

city. Undoubtedly, our heavy imports from the United States which reached their peak in 1948 at \$939,000,000, gradually declining until 1952 when they reached a low of \$611,000,000, were due to the need of importing machinery and other capital goods to rehabilitate our war-torn industries and to start in a modest way our industrialization program.

In connection with our trade with the United States, permit me to point out the significant fact that while before the war the Philippines, among the Southeast Asian countries, carried on the heaviest trade with America, the trend of recent years shows that we are rapidly being dislodged from the premier position by India, Indonesia, and Malaya. The figures of 1951 show that United States exports to India reached \$464,300,000, vis-avis American exports to the Philippines of \$350,300,000, or a difference in India's favor of \$114,000,000. In that same year, American imports from India were \$296,500,000 and from the Philippines \$283,400,000, or again, a difference in favor of India of \$13,100,000. In the same year, the American exports to Indonesia were \$161,750,000, against imports of \$266,300,000. Note the case of Malaya: America exported to that country \$57,800,000 against an importation of \$425,400,000. Here is a handsome trade balance in Malaya's favor of \$367,600,000. Unless we do something about it, the pre-war premier position of the Philippines as the biggest American market in Southeast Asia will be definitely lost to us.

**Recapitulation.**—For the sake of emphasis, let me recapitulate the outstanding facts: 1. That we are buying from the Southeast Asian countries, except Japan, nine times more than we sell. 2. That our trade with Indonesia is decisively against us to the tune of \$40,000,000 a year. 3. That in our trade with Thailand, we are pushed down and down into an unfavorable balance which kept sky-rocketing from \$4,000,000 in 1947 to \$31,800,000 in 1951 and 1952, representing a phenomenal increase of about 800%. 4. We find to our dismay that our country has lost to India her premier position as the biggest American market in the Far East and that even Indonesia and Malaya are fast overtaking our country in that respect. 5. Of course, it does not necessarily follow that an unfavorable balance of trade is an index of gloom, but taking into account the fact that all the countries of Southeast Asia have the same type of economy—the agricultural economy—the unfavorable balance of trade is a negative index.

My friends, as we ponder over the significance of these figures, we come to realize the weaknesses of our economic position in Asian and world trade, but we also discover our strength and visualize our hopes. By the exactness of numbers, we gain not only a realistic evaluation of our economic weight and special function in the international economy, but, most important of all, we gain a correct sense of proportion which is so essential in determining the direction, quality, and quantity of our development as a nation. The more we mull over our trade problems in Asia and the more we think of ways and means to expand our foreign trade, the more clearly it dawns upon us that the key to our success lies largely in our willingness and capacity to understand our neighbors'

interests and aspirations. We come to realize that in our willingness to work with them on a cooperative basis for the mutual benefit of all, we will find the open sesame to our expansion. In other words, we must realize that we can expand our own foreign trade only by expanding collectively the economy of the region, and consequently of the world. In an age dominated by the libertarian and equalitarian spirit, the prosperity and happiness of one nation must be built on the prosperity and happiness of all nations, or using a time-honored slogan, "one for all, and all for one".

Upon this fundamental concept or formula, your Department of Foreign Affairs evolves the nation's policy of foreign service and foreign trade, and asks the sister democracies of Asia to accept it. We must find the common denominator of our aspirations in this region. None has understood it better than American Vice-President Nixon who said after his trip to Asia: "Did you ever stop to think what the people of Asia want? Well, they want independence. They want economic progress. They want peace. They want freedom of choice as to their culture, religion, and their economic systems. And they want fundamental recognition of their equal dignity as human beings." This is the essence of the slogan, "Asia for the Asians". If you will pardon the digression, it is not against the United Nations' concept of one world, as some erroneously believe. It is an evolutionary stage in the ultimate attainment of a World State. The best evidence of that is that the Charter of the United Nations contains a provision allowing and encouraging regional groupings. By virtue of that provision, the British Commonwealth, the Pan-American Union, the NATO, the Arab League, etc., were authorized and sanctioned. Under that same provision, the future Southeast Asian Regional Union will come into being. I repeat, these regional developments composed of a group of nations are not contrary to the spirit of the United Nations; they are evolutionary stages towards the World State.

Going back to my formula for expanding Philippine foreign trade, the key is *mutual understanding* among nations, the magic open sesame is *collective effort* to expand collectively the economy of the region and the world, and the common denominator is *democracy*, that is, liberty, equality, and fraternity. It is my conviction that if we are determined to wipe out the unfavorable trade balance of \$40,000,000 in our trade with Indonesia, we can do it by the use of this formula. It is my hope that if we are resolved to regain our premier position as the greatest American market of the Far East with the trade balance in our favor, we can do it through this formula. Likewise, with this policy, we can liquidate the \$32,000,000 unfavorable trade balance with Thailand, keep on the upswing our favorable trade balance of \$57,400,000 with Japan, and by the same policy, instead of buying nine times more from them we sell to Southeast Asia, we should be able to reestablish a trade equilibrium. But above all, by this formula, we shall spread the gospel of democracy in Southeast Asia, we shall share with the peoples of the region the tenets and redemptive principles of democracy, we shall drink of each other's culture and spiritual inspiration, we shall stand together to defend with all our might and maintain freedom and democracy and peace. . . .

## Production of Selected Manufacturing Establishments by Kind of Manufacture: 1953<sup>a</sup>

BY THE BUREAU OF THE CENSUS AND STATISTICS

(NOTE: Some of the items below do not carry quantities produced and only their values are given due largely to the lack of uniformity in weight or measurements given by the manufacturers, in spite of instructions at the back of the questionnaire.)

Kind of manufacture	No. of establishments reporting	Unit of measure	Quantity	Value (Pesos)
<b>GRAND TOTAL</b> .....	2,479			1,288,753,573
<b>(a) FOOD MANUFACTURING:</b>	263			369,811,821
Canned fruits (pineapple, "fascia", guava, jelly, etc.)	27	—	—	7,933,259
Chocolate (ground cocoa)	12	—	—	26,374,138
Coconut oil manufactures	7	—	—	389,665
Edible oil	b	Kilos	14,220,254	11,666,954
Margarine	b	"	2,288,393	2,395,290
Shortening (vegetable lard)	b	"	24,383,095	22,653,101

Coffee (powdered, canned, bottled, and unpacked)	43		1,755,738	6,737,380
Dairy products, etc.:	7			
Fresh milk (bottled, etc.)	b	—	—	485,854
Others (Magnaolia, soyalec, etc.)	b	—	—	1,393,491
Desiccated coconut	6	Kilos	47,796,430	30,808,024
Fish and fish products	15	—	—	347,093
Food seasoning, etc.:	11			
Vegetables	b	Lbs.	460,385	1,254,213
Meat, catnap, etc.	b	—	—	610,280
Ice cream, ice drops	18	—	—	4,635,101
Meat products (preserved and/or canned)	12			
Ham	b	Kilos	66,610	347,828
Sausage	b	"	117,200	460,240
Others	b	"	—	197,535
Noodles (macaroni, etc.)	35	Kilos	3,503,235	1,831,299
Sugar (centrals, refineries, etc.)	27			
Centrifugal	b	Kilos	1,027,316,747	227,726,305
Refined	b	"	70,996,727	19,043,261
Others	38	—	—	2,531,320

