

- A general explanation of the obstacles in the way of a healthy growth of Philippine society today.

## BARNACLES ON OUR SHIP OF STATE

The rise and decline of once great nations have much to show us what basic policies and practices new and small nations should, in a general way, follow or avoid. Here apparently lies the significance of the statement that history repeats itself.

In an article appearing in *Newsweek* of July 29, 1968, the distinguished economist Henry C. Walich analyzes the cause of the decline of Britain which until not long ago held the leadership of the world financially and militarily. As the nation that started the industrial revolution, Britain succeeded in reaching the topmost seat in the industrial society and for about two centuries served as the financial center of the world. She was able to produce the most dynamic political and economic system of all her contemporary states; and thus she practically enjoyed undisputed material and military predominance over the whole earth.

Prompted by her success other countries gradually adopted her instruments and methods in the pursuit for material improvement. Thus the results of the British industrial revolution spread out over a number of European countries, the United States, and Japan. It is largely for this reason that the monopolistic position of Britain started to disappear. Her financial superiority was thereafter slowly undermined. She suffered a variety of economic reverses of a serious nature. Consequently, she was forced to devalue her currency several times after World War II and to devalue again a few months ago.

When we remember that the British pound had served as the world standard of the monetary value of other national currencies for several decades, the repeated devaluation of the pound has become patent proof that England's role as a financial giant in the international

economy is practically gone. She has not been able to improve her balance of payments from its unfavorable level in spite of the drastic changes she has been adopting in her fiscal and monetary policies and in spite of the changes in her government policies since the last World War. She has liquidated her world-wide empire and has withdrawn her military forces from different stations where they proved useful in preserving order and in maintaining peace in many sensitive regions in the globe. She has lost her territorial possessions which once encircled the earth. She no longer occupies the front line position as a sovereign power in the civilized world.

In our dream of making our country great, as our President has hoped, we should attempt to discover some of the principal and fundamental causes underlying her diminishing strength and her decline in material importance. Professor Wallich has presented some tangible and basic grounds which should interest the Filipino who seriously expects to see his country prosperous and to avoid the in-

sidious elements of weakness at this early history of his nation's independence. Professor Wallich suggests that an increasing sensitiveness of the social conscience could well contribute to the decline of a nation's power. Perhaps we might interpret this term as meaning the supersensitiveness of the social conscience which political and popular sentimentalism sometimes carries to extremes. In the case of Britain, one cause of this condition was the ill-effects or the atrocities of the *laissez faire* policy as practiced by her industrial leaders and traders over generations in the past. They touched, Wallich insinuates, her sensitive social conscience. As she toned down the harsh effects and ruthless methods of that system, she weakened considerably the toughening influence of "the process of natural selection and the survival of the fittest." The concern for full employment by which everybody is assured of a job produces an illusion of a happy life and general contentment. It has a tendency to prevent people from resorting to their own individual resources to solve

what are just problem of the normal affairs in one's life. The welfare state, which England had eventually established, lacks much of the challenge which private individuals in a free society should face and answer to show their potentialities and capacities for self-help and independence. Together with it has been her policy of state ownership of several of her basic industries, removing them from the hands of private enterprise. All these practically obliged her to adopt an extraordinarily high rate of income taxation which has discouraged the drive for competitive production in the private sector. She must have realized this impractical policy when after this year's devaluation she decides to adopt sales and indirect taxes to remedy her financial troubles.

Professor Wallich sees analogous conditions in the United States which could be the causes of its growing social and economic problems and which may worsen when they are not recognized and avoided by her leaders on time. The recent American concern "over poverty and discrimination," if it should

scar beyond sensible limits, may have an effect analogous to the British concern over the oppressive results of unregulated *laissez faire* on the less economically able elements of the country. It could become an incentive to individual thriftlessness and irresponsibility. The examinations, in addition to expanding public sector, the increasing government intervention in private enterprise, the mounting preference shown by younger Americans for government jobs over posts in private occupations and business — a distinctly noticeable phenomenon in American life and society since the last World War — all these demonstrate symptoms of general economic and social debility which tend to reduce gradually the vigor, the initiative, the creative urge, and the once vaunted skill and independence of the individual American.

The Philippines has not yet grown beyond the preliminary stages of industrial growth. The Filipinos may not succeed to go far beyond these initial stages. They may or may not be able to experience for a long time

a satisfactory social and economic development sufficient to elevate the life of the majority of the population. These doubts find some justification in the policies and practices of our government which are analogous to those pointed out by Professor Wallich as factors responsible for the decline of Britain and for the difficulties which America is now experiencing in international trade and finance.

Considering that the Philippines has not quite reached what is called the take-off stage of development, the retarding influence of these practices and policies may not be immediately perceptible. But even just as they are now being applied, they would prevent her growth, slow down her slight development, and may even cause a condition of paralysis in her potentialities for stronger growth. An erroneous conception of social justice could lead the nation to disaster. The danger is perceptible in the practice of Filipino political leaders to imitate and adopt American social policies and legislation prematurely and indiscriminately.

Considering the almost overwhelming ambition and desire of the educated population of our country to enter politics or to be in the government service; considering that only an insignificant fraction of our total population has chosen to go into private business or into other kinds of private occupations because they prefer to be employed in the different branches of our Civil Service, it is not difficult to foresee a dark future for our people who are being habituated to prefer a life of ease to one of struggle. Our government encourages this condition. No wonder that in the last Civil Service Examination over 500,000 persons, male and female, of different ages and varied educational attainments, eagerly took part in all provinces in order to qualify for unfilled government positions. The great anxiety of passing those dozens of other government professional and vocational examinations, is responsible for the frequent irregularities reported as committed by their participants to secure the highly coveted appointments to posts in the government service.

With our top-heavy bureaucracy, with Civil Service employees receiving higher salaries than those working in the private sector but with lower qualifications and lighter duties than those demanded in the latter field, the general attraction of the public posts to most people tends to be fairly irresistible. To this should be added the general feeling that public positions are most desirable because they assure security to one's future. Getting a government job has well-nigh become an obsession of our youth.

When all these things are taken into account, when even activities which should be left to the private sector are being taken over by the government, taxes have to be raised again and again to meet the heavy expenses all these conditions require. This again makes the situation more and more unbearable for the private sector, which is being depleted today of able and enterprising elements. Obviously, taxes have to fall on the few economically productive persons who are naturally made to support the burden of employing public servants both

the useful and the useless. No amount of miracle rice and wonder corn could be sufficiently produced to provide the people with food and other necessities much less to enable them to raise their standard of living when the population is top-heavy with drones who form and exist as barnacles of the ship of state. The higher the salaries of the economically unproductive elements, the heavier the burden of taxation becomes; and the larger the number of these superfluous civil and military officials and employees, the higher the tide of inflationary conditions in this country rises. The inevitable result is exorbitant prices of things and harder conditions of life. The eventual resulting situation is a state of increasing public disorder and crime.

Our metropolitan dailies are full of advertisements for men and women needed in private offices, industries, shops, trades, and other necessary enterprises. These positions form the active and productive sector of the country. They usually require better skills, more thorough educational prepara-

tion, and more serious dedication to work and duty than what is demanded in most government jobs. The requirements for civil service eligibility are simple and often merely formal and routinary. In many instances the youth frequently shuns the private occupations and enterprises and prefer to enter positions in the government civil service or in government-controlled corporations which are often obtain-

of political leaders and influential friends. Our private enterprises are being gradually deserted by elements who are needed to strengthen the foundations of a democratic society. And the ship of state rapidly and dangerously accumulates barnacles, so to say, that hinder the normal rate of its progress. — *V. G. Sinco, August, 15, 1968.*

### SOUND ADVICE

Give every man thy ear, but few thy voice;  
Take each man's censure, but reserve thy judgement.  
Costly thy habit as thy purse can buy,  
But not expressed in fancy; rich, not gaudy;  
For the apparel oft proclaims the man...  
Neither a borrower nor a lender be;  
For loan oft loses both itself and friend,  
And borrowing dulls the edge of husbandry.  
This above all: to thine own self be true,  
And it must follow, as the night the day,  
Thou canst not then be false to any man.—*HAMLET*