

Keynote Address

NATIONAL DEVELOPMENT AND REGIONAL PRIORITIES

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Even in the absence of Dean Catbagan I wish to make record of our thanks to her from the bottom of our hearts, on behalf of the PPSA, for her very warm words of welcome to this beautiful city of Baguio.

My friends, we are gathered here to discuss regional priorities in national development, specifically as these relate to Region I. Yesterday afternoon, as I looked over the conference program, I realized that everything is on regional development. I feel that even if all the discussions are about regional development, shouldn't we make an effort in this conference to place and link-up regional development within the larger framework of national development? The distinguished gentleman who is supposed to keynote this conference was called by the President to attend the IBP sessions and so I have been given short notice to be the emergency keynote speaker.

Looking over the conference program which was carefully prepared by Professors Ronas and Pawid, I saw nothing relating to national development itself. Thus, I decided that perhaps as emergency keynote speaker, I should address myself to the subject: the National Development Plan.

I assume, of course, that the National Development Plan merely lays down the general framework for action, and that the tasks to be performed in the countryside must be defined at the level of regional planning. At the same time, however, I take it that the regional planners are conscious of their obligation to relate the regional plans to the national plan.

All these are implicit in the theme of this regional conference which goes by the title: "National Development and Regional Priorities."

By the way, this is the fourth regional conference of the PPSA and I have here the preliminary proceedings of the first three con-

ferences. It is our plan that these regional conferences will fit into the national conference. Professor Pawid will prepare an executive summary of your findings and recommendations which will be presented in the plenary session of the national conference on September 23 and 24.

It is the first time that the PPSA has gone regional. Before, we only have held annual conference in Diliman with participation waning toward the afternoon. This year we have designed the format which calls for active participation from members. For instance, starting next week we are conducting six seminar-workshops, this time not on regional problems. Instead, we shall have topics such as: the Constitution as evolving mechanism for broader citizen participation; political theory with the quest for social justice as its specific theme; agrarian reform and rural development; public administration — problems of regionalism, autonomy and government tie-ups; foreign economic policy; and political science as a discipline — problems of responsibility and relevance.

These seminar-workshops will run for two months, after which each workshop group will prepare a three-page summary of their recommendations on the subject assigned to them. Sessions will be held every Saturday at the Asian Institute of Tourism, which offers the newest conference facilities in Diliman. Those interested in enrolling in any of the workshops should inform us immediately since we are limiting the number of fifteen per workshop group.

Going back to my assigned topic, I begin with the question: what do you think, my friends, is the National Development Plan all about? It is, along with a ten-year plan, a component of a long-term plan covering the period up to the year 2000.

President Marcos, in signing Presidential Decree No. 1200 which adopts the Philippine Development Plan for 1978 to 1982, said:

This Plan embodies our concerted attack on the problems of mass poverty, unemployment and underemployment, and social justice.

It carries with it the *political will* to resolve these problems, as well as the commitment to the objectives, policies, and measures which are set forth in response to these problems.

No less is necessary if we are to succeed in our efforts to restructure our society.

The President is emphatic on the goal of social justice. Let me quote a few more lines from him to substantiate that statement:

“. . . the underlying current that binds together all the various components of our Plan is social justice. In our drive for development,

we must at the same time correct social injustices. No development is meaningful without social justice.

In the past, development was considered as simply the movement toward economic progress and growth, measured in terms of sustained increase in per capita income and Gross National Product (GNP).

In the New Society, however, development does not only imply economic advance. It also means the improvement in the well-being of the broad masses of our people.

It means getting down and reaching the poorest segments of our population, the urban poor, the unemployed, the homeless dweller, the out-of-school youth, the landless worker, the sacada, and the fisherman . . .

Considering the visible disparities in our society, development also means the sharing, or more appropriately, the democratization of social and economic opportunities, the substantiation of the true meaning of social justice."

The principal development strategy, and I think rightly so, is *on agricultural development*, which is intended to improve rural income and to make the country self-sufficient in food.

Indeed, agricultural development should be pursued to the point of liberating our peasants from the bondage of subsistence agriculture. Not until this is accomplished will there be the real beginnings of economic growth and development.

Why do I say that? You see, if you look at the production of this country, if you consider the great masses of our people which comprise probably 80 percent of the total population, it is considered that they usually produce one stable crop. And if for instance, you are a Cebuano, your field is full of corn: if you're elsewhere in the country, it is rice, or a few other crops, usually vegetables, which make up the poor man's diet. In other words, they produce hardly anything that trickles into the monetized sector of the economy. And so if we compute the GNP we exclude those produce which are intended mainly for home consumption. I believe GNP figures are grossly distorted because of this very serious omission. But then, how can we include in our statistics something which is not declared, something a farmer does not even care to count himself because usually he will either have just enough to sustain his family or to pay off indebtedness that may have been handed down from generation to generation.

Unless the great majority of farmers or peasants move out of that subsistence status we cannot even begin to say anything about development. Development must begin at that point where there is a transformation from subsistence farming to commercial farming. The evidence of this is when the farmer is no longer his own worker,

he is no longer his own technician, his own manager, his own entrepreneur, all of which roles he plays himself or with his family. But when you begin to specialize, to have commercial farming, several people will begin to assume these roles.

So let me repeat what I said earlier: only when we move of subsistence agriculture, will we be able to begin to speak of economic growth and development in this country.

Agricultural development in the National Economic Development Plan is sought to be enhanced through programs for increased food production, the development of our natural resources, land reform, and cooperatives.

I would like, in particular, to stress the importance of agrarian reform. This structural change in the relation of man and land is a pre-condition of rural development. But it is meaningful only if two conditions are satisfied: *first*, if it culminates in a truly equitable distribution of land and thus presumably an equitable distribution of income; and *secondly*, if it goes to the second phase which is land consolidation to make possible greater agricultural production. In fact, the first condition depends upon the second. What is "equitable distribution of income" if there is hardly anything to distribute because of low productivity?

President Marcos stakes the success of his administration on the land reform program. I have here with me a review article by Harkin on the nature of the problems in land tenure in the Philippines, published by the Land Tenure Center in a newsletter. At the time of writing (December, 1975) the land reform program of the Philippines was still at the level of 24 hectares. At that time all rice and corn lands beyond 24 hectares were turned over to tenants or were expropriated by the government. But at that point in time when 24 hectares was still considered legal holdings, 79 percent of all tenants were not yet liberated from the bondage from the soil. Our government, however, has since then moved on to implement the seven-hectare rule: if you are a landowner you may keep seven hectares, but only if you are a farmer yourself. But again, a new rule has been in effect which says that if you have other means of livelihood besides the three hectares you may not even hold on to that three hectares. In effect, it is a very bold move on the part of the President to say: seven hectares — maximum land holding. In the light of the history of agrarian legislation of the country, that move was revolutionary.

"Land reform," the President has emphasized, "is the premier reform which will be the basis for all other reforms under the aegis

of the new Constitution." The Agrarian Reform Program aims at nothing less than the breaking up of the traditional concentration of economic and political power in the hands of the "feudal" landlords. Agrarian reform is now moving in the direction of cooperative farming on the model of the General Ricarte Agricultural Cooperative Settlement Project in Llanera, Nueva Ecija.

The success of the Agrarian Reform Program will deepen the meaning of the participation of the common people in politics. This is because redistribution of land also redistributes, if it does not actually transfer, political power from the traditional ruling elite to the peasant masses who constitute the overwhelming majority of our people.

May I quote again from Harkin because he gives us a word of caution of what might happen if we relax the implementation of the Agrarian Reform Program.

The present land reform program has its potential to greatly redistribute land ownership and to effect a less drastic redistribution of wealth since the farmer pays a substantial price for his land. However, the land reform leads to institution of property in land largely unchanged to the extent that it remains unchanged. There is apprehension that the problem of tenancy and landlordism will reappear because of the continuing population growth and the absence of employment expansion in the urban sector sufficient to relieve the pressures on the land. This generation's land reform beneficiaries will probably become the next generation's landlords.

In short, unless development is first translated as an effort to increase agricultural production, we are still far from the road of development and uncomfortably close to the traditional society.

The other development strategy calls for *industrial development* through the launching of labor-intensive projects, the manufacture of goods for export, the setting up of small and medium-scale industries, regional dispersal of industrial centers, and tourism. It is hoped that in the process more jobs will be created.

We should, of course, be a bit careful with industrial development. We should first wait for the fruit of agricultural development. To push industrialization too hard at our stage of economic development is to put the cart before the horse. It might be disastrous, especially if we blindly imitate Western models of development, if we indiscriminately import technologies that worked in the West but unsuited to our own cultural, organizational, and technological climate. This road leads to over-urbanization, with the rural folk migrating to cities in such great numbers, without jobs awaiting them

and rendering city facilities and social services obsolescent and resulting in slums.

Because of our huge oil bill (exceeding \$1 billion last year) conservation of energy is also being encouraged. This will entail a tremendous amount of discipline on the part of our people.

Agricultural and industrial development therefore will require the heavy participation of the private sector if the program is to succeed.

The government's role in spurring development will primarily be in four areas, namely, social development, infrastructure development, peace and order, and good government.

Social development involves provision of adequate education, social welfare, social justice, health services, administration of justice, housing, and community development. The new Ministry of Human Settlements will oversee aspects of these programs in particular, as they relate to a healthy environment for Filipinos.

As to education as a component of social development, the 1973 Constitution provides in Article 1, Section 8: "The State shall maintain a complete, adequate and integrated system of education relevant to the goals of national development, our educators are under mandate to upgrade the quality of education and to fully democratize educational opportunity for all social classes."

Infrastructure development refers to the provision of roads, ports, railroads, airports, power, communications and water. Incidentally, I delivered a public lecture the other day at the UP College at Clark Air Base wherein I suggested that the United States provide its own power. Such move alone will free a big block of power from the dams of Ambuklao and Pantabangan enough to light up the rural areas of the whole of Central Luzon.

Peace and order is both cause and effect. Martial law was declared in order, among other things, to restore peace and order. At the same time there will be no peace under conditions of social injustice and grinding poverty on the part of our peasant masses and the floating mass of the unemployed in the cities.

As to good government, the government service must simply be improved if it is to perform well. President Marcos has warned civil servants that he hoped they would feel the impatience of our people.

The aims of the government reorganization under Martial Law are two: (1) to make the bureaucracy more responsive to the people and other clientele in the transaction of official business, and (2) to establish a broad and efficient structural and procedural framework

for the coordination and implementation of national development schemes.

Thus, the government is veering away from the traditional practice of patronage toward the enlistment instead, of technical and administrative talent from the ranks of business and the professions in the civil service.

The discussion of national development will not be complete without some reference to the development of the Muslim areas.

"We must build with haste in the Muslim areas the conditions that will accelerate [their] development . . . , for as in the other parts of the country, the peace in our Muslim South will endure only on the basis of social justice." With this statement of objectives, President Marcos started in earnest the rehabilitation of Mindanao and Sulu with hopes of a speedy restoration of peace and normalcy in the region. The secessionist Moro National Liberation Front (MNLF) has called for the establishment of a Bangsa Moro State embracing all of Mindanao, the Sulu archipelago, Basilan and Palawan, and the government program was intended to blunt the edge of the MNLF challenge. Side by side, therefore, with the government's intensive military pacification campaign and political unification drive, the President has adopted a comprehensive developmental approach to solve the Muslim problem.

To this end, the President established the Reconstruction and Development Program (RAD) for the Minsupala (Mindanao, Sulu and Palawan) region. It aims to create job opportunities by fully developing the region's economic potentials, to ensure that the masses share in the fruits of development, to create conditions for greater national unity, and to bring lasting peace to the region. To help tackle these formidable tasks, numerous presidential decrees have been promulgated to promote the welfare of the Muslim communities. The government earmarked a budget of ₱1.6 billion for the development of the Muslim areas over the next four years starting from FY 1973-74. To implement its multi-pronged development program a Presidential Task Force for the Reconstruction and Development of Mindanao and Sulu was created, staffed by top technocrats from all government departments, as well as 150 qualified Muslim research officers and fieldmen. In addition, the President organized a consultative council of Muslim Filipino leaders to assist in the formulation of national policies as these affected Mindanao and Sulu. Later, the President created the Southern Philippines Development Administration; as successor to the Task Force, it integrated all the agencies concerned with various aspects of the

development program. In April 1975, the President also created two regional commissionerships in order to enhance the political autonomy of Central and Southern Mindanao. The new regional commissioners exercise broad economic and political powers; they hold Cabinet rank and are answerable directly to the President.

In the infrastructure program for Southern Philippines, rural electrification and the construction of roads, ports, and airports received the highest priority. Under the program, electric power has more than doubled through the fuller development of the potentials of Maria Cristina Falls. The area of irrigated lands has quadrupled. Construction is progressing on the 209-kilometer Digos-Cotabato Highway. All these projects are financed by loans from the International Bank for Reconstruction and Development and the Asian Development Bank. These projects would not only benefit the eight Muslim provinces of Mindanao and Sulu, with a total population of 2.5 million, but also provide the backbone for the economic progress of the entire region.

Agricultural, industrial, health and educational programs have also been implemented to accelerate the development of the region, with agricultural production as top priority.

To meet the financial requirements of the development of Southern Philippines, the government has not only mobilized the resources of the existing banking system but has also created a special bank to meet the specific needs of the Muslim Communities — the Amanah Bank. Established with an authorized capital of ₱100 million, the bank is unique; it is based on the Islamic concept prohibiting the charging of *riba* (interest) for loans. The waived interest is channeled to a Muslim Development Fund, which finances development and welfare projects in the Muslim areas. A Muslim farmer may borrow, using his land, even without Torrens title, as collateral.

De-emphasizing a military solution whenever possible, the main thrust in the government's effort to uplift the lot of Filipino Muslims has been economic development. However, the government's total approach also attacks the socio-cultural aspects of the Muslim problem. In this area, reforms have been instituted to accelerate the integration of Muslim Filipinos into the national body politic. Vigorous efforts are thus being exerted to strengthen the national social fabric by cultivating ties with the ethnolinguistic and cultural communities of the south. The goal of "fraternal unity" is being emphasized even as due deference is accorded to the basic customs, traditions, and way of life of the Muslim Filipinos. Letter

of Instruction No. 82 established a Center for Islamic Studies at the University of the Philippines, complementing the King Faisal Institute of Islamic and Arabic Studies at the Mindanao State University in Marawi City. A special Research Staff created in August 1973 prepared a code of Philippine Muslim laws and practices, so that future enactment of laws, by taking into consideration both customary (*adat*) and religious (*shariah*) laws peculiar to the Muslim regions, may not offend the sensibilities of the Muslim Filipinos. The group submitted a draft code to the President in April 1974 and it awaits his signature.

The traditions and historic struggles of the Muslim Filipinos are only now being given their rightful place in the nation's history. The government has launched a broad information program to make the Christian Filipinos socially conscious of the cultural traditions and heroism of their Muslim brothers in the South. A Muslim village named "Maharlika" — was built in the heart of Metropolitan Manila as part of this information campaign. President Marcos has declared Sultan Kudarat, a seventeenth century Muslim leader who successfully repulsed foreign aggression, a national hero and named a province in his honor. At the same time, the President revived the 19 royal houses of Mindanao, Sulu, and Palawan and encouraged them to form a federation.

As part of the integrated approach to the Muslim problem, the government has increased Muslim participation at all levels of government. Many Muslim leaders and youths, including former rebels, have been appointed to key positions in the national government, including the judiciary and the Foreign Service, in municipal governments, and to officer ranks in the armed forces. To help Muslim Filipino businessmen, the government has also relaxed restrictions on the historic barter trade between Mindanao and Sulu, on the one hand, and Sabah, on the other hand. The land conflict having been a source of social tension and conflict, Presidential Decree No. 41 restores to the Muslim Filipinos their ancestral lands through the issuance of land occupancy certificates of title. Other cultural minorities stand to benefit from the law, as all tribal groups may now own tracts of land in the public domain if these are ancestral lands.

The National Development Plan merely reinforces the effort to restructure the Old Society since 1972. At that time, President Marcos declared martial law not only to confront a rebellion on two fronts, but mainly to attack the roots of social unrest — to create social, political, and economic mechanisms which the nation might

well utilize in order to bring about profound and enduring reforms in our society.

Operating under the mantle of "constitutional authoritarianism" he resolved to liquidate an old order resting upon an iniquitous and exploitative socio-economic system dominated by a powerful oligarchy. Reforms were to be instituted ostensibly in order to create conditions under which democracy can survive and perhaps flourish. But democracy cannot survive, much less flourish when the people feast at empty tables. There is thus a need for development plan at the core — which is the concerted effort to increase agricultural production. As I have said earlier, development would be at a standstill if our peasants are not freed from subsistence farming for they will continue to produce not for the market in the monetized sector but for their immediate consumption.

The crucial stage of development therefore rests in the countryside. The *sine qua non* of national development is rural or regional development.

Development is like a cart we need to push uphill. To do this job we need to put wheels to the cart and all hands to the wheel. It cannot be half a wheel; it has to be a complete wheel — rim, hub, spokes, and all. Physical infrastructure, education, health, entertainment, marketing, supply and credit, land reform, efficient and effective government, peace and order — all of these must be synchronized into simultaneous operation to realize agricultural and industrial development to enable us to push the cart up the hill and travel the developmental distance from tradition to modernity, and above all to reach the goal of social justice.

If that is a mouthful of mixed metaphors, as long as you got the message, I cannot care less.

May I keynote these brief remarks with a few more personal observations and final appeal. (The observations are these:)

1. That a mere increase in the national income is not synonymous with development. Something must be done about the population explosion, or else not even the well-advertised Green Revolution can cope with the problem.

2. That we cannot rely on foreign technical and financial assistance for our national development. We must be far more self-reliant than we are now, even if this would demand a considerable measure of national discipline.

3. That the experience in our country and abroad seems to point out that development cannot possibly be attained by

our government doing it alone. The private sector, including the great mass of our people, you and I must be involved.

4. That after more than two dozen development plans of varying scope and emphasis since the Hibban Plan of 1947, destitution, hunger, malnutrition, disease, illiteracy, and unemployment still plague our rural masses. All these indicate the need for more drastic social, economic, and political structural changes such as those on the relationship of man and land (or agrarian reform); the organization of the rural community (or cooperative organizations rather than private enterprise); the relationship of agriculture and industry (with priority for the location of industries in the rural areas rather than in the cities and big towns, even if this would mean smaller factories using less capital and less advanced but appropriate technology); and the relationship of town and city (or the need to reverse the process of over-urbanization to remove the blight of slums in our cities and integrate the dual socio-economic system which today exist side by side in the cities, and create a more healthy linkage between the city and the rural hinterland).

And now I end up with my plea and prayer and it is this:
That the regional conference do its best to:

1. identify the basic requirements of our rural poor,
2. focus on the key development issues in the proper order of priorities and in the context of our developing society,
3. delve deep into the matter of the specific structural changes needed for rural development, and finally
4. propose measures which will assimilate the masses into the development process as active and effective participants, because no plan will work if it does not articulate the masses' real needs and aspirations for a better life.

In my exuberant mood, and trusting in your expertise and keen interest in the welfare of our people, I am moved to say: *Vencemos*. "We shall overcome."