

Mexican agriculture: How vulnerable is the economy to food warfare?

by José Beltrán

"Many people from some sectors have said that the best thing would have been, or still is, for Mexico to say, in an act of international financial machismo: 'I owe, I do not deny; I pay; I don't have it, so I don't pay the debt,'" said President Miguel de la Madrid last July 20. He continued: "Imagine the consequences of the famous declaration of moratorium that many claim we should make. I do not believe that things could be managed smoothly; in the world in which we live, and in history, acts of this nature have had economic reprisals and many times also political reprisals. . . . Times have changed, it is true, and it is no longer customary to use military force to collect the debts, but in the world in which we live, the economic reprisal can have an included effect more devastating than a war.

"Mexico needs to import food, we have to import corn and sorghum, and we have sometimes had to import wheat and rice, when the harvests go badly. An economic reprisal which would keep us from importing food would provoke hunger in the country. This I cannot accept as President."

President de la Madrid's fear that Mexico might end up unable to buy food in the international market is turning into a reality, and not because it has declared a debt moratorium but precisely for the opposite reason: because it has not canceled payments on a debt which already weighs too heavily and smothers productive activities, especially in the food sector—both in Mexico and in the place where Mexico is supposed to buy the food it cannot produce itself when "the harvests go badly." We refer to the food production crisis of the United States itself.

As *EIR* has documented, U.S. farmers are crushed under a direct debt of \$215 billion. If the non-agricultural debt of rural banks and the debt of the farmers to the respective state governments are added on, the same usurious policy which is condemning Mexico and the other food-importing countries to starvation, is precipitating the U.S. food producers toward bankruptcy.

Ever since the payments crisis which began in 1982, the big private international banks have decided not to grant or deny loans to any nation without the approval of the International Monetary Fund; thus the big food cartels are being reorganized to decide whether or not to sell food to a country with the previous authorization of the IMF.

Faced with a threat of such magnitude, represented by the joint political force of the international banks-IMF-food cartels, there is only one way out for Mexico: to reorganize the present financial system with the unified political force of the debtor countries and reorient the economic resources of these countries toward great infrastructural projects. And there is only one way for the United States not to be confronted with the moral disaster of a starving country on its southern border, and that is to break the hold of the International Monetary Fund over Reagan administration economic policy and support a "debtors' cartel" in Ibero-America.

What kind of food program?

In the case of Mexico, a vast food production program needs to be set into motion. But—what program? What parameters of planning will dictate the decisions of agriculture policy? What "metric" will dictate what Mexico must and must not do? Three alternatives for a Mexican food program have been presented: Two will be discussed here, and the third alternative will be the subject of the next article in this series.

The first should be discarded as absurd and childish. This consists of using revenues from oil sales and other exports to buy food on the international markets. But as *EIR* has shown repeatedly over the last several months, soon there will not be food to buy in the international market. But even if there were food available, there is no money to buy it. The principal source of hard currency for Mexico, oil sales, is being wholly channeled to payment of interest on foreign debt.

The second path is offered by the functionaries of the Department of Planning and the Budget, who worked out the current National Food Program (Pronal). This demands a bit more attention.

The budget department's Pronal suffers from the same methodological error which was incorporated into the Mexican Food System (SAM) of the preceding López Portillo government, except with a few variants, and a new element that borders on the perverse.

The big problem of the SAM was that it channeled enormous resources into the least productive sector of agriculture, the "seasonal" subsistence sector (so called because it is irrigated only seasonally by rainfall). The result of this policy



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A Mexican child carries cotton to be weighed. These are the "marginal populations" targeted for starvation under the agriculture policies dictated by the IMF.

was that such res premise underlying the SAM was the pretense of bringing "social justice" to the marginal sector of the countryside, scorning a thermodynamic focus of production, and thus ignoring the most fundamental principle of economic science: the physical behavior of the transformation of nature and of production.

The methodological matrix of Pronal is the same one that oriented the SAM, except this time applied to the "consumption" end of the equation, to the *demand* of those same marginal sectors of both the countryside and city.

The perverse element of Pronal is that, unlike the SAM, which tried to increase production, Pronal is intended to "change the consumption patterns" of the population. More than a program of production, it is a program of computerized "social engineering." The SAM was an attempt at a nationalist policy which was defective from beginning to end; the Pronal is a Nazi policy, the product of systems analysis.

Pronal manipulates the elements of production and consumption of food as categories in a computer program. The first "fact" introduced to the computer of the Budget and Planning Department was that the crisis is not going to be resolved during the term of Planning and Budget Secretary Carlos Salinas de Cortari and his team of systems analysis and computer-trained technocrats at the helm of Mexico's economic planning. Thus it was established that "the quantities of the main foodstuffs that will be required for the totality of Mexican society in the period 1983-1988 was determined by taking into account the economic conditions which it is estimated will prevail during said term."

Of the "totality of Mexican society," a "subset" was picked

out, denominated the "target population"—the 30 million Mexicans (40% of the total population) who will be subjected to a program of "changes of the patterns of consumption." The "target population" is the marginal sectors and the rest of the middle class, and a part of the working class. In the words of Pronal: "At present, it is indispensable to make a great productive effort to protect the already achieved levels of food and nutrition in important groups of the population [i.e., the middle class and the working class groups we already noted]; together with these, the significant presence of marginal populations and malnutrition imposes the necessity of initiating a structural change in the general pattern of consumption."

Collapse of buying power

The production goals established by the Pronal are not determined by the nutritional and energy requirements of Mexicans as human beings, but as a function of the collapse of the population's buying power. To establish the various consumption behaviors, "the existing relationship between the consumption of foods, the income, the geographical situation, and the activity of the head of the household were taken into consideration. . . . The specific phenomenon of 'per capita food consumption-per capita income' was linked to the expected behavior in the overall economic growth via the incorporation into the forecasting model of three variables: the rate of overall growth of the economy, the rate of demographic growth, and the changes in disposable income."

Obviously, if one plans farm production considering the decay of buying power under the economic crisis, or "effective demand" as the budget department's planners call it, as

a fundamental "variable," then the necessary growth in food production will be minimal. From this standpoint, the computerized famine-mongers say: "The reduced apparent growth of the quantities which will be effectively demanded for human consumption in the coming years reflects the pressures exercised by the economic crisis which the country is suffering on the population's food consumption, and point toward one of the priority targets of the Pronal: the need to concentrate efforts, in the short term, on the protection of the consumption of the most vulnerable sectors of the Mexican population."

Later they established another division of the population, another "subset." Of the 40% of the Mexican population, 30 million are classified as the "target population"; there is another group called "preferential population" in the computer program (also called the most vulnerable groups), made up of preschool children and pregnant and nursing mothers, calculated at 6.7 million individuals for 1984 and 6.3 million for 1988. The reduction of this sector of the population from 6.7 to 6.3 million will be one of the results of the application itself of Pronal.

The projections based on incompetent "group theory" are interlaced with another projection, to produce the second aberration, of classifying the food which will be demanded by the "target population" and the "preferential population" as "priority food" and "necessary food."

Again, the parameter for the distinction between "priority food" and "necessary food" is not nutritional value, but the buying power of the population as reduced by the economic crisis. The budget department's program says: "One of the substantive effects which the situation through which the country is passing will have, is the sharp reduction of buying capacity which the target population will undergo, which will obligate it to suppress or reduce the consumption of some foods or replace them by cheaper products . . . except for corn and a small amount of beans, in all the other priority foods of this population, the effective per capita demand will be drastically reduced by 1984, as a result of the effects which inflation and unemployment will have on its income and demand."

Thus for example, by that date the decay of the buying power of wages had provoked a drop in the demand of such products as milk and meat, not only by the "target population" but by many others, and hence milk and meat are "necessary" but not "priority" foods. In the words of the budget ministry's planners: "Other types of meats, vegetables, roots, and fruits are necessary foods which will receive attention from the National Food Program within a scheme which will allow the medium-term reorientation of the consumption patterns of the population toward those that will assure an efficient use of resources and adequate nutrition levels within a framework of food sovereignty."

"Food sovereignty" and "food self-determination" are two expressions introduced into the official jargon to attempt to justify the austerity imposed on the Mexican population,

since the de la Madrid government agreed to pay, cost what it may, Mexico's quota of usury on the foreign debt, and therefore accepted the genocidal conditionalities of the IMF.

The Department of Planning and the Budget has the nerve to present this program of "computerized famine" as a big success of the nationalist policy presenting **food sovereignty**, the fundamental objective of Pronal, as something inscribed in "the revolutionary tradition of preserving and safeguarding for the nation the decisions in all substantive aspects of the well-being, the freedom, and the security of Mexicans." **Food self-determination** "includes the free choice and sovereignty of the components of this pattern [of consumption], taking into account the needs, traditions, preferences, and habits of the population, as well as the technological resources and production possibilities. It also presumes technological self-determination in production, transformation, and distribution of the required foods."

In short, the "food sovereignty" of Carlos Salinas de Gortari is his "sovereign" capacity to decide how and when 30 million Mexicans will starve to death.

To try to adapt a food production plan to the no-production outlines of Pronal is perhaps the most difficult task which the agricultural technicians of the country have faced. It is for this reason, among others, that Horacio García Aguilar and his entire team in the Department of Agriculture and Water Resources had to step down, and it is likewise the trap in which the team of his replacement, Eduardo Pesqueira Olea, now finds itself. More than two years of de la Madrid's government have now passed, and it has still not been possible to draw up the so-called agricultural sectoral plan.

Mexico now faces the apparently irrevocable decision to keep on paying the usurious foreign debt; the unfolding of the worst agricultural crisis in U.S. and international history; the joint action of the international banks, the International Monetary Fund, and the food cartels; and the irrefutable, resounding fiasco of the budget department's Pronal plan.

The nutritional deficit

During recent years, the various administrations of the Secretary of Agriculture and Water Resources have made harsh statements about food production, related to the claims to food self-sufficiency. These statements are currently more dangerous due to the crisis the country is undergoing, since the final outcome may well result in the annihilation of whole chunks of the population.

In the last months, the present administration of the Department has spoken of the availability of 32 million tons of grain, by which Mexico will arrive at food self-sufficiency, and thus avoid having to import grain at the present rate of 10 million tons for 1984-85, since Mexico only produces 22 million tons. What do these production figures mean for the 75 million present inhabitants of Mexico, which will number 80 million by the end of de la Madrid's presidency, and 115 million by the year 2000?

The average person requires 80 grams of digestible pro-

tein per day and 3,200 calories per day to function physically and intellectually. These sources of protein and calories come from agricultural production, primarily from grain. Grain can be consumed in direct form (e.g., bread, soup), primarily as a source of calories; and indirectly, when livestock production transforms the grain into products such as eggs, milk, meat, and other derivatives. The latter are the authentic sources of proteins.

For Mexico to deliver these requirements to its inhabitants, it must produce a ton of grain per inhabitant per year. At present it produces, as already mentioned, 22 million tons of grain, and buys an average of 8 million tons, which amounts to a total of 30 million tons. Translated into protein and calories, that means 30 grams of protein and 1,280 calories per day per person—a deficit of 50 grams of protein and 1,920 calories.

This means that in Mexico, production and imports only cover 24% of the protein needs and 40% of the real caloric needs of the population for 1984.

Considering that the majority of the Mexican population are children and youth, whose protein requirements are higher, the average values for the different strata of the population all fall below satisfactory nutritional levels.

This means that there are about 9 million Mexicans whose

food needs are only 50% covered, since they consume about 40 grams of digestible protein and 2,000 calories per day; 14,750,000 inhabitants succeed in consuming 20 grams of protein per day, corresponding to 25% of their requirements with a consumption of 1,900 calories. Sixty-five percent of the population is frankly undernourished, which makes the situation more dramatic, since 14.8 million inhabitants only take in 8 grams of protein per day and 1,000 calories; that is, these persons are in immediate danger of dying of hunger. Given the deteriorating economic situation in Mexico, 34 million Mexicans, who currently consume an average of 14 million grams of protein per day, are now threatened with starvation.

Nonetheless, the food policy is that of reducing livestock production, based on the judgment that the crisis will reduce buyers of meat, milk, and eggs, and therefore, there is no point in producing, since there are no buyers; this is the policy of the Immediate Plan for Economic Reorganization (PIRE). Such a policy will have the disastrous effects on the population's levels of nutrition and susceptibility to disease. With the genocidal measures of the PIRE planners, millions of human beings in Mexico will not be in biological condition to resist another tightening of the belt.

To be continued.

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