

# The food crisis worsens in Mexico

by Carlos Cota Meza and Carlos Méndez

Photographs of dying children with swollen bellies and skin stretched over bone may be associated in one's mind with Africa, but we may soon be seeing such tragic scenes in Mexico, if things continue as they are. A projected collapse of Mexican grain production this year of 50%, on top of last year's contraction of 35-40%, promises widespread famine, and death. Perhaps worst of all is that President Ernesto Zedillo has conditioned the minimal assistance promised growers in April, saying that this help will only be provided "to the extent that financial spaces are created" to permit it. He then ordered the Mexican Treasury to "agree to this . . . within the necessary economic discipline."

On April 16, the Mexican Treasury's response was unequivocal. It cut 213.3 million pesos more from the 1996 budget of the Agriculture Department, and another 63.6 million pesos from the Agrarian Reform Department. At the same time, the National Union of Autonomous Regional Farmer Organizations published a report revealing that Mexico will be forced to import 33% of its food requirements in 1996.

## Government policies are to blame

This latter estimate is particularly significant because, as *EIR* has repeatedly charged, and as was recently emphasized by *Excelsior* columnist Rocío Pérez-Rul on May 6, the main cause of the collapse of Mexican agriculture is not the ongoing drought, as the government claims, but its own financial and economic policies: extremely high interest rates, withdrawal of subsidies, the trade opening under the North American Free Trade Agreement (NAFTA), and the entire "adjustment program" imposed by the International Monetary Fund (IMF) and accepted by the Zedillo government.

By throwing open the door to unrestricted food imports and simultaneously withdrawing government farm subsidies, Mexico under NAFTA has deliberately destroyed its own agriculture sector. Now, with growing numbers of producers surrendering to bankruptcy and its best lands lying fallow, the specter of mass starvation looms.

Reports by the National Agricultural Council reveal that projected 1996 imports of corn will be 43% of national demand; 74% of beans; 32% of wheat; and 36.3% of milk. The National Poultry Breeders Union (UNA) reports that

imports of corn and sorghum for bird feed will increase 30% this year, raising breeding costs which have already risen 200% in the past 16 months. UNA says that international prices for these grains are the highest they have been in 40 years (corn cost \$120 a ton in January 1995, and in March of this year was going for \$180 a ton). On the world market, the price of wheat doubled in the past 12 months, according to statistics published on May 3 by the Swiss financial daily *Neue Zürcher Zeitung*. Wheat is today 92% more expensive than it was a year ago, and the general tendency is to rise further, due to massive speculation on the grain markets.

Even if Mexico had the money to import its food needs for 1996, and *even if the food were there to be imported*, such a policy would only aggravate the ongoing collapse of Mexican agriculture, and consequently of national consumption. The daily *La Jornada* reports that consumption of corn, wheat, and fruits and vegetables has already fallen 29% over the past six years. Consumption of protein has fallen to one-third of that recommended by the National Food Commission.

## Alarm bell rings

Although evidence of the collapse in Mexican agriculture is there for all to see, the Zedillo government only began to acknowledge the problem when the director of the United Nations Food and Agriculture Organization (FAO), Jacques Diouf, sounded the alarm during an official visit to Mexico in late March. During his meetings with President Zedillo and Mexico's Agriculture Secretary Francisco Labastida Ochoa, as well as with members of the Chamber of Deputies, Diouf presented a somber picture of world food production: World food reserves have fallen to levels of 30 years ago, the first time in 20 years that international reserves are 4% below the minimum security level; food shortages are affecting 800 million people around the world; and, in 1996, the rise in food prices on the international market will cost importing nations an additional \$3 billion.

The FAO director warned the Mexican officials that if any "climatic changes" should affect even one or two of the main exporting nations, "this could lead to famine." Although no one said so explicitly, Diouf was drawing a picture of Mexico.

On April 10, President Zedillo unveiled his emergency plan, in the form of an Assistance Program for Grain Production. The program offers 8 billion pesos to prepare 4 million hectares of land, in hope of producing a yield of some 7.6 million tons of basic grains.

But even if the program worked according to plan, and met all its goals, this would be just a drop in the bucket. As long as the government continues to define its policies, and especially its emergency aid programs, within the confines of "financial spaces" and "the necessary economic discipline" as defined by the IMF, the only spaces that will be created will be the graves of starvation victims.