



Farm Foundation

Issue Report

Immigrants Change the Face of Rural America

New immigrant populations in rural communities bring opportunity and challenges for both.

Immigrants from Mexico, Latin America and Asia are changing the “face” of America. Most immigrants arriving in rural areas are from Mexico. Between one million and two million Mexicans currently have jobs on farms and in farm-related industries in rural areas from Florida to Washington and Maine to California.

Many of these rural areas have relatively small populations, and have not experienced a significant settlement of new immigrants for more than a century. In many cases, the newcomers are not authorized to work in the United States. This illegality adds a level of complexity and urgency to address the immigration that is rapidly Latinizing parts of rural America.

The New Immigration

About 95,000 foreigners arrive daily in the United States. Of that number, more than 90,000 are nonimmigrant tourists, business people, students and workers. About 3,000 are immigrants or refugees who have been invited to become permanent residents of the United States. The remaining 2,000 are unauthorized foreigners, primarily Mexicans, who enter the country by evading border controls.

Not all foreigners stay in the United States. Almost all of the visitors leave, about 20% of the immigrants eventually emigrate, and an even higher percentage of unauthorized foreigners depart.

The United States has always celebrated its immigrant heritage. The motto *e pluribus*

unum—from many one—highlights the renewal and rebirth brought by newcomers. Yet, since the days of the founding fathers, there have been concerns about the potential economic, political and cultural changes associated with immigration.

For its first 100 years, the United States welcomed foreigners who could help to settle a vast country. Beginning in the 1880s, qualitative restrictions began to be used to bar certain types of immigrants—prostitutes, low-skilled contract workers, and Chinese. In the 1920s, the United States developed the current qualitative and quantitative restrictions on potential immigrants. In 1965, the priority for entry switched to those with relatives in the United States and foreigners whom U.S. employers wanted to hire. The result was a shift from European to Latin American and Asian immigrants.

IRCA Opens the Door

The watershed event reshaping the face of rural America was the 1986 Immigration Reform and Control Act (IRCA), which, for the first time, imposed sanctions, fines and potential jail terms on employers who knowingly hired unauthorized workers. These sanctions were expected to close the labor market door to unauthorized workers, thus discouraging them from attempting to come.

IRCA had two programs to legalize foreigners who developed an equity stake in the United States. The first was for

Figure 1.
U.S. Immigrants by Region of Birth, 1960s to 1990s

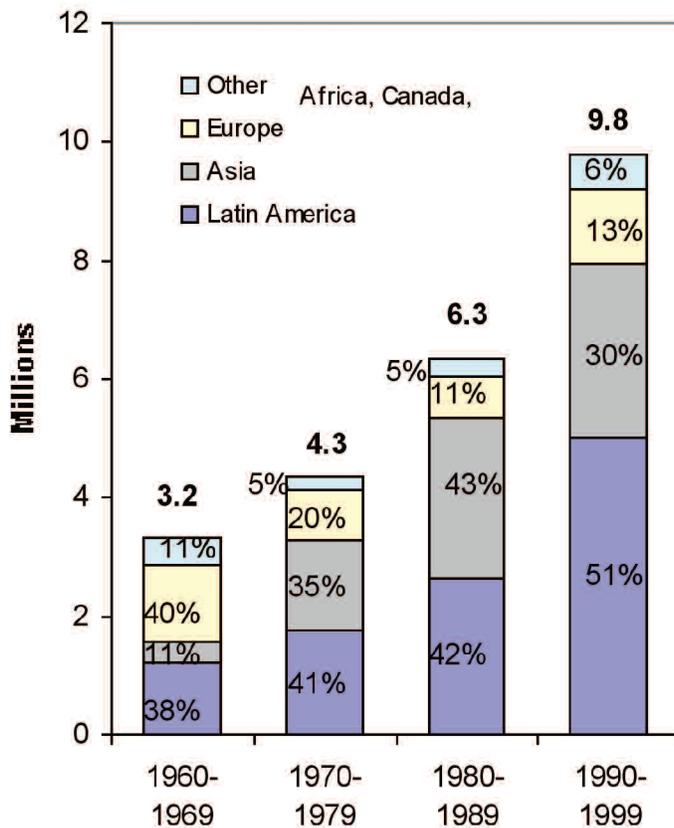


Figure 1 Source: Immigration and Naturalization Service (INS), 2000 Statistical Yearbook of the Immigration and Naturalization Service (2002): table 3; and INS, Statistical Yearbooks from 1970.

unauthorized foreigners who had been in the U.S. since 1982 (at least five years). The second—the Special Agricultural Worker (SAW) Program—was for workers who had done at least 90 days of farm work in 1985 and 1986. SAW did not apply to the families of workers.

About 400,000 SAW applicants were expected, but by 1988, 1.2 million foreigners had used the program, including more than 1 million Mexican men, or about one-sixth of the adult men in rural Mexico at that time. SAW had major impacts on rural America.

- Workers legalized through SAW moved throughout the United States, well beyond traditional areas of concentration in the Southwest and Florida. These workers earned a reputation with farmers, meatpackers and construction employers as reliable workers, who could quickly bring friends and relatives if additional workers were required.

- Unauthorized migration continued, the result of the porous border and displacement in rural Mexico due to the opening of the economy symbolized by the North American Free Trade Agreement (NAFTA).

- There was little enforcement of employer sanctions in the United States. The enforcement that did occur did not result in significant penalties for employers; many employers copied the work authorization documents presented by newly hired workers, thus protecting themselves from fines.

Impacts

The influx of workers and their families has brought an almost overnight transformation to small rural towns with a meat or poultry processing plant. With larger than average families and smaller than average paychecks, one potential result is rapid growth in the number of low-income residents, more children in school, and more pressure on low-cost health facilities and social services.

Some families, such as those with two wage-earners working year-round in processing plants for \$8/hour plus overtime, may have income of more than \$30,000 a year, enabling them to buy their own home. But the gap between income and expenses varies by locale, and is often significant in the metro areas where many labor-intensive crops are grown. In some agricultural areas where seasonal jobs pay \$8/hour, housing prices may begin at \$100,000 or more—the case in much of California. For migrant workers, this income-expense gap challenges economic mobility, such as home ownership, difficult to achieve. Poverty is growing amid the rising prosperity suggested by farm sales growth in such areas.

California's Central Valley illustrates this paradox. The 19-county valley, where six million people reside, has farm sales of more than \$16 billion a year. If the Central Valley were a state, it would be the second largest farm state in the country behind California. Over the past two decades, population growth has exceeded job growth. Seasonal agriculture workers account for 10% to 20% of all jobs. Unemployment rates in major farming counties range from 10%

to 20%, and jobless rates in farm worker communities often exceed 30%.

In the 2000 Census, the Fresno County community of Parlier had a population of 11,100 residents, 44% of whom were born in Mexico. Eighty-two percent of Parlier residents reported that they spoke Spanish at home. Two-thirds of Parlier's adults have not finished high school. A third of all households, and almost half of the households with children under 18, have incomes below the poverty line.

Fresno is the nation's leading farm county, with fruit, vegetables and horticultural production contributing to farm sales of \$3.4 billion in 2002. The Census reported the per capita income of Parlier families at \$5,300. The World Bank reports Mexico's per capita income at \$5,000. The fact that average incomes in Parlier, with its large Mexican population, are similar to average incomes in Mexico, raises the question of whether Mexican rural poverty will or is becoming U.S. rural poverty.

Policy Options

The challenges facing rural leaders are complex. Policy options include:

Make no changes: Foreigners would continue to arrive and find jobs, and employers would face few risks of enforcement since most government resources are concentrated at the border, aiming to prevent unauthorized entries. Migrants would likely continue to enter illegally because, once past the border, there would be little risk of enforcement. These migrant workers often come with their families, enrolling their children in U.S. schools. Once educated, however, these children usually refuse to follow their parents into the fields and factories. This could put rural America on an immigration treadmill, requiring more and more new migrants to sustain local industries.

Guest workers: Currently unauthorized workers would be allowed to become temporary guest workers free to enter and leave the country and to work in agriculture or nonfarm industries. However, they would not be allowed to bring their families, and would have to return to their countries of origin under the plan outlined by President Bush in January 2004. Social impacts would be minimized because the workers' families would not be admitted.

The United States has had a guest worker program in the past. During World War I and World War II, the U.S. government approved the recruitment of Mexican *braceros*, or strong arms, to work on U.S. farms. During these years, millions of Mexicans gained experience in the U.S. labor market.

The *bracero* program ended during the 1960s war on poverty. United States farms continued to consolidate into

fewer and larger units. Mechanization was encouraged, in part, by the success of labor unions in pushing wages higher for farm workers. The United Farm Workers won a 40% one-year wage increase for some farm workers in 1966, and again in 1979. But unions lost most of their contracts and members as Mexicans streamed north in response to the growth of jobs on U.S. farms and devaluations of the Mexican peso. One question is whether this pattern would be repeated under a new guest worker program.

Future citizens: Currently unauthorized workers would be allowed to become immigrants, with the right to live and work in most U.S. jobs and, after five years, to become naturalized United States citizens. As immigrants, these workers could unify their families and have access to government services.

TABLE 1

Parlier and California, 2000 Census		
	Parlier	California
Population	11,088	33,872,000
Foreign born	44%	26%
Median age	23.5	33.5
Education, no high school diploma	67%	23%
Education, college degree	3%	27%
Spanish spoken at home	82%	26%
Labor force	4,511	15,829,000
in agriculture	29%	2%
Median fam income, 1999	\$24,300	53,000
Average family size	4.6	3.4
Per capita income	\$5,283	\$15,588
Families below poverty	33%	11%
Source: Census 2000		
Average household size for renter-occupied unit		
Education data are for persons 25 and older; language is for persons 5 and older		

In Congress, the major Democratic proposal to deal with unauthorized migration-- the Safe, Orderly, Legal Visas and Enforcement act (SOLVE)-- would legalize unauthorized workers who have been in the United States for at least five years, worked at least two years, and pass English, background and medical checks. Those in the United States less than five years could apply for a "transitional status" valid for five years, after which they could apply for "earned immigrant status."

Earned legalization: Unauthorized foreigners now working in the United States could earn a probationary legal immigrant status by working at farm and related jobs for four to six more years. A bill pending in Congress, the Agricultural Job Opportunity, Benefits and Security Act, would temporarily legalize unauthorized foreigners who did at least 100 days of farm work, and allow them to become legal immigrants if they continued to do some U.S. farm work.

AgJOBS sends mixed signals about the future availability and cost of farm workers. On the one hand, AgJOBS expresses a desire for a legal farm work force, which advocates assume will also be a higher-paid work force. However, AgJOBS also signals to employers that foreign workers will continue to be available at a predictable cost. Unauthorized workers may continue to arrive and present false documents to employers in the hope of another legalization program.

Curtail or sharply reduce immigration: The higher wages that would presumably be required to attract domestic labor could temporarily disrupt rural

The Source

Immigration and the Changing Face of Rural America is a series of seminars examining the impacts of immigration patterns on agriculture and rural communities. It helps community leaders examine the role of immigrant labor in local farm economies, the role of communities in providing opportunities for

immigrants to build a new life, and the impact of immigrant populations on local schools, health care systems and other social services. The project, in which Farm Foundation is a collaborator, is headed by Phil Martin of the University of California-Davis, who was the contributing author for this publication.

economies, where land and other assets are priced, in part, on the availability of low-cost labor. There would likely be increased incentives for mechanization of agricultural field and related work. Growers and processors would likely experience increased labor costs and/or capital costs, squeezing their operating margins. Rural welfare, school and other social service costs may decrease.

Summary

Immigrants are an important source of labor for many agricultural farms and processing plants. The seasonal farm labor market is a port of entry to the United States for many rural Mexicans. But most newcomers find nonfarm jobs after less than a decade in U.S. farm fields, and their children, educated in the United States, do not follow their parents into the fields. This raises the question of whether seasonal farm labor is a portal to the American dream, a transition from rural poverty in Mexico to rural poverty in the United States, or a combination of the two, depending on individual circumstances and backgrounds. The challenge is to find a policy position which is fair, enforceable and somewhat flexible or adaptable.

Resources

Rural Migration News, a quarterly newsletter of the Changing Face Project. <http://migration.ucdavis.edu/>

Poverty Amid Prosperity: Immigration and the Changing Face of Rural California. 1997, Urban Institute Press. <http://www.urban.org>

"Farm Employment, Immigration, and Poverty: A Structural Analysis," Philip L. Martin and J. Edward Taylor, Journal of Agricultural and Resource Economics, 2003, Vol. 28, no. 2, pp. 349-363.

"Poverty Amid Prosperity: Farm Employment, Immigration, and Poverty in California," Phillip L. Martin and J. Edward Taylor, American Journal of Agricultural Economics, 1998, Volume 80, No. 5, 1008-14.

Immigration and Naturalization Service (INS), 2000 Statistical Yearbook of the Immigration and Naturalization Service (2002): Table 3; and INS, Statistical Yearbooks from 1970.

Census 2000 Average household size for renter-occupied unit Education data are for persons 25 and older; language is for persons 5 and older.

Farm Foundation's mission is to improve the economic and social well-being of U.S. agriculture, the food system and rural communities by serving as a catalyst to assist private and public sector decision makers in identifying and understanding forces that will shape the future.

Farm Foundation

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This publication is intended to be a vehicle for discussion and debate of challenges in agriculture and rural America.