F:L/immigration/IRCA

# Agriculture & Immigration Issues in the 1990s

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March 10, 1993

Expansion of U.S. production of many fruit, nut, vegetable & horticultural crops appears likely to continue, driven both by increases in domestic consumption of certain products and by increased exports of many of these commodities. The most rapid increases are likely to be in the export portion.

It is surprising to learn of the sharp increases in production of fruits and vegetables in the U.S. over the past twenty years. However, the evidence is compelling: a 70% growth in the physical volume of production. California has both dominated this growth and has experienced a larger amount than other regions of the U.S. These data probably understate the increase in the volume of production of labor-intensive commodities since nursery crops are not included. See Figures 1 & 2.

Total U.S. agricultural exports have suffered in the past several years as a result of greater competition from European and other producers as well as from the world-wide recession of the early 1990s. The sector most directly affected has been field crops, especially grains. However, U.S. fruit, nut, berry, vegetable and horticultural product exports have continued to expand, despite the expected adverse impact of the recession on high priced commodities. Data for the most recent period are summarized in Table 1.

Table 1

**U.S. Fruit, Vegetable and Horticultural Exports**
Nominal Dollars, Billions

| Year | Fruit & Nut | Veg., Seed, Berry & Nursery |
|---|---|---|
| 1986 | $1.459 | $0.615 |
| 1987 | 1.689 | 0.666 |
| 1988 | 1.998 | 0.796 |
| 1989 | 2.084 | 0.860 |
| 1990 | 2.309 | 1.168 |
| 1991 | 2.396 | 1.382 |

Source: California Agricultural Exports, Annual Bulletin, California Department of Food & Agriculture, 1986-1991

The striking feature of the data is that, in nominal dollars, the combined total of U.S. exports of fruit, nut, vegetable, seed, berry and nursery products increased by 82% in just six years. California alone accounts for three-quarters of all U.S. exports of these commodities and, as of 1991, approximately 40% of the state's fruit and nut crop production was exported.

A little-recognized factor in the importance of international trade for U.S. agricultural producers is that, generally, annual per capita consumption of fresh fruits and vegetables is much greater in other nations than it is in the U.S. In both Japan and France, for example, annual per capita fresh vegetable consumption is twice that of the United States. In Turkey, it is four times that of the U.S.

This increase in production and exports suggests that we need to examine changes in labor demand that may accompany changes in production volume. We have used the Mamer & Wilkie labor coefficients for California crops to compare 1989 overall temporary labor demand with similar data computed by Runsten & LeVeen fifteen

years earlier. We find an overall 21% increase in labor demand implicit in this comparison.

Globalization of production as well as distribution will likely continue to increase under the new rules for trade. Indeed, the point of the new rules is to facilitate, if not directly stimulate, additional international commerce. The opening of the borders of the European Community and the inclusion of Spain and Portugal has already resulted in greater agricultural trade in the EC. Despite the continuing impasse in the Uruguay Round of GATT, there will ultimately be a greater international flow of goods, including agricultural commodities. It is worth noting that disagreements about the terms of GATT with respect to agricultural trade appear to be the main stumbling block to the successful conclusion of an agreement. The U.S. seeks terms more favorable to our agricultural exports while the Europeans, especially the French, want terms more favorable to their producers.

The largest single world market, at this writing, is the European Community. Therefore, much of the world's agricultural production intended for export is targeted to the EC. Those nations with geographic areas suitable for counter-seasonal production enjoy a particular advantage in the competition for these markets during the "off-season." Regions with this capacity have sought to develop their productive resources with the intention of serving this market. It is now possible for European residents to enjoy fresh melons and grapes during the long winter, if one is able and willing to pay the price. Dole Fresh Fruit

Company has recognized this point and has become the main exporter of table grapes from both Chile and the U.S., taking advantage of "two" summer seasons each year.

In recent years California agricultural exporters have geared much of their efforts to serving the two potentially most lucrative markets: the EC and Japan. Altogether, Pacific Rim nations account for 47% of California's agricultural exports, including 19% to Japan. About 20% of the state's agricultural exports are now shipped to the EC.

Well-organized industry leaders, such as Dole Food Company and Sun World International, Inc., have implemented strategies designed to reach these markets. According to Doug Barker, Executive Vice-President of Sun World, "If you're not shipping 30% of your product overseas you're depending too heavily on the domestic market." Sun World reports exporting 85% of its Valencia oranges, 65% of its grapefruit, 50% of its lemons, 40% of its grapes and 45% of its tomatoes.

As an illustration of the impact of exports on production trends consider table grapes. California table grape exports, in pounds, increased by 67% in the ten-year period 1981-1990. Exports today represent 21% of total fresh grape shipments. Hong Kong is now the third most important destination for California table grapes, ranking behind Los Angeles and New York, but well ahead of all other U.S. cities.

As Dave Runsten has pointed out, increased production will also result in heightened competition; and some firms and regions

may be forced out of producing certain crops. Much of the concern in the agricultural community about the North American Free Trade Agreement centers on the impact of heightened competition under the new rules, e.g., fresh tomato production in Florida vs. Mexico.

The trend to increased dependence on immigrant manual farm labor supplied from less developed nations will likely continue in Northern Hemisphere production areas. Within the EC it appears that a large share of manual farm labor in Spain is now supplied by immigrants from North Africa whereas in Italy manual farm labor is being supplied in large part by sub-Saharan Africans. Estimates from Spanish government sources place the number of undocumented North African immigrants working in the Spanish farm sector at more than one million.

Within the U.S. it appears likely that Mexicans and Central Americans will continue to assume a larger and larger share of the hired farm labor force. Already, there are reports of Mexicans supplanting Puerto Ricans in New Jersey. And the displacement of Black Americans by Mexicans in the Southern hired farm labor force appears to be nearly complete. One of the surprising findings of the NAWS survey is the relatively small share of the U.S. farm labor force represented by Black American.

There is a great reluctance on the part of EC and U.S. nationals to enter the hired farm work force, obviously associated with the low levels of wages and benefits available and difficulty of the manual labor required. Therefore, the displacement of EC and U.S. national will proceed as rapidly as immigrants are able to

build the necessary networks to gain access to these jobs.

The continuing hardships experienced by many Mexicans and Central Americans, as well as the displacement of hundreds of thousands of peasants from ejidos which are expected in the next period of time, suggests that "push" factors will play an important role in making large immigrant populations available within the U.S.

Runsten, Kearney and Zabin have suggested that the impoverishment of rural areas of Oaxaca has facilitated the movement of large numbers of indigenous immigrants into Sinaloa, Baja California and, eventually, the U.S. The appearance of the Mixteco farm workers in California and as far east as Pennsylvania and Maine reflects the broadening and deepening of the immigration of farm workers into the U.S.

Mines has pointed out the importance of self-generated immigrant "networks" as well as the crucial role of language and cultural intermediaries such as labor contractors and crew leaders in facilitating the entry of the new immigrants into the farm labor force. He has suggested, correctly I believe, that the recent dramatic increase in the utilization of labor contractors in U.S. agriculture is associated in large with the large pool of new immigrant labor being absorbed in the agricultural sector.

Policy Implications

First, IRCA has two components: immigration reform and immigration control. With respect to the former, IRCA accomplished a critical task: providing the opportunity for undocumented

agricultural workers in the U.S. to regularize their status. The large number of undocumented workers employed in U.S. agriculture in the mid-1980s was a serious problem throughout the Sun Belt and certain other regions, and was becoming more serious with each passing year. IRCA dealt with that problem, although some argue that it did so imperfectly. INS was ill prepared for the magnitude of that task, largely as a result of a striking underestimate of the number of persons likely to be eligible for the SAW program.

With respect to immigration control IRCA was a catastrophe. Not only did the mechanism for control, i.e., employer sanctions, have important loopholes (such as the infamous provision regarding "knowingly" hiring unauthorized workers) the basic concepts of the reform provisions were in fundamental conflict with the control provisions. That is, IRCA essentially says that if you want a chance to be legally authorized to work in the U.S., the place to be working as an undocumented worker is the U.S., not Mexico. The famous 1986 "IRCA surge" in immigration from Mexico is associated with the widespread understanding of the implied meaning of the reform provision.

In the epoch of globalization of the economies of the nations of the world, immigrant farm laborers are probably among the most advanced segments of our labor force. As the work of Palerm and his students has demonstrated, we are increasingly seeing trans-national families working as farm laborers, with established residences in both the U.S. and Mexico. In that sense farm workers, like soccer-style place kickers, may be harbingers of the

globalized labor force of the future.

The most important policy implication of the experience of the post-IRCA period to date is that large-scale immigration of farm workers to the U.S. continues, largely for reasons beyond the ability of IRCA to address. The evidence suggests that today, as in the early 1980s, we have a farm labor force in the U.S. that includes a very large number of undocumented workers and that their number will continue to grow with each passing year.

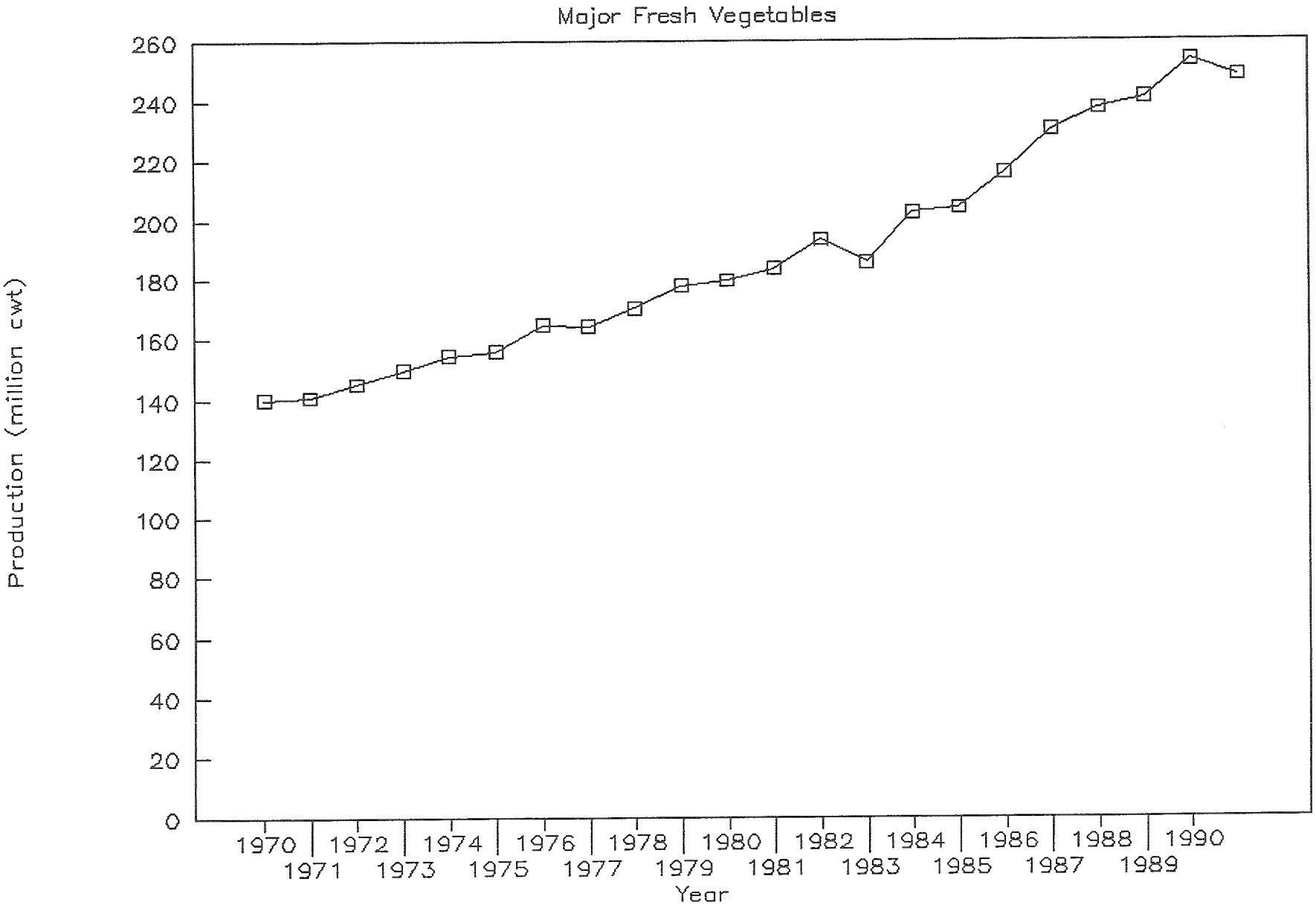
As a nation we have yet to come to grips in a serious way with the fact that, under present conditions, we seem to need, and therefore have, a large, and increasing, number of undocumented persons, whether farm laborers or domestic workers, in our labor force to do the jobs that U.S.-born persons will not do. In an open and free society, the border is not like a "gate" that can be opened and closed. Rather, the issue today is are we willing to cooperate with other nations to seek to establish minimal standards for labor across all borders. Can we develop rules for labor standards that are analogous to the rules we seek to establish for moving commodities across borders?

Second, many, if not most, of our farm worker service agencies, both governmental as well as private, non-profit, have been very slow to adjust to the very rapid recent changes in the U.S. farm labor force. From obsolete and bureaucratic definitions of farm workers to the desire of agencies to build empires or protect their "turf," the real needs of workers have been sadly neglected in all too many instances. Rare is the agency where

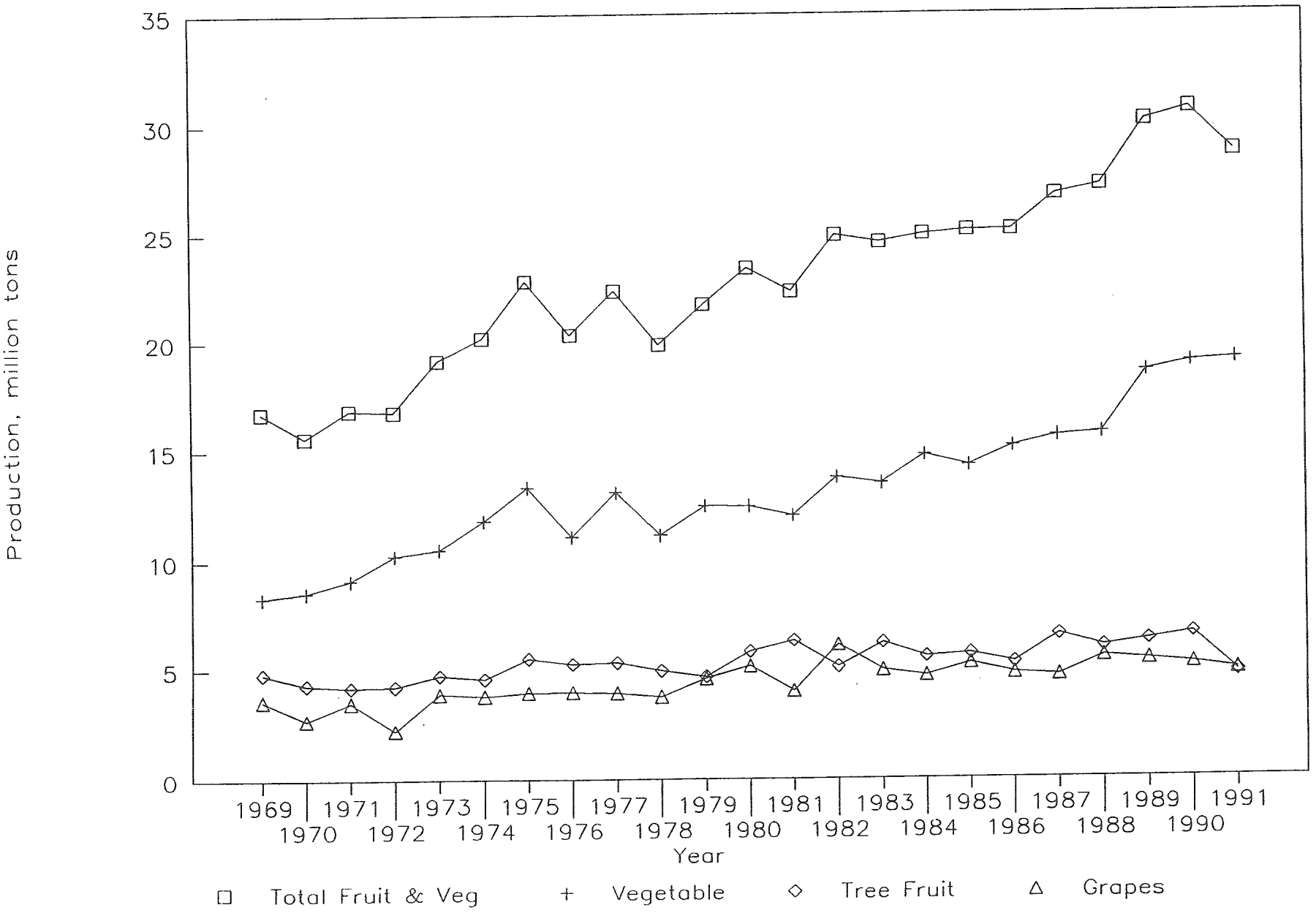
current farm workers provide real policy direction to guide its program.

Third, recent efforts to assess the status of farm workers and suggest approaches to improve their situation have essentially ignored the central importance of strengthening organizations which directly represent workers themselves. Whether CAW or the Farm Workers Services Coordinating Council (California), the issue of helping to re-build farm labor or mutual benefit self-help associations has been avoided. As Martin and others have found, farm workers represented by labor unions in the work place are better paid, have more benefits and experience better working conditions than farm workers not represented by unions. Support for labor organization in agriculture is badly needed. Hopefully, the new administration in Washington will provide a more sympathetic environment for workers than did the two previous ones.

# Fresh Vegetable Production, U.S.



# California Fruit & Vegetable Production



167,292,000 hours.[24] Comparison of their result with the result in Table I shows that seasonal hand-labor demand in these crops has increased significantly, by 21%, in the past sixteen years.

**Table I**

**Seasonal Hand-Labor Requirement**
**California Specialty Crops, 1989**

| Crop | Harvested Acres | Labor (hr./acre) | Total Hours |
|---|---|---|---|
| Almonds | 409,000 | 13.65 | 5,583,000 |
| Apricots | 17,400 | 141.07 | 2,455,000 |
| Cherries | 10,200 | 245.50 | 2,504,000 |
| Grapes, raisin | 271,000 | 81.50 | 22,086,000 |
| Grapes, table | 80,700 | 192.72 | 15,552,000 |
| Grapes, wine | 290,000 | 81.72 | 23,700,000 |
| Lemons | 48,400 | 120.00 | 5,808,000 |
| Oranges, navel/misc | 108,000 | 80.05 | 8,645,000 |
| Oranges, valencia | 69,500 | 93.50 | 6,498,000 |
| Peaches, cling | 27,600 | 123.90 | 3,420,000 |
| Peaches, freestone | 26,900 | 330.00 | 8,877,000 |
| Pears | 23,000 | 134.88 | 3,102,000 |
| Plums | 40,600 | 352.00 | 14,291,000 |
| Prunes | 76,900 | 21.67 | 1,666,000 |
| Walnuts | 177,000 | - | - |
| Asparagus | 37,500 | 61.80 | 2,318,000 |
| Carrots | 57,600 | 9.44 | 544,000 |
| Celery | 21,800 | 104.13 | 2,270,000 |
| Lettuce | 168,400 | 132.39 | 22,294,000 |
| Cantaloupes | 82,200 | 132.73 | 10,910,000 |
| Tomatoes, proc. | 276,500 | 33.66 | 9,307,000 |
| Tomatoes, fresh | 38,400 | 150.00 | 5,760,000 |
| Strawberries | 19,900 | 889.62 | 17,703,000 |
| Cotton | 1,059,000 | 2.62 | 2,775,000 |
| Sugar beets | 180,000 | 24.00 | 4,320,000 |
| | | Total hours | 202,388,000 |

Source: a.) California Agriculture, Statistical Review 1989, California Department of Food and Agriculture, Sacramento, CA, September 1990; b.) John W. Mamer and Alexa Wilkie, Seasonal Labor in California Agriculture: Labor Inputs for California Crops, California Agricultural Studies, No. 90-6, Employment Development Department, State of California, Sacramento, CA, December 1990; c.) For asparagus, Mamer and Wilkie's labor coefficient for Riverside County was used, and for fresh tomatoes, which Mamer and Wilkie did not report on, a CIRS estimate was used.