24-08-30 TheBuzz web

SUMMARY KEYWORDS

arizona, camels, la paz, water, saudis, quartzite, trucks, land, vicksburg, year, jolly, state, saudi arabia, company, area, government, aquifers, production, county, agriculture

SPEAKERS

Nicole Cox, Christopher Conover, Holly Irwin, NPR promo, Zac Ziegler, Natalie Koch



Welcome to The Buzz. I'm Christopher Conover this week how Saudi farmers ended up with land in rural Arizona. It's been nearly a decade since the Arizona Republic first reported that a large alfalfa farm in La Paz County was owned by a company with ties to the Kingdom of Saudi Arabia. But in that time, the question of what if anything the state can do about it remains unanswered. Early on, officials, including former governor Doug Ducey, said they wanted the company to pay for the water it pumped from the Renegras Plain basin. In recent years, Governor Katie Hobbs and Attorney General Kris Mayes have fought to pull state land leases from the company. Though, little can be done about what Fondamonte is doing on the 10,000 acres it owns near the community of Vicksburg. This week, we feature the latest episode of Tapped, AZPM's podcast about water in the southwest. That show earlier this week kicked off a three episode series looking at water issues in rural Arizona. In the first episode of the series, myself and tapped host Zac Ziegler, who's also this show's producer, dive into the history of Arizona/Saudi relations and how the state ended up in this situation. The history of Arizona's relationship with the Arabian Peninsula goes back further than many would expect, predating the Saudi Kingdom, Arizona statehood and even the American Civil War. Here's that episode.

Zac Ziegler 01:46

Yeah, who gets to read? Which one do you want? The first one, the second one? All right, while Reporting in La Paz County, we thought we'd take a stop at Quartzite's, most well known tourist attraction.

Christopher Conover 02:00

All right. So here we are at the Hi Jolly cemetery in Quartzsite, just off of the main road here in Quartzsite, Arizona, and there's a historic marker here. So we thought, go ahead and read it.

Zac Ziegier UZ:15

It was a hot, windy day, and we were trying to move quickly to avoid the heat and multiple dust devils that were heading in our direction.

Christopher Conover 02:23

Many of the early pioneers of Quartzite, which was formerly known as Tyson's Well, are interred here. Also buried here is Hi Jolly, namesake of the cemetery. Hi Jolly was born Philip Tedro. He was an Ottoman subject of Syrian and Greek heritage, where he worked as a camel breeder and trainer. He served in the French Army in Algier, before coming to the US in 1857 he served as a camel handler for the US Army Camel Corps, which tested the use of camels as pack animals in the arid American Southwest. He stayed in the Arizona Territory after the camel experiment ended, and became a prospector, scout, courier for the jackass male and freight hauler. He died in Quartzite in 1902. In 1934, the Arizona Department of Transportation erected a monument in his honor, made of native stone and topped with a metal camel. This was the beginning of the Pioneer Cemetery, and the monument is said to be the most visited spot in Quartzite.

Zac Ziegler 03:30

I'm now jealous that you got to sayjJackass in a story. The next monument told a similar story, a Greek born man who moved to what was then the Ottoman Empire, then was hired by the US military for a short lived experiment to use camels to settle the desert Southwest.

Christopher Conover 03:48

But what those plaques leave out is how Hi Jlly may have been the start of attempts to trade knowledge between Arizona and the Middle East, and how those attempts would eventually lead to Arab nations growing crops in the remote Arizona desert.

Zac Ziegler 04:04

This is Tapped a podcast about water. I'm Zac Ziegler

Christopher Conover 04:08 and I'm Christopher Conover.

Zac Ziegler 04:10

So how did an exchange of ideas transform into one country growing a thirsty crop in a foreign land that has its own water? Like most people born in Arizona, Dr Natalie Koch never caught the many connections between here and the Middle East.

Natalie Koch 04:31

Part of that realization was actually paying attention to all the things in Arizona's landscape that were always there. Like I had inputted, I understood that there were date palms everywhere in the state.

Zac Ziegler 04:45

We'll get to those date palms in just a minute.

Natalie Koch 04:48

I understood all of these things, but I hadn't deliberately paid attention to it. And so when I found out that Hi Jolly had his tomb there in Quartzite, I was totally shocked that I had never been there.

Zac Ziegler 05:00

Natalie is a professor at Syracuse University and a political geographer who primarily studies the Arabian Peninsula. That fascination led her to write a book on the topic, Arid Empire: The entangled fates of Arizona and Arabia.

Natalie Koch 05:15

The camel project was actually something that a bunch of different people had tried to propose, back in the 1800s there was, I don't know, a couple decades of conversation about this, that camels would be a good animal to bring to help spread the development into the US West. There were a number of people that were sort of rallying, trying to get government support for this. But it was eventually Jefferson Davis that when he was Secretary of War, that signed off on it, and he was the one that said, okay, we can allocate some government money to support trying to bring camels over.

Zac Ziegler 05:52

The US government at that time was pretty much just a bunch of white guys, and when they arrived in the Middle East, the merchants saw an opportunity.

Natalie Koch 06:02

They didn't know which kinds of camels would survive well, which were the best ones, as it turns out, they also, like, kind of got duped by a number of the camel sellers who just saw these silly Americans that didn't know anything about camels and were just like, Oh, give them the bad ones.

Christopher Conover 06:18

The same was true for the camel herders. Many of them overstated their qualifications because they saw a chance to make some money and land a free trip to the Americas.

Natalie Koch 06:28

Hi Jolly was the one exception. Like he actually knew something about camels. He knew how to work with them. He was really skilled in what he did with the camels, and so he very quickly, sort of rose to the top as like the one competent man that was involved in this project. And of course, that sort of endeared him to the other Americans and the people in the military that he was working with.

Christopher Conover 06:51

70 camels eventually made their way to Texas in the late 1850s they were used to explore the area, but much of their work was put on hold during the Civil War, the camels remained in Texas throughout the war, before the Camel Corps was disbanded, largely because it was a project led by the man who would become the president of the Confederacy. The camels were split up between Texas and California and auctioned off. Hi Jolly was discharged in 1870 and lived in various places around Arizona under his birth name before settling in the Quartzite area where he died in 1902. About the time Hi Jolly was settling down in what would become La Paz County, another connection was beginning to be forged between Arizona and the Arabian Peninsula

Natalie Koch 07:42

Dates came to Arizona quite early on, and like the camel project, this was something that people had been talking about for quite a long time before it was actually realized. So the US government, through the USDA, they had these sort of speculations about how they might be able to start a domestic date industry in the US southwest. So that was something that they had already been talking about, I don't know around the 1870s 1880s but the University of Arizona actually was the main reason that the project of importing dates got its start.

Zac Ziegler 08:16

At that time, sugar was still a fairly rare commodity. Processed sugar cane was only available in small amounts. Beet sugar production was just getting underway, and high fructose corn syrup was almost 100 years away. That put sweet fruits like dates in high demand. They were most often associated with Christmas time. The problem was they were only grown in the Middle East.

Christopher Conover 08:41

UA was founded in 1885 and the state was looking for a way to pay for the state's first university. The school was already declared a land grant university, meaning the leasing of government owned land, much of which was taken from native tribes, contributed directly to funds for certain fields of study.

° 09:00

Land grant institutions can get extra money if they start an agricultural extension service or an agricultural experiment project. And so the regions of the University of Arizona were like, wow, that's a lot of money. We could develop our own Agricultural Experiment Station, and we can get that cash input, which they did, and they used that money actually to build Old Main didn't really use the money as it was exactly expected to be. But once they got the grant, they realized that they actually needed somebody capable of doing this work. And so the first professor hired at the University of Arizona was somebody who worked specifically on agriculture, and would lead up the Agricultural Experiment Station.

Christopher Conover 09:41

So a popular holiday treat native to a dry desert climate seemed like a match made in heaven.

<u>6</u> 09:47

University of Arizona's first big Agricultural Experiment Station was in Tempe, and then in Yuma became where the second major spot where a lot of those dates were started. But of course, there's date palms all over the U of A campus today.

Christopher Conover 10:01

That was about the time that Al Saud, which would later become the Saudi royal family, was fighting for control of the peninsula with another dynasty allied with the Ottoman Empire.

Zac Ziegler 10:13

Another fight was taking place at that time, also one between Arizona and California over who would be the country's major date producer.

° 10:21

One big issue is simply that the USDA invested more in California. They had their own experiment station, like a government run Experiment Station in Indio. There was also, then a number of commercial growers, like really big commercial growers that started working in

California, and they sort of took off beyond that in Arizona, much of the production was sort of pulled back slowly, slowly as Phoenix started to grow, as Tucson started to grow, and some of those places that were closer to the cities just got converted into housing.

Zac Ziegler 10:57

Al Saud took control and renamed its territory the Kingdom of Saudi Arabia. In 1932 before the kingdom turned 15, they were in Arizona at the behest of Carl Twitchell, who had convinced the US government to fund an agricultural mission to Saudi Arabia.

The Saudis had come to Arizona in the 1940s and in particular when Crown Prince Saud Al Saud, so he later then became King Saud. He had come to Arizona in 1943 and he had seen Arizona's dairy industry and really was impressed by it. So he went back to take over this government controlled farm in Saudi Arabia, the Alhaj Farms, and asked the farmers in charge of that to set up their own dairy operation like what he had seen in Arizona.

Christopher Conover 11:48

If a tree from Saudi Arabia could thrive in Arizona, he thought that Arizona style agriculture could also thrive in Saudi Arabia.

^ 11:57

Tons of money goes into the dairy industry in Saudi Arabia, as well as a number of other subsidies within Saudi Arabia, so much so that they almost completely obliterate their groundwater supplies by the 2000s they started to realize that this was a really big problem.

- Christopher Conover 12:17
 - So they thought, if we can't sustain farming here, maybe we can head back to that place that we're trying to replicate.
- Zac Ziegler 12:25
 The story continues. After the break.
- Christopher Conover 12:29

You're listening to The Buzz. After the break, we continue to break down how Saudis ended up farming alfalfa in Arizona. Stay with us.

NPR promo 12:38

New from the Embedded podcast, female athletes have always needed grit and talent, but for decades, they've also needed a certificate. There was chit chat about, is that really a woman? And even now, they're still being checked and questioned. Their story is the newest series from CBC and NPRs embedded. It's called tested. Listen wherever you get your podcasts.

Christopher Conover 13:05

Welcome back to The Buzz. I'm Christopher Conover. This week, we're previewing the first in a three part series from tapped azpms podcast about water. Let's go back to the episode.

Zac Ziegler 13:17

This is Tapped a podcast about water. I'm Zac Ziegler

- Christopher Conover 13:21 and I'm Christopher Conover.
- Zac Ziegler 13:23

When we left, political geographer Dr Natalie Koch had just told us how in the early 2000s Saudi Arabia noticed it was drawing down its aquifers at an unsustainable rate.

- Christopher Conover 13:34
 So what's a country to do when its water is running out?
- Natalie Koch 13:38

They shifted those subsidies away from like direct subsidies for domestic production of these water intensive crops to helping them buy foreign land.

Christopher Conover 13:51

And one of the places that they most notably begun buying land was in a small county on Arizona's western edge.

Holly Irwin 14:00

I started working on water in 2015 and it was when the story about the Saudis broke out.

Christopher Conover 14:06

That's Holly Irwin, the longest serving member of the La Paz County Board of Supervisors.

Holly Irwin 14:12

There was a reporter down, and he he broke the story about the foreign companies and, you know, coming and purchasing land for water resources and stuff. And, you know, shortly after that I started getting phone calls from residents that were having issues with their wells, and one specifically was right up the road from where Fondamonte at, you know, a little church. They've been out of water now for about four or five years, and they're directly impacted by, you know, not just the purchase of that property, but they have probably quadrupled in size since they've been there, as far as their production goes.

Zac Ziegler 14:50

If you've paid even a little attention to Western water issues, you know, Fondomonte, the Saudi backed company that owns around 10,000 acres in La Paz county's Butler Valley. We contacted Fondomonte by email, phone. We even walked up to the gate of their main farming facility near Vicksburg and chatted with the security guard. They declined our request for an interview multiple times. One good thing that came out of that drive though, have you ever smelled fresh alfalfa? Well, imagine what 10,000 acres of it smells like. It was pleasant enough to cover the smell of the cattle feedlot on the other side of the road. On paper, Fondamonte doesn't look like a foreign company. It is incorporated in Arizona, and its offices are in the Phoenix area, but when you look in the US Department of Agriculture's annual report that discloses companies with foreign ties, Fondomonte is listed as a Saudi type company. Now that data is quite out of date, the most recent version is from 2021 and it says Fondomonte owns about one and a half percent of what it owns today.

Holly Irwin 15:59

We know, at least for the example with the Saudis that they're growing hay because they can do it all year long, they're shipping it back to their country. And not only were they doing it on the land that they owned, but they were also doing it on land that was leased by the State Land Department, for crying out loud,

Zac Ziegler 16:15

At its height, Fondomonte also held leases on about 3000 acres of state land earlier this year, Governor Katie Hobbs and Attorney General Kris Mayes announced that many of those leases were terminated and the rest won't be renewed when they're up. State records show they still have some of that leased land.

Christopher Conover 16:36

Now, for Holly's other statement, when we made that visit to the Vicksburg farm, we took note of the US DOT numbers on the doors of the trucks. Those numbers which say either US DOT or MC are the indication that the company has filed a tariff with the federal government, which lets them haul across state lines. A quick note of thanks to my stepdad, who regulated trucking for the federal government and then retired to start his own company to help companies get those numbers, and taught me all about the industry. Checking those numbers, we found that they're registered to two companies, Fondomonte, Arizona, in Salome and Fondomonte, California, a few miles away in Blythe, both are authorized to only haul for themselves, meaning, if you need an 18 wheeler to haul something for you, they can't do it. Part of the authorization for the Fondomonte trucks covers agriculture, so the alfalfa hay they grow and intermodal. Intermodal, for those who aren't familiar, are those big shipping containers you see on trucks and trains headed to and from seaports, and that is how hay is sent from the US west to Saudi Arabia. It should also be noted that the mailing address for both Fondomonte corporations is in Goodyear Arizona, and it looks like they have safe trucks and drivers. Given that there are no records of accidents or violations within the last two years, that's the length of time covered by the federal reports. Natalie Koch says the scale of the operation isn't surprising.

n 18:14

What you describe about having their own trucks that has been a major part of the operations for a long time, so you you can't even really just call them just a dairy company. They are an agricultural commodity logistics firm. So from the very beginning, they've said, we're going to own all our trucks. We're going to own all our distribution networks. We will own the whole system.

Zac Ziegler 18:36

We heard colloquially, while we were in La Paz County that not all of the alfalfa grown on Fondomonte land leaves the country. Some is sold to locals to feed their livestock, but the majority leaves the area you've probably guessed by now. But these are not pickup trucks. They're commercial trucks, semis with fully loaded trailers of hay bales, sometimes even pulling two trailers. And Vicksburg Road, also known as highway 72 is by no means an interstate highway. It's a two lane road. As we drove down it, we noticed that it's not in good shape.

° 19:12

Because of the amounts of trucks that were going back and forth on the road. This proposed a big problem for the conditions of our road that we have to take care of. For example, we just sunk, I think it was last year, the year before, \$750,000 into a little stretch of road, because there's so many trucks that are, you know, going on Vicksburg. And I think it was a probably

about eight or nine months ago, I had taken the reporter that originally broke the story and took him back out there to take a look at the facility, and we counted 28 double trailer trucks that were lined up waiting to go into the facility.

Christopher Conover 19:48

\$750,000 may not sound like much for a government, but keep this in mind, this year, La Paz County's total budget is \$50 million. At this point you may be asking, why can they do this? The answer is Arizona water law. If you own land outside of what's known as an Active Management Area or an Irrigation Non-expansion Area, you're basically in the Wild West,

° 20:15

They own the land. It would be like some you know, let's say that you want to have grass in your backyard, and the person down the road who's concerned about water doesn't want you to have that wants you to put in gravel. Well, for the most part, people are going to be like, Hey, you're not going to tell me what I can do with my property. And it's unfortunate because it's really affecting the area, just the fact that the word is already out there now, that you can come to La Paz, you can purchase property in any one of these unrestricted basins, sink one well, 20 wells, if you want to, you know, into an area and just pump water out, and there's nothing we can do about it.

<u>^</u> 20:51

What makes that particularly appealing is also the fact that La Paz County doesn't have proper, well, I would call it proper, regulation on groundwater tapping.

- Christopher Conover 21:02
 Political geographer Natalie Koch.
- Natalie Koch 21:05

They can tap as much water as they want from the aquifers without any kind of regulation. All they need to do is have permission to drill new wells. And so when the Saudis took over what was already an alfalfa operation, they applied for 15 new well permits, and they got those permits.

Zac Ziegler 21:24

A state registry shows Fondomonte owns 30 wells. The shallowest go down 566 feet the deepest more than 1500 feet. The Arizona Department of Water Resources has monitoring stations to the south and west of Fondomonte. They all showed water levels around 300 feet

deep when Fondomonte bought the land. In the decade that passed since, levels have dropped anywhere from 40 to 140 feet. For Fondomonte, a dropping water table isn't a big deal. Half of its wells go more than 1000 feet deep.

Christopher Conover 22:00

But in La Paz County, the average depth of a class of well the state refers to as domestic wells is about 240 feet. Now, not to get too far into the technical weeds, but a domestic well is one used for households or watering stock or non commercial agriculture. The owners of those wells, because they don't pump significant amounts of water in the eyes of state law, don't have to be reported to the state and aren't regulated as a result.

<u>6</u> 22:32

When we've had retirees move out here, they never thought in three or four years they'd have to sink 40 grand into a well, you know? I mean, that's just absurd. You know, I've had a few that have just up and moved instead of reinvesting into another well, why? Because of the insurer. What the next depth is going to be in 10 years from now?

Christopher Conover 22:53

Natalie Koch says there's one item that makes her wonder about the Saudis future in Arizona, particularly as more political pressure is applied to Fondomonte

° 23:05

The logic here I struggle to fully comprehend sometimes too, because also I just saw in the fall of this past year, they are now allowing some green fodder production. Again, it can only be up to a certain acreage, and there are some limits on it, but they're allowing more of it than they had in the last couple of years. So I'm not entirely sure what their logic is, but the aquifer supplies, as we all know, in a desert, those aguifers are very slow to replenish. Saudis are not going to stop drilling oil, and I think it's more or less the same with water. That is their attitude, and it doesn't matter necessarily that they're drilling every last molecule of water in Saudi Arabia or Arizona. It's wherever it is accessible and wherever they can make a profit.

Christopher Conover 23:55

You may also wonder why they're doing this. Shipping the hay and the water it contains halfway across the world isn't cheap. One water expert familiar with the situation in Saudi Arabia told us on the condition of anonymity that they told the government that they had to find water for agriculture and dairy farms somewhere else. They just never thought they would go to Arizona and start farming it.



If you think to yourself, Wow, how are the Saudis the only ones doing this? There's an easy, albeit concerning answer.

Christopher Conover 24:32

They're not. Just up Highway 60, near the community of Wenden. There's a farm that is owned by an out of state company that Irwin and others say is Al Dara Farms, a company with links to the United Arab Emirates.

Zac Ziegler 24:46

But that farm may not be there for much longer. Al Dara was leasing most of the land, and in early June, one of the days we happened to be in La Paz County, it was sold nearly 13,000 acres with a price tag. Of \$100 million the most expensive land deal that we could find in La Paz County's records, more than twice the next biggest deal, which was when Fondomonte bought its land that on its own, is a big deal, though, when unnoticed by most for a month and a half, until I broke the news last week. But when you dig deeper, it tells a story about other ways that people are trying to exploit Arizona water law. So who bought it? That might surprise you, and what other countries own agricultural land in the desert, Southwest, this is what you might call a tease. You'll have to tune in next time.

Christopher Conover 25:35

I never really thought that a podcast about water would end with a cliffhanger. Well, here we are

Zac Ziegler 25:42

Tapped is a production of azpm news. This episode was co reported and written by Christopher Conover and me, Zac Ziegler, with audio mixing, also by me. Our theme music and some interstitial music is by Michael Greenwald. Visit our website in the podcast section of azpm.org for pictures, links, maps and more. Thanks for listening.

Christopher Conover 26:12

That was the latest episode of Tapped AZPM's podcast about water. That show will continue to break down the issue of rural groundwater in Arizona in the coming weeks as it heads into other large land purchases in La Paz County, and why the Arizona legislature did not change any of the laws that make purchases like that viable in last year's legislative session, new episodes of Tapped come out on Wednesdays. You can find that show on all of the major podcast apps and on our website, and that's The Buzz for this week. Tune in next week as we talk about how to be an informed voter. You can find all our episodes online at azpm.org and

subscribe to our show wherever you get your podcast, just search for The Buzz Arizona. We're also on the NPR app. Zac Ziegler is our producer, with production help from Desarae Tucker, Our music is by Enter the Haggis. I'm Christopher Conover, thanks for listening.

Nicole Cox 27:31

AZPM's, original productions are made possible in part by the community service grant from the Corporation for Public Broadcasting and by donations from listeners like you learn more at support.azpm.org