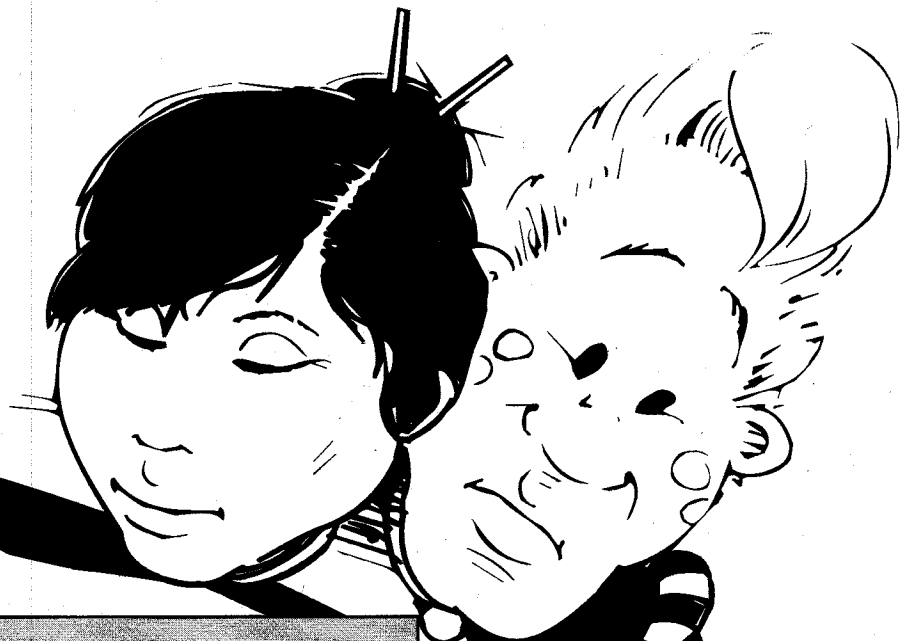


FOR
NOT
NATIONAL
SIN

IN ASIA

A CRITICAL LOOK!



The oligarchy hangs on

6 colonial hangover

The Philippines, after 377 years under the Spanish and 48 under the U.S., discovers that colonialism hangs on.

graphic: New Internationalist



Ferdinand Magellan was a Portuguese, but he, like Columbus, sailed for the King of Spain. In 1519, on his way to the Molucca Islands, he accidentally "discovered" the Philippines. The Spanish moved in.

Under the Spanish: The Land Problem

As usual in Spanish colonies, all the land was given out to various Spanish colonists.



Think about it:

How might this feudal system of land distribution affect the Philippines later on?

rebellions small . . .

The Spanish could never relax:

"Those Filipinos, they are always revolting! They complain about forced labour, they complain about high land rent, they complain about their land being taken away! These people just don't know when they're well off!"



and big . . .

By 1892, discontented Filipinos organized themselves into a rebel force. They fought hard, defeating the Spanish in the small towns and rural areas. Finally, they controlled all of the Philippines except the capital, Manila. They were on the verge of independence!

December 14, 1897 Manila Mouthpiece

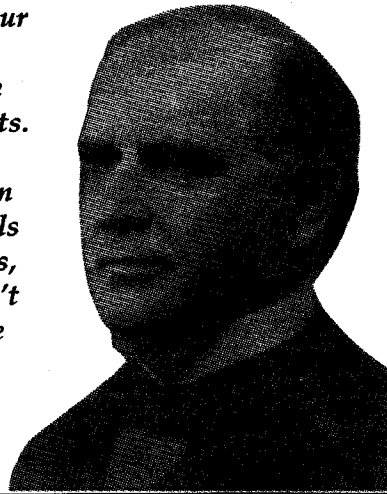
Manila Surrounded!

Except for the capital, Manila, the entire Philippines is completely under the control of the independence fighters! Manila, the capital, is surrounded, and is expected to fall any day.

But meanwhile, in the U.S., other plans were being made . . .

Back in the White House, President McKinley has a problem . . .

Listen, fellows, our industries are doing so well, we need more markets. Let's face it, we need a foothold in Asia. Those rebels in the Philippines, now . . . why don't we go in and give them a helping hand?



June 30, 1898

Manila Mouthpiece

U.S. TROOPS ARRIVE

"We are here to help the new freedom fighters of the Philippines!" claimed the U.S. General leading the newly-arrived American troops. "If a few of you will just move aside for us, we will help you take Manila!"

Moving In

BUT when Manila fell and the Spanish were defeated, the Filipinos weren't invited to the negotiations. The U.S. had decided to take over.

Just sign on the dotted line, and we'll take over the Philippines.



**More War!
The U.S. versus the Filipinos**

In 1899, war broke out again. This time the rebels were fighting U.S. forces. The Filipinos were fierce fighters, and the U.S. had lots of men and ammunition. The war dragged on . . . and on . . . and on.

April 1899

U.S. General William Shafter:

"It may be necessary to kill half the Filipinos in order that the remaining half of the population may be advanced to a higher plane of life than their present semi-barbarous state affords."

U.S. General Jacob Smith:

"Kill everyone over ten."

This was one of the first guerrilla wars. The rebels were supported by people in the towns and villages. The U.S. soldiers responded by burning villages and killing large numbers of civilians. Fighting continued until 1906. One-fifth of the population of the Philippines was killed. Finally the Filipino leaders surrendered.

Think about it:

Is it justifiable to kill civilian populations in war?



COLONIAL PATTERNS



As a U.S. colony, the Philippines experienced two colonial problems we've come across before:

1 The Raw Deal

The Philippines had raw materials that the U.S. wanted: sugar, minerals, tobacco, coconuts, and abaca (for hemp). It also had people — potential customers for U.S. manufactured goods. And the U.S. wanted to keep things that way.



Look, why would you want to build factories when you can get nice, cheap products from us?

1935:

- The U.S. had invested \$200 million in the Philippines: 63% of that was in mining, sugar, public utilities, plantations and merchandising.
- Less than 4% was in manufacturing, and most of that was in the processing of raw materials for export.

1941, just before WWII:

- 84% of Philippine imports (manufactured goods) came from the U.S.
- 81% of Philippine exports (raw goods) went to the U.S.

The economy of the Philippines was in U.S. of-fices. By the 1940s, the Philippines was headed towards political independence, but there were no plans for economic independence!

Think about it:

Do you think the Philippines will be able to break out of being part of the U.S. economy after independence? What will the obstacles be?

2 Holding Up Hierarchies — cultivating friends for high places

"... it is not possible to consider the extension of a larger measure of autonomy to the Filipino people until they have demonstrated a readiness and capacity to cooperate fully and effectively with the American government and authorities."

— U.S. President Calvin Coolidge, 1924

The U.S. idea was to educate the Filipinos for "independence," but they wanted Filipino leaders who agree with U.S. interests. Looking around, they found a group of Filipinos who fit into their plans: the wealthy landowners.

Who wants independence? We're doing well selling our sugar and coconuts to the Americans.

My big problem is my workers. They keep demanding more pay and medicine!

If the Philippines becomes independent, these peasants are going to start demanding land. Then where will we be?

In 1907 the Filipinos were given some representation. The representatives were all wealthy landowners hand-picked by the U.S. Government.

And that was just the beginning! Very wealthy landowners were appointed by the U.S. to many official posts: judges, seats on council — you name it. Other upper middle class Filipinos were educated to fit in with this group by being selected, sent to U.S. universities, and given a good job in the civil service of the Philippines. These people formed an *oligarchy* — a small, wealthy elite who controlled what happened in the Philippines. And this oligarchy was certainly friendly with the U.S.

Think about it:

Do you think this oligarchy will be able to stay in power after independence? What are some of the ways they might try to keep power?

The Early Independence Years — colonialism hangs on

During WWII, the Philippines was occupied by the Japanese and became a major battleground, suffering enormous destruction. At the war's end, the U.S. realized that the Philippines must be given independence.

But the Filipino peasants didn't notice much difference.

July 4, 1946 Manila Mouthpiece

The Philippines is Free!

After 400 years of Spanish rule and almost 50 of American rule, the Philippines is free! "This is a great day!" exclaimed new president, Manuel Roxas.

"However, we will continue to act in accordance with the interests of our old friend, the United States. We will continue to be open for business."

"What's changed? I'm still poor. I still don't have any land — that was taken from my family by the Spanish and is still owned by my landlord. And the people who have all the power are the landlords and the army!"



The Oligarchy Carries On

The Presidents of the independent Philippines were men who had close ties with the U.S. The first president, President Manuel Roxas, was publicly supported by General MacArthur, the U.S. general who captured the Philippines from the Japanese. The U.S. Army gave Roxas access to its radio network in the Philippines to help him get elected.

Roxas' first task was a difficult one: to sell a "Free Trade Deal" — the **Bell Trade Act** — to the Filipino parliament.

Persuading Parliament

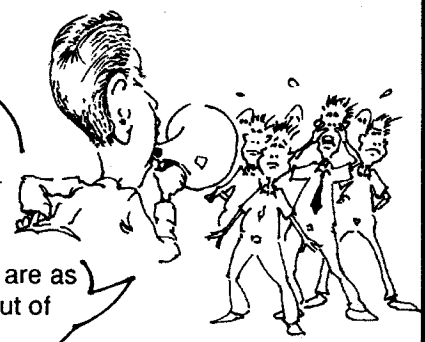
The Bell Trade Act didn't get through Filipino Parliament easily. Many of the members realized that it would mean continuing dependence on the U.S.



Mr. President, Sir? I'm going to have trouble getting this Bell Trade Act through. The Nacionalista Party members and the Democratic Alliance Party members are getting together to oppose it, and I won't have a majority! What can I do?

Aha!
Great idea!

You 6 Democratic Alliance Party congressmen and you 2 Nacionalista Party members are as of now kicked out of Congress!



The Bell Trade Act passed by one vote.

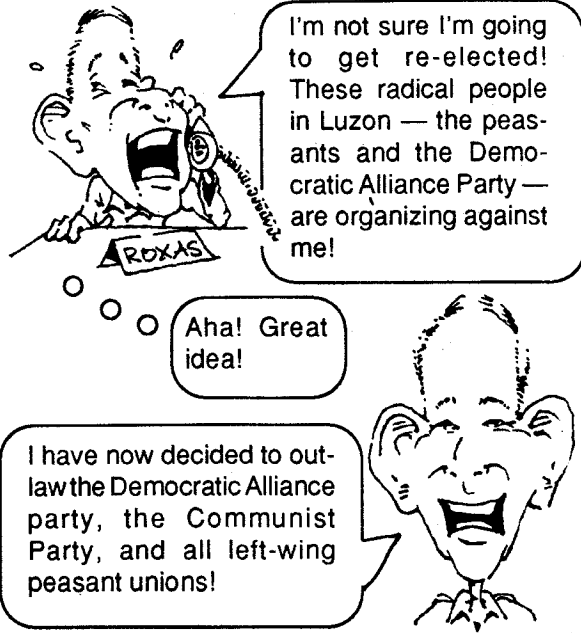
The Bell Trade Act

- Free Trade — no duty on goods between the two countries
- Filipinos were prohibited from selling any products that might "come into substantial competition" with articles made in the U.S. — meaning no manufactured goods.
- Americans had equal rights with Filipinos to own mines, forests and other resources in the Philippines

Think about it:

How would the Bell Trade Act continue the effects of colonialism? How might development be affected?

Reconstructing Parliament



Roxas won the election.

For Roxas, as for succeeding presidents, the plan was simple: keep in power, keep the economy open to U.S. business interests, and suppress all opposition. It was a plan that worked right up to 1986, when Ferdinand Marcos was overthrown.

"Nobody would give us our rights or hear our demands. They said we were Communists. I didn't even know what Communism was, and I still don't. But they called you a Communist, and that was that. It made no sense to deny it, because they wouldn't believe you."

— Simeon San Pedro, former Huk, interviewed by Stanley Karnow

Think about it:

People who work for social change in the Philippines are frequently labelled "communist." How might the outlawing of the Communist Party influence development in the Philippines?

Repressing the Opposition

As you might expect, there were a lot of Filipinos who resisted the Roxas plan. Most of them were poor peasants who wanted land or decent wages to feed their families.

Here Come the Huks

The Hukbalahap (or Huk, for short) was a socialist peasant movement based in Luzon, the northern island of the Philippines. During WWII, the Huks — like the Viet Minh in Viet Nam — fought the Japanese, and helped to liberate Luzon. But although they killed 20,000 Japanese and freed several towns, expecting praise from the U.S., the Americans regarded the Huks as dangerous communists (because of their socialist philosophy) and they were often killed or arrested with the help of American soldiers.

In 1945, as the war was ending, the Huks, Communists, Socialists and peasant unions joined together to form a new political party — the Democratic Alliance. When this party was outlawed by Roxas, the first president of the Philippines, the Huks took up their weapons.



We can't change this country through politics — we'll have to fight if we're going to survive!

The Huk Rebellion lasted from 1946 to 1956. By 1950 the Huks controlled large areas of Luzon, and the U.S. got worried. U.S. advisors arrived in droves, and formed JUSMAG (Joint U.S. Military Advisory Group). They re-organized and directed the Philippine army, which began to successfully suppress the rebellion at the cost of thousands of lives of the ordinary village people of Luzon.

By 1957 it was almost all over, but just to make sure, the government brought in the Anti-Subversion Law: the Communist Party, the Huk movement and "all similar organizations" were outlawed. Communists were subject to the death penalty.

Think about it:

What effect do you think the new improved army might have on the democratic process in the Philippines?

The Land: Promises, Promises

Every president from Roxas on has promised the landless peasants that there would be land reform. But every president has known that if they challenged the powerful landowners (and their friends in the military) they would be in deep trouble. So land reform has never happened. A few powerful families continued to own the land, and the wages they paid were barely enough to survive on.

The rich land of the Philippines and the low wages soon attracted multinational agribusiness companies to the Philippines. In the 1970s, two of the biggest pineapple producers in the world, US-owned Del Monte and Dole, announced that they were phasing out operations in Hawaii and increasing production in the Philippines. In 1973, Del Monte paid Hawaiian plantation workers \$2.64 an hour, and they paid Filipino workers 15¢ an hour. These companies bought or leased the land from the large landowners, who had more land than they knew what to do with, anyway.

Think about it:

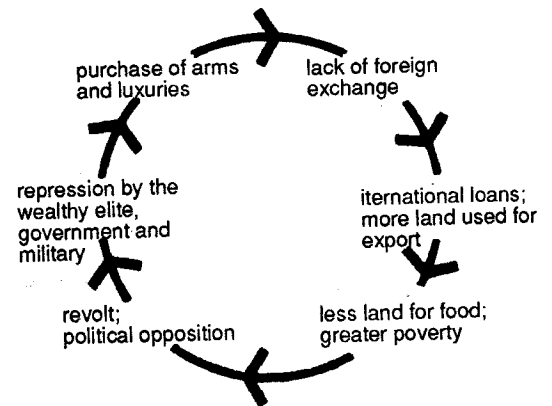
In what ways could the large multinational corporations, such as Del Monte and Dole, be considered the "new colonialists"?



Colonial Patterns

So you see, right from the early years of independence, a pattern was established which has continued until today. One word for this pattern is **neo-colonialism** — a new form of colonialism, where the government of the dominant country doesn't actually run the country, but controls it in other ways.

Keeping the Lid on Revolt



Think about it:

Can you see how this cycle of militarism and repression works? Can you think of any other countries where this cycle occurs? Where does the U.S. fit into this cycle? What would have to happen to break this cycle?



The Philippines Today

Yeah, but that's all over now. Today the Philippines has got rid of that dictator Marcos, so things must be looking up, right?

Feb. 24, 1986

Manila Mouthpiece

People Power Has Won!

Today, President Marcos finally left the Philippines, defeated by the power of the people. Cory Aquino took the reins. "This is a time for change," said Mrs. Aquino.

Well, although great changes were expected when Cory Aquino took power, they haven't happened. Today actually looks a lot like yesterday. Neo-colonialism is alive and well.

check date

THE PHILIPPINES TODAY

Poverty/Resistance/Repression In the Philippines today:

- 20% of the population owns 80% of the land.
- 59% of Filipinos are rural workers, but few own any land.
- 67% of the nation's rural families (according to the Aquino government) live below the poverty line.
- 9,000,000 children in the Philippines work for extremely low wages; 50% of these children leave school before 6th grade in order to start working.
- the top 20% of the population gets 51% of the total national income.
- A 1988 World Bank Study reports: "there are more poor people in the Philippines today than at any time in recent history."



Resistance!

All this poverty, of course, is bound to lead to resistance.

The main resistance comes from peasant and union organizations. There's also armed resistance in many rural areas from the New Peoples Army (NPA). When Cory Aquino was elected, there were negotiations with the NPA. But she refused their main request — land reform. The Mendiola massacre finished off hopes of reconciliation, and the NPA returned to the hills. Cory Aquino declared "total war" on the NPA. Human Rights organizations now report even more incidents of bloody repression than in the Marcos years, because Aquino has given power to right-wing vigilante squads, allowing them to go and kill "communists." Often, definitions of "communist" vary. In June 1988 the Lawyers Committee for Human Rights said that "the human rights of Filipinos have suffered grave violations on a wide scale."

Promises, Promises . . .

Cory Aquino, before her election



"Land-to-the-tiller must become a reality, rather than an empty slogan."

Cory Aquino, after her election . . .

In January 1987, soon after her election, a delegation of peasant farmers came to see Cory Aquino to beg for land redistribution. Instead of Mrs. Aquino, they met an army as they crossed the Mendiola Bridge in Manila. The army killed 19 and wounded many more. The "promises, promises" syndrome, it seems, is recurring.

Negros: The Sugar Island

Negros is one of the poorest islands of the Philippines. Its main crop is sugar, and nearly all of its 2,000,000 people are involved in the sugar industry. The workers have always been poor, even when sugar prices were high. But now that the price of sugar is low, things are really bad. Fifty children a day are treated in the government hospital for malnutrition, and many more never make it to the hospital. Families working together in the plantations earn \$500 or \$600 for the six-month sugar season. They have no running water or electricity, and are usually in perpetual debt to the landlord.

The New Peoples Army is strong in Negros. It includes poor peasants and some priests. In the 1970s, the Jesuit priests invented the slogan for American coffee drinkers: "There's blood in your cup of coffee."

Think about it:

Why do you think priests might become involved in armed revolution? What does the Jesuit slogan mean? Can you think of how buyers of sugar might be able to influence conditions in areas like Negros?

OPEN FOR BUSINESS — THE GLOBAL ECONOMY

The Global Economy Part 1

Taking the Labour to the Coolies



Well, you can't tell me they don't manufacture things in the Philippines! Look at the labels in a lot of clothes and running shoes, and you'll see **Made in the Philippines!**

You're right. But the kind of export industry that the Philippines has developed isn't really helping Filipinos very much. In colonial days, large numbers of "coolies" were often shipped around the world to make sure that jobs got done. Indian and Chinese people were sent to Sri Lanka to pick tea, to Fiji to plant and harvest sugar, to East Africa and Canada to build railways. The system of signing people up, shipping them off and making sure they worked for years just to pay back their fare was called "indentured labour." Now we have a new kind of indentured labour. The new colonialists — the large, multinational companies — bring the work to where the labour is cheapest.



"Our country has one of the lowest wage levels in this part of the world. We intend to see to it that our export programme is not placed in jeopardy by a rapid rise in the wage level."

— Ferdinand Marcos, former President of the Philippines

In the Philippines, like a lot of Third World countries:

- wages are low;
- unions are discouraged;
- so many people are unemployed that people will work for very little money;
- there are few rules about health or working conditions.

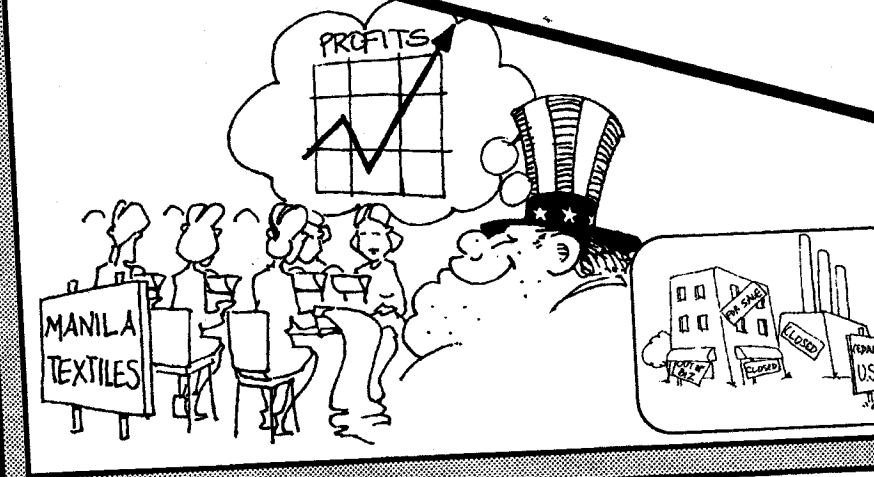
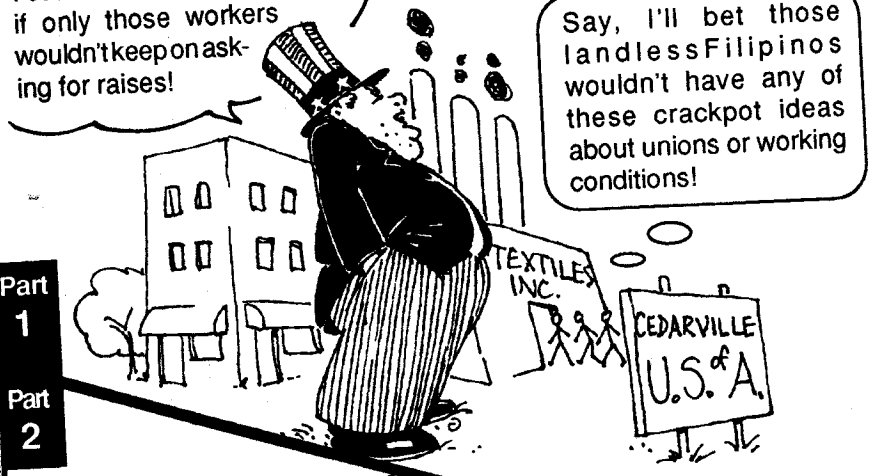
These people are the "cheap labour" who make many of our clothes, shoes, and electronic equipment.

Keeping Down the Wages

I could sure make more profit if only those workers wouldn't keep on asking for raises!

Say, I'll bet those landless Filipinos wouldn't have any of these crackpot ideas about unions or working conditions!

Part 1
Part 2



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Free Trade Zones

Free Trade Zones (or FTZs) are places where multinational corporations (MNCs) — large international companies — are encouraged in various ways to set up business. The companies are often given special benefits; for instance, they may not have to pay tax for a number of years. Cheap labour is plentiful, and unions are often illegal in FTZs.

Working in Bataan

The Bataan Free Trade Zone (BFTZ) lies on the shores of Manila Bay in the Philippines. It is about 2 km across and is surrounded by high walls and wire fences. Inside are rows of white, two-storey factory units. No one can enter without a pass and all workers have to carry identity cards. The Zone is governed by its own laws which are enforced by its own armed police force with its own intelligence service. Most of the 16,000 workers in the Zone are young women who have come from poor rural villages. The things which are manufactured are Barbie Dolls, tennis balls, running shoes, disposable cigarette lighters, gloves, scientific optical equipment, plastic flowers, microchips and computer parts, clothing, and shoes.

The British company Baird Textiles shows how companies use free trade zones like BFTZ. Baird operates several clothing factories in different parts of Britain, although some of these have recently shut down to save costs. Its biggest factory, however, is in the Bataan Free Trade Zone. The Baird plant inside the BFTZ is really just a huge cutting and sewing shop, producing women's jackets and raincoats.

All the materials, the cloth, zippers, buttons and even the thread come from Hong Kong. All the Filipinos provide is the labour. The finished coats and jackets are shipped direct from the Philippines plant to Baird's warehouse in Britain. There they are repacked and distributed to British stores. In 1982, the Baird plant in Bataan locked out workers when they made demands for back pay.



FASHIONS FOR WINTER, fall, SUMMER, AND SPRING

Comments by the Bataan Free Trade Zone workers:

"Strikes are illegal here in the Zone. They say: 'If you don't like it, you can leave. There are plenty of others queueing up for your jobs.'"

"... you have to do overtime. If not you get warnings or they will keep your card and then you can't get your wages."

"The last three weeks before Easter I worked every day from seven in the morning till eight at night. I am flat tired. My salary is 58 pesos (just over \$4) per day."

Think about it:

Who benefits from the Free Trade Zones? Since all the materials come from outside the Philippines, do the Free Trade Zones help the Philippine economy much? If there was land reform, and people had the choice to farm their own land, do you think they would choose to work in Bataan? What would the effect on wages be if there was land reform?

The information on the Bataan Free Trade Zone and Baird Textiles is adapted from *Teaching Development Issues: Work*, by David Cooke.

**The Global Economy
Part 2**

**Selling the
Environment**

"... to attract companies ... like yours ... we have felled mountains, razed jungles, filled swamps, moved rivers, relocated towns, and in their place built power plants, dams, roads ... All to make it easier for you and your business to do business here."

— Ad in Fortune Magazine, run by the Philippine government in 1975

Cut and Run: Logging in the Philippines

In 30 years, the Philippines, once known as the "Hardwood King" of Southeast Asia, has destroyed almost all its forests. Only one million hectares survive, down from approximately 10 million hectares 30 years ago. Under Marcos, the forestry business boomed, and timber companies aggressively cleared the country's forest lands.

Opposition to the clearcuts has come from tribal people. In the mid-1980s, the Atta and Isneg people blocked logging roads to their forests to try to protect their way of life. The response: bombings and killings carried out by the Philippine army, who claimed that the Atta and Isneg people were members of the New Peoples Army.

Meanwhile, the National Environmental Protection Council of the Philippines reports that nearly 75% of the land of the Philippines is suffering from severe erosion. With an average 355 cm of rainfall a year, the land needs trees to help it absorb large amounts of water. Under Corazon Aquino, no new logging concessions (licences) were granted, but no old ones were taken away. And the country's soil washes to the sea.

Think about it:

What does this army action suggest about the link between timber interests and the Philippine army?

Low pollution standards, lack of environmental standards for mining and forestry, all add up to one thing. Business is cheaper in the Philippines!



Think about it:

If Third World countries have low environmental standards, what does this mean for countries like Canada?

The Global Economy Part 3

Debt Bondage

The debt crisis in the Philippines, as in most developing countries, stems from sinking commodity prices. When commodity prices took a nose-dive, governments borrowed more in hopes that the prices would improve. They didn't.

But in the case of the Philippines, there was another debt factor — Ferdinand and Imelda Marcos. When Marcos came to power in 1966, the Philippine debt stood at under \$1 billion; when he left in 1986 the debt stood at \$28 billion. A lot of that money went straight into the pockets of Ferdinand and Imelda Marcos. Estimates vary from \$5 billion to \$20 billion. So a lot of Filipinos are asking this question:

Why should we have to pay for Marcos' debts?

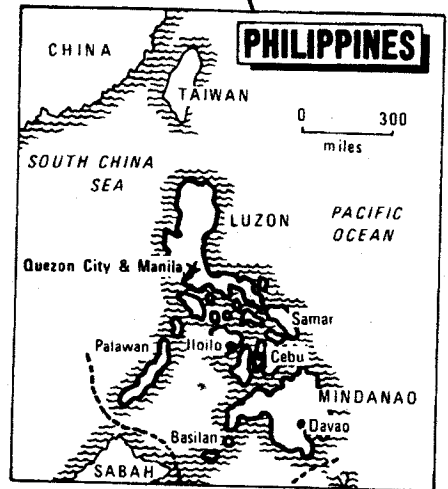
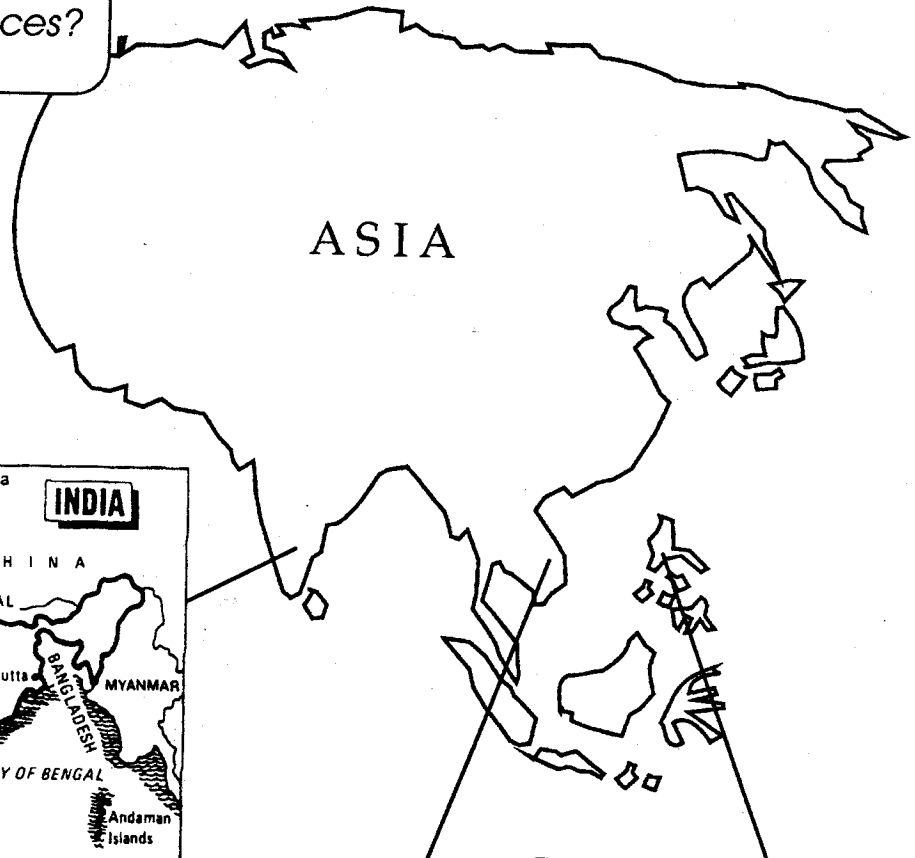


Right now, 40% of the Philippine budget goes to pay the interest on the debt. The IMF, who supervises the payment of the Philippine debt, has said that the budget must be cut. The peso must be devalued (people's earnings will be worth less). The cereal grain subsidy, which was to help people afford rice, must be stopped. Fuel, power and water rates must be increased.

Think about it:

Which people are hurt the most by these IMF "adjustment" measures? Should the Philippines have to repay loans which went to enrich the Marcos family?

So where are all these places?



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