

Viewpoint: Are predictions of market chaos from Mexico's proposed GM corn ban overhyped?

Negotiations between the United States and Mexican governments continue over Mexico's planned phaseout of imports of genetically modified corn, first announced in a presidential decree two years ago.

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The looming trade conflict was given new urgency by a September [economic modeling study](#) from consulting firm World Perspectives, Inc. (WPI), which claimed to show catastrophic impacts on U.S. and Canadian farmers and on Mexico's own food security. [It projected](#) massive price spikes, market chaos, and billions of dollars of lost output for U.S. corn farmers. Mexico would see its economic output fall by US\$19.39 billion, with an annual loss of 56,958 jobs, reducing labor income by US\$2.99 billion.

Don't believe a word of it. The study, attributed to a "coalition of leading food and agriculture industry stakeholders in both Mexico and the United States," was actually commissioned by CropLife, the biotech trade association and greatly overstates the impacts of the ban.

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As a [recent letter from FarmAction](#) to U.S. government officials made clear, alarmist reports and trade threats only prevent markets from adjusting to rising demand from Mexico for non-GM corn. Most economic costs can be easily avoided if markets get the clear signals they need to adjust. That would also give U.S. consumers something polls say they have wanted for years: a wider selection of non-GM foods.

[**This is an excerpt. Read the original post here**](#)