

# Mexican farmers won't accept rotten deals

by Cynthia R. Rush

While President Carlos Salinas de Gortari traipses around Europe selling the idea of a Mexican investment paradise under the North American Free Trade Agreement (NAFTA), the ferment in the agricultural sector back home has surged out of control. In Chihuahua, Nayarit, Nuevo León, Baja California, and especially in the economically crucial state of Sonora, farmers are blockading highways, staging tractorcades and sit-ins in front of government offices, and making known that they aren't interested in anything less than a global solution to the agricultural devastation wreaked by a decade of the International Monetary Fund's free-trade, austerity policies.

Around the country, farmers are turning to the Permanent Forum of Rural Producers (FPPR) for the programmatic leadership required to win this fight. They have realized that Salinas has no intention of dealing with them honestly; he might make a few concessions, but these won't reverse the destruction of the most productive sectors of the Mexican economy or guarantee a future for tens of thousands of farmers.

Their demands have been met only with promises of deals and offers to discuss their enormous debt arrears on a case-by-case basis. It is estimated that at least 80% of farm debt is illegitimate, created by bankers' usury. Not only are bankers in many states continuing with foreclosures and acts of outright thuggery against farmers, but the President's brother, Raúl Salinas de Gortari, is one of the fat cat speculators who are buying up farmers' confiscated lands at bargain-basement prices.

One reflection of the political environment was the editorial in Sonora's leading daily *El Imparcial* on Sept. 25. Pointing to Sonora's contributions to Mexico's national economy and the pride its inhabitants take in its history, the daily condemned the Salinas government for creating the current crisis "by imposing an economic policy of which it is the primary beneficiary; apparently it has emerged from bankruptcy, but at the expense of the economic decay of the country's most diverse productive sectors." *El Imparcial* reported on the conclusions drawn by FPPR leaders who had met with Finance and Agricultural Ministry officials in Mexico City, and found them "lacking the political will . . . to deal with the matter globally and attack the causes which led to the current liquidity crisis."

## No half-way measures

The situation in Sonora has become explosive. In the last week of September, farmers and media around the state began to rally behind the FPPR's call for a total financial reorganization, debt moratorium, and creation of a new, national banking system which would issue cheap credit. Meetings are occurring across the state, such as the one in Caborca on Sept. 25 after producers published an ad in *El Imparcial* announcing support for the FPPR.

A volatile issue thrown into these meetings is the FPPR's exposé of the "secret agreements" in the NAFTA agreement with the United States, by which the reach of the Federal Reserve will be extended throughout Ibero-America, with the intention of globalizing the dollar and allowing foreign banks and speculators such as George Soros to loot whatever remains of real production.

Salinas's people are worried. On Sept. 22, Luis Mercado, the *El Economista* columnist who takes orders from central banker Miguel Mancera, attacked the FPPR a second time. On Sept. 6, he had accused American political prisoner Lyndon LaRouche of being behind the farmers' debt revolt. Mercado defended the deal made with the banks by the leaders of the "El Barzon" farm protest which has been occupying the central square in Guadalajara, Jalisco since late August. Announced by protest leader Maximiano Barbosa in early September, this arrangement reportedly includes government promises to order banks to stop farm foreclosures, write off interest rates on back debt, and possibly lower interest rates for restructured debts.

The announced deal didn't end the Guadalajara occupation, however, because when farmers went to the banks, they were told it didn't exist. Mercado tried to excuse this behavior, saying it was due to a "misunderstanding" and hastiness on the farmers' part in assuming that bankers were informed of the new deal. It's not that the banks are unwilling to respect this arrangement, he lied, but "events have occurred so rapidly, they just hadn't been informed of it yet."

Not daring to mention LaRouche by name again, Mercado complained about the "radicals" of the FPPR "who do not accept the agreements reached with the banks." Precisely. In a Sept. 21 press release and subsequent press conference in Mexico City, FPPR leaders stated that El Barzon's deal with the banks won't solve the farmers' problems, but rather only "resolves a serious administrative problem for the banks," since the latter are so indebted themselves that they are on the verge of collapse. The FPPR isn't trying to be divisive, its leaders stated, but producers should understand that the El Barzon deal with the banks seeks only to defend their movement's particular interests within the government's plan to eliminate 30% of the nation's current producers.

Some of El Barzon's protesters have gotten the message, and have forced Maximiano Barbosa to keep the Guadalajara protest going because, as the city's Sept. 27 *Siglo XXI* put it, "they have doubts" about the banker's trustworthiness.