http://news.bbc.co.uk/1/hi/sci/tech/4008205.stm

US maize 'threat' to Mexico farms

BBC News 13 November 2004

The North American Free Trade Agreement (Nafta) is having a severe effect on rural Mexico, TVE's Earth Report programme for the BBC claims.

Nafta was set up 10 years ago by Mexico, Canada and the US to promote competition and efficiency.

But US maize farmers, propped up by subsidies, are outcompeting their Mexican counterparts.

As a result, US maize is flooding Mexican markets, threatening to put traditional farmers out of business.

Not only does this create social problems - it also has environmental consequences, TVE claims.

The issues are featured in Robbing Pedro To Pay Paul, a film in the Earth Report series made by TVE and shown on BBC News 24, BBC One and BBC World.

Transgenic concern

Currently, most Mexican farmers use non-intensive, natural methods to grow their crops, which are kind to the local environment.

Now, because of US competition, they may have to abandon these methods or leave the land altogether, TVE says.

"Indigenous farmers have to compete with farmers that do agriculture at a very strong environmental expense, with large environmental impact," said Dr Exequiel Ezcurra, of the Mexican National Ecology Institute.

"The amount of fertiliser, the amount of pesticide modern farmers use, has a very strong environmental impact."

In addition, many Mexican environmentalists are worried that GM maize from America could contaminate their crops.



US maize is subsidised, which means Mexicans can buy the grain cheaper

"There is a concern that transgenic corn may affect traditional Mexican corn," said Dr Ezcurra.

Traditional farmer

Aldo Gonzales is a "campesino" - an indigenous farmer - who grows maize in Oaxaca, Mexico's second poorest state.

His farm, which has been in his family for generations, produces food primarily for his own family's consumption.

The tiny surplus is sold at the local market. Although it is a hard life, his four hectares give him independence.

But now Mr Gonzales, and thousands like him, fear their way of life is about to end.

66 Indigenous farmers have to compete with farmers that do agriculture at a very strong environmental expense

Dr Exequiel Ezcurra, Mexican National Ecology Institute

"The Mexican government has instituted a lot of policies that are aimed at wiping out small Mexican farmers," he said.

Leaders who supported Nafta said it would make life better for all Mexicans.

For the consumer, at least, this is true.

US maize is heavily subsidised, which means Mexicans can buy the grain cheaper than ever before. But some Mexican farmers feel it is nothing short of a kick in the teeth.

"We believe the free market is a lie, because the United States is subsidising farmers, and Mexican farmers don't receive subsidies," said Mr Gonzales. "That's not a free market, that's not free competition, that's not fair competition."

Tax tool

The US Farm Act of 2002 allows for up to \$19bn to be given to national farmers.

Though fewer people farm in rich countries, the farming lobby is still powerful.

Globally almost \$300bn is spent each year to subsidise agriculture, which is roughly equal to the annual profit of the agricultural trade.

Nafta countries can guard against subsidised foodstuffs flooding their markets. For example, Mexico could tax imported maize.

"The irony is that in the 10 years Nafta has been implemented, Mexico has never chosen to use the tools to stop the importation of subsidised corn," said Luis de la Calle, director-general for Public Strategies of Mexico.

"The reason for that is that we are a net consumer of corn and therefore in the end we benefit from a subsidy from the US."

At the moment, 25% of Mexicans live in the countryside. Dr de la Calle believes that will drop to 5% within the next two decades. Aldo Gonzales does not welcome that prospect.

"So we're talking about the government having the intention of making 20 million Mexicans who live in the countryside disappear," he said.

Double threat

Many of the great indigenous civilizations of the Americas were built on maize, but one day Mexico could stop farming it altogether.

However, it is not just the system of free trade that some feel poses a threat to their way of life.

According to Dr Ezcurra, global corn improvement relies on the range of corn varieties that exist in Mexico. But GM contamination could eventually reduce the diversity of corn varieties.

"Basically, crop improvement is based on traditional varieties," Dr Ezcurra explained. "Losing those traditional varieties could be an issue of great concern."



GM contamination could eventually reduce the diversity of corn varieties

The US currently uses transgenic seeds in 30% of the maize it exports to Mexico.

Under Nafta, the US now sells between six and eight million tonnes of maize to Mexico every year. But, according to the Mexican government, very little transgenic maize has spread, and it is not a cause for concern.

However, some indigenous farmers are still worried. "The indigenous people of Mexico have farmed corn for 10,000 years," said Mr Gonzales.

"The security of the world's food should not be in the hands of corporations. It should be in the hands of farmers."