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## Short on Labor, Farmers in U.S. Shift to Mexico

## By JULIA PRESTON

CELAYA, Mexico — Steve Scaroni, a farmer from California, looked across a luxuriant field of lettuce here in central Mexico and liked what he saw: full-strength crews of Mexican farm workers with no immigration problems.

Farming since he was a teenager, Mr. Scaroni, 50, built a \$50 million business growing lettuce and broccoli in the fields of California, relying on the hands of immigrant workers, most of them Mexican and many probably in the United States illegally.

But early last year he began shifting part of his operation to rented fields here. Now some 500 Mexicans tend his crops in Mexico, where they run no risk of deportation.

"I'm as American red-blood as it gets," Mr. Scaroni said, "but I'm tired of fighting the fight on the immigration issue."

A sense of crisis prevails among American farmers who rely on immigrant laborers, more so since immigration legislation in the <u>United States Senate</u> failed in June and the authorities announced a crackdown on employers of illegal immigrants. An increasing number of farmers have been testing the alternative of raising crops across the border where there is a stable labor supply, growers and lawmakers in the United States and Mexico said.

Western Growers, an association representing farmers in California and Arizona, conducted an informal telephone survey of its members in the spring. Twelve large agribusinesses that acknowledged having operations in Mexico reported a total of 11,000 workers here.

"It seems there is a bigger rush to Mexico and elsewhere," said Tom Nassif, the Western Growers president, who said Americans were also farming in countries in Central America.

Precise statistics are not readily available on American farming in Mexico, because growers seek to maintain a low profile for their operations abroad. But Senator <u>Dianne Feinstein</u>, Democrat of California, displayed a map on the Senate floor in July locating more than 46,000 acres that American growers were cultivating in just two Mexican states, Guanajuato and Baja California.

"Farmers are renting land in Mexico," Ms. Feinstein said. "They don't want us to know that."

She predicted that more American farmers would move to Mexico for the ready work force and lower wages. Ms. Feinstein favored a measure in the failed immigration bill that would have created a new guest worker program for agriculture and a special legal status for illegal immigrant farm workers.

In the past, some Americans have planted south of the border to escape spiraling land prices and to ensure year-round deliveries of crops they can produce only seasonally in the United States. But in the last three years, Mr. Nassif and other growers said, labor force uncertainties have become a major reason farmers have shifted to Mexico.

While there are benefits for Mexico, as American farmers bring the latest technology and techniques to its crop-producing regions, American farm state economists say thousands of middle-class jobs supporting agriculture are being lost in the United States. Some lawmakers in the United States also point to security risks when food for Americans is increasingly produced in foreign countries.

Tramping through one of his first lettuce crops near Celaya, an agribusiness hub in Guanajuato, Mr. Scaroni is more candid than many farmers about his move here. He had made six trips to Washington, he said, to plead with Congress to provide more legal immigrants for agriculture.

"I have a customer base that demands we produce and deliver product every day," he said. "They don't want to hear the excuses." He acknowledges that wages are much lower in Mexico; he pays \$11 a day here as opposed to about \$9 an hour in California. But without legal workers in California, he said. "I have no choice but to offshore my operation."

The Department of Labor has reported that 53 percent of the 2.5 million farm workers in the United States are illegal immigrants; growers and labor unions say as much as 70 percent of younger field hands are illegal.

As the American authorities tightened the border in recent years, seasonal migration from Mexico has been interrupted, demographers say. Many illegal farm laborers, reluctant to leave the United States, have abandoned the arduous migrant work of agriculture for year-round construction and service jobs. Labor shortages during harvests have become common.

Some academics say warnings of a farm labor debacle are exaggerated. "By and large the most dire predictions don't come true," said Philip Martin, an agricultural economist at the <u>University of California</u>, Davis. "There is no doubt that some people can't count on workers showing up as much as they used to," Professor Martin said. "But most of the places that are crying the loudest are exceptional cases."

But some recent studies suggest that strains on the farm-labor supply are real. Stephen Levy, an economist at the Center for Continuing Study of the California Economy, in Palo Alto, compared unemployed Americans with illegal immigrant workers in the labor market. "The bottom line," Mr. Levy said, "is that most unemployed workers are not available to replace fired, unauthorized immigrant workers," in part because very few of the unemployed are in farm work.

Mr. Scaroni said he started growing in Mexico reluctantly, after seeing risks to his American operations. At peak season his California company, Valley Harvesting and Packing, employs more than 1,000 immigrants, and all have filled out the required federal form, known as an I-9, with Social Security numbers and other identity information.

"From my perspective everyone that works for me is legal," he said. But based on farm labor statistics, he surmises that many of his workers presented false documents.

An impatient man in perpetual motion, Mr. Scaroni marches through his fields shouting orders to Mexican crew leaders in rough Spanish while he negotiates to buy new trucks in Mexico on a walkie-talkie in one hand and to sell produce in the United States on a cellphone in the other.

Frustrated with experts who say that farmers with labor problems should mechanize, he plunges his hands into side-by-side lettuce plants, pulling out one crisp green head and one that is soggy and brown. After his company invested \$1 million in research, he said, "We haven't come up with a way to tell a machine what's a good head and what's a bad head."

He also dismisses arguments that he could attract workers by raising wages, saying Americans do not take the sweaty, seasonal field jobs. "I know beyond a shadow of a doubt that if I did that I would raise my costs and I would not have a legal work force," Mr. Scaroni said.

Still, transferring to Mexico has been costly, he said. Since the greens he cuts here go to bagged salads in supermarkets in the United States, he follows the same food-safety practices as he does in California. Renting fallow Mexican land, he enclosed his fields in fences and installed drip-irrigation systems for the filtered water he uses.

He trained his Mexican field crews to wear hair nets, arm sheaths and sanitized gloves, and held drills on the correct use of portable toilets. In the clean-scrubbed cooling house, women in white caps scrutinize produce for every stray hair and dirt spot.

By now about one-fifth of Mr. Scaroni's operation is on five farms approaching 2,000 acres in Guanajuato. A few of his Mexican employees came from California, like Antonio Martínez Aguilar, a field manager who worked there for 15 years but could never get immigration documents.

"I tried everything, but there wasn't anything anyone could do to make me legal," Mr. Martínez said.

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Negotiated among growers and unions over seven years, the agricultural measure in the failed immigration bill, known as AgJobs, had wider bipartisan support than the bill as a whole, lawmakers said. Its supporters have said they hope to bring it before Congress this fall, perhaps attached to the farm bill. [It was hurt by last week's resignation of Senator Larry E. Craig, the Idaho Republican who was one of its chief sponsors.]

Mr. Scaroni expects to recover his start-up costs because of the lower wages he pays here, although he says Mexican workers are less productive in their own country.

"It's not a cake walk down here," he said. "At least I know the one thing I don't have to worry about is losing my labor force because of an immigration raid."

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