If U.S.-Mexico border closed, avocados would soon be toast, for starters

By Megan Cerullo April 1, 2019

- Nearly half of all imported U.S. vegetables and nearly 40 percent of imported fruit are grown in Mexico.
- Closing the U.S. border with Mexico? "The impact on consumers would be immediate and major," said one trade expert.
- At certain times of the year, Mexico is the source of up to 100 percent of the avocados consumed in the U.S.

Avocado toast, tequila and margaritas could soon become more expensive -- or even disappear from menus and grocery store aisles -- if President Trump follows through on his threat to <u>shut down the U.S.-Mexico border</u>.

"The impact on consumers would be immediate and major," said Rufus Yerxa, president of the National Foreign Trade Council. "It wouldn't take long for consumers to start feeling the effects related to things like fresh produce and a lot of immediately consumable stuff," he said.

The president on Friday tweeted that he would be "CLOSING the Border, or large sections of the Border" if the Mexican government did not do more to curb illegal crossings.

Close to half of all imported U.S. vegetables and nearly 40 percent of imported fruit are grown in Mexico, according to data from the United States Department of Agriculture.

At certain times of the year, up to 100 percent of the avocados consumed in the United States are supplied by Mexico, according to Mission Produce, one of the world's largest distributors of avocados. Mexico's season lasts all year, while other countries' seasons last just a few months. Peru, for example, has a season that stretches from May to September.

"Mexico is the largest supplier of avocados to the U.S. and at certain times of the year, they are the only or dominant source of supply," a company spokesperson said, adding that Americans, on average, consume 49 million pounds of avocados per week.

Americans would run out of avocados in three weeks if it stopped importing them from Mexico, Mission Produce CEO Steve Barnard told <u>Reuters</u>.

Tomatoes, cucumbers and a variety of fruits could also start disappearing from supermarket shelves in the event of even a partial border shutdown.

"When you cut off any chain of supply, we expect there to be an impact on the consumer. This could mean if you go to the supermarket, simply not being able to get your hands on the product you want, or seeing an increase in the price because of competition for a limited supply," said Monica Granley, principal at Quarterra, an agricultural trade consultancy.

Grocers might start stockpiling commodities with longer shelf lives -- in case their supplies are cut off. "Stores can keep higher volumes of things that are less perishable on hand," Granley said.

Meanwhile it would take a long time -- years, even -- for the United States to start sourcing its produce from other countries.

"Trade systems take years to refine, and deals take time to negotiate. You can't just switch out your supply in one day," Granley said. "You can't just all of a sudden say we can't get avocados from Mexico, let's rely on Chile and Peru. It's not so fast. It takes a while to develop the supply and commercial relationships as well."

A complete or partial shutdown of the southern border would disrupt other industries too, including spirits like tequila and mezcal as well as apparel, automobile and textile businesses.

"There have been a lot of disruptions in supply chains, which means uncertainty for businesses, and this is just one more blow," Yerxa said.

Sealing the entire border between the United States and Mexico could be "an economic impossibility," According to Duncan Wood, director of the Wilson Center's Mexico Institute. In 2017, about \$558 billion in goods passed through the border in both directions -- the bulk of which were transported by truck.

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