

Agriculture and Community in California

Don Villarejo

(Panel presentation to honor Prof. Emeritus Walter Goldschmidt's remarkable work "As You Sow," at the California Studies Conference, February 8, 1991, West Sacramento, California.)

It is indeed an honor to share the podium with such a distinguished panel. I had not been aware until just a few moments ago that my first involvement in California political life in 1969, at that time organizing and leading a movement to stop another U.S. war, began in Royce Hall, at UCLA. And I find it so interesting and curious that the memory I have most clearly of my coming to California and beginning that activity should connect so closely to the earlier remarks (about the life of Josiah Royce).

The work that I am going to be talking about today is drawn mainly from a forthcoming publication on land tenure and farm structure within California's principle labor-intensive crops industries. Most of the work was done, not by myself, but by Pam Baines, Gretchen Bradfield and Judith Redmond, and I have benefited greatly from discussions with Dave Runsten and Trudy Wischemann, also of our staff. As Merrill was closing his remarks, I thought of a description that I saw in an article that appeared in the Fresno Bee, about the Hydraulic Brotherhood, a reference to what has been so well described by Merrill, but which is little known to most Californians.

And I thought in today's remarks I should try to give you some insight to those things that have occurred within California agriculture since the work that Wally undertook was published. The most important are, and I'll go through sort of an outline first and go back and amplify in each, are: first, the expansion of irrigated land; second, the very substantial increase in concentration of land ownership, and of farm structure; third, a very dramatic intensification of land use within our irrigated agricultural system; fourth, something that I think might have been unanticipated in the 1940's, a very substantial degree of separation of land ownership and farm operatorship from the people who actually do the work on the farm; fifth, the kind of changes in communities that are presently underway and are by no means complete; and sixth, what I perceive to be the role of policy, and I think here, a rather hopeful note.

With respect to the first, since 1940 the amount of irrigated land in California used in agriculture has more than doubled. Those of us who live in urban areas and are aware of the degree of infringement of urban growth on prime agricultural lands are surprised to discover this. Even in San Diego County, the amount of irrigated land has more than doubled in that period. Within Kern County and Tulare County (that I'll refer to occasionally as examples with respect to the kinds of ideas that Wally first put forward) - within Kern County alone we've gone from about a half a million acres of irrigable land in 1940 to over 850,000 acres of irrigated land today. In Tulare County the amount of irrigated land is roughly the same.

With respect to the concentration of land ownership and the concentration of farm structure, as recently as 1969, on a national basis, a majority of farm production in this country was accounted for by farms producing \$40,000 worth of agricultural commodities per year or less. Today the biggest 10% of U.S. farms are responsible for 2/3 of all of our agricultural production, and earn about 90% of the earned income from farm operations.

Perhaps the most dramatic way to see that with reference to Kern and Tulare Counties, is that in 1940 there were 12 farms that had 2,000 acres or more of irrigated land in Kern County. The 1987 Census of Agriculture showed

there are now 125 farms with at least 2,000 acres of irrigated land in Kern County.

With respect to land ownership, despite the more than tripling of the population in the last 50 years in Kern and Tulare Counties - subdivisions, growth of ranchettes, and so on - the number of ownerships of irrigated land has declined, from 10,900 to a little over 8,000. Hard to imagine. We've expanded the amount of irrigated land, more than tripled the population, we've done subdivisions, and there are actually fewer ownerships today by some 28% owning that land.

One of the most important developments that has occurred since the 1940's has been a very dramatic intensification of our land use patterns in California agriculture. Just within the last 20 years, the amount of vegetables we have produced in tons has increased by more than 70%. We have more than doubled the amount of land used for orchards and vineyards in the past 50 years. In Kern County today we have over 72,000 acres of grapes standing. Napa County, which we normally think of as the grape center of California, has less than 28,000 acres of grape land. Even the amount of wine grapes in Kern County, where we mainly produce table grapes, event the amount of wine grapes in Kern County is very nearly the same as the amount of wine grapes in Napa County (with an important difference!)

An important consequence of this intensification of our land use in agriculture, as Professor Juan Palerm remarked yesterday and has written about extensively, we have thereby increased significantly our demand for agricultural labor. One of the important points of the work that I've described in progress is our discovery that this increased demand for labor and the intensification of land use has had several significant consequences in terms of the relationship of farm structure to the farm labor market. First and most importantly, and this follows the ideas of Wally, over the past 50 years, the fraction of all of the labor on California's farms provided by farmers and family members, unpaid family members, has declined by more than a factor of 2. Today, less than 20% of all of the work on California farms is done by farmers and unpaid family members. Eighty percent or more is now done by hired farm workers. So we're more dependent on hired labor today than we've ever been. Of course, at peak season, the fraction of the labor that is done by hired farm workers probably exceeds 95%.

One of the things we've discovered, and this came as something of a surprise, is that, despite the increases in concentration of land ownership and the increases in concentration in farm size, we're finding a very significant separation of both ownership of land and ownerships of the farm business from those who actually conduct the farm business and do the work. For example, in the fresh market tomato industry in California, a very labor intensive industry, we found in 1987 that just 8% of the land on which fresh market tomatoes were grown was being worked by the people who owned it. Just 8%. That means that 92% is being operated by people who are non-owners, who don't have any permanent relationship to the ground. Who don't have a thought beyond this year's crop, by and large.

Within the citrus industry of Tulare County, where there are 1,940 farms that are producing citrus (unfortunately, not this year, but in most years) we have found that a majority of those farms are managed by a professional farm manager. Somebody may own the land, another business may lease the land from the owner, but the person who's actually out there, conducting the operation, is, in a majority of cases, a professional farm manager whose job it is to see that things are running.

One of the consequences of this kind of structural change is the distancing, as was remarked earlier, from the people who do the work by those who own the business or, as it is put by some of my farmer friends, "We've got a lot of D&D farms out there, doctors and dentists."

With respect to the changes in communities, there are more than 150 communities where significant populations of those who work on the land now reside. Professor Palerm remarked yesterday about those communities he's studying and the growth of Latino enclaves. The important points to consider in noting that these communities exist are, first, the aggregate population exceeds 1 million; second, the rate of growth of those communities, in terms of population, is more than twice the rate of growth for California as a whole; third, those populations are experiencing a deterioration of wages and working conditions that is far greater than is being experienced by working people in this country as a whole.

To illustrate that more clearly, ~5 months ago Trudy and I visited Huron, California, a little bit off Highway 5, and not a very popular stop for travelers between LA and San Francisco, and discovered more than a thousand people standing around a large business operation holding hand-made signs describing their protest against what was happening. This employer, the largest agricultural employer in California, with about 4,000 people on the payroll on a year-round basis, was under union contract to these workers, and had made an offer with respect to renewing the contract that provided the following: an across-the-board 10% wage cut, reduction or elimination of all medical and dental benefits, increasing the number of hours of work before overtime pay from the previous 8 to 10 hours of work before overtime would be paid; raising the number of hours of work required to qualify for any holiday or vacation pay; and a number of additional reductions in benefits. Needless to say, the workers were not pleased with the offer that the company was providing, and so the strike resulted. The main point is that we have experienced, in the 1980's, after some improvement in the previous decade, a very significant deterioration in wages and working conditions among those who work in agriculture.

For me the most dramatic way that I have come to understand this, is the results of a Department of Health Services survey of the children of McFarland, California. McFarland, as some of you may be aware, is what's called, euphemistically, a cancer cluster: an unexplained number of childhood illnesses that far exceed, by a factor of 10, what you would expect on the basis of a normal population. What's important to know about McFarland, is that it is one of 5 communities in California that, according to the census, has a majority of its population employed in agriculture. Because of the cancer cluster, the Department of Health Services conducted a comprehensive health survey of every child between the ages of 1 and 12 in the community: several hour physical examination, blood, urine, psychological testing, interviewing of family members, etc. Here's what was found: 71% of the children needed a medical referral; 24% were suffering from anemia, malnutrition; a majority had never been to a dentist; a majority had no medical insurance, not MediCal, not nothing.

Which brings me to the role of policy, and I'll end on a hopeful note, actually. The destruction of the acreage limitation provision of reclamation law, the 160 acres limit, a limit on land ownership that could receive federally subsidized irrigation water, I think is probably the most significant factor in the way in which the pattern in which land ownership and farm operatorship has developed. In 1982 the Reclamation Reform Act Compromise raised the limit to 960 acres, but, without a great deal of public notice, also abolished the requirement that recipients of federally subsidized water live on or near the farms they own. It also enabled the establishment of business trusts to hold property and attributed only to the beneficiaries a proportionate share, and it's this device that the 23,000 acre Boswell Ranch now continues to farm as a single piece, but the ownership is attributed to beneficiaries of the trust, a paper device to conceal what is really going on.

For me the hopeful note is the discovery that the folks who are working in California agriculture as a result of the changes in immigration law, as a

result of a political consciousness that comes from a shared culture (more than 90% of California farm workers are Mexican-born) have discovered that they do have a great deal of culture and community where they live.

In a community called Watsonville, a court decision came down that requires representation on a more accurate basis, political representation of those who live in the community. That has been applied successfully in Los Angeles, and I think will sweep through the Southwest.

As a result of the change in the political climate and the nature of the communities that I'm talking about, new political leaders are emerging. Juan Arambula in Fresno, and others that I could name who will ultimately be elected to Congress, and will begin to provide a new direction in political leadership. One of the most prized graphic materials we have in our office sits by the door. It was drawn by Henry Fonda, and it basically says that money that could have been used to create a better life is being used to stop people from fighting for their rights. And those who move in that direction will ultimately regret it. That's what's happening today with the election of new political leaders and the emergence of new political movements.
Thank you.

Questions for the Panel

Q (Carol Zabin, University of California, San Diego): I have a question about the possible conflict or convergence of interest between farm workers and small farmers, because it seems to me there is a contradiction there. It's easier to organize unions when there is a structure of agriculture of big owners, for a few reasons: 1) it's easier to negotiate with fewer agents, and we can see that where the UFW was successful it was with big companies in general; 2) we can think about it in terms of some technology, that at least larger farms have perhaps more potential to make longer seasons for workers because they may have farms in different parts of the state, or country, and finally, they may have bigger profit margins, allowing them to give a little more, have a little more slack in terms of giving some of the revenues to farm workers. Can you address some of these contradictions and maybe give a feel for whether there is becoming a convergence of the two or any potential for political movement between the two groups?

Panelist Walter Goldschmidt: Well, I can say a few things about it. First of all, the powers of the union of Cesar Chavez never liked my study; they liked the large corporate farms for exactly the reason that you've said. That is to say that they saw it was easier to organize the big corporate farms. It's my opinion that people don't follow their own self-interest, and I think this is a great mistake. The big farm union movement was the small farm movement on the northern plains right after the turn of the century and into the 1920's when the Depression kind of killed it -it was the beginning of the Farmers Union. That was a small farm operator thing, and they were very close to labor, and they were very Left, very closely associated with things like the IWW (International Workers of the World). I think there is a dilemma that does exist; I'm not so sure, however, that there is more profitability in the large corporate farms or that they're more willing to give to labor a larger share than the smaller farmers. And finally, the real interest, the underlying interest of the small farmer is with labor. If half of his wages is allocated to his own labor then it's important for that labor to be highly valued. And therefore it really is important for him not to have an underpaid wage labor group. If, however, he is competing as a small farmer with large farmers, whose advantage it is to have low wages and pay low wages, and who have repeatedly and consistently imported external labor into California in order to keep the labor low, then of course he's between a rock and a hard place, almost. I don't think that the "real

interest", in the best of all possible worlds, is in conflict, but it is seen as in conflict and is structurally made so by the very existence of the large-scale corporate farms. That would be my response.

Panel Chair Trudy Wischemann: I have one comment, too, in that if you want to look at the long-term question of organizing which is that -we've looked at the various corporations that have been bought out by corporations, and when that happens they reorganize in such a way that union contracts are lost. And so you can say, yeah, maybe they had higher wage rates at this one corporation, but they lost contracts in the last year -and this is very general, I'm not going to name names, I'd really love to, -but there has been an actual decline in the number of contracts through this manipulation of sub-units of an organization. So I think you have to take a longer-term look at what unions are actually able to accomplish with the larger corporations vs. the smaller farms.

Panelist Walter Goldschmidt: You mean like with the airlines. .

Panel Chair Trudy Wischemann: Yeah, it might be something like that. .Don probably has something to say on this matter.

Panelist Don Villarejo: I think it's the case that some communities, and we're trying to figure out ourselves who are the good candidates, you will find children of farmers going to the same schools as children of farm workers, and playing in the same athletic league and perhaps on the same team, and so on. Cesar's nephew (Freddie Chavez), in fact, told me that he had gone to school with one of the Pandol kids, of the Pandol Brothers. So there are some commonalities when folks live in the same community and share a lot of community resources, and that does offer some hope and some potential. Apart from the barriers that were alluded to earlier, it seems to me that there is a very significant cultural barrier that exists today, that will be important to overcome. And I think on the one hand the Latino population will want to overcome those barriers in certain ways: a great many folks want to learn English, and want to learn how to function in American society, and we're finding that more and more farmers and farm managers are desirous of learning how to communicate with the folks that they employ. And it isn't just among farmers; it's among the whole culture of people who are involved in farming. I was invited to a meeting by the San Joaquin County Agricultural Commissioner, and his entire field staff, who are responsible for enforcing pesticide regulations of the state of California, and they were describing how difficult it was, when they were making their field visits, to figure out who's in charge. It might be a labor contractor or a farm manager or a crew boss out there, and not the owner of the farm and not the person with ultimate legal responsibility, but more significantly than that, none of the 10 folks who do these field inspections speak a single word of Spanish. And you can imagine how successful they are when they get out into the field. And so the suggestions that were offered by Luis Magana of our staff were, first, they hire a bilingual staff person to at least be able to talk to people, and the other suggestion I made is that perhaps they should take, on paid company time, a few Spanish classes. And so the needs are really becoming acute, and I think that there are some hopes and prospects there.

Panel Chair Trudy Wischemann: Any other questions?

Q (George Goldman, University of California, Berkeley): Yes, I have six very quick comments, although I am a very short speaker, I don't elaborate. Number one: (and thanks for putting together such an interesting panel) Wendell Berry says, in terms of community, that technology is the enemy: it's not government

institutions; technology itself is the enemy. Second comment is: I can see your point of DWR and the water contractors as being essentially the same people, but I've been witness to the last ten years of negotiations involving those two since the Peripheral Canal was defeated and there's real conflict there. The water Contractors would like to expand the capacity of the State Water Project, and DWR for political reasons has resisted that, so even though they're really the same people, there has been a conflict in the interests of those two groups. Number three: I don't know what numbers you've been looking at, Don, but I've been looking at numbers from EDD as to labor: demand for labor seems to have plateaued in the last 15 years, in just numbers of bodies working in agriculture.

Panelist Don Villarejo: Those are wage reports made of people who pay taxes. They do not include those people who are paid in cash.

Q (George Goldman): Let me go on. Number four is: I've always thought the strongest and most feasible political thing that could be done to break up large farms would be a very strong, progressive, inheritance tax. And unfortunately we've gone the other way in California and for some reason liberals don't get excited about a good strong inheritance tax. I've never understood that: I think a strong inheritance tax with good manipulations and good TV ads could sell. I really think it could be the most progressive thing that could be done with respect to farms and communities. Number five: the prospective Mexican Free Trade agreement and the impact that would have, particularly on labor-intensive crops, because we could not compete against Latin America and South America on most labor-intensive crops. If we ever had a Mexican Free Trade agreement, labor-intensive crops I think would vanish from California. Number six: the 1982 Reclamation Reform Act is very, very interesting because that was a sellout to large agriculture. The 1982 Reform Act was supposed to wipe out the 1902 Reclamation law, and I've always asked: How did those provisions get in there? And it turns out that (maybe you know more than I do) but I think they got in there at like 2 am in the morning in the conference committee, and somebody put those in without anybody realizing it. And it got passed before the opposition could mobilize -I don't know who got those provisions in there, but certainly their name should go up on a plaque someplace. It was the most surprising, wonderful thing that happened, I think, in the whole year of 1982.

Panelist Merrill Goodall: I'll deal first with the DWR and SWC relationship. I think it's been a perfect relationship for the contractors. Now it's true there have been no big projects developed: on the other hand, there have been lots of small projects, including some really big energy projects that have been promoted by the contractors. The State of California today owns the largest steam electric plant in the country: this is Reid Gardner, in Nevada. There is no electric representative, no legislative committee overseeing the development of that plant. Contractor negotiations continue over amendments to the contractors all the time. The interest rate contractors now pay is much below what was anticipated 10 years ago, well below current interest rates. It seems to me that things are going well; I would suggest one access to this: read the annual reports of the Kern County Water Agency, and there's usually a page or two discussing the successive, harmonious relationship of contractors to DWR. On the inheritance tax, can I tell you a quick story? When I was just a kid, I guess I was 17 or something like that, when Senator Culbert Olson was the state senator representing Los Angeles County; and he gave a speech arguing for 75% income tax on state income in excess of 1 million dollars a year. And as a punctious kid I approached him after the speech, and said "Hey Senator, don't you know that there's a 75% federal tax? 75 and 75 is 150," and he said to me "I

know that, sonny, but there's only one person in this state with such an income, that's William Randolph Hearst, and we're going to get rid of him."

Panelist Don Villarejo: Just a couple of points that I'd like to respond to, and I think your points are very well taken, George. First, with respect to the Reclamation Reform Act, you're absolutely right that it was a sell-out, and the understanding I have of how it occurred is that national environmental groups took the position that they wanted to figure out how to increase water pricing through any mechanism they could locate, in order that increased water pricing would act as a market mechanism to discourage more water use. And it was those groups that played a key role through Congressman Miller's office in striking that compromise. And they knew what they were doing, because I've spoken with Dan Beard, who was present at the negotiations, and they knew what they were doing, it was intentional. One of the things I've discovered in talking with the leaders of the environmental groups is that they look at us as folks that have a social agenda, not as folks who have an environmental agenda, and they're finding less and less in common with us all the time. And that's unfortunate in a lot of ways. The second comment is with respect to labor demand, and that is ...oh, we're being told to get out of here. George and I will talk privately!

Panel Chair Trudy Wischemann: Thank you all for coming to our panel.