

Masagana 99: The bloodless revolution



THE RICE INDUSTRY is a double-edged sword hanging over most of the developing countries. Its supply is crucial for sustaining the populace and its cultivation is the primary source of income for the great majority of the labor force. But in the headlong rush for development, which is often equated with industrialization, the agricultural sector with the rice industry has been left behind.

The Philippines is no exception to this pattern. Government policy since 1946 has stipulated help to the rice industry. In actuality, the little capital that the country had been able to generate was siphoned off into doubtful import-substitution schemes to engender quick industrialization. Smokestacks, after all, are the new status symbols for the economically underprivileged nations, instead of the green ricefields that evoke an agriculture-based economy.

A benchmark period for the rice industry was the first term of President Ferdinand E. Marcos in 1965. For the first time in the short history of the republic, self-sufficiency in rice was attained, and a little surplus was even eked out for export.

The country was fortunate then that the newly established (1962) International Rice Research Institute in Los Baños, Laguna, about 40 miles east of Manila, came out with the first batch of the "miracle rice" seed varieties: A more significant factor, as later studies showed, was the increase in farm hectareage.

But the 3.1 per cent population growth of the country, one of the highest in the world, has made the "land frontier" much close now. The source of growth in rice production will soon have to come from increased yields—the Filipino farmer producing only about 30 cavans per hectare, one of the lowest in Southeast Asia.

Since the introduction of wet-rice culture by the first wave of Malay immigrants to the Philippines between 300 and 200 B.C., much of the rice farming has remained the same. The only labor-saving device in many parts of the country is still the carabao (water-buffalo). A significant number of farmers still depend on the providential rains. One-season planting still prevails in many parts of the country.

Starting in late 1972, a series of natural calamities brought the problem of rice supply again into sharp focus. Five typhoons came in succession and leveled thousands of rice farms in Central Luzon. As the floodwaters receded, a long drought followed and continued until April 1973.

What made matters worse was the same gloomy weather conditions that prevailed in other rice-producing countries. This produced a tight rice market in Southeast Asia and the rest of the world. As the former sources of rice imports went dry, the Philippines was confronted with an estimated rice-supply gap of about 700,000 metric tons. The most optimistic statistics of the government showed in June 1973 that the rice stocks would be "barely enough for 30 days."

Martial law was proclaimed in September 1972 amid the worsening rice crisis. To many Filipinos, this was the supreme test for the workability of the new authoritarian government.

President Marcos moved in with stopgap measures. First, he told his economic ministers to contract as much rice as they can get in the world market, to stabilize the skyrocketing rice prices. Profiteering and hoarding were severely punished. Corn grit, as one official said later, was "virtually commandeered" in Mindanao to be transported to Manila and be mixed with rice to extend its bare supply.

In this mass of almost desperate measures, President Marcos evolved a long-term, and uniquely innovative rice production assistance scheme—the Masagana 99 program. Masagana means "abundant" and 99 stands for the target of 99 cavans per hectare. The President aptly called it "a program of survival."

Initially, the program covered an estimated 600,000 hectares of rice lands in 43 provinces, covering most of those inundated by the 1972 floods. To discourage bureaucratic foot-dragging and interagency conflicts that have blocked the success of past rice programs, President Marcos created the National Food and Agricultural Council (NFAC) to coordinate the many government agencies involved in the rice program. A "technology package" was drawn up involving the active use of fertilizer, high-yielding seed varieties, pesticides and

other agricultural chemicals and modern rice planting and growing techniques.

The key to the success of the Masagana 99 was the extension of adequate credit. The new technology would obviously bring drastic increases in farm costs which the low-income farmers can hardly raise. In a move that shocked the generally conservative banking sector, the Philippine government made available some P420 million in no-collateral credit to the participating farmers. The Philippine National Bank, the Agricultural Credit Administration, and the rural banks were used in bringing in the loans to the farmers.

Some 397,000 farmers throughout the country availed themselves of the credit through the efforts of 3,200 government field technicians. The extension of credit to the farmers, formerly shunned as not credit-worthy by the banking community, showed the faith of the President in the ability of the Filipino farmers to increase production and repay credit obligations.

An innovative feature of the Masagana 99 program that has contributed significantly to its success was the organization of *seldas* or *damayans*, as they are variously called in different parts of the country. The *seldas* are cooperative associations of ten farmers or more. How do they work?

An individual farmer with his low income and small assets is not credit-worthy. But if a group of ten or more band together in seeking loans, they stand better chances. Moreover, they have better chances of paying. *Selda* members are "jointly and severally" liable for any loans contracted by any of the members. If one member is lazy or fails to take in the new farming methods, the *selda* takes over his farm to make it more productive.

Among themselves, the *selda* members elect a leader. He is in charge of seeing to it that the loans are used productively. Loans have to be paid immediately after the sale of the harvests. The barrio captain, meanwhile, takes charge of all the *seldas* in his community.

To make the whole cooperative system more than just a paper scheme, the Philippine government through the Bureau of Plant Industry and the Bureau of Agricultural Extension provides

production technicians for each *selda*. Now a familiar sight in the outbacks, these motorcycling technicians make thorough surveys of individual farms to determine the kind and the quantity of inputs needed. Then, they prepare the individual farm plan and budgets. These are then submitted to the rural bank for official approval.

The first two phases of the Masagana 99 program overshoot the performance projects of the government planners. Originally, the target coverage was about a million hectares but popular clamor by other farmers has induced the government to extend it to 1.2 million hectares.

As of June 30, 1974, 981,700 hectares have already been harvested with a total production of 76.4 million cavans or a very high average yield of 78 cavans per hectare. As the encouraging results were being tallied, President Marcos observed: "Masagana 99 was a bloodless revolution. It produced radical change. Where production and income used to be concentrated in the industrial elite in the cities, Masagana 99 brought increased production and income to the common farmer."

The three years of Masagana 99 have changed many farmers' lives. Narciso Cabalquinto, 42-year-old barrio captain of Manatal, Pandi, Bulacan, said: "We used to harvest only as much as 40 cavans hectare and we were thriving on a hand-to-mouth existence. That was because tungro (rice disease) has been with us ever since. Masagana 99, however, changed all that. Our production technician introduced us to tungro-control, fertilizer application, and our harvests have become bigger." Some rice-farming communities are now exhibiting signs of more than threadbare existence. Television antennas on hollow-block houses are becoming more and more common sights in the barrios.

President Marcos recently called on government financial and planning institutions to come up with a plan to develop small-and medium-scale industries in the rural areas. He told them to make full use of the "lesson that we have learned from Masagana 99 to industrialize the countryside." What has started as a program for survival now turns up to be a long-term pattern for economic development.

—LUIS V. OPLE