

1. BACKGROUND

Agriculture has traditionally been one of Mexico's most important economic activities, reaching far into its past. By the end of the 19th. century, agricultural production accounted for 73% of Mexico's total production and 69% of total employment. As a result of the country's industrialization process, industrial and urban development have grown at a relatively higher rate than agricultural development. Urban population was only 33% in 1930 and increased to 52% in 1980, with the consequent drop in rural population. Agriculture presently accounts for 8% of total GDP.

Mexico comprises a total area of 196.4 million hectares (ha), which can be divided into the following climates: very humid 2.5%, humid 13.4%, semidry 37.7%, dry 27.6% and very dry 18.8%. Lands considered to be cultivable for agricultural production are estimated at 23 million ha., of which six million ha. are irrigated land and 17 million ha. are rainfed areas. The latter represent 75% of total harvestable surfaces, but only account for approximately 50% of the value of agricultural output. Irrigated areas represent only 40% of Mexico's potential of 15 million ha. During the 1975-1985 period, the total planted area has ranged from 14.8 million ha. to 24 million ha., while 1986 and 1987 have shown a use of 22 million ha., which dropped to 18.6 million ha. in 1988 and 19.5 million ha. in 1989. Of these, 77% were in rainfed areas.

Because of difficult terrain conditions, only some 70% of total cultivable land, or 16 million ha., can be mechanized, of which 11.2 million ha. are rainfed and 4.8 million ha. are irrigated lands. The remainder has to be either worked with animal traction or by hand. Government policy has tended to favor rainfed over irrigated agriculture, mostly because it is in the hands of the poorer sectors of the population. These lands have a great potential to become more fertile and productive through the use of improved technologies such as irrigation methods, drainage, machinery and equipment, high quality seeds and fertilizers, many of which are of imported origin.

Mexican agriculture operates under both public and private land tenure systems. Approximately 47% of the country's farmland is under private ownership. These farms have an average parcel size ranging from 20 to 100 ha. and are limited to a maximum of 100 ha. of irrigated land or 200 ha. of rainfed land. Private farms have led the country in mechanization and are the prime buyers of agricultural machinery. They also account for an estimated 75% of total agricultural output. The "ejidos" and communal farms, which comprise 53% of the agricultural land base and 84% of rural population, are areas originally expropriated by the government and distributed to low income farmers for their use. Ejidos usually range from one to five ha. of land per person and are mostly located in rainfed areas. The majority of ejidos are worked by individual families, but some are either worked collectively or leased to private farmers to attain economies of scale.