

# Collapsing food production means half of all Mexicans are hungry

by Rubén Cota

An unusually candid study released at the beginning of September by Mexico's Planning and Budget Department has revealed that 42 million Mexicans—more than half the total population—“are poor and have no means of satisfying their most minimal food requirements; 75% of these—more than 30 million—work in agriculture and face extreme conditions.”

This news has triggered panicked statements and warnings from producers, peasant leaders, academics, and even official layers, accusing the administration of President Carlos Salinas de Gortari of causing a dramatic collapse in national food production. And worse is yet to come, when the 1989 spring-summer cycle of food production is revealed to be a disaster as well.

The agricultural panorama for 1989 is “not very promising,” said Gustavo Gordillo de Anda, assistant secretary of agriculture, on Aug. 14. Gordillo de Anda announced that there had been a 34% decline in the total crop area of the spring-summer cycle. He revealed that there have been losses of 2.7 million tons of basic grains in the northern breadbasket of the country, and a loss of 8,000 hectares of rice in the southeastern state of Campeche, equivalent to 60% of the state's cropland. In the case of beans, delays in sowing affected 61% of national cropland dedicated to that product.

In Tamaulipas, a northeastern state bordering Texas, 800,000 tons of sorghum and 300,000 tons of corn have been lost due to delays in sowing. The entire production of yellow corn from the 1988-89 fall-winter cycle—an estimated 485,000 tons—was declared unfit for human consumption because of contamination with *aspergillus* fungus, which produces a powerful carcinogen. The bulk of the corn was ordered destroyed.

It is suspected that the same fungus has infested the corn harvested in southern Texas, where Mexico purchases most of its imported corn. The U.S. Department of Agriculture is, however, only looking for indications of contamination in corn that was shipped out of maritime ports, but not transported by rail or trailer, which is the way Mexico gets its corn. It is believed that a large quantity of contaminated corn entered Mexico between October 1988 and August 1989.

The combination of lack of rain, inadequate credit, increased prices for agricultural inputs, low price guarantees paid to the producers, and consequent economic losses for

the producers, has forced thousands to abandon their farms. The authorities have been forced to acknowledge that official estimates of national production and import requirements have fallen way behind reality.

The director of Banco Rural, Jaime de la Mora Gómez, declared Sept. 4 that estimated food imports for this year of 8.5 million tons “will not be sufficient” to satisfy internal consumption needs. The former national head of the National Farmers Federation (CNC), Mario Hernández Posadas, estimates that Mexico “will be forced to import 12.5 million tons of basic grains.”

On Aug. 30, the National Bean Producers Federation of the CNC charged, “We lament that the government is haggling with us over prices, while the foreigners charge us double. Such is the case with beans, where a ton of imported beans costs 2.5 million pesos,” while national producers are authorized to charge only 785,000 pesos.

Of the 8.5 million tons of food imports already planned, 4 million tons correspond to the state's food marketing agency Conasupo. To purchase those imports, Conasupo has been allowed 440 billion pesos—44% of the entire budget allocation for state agencies.

## The policy of the grain cartels

After nine months of the Salinas administration, the President's true agricultural policy stands revealed: elimination of the country's primary productive activity, agriculture, to deliver control over national food supply to the international grain cartels. The purpose of said policy, as euphemistically described in the 1989-94 National Development Plan presented by Salinas on May 31 of this year, is “reducing job demand.” That is bankers' shorthand for reducing the number of mouths to feed.

The plan was formulated by social democrat Joseph Marie Córdoba Montoya, Technical Secretary of the Mexican cabinet. His post was created especially by presidential decree and allows him to operate out of the presidential palace. In its Sept. 5 issue, the British daily the *Guardian* described Córdoba as “the right hand of the President,” who “is permanently at his side” in all the most important meetings. Córdoba is also described as an ardent partisan of economic liberalism. Another “strategist” behind Mexico's agricultural debacle is Trade Secretary Jaime Serra Puche.

So much for Mexican trade policy. From the financial side, government policy is equally disastrous. Hopes began to rise when the Banco Rural (Banrural), the government institution which channels credits to the agricultural sector, announced a reduction of interest rates from 50% to 40%. Banrural then turned around and announced that only those who have paid off their old debts would be entitled to new credit—a category which disqualifies nearly all small producers. Banrural director De la Mora also revealed that the new official policy of credit restriction would begin to be applied in the fall-winter period of 1989-90, and would consist of a “total” abandonment of so-called “high-income producers.” Banrural also announced that it would withdraw its support to producers “without resources in low productivity zones,” who will be forced to turn to “special aid programs” of state and municipal governments. Banrural failed to note that these governments are totally devoid of such funds.

It is thus clear that a major chunk of the agricultural sector is being starved to death. Is this how the Salinas government intends to accomplish its goal of “reducing job demand”?

The daily *El Financiero* reported Aug. 23 that Mexico is making do with the same quantity of basic food products that it did 10 years ago, when it had 19 million fewer people. The newspaper relied on official statistics provided by the Department of Agriculture and Water Resources. In 1980, requirements for 66 million Mexicans were satisfied with 31.7 million tons of food, of which 23 million were produced domestically and 8.7 million imported. In 1989, it is estimated that national food production will be 22.4 million tons and imports 10.3 million. This for 85 million Mexicans! This translates into a 22.5% average reduction in food intake per capita, from 489 kilograms in 1980 to 384 kilograms in 1989.

From 1986 to 1988, milk supply fell 27%; meat supplies during the past year fell 15%; idle capacity of swine ranches surpassed 50%, of chicken farms 30%. Although the supply of chicken in 1988 rose 2% over previous years, 150,000 tons of that meat were imported, the equivalent of 20% of national production.

Additional data published by *El Financiero* Aug. 22, show that between 1980 and 1989, per hectare yield fell in 8 out of 10 basic agricultural products, while crop land under cultivation contracted in 7 out of 10. Among the most affected products were the oil-producing grains (sesame seed, safflower, and soy), while among the basic grains, beans and corn suffered contractions both in cultivation and productivity, promising shortages for domestic consumption.

### Another Kampuchea?

Manuel Espinosa Yglesias, former director of Bancomer and currently president of the Mary Street Jenkins Foundation, said in a speech celebrating the foundation’s 20th anniversary that the Mexican countryside should be privatized, since dividing of the land only accomplished a sharing of the misery. He insisted that “state capitalism” had failed in Mex-

ico, costing the state many millions, and urged that other solutions be sought.

Under the benevolent gaze of President Salinas’s wife, Cecilia Occelli, Espinosa Yglesias told his audience that the only thing that interests people is having a job and sufficient wages to meet their food needs. Privatization should not be prevented just because a few agitators oppose it, as in the case of the Cananea mine, where the army was called out to suppress protestors. Asked if this insistence on privatization at all costs might not provoke armed insurrection or even revolution, the former banker answered that the people will always be satisfied if they get enough to eat.

But will they? On Sept. 4, *El Sol de México* carried the front-page headline, “Hunger Threatens Mexico!” Columnist José Cabrera Parra writes, “In Mexico, within its first few months, it seems that the decade of the Nineties will have hunger as its most distinctive syndrome, if we are to believe the terrifying data the countryside reveals, the economic instability that will prevent our acquisition of food, and the international war that will be unleashed for food. . . .

“According to official statistics, 42 million Mexicans, more than 50% of the total population of the country is poor and has no means of satisfying their minimal requirements, headed by the need for food. Seventy percent of the population suffers acute anemia, far below the minimum levels set by the world food organizations as acceptable for dignity . . . in Mexico this doubtless has political connotations. . . .

“Today, after a long and ominous process whose political implications we will carefully examine, hunger in its most dramatic manifestations . . . threatens the nation: The malnourished 75% seem to announce that in the decade of the Nineties, Mexico could go the way of Kampuchea or Vietnam.”

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