

21

# FARMING

AND COOPERATIVES

Volume I No. 1

November, 1945

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# FARMING and COOPERATIVES

Vol. I No. 1 November, 1945

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FARMING AND COOPERATIVES

# FARMERS DECIDE TO ORGANIZE

(List of farmers heading the Philippine Farmers Association. Additional list to be published in our next issue.)

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*I TAKE pleasure in greeting the initial issue of FARMING AND COOPERATIVES. I hope the publication will prosper by demonstrating its usefulness in the rehabilitation of our farms and homes. There was great need for such a journal before the war; there is even greater need for it now.*

*Not as immediately apparent as the destruction of our cities and towns but as far-reaching in its effects on our economic life is the ravaging of our rural areas. Indispensable farming equipment and tools have been looted or destroyed. Work animals have been driven off and slaughtered by the invader. While certain farm lands have not been planted and now must be cleared off three years of undergrowth, others, particularly sugar lands, have not been properly cultivated and must now undergo a careful process of fertilization and restoration.*

*Apart from the need of rehabilitating our farms, it is also necessary to rise above our pre-war stage of agricultural development, to turn to scientific methods so that we may increase our production. Our farmers should get the latest information not only on strictly agricultural matters but also on such allied subjects as poultry, animal husbandry and the home arts and handicrafts.*

*It is obvious that a farm journal could be of immeasurable good in purveying information and leading public opinion about the rehabilitation of our farms and their improvement along scientific lines. May FARMING AND COOPERATIVES be able to fulfill the role which the needs of the times indicate.*

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# The Revitalization of our AGRICULTURE, INDUSTRIES and COMMERCE

*IN the eve of her independence, the Philippines is faced with serious and momentous problems, which challenge the statesmanship of her leaders and the patriotism of every Filipino. The wanton destructions wrought by the Pacific War have set Philippine economy half a century back. Due to operations of war, cities, towns and even barrios lay in ruins and ashes, agriculture is in a prostrate condition, animal population is decimated, and our exports have faded to nothing. The immediate need of the country is undelayed rehabilitation and reconstruction. Our President is exerting all efforts in Washington toward getting ample aid from the United States to enable us to meet this immediate need.*

*The long-range solution of the problems confronting us consists in the revitalization of our agriculture, industries and commerce. The natural wealth of the country must be developed, through a systematic exploitation and husbanding of her diverse agricultural resources. Her industries should be promoted and multiplied, by creating new ones. Her commerce should be expanded by means of proper planning and organization. In other words, the agriculture, industries, and commerce of the country should be developed, revitalized and expanded to such a level that will enable them to produce sufficient revenue to meet the mounting expenditures of an independent Government and to maintain moderately high standard of living among the people, thus insuring individual contentment and happiness. Toward this end the Department of Agriculture and Commerce is dedicated.*

*I congratulate the publishers and editors of the "Farming and Cooperatives" magazine in coming out in the field of journalism with a periodical having aims and objectives identical with those of the Department of Agriculture and Commerce. Its announced policy "to cooperate with the government for the speedy rehabilitation of Philippine economy" is particularly timely and encouraging, for it is now more than ever when there is an imperative need of concourse and unity of efforts in attaining a speedy reconstruction and rehabilitation of the Philippines.*

(Sgd.) VICENTE SINGSON ENCARNACION  
Secretary of Agriculture and Commerce

## The NEED for GUIDANCE and ENCOURAGEMENT

*PHILIPPINE agriculture has suffered tremendous losses during the war. Cultivated farms have been devastated, work animals slaughtered for food; farm machineries, implements and tools lost or destroyed; industrial processing and manufacturing establishments wrecked or denuded of equipment; seeds and planting materials lost and cultivated crops reduced to such an extent that now the country faces one of the most serious food shortages in its history. Exports of agricultural products which constituted the main pillar of our national economy have been reduced to nil. The rehabilitation of these damaged industries is a task that requires not only the government effort but as well as the united strength of all the people, faith in our future, unlimited patience and full determination to work and work and work, but also very careful planning and execution of such well-laid out plans. There is lack of almost everything necessary for farm work and for the industrial processes in agricultural production. As a con-*

*sequence of lack of work animals only about 60 to 70 per cent of our basic agricultural areas have been put under cultivation. Interpreted in terms of crop production that would mean an almost staggering amount of shortage of essential farm products the most important of which is food. Aid in the form of productive equipment and relief goods has been sought but it may take some time for such aid to reach us in adequate quantities. In the meantime the people must have to make the best of the situation to avert further sufferings and possible hunger on account of shortage of foodstuffs. No other activity of the Government during these trying times is as pressing and as essential as the revival of our damaged productive industries which before the war was our mainstay in the production of food and other essential commodities. In this task of rehabilitation the people need guidance, moral and material encouragement, and all the support the Government is capable of giving. Our farmers must unite, cooperate and coordinate their efforts to secure maximum results.*

*The press has a share to perform in providing this guidance and in keeping the people inspired and encouraged. The publication of "Farming and Cooperatives" magazine as an organ of the Philippine Farmers' Association is very timely, especially during this period of intensive rehabilitation work. It will foster a close relationship among the farmers, promote improvement of rural life, help organize efforts for the stabilization of agricultural production and encourage improvements in the efficiency of farm management, promote cooperation between the farmers and the Government and contribute to a speedy rehabilitation of our economy.*

*(Sgd.) JOSE S. CAMUS  
Under-Secretary*

*Department of Agriculture and Commerce*

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# REHABILITATION PROBLEMS of the RURAL DISTRICTS

MANUEL A. ROXAS

THE Philippines today is economically prostrate. Our national economy has been destroyed and our country is economically weaker now than in 1899 when the American forces first landed on our shores. At that time we suffered from no ravages of war. Our agriculture then was sufficient to provide the country with its food requirements. Our people were probably not luxuriously clothed and sheltered, but we had food to eat, which is the first requirement of existence. Today we are without these essentials for reasons or faults that can not be attributed to us.

Our agriculture is prostrate because we have lost about 75 per cent of our work animals — the old reliable carabao, without which Philippine agriculture can not continue — we have lost over 80 per cent of our mechanized equipments. In Negros alone, only five per cent of the tractors have not been destroyed, and even these require repairs that can not be immediately done before they can be commissioned to operate. Our farms have been disorganized, farmers and farm hands have evacuated to distant districts for refuge and it would take time to get our rural communities settled down to the old peaceful and busy life again. Farm houses have been destroyed, whole farming barrios were ransacked and burned. Thousands of farmers are still living in makeshift shacks that their families may get protection from inclement rainy season.

Our expected rice harvest is altogether going to be far below normal production of pre-war days. Reports of investigation indicate that the expected crop will not be more than fifty per cent of last years' production estimated at 56 million cavans of palay. I fear that by December and January of next year, it will not be possible to obtain one half of 56 million cavans. The prospect for corn, camote, and other auxiliary substitute crops is equally gloomy.

Added to these difficulties, the rural districts continue to suffer from unsatisfactory conditions of peace and order. This is a matter that we can attend to and it must be done immediately. There is no reason, now that the war is over, why peace and order cannot be maintained everywhere in the Philippines. We have over 100,000 men in the Philippine Army today, and I am sure that the American Army will have no objection to permitting the services of those men if necessary for the maintenance of peace and order in the different localities of this country.

Our rural problems are both economic and social. But for the government to initiate measures to meet these pressing problems, it is essential first to determine the solvency of the Philippine Treas-

## An abstract of Senator Roxas' Speech on the Floor of the Senate, September 10, 1945.

sure. This is the only logical step to begin with, as in any business concern, or any corporation, that suffered losses, the first step in rehabilitation is to determine how much money it still has, how it spent its money and how it can raise the needed money. The government needs an accurate statement of its financial standing in order that it may be able to prepare a budget for its operation and appropriate funds for further measures of rehabilitation and improvement.

The next urgent problem is inflation. We must fight this immediately, and vigorously. Inflation strikes hardest in government employees, on the wage earning class, on the poor generally. Even to producers inflation is a terrible ill. I know it is difficult to fight inflation today because more and more currency is being poured into the Philippines and we can not stop it. There are several ways of fighting inflation. The first means is to intensify production. The second means is to minimize the increase of circulation and the rapidity which currency circulates. These are rather technical fields, which would require lengthy explanation, but there are many examples during this war of nations who have tried to fight inflation with fair success. In the United States inflation has been reasonably held in check. In Japan, inflation has also been held in check through the use of the system for "Forced Savings." People in the Philippines who earn money, if necessary must be compelled to set aside a portion of their earnings for investment in government bonds, so that the money might be withdrawn temporarily at least from circulation. At present we are fighting inflation by a rigid, strict, and honest control of prices.

Controlling inflation is a difficult task, but it is absolutely necessary to fight it with heroic action if we must bring relief to the masses. The plight of the government employees under times of inflation is indeed precarious. How can employees earning P40.00 a month live today? Why are common laborers demanding four and five pesos a day? Because they need to earn these rates to live. School teachers earning fifty-five pesos monthly are having difficulties to locate boarding house for less than one hundred pesos monthly. This condition can not last indefinitely. The people have to live and eat. A more rigid, effective control of prices, based on practical and reasonable ceilings,

adoption of a system of forced savings and the importation of large quantities of American goods, are three measures I recommend to meet inflation. People of large fortunes made since the return of the Americans should be made to invest in government bonds, not merely for patriotic reasons but as a direct remedy for an existing evil. American goods in large quantities brought to the Philippines will be readily bought by the citizens to replace those lost and damaged by war. The purchase of these commodities will draw money from circulation that will otherwise create inflation on essential commodities of food and shelter.

My next proposal for rehabilitation is for the organization of two offices—an office to be manned by economists, industrialists, labor and commercial experts, whose duty and function shall be to undertake investigation and researches and make available facts that can be the basis of policy determination, legislation and execution of administrative measures. The office should be outside the influence of politicians and should be capable of scientific investigation. The office should principally be useful in determining advantageous courses for the country in international trade, tariff, industrial development, exploitation of natural resources such as marine, forest, water power, irrigation, and transportation.

Another office is an economic planning office, to be manned by conspicuous men of wide reputation of this country and abroad who shall help plan the national economy. It will be advantageous to hire men, such as those who planned the economic mobilization of America during the war. We need men of experience, or world outlook, practical men of industry well versed in costs and profits, and familiar with labor problems. These men at work with the assistance of the government, with the support of the people and Congress, will in a very short time draw definite plans for our economic development and national stability.

Our next problem is the social problem of the submerged class of our people. Some people are alarmed because there are symptoms of radicalism in some parts of our country. If this radicalism exists we are partly to blame. These people can not remain quiet when they are hungry. We are partly to blame because we have not done enough to right certain injuries and irregularities from which they suffer, especially among the tenants in the rice producing provinces. I understand their problems. It is imperative that certain improvements are effected for the economic and social

*(Continued on page 28)*

# CURRENCY *and* STABLE AGRICULTURE

ANDRES V. CASTILLO

OUR currency problem is perhaps the most baffling of the economic problems confronting the country today. The working of the currency system is still a mystery to the layman in all countries, although everybody is vitally affected by changes in the system. The military notes of the Japanese occupation have radically affected our way of life that even the very young capable of remembering the events that happened during this hectic period will always recall the economic disorganization brought about by the use of this most subtle instrument for requisitioning the fruits of our productive labor. The misery, the hunger, the radical redistribution of wealth and income, the debauchery and demoralization of the race could be traced directly or indirectly to the chaotic currency situation of the past three years. The reestablishment of the pre-war currency system did not liquidate immediately our currency troubles. The effects of three years of currency irresponsibility and utter disregard of fundamental monetary principles will take at least a generation to shake off and to restore order in the national economy.

## Our Prewar Currency System

Perhaps a summary background of the working and service of the currency system might be useful in understanding the magnitude of the problem before us and the importance of a sound currency system to the country as a whole. The Philippines was on what is known as the gold exchange standard from 1903 to 1933 and on the dollar exchange standard from 1934 to the outbreak of the war in 1941. Our currency system was, as it still is, inseparably linked to that of the United States. The gold exchange standard which was in operation for three decades was a device to place the country on a gold basis without the necessity and great expense of maintaining gold reserves in the Treasury. Reserves redeemable in gold were deposited in the United States to maintain the parity of the peso with gold. The peso was considered a gold currency but no gold peso was ever coined; the gold peso was only theoretical, it had no physical existence. The purchase and sale of exchange by the Treasury at rates presenting the costs of shipping gold

provided the mechanism of adjustment between the demand and supply of government money. This mechanism secured stability in the external value of the peso and encouraged the expansion of foreign trade. The big demand for Philippine products abroad stimulated production and since the bulk of our exports consisted of agricultural products, an unprecedented expansion of farm production followed.

When the United States abandoned the gold standard and devaluated the dollar in 1934, the Philippines had to follow suit, and it was provided in an amendment to the currency law (Act No. 4199) that the peso will always be equal to one-half of the dollar no matter what happens to the dollar. The currency reserves continued to be maintained in the United States with the exception that they were no longer directly redeemable in gold but simply in dollars. So long as the currency system was linked to the dollar, it was impregnable strong and withstood any crisis that caused havoc in the currency systems of most countries during the prewar period.

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### The Currency System During the Japanese Occupation

The dollar exchange standard automatically passed out of existence upon the occupation of the Philippines by the Japanese armed forces. Military notes supplanted and drove quickly from circulation all kinds of Philippine currency. The military notes were issued by the Military Administration and later on by the Southern Development Bank, the fiscal agent of the Japanese Government in the Philippines. These military notes are euphemistically called Micky Mouse money. They were issued on the uncertain credit of the Japanese Government. The Mickey Mouse money is fiat money, entirely repudiated by the government.

There was no mechanism to effect the adjustment of the currency supply to the demand. Since the issuing authority did not bother to maintain any reserves for the notes, the only limitation to the quantity that was put into circulation was the need of the Japanese Imperial Forces and their agencies, the Japanese development companies, for the means of payment. Since the needs of the war machine were insatiable, to say nothing of the reckless and irresponsible business methods employed by the Japanese agencies, it was necessary to issue an enormous amount of the military notes to meet the demand for various kinds of goods and services.

The military notes circulated only in the occupied areas. For the unoccupied areas, emergency notes were issued to finance the activities of what was left of the Commonwealth Government in the Islands. Like the military notes, the emergency notes were issued without any reserve behind them. The currency reserves in the United States could not be considered as reserves for the emergency issues because they were outside of the control of the issuing authorities. And like the military notes, the issue of emergency notes was unregulated. Like the military notes, therefore, the emergency notes are fiat money. The Philippines was on an inconvertible paper standard.

The paper standard as such is not necessarily an inefficient monetary standard, incapable of promoting sound economic conditions. All the countries during the war were and are still on the paper standard for they do not redeem their currency in specie. But in some countries, especially in the United States and Great Britain, their paper currencies were expertly managed. They are on what is known as a managed currency. Inflation and hyperinflation occur under the paper standard, as did occur in the Philippines, China and other countries, when the issue of currency and credit is unregulated and divorced from the needs of industry and trade.

#### Present Monetary System

The reestablishment of the Commonwealth Government in February, 1945 also meant the restoration of the dollar

### FARMING AND COOPERATIVES

exchange standard, the monetary system at the outbreak of the war. The peso is as inseparably linked to the dollar as before the war. For every peso of Treasury certificate in circulation there is an equivalent reserve in the United States. There has been some apprehension on the part of some people that the present enormous circulation as a result of the vast expenditures of the American armed forces in the Philippines has placed the currency in a position not very much different from that during the Japanese occupation. With the present inflation and the consequent deterioration of the standard of living of the great majority, the Philippine peso is often compared to the Mickey Mouse money. This is a mistaken view. The Treasury certificate, whether it is a victory note or not is fully backed up by reserves in the United States. As a matter of fact, the Philippine peso is one of the rare currencies in the world, if there is any at present, that has more than 100 per cent backing. If there is any defect in the present currency system, it is that the amount of currency reserves is excessive, unnecessary and too expensive for a poor country like the Philippines. And this defect is made more glaring by the fact that this country is short of capital funds especially during this period when reconstruction and rehabilitation are of paramount consideration, and we allow much needed funds to lie idle. Clearly a reform of the currency system is much in order. But more of this later.

The Philippine currency system is linked at present not only to the American dollar but also to an international currency system by virtue of the membership of the Philippines in the International Monetary Fund proposed in the Bretton Woods Conference of July, 1944. Part of the currency reserves is kept with the International Monetary Fund. This fund with resources amounting to \$8,800,000,000 would be used to provide financial assistance to the member countries in stabilizing their exchange rates so as to foster international trade.

### Changes in the Value of Money

The importance of a sound and stable currency system was brought home with telling effect upon us during the Japanese occupation. We do not realize the benefits and the blessings of a most useful institution until we lose it. The relative economic stability fostered by the gold exchange standard and later on by the dollar exchange standard was replaced by economic chaos under the military note standard of the Japanese occupation. The currency system is so important a part of the economic life of the nation that when it goes out of order the body economy lies frustrate. The excessive issue of currency during the emergency poisoned the economic system. Economic stability is so intimately linked with the volume of currency that the latter has been compared to the blood stream of the human body. The blood stream vitally determines the health of the individual. Too little blood makes a person anemic and weak. Too much of it causes high blood pressure that may result in collapse any time. So also is the money stream to the body economy. Too little money causes business stagnation and economic depression, while too much money brings about an artificial prosperity which cannot but lead to the collapse of the economic system. Unless the issue of currency is properly regulated to meet the legitimate needs of business, inflation is bound to set in to plague everybody as was evident during the Japanese occupation.

No country is entirely free from inflation. Now inflation is one of the most troublesome of economic terms, and there is no general agreement on an accurate definition of the term. Inflation is often referred to as the creation of purchasing power in excess of what is needed in the production and consumption of goods at prevailing prices. Many writers use the term in connection with the increase in the supply and velocity of currency and credit at a much more rapid rate than the increase in the supply of goods. There is no gain in going extensively into definitions; suffice it to observe that high prices of

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- (c) To secure adequate living wages that will decently maintain and support the laborer and his family;
- (d) To remedy unemployment problems in the Philippines;
- (e) To work for the limitation of the number of immigrants to be admitted into the Philippines, not to exceed a quota of fifty (50) persons per annum for each nationality, excluding Japanese Nationals or any other nationals that may, by law, be excluded entry into the Philippines;
- (f) To advocate the repeal of the quota of fifty (50) persons of Filipino Nationality to enter or to be admitted into the United States and her territories as provided for in the Immigration Laws of the United States;
- (g) To secure employment for unemployed laborers in the Philippines, in Hawaii or in the United States and her territories;
- (h) To advocate enforcement of the Immigration Laws to their fullest extent and to increase the bond of ₱5,000.00 in cash for each immigrant to be admitted into the Philippines;
- (i) To advocate legislation providing for the use of public schoolhouses for assemblies as meeting halls to insure the educational work for the masses;
- (j) To advocate political and economic security and to safeguard freedom of speech, freedom of the press, and the pursuit of happiness;
- (k) To advocate full protection of laborers who may be recruited from the Philippines to work outside the Philippine waters; to advocate the amendment of the laws concerning the recruitment of laborers in the Philippines to the effect that besides the payment of license in the amount of ₱6,000.00 a year, a bond in the amount of ₱1,000.00 be required for every laborer recruited as a guaranty of the compliance of the contract.

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commodities and almost everything else are the hall mark of inflation. High or low prices presupposes a concept of normal conditions. Prices are high or low because they are above or below this normal level, and the existence of inflation or its opposite, deflation, is to be determined by this criterion. A general rise in prices due to an increase in the quantity of money is the distinguishing characteristic of inflation. A general fall in prices due to the scarcity of the means of payment is regarded as deflation.

All major wars have always been the occasion for inflation of varying degrees of severity. There are other causes of inflation, but it is generally admitted that the most severe forms of inflation occurred during wartime or shortly thereafter. Such was the case in Germany and other European countries during and following World War I. There was inflation in the Philippines from 1917 to 1920 which developed into a relatively acute one by the beginning of the latter year, followed by an equally disastrous deflation by the end of 1920 to 1922. The inflation during this period was chiefly of prices and to some extent currency inflation. With 1937-1939 as 100 the index of wholesale prices rose to over 500 by the middle of 1920. Currency and demand deposits increased rapidly during this period.

World War II brought another inflation to the Philippines, a more virulent type than that of World War I. Speculation, hoarding, monopolization, profiteering and other evils were rife to the misery of the great mass of the population. The facts of that most chaotic period of our economic life so far are of common knowledge and experience and need not be mentioned here. The skyrocketing of prices brought about radical changes in our modes of living which are just beginning to be rectified. Prices of necessities soared to dizzy heights beyond the reach of the majority. Only the "buy-and-sell" crowd could afford a decent meal which was always available. In spite of the fact that we were supposed to have a controlled economy with ceiling prices for most vital goods, the black market thrived openly. The producers of necessities, especially foodstuffs, reaped fabulous profits as inflation reached the runaway stage. The farmers' pockets bulged with Mickey Mouse money, and the external evidences of affluence and the trappings of the leisure class before the war in the form of jewelry, furniture, radio sets and even fine clothing gravitated to the rural districts.

## Effects of Price Fluctuations

The effects of the fluctuations of the value of money or prices on agriculture in general and the farmers in particular have never been squarely presented. In so far as the farmer is a debtor and has mortgaged his farm, he is greatly benefited by inflation because he could pay off his mortgage indebtedness with the proceeds of the sale of a smaller quantity of his products than would be required if prices were lower. The farmer is a good risk and he could have easy access to the banks and take advantage of his favorable position. The farmers'

(Continued on page 30)

# The PREMISES of PHILIPPINE RURAL ECONOMY

EUSTAQUIO G. AQUINO

THERE are certain basic facts which serve as a starting point in the study of Philippine rural economy. As far as they can go, such facts are afforded to us by our Census data, as those of 1903, 1918, and 1939, and by special reports and surveys on the various phases of our rural life. In our present study we are going to limit ourselves to the Census data of 1939, and particularly to those on agriculture, farming being the main industry in our rural communities. Following bare statements of present conditions, we shall offer the problems involved in the forms of suggestive questions the answers to which might embody principles and policies which may be included within the scope of Philippine rural or agricultural economics.

## 1. Our country is still rural.

The first thing that we have to know is that the Philippines is preponderantly a "Rural country." Of the 16,000,000 people of the Philippines in 1939, there were 12,300,000, or nearly 3/4 of the total population, who lived in barrios and nearly 93% of all the barrios and "centros de poblacion" have a population of less than 2,000 persons. These figures indicate that what may be considered as our "rural economy" is after all at the same time our national economy. We believe, however, that our rural economy is distinct from our national economy. The former is predominantly identified with self-sufficing barrio economy, while the latter is based upon Philippine semi-industrialized farming, mining and lumbering enterprises and foreign trade which has been the means of maintaining a reasonably high standard of living for our people.

**Problems:** How can we extend the industrialization of the Philippines that will bring social and economic improvements to outlying, "poblaciones", barrios and sitios? How can we develop cities and towns which shall serve as markets for the products of nearby barrios and sitios and as an outlet for surplus population? How can we share with the barrio people the advantages of a modern city life? How can we raise the standard of living and economic efficiency of our rural population? How can we make the attachment of the rural people to their home not only a matter of sentiment and helplessness to go somewhere but also for certain reasons as economic advantages? How can we make them contribute to our economic, social, political, and cultural progress? Do we have a distinctly rural system of education? Is there not a waste of potential labor and opportunities in rural districts due to lack or faulty organization of Philippine agriculture? Is there any relation between our frontiers where lands are still available, the free trade relation between the Philippines and the United States, and the emigration of Filipino laborers to Hawaii and the early industrialization of the Philippines?

## 2. Number and distribution of our farm units to given sizes in 1938.

In 1938, there were 1,634,726 farm

units covering an area of 6,690,593.87 hectares. According to our Census of 1939 a farm is "any parcel or parcels of land at least 1,000 square meters in area, used for raising of field crops, fruits, vegetables, trees, and/or other agricultural products or for raising of livestock, poultry and other animals. A farm includes all parcels, lots or pieces of land actually worked by one person, either

by his own labor alone or with the assistance of members of his family or hired employees. When a landowner has more than one tenant, the land actually worked by each tenant is considered a farm."

The distribution of our farm units to given sizes in 1938 is as follows:<sup>1</sup>

TABLE NO. 1

Sizes of Farms	Number of Farms	Per Cent
Less than 1 Ha.	368,903	22.5
From 1 but less than 2 Has.	489,053	29.9
From 2 but less than 5 Has.	565,060	34.6
From 5 but less than 10 Has.	142,587	8.7
From 10 but less than 20 Has.	48,367	3.0
Over 20 Has.	20,756	1.3
Total .....	1,634,726	100

The above figures show that farms of less than 5 hectares constituted 87% of all the farms; that the greatest number of farms is found among those from 2 hectares but less than 5 hectares, with a percentage of 34.6% of all the farms; that farms of from 1 hectare but less than 2 hectares come second, with 29.9%; and that farms of less than 1 hectare come third, with 22.5%. There is a gradual decrease of the number of farms of larger sizes. The corresponding percentages of farms between 5 and 10 hectares, between 10 and 20 hectares, and of those over 20 hectares, were 8.7%; 3.0%, and 1.3%, respectively.

**Problems:** Why is it that 52.4% or more than 1/2 of our farmers operated farms of less than 8 hectares in 1938? Does it show that the farmers were inefficient or that they lacked enough capital? Or does it show that our farm

lands are minutely divided into small lots and that an individual may be an owner of one or more of them located far apart? Is it not this condition of our landed property, that of being fragmented, the main cause of uneconomical operation of most farms and of the meagerness of the income of most farmers? Is there a need for consolidation of farm property into desirable and proper sizes as has been done in England and other countries, either voluntarily or compulsory? Is there any relation between efficiency in operating a farm and its size? What is the most efficient size of a farm? What is a family farm? How can we build up our agriculture on medium size farms? What has our government done in breaking up big land estates? Why does our Constitution give authority to Philippine Congress to determine by law the size of private agricultural land that may be acquired and held by private individuals

(Continued on page 29)

<sup>1</sup> Census of the Philippine Islands: 1939; Vol. II, pp. 1030-1031, 1617-1626.

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# Philippine Agriculture at the CROSSROADS

HILARION S. SILAYAN

PHILIPPINE agriculture has its beginning in the small clearings along the coasts of the different islands of the archipelago, where early settlements were established. Through hundreds of years, farm products, principally foodstuffs, were raised in small self-sufficient farms. But, during the three decades prior to the outbreak of World War II in 1941, Philippine agriculture developed into a new shape. Sugar cane plantations, coconut plantations, and abaca plantations prospered and vast tracts of lands were cultivated to only one crop, namely rice.

Due to free trade with America, Philippine agriculture witnessed an unprecedented expansion in those farm industries whose products found a profitable market in the United States such as coconuts, abaca, tobacco and sugar. Thus the country enjoyed a prosperity that made possible the progress of Filipinos in cultural, educational, political and economic advancement which with self-sufficient farms would have never been effected within such a brief period of time.

Now, Philippine agriculture faces entirely new prospects. By 1946, Philippine independence will be granted in accordance with the Tydings McDuffie Act unless new legislations to the contrary are enacted between now and next July. The economic provisions regarding tariff will be in operation and the Philippines will gradually lose the free trade market with U. S. Philippine agriculture must reckon only with the competitive market of the world.

It might be said in passing that the Tydings McDuffie Act provided a ten-year preparation from 1935 to 1945, a period during which Philippine farming industries should have made the necessary adjustments to meet whatever difficulties or disadvantages the loss of free trade might bring. Several years of this period passed without any defi-

nite measure of adjustment taking shape. Three years of Japanese occupation actually disrupted the farming industries by destroying farms and mills, killing farmers and work animals, wiping out transportation facilities and disorganizing every phase of agricultural production. Now, instead of having to adjust, war completely placed agriculture on a new plane of beginning. The problem today is rehabilitation with the distinct advantage that we can now plan to develop the desired kind of agricultural set-up, if we know what we want and we are set to build up what we desire for our own good. Philippine agriculture today is at the crossroads, so to speak.

During the three decades preceding the outbreak of World War II, our agriculture was characterized by an expansion of cultivated area. The production rate increased, improvements in many practices were achieved and the total output of farm crops was augmented by leaps and bounds. The number and quality of crops have been enriched; labor saving devices have been adopted; many new uses for farm products were developed; and new crop industries have been established such as the growing of onions, ramie, cotton, soybeans, derris, citrus, rubber, truck garden crops, etc. With the improvements of health condition and transportation, there has been a marked progress in the general welfare and standard of living in the rural districts. What actually was achieved may be summarized as follows: (figures based on 1903-38 census).

Rice production increased by three times from 504,000,000 kgs. per year in 1903 to 1,825,047,000 in 1938.

Corn by four times from 92 million kgs. per year in 1903 to 460 million kgs. per year in 1938.

Sugar cane by over five times from 180 million kgs. in 1903 to 1,019 million kgs. in 1938.

Coconuts by almost ten times from 232 million nuts yearly in 1903 to 2,303 million nuts yearly in 1938.

Abaca by two times from 66 million kgs. yearly in 1903 to 144 million kgs. in 1938.

Tobacco by almost two times from 17 million kgs. yearly in 1903 to 32 million kgs. in 1938.

Sweet potatoes (camote) by six times from 65 million kgs. yearly in 1903 to 406 million kgs. in 1938.

The importation of rice decreased from 334 million kgs. yearly in 1903 to 9 million kgs. in 1938.

Such were the changes in agricultural production suggesting progress, achieved because of the influence of free trade with America gauged in terms of a few important items. Greater still has been the progress in diversification for in the span of three decades, it has contributed toward the stabilization of agriculture. The number of sources of income of farmers has been increased. It enabled effective utilization of the favorable factors of production. It provided a diversity of occupation for farmhands. It helped improve the cropping system, which may in the near future bring about revolution in production. It enhanced the possibility of profitable farming under modern economic requirements of economic exchange. The new order demands great changes in fundamental objectives and line of improvements in farm practices particularly in the reduction of cost of production in order to enable Philippine products to meet competition in the open market. The new order requires that our country must have a vision of the future economic fields and the place our export products will occupy in the trade of the world. Short of this vision no plan would insure stability of our agricultural production.

Succinct summary statements of the actual working of Philippine agriculture up to the outbreak of World War II would help illustrate if there exists the cornerstone to preparedness to make our agriculture of tomorrow stable. Fortunately, the Philippines had all the beginnings, which if resumed, vitalized, adjusted to new conditions, and intensified would serve to rehabilitate our agriculture and make it the sound foundation upon which may safely rest Philippine stable economy.

There existed before the war, the exchange of seeds and foreign plant materials with 48 countries, principally with the most advanced countries in technical agriculture. Thousands of economic plants have reached our shores and cultivated fields from abroad and consequently have enriched tremendously our agricultural flora. Similarly, through importation of superior

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breeds and strains, our animals have increased in type and quality. Many of the new comers have replaced inferior old stand-bys. We have now avocados, camotes, tiessa, mandarins, oranges, limes, onions, ramic, soybeans, castor oil, coffee, rubber, duroc jerseys, white leg-horns, cambodia carabaos, etc. Simultaneously with introduction, selection and breeding in experimental stations produced valuable strains of animals and crops, providing new impetus to increased production.

A progressive view of the utilization and industrialization of the by-products and wastes of farms has been rapidly gaining ground for a more profitable agricultural enterprise. The country had to extricate itself from the practice of merely producing export crops and importing manufactured commodities from Philippine raw materials as in the case of sugar, abaca and coconut oil products. As a result of adaptability trials in many parts of the Philippines, many of the extremely localized farming industries have been introduced to many parts of the Philippines such as the onion growing, deries production, ramie production, "palagad rice", and cotton culture. With the advanced knowledge in nutrition, increased production of vegetables and fruits with particular emphasis on protective foods had been taken into consideration in the promotion of production.

There was up to the outbreak of World War II a well-organized system of regional and provincial propagation station, which helped disseminate valuable seeds and planting materials. This activity needs to be stepped up if ever resumed. Crop diversification and soil improvements of our major industries; accelerated production of profitable minor crops; crop drives for the expansion of cultivated area of promising industries; increased production of vegetables and fruits to facilitate better nutrition, amelioration of rural conditions through the improvement of homes and developments of home industries for tenant farmers, were the basic lines to which the agricultural extension service of the government projected its work and services. In order to safeguard agriculture from the ravages of pest and diseases effective methods of control have been the object of studies and organized field activities.

The government also operated a Central Experiment Station and eight regional experiment stations. This system permitted close study of problems at the central station and regional tests to determine local applications under the different agronomical districts of the Philippines. Besides, provinces were encouraged to operate with local funds the provincial stations which served as local demonstration and propagation stations. Technical men were encouraged to keep abreast with scientific progress abroad. New findings with possibility of local application were made part of the investigation in the Experiment Stations. Scientific work in the Philippines in agriculture was reviewed in other scientific centers of the world, just as their work became part of our information made possible by the exchange of the Philippine Journal of Agriculture published monthly by the Bureau of Plant Industry up to the outbreak of the

War with scientific agricultural journal of other countries.

With the above recital of the working of our agriculture and the actual tendencies and the part which the government played in this connection in the past, our responsibility to agriculture under the new conditions and new economic and political exigencies are clear and unmistakable.

Foremost is the urgent need of rehabilitation. The war wrought destruction to physical plants. Farm buildings and implements were destroyed, farm animals and farmers were killed; farm organization was disrupted, agricultural areas were abandoned, agrarian difficulties became acute, peace and order continue to remain unsatisfactory in remote farming areas. Due to sufferings, losses of property and belongings, deaths among the near relatives, the average farmer is demoralized. He is in a dilemma. He is lost where to begin or when to begin. The farmer himself needs rehabilitation before he can rehabilitate his farm. Indeed, our most urgent need first is to rehabilitate the rural population. He worked for three years under distress. He kept on producing and every time harvest came, others harvested his crop ahead of him. For three years, he lived miserably on crops that were remnants of depredations, and whatever he could secure to sell to buy his necessities he received either an emergency note or a mickey mouse money. When the sudden change came, these were the only legal tender he had and nothing has yet happened to enable him to buy necessities with it.

Can the farmer build new farm buildings, repair irrigation systems, buy animals, threshing machines, plows, etc. if credit at reasonably low interest are not made available to them? Obviously the need is substantial aid and credit with low interest. A few items may be mentioned to suggest the urgent needs to speed up food production as follow: Three hun-

dred sets of tractor and threshing machines to harvest speedily the coming rice crops of central Luzon. Five hundred trucks to move crops from the fields to the warehouses. Sufficient number of rice mills for a daily capacity of 60,000 cavanes of clean rice to be distributed in the different important rice-producing centers. Ten million new jute sacks as containers of palay, rice and corn. Fifty thousand carabaos to provide a reasonable beginning for building up the stock of work animals. Ten thousand sows and 500 boars to provide a foundation stock to revive the hog industry. Half a million sheets of galvanized iron for roofing warehouses and farm buildings. These are large items and their money equivalent will stagger the imagination of farmers.

Then comes the problem of crop adjustments. New conditions, new economic and political requirements presuppose revision of many existing conditions. Fortunately, the War made preparation for adjustments. The adjustment program, however, must be comprehensive and must feature provisions for the uplift of the welfare of the small farmers at the same time that basic industries are encouraged to improve. There are thousand of hectares devoted to some crops that are either unsuited due to wrong choice of crops or to soil deficiency due to neglect and continuous cropping. Due to poor yields, production will mean an uneconomical use of labor, materials and capital. Withdrawal of these areas from production and shifting them to better uses or shifting production to better lands is an imperative need. Greater yields in rice must be achieved through general practice of already known effective methods. Irrigation must be further developed to promote greater food production. Rice-lands should be utilized the year round thru a sound cropping system. The average tenant should produce more.  
(Continued on page 28)

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**A**T HARVEST time if you happen to pass by an extensive rice field, say in Nueva Ecija, you will pause with surprise upon seeing a monster rice harvester gobbling up stalks of rice like some starved mammoth which has chanced upon a field of luscious grain. Or your attention will be focused on the thresher, of so-many horse-power, beating out grain from rice stalks. You couldn't help marvelling at the almost uncanny mechanical operation.

If it is plowing season in nearby Pampanga or in far away Occidental Negros, where there are vast sugar-cane fields, you will see, here and there, motorized units, like tanks in the army. They are tractors, sometimes called caterpillars. A tractor or caterpillar can plow in a few hours what a score of carabaos can in a day.

The machines mentioned above are but a few examples of modern inventions that have revolutionized agricultural practice. There are many more that have given impetus to so-called *mechanized farming*.

But if technology and invention have brought about important changes in the agricultural world, they have effected more significant developments in the industrial field. As everybody knows, mechanization of industry has become a by-word of the present century.

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# MACHINES and P. I. AGRICULTURE

P. L. JUSAY

The development of mechanized agriculture and high-powered industry has brought about the Machine Age in which we now live. The great Industrial Revolution which started in 1775 gave succeeding generations hope and ambition and aroused their spirit of adventure and romance. Its far-reaching results kindled the imagination of hundreds of enterprising individuals whom mankind now remembers for their great researches and inventions which have relieved man of drudgery in farm and factory.

*Economic development.* These two words sum up the greatest material accomplishment of the United States in the Philippines. This country would still be in its swaddling clothes, economically speaking, if it were not for the United States. The Filipinos would have wallowed indefinitely in the backward economy that characterized the Spanish regime. Happily, Uncle Sam came over. It cannot be denied that uppermost in the minds of Americans who have settled here is Philippine economic development.

It was a blessing in disguise—the coming of the *americanos*. They were the sons of sturdy pioneers from middle-western United States. After forty years of ceaseless struggles, these hardy pioneers were getting more than bread and butter. They got gold! The proverbial hen that laid the golden egg is still with us and is laying more and better eggs.

The sugar industry may be said to have benefitted greatly from the introduction of agricultural and industrial machines into the Islands. The mining, abaca, coconut, and the manufacturing industries had likewise been favored.

When modern tillage is spoken of, one thinks right away of the tractor, the big motorized cousin of the plow. A tractor usually does fifteen times as much (and better) work as one carabao. Reports have it that there were about 3,000 tractors operating on the different plantations of the Philippines before the war. This shows that tractors were becoming increasingly popular in this country. The yearly importation of

farming implements ran to millions of pesos.

The advantages of tractor farming have swelled the demand for more tractors and have contributed principally to the increased number of tractors being used before the war in many sections of the country. Besides a time—and labor-saving device, the tractor reduces farm operating expenses to the minimum. It has longer life and requires less care. The tractor is not affected by heat nor bothered by insects or rinderpest. On sale in the local market was a type of tractor that could plow, harrow, plant, and cultivate.

In the market also before the outbreak of World War II were the so-called *azucarero* carabao plow and *palaycro* plow. The ordinary farmer could afford to purchase either one of the two types. Their make is durable. They do the work quicker and better than the old wooden plow, which is made of a cast iron ware and point that merely scratches the ground to a depth of a few inches. The old styled plow does not turn over a clean furrow unlike the modern plow. Experienced agriculturists tell us that turning over clean furrows is most essential in order to kill the weeds and conserve moisture in the soil. The modern plow is especially useful in hard, sandy or gravelly soils or in plowing sugar lands.

There were other types of modern plow sold in the market, the prices of which were within the reach of the ordinary farmer. There were tractor mold-board plow and disk plow. Here is a string of valuable farming machines that the local machinery dealers used to offer to the farmers: harrows, cultivator, soil pulverizers, rice binders, reapers, headers, shellers, grinders, huskers, shredders, mowers, scrapers, ditchers and graders, lime sowers, farm wagons, and concrete mixers. Worth buying but rather expensive are electric plants, hoists and irrigation pumps,

The most highly mechanized industry before World War II in the Philippines

*(Continued on page 27)*

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**T**HE next agricultural product that will play hereafter an important role in the economic progress of the country and one which is bound to enhance the stability of Philippine rural economy is ramie, also known as china grass. The scientific name is *Boehmeria nivea* (Linn). Just before the outbreak of the present war in 1941, there was a ramie rush in Mindanao, when enterprising Luzon and Visayan progressive farmers, principally sugarmen started to stake lands and began large-scale cultivation of ramie. Had it not been for the war, ramie now would have been among the important crops for local consumption and for export. Large tracts of hitherto virgin lands would have been turned into productive areas. In the Koronadal Valley alone, not less than 3,000 hectares were planted to ramie.

The position of ramie in the textile world is expected to improve with discovery of new uses, which will create stable market for ramie fiber from Philippine plantation.

**Uses.**—The sudden and universal interest for ramie may be attributed to the

Today engineers and agriculturists are boasting: "In the near tomorrow the Glades will belong to civilization." Into this great, flat, practically treeless expanse has been brought a new plant, a wonder fiber known as Ramie. The tall, stingless nettle has been cultivated in China for four thousand years. It was so common there it was called China Grass. Introduced to America through the black dirt of the Everglades, it has become so highly valuable that some farm experts unhesitatingly refer to it as "the agrarian revolution."

The wonder plant, now going into million dollar production, opens a new world to the American consumer. It means ironstrong shirts, suits and slacks; socks won't rub holes; non-shrinking; non-fading dresses with a higher sheen than silk; life-wearing fish nets; paper so strong can't rip it; freedom from shrinkage and resistance to mildew and rot.

Ramie is seven times stronger than wool and eight times stronger than cotton or silk. Its tensile strength is equal to that of mild steel. A fiber no thicker than an ordinary pin cannot be broken by hand when ripped from the natural stalk. Commissioner of Agriculture for the Everglades, Nathan Mayo, says: "It sounds almost too good to be true, I am always expecting the 'catch' to develop, but so far it hasn't."

Nor have such well known firms as the United States Sugar Corporation and the Sea Island Mills, Inc., found any catch. They intend to turn the Glades into big time agricultural production and make this spot the Ramie center of the world.

Aside from clothing, the uses for Ramie have long been recognized by textile experts everywhere. Braided fibers are wrapped around propeller shafts and other ship machinery to seal out water. For twine and rope it is without peer. Heavy textiles—such as upholstery, draperies, and seat covers—are virtually permanent when made of Ramie. And it is the best known material for towels and bandages because of its absorbing properties and the fact that it is lintless.

Perhaps you are wondering how a fabric that soaks up liquid so readily can be represented as a first-rate waterproofer. The answer lies in the very absorbency of the fiber which takes up, and retains indefinitely, oil or some other water repellent.—Coronet, August, 1945.

# RAMIE—

## The Coming Crop

fact that ramie has been discovered to be a valuable fiber only in recent years. Used alone it can produce fabric equally excellent as linen from flax. Used as mixture with wool it facilitates the production of woollen fabric greatly improved for comfort and elegance. If mixed with cotton ramie produces a fabric closely resembling flax linen in quality and durability. Besides, it has been utilized for many other uses such as fabric for parachute, fishing chords, mantle for lamps, laces, etc.

**Climate Requirements.**—Ramie grows best in regions having a uniform distribution of rainfall throughout the year and without any marked and prolonged dry season, and destructive typhoons and floods. Davao, part of Cotabato, Zamboanga, Lanao, Agusan, Oriental Misamis, Surigao and some parts of Leyte and Samar have the climate suitable for ramie. Rainfall distribution has been found also satisfactory for ramie cultivation in Laguna, Tayabas, Bicol Provinces and Negros, but the prevalence of destructive typhoons make these regions less desirable as the Mindanao province where typhoons hardly ever occurs.

**Soil Requirements.**—Ramie grows best in rich deep loam soil which is well drained. High organic matter content is essential as it facilitates fast growth and insures good yields, and economical preparation of ground. Good abaca lands if sufficiently level have been found suitable for ramie.

**Regions Already Established As Ramie Regions.**—The northern part of Koronadal Valley above Marbel along the national highway, the regions around Davao city and the Tagum District of Davao, the Kidapawan and Bansalan Districts on the Cotabato-Davao Road, Aroman district in the Cotabato-Bukid-

non Highway, Talakag District of Bukidnon, the Monungan District of Lanao, Silay District of Negros Occidental, the humid Calawang and Famy Districts in Laguna, the Baler District of Tayabas, have been found suitable for cultivating ramie.

**Ramie Cultivation.**—Ramie is planted from rhizomes which are young plants starting to grow from the rootstock. A healthy rhizome is planted in each hill. The hills are distanced 30 cm. apart in rows eighty to 1 meter apart. The ground must be prepared thoroughly, plowed well, harrowed several times so that there is a perfect tilth. In a week the young plants will indicate the extent of germination. The field must be well cultivated to prevent the growth of any weed. In two or three months the plants shall be ready for the first cutting. The cutting should be done carefully in order not to harm the plants remaining in the ground. The hauling of the cut plants to the decorticating machines should be done carefully in order not to damage the crop. After the cut plants are hauled, the soil between the rows should be cultivated to eliminate weeds and to produce a good tilth. The plants will be ready for another cutting in 60 to 75 days. Under Philippine conditions five to six cuttings a year are not unusual. It is this characteristic of ramie that makes possible the early income and the recovery of investments within three or four years.

**Yields.**—First cutting yields 3 to 5 piculs per hectare. Subsequent yields give 7 to 8 piculs per cutting per hectare. Accordingly, yields of established plantation run from 30 to 40 piculs per hectare per year of 5 cuttings. Proper manuring and cultivating specially with the aid of fertilizers will maintain that

(Continued on page 27)

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Interior Remodeling, Furnishing and Decoration

**GREETINGS to ALL PHILIPPINE FARMERS**

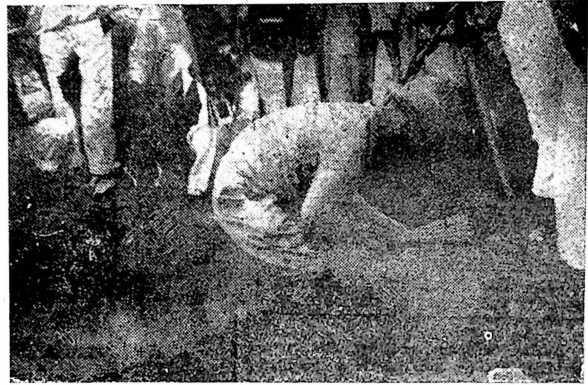
Only through Organized Effort can great Things be Achieved

President

# QUEZON *Glorifies*

IN November, 1945, falls the tenth anniversary of the establishment of the Philippine Commonwealth so auspiciously inaugurated in November, 1935. November 1945 also marks the tenth year of preparation for the granting of Independence as provided in the Tydings McDuffie Act. Only a year ago, this month, American liberation forces in Leyte began the most intensive campaign for the retaking of the Philippines from the Japanese control which terminated successfully after the fall of Manila on February 5, 1945 and freed the Philippines from further Japanese atrocities. November also

*At Buena-  
vista on the  
First Rice  
Planting Day.*



*Pronounc-  
ing his Social  
Justice pro-  
gram for small  
farmers.*

ushers the nation to the year 1946 when an independent Philippines will be established, marking the culmination of centuries of struggle of the Filipinos for political emancipation. It is only logical and in keeping with our traditions of gratitude and loyalty to our national heroes, that we turn our thoughts this month to one whose life's incessant labor was dedicated to the political emancipation of his people, to the man who brought home the Jones Act, the Tydings McDuffie Act, and whose work united the Filipinos and prepared them

## PROSPECTS

THE most critical food situation ever experienced in the Philippines was during the period from June to December, 1944. The factors that contributed to aggravate the situation had been many and unavoidable. The production of 1943 was far below normal of prewar production due to typhoons, floods and war ravages. The ordinary carry over stock of trade had been depleted during 1942. No importation of any form of food was possible during the years 1942 and 1943. There was no facility to move crops from areas of production to consumption centers. On top of these difficulties the country was over-run by an invading army that depended upon the locality to feed its soldiers. The invasion army were rice eaters. Had it not been for corn, camo-

te and cassava, planted in response to the food production campaign in 1943 and early 1944, Manila and the surrounding rice deficient provinces would have suffered from famine in 1944.

In considering production and food supply distribution, the Philippines may be divided into ten districts or geographical regions as follows. (1) The Ilocos provinces consisting of Ilocos Norte, Ilocos Sur, Abra, Mt. Province and La Union. (2) Cagayan valley: Cagayan, Isabela and Nueva Viscaya. (3) Central Luzon: Pangasinan, Tarlac, Nueva Ecija, Bulacan, Pampanga, Bataan and Zambales. (4) Manila. (5) Southern Luzon: Rizal, Cavite, Laguna, Batangas, Tayabas, Mindoro and Marinduque. (6) Bicol region, Camarines Norte, Camarines Sur, Albay and Sorsogon. (7) East

Visayas, Samar, Leyte, Masbate, Cebu, Bohol and Oriental Negros. (8) West Visayas, Capiz, Romblon, Antique, Iloilo, Occidental Negros and Palawan. (9) North Mindanao: Oriental and Occidental Misamis, Lanao, Agusan, Surigao and Bukidnon, and (10) South Mindanao: Cotabato, Davao, Zamboanga and Sulu. Each district has its geographical advantages which facilitate movement of crops from areas of production to centers of consumption. Manila is entirely a consuming center. The Southern Luzon district is rice deficient and gets its supply from Central Luzon. The Bicol provinces after big typhoons get short of food supply but in normal times capable of self-sufficiency. The Ilocos district is also bordering the deficiency line, but can get supply from

# the Filipino Farmer

for the establishment of an independent Philippines in July, 1946.

President Quezon is the Benefactor of the Farmer, because his shining obsession was his crusade for the cause of Social Justice to attain the peace and well-being of the people of the rural districts. The memory of President Quezon gives us eternal inspiration in the cause we have adopted as objectives for which *Farming and Cooperatives* serves, Namely:—

*Stabilization of Agricultural Production;*



*Speaking before Filipino industrialists.*



*At Baler, his hometown*

*Rural Improvement and Attainment for the small farmers of social and economic security;*

*Efficiency in Farm Management, and Diversification of Crops;*

*Conservation of Soil Fertility for an enduring Agricultural Prosperity;*

*Better nutrition, so as to have bigger farmers, vigorous farmers, longer living farmers—*

For truly President Quezon labored that the Philippine Commonwealth Government may help attain these objectives.

# for FOOD

the Cagayan valley. Cebu province is deficient in food supply but the neighboring producing areas of Leyte, Oriental Negros and northern Mindanao provinces supply all the needs of Cebu. All other districts have in the past maintained self-sufficiency with interprovincial movement of food supplies. Central Luzon, Cagayan valley, all Visayas, north and south Mindanao districts are self-sufficient and produce surplus for other districts.

The Nation's concern over food prospects ordinarily centers around Manila and neighboring rice-deficient provinces of Rizal, Cavite, Batangas, Laguna and Tayabas. These consuming centers depend upon supply of rice from Pangasinan, Nueva Ecija, Tarlac and Bulacan. Pampanga while capable of surplus production of rice has in recent

years been in the verge of deficiency for many obvious reasons. Bataan which was self sufficient before the war had been totally reduced in productive capacity that it will take some years to make it a surplus province. We must look forward to Nueva Ecija, Pangasinan, Tarlac, Bulacan and Pampanga for prospects of food for Manila and southern Luzon districts.

The critical period of food supply in Rizal, Laguna, Cavite, Batangas and Tayabas falls in the months of June, July, August. By September, camote, gabi, and upland rice and corn become available from new crops. We have passed this critical period without experiencing any undue difficulties similar to the food difficulties of 1944. From now on, camote, camoteng kahoy and rice will be more generally abundant.

The critical period for food supply in Bulacan, Pampanga, Tarlac and Nueva Ecija is during September, October and November. Like the proverbial story of the blacksmith without the bolo, rice growers are usually short of rice supply during those months. Early crop of

*(Continued on page 19)*

# *The Rebirth of* COOPERATIVE ENTERPRISE *in the Philippines*

FIRST CONGRESS OF THE  
PHILIPPINES  
*Second Special Session*  
HOUSE OF REPRESENTATIVES  
[H. No. 553]

INTRODUCED BY CONGRESSMEN  
RAMOS, ROMERO, GALLEGO,  
MONTANO AND DE LOS SAN-  
TOS, AS MEMBERS OF THE  
CONGRESSIONAL RE-  
CONSTRUCTION AND REHABI-  
LITATION COMMISSION.

EXPLANATORY NOTE  
HISTORY OF COOPERATIVES IN  
THE PHILIPPINES

This is a proposed law to establish the National Cooperative Administration to effect a centralization of the supervision and control of cooperative enterprise in the Philippines. Before the war, cooperatives were under the supervision and control of the Bureau of Commerce, including agricultural cooperative credit associations, cooperative marketing associations, retailers' and consumers' cooperatives. Before the Bureau of Commerce took over the supervision of the cooperatives, the old Bureau of Agriculture was entrusted with the organization of agricultural cooperative credit associations when they were first set up under Act No. 2508 passed in 1915. In 1941, shortly before the outbreak of the war, all cooperative associations were placed under the supervision and control of the National Cooperative Administration created under Executive Order No. 359.

The establishment and progress of cooperative enterprise in the Philippines has been slow. The first type of cooperative that was formally organized was the agricultural cooperative credit association. Starting with 8 associations in 1916, there were at the outbreak of the war on December 8, 1941, 571 such associations in 43 provinces with a total membership of 98,178 and total capital amounting to ₱3,383,997. The total loans outstanding amounted to ₱3,256,562 and total reserves amounted to ₱159,801. Even before the war, most of these credit associations were in a moribund condition and they could afford only the minimum of financial aid to some of their members. The chief cause for

their inactivity and the failure of many of them is the lack of capital. The contributions of the members and the small amount of deposits they could attract were not sufficient to permit efficient operation of these associations. The Rice & Corn Fund, now the Agricultural Cooperative Fund, with a capital of ₱1,000,000 was made available for extending loans to the credit associations, but even with the aid of this Fund they evidently needed more funds to satisfy the demands of their members.

Aware of the inadequacy of the rural credit associations to furnish sufficient credit to the small farmers who had no access to the banks, the Philippine Legislature passed Acts Nos. 3895 and 3896 authorizing the establishment of rural credit associations and rural banks under the supervision of the Philippine National Bank. Six rural credit associations were established under Act No. 3895, of which only three were operating at the outbreak of the war. Six rural banks were also established under Act No. 3896, of which only three were in operation and three in process of liquidation in 1941.

The difficulties encountered by the agricultural cooperative credit associations under the supervision of the Bureau of Commerce also explained the failure of the rural credit associations under the supervision of the Philippine National Bank. The lack of interest on the part of the farmers to join the associations organized for their own benefit and the lack of training of those who were elected to run and manage the associations also accounted for the indifferent success of these credit associations.

Other types of cooperative associations that were organized are cooperative marketing associations, retailers' cooperatives and consumers' cooperatives. There were several cooperative marketing associations established under Act No. 3425. The marketing cooperatives were organized with great expectation by the members, but the absence of important marketing facilities, including lack of bonded warehouses, inadequate credit, lack of transportation, besides the other factors already mentioned, all contributed to the failure of inactivity of many of the marketing cooperatives.

Farmers' cooperatives were organized during the Japanese occupation on a commodity basis under the supervision of the Bureau of Agricultural Administration. As of June 15, 1944, there were 247 farmers' cooperatives of which 219 were rice growers' cooperative associations, 26 coconut growers' cooperatives and one each for cotton and for onion. The total membership numbered 133,421 of which 130,135 pertained to rice, 3,250 to coconut, 20 to onion and 16 to cotton. The total authorized capital amounted to ₱2,288,860 of which the sum of ₱1,972,860 belongs to the rice growers' associations.

Retailers' cooperatives were organized on a national scale during the Japanese occupation. By the middle of 1944, there were 17,363 retailers who were members of retailers' cooperatives in 33 provinces. The authorized capital of retailers' cooperatives amounted to ₱5,475,000 of which ₱2,110,509 was paid up. The volume of sales during the period or nearly two years amounted to over ₱15,500,000.

## *Greetings to FARMERS*

We congratulate You For Getting Organized

Into THE PHILIPPINE FARMERS ASSOCIATION

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Manufacturers and Exporters Of Dessicated Coconut and Other By-Products

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Soap Manufacturers  
Importers and Exporters  
STATE BUILDING, MANILA

Consumers' cooperatives were also organized in Manila and other places before the war. It was not, however, until after inflation had reached a critical stage during the war that consumers' cooperatives were organized on a larger scale, especially in Manila, in order to provide their members with rice and other necessities at reasonable prices in the face of the sky-rocketing of prices during the latter part of the Japanese occupation. An increasing number of consumers cooperative stores are distributing ECA goods in Manila at present.

The corporation here proposed to be set up would consolidate all the activities of the government pertaining to cooperative enterprise and vests the supervision and control of all kinds of cooperatives in one organization. It has been the experience in the past that a mere division in a bureau, burdened as it is with other functions, could not cope with the work of organizing and supervising cooperatives. It could not get the necessary technical personnel and it does not possess the necessary prestige to push vigorously and effectively the cooperative movement. Such centralization of authority would promote efficiency and unified control by the government of the activities of cooperatives in order to correct defects in their management which had contributed to a large extent to the failure of many of them. The Board of Governors, through its technical staff, would provide for uniform reports, accounting systems, and issue such rules and regulations to forestall any irregularity and to remedy faulty methods in the running of the business affairs of the cooperatives. The appropriation herein provided would be partly employed in contributing to the meager capital of some of the cooperatives whose members could not push up sufficient funds to permit efficient operation, and partly in conducting a nation-wide campaign of educating the people about the objectives and benefits of cooperation both in productive enterprises and in consumption.

The cooperative enterprise provides the most effective means of aiding and rehabilitating the common man, either as a producer or a consumer, in his efforts to survive ruthless competition and the monopolistic tendencies of our present economic society, which make possible profiteering and exploitation of the weak by the strong. The cooperative has been a powerful factor for social and economic amelioration in other countries, and it could be made to secure a greater measure of social welfare among the masses of our population. In view of the importance of this measure its approval is earnestly urged.

(Sgd.) NARCISO RAMOS  
Congressman, 5th District, Pangasinan

(Sgd.) JOSE ROMERO  
Congressman, 2nd District, Oriental  
Negros

(Sgd.) MANUEL V. GALLEGO  
Congressman, 1st District, Nueva Ecija

(Sgd.) JUSTINIANO S. MONTANO  
Congressman for Cavite

(Sgd.) CEFERINO DE LOS SANTOS  
Congressman, 4th District, Iloilo  
(Continued on page 28)

**FARMING AND COOPERATIVES.**

## Prospects for Food . . .

(Continued from page 17)

lowland rice does not come until November. Again the increased planting of corn camote and camoteng kahoy in these provinces will prevent unnecessary difficulties, specially when supplemented with imported rice flour and corn.

At the present moment, no serious shortage is felt in rice in Manila. Imported rice, corn, and flour keep population rationed for their needs. Locally raised rice is available though at still high prices due to high transportation and handling costs. There seems to be no fear that there will be difficulty with food supplies until the next harvest, particularly after the official announcement made that more rice and flour are forthcoming from abroad.

The present rice crop which will be harvested beginning November will be in general distribution beginning January 1946. From all indications this crop will not come up to normal prewar production for several reasons principally, late and insufficient rains during planting season, unsatisfactory labor conditions during the early part of the cropping season, inadequacy of work animals and farm implements, a dearth of farm workers and destruction in farms and facilities. It is estimated that the crop in Central Luzon rice growing provinces will be hardly seventy per cent of normal production. We are still facing the typhoon season which sometime accounts for losses reaching from thirty to forty per cent. The Central rice growing provinces produce normally about seventeen million cavanes of

palay available for consumption. Of these close to twelve million cavanes go to local consumers, leaving five millions for Manila and surrounding provinces. If present estimate of crop is taken as an indication of prospects for food then something like eleven million cavanes will only be available for consumption. But there need not be any panic for this situation—what actually would happen is that the rice growers will reduce their consumption of rice to export as much rice as possible to obtain cash to buy commodities that they have missed during the last three years. They will eat more corn, camote and cassava. Besides wheat flour may take the place of actually one third of Manila needs for rice if it is made available, and bread can be supplied to all families.

Manila needs about two thousand cavans of rice daily. This is equivalent to about one million and one half cavans of palay a year. The neighboring provinces with the increased production of corn, camote and cassava locally, may need about three million cavans of palay. With four and one half million cavans of palay under control for distribution, the food situation in Manila and surrounding provinces will be brought to fairly normal condition. As the harvest is fast approaching the problem of food distribution will not be urgent until August of 1946. Speedy economical transportation would make available to all needy centers the crops from Central Luzon rice growing provinces. The pressing problems at present are those connected with harvesting and threshing facilities, containers, and

(Continued on page 21)

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# GREETINGS TO FARMERS

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—oO—

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and Install Machineries in General*

# PROGRESSIVE FARMING

Prospects for Food . . .  
(Continued from page 19)

## Rural Mailbox

THE Philippines as everybody knows is basically an agricultural country. As the saying goes, "farming is the backbone of the country." If so, how strong is our backbone? We have to admit that our farming methods are not up-to-date as may be desired. The same practices and crude tools used in the past are still found in many of our farms. We are behind in adopting useful, up-to-date information. New ideas are looked upon by most farmers with suspicion and they are reluctant to change.

If we are to develop our farms in a progressive way, we must think hard, plan out our work and put these plans into practice. The plans for our farm work must be based on modern farm practices. Modern farm practices is scientific farming. "Scientific" does not mean something supernatural or mysterious. It is not necessary for a small farmer to go to college to understand the meaning of scientific farming. It merely means in a nutshell, the organization of farm work into a detailed plan using available latest findings on the particular subject at hand. It means making every inch of land yield the maximum at the most economical way under given conditions. To sum it up, we must know at the outset, *what* we want, *why* we want it for, *when* we want it, and *how* we intend to produce it. If we can answer these things in detail, we have a fairly good idea of a scientific method.

It is not the object of this column to encourage farming in a grand style but rather to put some light on common farm problems to help the development of the small farms into profitable enterprises. If we could help the farmer do small things in a profitable way we are more than recompensed in helping him.

While we shall take the initiative in discussing in this department, problems about the daily work of the farmer, we request the farmers all over the country to cooperate by sending us their knotty problems, or suggestion they have discovered that can be useful to other farmers.

(Continued on page 23)

labor conditions in the farm districts. Tractors and threshing machineries, trucks and warehouses were destroyed during the Japanese time. Containers like jute sacks, even used ones, have practically disappeared from use. Not less than ten million sacks should be made available to move the crop and store it. Warehouse facilities to accommodate six million cavans are needed to safely handle the next crop before the rainy season. Some two hundred outfits of tractors and threshing machines would be needed to speedily harvest the crops. Not less than 2000 two and ½ ton trucks are required for hauling rice from the fields to warehouses. The corresponding oil and fuel to mobilize all the mechanized units must be made available. All these essential needs require financing and the farmers do not have the means now. Farmers' only money made from sales of crops during the last three years has no value.

The food situation, however, will not be any more serious in 1946 as in 1945, the period just about to terminate, because both transportation greatly improved and importation possible from different sources as Burma, Siam, French Indo-China and the United States food can be made available.

The most sound course to follow would be for a more general use of locally grown corn, camote and cassava, as between utilizing our own crops, saving our money and importing rice and flour to sending away money, the latter is the more sound economy. This calls for a more comprehensive government leadership and direction. The farmers have already started the planting of corn, camote and cassava and they should be encouraged by having their crops profitably marketed. Already the Batangas farmers have announced surplus cassava harvest without market. Laguna, Cavite, Tayabas, Tarlac, Nueva Ecija, Pampanga, Bulacan and Pangasinan are also producing corn, camote and cassava. Unless an organized attempt is made to market their crops, there will be great losses and the farmers may be discouraged from further cultivation of rice to the prejudice of self-sufficiency essential to a stable Philippine economy.—  
*Silagram*

Inquiries received from farmers shall be given prompt attention unless the answer is not readily available—in which case, it will be referred to an authority on the subject. The information will immediately be published. The following questions were placed in our hands just as we were going to press. Answers will be published in the next issue along with answers of questions that will be received next month.

1. Where can I buy white leghorn chicks for my foundation stock? Is fish meal available now for feeding layers? Is the much publicized Sta. Maria Poultry Raisers Association still alive?

2. Where can I secure onion seeds, and what is the best variety to grow?

3. Can we grow pop corn in the Philippines?

4. Before the war, the Bureau of Animal Industry helped poultry raisers to avoid losses from chicken plague by vaccinating hen and roosters. Is there any private party that will give the same service and what is the cost? Can I buy the vaccine from the government and do my own vaccinating?

5. How can I secure nitrogen bacteria to inoculate the seeds of soybeans before planting?

6. Can I plant camote after harvesting palay in December? (See Suggestions to Rice Growers)

7. Can I produce onion seeds and how?

8. How can we farmers of the locality form a Farmers Cooperative Association?

9. Where can I secure ramie seedlings?

10. What is the UNRRA, the ECA and the FEA and what are they doing for the farmers of the Philippines?

11. Harvesting and threshing rice in all Central Luzon will be in full swing by December. As the Japanese soldiers commandeered all tractors and threshers, where can the farmers secure these facilities now? Are the Companies dealing in farmers' machineries now open for business?

## Greetings to FARMERS

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For further information, write or see The Director

# The Cooperative Way of Life

A. DE CASTRO

(As a Private Citizen)

**T**HE recreation of the National Cooperatives Administration by the Philippine Legislature giving to this institution ₱5,000,000 to efficiently perform the implantation of the cooperative way of life in our Philippine Economy is a conclusive proof on the part of our Government that the organization of cooperative enterprises is a *National Policy*.

The cooperative way of life seeks a middle way of solving the trouble between capital and labor. The capitalistic way of life is characterized by monopoly of the few. In fact, it is totalitarian in the sense that who ever controls capital is the one that dictates the destiny of our economic organization. The global war which has just been ended pronounces that democracy should be a guiding principle of our life; hence political democracy if it is to last as our guiding philosophy should be based on economic democracy. I dare say that our sacrifices to let democracy safe for humanity will not last long if its foundation is based on totalitarian economic organization. The fight for political freedom is ended. Freedom from the clutches of big business interests whose creed in "In Money we trust and let Money speak"—the sooner we go back

to the Christian way of "In God we trust and let human being speak," this world of ours will not only be worth living but it will be worth fighting for. Democracy to last should be founded on economic freedom. It has been said that aggressive war was always caused by the manipulation of world power supported by great capitalists, industrialists and financiers.

There is no doubt that when the cooperative way of life where the earning of capital is limited and when in the deliberation of business organization is based on one-man-one-vote, this world of ours will be more fit to live and possibly more human understanding will prevail. Only when our political and economic organization is based on democratic principles of one man one vote will the mass of common *tao* be emancipated from economic slavery.

The slogan of the late Pres. Woodrow Wilson "to make the world safe for democracy" will not be only in theory but in practice. For us in the Philippines, the organization of more cooperative enterprises is the road to world peace and also the right way to reconstruct our ruined national economy.

In rebuilding our national economy we should not lose sight of the fact that

our people must be organized in such a manner that the real majority will prevail in contrast with the old time business organization based on the capital investment. There is no doubt that His Excellency, the President of the Philippines will exercise the final stage of signing the House Bill No. 553 which has been passed by both houses and presented for his signature.

This is the Magna Charta of Economic Emancipation!

## The Rebirth of . . .

(Continued from page 28)

and sixty-five is hereby amended so as to read as follows:

"SEC. 5. There is hereby created a non-stock corporation to be known as the "National Cooperatives Administration" to take charge of the promotion, organization and supervision of cooperative and mutual aid associations now existing as well as those which may hereafter be formed under the provisions of Commonwealth Act Numbered Five hundred and sixty-five and the rules and regulations promulgated thereunder."

## With Best Wishes to the PHILIPPINE FARMERS ASSOCIATION SAN CARLOS DISTILLERIES

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Manufacturers of CHEMICALLY PURE ALCOHOL  
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The governing body of the said corporation shall consist of a Board of Governors composed of a chairman and four members to be appointed by the President of the Philippines with the consent of the Commission on Appointments of the Congress of the Philippines. The members of said Board who are not in the employment of the Government of the Commonwealth of the Philippines shall each receive a per diem of not exceeding fifteen pesos for each meeting actually attended by them. The Chairman of the Board of Governors shall appoint such technical and subordinate personnel as may be necessary for the proper performance of the functions of the corporation and shall fix their salaries subject to the approval of the Board.

The Office and principal place of operation of said non-stock corporation shall be in the City of Manila, and branch offices shall be established in such places as may be selected and determined by the Board of Governors.

The corporation herein created shall exercise the powers and duties contained in the articles of incorporation and by-laws to be approved by the President of the Philippines and the rules and regulations that may be issued by the President from time to time in conformity with the provisions of section six of Commonwealth Act Numbered Five hundred and sixty-five.

SEC. 2 The sum of five million pesos is hereby appropriated out of any funds in the National Treasury which, together with the other funds mentioned in section seven of Commonwealth Act Numbered Five hundred and sixty-five, will constitute a special fund to be known as the National Cooperative Fund and will be placed at the disposal of the Board for the promotion of cooperative enterprises in the Philippines. All incomes or receipts derived from the operation of the special fund herein created shall accrue to and form part of the same and shall be available for expenditure and/or investment as the Board may direct for the purpose of carrying out the purposes of this Act.

Sec. 3. This Act shall take effect upon its approval.  
Approved.

### Progressive Farming . . . (Continued from page 21)

#### WHAT SHALL WE DO WITH RICE LANDS?

A Silagram

Listen, Rice Growers:

If Europe did not change from simple growing wheat to a cropping system of wheat, turnip and clovers, European farmers today would still be farming the primitive way. Now if rice growers do not change the present system of planting only one crop of rice a year and waiting one half year doing nothing, they will remain the same primitive farmers for the next twenty or fifty years. Many things have already been tried with success and it is only necessary to adopt them into a system or definite farming scheme. Mongo for example has been used to plant after a rice crop. Camote has been tried with gratifying result to follow a rice crop. Soybeans have also been successfully grown after a rice crop. Corn, cotton, gabi and cow-

pea have also been cultivated with satisfactory results after harvesting rice, especially when irrigation facilities are available. Sitao also has been successfully planted on "pilapil" during the growing season of rice, thus rendering the unprofitable "pilapil" serve a double purpose and making it possible to create additional income to the rice farm.

The proposition is as follows—to plant rice from June to November, utilizing a medium late variety. Immediately after cutting the rice, the land should be prepared and planted to camote. The result would be a harvest of camote in March and April. A green manure crop of sesbania or mimosa or soybeans planted in April can be plowed under in June and July. The result will be proper conservation of soil fertility, increased production of food, employment of the farmer throughout the year and an increased income for farm labor.

Let us figure down the advantages. As it is now, the only income of one hectare of rice farm for one year is 40 cavanes a year.

As it will be after adopting the suggested cropping system, the yield of the land will be—

40 cavanes of palay and three tons of camote.

Under present prices of palay at P20.00 a cavan and camote at 15 centavos a kilo, the income from one hectare is P800.00 for rice and P450.00 for camote. Well cultivated camote planting has given as much as nine tons per hectare.

Further advantages of the proposed cropping system is that hog and poultry enterprises will be encouraged because of additional available food and the farmer will be occupied throughout the year on profitable work.

Naturally the adoption of the proposed cropping system involves changes in habits and customs and investment on better equipments to facilitate speedy preparation of the ground. The tenants will have to work harder, the land owner will have to invest in equipments. Apathy to these changes have always been the obstruction to progress. But it is the change with all the accompanying sacrifices that made the difference be-

tween the European farmers of the Middle Ages and those of today.

### Truck Gardening Notes

WITH the rehabilitation of speedy transportation from provinces to Manila, farmers will have extra good opportunity to sell fruits and vegetables to Manila market. To illustrate Manila's large market of vegetables, it is only necessary to state that the daily needs of Manila's population for fresh vegetables is around ninety tons. A daily haul by fifteen six-ton trucks would be just about right to meet Manila's daily needs. The vegetables most needed in Manila are, pechay, mustards, camote tips, malungay tips, kangkong, sitao tips, calabasa, radish, turnips, sincamas, carrots, chayote, gabi, camote, cassava, onions, tomatoes and green corn.

November is the best time to plant for the dry season crops, where irrigation facilities are available; planting can be done until February.

We emphasize tomato and onion planting as these two crops will be on top prices at harvest time.

If you have any question about planting directions, fertilizing guide and harvesting methods write the editor of "Farming and Cooperatives" and the reply will be gladly sent to you promptly.

The farmers of the truck garden land of Marikina valley, Laguna lake shores, the Tumanan land of Baliwag, Bustos, Gapan, Cabanatuan, the bottom lands in Candaba, and river bank lands in Pangasinan should take early steps to plant vegetables this season. While the American soldiers are still in Manila, there will be good markets for all truck garden products.

### Suggestions

FOR good results, upo and calabasa should be started early in November and December. Dig square holes one foot wide and a foot deep, two meters apart and fill with well rotted horse or carabao manure. Plant two or three seeds in every hole. When

(Continued on page 25)

Best Wishes to the PHILIPPINE FARMERS ASSOCIATION and to FARMING and COOPERATIVES

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# THE MARCH OF EVENTS

(Emphasis on Economic Progress)

Malacañan—President Osmeba of the Philippines had signed the bill authorizing the redemption of PNB notes. ₱27,000,000.00 of said notes had been banned from circulation since the liberation.

Provincial holders of this note may get detailed information from municipal and provincial treasurers. Those in Manila may inquire in the office of the Treasury.

Some of the vital bills affecting farming that had been signed by President Osmeña are as follows:

H. B. No. 485 Creating the Agricultural Machinery and Equipment Corporation.

H. B. No. 608 providing for the participation of the Philippine Government in the International Monetary Fund and International Bank.

H. B. No. 88, providing for distribution into lots of Public Agricultural lands.

H. B. No. 353, providing for the organization of cooperatives association.

H. B. No. 622, rehabilitating the cadastral survey revolving fund.

H. B. 623, extending the time for complying with the stipulation of public land and forestry contracts.

H. B. 225, appropriating fund for Animal breeding purposes.

## PNB WILL GRANT AID TO FARMERS

To rehabilitate farming in the Philippines the board of directors of the Philippine National Bank voted at its recent meeting to grant short-term loans to bonafide farmers and agriculturists.

The PNB has already approved short-term loans to farmers in Tarlac, Nueva Ecija, Bulacan, Bacolod City, and Lucena in Tayabas. The loans are for 3 months only.

## PROMINENT FARMERS TOURING ABROAD

Messrs. Senen Gabaldon and Luis Lichauco, prominent Luzon farmers, constituting as a Special Farmers' Committee created by President Sergio Osmeña to study mechanized farming in the United States are now there traveling the different states where mechanized farming is highly developed. The Philippine Farmers Association anxiously awaits their return as undoubtedly they will bring back home advanced ideas that will help Filipino farmers.

## PANGASINAN FOLKS ARE COOPERATIVE MINDED.

With headquarters at Dagupan the different cooperative associations in the different municipalities have organized the Pangasinan Cooperative League with an authorized capitalization of one hundred thousand pesos. The following officers were elected:

Dalmacio Guillermo *President* Asingan  
Juan Braganza *Vice-President* Alaminos  
Jose Biagtan *Secretary* Mangatarem  
Jose de la Cruz *Treasurer* Urdaneta  
Jose B. Garcia *Member*.. Manoag

Several of the member cooperatives are Farmers Cooperative Associations and others are consumers cooperative associations.

## GOVERNMENT WANTS WORK ANIMALS

A unit of the department of Agriculture and Commerce will handle the procurement of work animals and their redistribution to farmers in places where they are most needed. This unit is headed by Dr. Manuel D. Sumulong.

It is estimated that 40% of agricultural land will lie idle due to shortage of work animals. Official sources estimate that 70% of Philippine work animals were lost as a result of enemy commandeering and unregulated slaughter.

Livestock owners who wish to dispose of animals in excess of their needs may communicate with the Bureau of Animal Industry or nearest provincial office stating the following: location of animal, kind (carabao, cattle) sex, age, height, utility and price.

## COCO MEN TO GET COMMODITY LOANS

About 5,000 sacks of rice and a large quantity of canned goods will soon be given to copra producers in the form of commodity loans through copra cooperatives, according to the NACOCO. The NACOCO has been negotiating with the FEA and expects these commodities late this month.

The NACOCO will also sell to these producers sacks at P.70 a piece. Laundry soap has been on sale at P.25 a bar to cooperative store.

## P10-MILLION FOR FERTILIZERS

The release of P10,000,000 is expected soon for the operation of a National Fertilizers Corporation as provided for in a bill presented recently by Congressman Oscar Ledesma and Jose Cojuangco.

The creation of a fertilizer factory in the Philippines is expected to completely obviate the necessity of importing this commodity so vital to our agriculture.

# LEARN Tagalog

the Proper Way

As a help in popularizing the national language, "Farming And Cooperatives" will publish a series of practical instructions under the direction of Attorney Pedro B. Mendoza, professor of Tagalog, National Teachers College.

Iláng Pag-aaral sa

*Balarila ng Wikang Pambansá*

Ang Abakadang Tagalog

Tanóng—Iláng titik mayroón ang abakadang Tagalog?

Sagót—Dalawangpú.

T—Paano ang pagkakasunud-sunod?

S—A, B, K, D, E, G, H, I, L, M, N, NG, O, P, R, S, T, U, W, Y.

T—Sa iláng uri nahahatí ang nasa-bing dalawangpung titik?

S—Sa dalawá:

Patinig—A, E, I, O, U. (5)

Katinig—B, K, D, G, H, L, M, N, NG, P, R, S, T, W, Y. (15)

T—Paano binibigkas ang mga patinig?

S—Katulad ng A, E, I, O, U sa abakadang Kastilá.

T—Paano namán ang mga katinig?

S—Bawa't isa'y binibigkás na may kasamang tunóg ng patinig A, gaya ng—Ba, Ka, Da, Ga, Ha, La, Ma, Na, Nga, Pa, Ra, Sa, Ta, Wa, Ya.

T—Maaari kayáng saliwain ang bigkas ng mga katinig?

S—Maaari—aB, aK, aD, aH, aL, aM, aN, aNG, aP, aR, aS, aT, aW, aY.

T—Alin ang ikalabindalawang titik ng Abakada?

S—NG (NGa)

T—Iláng titik dapat na ituring ang NG?

S—Isá lamang, gaya sa mga salitáng sumusunód: *ngipin, manggá, utang*

T—Aling mga titik sa abakadang Kastilá ang wala sa Tagalog?

S—Ang mga sumusunód: C, Ch, F, J, LL, N, Q, RR, V, X, Z.

T—Anó ang katumbás sa Tagalog ng mga titik na nabanggit?

S—Gaya ng sumusunód: C-K, gaya ng kama (cama), kopa-(copa), kura-(cura)

—S—gaya ng selyo (cello), siprés-(cipres)

Ch—ts, gaya ng tsiko (Chico), kutsero (cochero)

—s, gaya ng sapa o tsapa (chapa), sinelas o tsinelas (chinelas)

F—P, gaya ng prito (frito), Pilipinas (Filipinas)

J—h, gaya ng Hapón (Japon)

—s, gaya ng sabón (jabon)

LL—ly, gaya ng kalye (calle), bilyár (billar)

—y, gaya ng yano (Llano), kabayo (caballo)

n—ny, gaya ga pinyá (pina), kanyón (canon)

q—k, gaya ng keso (queso), kinke (quinque)

rr—r, gaya ng karumata (carromata), perokaril (ferocarril)

v—b, gaya ng bapór (vapor), boses (voces)

xó—ks, gaya ng taksi (taxi), boksing (boxing)

—s, gaya ng Sisto (Sixto), testo (texto)

—h, gaya ng Heres (Xeres)

z—s, gaya ng sapatos (zapatos) lapis (lapiz) krus (cruz)

T—Anó pang pagkakapalitan ng mga titik ang nangyayari kung ang salitáng kastilá o ingles ay inia-angkop na sa bigkás tagalog?



# With the WIND, the SUN and the RAIN

Strange but true the typhoons bring the rain in the Philippines. That is why if there are no typhoons the rice crop suffers from drought. Yet typhoons constitute one of the most destructive enemies of the farmers, because in the wake of a furious typhoon crops and farm buildings are destroyed. It is the mastery of men over typhoon that will mean permanent progress in making crop production stable. And this is now possible with the modern knowledge of meteorology and the advanced knowledge in plant behavior and breeding, in following a planting program that will evade the destructive effects of typhoons.

October is the month of typhoons. In thirty years from 1903 to 1934 the Philippines suffered from no less than twenty two typhoons all passing outside of Mindanao. For this reason Mindanao can be considered a typhoon free agricultural region making that island a much safer place for agricultural operations for most of the crops than the

rest of the Philippines.

During the month of October the provinces lying along the eastern coast of the archipelago have more rains than the provinces to the west. It is still rainy season in Tayabas, the Bicol Provinces, Samar, Leyte, and Eastern Mindoro. Signs of approaching dry season are already in evidence in the Ilocos Provinces, Zambales, Batangas, Cavite and Rizal. In the latter provinces the early rice season crops are being harvested. While as a general condition Mindanao is rainy the southern coast particularly Koronadal valley is now with lesser rains than during the early part of the year.

As a general rule the conditions of the wind, the sun and the rains determine the crop seasons in the Philippines. It is for this reason that *Farming and Cooperatives* will maintain this column to give our readers pertinent information about weather conditions in the different parts of the Philippines.

## Our RURAL Scouting Plan

IN planning out a service program for the rural district, *Farming and Cooperatives* has not overlooked the important fact that farm boys must be served. For this reason we have interested the leaders of the Boy Scouts Movement to give their attention to the propagation among the rural districts of this movement that has done untold benefit to millions of farm boys all over the World. We are printing the initial call and we shall cooperate whole-heartedly to give Philippine Farm boys the benefits of this World-Wide Movement.

"SCOUTING for the boys—wherever they are. One of the main reasons behind the success and progress of the Boy Scout Program is that it is highly adaptable to all type of boys, wherever they may be. Thus, in the Boy Scouts of the Philippines, we find several so-called 'less chance boys,'—deaf and dumb Scouts, leper Scouts, Moro Scouts, Igorot Scouts, and Scouts residing in remote barrios, unable to participate as actively in Scouting as other boys do, but definitely playing the game through the Rural Scout Plan.

"The Rural Scouting Plan answers a great need in scouting in our country. Our nation is still young and is still in its early stages of growth. Cities are a handful, and towns are not even half as big as the cities. A great majority of our population live in far-away rural areas, apart from the many conveniences and living facilities offered by modern civilization. To the sons of the people who constitute our rural population we offer Boy Scouting through the

Rural Scouting Plan.

"In Rural Scouting, we do not seek to draw the boy away from his home. Neither do we urge him to abandon his life on the farm. On the other hand, we bring to him Scouting as it can be worked in rural areas. We offer him activities centered on his own activities on the farm. We give him recognition for his achievements in farm work. Further, we open to his vision a broader field of ambition than the one his town-bred eyes are accustomed to see.

"The Rural Scout Program introduces a golden chapter of romance and adventure to the monotonous, uneventful tale of the farm boy's life. It infuses new blood into his veins, it brightens his horizon to a blinding radiance, it sweetens his otherwise doleful existence.

"Let us do a good turn by trying our best to extend the benefits of Scouting to our friends in the barrios through the Rural Scout Program."

"Scouting—The Wonder Program"—For further information write the Boy Scouts of the Philippines Headquarters 1001 Oroquieta, Manila.

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### ATTENTION, PLEASE

If you have any seeds, fertilizers, farm products and equipment to sell or if you want to buy seeds or other agricultural necessities, write to the Editor, **FARMING AND COOPERATIVES.**

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471 Extremadura  
& Leatad  
Sampaloc  
Manila

## Machines . . .

(Continued from page 14)

which was very profitable was mining. From a non-profit-making venture years ago, the mining industry became, through improved mining practices, the most profitable industry and was destined to be so for many years to come.

When panning gold was entirely done by hand the production was very negligible, nay discouraging. There seemed to be no future in gold-digging. When mechanical power was being utilized already, the output skyrocketed spectacularly. The unprecedented rise in production was made possible by the installation of modern plants, equipped with the latest machines that money could buy. What were these mining paraphernalia? Generally we have two groups, namely: mining and milling supplies. All in all, it might be said that mechanization was instrumental in making the mining industry pay dividends to hundreds of shareholders.

Every now and then there are reported new inventions that promise to revolutionize agricultural practice. One of the newest farm machines that made its debut is a sugar cane harvester, reportedly perfected by R. G. LeTourneau, Inc., in the United States. The said device was built for the Honolulu Sugar Planters' Association. One could very well imagine the reception it received when it was introduced in Hawaii. Filipino cane planters should rejoice over the introduction of such a device.

Built as an experimental unit, the harvester would be "field-engineered"; any changes proved necessary by operating trials would be made by means of a truck, which is a travelling fabricating shop fitted with Lincoln Electric Company (U. S. A.) arc welding equipment, driven by power taken-off from the truck drive shaft. It was developed by R. G. LeTourneau, Inc., for many months. The idea for it grew out of a discussion of cane harvesting problems between Hawaiian cane growers and R. G. LeTourneau, president of the above mentioned company bearing his name.

The harvester has a number of very unique characteristics. It will cut the cane just below the surface, yet high enough to avoid injury to the roots. As it cuts the cane, the machine will pick up the stalks, take them into its cutting compartment, cut them into pieces approximately a foot long, then carry the pieces by conveyor mechanism to trucks or wagons which will travel along beside the harvester.

It was reported that the engine installed in the harvester is a 160-horsepower Diesel built by Caterpillar (U. S. A.). The large generator mounted on the front of the engine, according to the report, is for the purpose of furnishing power to electric motors which drive the conveyors and other operating mechanism. One man can successfully operate this huge piece of machinery.

This leads us to the question of how mechanized farming methods will affect the agricultural population of the Philippines. In the United States there is an imminent rural-to-urban rush. The metamorphosis here may not be as rapid as in the United States, but indications seem to point to the fact that what is taking place today in that country may

also happen here in the future. The United States has changed from a nation of farmers into one composed largely of city workers. The proportion is: one-fifth in agriculture and four-fifth in city work.

Why this is so, one writer explains as follows:

"Reapers, gins, combines, corn harvesters, tractors, and hundreds of other labor-saving devices have given greater farm production with fewer farm laborers. At the same time the expansion of industry has provided more jobs in and around cities. Improvements in distribution and processing have done their bit by assuring the farmer that a larger percentage of his produce would reach the market unspoiled or would reach a more favorable, distant market, and then, perhaps, be processed into new forms.

"Technology and invention made possible or caused—depending on one's way of looking at it—this change in a nation's working habits. That, too, may sound matter-of-fact; yet it takes not even an intelligent imagination but only a knowledge of the facts of history to see bound up within it romance and heartbreak, achievement and hardships. Farmers, themselves, provided many of the developments that have improved our farming methods. Others who were primarily investors supplied many inventions. But research workers, industrialists, men with vision to see possibilities and courage to carry through have done a larger job in developing correlative services, industries, processes, and markets. Struggle has been the keynote of the efforts of all these, and some have, indeed, suffered discouragement and poverty. Yet out of their work has come, not simply fewer farmers and more city workers, but an enormously improved standard of living."

## Ramie . . .

(Continued from page 15)

yield for many years. In many established plantations as much as 6 cuttings a year have been made.

**Principal Operations.**—If virgin lands are to be used, there will be a heavy cost of clearing forest which will go from 100 to 150 pesos per hectare, depending upon the stand of trees and labor supply and the skill of laborers. Old clearings free from stumps are preferable as the plantation can be made uniform and no obstruction will be met in farm operation from standing stumps and stray logs. Tractor is more effective and economical for these operations than work animals. The ground must be plowed and harrowed thoroughly to produce a good tilth before planting is attempted. This usually costs under pre-war conditions from 50 to 60 pesos per hectare. Planting is by hand as no machinery has come yet to market. This costs from 15 to 20 pesos per hectare. Harvesting is done by hand too, the cut stems are hauled to the decorticating machines, and the fiber, dried up. This operation costs from 5 to 7 pesos per picul. There is a very excellent opportunity to mechanize the operation as the ramie plants remain erect, in straight rows and the stems hardly grow to an inch in diameter.

Acceleration of ramie cultivation in regions where it can be grown successfully will be a wise move on the part of the government; that is, when conditions will permit. Farmers in places where it can be produced should take the first opportunity. For ramie is an up and coming crop and an important one at that.—*SILAGRAM*

### SWORN STATEMENT

(Required by Act No. 2580)

The undersigned, HILARION S. SILAYAN editor of FARMING AND COOPERATIVES (title of publication), published ONCE A MONTH (frequency of issue), in ENGLISH (language in which printed), at 1001 Oroquieta, Manila (office of publication), after having been duly sworn in accordance with law, hereby submits the following statement of ownership, management, circulation, etc., which is required by Act No. 2580, as amended by Commonwealth Act No. 201:

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HILARION S. SILAYAN  
(Signature)  
EDITOR  
(Title or designation)

Subscribed and sworn to before me this 8th day of November, 1945, at Manila, Philippines. the affiant exhibiting his Residence Certificate No. A-1071699, issued at Manila, on Sept. 12, 1945.

(Sgd.) MANUEL J. ROMERO  
Post-Office Inspector

## Philippine Agriculture . . .

(Continued from page 13)

earn more, live better and be a better farmer.

Our tobacco industry demands definite adjustment. The filler tobacco at the outbreak of the war was in a state of overproduction. On the other hand, aromatic cigarette tobacco and wrapper tobacco were in premiums and are likely to be in demand under the new conditions. Tobacco lands will be excellent for corn, peanuts, soybeans, cowpea, tapioca, white navy bean and many others. This indicates which direction adjustment may well take its course.

In the coconut industry, new uses for oil and the possibility of reducing the cost of production and an effective organization for handling the products are encouraging signs. If the oil is exported to be made into lard, oleomargarine, soap and other products, why could not production of these manufactured products be done in the coconut growing centers and save all the cost of transportation of raw materials. If other countries provide their population better wages as factory workers, why don't we do the same here by establishing our factories close to the source of raw materials and power? What is the use of making copra, when the nuts could be hauled into the factory and the oil mixed with caustic soda in the plantation to produce soap? How many arduous steps and costly work can be eliminated? We have seen already how nuts can be de-husked, then passed through an expeller and high-grade oil and coconut flour are produced? Many labor-saving devices in collecting the unhusked nuts can yet be developed. Again the coconut grower can raise hogs under the coconut plantation and there is no reason why we cannot process the hogs into ham and bacon for which there is a fairly large demand. What the coconut industry needs is readjustment in its organization and adoption of progressive farm management.

There is an excellent opportunity now to rehabilitate sugar production in districts where this can be achieved at costs that will enable Philippine products to compete in the world's open market. Marginal sugar lands should be definitely abandoned and devoted to other staple crops such as soybeans, castor oil, peanuts, cassava and fruit trees.

In the abaca industry, the problem is similar to that of sugar cane except that the market for abaca still depends upon the Philippines as the principal supplier. But farmers and the government must be decided to rehabilitate only good abaca lands and in abandoning marginal lands. Machinery and labor saving devices should be used to achieve economical production of good quality products. Many times the industry had been threatened by pest and diseases. No efforts should be spared to find out the best control measure for the known pests and diseases. Abaca lands must look forward to effective farm management to protect the plantation from the ravages of typhoons or they must turn to other crops. Unless made up by other advantages, lands in districts often ravaged by typhoons will not be suited to abaca, unlike those in Mindanao with its rich soil and under climate that registers no destructive typhoons.

In rice we are yet to see the greatest revolutionary changes in our production. Heretofore, a riceland gives at most eighty cavanes of palay per hectare per harvest. The average in good land is forty, in fair lands, thirty and less. Unless irrigated as is usually the case, only one crop is taken from the land in one year. Through the use of better seeds and good irrigation practice, the yield may be increased by 20% to 50%. But the greatest changes will come in the utilization of ricolands after the regular rice season to another crop of potential economic value. This has been demonstrated in recent years with the use of soybeans, mungo, cowpea, corn and camote. Because of its adaptability and good yields, camote can be utilized by the farmer to diversify his enterprise in the farm. For the cultivation of camote will enable the farmer to take care of hogs, utilizing the leaves, stems and roots. The use of machinery will be required to facilitate the change as the land must be promptly prepared after the rice harvest and planted to camote. Camote planted after the rice crop, would yield after four months from three to seven tons of camote tubers.

New crops in prospect are the ramie, the citrus, the avocado and the soybeans. Ramie is one of the best as an export crop and for the increasing demand for raw material of the growing local textile industry. United States textile mills are interested specially now that a million dollar crop and several hundreds of acres has been developed in the everglades of Florida. Citrus is a protective fruit needed daily in everyday's family menu, to improve nutrition. The avocado is a nutritious fruit and is grown in every part of the Philippines. Soybeans is the modern miracle plant.

Lastly, but equally important is the menace from the mounting agrarian difficulties. Basically, this is an economic problem. The individual tenant or independent small farmer should be placed on an economic level and security, which attains for him a good standard of living, opportunity for educating his children and the enjoyment of such comforts of living similar to those enjoyed by workers in industries. Naturally, this is a problem of the tenant himself and the landowner. It is the tenant's business to organize farm work in order that his income may be enough to provide a good standard of living for his family. Obviously, it is the business of the landowners to cooperate with the tenants in his case, because the prosperity of the tenant farming will reflect upon the income of the land.

No amount of bickering on terms of sharing, on rights and tenure, will benefit the tenant unless his farming is profitable, unless the area he tills is economically large and unless his farming methods and practices are efficient. Therefore, both the landowner and the tenant must strive to increase the rate of production, adopt up-to-date practices, increase farm income, create good living conditions in rural communities and avoid such abuses which social legislation is trying to prevent. The need at present is more general enlightenment.

The discrepancy in attainment and in bargaining power between landowners and tenants is so wide that abuses be-

## Rehabilitation Problems . . .

(Continued from page 7)

security of our tenants, or there will be no peace in our rural communities. They demand justice, and I ask for them justice. They are still amenable to reason and fairness. They need a chance to earn a decent living, an opportunity for their children to be enlightened, an economic security in their own little and close world. Let us examine our tenancy law, let us study their problems closely and let us be fully determined to give them the necessary improvements.

come possible. Were tenants better enlightened, it would be impossible for landowners to commit abuses which are the cause of agrarian difficulties. Happily, there is a new trend in this direction as large farm owners are beginning to put more business ideas to farming and they are realizing that the only way to make the farm pay under tenancy system, is to make tenants prosperous and happy. The greatest need of our country is an enlightened citizenry.

In order that Philippine agriculture may be speedily rehabilitated and readjusted to the exigencies of present day conditions, it must take cognizance of the following basic needs of the rural districts.

1. Establishment of complete peace and order in the rural districts in order that the farmers even in the remote bar-
2. Liberal aid in the form of relief for reconstruction of farm facilities and procurement of work animals and (b) Sustantial credit facilities at low interest to enable the farmers to rehabilitate on their own account.
3. Stable prices of farm products.
4. Social and economic security for small farmers and tenants.
5. Establishment of adequate transportation and machinery facilities.
6. Government liberal support to make science serve agricultural progress.

## The Rebirth of . . .

(Continued from page 19)

### FIRST CONGRESS OF THE PHILIPPINES

Second Special Session

### HOUSE OF REPRESENTATIVES

[H. No. 553]

INTRODUCED BY CONGRESSMEN

RAMOS, ROMERO, GALLEGO,

MONTANO AND DE LOS SANTOS,

AS MEMBERS OF THE

C O N G R E S S I O N A L

R E C O N S T R U C T I O N

A N D R E H A B I L I T A T I O N

C O M M I S S I O N .

A N A C T T O A M E N D S E C T I O N

F I V E O F C O M M O N W E A L T H A C T

N U M B E R E D F I V E H U N D R E D

S I X T Y - F I V E E N T I T L E D

" A N A C T P R O V I D I N G F O R T H E

O R G A N I Z A T I O N O F C O O P E R A T I V E

A S S O C I A T I O N S . A U T H O R I Z I N G

T H E C R E A T I O N O F A N A G E N C Y O R

D E S I G N A T I O N O F A N I N S T R U M E N T A L I T Y

O F T H E G O V E R N M E N T T O P R O M O T E

A N D S U P E R V I S E T H E S A I D

A S S O C I A T I O N S , A N D P R O V I D I N G

F U N D S F O R T H E P R O M O T I O N A N D

S U P E R V I S I O N O F T H E S A M E . "

Be it enacted by the Senate and House

of Representatives in Congress assembled:

SECTION 1. Section five of Com-

monwealth Act Numbered Five hundred

(Continued on page 22)

## The Premises of Philippine Rural Economy . . .

(Continued from page 11)

or corporations? What have been the forces which led to the parcelment of our agriculture land?

3. Distribution of farm area, cultivated land and idle land to given sizes of farms.

The importance of a given size of farm may also be indicated by the area covered by it of the total farm area.

Before giving the relative importance of each size of farm, let us give some explanations as to the meaning of the terms, farm area, cultivated land, idle land, and sizes of farms, as given by the Census of 1939.

Farm area includes the area of the home lot, land actually cultivated, land suitable for cultivation but not cultivated nor used for pasture, land covered with forest growth and waste and land occupied by farm improvement, such as houses, buildings and waste land.

Cultivated land includes the area planted to crops in 1938 or occupied by coconut, fruit and nut trees. Enumerators were instructed not to count or report the same land twice, even though two or more crops were planted on it in 1938.

Idle land includes arable and suitable land for the growing of crops but was not cultivated during 1938 nor used for pasture. The given possible causes are lack of rain, following, or quotas, etc.

The sizes of farms include only the cultivated and idle land. They do not take into account the forest and pasture lands and the area covered by farm improvements and the waste land.

The farm area, the cultivated land, and the idle land covered by each size of the given farm units in 1938, are as follows:<sup>1</sup>

TABLE No. II

Sizes of Farms	Farm Area		Cultivated Land		Idle Land	
	Hectares	Per Cent	Hectares	Per Cent	Hectares	Per Cent
Less than 1 Ha.	393,173.01	5.9	292,653.43	4.9	13,111.32	1.1
From 1 but less than 2 Ha.	836,422.79	12.5	614,050.21	15.6	46,767.51	4.3
From 2 but less than 5 Has.	2,039,029.17	30.4	1,472,060.12	37.3	183,616.41	16.5
From 5 but less than 10 Has.	1,191,529.87	17.8	723,835.61	18.3	21,428.88	19.1
From 10 but less than 20 Has.	804,632.96	12.0	382,052.24	9.7	255,152.30	23.0
Over 20 Has.	1,425,806.07	21.3	569,159.03	14.4	398,082.93	25.9
Total . . . . .	6,690,593.87	100	3,953,810.64	100	1,108,159.35	100

The above table shows that the farms of the size of from 2 but less than 5 hectares maintain their preponderant importance among the farm units by covering 30.4% of the total cultivable farm area and 37.3% of all the land actually cultivated. Note that while the number of farms of less than 2 hectares constituted 52.4% of all the farms, they covered only 18.4% of the total farm area and 20.5% of all the cultivated land. The number of farms of from 5 hectares and over constituted only 12% of all the farms, but they covered 51.1% of all the farm area and 42.4% of all the cultivated land. Note also that 78% of all the area of the idle land of 1,108,159.35 hectares or 864,664.11 hectares come from farms of 5 hectares or over, while only 22% or 243,495.24 hectares come from farms of less than 5 hectares.

Land within farm area exclusively used for pasture covered an area of 732,222.20 hectares; forest lands, an area of 647,419.42 hectares, and other uncultivated lands, an area of 248,982.26 hectares.

*Problems:* Why is it that 1,108,159.35 hectares of cultivable arable land were not cultivated in 1938? Are there speculative and absentee landholdings in the Philippines? Are we practicing the "fallowing" system to preserve the fertility of our soil as indicated? Is it due to lack of capital, work animal, or labor? Is it due to weather condition, or drought? Is it due to subsistence farming? Is it due to changes in price levels? Is there any relation between the size of farms and proportion of the idle land to farm area? Does not the breaking up of large farms increase crop hectarage as indicated by Census reports? Are the pasture lands simply abandoned waste lands? Does the forest land in the farm area correspond to the wood-lot in the United States?

<sup>1</sup>Census of the Philippine Islands: 1939; Vol. II, p. 928.

4. Types of farms in 1938.

Based upon the use of 50% or over of the cultivated area of a farm for the production of a particular crop, the types of farms in the Philippines and

the relative importance of each, are as follows:

The fact that it was possible in 1938 to classify our farms into definite types based upon the use of at least 50% of

TABLE NO. III

Types of Farm	Number of Farms	Per Cent
Total . . . . .	1,634,726	100
1. Palay Farms . . . . .	799,666	48.9
2. Coconut Farms . . . . .	302,294	18.5
3. Corn Farms . . . . .	239,618	14.7
4. Abaca Farms . . . . .	62,139	3.8
5. Vegetable Farms . . . . .	30,987	1.9
6. Sugar cane Farms . . . . .	21,459	1.3
7. Fruit Farms . . . . .	11,876	0.7
8. Tobacco Farms . . . . .	13,166	0.8
9. Palay-Tobacco Farms . . . . .	8,662	0.5
10. Livestock Farms . . . . .	1,661	0.1
11. Poultry Farms . . . . .	80	—
12. Other Farms . . . . .	143,118	8.8

the area of the farms reporting to the cultivation or growing of a particular crop, shows some degree of specialization or of the diversification of crops as the case may be. The indicated types of farms are the main crops. The minor crops are left out of the picture. The "Other Farms" numbering 143,118 must have been so diversified and consequently could not be classified under any type. We shall discuss the degree of diversification of farm enterprises later. Our attention for the present should be attracted by the weak position of the livestock, poultry, and fruit farms, and the establishment of a palay-tobacco farm type, indicating the possibility of such a type in connection with other export crops, such as abaca, coconut and sugar. It is obvious that the palay-tobacco farmers wanted to be self-sufficient as to

their subsistence. In this way the farmers themselves can strengthen their position through an economic weapon in their own hands.

Note that the first four crops in above list of farm types constituting 85% of all the number of farm enterprises, were already the staple crops of the Philippines before the coming of the Spaniards.

*Problems:* What improvements have been brought about through specialization of crops? Does subsistence farming necessarily mean antiquated, traditional, or customary method of production? Does commercialized agriculture mean a progressive and scientific farming? Should there be more of money crops than the above figures show in order to raise the standard of living of the rural population? Should there be

more of the palay-tobacco types? Should we extend this type of farm to other money crops as abaca, coconut, and sugar?

5. Area of cultivated land by types of farms.

The relative importance of each type of farming may also be indicated by the following area involved: 1

TABLE NO. IV

Type of Farms	Hectares	Per Cent
Total	3,953,810.64	100
1. Palay Farms	1,723,311.06	43.6
2. Coconut Farms	975,012.95	24.7
3. Corn Farms	316,113.93	8.0
4. Abaca Farms	278,240.95	7.1
5. Sugar cane Farms	206,767.25	5.2
6. Vegetable Farms	31,136.84	0.8
7. Fruit Farms	24,332.05	0.6
8. Tobacco Farms	19,788.52	0.5
9. Palay-Tobacco Farms	19,213.89	0.5
10. Livestock Farms	7,596.52	0.2
11. Poultry Farms	46.60	—
12. Other Farms	352,250.08	8.9

From the above figures we notice the increase importance of sugar, coconut, and abaca farms as to area cultivated as shown by their respective percentages to the total area cultivated as compared with those of the preceding table on the number of farms. There is a corresponding decrease in the relative importance of the other types of farms as the vegetable, corn, palay farms.

The problems in the preceding section

are also involved under this one.

6. The distribution of idle land by types of farms.

As given, there were in 1938 1,108,159.35 hectares of idle land within the cultivable farm area. This area constituted 28% of the cultivated land. How this area of idle land has been distributed to the various types of farm, is shown in the following table:

TABLE NO. V

Type of Farm	Hectares	% Distribution
Total	1,108,159.35	100
1. Palay Farms	403,365.10	36.4
2. Corn Farms	101,840.69	9.2
3. Abaca Farms	69,743.13	6.3
4. Sugar cane Farms	38,667.80	3.5
5. Coconut Farms	257,183.27	23.2
6. Fruit Farms	14,043.41	1.3
7. Tobacco Farms	4,924.89	0.4
8. Palay-Tobacco Farms	6,828.91	0.6
9. Vegetable Farms	11,443.81	1.0
10. Livestock Farms	24,319.37	2.2
11. Poultry Farms	31.74	—
12. Other Farms	175,767.23	15.9

There are no marked indications that the problem of idle land has much to do with types of farm. All types of farms seem to be affected by it. Taking, however, the relative importance of land under cultivation by types of farms as a basis, we notice that the share of palay, abaca, sugar cane, coconut, and tobacco farms of the idle land is less in

proportion to area cultivated than that of the "Other Farms", livestock farms, vegetable farms, palay-tobacco farms, and fruit farms.

The relation of types of farms to the idle land may be well indicated by its proportion to the cultivated land, as may be shown in the following table:

TABLE NO. VI

Type of Farm	Cultivated Land in Hectares	Idle Land Hectares	Percentage of Idle Land over Cultivated Land
Total	3,953,810.64	1,108,159.35	28
1. Palay Farms	1,723,311.06	403,365.10	23
2. Coconut Farms	975,012.95	257,183.27	26
3. Corn Farms	316,113.93	101,840.69	32
4. Abaca Farms	278,240.95	69,743.13	25
5. Sugar cane Farms	206,767.25	38,667.80	18
6. Vegetable Farms	31,136.84	11,443.81	36
7. Fruit Farms	24,332.05	14,043.41	57
8. Tobacco Farms	19,788.52	4,924.89	24
9. Palay-Tobacco Farms	19,213.89	6,828.91	35
10. Livestock Farms	7,596.52	24,319.37	320
11. Poultry Farms	46.60	31.74	68
12. Other Farms	352,250.08	175,767.23	44

Census of the Philippine Islands: 1939; Vol. II, p. 1025.

## Currency and . . .

(Continued from page 10)

costs of production do not rise as fast as the price of their products and they are able to realize a larger margin of profit. Most farmers were able to get out of debt during the Japanese occupation. Many of them assumed a new role, that of creditor to the other classes in the community. Debtors as a class are benefited by inflation.

While farmers in debt are undoubtedly favored by inflation, it is to be observed that the advantages gained by the farming class as a whole are not as great and real as they might appear. For increasing prices affect all kinds of goods, agricultural products which the farmers sell and the various commodities and services that the farmers have to buy. While it is true that their money income is increasing rapidly even if their total output is decreasing, they have to spend that income on goods which are also rapidly increasing in prices. In some instances it is to be doubted whether the farmers are really favored by inflation. There is reason to believe that in the long run the farmers as a class are not much benefited because of the disorganization of trade and industry and of economic life as a whole which cannot but affect everybody. The higher costs that are bound to be incurred as inflation progresses will mean that all producers including the farmers have to sell at higher prices, and the foreign markets for agricultural products would be adversely affected.

The benefit that any class or groups in the community derive from inflation is in the final analysis temporary. Increasing prices bring increasing profits, but like all the good things in life sooner

Table No. VI shows that among the well established crops, as sugar, tobacco, rice, abaca, and coconut, the proportion of idle land to cultivated land is less than in the other crops, which are considered minor crops. Take the case of the livestock farms, the idle land is more than three times the area of the cultivated land; the case of fruit farms, the area of idle land is 57% of that of the cultivated land; and the case of "Other Farms," the area of idle land is 44% of that of the cultivated land. The laudable reason may be that the later types of farms have not as yet been well established and that they are still in the process of development. The case of livestock farms is an object lesson in land utilization. The idle land is as good a grazing land as any pasture land. So it is a question as to which use is more profitable.

The problems involved in this section are the same as those under Section 3.

(To be continued)



## FARMERS DECIDE TO ORGANIZE

(Continued from page 1)

rather than later they come to an end. The decline in prices after an uncontrolled inflation could not always be arrested so as to stop at what is considered a normal level. Prices continue to fall, and as the saying goes, the higher you go the harder you fall.

The whole world is at present girding to confront deflation is the opposite of that of inflation. The debtor class bears the brunt while the creditor class receives all the benefits. Because of this, it is often thought that deflation is to be deprecated because it is the rich that are mostly benefited, the rich being synonymous with the creditor class. This is a conception that is not entirely in accord with actual facts, for most creditors are people who have small income or savings accumulated over a long period of time from meager earnings; creditors are composed mostly of people who belong to the middle class, in many cases widows and retired employees who are providing for old age, while debtors are chiefly large corporations, large farmers, industrialists and substantial businessmen who owe the banks or investors. These groups are adversely affected by deflation, but they could easily make the necessary adjustments to take care of any emergency. It is the people who are least able to protect themselves from the orgy of inflation or the harshness of deflation that are the worse hit and suffer the greatest injustices that follow these two economic ills.

### Need for a Stable Currency System

The fact that in the long run nobody is really benefited by fluctuations in the value of money, it should be a prime objective of all governments especially in the postwar period to establish and maintain a stable currency system. The Bretton Woods agreement laid the groundwork for a stable international currency system. While stable prices as an aim of monetary policy are quite unattainable and of doubtful utility, what is needed in the Philippines is a more modern currency system that could meet the requirements of trade and industry during the period when reconstruction and rehabilitation are the dominating consideration in any economic program drafted and carried out by the government. For it must be admitted that the present currency system is outmoded to cope with the demands of a remodeled Philippine economy. The principle upon which the currency system as at present constituted is based belongs to the nineteenth century when the gold standard was the predominant monetary standard. To continue under that system during the second half of the twentieth century is to close our eyes to the lessons painfully learned by other progressive nations during the last generation. To insist upon a 100 per cent backing at this time when most countries are on managed currency, to insist that we have an "automatic" currency system today, is to hang on to a tradition that would be a definite drawback to our economic progress.

A comprehensive reform of the currency system is clearly necessary and

At a recent meeting of the Central Luzon farmers who are in Manila, it has been decided to form the Philippine Farmers Association in order to pool the efforts of all the farmers of the country in cooperating with the government in the speedy rehabilitation of the farmers, the farms, and the rural districts in general. The names of those who are heading this important movement are listed on page 1. Due to difficulties in transportation and communication it was not possible to contact many others before the November issue of *Farming and Cooperatives* goes to press. We are passing the information to all the farmers and former colleagues in the movement for improvement of agriculture and request that they contact us in our headquarters at 1001 Oroquieta, Manila. Mr. Ricardo Gonzales, of Pangasinan, has been designated as temporary Chairman and Treasurer, until the Association can meet for election of regular officers.

The need for a strong and militant organization among the farmers of the Philippines is now imperative. In view of the complex problems of agricultural rehabilitation and the urgent demand for adequate production of food and raw materials for local industries and for export the farmers should organize to be able to meet their concrete needs and problems.

It has been the ordinary experience during economic depressions to find the prices of farm products always to be first to come down in the downward movement of prices of commodities. On the other hand during booms when the prices go upward, the prices of farm products remain last at the bottom of the rising trend. In both cases the farmers suffer. During the recent economic disturbance in our community brought about by war, the farmers suffered from destruction of farms, equipments and work animals, unfair prices, poor distribution channels, lack of transportation and meager credit facilities.

Unless the farmers therefore get to

should be undertaken immediately after the political situation has cleared. Amendments to the currency law undertaken merely as an incident in the search for more funds to balance the budget are futile to remedy a major problem. The chief features of a comprehensive monetary reform would be (1) the creation of a single currency reserve fund instead of the two separate funds at present which in fact function as a unit, and at a lower percentage to the total circulation, and (2) the establishment of a Central Bank to manage the currency system in accordance with the needs of industry and trade. A modern Central Bank Act would, to my mind, constitute a much needed amendment to our present currency law. A Central Bank Act should be one of the first laws to be passed by an independent Philippines.

gether and do something for themselves it is likely that during this period of national economic reconstruction and rehabilitation aid due the farmers may not be made available on time.

The Philippine Farmers Association is organized so that there may exist an official private organ to voice the need of our farms, that there may be established a working agency which may cooperate with the government to keep the farmers abreast with the progress of the fast changing economic world. It shall inform the farmers of valuable improvements in farm practices, create interest among them for concerted action to secure protection and favorable sympathy from the public that is due the most fundamental of human calling in the Philippines, farming.

In order to make the association viable and able to render the fruitful services contemplated in its charter of organization, it was decided to make the association a stock corporation.

The scope of work of the association is outlined in the following program of activities.

#### 1. Membership Drive

To secure within one year as many farmers as possible to be members.

#### 2. To establish in Manila a headquarters of the Association which will serve as:

(a) Information service office for members on prices, land values, farm machineries, farm practices, agrarian problems, etc.

(b) Agency for members on procurement of essential commodities, sales of farm products and employment.

(c) Publish an Agricultural Journal.

#### 3. Organize farmers' convention and farmers' cooperatives.

4. Promote a militant representation of the farmers' interest and welfare in the rehabilitation and reconstruction movement, both in Government as well as private commercial and industrial circles.

5. Organize the Associations' income producing projects to provide a stable financial support for the activities, and create investment opportunity for farmers.

First in line of these undertakings is the construction of the Farmers Building in Manila which shall stand as the monument of the farmers unity and firm resolve to make farming a stable occupation. Farmers all over the country are asked to help this movement in order to realize the erection of the much needed Farmers Building within the earliest possible time. The Farmers Building will serve as the firm foundation of the organized efforts of the farmers to make agricultural production stable.

★ ★ ★  
Join the Philippine Farmers  
Association Now!

★ ★ ★

# EDITORIAL

## STABLE FARM PRICES, A BASIC NEED OF OUR RURAL ECONOMY

ONE of the basic needs of the rural districts is stability of farm prices. By this we mean existence of a range of prices for farm products that will enable the farmer to obtain from his farming work, an adequate income to make possible the attainment of a comfortable and respectable standard of living, the maintenance of soil fertility, the payment of government taxes and a reasonable interest on invested capital on land, work animals, implements and farm buildings. This is very essential if in this age of business when efficiency and success are gauged by profit, we are to keep our farmers on the job producing food. An unstable state of farm prices characterized by fluctuation in the market particularly during the harvest season when the farmers are in bad need of cash might lead our business-minded farmers to premise their food production activity on the security of profit, and might not plant in the face of uncertainty. This would be tragic—but shall we expect our farmer to keep on planting if uncertainty in prices is ahead of him?

We bring this thought bearing in mind the rice industry. There is an insistent public opinion that to insure a regular supply of rice for Manila and rice deficient provinces—the NARIC should be revived. With the NARIC, the question of what should be the government price for palay and rice will naturally arise.

We are advancing the suggestion that in fairness to the farmers, and in the interest of stable prices for farm products, the government in determining the price for palay should take into consideration the cost of production and the prices of essential commodities that farmers buy during the current crop year. The present crop to be harvested beginning this November was planted in May, June, and July. The greatest part of the expenses in the production of the present crop was incurred during the months of April, May, June and July. This crop will be sold in December, January, February, March, April and May when, in accordance with present trend in prices, we may reach the pre-war level.

It must also be remembered that for three years since the outbreak of World War II the farmers had been the greatest sufferers. The farms were ravaged by war operations, work animals and livestock were exterminated, farm buildings and implements were destroyed: crops were commandeered or stolen—the farms and farmers truly need to be rehabilitated. Shall these items not be considered in fixing the government price for palay?

As this issue goes to press, rice growers must have already on hand authentic data as to the cost of production of this coming crop. This information from actual farm operation records should be useful to the government in determining the reasonable price of palay. The price of three pesos for one cavan of palay paid by the PCAU authorities to palay procured last April and May was outrageously out of proportion to production cost. It was arbitrary and unfortunately, detrimental to the farmers' welfare. We hope the rice growers will be given a better deal this coming harvest.

## Our Rural Problems And Our Journal

WE take our first bow to the public, conscious of our responsibility to the most important problem of the country, namely Agricultural Rehabilitation. It is our purpose to devote our resources and facilities in cooperation with all concerned to attain the objectives of Agricultural Rehabilitation within the shortest possible time. It is a happy sign that the farmers are getting organized, that they may cooperate effectively in the national task for after all this concerns their welfare. It is essential that there be a clear and full understanding of the scope of rehabilitation and we venture to indicate here in an outline form the fundamental problems confronting the rural districts today.

1. Establishment of peace and order in the rural districts so that the farmers in the remotest barrio may enjoy absolute security of life and property in the pursuit of their calling.

2. Extension of war relief for rehabilitation of farmers.

3. Extension of credit at low interest for reconstruction of farms, purchase of equipments, work animals and seeds.

4. Establishment of stable farm prices.

5. Development of adequate facilities of transportation, warehousing and distribution.

6. Procurement and distribution of breeding stock of the best strain of hogs, poultry, and work animals to speedily build up the needed animal population.

7. Improvements of socio-economic conditions and educational opportunities in the rural districts to make the barrios and poblaciones equally attractive for living as the city.

8. Increased production per hectare, through the use of high yielding strains, intensive cropping and efficient farm practices.

9. Encouragement of improved nutrition for the masses so that the nation will have bigger farmers, more vigorous farmers and longer living farmers.

While many of these needs will have to be worked out by the Government, the farmers should assume the major responsibility of initiating the work of improvements and organizing their own resources to meet the urgent need of early rehabilitation.

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