

Latino farmers file discrimination lawsuit against USDA

BY JOHN BENSON AND ROLLANDE GIRARD

FRESNO, California – A class-action lawsuit charging the United States Department of Agriculture (USDA) with discrimination against Hispanic farmers was filed in Washington, D.C., October 13. The suit, on behalf of 20,000 Hispanic farmers across the country, seeks \$20 billion in compensation for damages over the last 20 years.

"Loans were denied, provided late, or provided with less money than needed to adequately farm," the class-action complaint says. "The failure to properly and timely investigate the discrimination complaints deprived Hispanic farmers of equal and fair access to farm programs, and due process, resulting in substantial damages to them."

While the number of farmers in the United States continues to decline, the Latino farmers are the fastest-growing layer. A 1997 Census of Agriculture reported 27,717 Latino farmers, a growth of 58 percent since 1978. Hispanic farmers in general are of small scale, with 69 percent cultivating between one and 179 acres.

Latino farmers are concentrated in the states of California, New Mexico, Texas, and Colorado. In California, the majority are Chicano and Mexican. This legal action follows in the footsteps of *Pigford vs. Glickman*, a lawsuit filed by African-American farmers, and a similar suit by American-Indian producers against the USDA for decades of discrimination.

Pattern of discrimination

The lawsuit aims to stop the pattern of discrimination, provide financial compensation for the farmers, and obtain debt relief. "Fifty thousand dollars is almost nothing compared to what was lost," said Gloria Palacios Moralez, one of the main plaintiffs of the class-action lawsuit, referring to the government-imposed settlement in *Pigford vs. Glickman*. "But the long-term effect [of the suit] will be even better for our family." The main goal of the suit is to put an end to discrimination, she added.

Palacios has been traveling around the country and meeting with farmers, explaining to them how they can join in the suit. She was central in organizing a meeting December 14 here in

Fresno, where among the farmers attending were raisin farmers, peach farmers, cattle farmers, and produce farmers. Several of them described how they were denied loan and disaster relief when they qualified for it.

Tony and Patricia Jimenez, who are also among the main plaintiffs of the lawsuit, operate a 299-acre cattle ranch in Mariposa County, California. They received a \$200,000 farm ownership loan from the Farm Home Administration (FmHA) to buy the farm in 1989 and had applied simultaneously for a loan to begin operating the ranch. It was denied without explanation. They were denied loans again in 1990 and 1991, an emergency loan in 1992, and a 60-day extension when the cattle prices were at a 20-year low.

After paying \$52,000 to bring the mortgage on the ranch up to date, they were turned down for a loan deferral and adjustment in the interest rate on the mortgage. The Jimenezes filed a civil lawsuit in 1998 but have yet to receive an answer. Of the 100 head of cattle they had, they are down to six and are on the verge of foreclosure.

John Sanchez told the participants at the December 14 meeting that after losing 2,300 peach trees in 1998 because of the frost he applied to the USDA for disaster relief. "The adjuster came," he said, "and okayed the trees. But the USDA county committee denied the relief."

His case was then sent to the state and again back to the county and then to the national level. In order to appeal, Sanchez would have to hire a lawyer, which would cost him too much time and money to be worthwhile. Sanchez dropped the case. The situation for peach growers is difficult. "Today we get the same price as in 1970s for peaches and plums," he said, while the cost of production has been going up.

Alberto Camargo, who has had a 20-acre farm for four years, applied for an operating loan with the USDA. "They sent me an application," he explained, "but they told me that first I had to apply with banks and if I couldn't get one with them, then I could apply with the USDA and maybe they would give me one." Camargo said that he could get a loan with a bank but the interest rate is high compared with those available from the USDA. Camargo, a peach producer, has seen the per case price drop from \$6-\$7 to \$5 today, which is at the cost of production, he said.

Palacios has been a raisin farmer for nearly 20 years. "What we have been trying to tell people is that we want all these resources available to us on an equitable basis," he stated. "We are trying to educate people so that they will get greater confidence to fight for their rights. Since 1979 when I applied for the first time for a loan, I could tell right away that the system was set up to block you, not to help you." She was denied a loan several times, at first because the government agency said that there was not enough water on the farm. "But the USDA had handed money to the prior farmers, who were white, to plant the same land," she explained. Then "they changed the reasons and said that the land was too expensive and it wasn't worth what I was asking for," she said. After persisting in her efforts, Palacios received a loan--the last financial aid she has received--and started farming in 1981. "When they don't want to do it," she added, "they find a hundred reasons why they can't."

"In 1993, I lost 67 percent of my crop. I applied for disaster relief and got an answer only in 1998. Meanwhile I lost everything," she said. "After 20 years I was forced to sell. I didn't want to sell my farm." Palacios first had contact with the Black farmers involved in the lawsuit against the USDA in 1998. She has been active since then to involve other farmers. She has spoken on several national radio programs and met with farmers across the country.

More meetings are planned in California, she said.

John Benson and Rollande Girard are members of United Food and Commercial Workers Local 1288 in Selma, California.