

■ The views of an economics columnist of the most-widely read newspaper in the Philippines.

PROSPEROUS TAIWAN

In a brief span of time, Taiwan, our neighbor in the north, has accomplished so much toward industrialization as to increase its per capita income to a level second only to Japan in the whole Far East. Almost every week there is a ground-breaking ceremony for a new industrial plant. Occupying an area almost one third of Luzon, Taiwan is now producing manufactured as well as agricultural products in amounts greater than the whole Philippines. How it could accomplish so much with its scanty resources has amazed many economic observers.

Fathoming Taiwan's success may not prove as difficult as it appears. It is easily conceivable that the secret for that success may be found in its internal stability and in the dedication of its people. It is also conceivable that there are many peripheral factors that contribute to the creation of a wholesome business atmosphere. Among

these are a hard currency, strict maintenance of peace and order; wise economic planning, sympathetic attitude of the government, a corps of competent labor force, relatively honest public officials, and an open door to foreign investments.

Placed beside Taiwan, the Philippines pales in significance. That we are being outshone is perhaps largely our fault. We Filipinos don't know what we exactly want. Having scanty funds with which to finance multi-million dollar projects that would exploit and develop our natural and human resources, we insist on placing all sorts of hurdles on the entry of these foreign investments on the fear that their migration to the islands might only impair our sovereignty but also displace our entrepreneurs and thereby make our people as just "mere water carriers."

In fact the attitude toward foreign investments has become so envenomed as to

cause some of us to have unnecessary trepidations, forgetting perhaps that the "gun-boat" diplomacy of yore is no longer possible in a modern world. Mexico and Indonesia nationalized their oil industries without endangering their respective political sovereignties. And Egypt seized all foreign holdings without earning armed reprisals for the governments of foreign investors. In today's world, investors place their bets at their own risks. Because it is so, investors have lately become very discriminating; they only invest their funds abroad when expectations of profits are great.

So what happens? Having no funds of our own, and because we placed all hurdles on the entry of those that have funds with which to harness and develop our resources, we are placed in a position where we could not even put up an industrial plant to meet our own national requirements, let alone export to earn foreign exchange. But the harm in that policy is far more insidious than what appears on the surface. With an exploding population that we have, our young people will soon become a social risk unless they are given employment. — *By E. D. Ilustre in Manila Times, Apr. 29, 1966.*

PRODIGALITY

Prodigality is the devil's steward and purse-bearer, ministering to all sorts of vice; and it is hard, if not impossible, for a prodigal person to be guilty of no other vice but prodigality. For men generally are prodigal because they are first intemperate, luxurious, or ambitious. And these, we know, are vices too costly to be kept and maintained at an easy rate; they must have large pensions, and be fed with both hands, though the man that feeds them starves for his pains. — *South.*