Mexico Won't Buy U.S. Corn in Response to Trump Protectionism



Mexico City, February 20 (RHC)-- Mexico is one of the top buyers of U.S. corn in the world today, but a proposed bill in response to Donald Trump's trade rhetoric could change that. The foreign affairs commission at the Mexican Senate has introduced a bill that would make the country buy corn from Brazil and Argentina instead of the United States.

The move will be a tough blow to the U.S. agriculture industry, said the president of the commission Armando Ríos Piter from the PRD party.

The bill is seen as a counter-attack to the protectionist threats made by U.S. President Donald Trump, who has promised to kill the North American Free Trade Agreement, or NAFTA, signed by Mexico, the United States and Canada in the early '90s. Experts say such a bill would be very costly for U.S. farmers.

"If we do indeed see a trade war where Mexico starts buying from Brazil, we're going to see it affect the corn market and ripple out to the rest of the agricultural economy," Darin Newsom, senior analyst at agricultural management firm DTN, said to CNN.

If approved, this bill would be one of the first signs of concrete action by the Mexican government after it has been directly targeted by Trump's rhetoric and policies, particularly an executive order enabling

construction of a border wall and the promise to make Mexico foot the bill.

However, to unions of Mexican farmers and academics, Trump's pledge to end NAFTA will be a good opportunity to boost the agriculture sector in Mexico. The treaty has helped to dismantle Mexico's agricultural production system through neo-liberal policies that have left millions of poor farmers without state support and made the country increasingly dependent on food from abroad.

Corn is the base of Mexican food and although Mexico is a big grain producer, its domestic production falls short of its needs, making it a big customer for its northern neighbor.

Last month, Trump proposed a 20 percent border tax on all goods imported from Mexico to pay for his wall. He has in the past proposed import taxes as high as 35 percent on Mexican goods. Immigration and Customs Enforcement officials have begun stepping up removal operations against undocumented immigrants on U.S. soil.

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