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DOW JONES REPRINTS

Immigration Non-Harvest

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Peak harvest season is approaching in much of the country, and the biggest issue on the minds of many growers isn't the weather but how in the world they'll get their crops from the vine or off the tree. Thanks to Congress's immigration failure, farmers nationwide are facing their most serious labor shortage in years.

The problem was bad enough last year that some 20% of American agricultural products were stranded at the farm gate. And it's looking even worse this year, with estimates of crop losses in California, America's largest agricultural producer, estimated to hit 30%. This spring, labor shortages forced Michigan growers to leave asparagus rotting in the fields, while farmers in North Carolina lost nearly a third of their cucumber crop last year. They're growing fewer cukes this summer. In Washington state, the apple harvest begins in mid-August, but growers can't find the workers they need now to thin the crop so trees don't set more fruit than they can support; the cherry harvest is taking all the available hands.

The labor shortage is especially acute in "specialty crops" like fruits, nuts and vegetables. They constitute about half of the nation's overall crop value but require about three-quarters of all farm labor. Growers who can't find enough workers to pick cantaloupe and eggplant are already substituting row crops such as wheat, corn or soybeans that are more highly mechanized. The irony is that specialty crops are also the fastest-growing segment of agribusiness and the least subsidized by taxpayers. So the farm labor shortage could push growers toward government-subsidized crops that distort the world trading system.

All of this is a result of the low U.S. jobless rate combined with a shrinking supply of foreign -- i.e., immigrant -- labor. Migrant workers, often illegal, have picked American crops for decades, crossing the U.S. border during the harvest season and returning home when the work was done. This farm labor system operated almost as its own informal guest-worker program.

But a more heavily fortified southern border and government immigration raids have busted up this efficient North American labor market. Fewer potential farm workers are crossing the border, and when they do make it here fewer are going

back because they know it might be harder to return next year. Instead, they stay on as illegals and migrate to other industries such as construction or hospitality.

The resulting labor shortage is leading some employers to desperate measures. In upstate New York, dairy farmers have formed informal networks, so that when one farm is raided and loses workers, surrounding farms spare some of their own labor to help minimize the economic damage. We doubt al Qaeda is intimidated by these farmworker raids, but they are doing active harm to the U.S. economy.

By the way, this turns out to be a good test of the Lou Dobbs theory of labor economics, or the proposition that illegals are "stealing" jobs that Americans would otherwise do. Immigration restrictionists claim that if only illegal labor vanished, U.S. employers would raise wages and Americans would flock to Yuma to pick lettuce.

In the real world, Americans are already employed at other jobs, and growers can only afford to pay so much and stay competitive. So instead the labor shortage is increasing pressure on U.S. growers to move production offshore. According to Tim Chelling of the Western Growers Association, whose 3,000 members in California and Arizona generate half of the nation's fresh produce, "there's a quiet exodus going on already, tens of thousands of acres and millions of dollars in economic activity."

A number of large-scale growers have moved chunks of their operations south of the border to places like Mexicali Valley, Ensenada, Caborca, Guanajuato and Baja. That means the U.S. will be importing more artichokes and other high-value products. If the U.S. can't import foreign workers to help harvest American farm products, the U.S. will have to import more foreign farm products harvested by foreign workers. Either that, or Americans will pay a lot more for fruits and vegetables as their supply shrinks. Blame Mr. Dobbs and Tom Tancredo the next time you're appalled by prices at the grocery.

If the politicians insist on more immigration raids and border enforcement, then they need to allow for more legal farm-worker migration. Part of the immigration reform that failed last month in Congress was an "AgJobs" provision to overhaul the badly broken and little-used system for admitting foreign agriculture workers. The bill has bipartisan support, and it could serve as a pilot program for how a larger guest-worker system might work.

All that's needed is for Congress to show some political will, which these days is as scarce as farm workers.

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