 60 and older, the normal time of retirement for urban residents. By 2040, a third of Chinese will be 60 or older.

The one-child policy was ended in 2015, but its effects persisted. Recently, Chinese federal, provincial, and local governments have reversed course and are now encouraging couples to have two or three children. Instead of fines for having two or three children, couples can receive government payments.

The federal government provided $2 trillion to jump start US production of EVs, semiconductors, and solar panels. However, Chinese producers can produce these goods cheaper than European or US producers, raising questions about whether China is abiding by WTO rules against state subsidies that give its firms unfair advantages.

China is a manufacturing powerhouse, accounting for a third of global manufactured goods and a sixth of global goods exports due to low interest loans, free land from local governments and low energy prices. China produces 80 percent of the world’s solar panels, 60 percent of all electric vehicles, and 80 percent of electric vehicle batteries. The EU and US are considering new tariffs on Chinese imports.

Producing and exporting manufactured goods is substituting for building and furnishing condos and apartments.

China is uniquely positioned to help its high-tech industries expand because of its huge home market. Almost seven million EVs were sold in China in 2023, compared with about a million in the US. Some US analysts say that China provides so many subsidies that Chinese firms overproduce, making them willing to export products at low cost. In shipping, solar cells and steel, China expanded enough to drive most foreign competitors out of business.

Hong Kong created the Top Talent Pass Scheme in 2022, offering two-year renewable visas to foreigners with degrees from the world’s top 185 universities or an annual income of at least $320,000. Since then, over 95 percent of those approved have been mainland Chinese. Hong Kong has about 7.5 million residents, and Top Talent is expected to bring more mainland Chinese to the SAR, with some likening Hong Kong as the lifeboat to the big ship that is mainland China.

India

Will India become the China of the 2020s and 2030s, providing goods and services to the world? India has the world’s largest population, half under 25, and could surpass Germany and Japan to become the world’s third largest economy, after the US and China, by 2035.

With almost 20 percent of the world’s 15- to 64-year olds, India should be well positioned to attract electronics assemblers such as Foxconn. However, only a third of Indian women are in the labor force, compared with three-fourths of Chinese women. The Indian government’s agricultural subsidies plus cultural norms slow the movement of rural women to urban factories, a sharp contrast to the dorms that house millions of rural migrants around Chinese factories.

Some 260 million Indians are employed in agriculture, about 45 percent of the 570 million-strong Indian labor force. However, agriculture contributes only 18 percent to GDP, meaning low farm incomes.

The Indian government wants to reduce farm subsidies and encourage rural youth to move to cities and work in factories. However, farmers want the government to guarantee minimum prices for major commodities to support farm incomes, and have protested government plans to allow markets to set commodity prices because many fear they will not be able to find jobs in cities.

Farms act as safety valves for rural-urban migrants. Between 2019 and 2024, the number of Indians in farming increased by 60 million as factories closed to prevent the spread of covid. The rural safety net improved with many families able to receive five kilos of free rice or wheat each month and keeping some people in rural areas.

India is second only to Brazil in sugar production, and the leading consumer of sugar. There are 500 mills in Uttar Pradesh, Maharashtra and Karnataka, and 50 million people are involved in producing, harvesting and processing cane. Many of the workers who harvest cane take wage advances from crew leaders who report to the mills that keep them in debt bondage, working to repay debts that grow with interest and fees.

NGOs in Beed, Maharashtra report widespread labor abuses of farm workers. Instead of farmers hiring cane cutters, the mills rely on independent contractors with vehicles to recruit, transport and supervise cutters, and a million cane cutters are employed by these contractors in Maharashtra for the October to March harvest. Cutters receive about $900 or $5 a day in advance for cutting cane, and then work to pay off their debt, with the debt accumulating if cutters are unable to work sufficient days. Many cutters...
migrate as families, ensuring that some older children also cut cane.

The Indian government has high public debts, equivalent to 85 percent of GDP and second only to Brazil among fast-growing developing countries. The Indian government wants to increase manufacturing’s share of GDP from the current 15 percent to 25 percent, which requires FDI. Some foreigners are reluctant to invest in India due to import tariffs that raise the cost of needed inputs, bureaucracy that can slow the building of plants, and rigid labor laws.

Narendra Modi became Prime Minister and is expected to lead the Hindu Bharatiya Janata Party (BJP) to victory in one of the world’s the most expensive elections in April 2024. Election spending of $15 billion is about the same as expected spending on the 2024 US elections.

The Indian government in 2017 allowed businesses to buy electoral bonds or to make unlimited and undisclosed campaign contributions, and many firms that were under investigation made contributions. Electoral bonds were supposed to make political contributions more transparent, but backfired until the Indian Supreme Court ordered contributors to be revealed in January 2024.

India has become more unequal over the past decade. Over 90 percent of Indians live in households with annual incomes of less than $3,500 a year, although the social safety net has expanded to provide the poorest Indians with benefits that range from free food to cheap housing materials. As a result, many Indians are optimistic that their economic situation will improve.

Japan

Japan’s stock market reached a new high in 2024, with the Nikkei 225 topping 39,000; the previous high was almost 39,000 in 1989. The Japanese economy slipped to fourth-largest behind Germany in 2023, and the Japanese population is aging, with 20 percent of residents 75 and older.

Japan has been governed by the Liberal Democratic Party for almost the entire post WWII period, and there are few prospects for change as many Japanese say Shouganai, or it can’t be helped.

Korea

Korea has about 300,000 legal low-skilled migrant workers and another 430,000 migrants who overstayed their visas and are working illegally. A record 165,000 new three-year migrant visas will be issued under the Employment Permit System in 2024.

Korean wages of $1,500 to $2,500 a month are 10 times what workers could earn in 16 countries of origin that range from Bangladesh and Nepal to Vietnam, but working conditions can be harsh. The EPS was created in 2004 to solve the problem of migrants paying for foreign jobs, but does not deal with conditions for migrants in Korea. The Korean government wants to improve migrant worker housing with public dorms and increase labor law enforcement.

South Africa

Rival mining unions are taking workers hostage to win more members before 2024 elections. The Association of Mineworkers and Construction Union represents most platinum miners and is trying to increase its membership among gold miners by calling wildcat strikes, while the ANC-affiliated National Union of Mineworkers struggles to keep members that the AMCU seeks to poach.

Underground mine workers typically earn R10,500 or $550 a month for 48-hour weeks. The 29 major South Africa mining firms have decreased profits due to rising costs and rolling electricity blackouts.

Australia and New Zealand

The Costa Group was acquired by Paine Schwartz Partners for AUD $1.5 billion or $1 billion in February 2024. Driscoll’s has had a joint venture with Costa since 2010 to develop berries suited for Australia and New Zealand. Paine Schwartz has invested about $6 billion in farm companies in the 21st century.

GLOBAL: GDP

World GDP is $110 trillion in 2024, led by $27 trillion in the US, $18 trillion in China, $4.4 trillion each in Germany and Japan, $3.7 trillion in India, and $3 trillion each in the UK and France. The world’s five richest people or families, Elon Musk; Bernard Arnault’s family; Jeff Bezos; Larry Ellison; and Warren Buffett, had a combined $870 billion in 2024.

Foreign firms can ship goods worth less than $800 (up from $200 in 2016) directly to US consumers and avoid tariffs, resulting in a billion packages shipped directly to Americans tariff free, including a third from Shein and Temu, ultrafast-fashion retailers founded in China. US textile firms in southeastern states are shrinking, relying more heavily on the US military, which requires made-in-US clothing.

Ships move over 80 percent of goods that are traded, and freedom of the seas mean that ships of any nation can sail on the world’s oceans without interference. Houthi rebel attacks on ships in the Red Sea, warships and mines in the Black Sea, and pirates around the Horn of Africa and the Strait of Malacca are threatening freedom of the seas.

Over 800 global leaders at the World Economic Forum in Davos in January 2024 expressed optimism
about the economy in 2024, emphasizing that the US should be able to reduce inflation to two percent without increasing the unemployment rate significantly. There is political uncertainty, with over 60 countries with half of the world's people holding national elections in 2024 and two active wars, with uncertainty about the future direction of US policies among the major worries.

Federal prosecutors charged FIFA soccer officials with crimes, often committed outside the US, for accepting bribes to award the 2018 and 2022 World Cups to Russia and Qatar. Several US Supreme Court decisions since then raise questions about whether US prosecutors can use US courts to convict foreigners for acts of corruption abroad. Some of those convicted emphasized that accepting bribes was not illegal under their own country's laws, and are appealing their US convictions.

**OTHER**

**CALIFORNIA AGRICULTURE**

Bankrupt Fresno-based Prima Wawona laid off 5,400 workers in winter 2024, including 3,750 seasonal workers, and prepared to sell 13,000 acres of farm land, mostly planted to peaches and nectarines that were packed in Reedley and Cutler. Private equity firm Paine Schwartz Partners took over Wawona Packing in 2017 and Gerawan Farming in 2019, creating a farming and packing company, Prima Wawona, that was valued at $1 billion.

In October 2023, bankrupt Prima Wawona listed $600 million in debts and did not attract the minimum $275 million that Paine Schwartz wanted. Former Gerawan CEO Daniel Gerawan sued Paine Schwartz for mismanagement, including hiring high-priced consultants who added little.

The largest Prima Wawona creditor, Metropolitan Life, urged the bankruptcy court to sell the land and other assets and distribute the proceeds to creditors. Over 90 percent of the land was sold by March 2024, with Sun Pacific and Moonlight Companies combining to buy 5,000 acres for $91 million.

La Cooperativa was awarded $7 million in January 2024 by EDD to help workers laid off by major agribusiness firms including Prima Wawona.

California growers will plant 232,000 acres of processing tomatoes in 2024, down 10 percent due to the record 13 million tons harvested in 2023. Growers received a record $138 a ton in 2023, up from $105 a ton in 2022.

**U.S. AGRICULTURE**

Diary milk sales were $16 billion in 2023, while the value of plant-based milks, including almond, oat, coconut, rice, flax, hemp and soy, was $2.5 billion. Milk producers want non-dairy milks to remove the word milk from their label.

A class-action suit filed in March 2024 charges that US sugar producers colluded via Utah-based data provider Commodity to keep US sugar prices high. US sugar prices of $1 a pound in March 2024 were twice the $0.50 a pound in Canada.

The federal government spends $18 billion a year to subsidize crop insurance for US farmers, and 85 percent of the major crops such as corn and soybeans are insured, so that farmers receive some of their expected revenue even if weather or disease reduces yields.

Only half of US fruit and vegetable acreage is insured, in part because the subsidized cost of crop insurance can be 10 percent of expected gross revenue but pay only 60 to 70 percent of expected gross revenue if the crop is wiped out. Instead, many specialty crop farmers hope for disaster relief if they lose their crops.

**CEA**

More fresh tomatoes are being grown in controlled environment agriculture, structures that include greenhouses. The largest North American greenhouse operators include Sunset, Windset and Nature Fresh that have operations in Canada, Mexico and the US.

Many CEA firms went bankrupt in 2022-23. Fueled by venture capital, many failed to reduce the cost of their produce enough to attract more than niche consumers. The challenge is to reduce costs of production while emphasizing the benefits of CEA-grown produce to consumers in order to obtain premium prices. In New England, about 20 percent of leafy greens in supermarkets are from CEA facilities including Little Leaf Farms, the largest CEA operator in the region.

Greenhouses and vertical farms can grow fresh produce with up to 90 percent less water than conventional farms, but they require more energy to get the lighting needed for photosynthesis and to maintain temperatures ideal for plants. If the energy used for lighting is from fossil fuels, CEA can have more carbon emissions than open-field production.

**Chevron**

The US Supreme Court in January 2024 heard a case that could overturn the 1984 Chevron v. Natural Resources Defense Council decision that gave federal agencies rather than federal judges broad powers to interpret ambiguous
“price gouging, junk fees, greedflation, shrinkflation.”

Consumers often have mental reference prices for frequently bought items and complain that these reference prices have not returned to pre-covid levels. NielsenIQ analyzes supermarket scanner data and found that prices of some items rose over 50 percent between early 2020 and early 2024.

Some blame growing concentration in food retailing that allows supermarkets to charge their suppliers to display goods and increases profit margins. The Federal Trade Commission opposes a planned $20 billion merger of Kroger and Albertsons, while discounters with less selection and more private labels such as Dollar General, Dollar Tree, Trader Joe’s, Aldi and Lidl are expanding rapidly.

The FTC does not consider Walmart or Target to be supermarkets in competition with Kroger and Albertsons, and classifies dollar stores and Aldi and Lidl as limited assortment stores rather than supermarkets because they are not one-stop since they do not have all of the food items that shoppers want for a week.

Kroger and Albertsons say that they are competing with these non-traditional supermarkets as well as Amazon and other online grocery sellers. In 2023, Walmart accounted for 28 percent of US grocery sales, Kroger and Costco 10 percent each, and Albertson’s, Publix and Ahold Delhaize, five percent each.

Ultra-processed foods are sometimes defined as foods with ingredients that are not normally found in home kitchens such as protein isolates or emulsifiers. With American and British adults getting over half of their calories from ultra-processed foods, some nutritionists believe that the level of processing of food is just as important as the salt, sugar and fat content. Citric acid used to extend shelf life is the most common food additive.

Chocolate, ice cream, French fries, pizza and chips are ultra-processed foods that can be addictive for some people.

Ultra-processed foods, which are often high in fat, sugar and carbs, are more profitable than fresh foods, earning food manufacturers an average operating margin of 17 percent, almost three times the six percent margins of meat firms. The cost of the ingredients in ultra-processed foods is 15 to 25 percent of their retail prices. Many manufacturers modify lower-priced ingredients to imitate more expensive ingredients, such as using palm oil that costs $800 a ton to substitute for butter that costs $6,000 a ton.

Chile in 2016 required stop-sign labels on the front of food and drink labels that are high in sugar, sodium, saturated fat or calories, prompting other countries including Canada and Mexico to follow suit.

A billion people worldwide were obese in 2022, defined as a BMI of 30 or more, so that more people were obese than underweight, defined as a BMI of less than 18.5, for the first time. Some 43 percent of US adults 20 and older are obese, including 44 percent of women and 42 percent of men, up from 30 percent in 2000.

Sri Lankan cinnamon was ground into powder in Ecuador by Negasmart, where lead chromate was added to “bulk it up.” Ecuador-based Austrofood blended the cinnamon into applesauce and shipped pouches under the brand name WanaBana and store brands, where children in North Carolina who consumed the applesauce had lead levels six times higher than the lead level in the water in Flint, Michigan.

The contaminated applesauce raised questions about how to...
ensure food safety in imported food. The Food Safety Modernization Act of 2011 requires food importers to audit their suppliers, but does not prescribe how such audits should be conducted. The Food and Drug Administration investigated 1,200 investigations of food producers abroad, about one percent of registered food makers who export to the US.

The National Restaurant Association estimates that the 750,000 US restaurants, including 350,000 units of chain restaurants, have sales of $1 trillion a year. Some restaurants are experimenting with dynamic pricing, which means raising prices during periods of high demand, as airlines, rideshare firms and hotels do. Wendy’s withdrew a plan to experiment with dynamic pricing after a consumer backlash, but some independent restaurants with significant delivery businesses report that dynamic pricing more than pays for the cost of the software.

Many diners use apps such as OpenTable and Resy that require credit card information to make reservations, allowing restaurants to charge no-show and late cancellation fees of $10 to $50.

The price of cocoa topped $10,000 a ton in March 2024 due to excess rain in West Africa that reduced global cocoa production to less than five million metric tons, shrinking profit margins for candy companies that are also coping with high sugar prices. During the covid pandemic, government support allowed food manufacturers to raise prices without losing sales, but in 2023-24 many consumers switched to private-label products and took other steps to reduce spending.

The National Confectioners Association reported that US candy sales were a record $49 billion in 2023, including $26 billion worth of chocolate candy, $19 billion of non-chocolate candy, and $4 billion of gum. Two-thirds of candy sales are centered on Valentine’s Day ($4.5 billion), Easter ($5.5 billion), Halloween ($6.5 billion), and the winter holidays ($6.5 billion).

Wine

World wine production exceeds world wine consumption, putting downward pressure on the prices growers receive for wine grapes. California crushed 3.7 million tons of wine grapes in 2023, including two million tons or 54 percent of red grapes worth an average $1,350 a ton and 1.7 million tons of white worth $735 a ton. Napa’s grapes were worth $7,000 a ton, while Sonoma’s were worth $3,000 a ton. About 17 percent of the grapes crushed were Chardonnay, and another 17 percent were Cabernet.

However, some 400,000 tons of California wine grapes were not harvested in 2023, even as almost 70 million gallons of cheaper foreign wine, equivalent to about 400,000 tons of wine grapes, was imported in bulk to be blended with California wine. The Wine Group and Gallo account for half of bulk wine imports.

California has 615,000 acres of wine grapes, which wineries say is at least 10 percent too many. However, growers continue to plant more wine grapes, explaining the 50,000 non-bearing acres of wine grapes. Two-thirds of newly planted vineyards are red varieties led by Cabernet Sauvignon.

US wine shipments fell by eight percent in 2023, more than the six percent drop in beer shipments and the five percent drop in spirits shipments. One reason is that almost 10,000 US fine-dining restaurants closed, and the 10,000 additional fast-casual restaurants that replaced them sell relatively little wine.

The 50 largest of the 12,000 US wineries account for over 90 percent of US wine, led by Gallo with 100 million cases sold in 2023, the Wine Group with 45 million, Trinchero with 20 million, Constellation with 18 million, and Deutsch with 13 million. Wineries that sell five to 10 million cases include Bronco, TWE, Delicato, Ste Michelle and Jackson Family. Wineries selling two to three million cases a year include Precept, Bogle, WX, Duckhorn, Vintage, Foley and Korbel.

A 1991 segment on 60 Minutes concluded that the French had low rates of heart disease despite high-fat diets because they drank red wine, prompting a 40 percent increase in US red wine sales by 2000. There was little scientific research to support the benefits of red wine, and subsequent research suggests that wine hurts rather than helps human health.

Red wine has polyphenols such as resveratrol with antioxidant and anti-inflammatory properties, but in such small quantities that they cannot improve health.

French wine growers in Languedoc protest against French merchants who import Spanish wine and mix it with French wine. One group bombed a government office in Carcassonne in January 2024. Languedoc produces relatively low-priced French wine, and producers there complain that French négociants blend Spanish imports with more expensive local wine.

China imposed tariffs of 100 to 200 percent on Australian wines in 2020 after Australia’s Prime Minister questioned the origins of covid. Australian wine exports to China fell from $800 million a year to near zero, hurting Accolade Wines, which is selling itself to Bain Capital in 2024; Treasury Wine Estates (Penfolds) saw its sales and profits decline sharply.

China in March 2024 lifted the punitive tariffs on Australian wine.
Are higher priced wines better? Many people believe that the answer is yes, and reject a recommended $70 wine when they plan to spend $100. Other wine drinkers aim to buy what they perceive to be good wine at the lowest price.

The price-prestige equation can lead to the price of wine ratcheting upward. A winery that wants to have its wine on a restaurant wine list may raise the price or the restaurant can raise the price. Higher priced wines rarely end on $0.95 or $0.99.

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**Climate Change**

Average global temperatures in 2023 were 1.5C or 2.7F warmer than average temperatures between 1850 and 1900, with uncertainty due to determining the average ocean temperature before 1900. The earth is likely to continue to warm by up to 4C or 7F by 2100 depending on how fast carbon emissions slow.

Humans contribute about 36 billion tons of carbon dioxide each year, including two billion tons in 2023 that were attributed to Canadian wildfires. Proposals to slow carbon emissions involve protecting and regenerating forests, expanding kelp forests in the world’s oceans, and capturing CO2 from the air and storing it underground.

Can geoengineering extract CO2 from the atmosphere? The Carbfix-Climeworks Mammoth project in Iceland aims to capture up to 36,000 metric tons of carbon dioxide a year and pump it down into the bedrock to that it can be turned into a solid under extreme pressure. A similar Occidental Petroleum-Carbon Engineering Stratos project in Texas aims to capture CO2 from the atmosphere and use some of the CO2 to help extract more oil; the Stratos project benefits from a $180 a ton of CO2 captured US government subsidy.

Direct-air carbon-capture projects cost $500 to $1,000 to capture a ton of CO2 and are supported by governments and corporations, such as the $10 million Bill Gates pays to Climeworks each year. However, preserving forests is much cheaper, costing less than the average $10 to $30 a ton cost of carbon credits.

Almost two billion people, a quarter of the world’s residents, were living in areas that experienced drought in 2022-23. The effects of drought include less food production and higher prices, reduced traffic through the Panama Canal, and dry tropical rainforests that burn more easily.

Will the demand for oil and gas peak in 2030 as renewable energy expands? World leaders agreed to “transition away” from fossil fuels in order to reduce carbon emissions, but energy companies continue to invest in exploration and drilling to meet the demands for energy in fast-growing developing countries. OPEC says that peak oil is unlikely before 2045 to 2050.

Solar and wind produced over 3,400 terawatt hours of electricity in 2022, more than 10 times the 32-terawatt hours of 2000 but still provided less than five percent of the world’s energy. The cost of solar and wind power is falling, sometimes below the cost of electricity from coal and gas, although solar and wind is not as reliable. Firms hoping to obtain US subsidies for offshore wind energy are pulling back. Despite their success in Northern Europe, US efforts to build offshore structures wind energy must deal with high interest rates, high wages and regulations that require the use of US ships.

The European Union in 2025 will require retailers to trace the origins of many commodities sold in the EU to ensure that their production does not accelerate climate change, Indonesia and Malaysia, which involve 4.5 million people to supply 85 percent of the world’s palm oil, are protesting “regulatory imperialism,” their term for EU policies that aim to prevent deforestation by banning palm oil from land cleared after 2020 and to protect EU farmers who produce competing rape-seed or soybeans. The EU’s ban on imports from land cleared after 2020 also includes coffee, cocoa, cattle, soybeans, rubber and wood.

**Countries**

Indonesia is clearing tropical peatland to grow rice, corn and cassava, releasing carbon. Peatlands form in areas that are too wet for dead plants and animals to fully decompose, and store twice as much carbon as all of the world’s forests. In 2015, burning dried peatland released more greenhouse gases than all of Europe for several months.

The Indonesia government’s goal is to reduce food imports, but some environmentalists say that acidic peatland cleared for farming will have low yields. It is very difficult to restore drained peatlands to their previous natural state.

Half of all Africans lack electricity, but newly discovered natural gas deposits off Senegal and other coastal countries could help to electrify more of Africa. The US is the world’s largest producer of natural gas, followed by Russia, Iran and Canada. Natural gas emits less CO2 than the oil and gas powering China and India, but emits more methane, a longer lasting greenhouse gas. Algeria, Egypt and Nigeria are currently Africa’s top producers of natural gas.

Switzerland subsidizes its small farming sector, including the UNESCO-recognized practice of summering or moving cattle and sheep to mountain pastures in order to save valley grass for winter feed. Switzerland’s glaciers are sometimes called
the water tower of Europe, since their summer melt flows into rivers that are used for drinking water and irrigation downstream.

Higher temperatures are melting glaciers in the Alps, allowing the cattle and sheep to remain in the mountains longer. Summering continues due to government subsidies for maintaining mountain pastures and hiking trails that provide almost all of the income of alpine farmers.

Mongolia received a record amount of snow in 2023-24 that led to six million sheep, goats and cattle starving or freezing to death. There are some 60 million livestock in Mongolia, and a third of the country depends on agriculture for subsistence. The dzud weather involved a dry summer followed by a cold and snowy winter, meaning that animals were not ready for months of little pasture and farmers were unable to buy feed for them. A dzud in 2020 killed a third of the country’s then 30 million strong herd.

The 20-deck, 1,200 foot long 250,000-ton Icon of the Seas cruise ship that accommodates 8,000 guests and crew was launched in January 2024. The world’s largest cruise ship has eight neighborhoods and 40 restaurants, bars and entertainment venues. The ship is powered by liquified natural gas rather than heavy fuel oil, plugs into electricity when in port, and uses microwave-assisted pyrolysis to turn food and biowaste into small pellets.

The three major cruise firms, Carnival, Royal Caribbean and Norwegian Cruise Line Holdings, operate most of the world’s 3,000 cruise ships. With an average 2,000 beds for passengers, some 600,000 people can be cruising, over 30 million a year.
CPS data suggest that the foreign-born population was 50 million or 15 percent of US residents at the end of 2023, including 12 million unauthorized foreigners. There were 44 million foreign born US residents in 2020, including 10 million unauthorized foreigners.

The 50 million foreign-born include 12 million Mexican-born US residents, 5.4 million people born in the Caribbean, 4.8 million born in Central America, and 4.3 million born in South America. Some 8.2 million were born in East Asia and 4.3 million born on the Indian subcontinent. There were 4.5 million US residents born in Europe and 750,000 born in Canada.

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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Editor: Philip Martin
Managing Editor: Cecily Sprouse
rural@primal.ucdavis.edu
http://migration.ucdavis.edu

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