

Farm protesters target Mexican capital

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MEXICO CITY (Reuters) - Mexican farmers fearing a wave of inexpensive U.S. and Canadian agricultural imports gathered in Mexico City Friday to pressure the government to scrap a trade policy they say threatens to ruin them.

Leaders of the march said they expected 40,000 people to oppose the government's refusal to renegotiate the agricultural chapter of the North American Free Trade Agreement.

Growers want government protection from U.S. and Canadian farm products such as apples, sorghum and wheat that began entering Mexico tariff-free on Jan. 1 under NAFTA, which was signed by the three countries in 1994.

The farmers say the government of President Vicente Fox must develop a plan that would let them compete with foreign growers operating larger farms with better economies of scale.

The government started talks with Mexican farm leaders on Jan. 6, and both sides set a Feb. 5 deadline to reach a deal. With only days to go, it appears little progress has been made.

Some 25 million Mexicans live in rural areas and depend on farming directly or indirectly for a livelihood. About 30 percent of them live on a per-capita income of about \$1 a day.

Groups organizing the protest have close ties to the opposition Institutional Revolutionary Party or PRI, which has increased its criticism of Fox ahead of congressional elections in July. The PRI governed Mexico for 71 years before Fox's election in 2000.

"With this march, we want to push the government to reach real accords on farm policy," farmers' leader Rafael Galindo told local radio. "A big mistake was made in the phasing out of tariffs for imports. Farmers are worse off now than before NAFTA was signed."

Agriculture Minister Javier Usabiaga admitted Friday government policy for the countryside needed an overhaul.

"Today we have a farm model that does not work for the development of the countryside. We have to change that model," Usabiaga, a garlic farmer, told local radio.

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