

was disembarked on the Californian coast. The species more commonly captured were tuna (67%), shrimp (7%) and sardine (7%).

By 1965, fishing had changed dramatically: the number of national boats had increased fivefold, to 11,521, as well as their tonnage, and they now accounted for 94% of the 200,000 tons of fish captured. The species fished were shrimp (18%), sardine and mackerel (15%), oysters (12%), algae and sargasso (8%), anchovies (5%) and tuna (3%). The industry had also begun to consolidate, with 67 freezing plants, 32 canners and 31 reducing plants. Per capita consumption of fish had increased to 3 kg. from 0.7 kg. in 1940. By 1980, the number of national boats was 36,041, total capture 1.25 million and 309 plants were operating to transform fish products and per capita consumption was 13kg.

## 2. ECONOMIC ENVIRONMENT

With the objective of reducing the inflation rate, the Mexican authorities implemented a stabilization program, called the Economic Solidarity Pact in 1988, which features traditional austerity measures, entailing tight fiscal and monetary policies and unorthodox measures, such as price, wage and exchange rate controls. This program has been the cornerstone of Mexico's economic policy over the past four years and has resulted in a drastic reduction of the inflation rate, from an annual rate of 159% in 1987 to 52% in 1988 and 19.7% in 1989. Inflation rebounded to 29.9% in 1990 but the Mexican government aims to achieve a 14% inflation rate in 1991. Along with the objective of consolidating the progress made in price stabilization, Mexico's macroeconomic policy in 1991 aims to reaffirm gradual and sustained economic recuperation, basically by establishing the necessary conditions to encourage national and foreign investment and by stimulating local demand.

After the 1986 recession, Mexico's gross domestic product (GDP) increased a moderate 1.5% in 1987 and an additional 1.4% in 1988. Domestic economic activity recovered for the third consecutive year in 1989 with a growth rate of 3.1% and further 3.9% in 1990 to reach \$234 billion (1). With an 81.1 million population, per capita GDP was estimated at \$2,874 in 1990. Additionally, manufacturing output grew by 5.2% in 1990 in real terms, private investment and consumption expanded 13.6% and 5.2% respectively and public investment was up 12.8%. During the 1991-1994 period GDP is expected to maintain an average annual growth rate of 2.5%-3%.

In an effort to revitalize and open the Mexican economy, the Mexican Government undertook a series of structural changes, including the accession to the General Agreement on Tariffs and

1. Note: All values in this report, unless otherwise stated (Mexican pesos, Mex\$, Canadian dollars, Cdn\$, etc) are quoted in United States dollar equivalents.