

SPECIAL REPORT

CALIFORNIA GROWN

The golden state of agriculture. By Suzanne Finney



The Jefferson family grows leafy greens in Castroville, Calif.

California, “the Golden State,” is blessed with a moderate climate and some of the most fertile soil in the world. Despite stringent regulations, high taxes, and an abysmal business climate, its agricultural economy—the fifth largest in the world—thrives. A close look at agriculture producers in the upper San Joaquin Valley, the state’s leading agricultural area, finds people who are adaptable, forward looking, and quick to respond to market changes. No wonder agriculture flourishes here.

There are many Californias, from coast to desert to mountains to the Central Valley, with a variety of microclimates and challenges in each region. In the following stories, food producers in the upper San Joaquin Valley face issues common to others in the state: water wars, estate taxes, immigration, disappearing rangeland, and

onerous regulations. Each challenge takes on a different significance depending on the individual.

The people in these stories not only find workable solutions, but extend their efforts into the community. If a defining characteristic of California agriculture is dynamic change, the common trait of these food producers is pride. They are proud of their heritage and proud to be working in the most productive agricultural state in the country. Most of all, they are proud to provide nourishing, wholesome, healthy food to their communities, state, country and world, using sustainable methods. Each story is unique, but as Paul Wenger, president of California Farm Bureau Federation, says, “agriculture people are cut from the same fabric.” The fabric is a tapestry—strong and enduring.

Where Water Runs Uphill

The fight to save water in Modesto.

John Duarte remembers his grandfather proudly pointing to the canal that carried water from Don Pedro Reservoir to his farm. To his forefathers, that canal represented bitter battles and bonds and taxes—sacrifices for a stable water supply. Today, the Modesto Irrigation District (MID) plans to sell Don Pedro water to San Francisco, and John Duarte is fighting to stop it.

Water is piped, dammed, sold, stolen, regulated, politicized, polluted, pumped and diverted. It's measured in acre-feet—an acre covered a foot deep, or 325,851 gallons. According to the U.S. Environmental Protection Agency, the average American uses 100 gallons a day. To homeowners, water means green lawns and showers on demand. To environmentalists, water means fish. To growers, water means food. To the Modesto Irrigation District, water means cash.

Water runs uphill towards money. A potential 50-year deal between MID and the city and county of San Francisco starts off small but will escalate to 25,000 acre-feet per year. San Francisco will pay \$700 an acre-foot, an extravagant amount for a long-term water deal in this area. From John's point of view, there are many good reasons to run from this deal, but the simplest is the most compelling, "We don't have the water to sell."

John so vehemently opposes the sale that he ran for the MID board of directors in November 2011. He lost to an MID veteran who aligns with him on most major issues. John's campaign slogan, "Passion, Experience, and Discipline," sums up the man: he speaks out against the sale on radio shows, at city council meetings, water district public meetings, and anywhere else people will listen. "Nobody's going to come in and fix this community for us," he says. "We need to do it ourselves."

It's not like this California farmer doesn't have anything else to do. John is president of Duarte Nursery, a family-owned business that is "the largest permanent crops nursery in the country." It sells grapevines, almond trees, walnut rootstock, pistachio rootstock, stone fruit trees, citrus trees, cherry trees, pomegranate trees, blueberries, blackberries, olive trees, and poinsettias during the holiday season. They plan to add kiwis and figs.

The nursery hosts an annual open house that includes an industry trade show that draws thousands. John and his wife Alexandra also own a vineyard in the Sierra foothills where they grow cabernet sauvignon grapes, along with petit verdot, tempranillo, malbec, grenache, Syrah and petite Syrah. He serves on the board of directors



John and Alexandra Duarte in their high-elevation Northern California vineyard.

of the California Sustainable Winegrowing Alliance. They have four children at home and he jokes that "Alexandra would like my help with them once in a while."

He invests himself in the battle against the Modesto Irrigation District because he wholeheartedly believes that the water sale will destroy the local economy. Not dazzled by the many millions the sale would engender, John says that one acre-foot of water multiplies into \$10,000 in economic activity in the community. From his point of view, this sale is not a good deal long-term.

The MID says it needs the money to upgrade an aging infrastructure, comply with regulatory and legislative mandates, and pay its share for the relicensing of Don Pedro Reservoir, jointly owned by MID and the

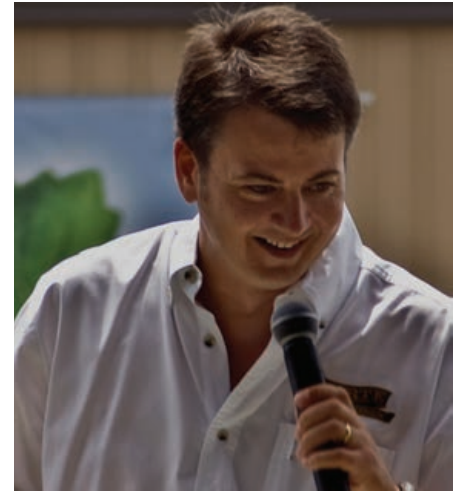
Turlock Irrigation District. Don Pedro dams the Tuolumne River, providing water and generating electricity for the two oldest irrigation districts in California. The lengthy, cumbersome process of relicensing began in 2011, requiring numerous studies and reports. John says expenses such as this were foreseeable. He cites an underfunded pension plan, high operation costs, and failed business projects as the real reasons MID is in trouble. MID says there is plenty of water for everybody. John says MID ignores major potential water losses in its calculations,

including water lost in the relicensing process as well as losses as part of San Joaquin and Tuolumne rivers' restoration projects.

The city of Modesto is building a second treatment plant that will double the currently contracted amount; MID contends that will flow from agricultural allocations as ag land comes out of production. John can't find that amount of farmland within the district in any of the city's current or long-term plans and asks if there is plenty of water, where was it three years ago when people went out of business due to a drought on the west side? He is against any long-term sale, especially one that gives San Francisco first rights to the water. "It may be your steak," he says, "but once the pit bull's got it, you aren't getting it back." In May, MID announced it

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LEFT: Welcome to Modesto. RIGHT: John Duarte speaking at Duarte Nursery's "Friends Day" in May. This year almost 2,000 people attended. Local politicians are invited to speak at lunch; this year the topic was heavily focused on water issues. All of the speakers commented on the strength of California agriculture and the importance of electing officials who will support and defend California's agriculture industry.

will raise farm water rates by 10 percent. John says it should be 100 percent.

"We have to pay our share," he says. According to John, agricultural lands with water rights within the district sell for nearly triple that outside the district. "That's what our water is worth in terms of the value of the land." The consequence of more farmers changing to well water (groundwater) is not just a lower water table, but also compromised quality. Additionally, the Sierra runoff used to recharge the aquifer each year ran from east to west. With the recent proliferation of crops on the east side of the valley, the recharge now pulls from the west—from the "drain" of the valley—where the boron, salts and contaminants flow. Adding more wells

will add to the problem. John supports the California Farm Bureau position that agriculture should pay for the water it uses.

When the MID was formed in 1887 to provide water for agriculture, it created a new kind of local government where all voters would have a voice and a financial stake. The concept was not universally embraced: a few years later, anti-irrigationists filed suit to prevent what they considered unfair taxation. Those with a vision of growth prevailed. Water would attract more people, allow crop diversity, and create prosperity. An influx of settlers meant a stronger taxpayer base. The 1893 La Grange Dam diverted water from the Tuolumne River into a main canal to feed other canals and laterals. In

1923, the original Don Pedro Dam was constructed slightly upstream to provide water storage and hydroelectricity. The electricity retired the debt.

The New Don Pedro Dam, completed in 1971, created the sixth-largest reservoir in California. "For us, as a generation of farmers in this community, to fail to pay our way after our forefathers delivered what they did would be a huge shame," says John Duarte. He takes a deep breath and continues. "We have to preserve our water. We owe it to the next generation." ■

NOTE: In September, after much public focus on the issue, MID voted to cease negotiations with San Francisco, following a deadlock on water-sale contract revisions.

Moving Into the Future

By getting out in front.

On a ranch in the lower Sierra Nevada foothills east of Oakdale, Calif., aka "Cowboy Capital of the World," natural light floods the offices of V.A. Rodden Inc. While horses graze in the front pasture, workers in back graft cabernet sauvignon vines to Syrah rootstock to transform a low-performing vineyard into a moneymaker. Inside, Nicole Solari, company vice president, pores over spreadsheets. Bill Jackson, chief executive officer, and his father, Don Jackson, purge file cabinets of studies, statements, and proposals documenting the 15-year creation of a housing development forged from a Rodden feedlot and clover ranch on the out-

skirts of town. Bill says, "We're moving into the future."

For Bill, the future is big business. In California's Central Valley, where undeveloped dry-range cattle land with underground water potential and no critical-habitat issues sells for \$6,000 to \$11,000 an acre, the small family farm is endangered as owners either sell or expand. When his grandfather, Vernon A. Rodden, died in 1987, Bill looked at what was happening around him—ranches being sold to pay taxes, cattle outfits disappearing, families scattering. He needed to generate income for the widely dispersed family. The estate included a feedlot/clover ranch in

Oakdale surrounded by development. All the agriculture potential was on other ranches outside of town, so the family merged the cattle operations, changed the company name to V.A. Rodden Inc., and began the lengthy process of annexing the Oakdale ranch to the city to develop it for housing. Bill Jackson had a game plan: diversification.

Today the company grows cattle, walnuts, almonds, cherries ("enough for one cherry pie," says Bill), and eight varieties of wine grapes on its 5,000-acre ranch outside Oakdale. Although Bill and Don are leaders in the beef industry—Don was named Live-stock Man of the Year in 1990, Bill in 2011—diversifying into crops required a huge leap of faith. The Jacksons attended short courses at U.C. Davis to learn the basics. They hired pest-control advisors and farm managers.

"If you're going to do this on a larger

scale,” Bill says, “you have to hire the expertise to do it right.”

The investment has paid off. The company is consistently in the top 10 percent of suppliers, source-and-age-verifying cattle to Harris Ranch, the largest beef producer in California and one of the largest in the nation, also participating in incentive programs for grapes, walnuts and almonds.

Diversification and high-quality output comes at a cost, not just from the outlay of cash that makes these operations run, but also from regulations piled on regulations. California was named the worst state in *Chief Executive’s* 2012 list of best and worst states in which to do business, mainly due to stringent regulations and excessive taxes. V.A. Rodden Inc. recently hired a full-time compliance officer and Bill estimates that, excluding that salary, the cost of complying with federal, state and county-specific regulations consumes five percent of its gross revenue.

That puts him at a disadvantage compared to growers in other states, but he takes a characteristically positive attitude: “California has the strictest pesticide laws in the world. That means our food is the safest product in the world.” He works with government agencies on numerous initiatives and mitigation projects, but he also gets out in front of the regulations, building goodwill in the process.

Bill recently partnered with the Oakdale Irrigation District to improve water quality. As a slough on his property collects tailwater—water that flows out of the district into



Bringing cattle in on the Circle Bar Ranch.

Dry Creek and through the Delta to the San Francisco Bay—a levee system cleans the water by slowing it, subbing out dirt and pollutants and filtering it with aquatic plants. The process benefits orchards downstream, cleans drain water, and restores waterfowl and wetland environment. Districts often have funds for similar projects, but are not always able to find willing partners. The paperwork-intensive permitting process is worth it to Bill and his family. He says, “The only way ag folks can survive is to be proactive.” Grants for everything from clean air

and water initiatives to installation of drip irrigation can help. For example, early in 2012, the U.S. Department of Agriculture made \$8.5 million available to Central Valley growers through its Environmental Quality Incentives Program.

How long those funds will be available is in question. Federal budget cuts can wipe out programs in an instant. State programs are equally at risk, as California battles an ever-increasing deficit—in May, Gov. Jerry Brown announced a \$16 billion shortfall. Even the municipalities are broke. Bill Jackson hires

JACKSON FAMILY ARCHIVES



Vernon Rodden started the ranch in 1862. Four generations have since worked the land. He would be pleased.



The Jackson family, from left: Leslie, Bill, Nancy and Nicole.

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LEFT: Bill and Don Jackson in 1980. ABOVE: Nicole Solari standing in front of the V.A. Rodden orchards.

his own security patrol because he rarely sees a sheriff's car in the area. The city of Oakdale turned off street lights in "nonessential" locations in a cost-saving move, but for \$25 a month, citizens can adopt a street lamp. That's typical in this agriculturally rich but fiscally broke state.

Bill hopes the next generation will come up with equitable solutions that encourage

He is optimistic that marketing and promotion will help create a public that is more knowledgeable about the way food is raised so that regulators base policy on science rather than fear. Ranchers have historically been good environmentalists but bad self-promoters. Bill hopes the next generation will change that. He uses the term "sustainable" as it relates to ranching practices, but

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For the day-to-day work at V.A. Rodden Inc., cowboys take care of the cattle and laborers tend the vineyards and orchards. But on big workdays, like branding, the whole family gets together and works on the land. Their strong roots reach down into the fertile, productive soil of the Central Valley, nourishing them with the strength to move into the future. ■

The Pebble in the Pond

Where ranchers and environmentalists intersect.

It's 1965. Anita Moran flies her Super Cub low, swooping over rice fields and lush grasslands dotted with cattle in the rolling hills near Milton. Snowcapped Sierra Nevada peaks glisten in the background. She lands uphill on the one-way strip her dad carved out of a hillside and walks past a nest of burrowing owls to the old Victorian house she shares with her family.

Thirty-two years later, Anita stands at the bottom of a 150-foot cliff and shakes her head while her husband, Gale "Slick" Slicton, points up and tries to talk her into climbing down a rope that will drop her on the other side of the creek. A water gap needs fixing, and he's got a plan. When she balks at the rope idea, he fixes up a molasses tub for a float and sends her across the creek with a shovel for a paddle. She recalls the story and laughs, "Being married to Slick was like being

married to Crocodile Dundee."

Anita tells many Slick stories, like the time a friend stopped by his cow camp and Slick asked him to stay for dinner. When the friend asked what they were having, Slick answered, "Parts." Or the time they attended the symphony, both dressed to the nines. Slick had even curled his mustache. At intermission, Father Kelley from the Catholic church in Sonora took one look at Slick and bellowed across the auditorium: "Hey Slick! Did ya wipe your boots before you came in?"

Twelve years after that outing, Anita stands alone in the back of a pickup and throws flakes of hay to the cattle. Slick dropped dead of a heart ailment only 20 feet from where they met. His friends help out on the big workdays, like branding or preg-checking, but day to day she's on her own. After she tosses the last flake, she runs to the

cab to move the truck forward and glances across to the ranch where she grew up. The landing strip has disappeared, overgrown with grass. Her dad sold that ranch due to the burden of estate taxes but kept Moran Ranch, purchased by Anita's grandfather. Thomas John Moran, son of an Irish immigrant, came to the California foothills in 1852 when he caught "gold fever."

Today, Anita Moran Slicton runs Moran Ranch in partnership with her sister Mary Ann, and Slicton Cattle Company on her own. She is well prepared to do so. "I was raised by the men from Marlboro Country." For seven years, she was the only student in her class in a one-room country school. When she transferred to Oakdale High School, she signed up for agriculture and was placed in home economics—ag was not an option for girls. As was common at the time, Anita's father did not believe that women could or should run ranches. He urged her to marry a cattleman, and he provided a list. If she didn't like the choices, she could become a nun. She did neither: she married a trial lawyer and moved to Stockton. When her

wishes the same concept would be applied to state budgets and regulations. As a fifth-generation California rancher, he's certain that if his predecessors had not practiced sustainability for the past 150 years, he would not be ranching today.

Nicole Solari, Bill's oldest daughter,

joined the family business this year. She left her job as an agricultural banker because the best part of it had been meeting with farmers and ranchers for on-the-ground business evaluations. She discovered that on the ground is where she needs to be.

husband died 30 years later, she moved back to the ranch and vowed, "I would rather lie down and die than sell the ranch and move to town."

Selling the ranch is often the only option for those hit with estate taxes. Currently, estate tax has a \$5 million exemption and a tax rate of 35 percent. In 2013, the exemption diminishes to \$1 million and the rate increases to 55 percent. To those not involved with agriculture, a multimillion-dollar estate looks exorbitant, but for many ag families, those millions are on paper only—the value of the land and equipment required to continue operations. All too often, heirs must liquidate assets to pay the tax. Selling is the last thing Anita wants, because she cares deeply about this land.

Preserving natural grasslands for grazing, maintaining biodiversity, and creating open space impassions her. Moran Ranch and Slicton Cattle Company are nestled in one of the largest rangelands left in California. Two of her neighbors have placed their land in voluntary conservation easements through the California Rangeland Trust, founded in 1998 by members of the California Cattlemen's Association. The trust assembles funds from state and federal programs, but competition for those funds is enormous; demand far exceeds the resources. Anita looked into conservation easements in conjunction with adjoining ranches, but the project fell apart when a neighbor sold to a newcomer not interested in an easement. He would rather put in trees.

Acres of orchards line Milton Road traveling north from Oakdale, past Woodward Reservoir, up to Highway 4, an east-west artery that snakes over the Sierra. Historically



ABOVE: Anita Moran Slicton in spring 2012 on the Moran Ranch. The Milton-Farmington grasslands are prime cattle grazing areas. These are the lands she wants to preserve. BELOW: Anita and her Super Cub "Charlie" in the 1960s. She flew for fun, looking for cattle and coyotes. She landed on a dirt strip her dad carved out of a hillside.

some of the richest grazing land in California, the area is home to diverse wildlife species and numerous cattle ranches. As the land value for orchards increases, many ranchers are either selling or converting to trees. Anita has been approached on both counts. "Once you've destroyed these natural grasslands," she says, "there's no going back." She delights in the diversity of wildlife that rangelands provide. She'd rather see orchards in the flatlands where the topography is

more suitable for irrigation. "If we're going to save habitat," she says, "the private landowner has to pitch in." This is where conservationists and cattlemen can intersect.

Anita is a card-carrying member of the Sierra Club. Her love of the outdoors led her there; for 20 years she has backpacked into the Sierra Nevada where she is a fervent ambassador for the cattle industry. She spreads the word that ranchers are excellent stewards of the land, true environmentalists, and providers of wildlife habitat. She has found an improved receptivity to ranchers' problems and says the city folk understand that "those of us who live and work on the land love the land. We want to make a living so we can stay here."

She encourages civil dialogue and dislikes extremists of any ilk. "Environmentalists are basically very good people who just lack complete information," she says. She supports the California Rangeland Conservation Coalition, of which California Rangeland Trust is a founding member, where representatives of the cattle industry, environmentalists, and state and federal agencies work together to educate policy-makers to preserve rangeland and long-term ranching. Anita says that although not everybody will



MORAN FAMILY ARCHIVES



PHOTOS COURTESY ANITA MORAN SLICTON



agree on everything, they can work together on the things they do agree on.

Conservation easements can partially relieve stress on the cattle industry, but growing pressure to remove cattle from public lands and increase grazing fees is taking a toll. Like advancing armies, both trees and machines overtake the rangeland, sucking up water. With more and more pressure for less and less ground, it takes people like Anita to bridge the gap between cattlemen and environmentalists. The wind blows her hair



TOP LEFT: Anita in front of rice fields on the Moran Ranch near Milton. "I would rather lie down and die than sell the ranch and move to town."

ABOVE: Anita as a young woman on her horse Swaps. LEFT: Anita and Slick at their postbranding campfire. "Being married to Slick was like being married to Crocodile Dundee."

across her face and she sweeps it back with one hand. "One person *can* make a difference," she says. "You know that saying? When you throw a pebble into the pond, it makes a ripple." ■

Nibbling for a Greener California

Creative solutions to urban encroachment.

In California agriculture, the name Cubiburu is synonymous with sheep. Jean Cubiburu came to Stockton, Calif., from the French Basque country in 1948, and in a classic rags-to-riches story he built an empire of sheep and cattle. He and Florence Iroz met at a Basque picnic and married in 1971. Florence was the granddaughter of sheep people on both sides, Basques who had moved to the San Joaquin Valley in the late 1800s.

Eleven years after they married, Jean died, leaving Florence with 22,000 sheep, 1,000 cows, and three children. Times were tough but she flung herself into the industry full force (Florence was the first female president of California Wool Growers Associa-

tion) and raised her family with the help of relatives and friends. As her children grew, she encouraged them to pursue a less stressful, more stable life outside the livestock industry because she wanted an easier life for them.

John, her middle child, was eight when his dad died. For the next 10 years, he arose every day before sunup to care for the animals. The smell of fresh grass, the baaing of sheep, seeing a newborn lamb stand on its feet for the first time, all fed his soul. He headed off to Cal Poly, San Luis Obispo and majored in animal science. After graduation he moved to San Francisco. He sold insurance for two years then began a career selling communications. A year later, John had

saved enough money to do what he'd wanted to do all along—buy his first truckload of ewe lambs. In 2006, he left his Bay Area job and, with partners, started his own communications business. By its fourth year, the company made the "Inc. 500" list as one of the nation's fastest growing privately held companies in the United States. Florence was happy because he was making a good living. John was happy because he had the best of both worlds. Hard work is in his genes, but so is his love of agriculture.

John Cubiburu runs Cubiburu Livestock, headquartered in Stockton on the eastern edge of the lush, fertile Sacramento-San Joaquin River Delta, 70 miles east of San Francisco. John got valuable advice from his

mother. “Get involved. Open your eyes. Learn.” He learned that he couldn’t do things the way his parents did because times had changed. He also learned that people would pay a premium for a product they could identify. By adhering to protocols that did not essentially differ from the way they’d raised sheep for decades, Cubiburu Livestock captured a growing and profitable niche—naturally raised, antibiotic- and hormone-free, grass-fed meat.

More than 80 percent of their lambs are shipped to two Bay Area suppliers, Niman Ranch and Pozzi Lamb. Cody Hiemke says the Cubiburus provide a consistent product, a valuable asset to Niman Ranch. Joe Pozzi—a leader in the sheep industry and, like Niman, committed to sustainability and humane, natural ranching—supplies lamb to, among other West Coast consumers, the Northern California chain of Whole Foods Groceries, the world’s largest retailer of natural and organic foods. Pozzi values the extra effort that Cubiburu gives. “John has always looked for opportunities to enhance his livestock operation,” he says, “by reaching out and asking questions.”

Because of their proximity to the Bay Area, the Cubiburus supply fresh lamb to these buyers quickly and efficiently, not relying on an increasingly costly and diminishing farm-to-market infrastructure. Their animals thrive on some of the most fertile land in the country with year-round access to rich, nourishing vegetation—vegetation that is disappearing. Although the economic downturn has slowed California’s construction boom, developers continue to convert agriculturally productive land to housing for Bay Area workers who will trade time in a car for affordable homes. Lathrop, once a Cen-

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Quinci, John, Luke and Florence Cubiburu in duck habitat in the Sacramento-San Joaquin River Delta. BELOW: John’s father, Jean Cubiburu (Aita in Basque), died when John was only eight.

tral Valley farm town, is now a master planned community. Most of the 17,000 occupants are transplants who work in the city. The transition from farm community to bedroom community happened quickly, but John saw it coming.

“You have to evolve with the changes,” he says. As his grazing lands turned into homes, he approached the developers. He offered targeted grazing—using sheep to manage weeds that if left alone would create a fire hazard. With sheep, the fields would not require disking and his sheep would get plenty to eat. John put together a communication plan, and the collaboration between Cubiburu Livestock, the city of Lathrop, and the property owners began. The environmentally friendly mowers moved in.

Cubiburu knows targeted grazing in Lathrop is a short-term solution. Lathrop projects a build-out population of 70,000. There’s no room for sheep in that analysis. These fields supply only a small portion of the graze that he needs, so he continually searches for new opportunities for the near term. For a long-term solution, John is looking to the delta.

The Sacramento-San Joaquin River Delta comprises 738,000 acres in roughly a triangle at the northwest end of the San Joaquin Valley. The delta is prime farmland, carved into numerous islands or tracts by a thousand miles of waterways. Once a vast tule marsh, the land was reclaimed in the 1800s by farmers who built a system of levees for flood

control. Corn, wheat, barley, alfalfa, tomatoes, rice, fruit, nuts, grapes, berries, asparagus and other crops thrive in the rich peat soil.

It is a fishing and recreational destination, but the main use of this sparsely populated land is agriculture. Wetlands restoration and enhancement projects flourish in this estuary—a mixture of freshwater and seawater that supports more than 750 species of wildlife and plants. Some landowners in the area have partnered with the USDA’s Natural Resources Conservation Service to restore habitat for migrating birds and to improve the water supply. Because of a high water table, beautiful, luscious, delicious, nourishing grass grows profusely—grass that needs to be managed.

One of the advantages of having a name synonymous with sheep is that it opens gates. When John approached various landowners in the delta, both owners of duck clubs and agriculture producers, he was welcomed. One farmer had known his parents 20 years prior, when Cubiburu sheep were used to clean up grain stubble. Now his sheep graze on four different islands, one accessible only by ferry. One measure of successful habitat restoration is the number of ducks that return year after year. The goal is to increase that number. Sheep manage the grounds in a way that’s attractive to ducks, eating undesirable forage and thinning the vegetation. Ducklings have a higher survival rate in this environment.

CUBIBURU FAMILY ARCHIVES





LEFT: Happy ewes just shorn, with market-ready California spring lambs. RIGHT: John puts up a mobile electric fence in a weed-infested field in Lathrop.

The sheep not only clean up the vegetation, but they also compact the levees.

What pleases John Cubiburu most is that his sheep do a service for the environment wherever they go. Targeted grazing—thinning vegetation, managing fire hazards, improving habitat—is a creative solution to the problem of urban encroachment. The U.S. Census Bureau estimates that California’s population will reach 50 million by 2025. These people will need a place to live, but they’ll also need to eat. “There’s more to this than just money,” says Florence. “We’re feeding people here.”

John looks ahead, to partnerships and grazing areas yet to be developed. When his own son graduates from college, John wants



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to be able to offer him a place in the sheep business. John’s dad passed down a heritage that can’t be measured in dollars—a passion for agriculture. He sees that passion in his three-year-old son, Luke, whose eyes light up when he pulls on his boots and heads for the ranch. Cubiburu Livestock will evolve; it’s not sure what the landscape will look like, but it will be different. And there will still be sheep. ■

Transforming the Golden State

Mexico and California share more than a border.

Vicente’s name and identifying details have been changed for this story. When Vicente walks down the street in his hometown, he doesn’t meet anyone’s eyes. That would be too dangerous. He doesn’t like taking buses either. Not far from where he lives, a city of 60,000 deep inside Mexico, a bus was hijacked and everyone onboard killed by drug cartel thugs who don’t discriminate. They kill children and other innocents in monstrous, grisly attacks. Today, he glances down the street before he reaches into the bed of his one-ton pickup and hands his son the carefully wrapped cobalt-rimmed drinking glasses he bought in Guadalajara. He and his wife and son run a home furnishings shop out of their house, and gangs are demanding protection money from shop owners. Or else. Vicente hasn’t been approached yet, but he knows his time will come. There is only one place he feels safe right now... America.

Vicente travels here legally. He has permanent resident status, also known as a green card. He received the card in 1984, many years after he started working in America. Before that, he crossed the border illegally, either alone or with the help of a coyote, a person who smuggles people across for a fee. He has crossed hidden in a vehicle

and walking alone across the desert. He came here to work so he could build a life in Mexico. In America, he could quadruple his hourly wage. After working three years, he built the foundation for his house—in Mexico. He is now 59 and has a house, a wife, a son, a daughter, and a shop on their home’s first floor. When he’s home, he tends the peach and mango trees he planted in the backyard. In America, he works on a ranch in a remote part of the state, planting and cutting hay, gathering cattle, mending fence—whatever needs to be done. He misses his wife and children when he’s away; they talk on the phone every Sunday after church.

There is nobody working in the area who would say Vicente is taking a job away from an American but many politicians would disagree. Whether or not immigrants are doing the jobs that Americans won’t do is one of many arguments in the endless debate surrounding immigration. Victor Davis Hanson, a San Joaquin Valley grape grower and professor of classics and military history, writes in his book “Mexifornia”: “I ask my brother whether he knows the true social costs generated by his plum-picking crew; he barks back, ‘Go to the mall, then, and get me some of those hardworking American teenagers.’”

The family that Vicente works for has teenagers, too, and they help out on the ranch but they have other dreams. Vicente is reliable, hardworking and skilled. His employer has not turned away any American applicants; there is no pool to draw from. The work is seasonal. American workers want a steady income. For Vicente, the compensation for being away from home is fair. If it weren’t, he wouldn’t do it.

While Vicente sets the irrigation sprinklers, journalists and politicians and centers for Hispanic studies crank out statistics and reports to support their own immigration agendas, whether it’s amnesty, deportation, less porous borders, militarized borders, or stronger enforcement of existing laws to deal with the three- to four-million illegals estimated to be living in California.

One of the more bewildering examples of the chaos: illegal workers pay taxes and receive refunds. Because illegals do not have social security numbers, the Internal Revenue Service created an individual taxpayer identification number, an ITIN, so that they can report income and pay taxes. This makes them eligible for the Additional Child Tax Credit, which can provide up to \$1,000 per child and does not require proof of residence. In 2010, refunds of \$4.2 billion were paid to illegal workers, more than was collected in taxes from ITIN holders. The IRS maintained it was following the law as written. Last year, Rep. Sam Johnson (R-TX) authored a measure, H.R. 1956, to amend

the IRS code to require at least one parent to provide a Social Security number to claim a refund per the child tax credit. In May 2012, the measure cleared the House of Representatives and made it to the Senate. Senate Majority Leader Harry Reid publicly opposed the measure because, he said, "There's no need to punish children."

In April, the Pew Hispanic Center, analyzing data from the U.S. Census Bureau, reported that for the first time in four decades, the net migration from Mexico to the United States has fallen to zero. The estimates are that there are now 12 million immigrants from Mexico in the United States. The numbers are unprecedented but the percentage is not: German and Irish immigrants in the late 19th century accounted for an equal share of immigrants in their time. The difference is that over half of the current Mexican immigrants are here illegally. It's easier to get here from Mexico than it is from Europe. We share a border with a country in which poverty is rampant, corruption is the norm, and innocent people are killed by the dozens by combatants in drug wars.

Many of the hundreds of thousands who illegally cross the border every year are not just looking for a better life, but for a way out of a desperate situation. For years,

Vicente gambled his life to get here.

Vicente feels safe in America, but he doesn't want to live here full time. His wages provide a higher standard of living in Mexico than he could ever attain in America. In Mexico, he has a home, a family, and a shop. And he has history there. His city was founded in the 1500s. He doesn't need our welfare programs or our medical system. When he needed thyroid surgery last year, he had it done in Mexico. Although he could have had the surgery in his hometown at almost no cost, he traveled to a different town where he could get faster service and better care. In his town, a hospital built last year stands empty for lack of doctors.

Working in America has given Vicente and his family a good life in Mexico, although he can't change the violence. Americans treat him well, he says; he is well respected in both countries. But here, he is terribly lonely for his family. Eight years ago, he paid application fees of \$750 to bring his wife and son in as visitors. (His daughter is adopted and was not yet part of the family at that time.) The last letter he received from the U.S. Citizenship

and Immigration Services informed him that his application was acceptable, but no visas were currently available. He will wait.

Vicente says that working in America is good for both countries. Mexico profits because those who return spend their money in Mexico. Vicente profits because he has a better life. America profits because we have a labor force for the agriculture jobs that Americans don't want, at a wage that allows us to produce food cheaply.

The mess that we are in regarding immigration is a failure of policies. We, as a country, can't take clear action because there is no consensus. Vicente does not fit a stereotype. If you saw him driving a tractor across an alfalfa field, you would think he was just another hardworking farmer doing what has to be done. He would be an inconvenient example for those on either side of a debate. He tries to make the best life he can for his family and says that "people are people" when he's questioned about the differences between Mexico and America. Whether or not Vicente should be here is irrelevant. He is here. ■

U.S. Census Bureau data indicates that Hispanics will overtake whites as the predominant ethnic group in California sometime in 2013.

CALIFORNIA FARM BUREAU FEDERATION



On an overcast day, a crew harvests lettuce in a field near Salinas.

Making It Work

Paul Wenger, president of California Farm Bureau Federation, talks about California ag issues. Interview by Suzanne Finney.

Paul Wenger is serving his second term as president of the largest agricultural organization in California. He works on behalf of more than 74,000 members in 56 counties, traveling to Washington, D.C., and throughout the country to fulfill the organization's mission. We met at his historic farmhouse in Modesto, set among his family's walnut and almond orchards, and spoke for several hours about the Golden State's agriculture and its producers. Here are some of his views on California's major ag issues as expressed during that visit and in subsequent written correspondence.—Suzanne Finney

WATER

Modesto has an arch downtown that says “Water Wealth Contentment Health.” It all starts with water. California farmers and ranchers have doubled the production of food and fiber with basically the same amount of water for the last 40 years. Technology and irrigation efficiencies made this possible, yet you still hear claims from the uninformed public that agriculture wastes water. The general public has no clue where their water comes from or what it takes to get it to them or how the food that they eat every day is produced. All they know is that water comes out of a tap when they turn it on, and the grocery store always has plenty of food.

If climatologists are right and we experience heavier rainfall events with less accumulated snowpack in the Sierra Nevada in the future, without increased water storage and more reservoirs, we'll be facing some serious problems. In California, we currently have a law that defines hydroelectric power generation over 30 megawatts as not meeting

the criteria for being renewable under the Renewable Portfolio Standards. There is nothing more renewable than hydroelectric generation, yet we have a law that says otherwise. Politics now favor solar. Actually, solar is not as clean as folks claim when you figure in the life-cycle analysis of creating the solar installations. It's clean at the point of power generation, but think about all the petroleum it took to mine the materials to assemble the components in the solar panels and installations, not to mention the coal shipped from our country to China, which manufactures the solar components that are then shipped back to the United States. Reservoirs and dams not only avert potential floodwaters, but also store water that is utilized for recreation, food production, manufacturing, and consumption, as well as a reliable source of clean, dependable electric power generation that has the flexibility to meet fluctuating demands on the power grid.

We're lucky here in the Modesto Irrigation District and we've got to pay the price to keep the water. We can't afford to lose what has helped us to become so successful. There are growers in the southern San Joaquin Valley paying up to \$500 an acre-foot. In San Diego, some pay \$1,000. Some avocado growers there are stumping their trees, which means they cut them back to a stump about three feet high. That gives them three or four years before the tree produces again and has higher water consumption demands. They do this hoping they'll get more water at a cheaper price later. To be an avocado grower and stump half your trees just to stay in business? That's a sad situation.

ESTATE TAX

I once heard a citrus grower comment to one of our senators, “You could give me all the

water I could ever use, but if you don't solve the estate tax, I won't be on the farm that's been in our family for generations because we're going to lose it.” We have been working with Congressman Mike Thompson and Sen. Dianne Feinstein to create legislation that will defer the estate tax as long as the land stays in the family and is used for agriculture. Unfortunately, farmers are the wealthiest the day they die. Ranchers and farmers should be able to pass the operation along to the next generation without such an onerous tax on illiquid assets. Our bank account is our land, so there is usually little cash to settle the egregious estate-tax bill.

Repealing the death tax in its entirety will never happen, unfortunately. The federal government wants the money. Estate taxes take on an added dimension in the western states where very wealthy people—sports figures, politicians, Hollywood folks—buy our rangelands for recreation rather than for livestock or timber production. China is also here buying orchards and dairies, poultry farms, vineyards and almonds. If farmers have to sell the land to pay estate taxes, there will be plenty of buyers, but they most likely will be absentee owners, developers, or others who will take the land out of production.

IMMIGRATION REFORM

The food we consume today is going to be harvested by foreign labor. The question is: Will it be harvested here in the United States under our standards of food safety, or in a foreign country with different standards? Nobody here will fill the work requirements in agriculture. Americans want scheduled hours, breaks, and uninterrupted employment. Those who suggest that if employers paid more, they'd get a domestic labor force are being unrealistic because Americans won't do these ag jobs for any price.

Some legislators are suggesting caps on the number of immigrants allowed into this country to work as seasonal agricultural workers. Caps won't work. Some workers want to come up just for the almond harvest. They work two or three months and go home. If you count them under caps, we'll be short of labor. Livestock producers need longer-term workers. The demand from employers for capable workers ought to determine the number of workers allowed into the country. We send mixed messages to our immigrant workforce by making it hard to get in and then saying they need to stay.



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Paul Wenger knows that California's 2011 grape crush was 3.8 million tons, that California is world leader in almond production and responsible for 75 percent of the world trade of walnuts.

Then we only want them here for a short time. The current situation is untenable. We need reform. We need a visa specifically for agriculture so a worker can move from employer to employer at will. With a biometric I.D. card, we'd know the worker coming across the border was who they said they were. If we give workers the ability to go back and forth across the border freely, they'll use it. This would increase national security by reducing the numbers of workers crossing the border in search of jobs. And it would allow border agents to step up their aggressive enforcement to better protect themselves from those who can't qualify to come through a legal point of entry.

ENVIRONMENTALISM

People say they're environmentalists and yet they don't understand how the environment works. They have a utopian view. For instance, we have more trees in California now than we've ever had, but you continue to hear people say we need to stop logging. Yes, to someone who doesn't understand the resource, logging may look terrible, but come back in a few years and you will find a vibrant, growing forest.

We have to push back against fringe environmentalists, what I call the elitists. If you ask them to verify their claims, they can't do it. I once had a representative from a major environmental organization tell me that because of monocultures and industrial farming, we're sterilizing our soils. I asked him to show me some land that is sterilized. He responded, "Well, it's out there." I followed up by telling him I could take him to ground that used to be alkali pasture which couldn't feed many cows for very long, yet today they're producing three and four crops of vegetables a year. "Show me what you're talking about." He can't. With technology and soil sampling and tissue sampling, we can release elements to make ground more productive. I have yet to see one acre of ground in California that is barren because of farming or ranching practices. Yet environmental groups will put misinformation out there because they have the money to do so and don't need to back it up with facts.

There are groups out there that are very pragmatic and results oriented, like Sustainable Conservation. The Nature Conservancy has also been an ally with certain restorations we've undertaken in California. The California Farm Bureau has joined with Sustainable Conservation and the Sand County Founda-

Since 1984, more than 1.3 million acres of agricultural land in California were converted to nonagricultural purposes. The largest losses were from prime farmland and grazing land. Unique farmland has shown a small net increase over the 24-year period due to expansion of high-value crops—mostly orchards and vineyards—on hilly terrain.—AMERICAN FARMLAND TRUST (2008)

tion in presenting the annual Aldo Leopold Award, which recognizes the good work farmers and ranchers have done for generations to be stewards of the land. We've got to reach out to those groups and work together.

True environmentalists care about results. That's why most farmers and ranchers are the real deal when it comes to environmentalism. I can deal with anybody who's about results. We can sit down across the table with differing views, and as long as we all know where we want to go, we'll get there. But if somebody's sitting at that table who says it can only be one way, you'll never get a solution. Today the elitists are driving the discussion. We need to engage everybody who really cares about a better future for their kids and grandkids.

REGULATION REFORM

The climate-change dialogue of the last few years is the regulation-reform dialogue we are having today. The current dire economic situation our state and country finds itself in has people talking about burdensome, process-driven regulations which are killing the entrepreneurial spirit that has made our country great. It's death by a thousand blows. Every time you turn around there's another form to fill out, class to take, fee to pay. In California, we grow hundreds of commodities in a diversity of microclimates, so you can't make one regulation or solve one problem that will have the same effect everywhere. Each issue takes on a different significance depending on where you live and what your situation is. The regulatory climate in California is convoluted and complex and has for the most part been detrimental to business and agriculture.

A CALL TO ACTION

Farmers and ranchers talk pessimistically but live optimistically. If you go to a gathering of these producers, you hear nothing but complaining. Yet we get up every morning, look at the challenges—weather, markets—and make it work. The only way to make it work in Sacramento and Washington, D.C., is to pool our resources and hold those in leader-

ship positions accountable.

Farmers and ranchers must pull together. A cowman in Siskiyou County must work with the grape grower in Fresno County. We can't afford to say it's their issue because we're cut from the same fabric. If they come after your neighbor, get in the fight too. It no longer works to close the gate. You have to be engaged. We also need to engage those who don't understand where their food comes from and who take it for granted that food will always be in the store.

Standing on a soapbox doesn't do anything. You can gab all day long and it won't change a thing. We need ammunition in the battle to change Sacramento and Washington, D.C. And the ammunition is money. You need to endorse and support those individuals who can get something done in Sacramento and Washington—pragmatic people who make decisions for the right reasons. People care about food. Today everybody's watching food shows and turning chefs into rock stars. It's all about healthy food and healthy living. The potential is there for success. We only need to engage consumers and tell them what we're doing, how we're doing it, and why.

Everyone has to get more aggressive, stand up and get involved in the political system. Rather than trying to educate 38 million, which is really hard to do, let's educate the 120 who sit in Sacramento. We have to make sure the folks making those laws and regulations understand what we're talking about. In general, agriculture is doing as well as it's ever done. We need to get more involved politically and be willing to write a check to support those candidates willing to step up and change Sacramento and Washington, D.C. If we don't, we have nobody to blame but ourselves. ■

Suzanne Finney prepared this 12-page special report. She was born in Modesto, raised on a cattle ranch east of Oakdale, and now lives in Wyoming and Michigan. She would like to acknowledge Stephanie Rodden and Lynn Garber for their help and perspectives on California agriculture.