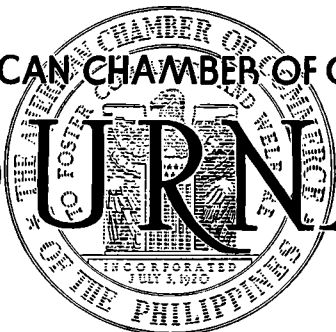


# THE AMERICAN CHAMBER OF COMMERCE

# JOURNAL



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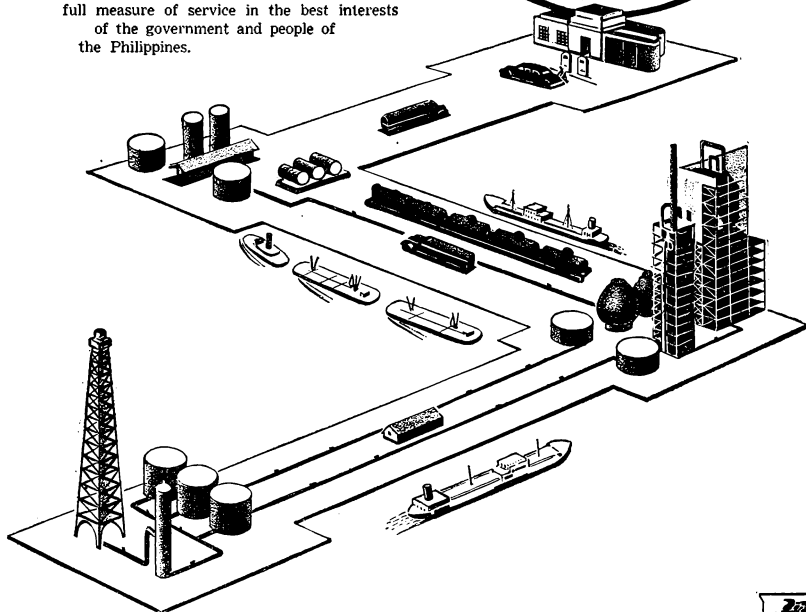
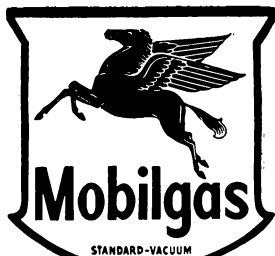
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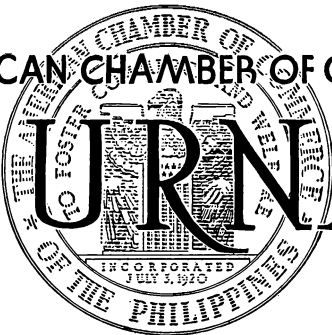
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# THE AMERICAN CHAMBER OF COMMERCE

# JOURNAL



## Editorials

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Manila dailies on May 1, published the following United Press May 1 dispatch from Washington concerning proposed new legislation with respect to the Philippine-American Trade Agreement:

### Bell Act Provision "Suspension"

"Executive agencies were studying a State Department draft of the proposed Philippine trade legislation and—depending on their views—the measure might go to Congress by mid-May, it was learned today.

"The draft transmitted to the Budget Bureau this week was understood to propose an 18-month extension of the period of free trade between the United States and the Philippines.

"The 5% duties, scheduled to be imposed on July 4, and the additional 5% the following year, would be waived. After this adjustment, duties would start at a rate of 15%.

"It was learned that a copy of the draft has been transmitted to Philippine President Magsaysay and he now was giving it personal study.

"Reliable informants reported that the proposed draft made no mention of the commodity-by-commodity review of the Philippine-American Trade Agreement. Such a review had been urged by the Philippines...

"The Budget Bureau has circulated the draft to interested Administration agencies, including the Tariff Commission, the National Advisory Council, and the Departments of Commerce, Treasury, and Agriculture.

"The views of these agencies will determine whether the Bill goes to Congress in its present form. The speed with which they reply will govern the timing of such a move."

An Associated Press dispatch, dated from Washington on May 2, stated that—

"A U. S. State Department spokesman said the Department has sent the extension proposal to the interested government agencies. He said this included members of the Inter-Governmental Committee which consists of representatives of the State, Treasury, Commerce, Agriculture, and Labor Departments, the Tariff Commission, and the Foreign Operations Administration."

The formidable list of government agencies gives an idea of the gantlet the proposal must run. And if agreement is reached, the proposal still will have to be introduced and approved by the United States Congress,—and by the Congress of the Philippines.

The *Philippines Herald* pointed out in an editorial that the State Department proposal does not provide for

an "extension" of the eight-year free-trade period, which ends on July 3 of this year, but for a "suspension" of the cumulative tariff percentage levies of 5% a year.

But even a "suspension" of eighteen months would probably still be a gain as it would not only afford that much more time for adjustment, but, especially, as much could happen during the next year-and-a-half which might affect the situation to the Philippine advantage.

Actually, the proposal, in effect, constitutes an advance credit extension to the major Philippine export trades and industries and would be a distinct favor which should be recognized as such.

According to press reports from New York on May 7, the powerful National Foreign Trade Council had thrown its influence behind efforts to postpone the imposition of tariffs on trade between the United States and the Philippines and had earlier recommended that the Philippine Trade (Bell) Act of 1946 be amended to delay the coming into force of duties for from one to five years, this suggestion being purposefully general as it represented the informal and disparate views of some of its 1,000 members. The Council is a private organization of American businessmen engaged or interested in foreign trade.

A dispatch from Washington that same day reported that the Bureau of the Budget had "stamped its final approval on legislation to prolong free trade with the Philippines for another 18 months," this action signifying approval by all interested executive agencies and clearing the way for prompt transmission of a draft Bill from the State Department to Congress. It was stated that under prodding from the State Department, the Bureau of the Budget had resorted to the telephone in order to speed the process of final clearance.

On May 13, the State Department transmitted to both Houses of Congress the draft of a bill the pertinent parts of which read:

A Bill to provide for an extension on a reciprocal basis of the period of the free entry of Philippine articles in the United States:

"Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, that the duty-free treatment provided for in Section 201 of the Philippine Trade Act of 1946 (60 Stat. 143), shall apply in lieu of the treatment specified in paragraphs (1) and (2) of sub-section (A) of Section 202 of that Act, to Philippine articles entered, or withdrawn from warehouse in the United States for consumption during the period after July 3, 1954, but not after December 31, 1955, as the President may declare by proclamation to be a period during which United States articles, as defined in that Act, will be admitted into the Republic of the Philippines free of ordinary customs duty, as such duty is defined in that Act, provided that any such proclamation shall be without prejudice to the said paragraphs (1) and (2) being considered as having been in effect for the purpose of applying the provisions of paragraph (3) of sub-section (A) of Section 202."

*(Continued on page 175)*

It is distinctly worthy of record that, as reported in the newspapers early in April, Speaker Jose B. Laurel, Jr. asked Representative Ramon M. Durano, Chairman of the Committee on Commerce and Industry, to "temporarily desist from reporting out any nationalization bill," allegedly because of "the adverse reaction abroad to the pending measures."

The Committee had been holding public hearings on a number of bills to "nationalize" various industries and trades, the word "nationalize" to be understood in this connection, not as meaning a taking over by the government as in socialist countries, but as restricting these trades and industries to nationals of the country.

Prior to the action of the Speaker, a labor nationalization bill (House Bill No. 1711, "An Act for the Protection of Philippine Labor") had already been passed by the House and is now pending in the Senate.

The *Manila Times* of April 8 reported that the Speaker—

"had directed the Durano committee to 'go slow' on the nationalization measures pending before it, citing the explosive implications of the bills from an international standpoint. He said he was neither for or against the bills, but was only cognizant of the advisability of suspending further action until the Philippines could officially adopt a policy on the matter. Laurel, Jr. said he intended to call a Nacionalista-Democratic caucus after the Holy Week recess in order to submit the nationalization question. He also said he intended to get President Magsaysay's reaction before allowing the House to resume consideration of the nationalization measures."

The *Philippines Herald* reported a few days later, April 10, that certain members of the House, apparently chiefly the authors of the various bills, were protesting against the suspension of committee action and were disposed to resort to the necessary parliamentary tactics to take the bills out of the Committee for deliberation on the floor. This time Speaker Laurel was said to have "emphasized the significance of the bills" as they "vitally affected the economy of the country."

There has probably never been held a single session of the Philippine legislative body since the creation of the first Philippine Assembly in 1907, when a number of "nationalization" bills were not introduced, but few of them ever passed, and if they did, they were vetoed by the chief executive. During the years when this chief executive was an American,—the Governor-General, the bills were passed with the full knowledge that the Governor-General would not and could not approve them, the game being merely to embarrass him and to compel him to draw upon himself the onus,—if onus there were, for blocking a law that secretly even its framers may not have wanted. There is reason to think that the old game has never actually stopped even when Filipino chief executives,—Quezon, Osmeña, Roxas, Quirino were the heads of state, and now Magsaysay.

A "nationalization" bill is easy to draft and appeals to easily aroused prejudices and is therefore one of the first resorts of such members of the legislative body who can not think of anything better to stir things up and draw attention to themselves; often, no doubt, this has been personally profitable to them.

For these reasons, this type of bill has generally not been taken seriously, although it is unquestionable that they have had the very serious effect of discouraging foreign investment and retarding the economic development of the country.

It can certainly not be added to the credit of the present Congress that perhaps never before have so many of these bills been introduced in a single session.

Our count is 31 separate bills, for the House alone, 5 of which would nationalize the retail trade; 1, the wholesale

trade; and 1 both the import and export trades. No less than 8 would nationalize the rice industry and trade; 5, the lumber industry; 2, the tobacco industry; 3, the retail trade in medicines, drugs, and chemicals; 1, the shoe industry; 1, the duck (and *balut*) industry; one bill singles out the copra export trade; and another single bill would nationalize the trade in rice, flour, corn, sugar, copra, tobacco, abaca, and lumber! Some 29 members of the House have affixed their names to such bills, either as introducing or as sponsoring them.

It is gratifying to note that in the Senate only a few of these bills have been introduced, but one Senator introduced three.

At any rate it was high time for the Speaker of the House, as one of the most highly responsible men of the Congress, to call a halt to this sort of mislegislation.

What has led to this rash of discriminatory, treaty-violating, unconstitutional, and undemocratic pseudo-legislation is a question that is possibly answered by the post-war hyper-nationalism that has not yet entirely spent itself; possibly also by the election to Congress, especially to the House, of a considerable number of men, of perhaps patriotic intention, but of little knowledge of the principles of law or experience in law-making.

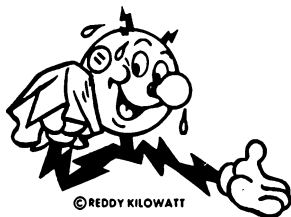
Speaker Laurel deserves the support of every responsible inhabitant of the country, citizen or alien; for let it be understood that though such "legislating", or even the threat of it, does great harm to the alien, much the greater harm is done to the country and the Filipino people themselves. The chief harm is not done to the alien, but to the national economy, both as to its present state and its further development.

There is no sense in prating about economic development and plans for development, if at the same time the existing economy would be deliberately overturned and destroyed and for the reason that non-Filipinos are still taking a historically-determined, and a hard-won and honestly-won, part in it. No foreign government and foreign investor could view such a program with the least understanding, let alone, sympathy. Nothing could possibly be both more unjust and more unwise.

It is, of course, understandable that the fact that a good part of the country's industry and trade is conducted by aliens, is irksome to the nationalist. But there is nothing to prevent the nationals of the country from going into business, and, indeed, for many years now, they have been doing so on an increasing scale and making a success of it. This is good for everybody, alien businessman and national alike, as well as for the country as a whole,—so long as this natural process proceeds on a basis of honest and fair competition. There can be no valid objection to this type of "nationalization" of industry and trade, and it is, in fact, inevitable. But there will always be objection to discriminatory and confiscatory policies and "laws", both on the part of the aliens in business here and their governments, and on the part of those Filipinos, themselves, who have an understanding of the law and of economics and of those governmental principles and policies which make a nation prosperous and great.

A Malacanan press release of May 7 stated that the President had presided over a bipartisan caucus at which agreement was reached "to proceed cautiously and systematically on nationalization in order not to risk abrupt and possibly disastrous dislocation of the national economy."

"Attended by Nacionalista-Democratic Party and Liberal Congressmen and members of the National Economic Council (which body includes Cabinet Secretaries), the caucus decided to restrict nationalization legislation during this session to a proposed bill which will limit retail trade to Filipinos. Under the bill... aliens already engaged in this occupation... will be permitted to continue in business... until his death or voluntary retirement... and where such retailers are constituted as partnerships or corporations they may remain in the trade for a period of 10 years. The caucus, whose decisions will have to be concurred in by the Senate at a caucus of Upper House members to be called for the purpose, decided to devote the coming congressional record to gathering of data and statistics that will form the basis for long-range studies on nationalization for the future."



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If the reader will refer to the editorial in last month's issue of this *Journal* entitled "The Philippines Ranked as to Investment Climate", he will note that Turkey is rated at 77 on a scale of 100, as compared with the rating of 70 for the Philippines. No doubt one reason why Turkey was given the higher rating was the enactment early this year of Turkey's "Foreign Investment Encouragement Law", quoted in full recently by the American Chamber of Commerce of the Philippines in A.C.C. Bulletin No. 241, May 4, 1954. It is interesting to note that a copy of the law was furnished the Chamber by Mrs. Mildred Hughes, Executive Vice-President for the Far East of the American Council of Commerce and Industry, New York, who visited Manila last month,—which goes to show how closely this American business organization is following legislation of this kind in foreign countries.

The Turkish law permits full repatriation of profits, interest, and dividends at the prevailing official exchange rate, and there is no minimum time limit on transfers of capital and capital gains. One article of the law provides that "any part of the profits of an approved enterprise may be reinvested and added to the United States capital base."

An "approved enterprise" is one which, by decision of a "Foreign Investment Encouragement Committee" and the approval of the Council of Ministers, will (a) "tend to promote the economic development of the country", (b) "operate in a field of activity open to Turkish private enterprise", and (c) "entail no monopoly or special privilege." On the other hand, "All rights, immunities, and facilities granted to domestic capital and enterprise shall be available, on equal terms, to foreign capital and enterprise engaged in the same fields."

The "Foreign Investment Encouragement Committee" is composed of the General Manager of the Central Bank of the Turkish Republic as Chairman, and of the following members: the Director General of the Treasury, the Director General of Domestic Trade, the Director General of Industrial Affairs, the Chairman of the Board of Research and Planning of the Ministry of State Enterprises, and the Secretary General of the Union of Chambers of Commerce and Industry and Commodity Exchanges.

An article on Turkey in the April 1 issue of *World, America's Magazine of World Events* (New York), states:

"Turkey may become a booming haven for American investors. To attract capital, the Turkish Government is now enacting a series of laws designed to satisfy the most exacting requirements of cautious foreign businessmen. Last month, Turkey denationalized her petroleum resources and made them available for development by foreign capital. In January, the Government had opened industry, agriculture, and commerce to overseas investors and authorized them to take home up to 100% of their net profits, dividends, and capital base. Thus a favorable investment climate is being created."

It is an interesting fact that Turkey's population of 21,000,000 people only slightly exceeds the population of the Philippines, and that conditions there are in many respects similar. According to *World*, 75% of the people live on small farms or in villages. Of the national income in 1952, 58% came from agriculture, 13% from manufacturing, mining, and construction, 13.5% from transportation and communication, and the remaining 15.5% from miscellaneous sources. From 1948 to 1952, the per capita income rose from \$128 to \$175. Literacy is still low, health and medical facilities inadequate, but the Government has been taking steps to improve these conditions and there has been a considerable expansion of agriculture and industry and a comparable improvement in productivity and the standard of living.

However, the expansion has created strains and the balance of trade has shown deficits during the past five years with imports tending to outrun export earnings.

*World* summarizes the trade as follows: of the total imports, capital equipment made up 50% during the past five years, raw and semi-manufactured equipment 25%, and the rest consisted of consumer goods and foodstuffs; of the exports, 50% was made up of raw and semi-finished materials (tobacco, wheat, minerals); 45% of food and livestock; and the remainder of manufactured products. To date, Turkey's best customers have been Germany, the United States, France, and Italy, in that order.

In a table of the factors which make up the general "investment climate," *World* rates Turkey as "excellent" in transferability and property security; as "good" in freedom to manage, future market, and operating profit; as "fair" in present market, degree of taxation, financial facilities, transportation, and labor relations; and as "poor" in industrial facilities.

Comparison of the Philippine ratings given in the table published in last month's *Journal* shows that the Philippines and Turkey rank the same as to present market, future market, operating profit, degree of taxation, and property security. In transferability, however, the Philippines gets only half the rating of Turkey (4 points as against Turkey's 8); in freedom to manage the Philippines gets 15 points as compared to Turkey's 17; and in industrial facilities, which include financial facilities, transportation, and labor relations, the Philippines gets 2 points as against Turkey's 3.

Now, instead of following the example—as some argue that the Philippines should, of various South and Central American countries, all of which, except Venezuela, rank well below the Philippines as to their investment climate ratings, why not follow the example set by such prospering countries as Canada, West Germany, the Netherlands, and Turkey?

It is to be doubted that President Magsaysay would approve either one of the two Senate bills\* providing for

**The 5-day, 40-hour Work Week** if one or the other is passed by Congress, as he has all along laid great stress on the need for work and increased production in the promotion of the economic development of the country and the welfare and happiness of the people. Only recently the President ordered that public works projects must be pushed to completion on a 3-shift, 24-hours-a-day basis. And while he authorized the observance in government offices of the usual short hours during the hot season, a full working day is observed in Malacañang itself because of the "exigencies of the service." Certainly, the present time is not one for slacking.

We have the Eight-Hour Labor Law, enacted in 1939 during the period of the Commonwealth, and this law, being strictly enforced and generally faithfully observed, fully meets the conditions of the present day.

There is, of course, a trend in the more advanced industrialized countries, toward a shorter working week, but conditions here are very different and make the institution of a five-day working week most inadvisable.

Provided a country's production needs are adequately met and no special emergency, such as a war, exists, every consideration favors a gradual reduction in working hours and a lengthening of leisure time, in so far as this is made possible by improvement in the means of production, greater management and labor efficiency, etc.

\*Senate Bill No. 27, introduced by Senators Magalona, Primicias, and Peralta, and Senate Bill No. 72, introduced by Senator Primicias. Both would amend Commonwealth Act No. 444, known as the "Eight-Hour Labor Law," enacted in 1939. Senate Bill No. 72 provides for an automatic increase in wages so that no worker will "suffer a reduction of his weekly or daily wage or compensation"; Senate Bill No. 27 provides for no such automatic increase, but for an offsetting increase in payment for over-time. Similar bills were introduced last year, but failed to pass.

There has already been a great improvement, historically, in this respect. Everyone knows that during the Middle Ages in Europe, the hours of labor of apprentices and journeymen were practically unlimited. The advent of the factory system intensified this evil, especially after the invention of gas-light which made night-work possible. In 1815, Robert Owen, on humanitarian grounds, proposed a 10-1/2-hour working day for workers under 18, but progress in this direction was slow. Although as early as 1868, the United States Congress enacted an 8-hour labor law for federal government employees and government contractors, the various States did not take similar action for many years. Even as late as 1912, the semi-official International Association for Labor Legislation proposed an 8-hour labor day only for certain of the more laborious and dangerous trades, and the official delegates at the 1913 conference arranged by this Association contented themselves with a suggested limitation of the working hours of women and children to 10 hours a day.

We should not be too critical of this today for we should understand that what the industry and commerce of any country can do in gradually increasing wages and in decreasing working hours is strictly limited by existing conditions of capital availability, the means of production, the labor supply and its character, the effective consumer demand, etc. Industry and commerce can not be held solely responsible for the working hours necessary and the wages that can be paid when these are not what we would all desire. Hours and wages are inseparably tied in with the state of the general economy of a country for which the responsibility is general.

The first World War (1914-1918) gave impetus to the shorter-hour movement because it led to a greater general recognition of the importance of labor and the need for husbanding it. Between the conclusion of that war and the year 1921, many of the industrial countries of the world adopted legislation laying down the 8-hour day and a 44- or 48-hour week, and this became practically the standard, although in most Asiatic countries workers still toiled from 10 to 12 hours a day.

It is an interesting fact that during the second World War (1939-1945) working hours in England in the munition plants, aircraft factories, and shipyards were again increased, but it was found that in spite of the long hours, production began to decrease because of fatigue and ill-health among the workers and a mounting accident-rate. A government board reported that there was little gain and probably actual loss if working hours exceeded 60-65 a week for men and 55-60 hours for women.

A new movement developed during the depression which followed the first World War and which became very serious in the United States beginning in 1929. This was a movement toward a further reduction in working hours as a remedy for unemployment because this would tend to spread the work. The National Industrial Recovery Act, governing interstate commerce, promoted the 40-hour week, and other federal legislation followed which would make it appear that what was at first adopted as an emergency measure is beginning to be regarded as a permanent "reform". State legislation, however, has not kept pace with the United States Congress in this respect, although today, the 40-hour, 5-day working week has become fairly general.

But that is in the United States, not the Philippines, where the general economic conditions are almost the very opposite of what they are in the United States. There is, to begin with, over-production there, while there is under-production here. The United States is already very completely industrialized, while industrialization here is still in its opening stages. The United States possesses a tremendous industrial plant, while here our large factories are still few. The United States has magnificent highway

and railroad systems, while the Philippines still has to build them. The United States has billions of dollars of surplus capital to invest; the Philippines has to resort to outside capital. The United States has largely been built; we still have to build the Philippines.

The time has not yet come when we in the Philippines can take things easy. We naturally take Sundays off, and other holidays, but to take another week-day off would cut out working-week by more than 16%, and our production by what would amount to perhaps more.

It is true we have unemployment here, but the solution to that problem is not to spread a minimum of work among more people, but to provide opportunity for more work by in every way promoting general economic development.

In the introductory notes to both of the two Senate bills, it is emphasized by the authors that they are intended for the benefit of labor. The intention is no doubt honest enough, but laws of this nature do not work out this way. Arbitrary increase in the cost of labor is tantamount to a decrease in the supply of capital, and this, in turn, intensifies the scarcity of capital goods necessary to production. As costs rise, prices rise, and real wages fall; labor is not benefitted. The fact that wages in the United States are higher and working hours lower than in the Philippines and many other countries "is not an achievement of the government and of the laws of a country," states a noted economist.

"It is the outcome of the fact that the capital invested per head of the employees is much greater... and that consequently the marginal productivity of labor is much higher. This is not the merit of 'social policies'; it is the result of the laissez faire methods of the past which obtained from sabotaging the evolution of capitalism. It is this laissez faire which the Asiatics must adopt if they want to improve the lot of their people."—*Von Mises*.

A 40-hour working week here would mean no relief, but an affliction and a very grave handicap. No one, probably, will recognize this more clearly than President Magsaysay.

A suggestive article by Charles Kruszewski, entitled "The Pivot of History", appears in the *Foreign Affairs* quarterly for April. It deals principally with the famous British geographer, Halford John Mackinder (1861-1947), and his theories about "geographical causation" in history and the "natural seats of power." The article contains a reproduction of Mackinder's famous "Fig. 5", one of the maps he used in illustrating one of his first noted lectures. It shows the "pivot area" (Russia, Siberia), surrounded by what he called the "great inner crescent" (Germany, Austria, Turkey, India, and China), and the "outer crescent" (Britain, South Africa, Australia, the United States, Canada, and Japan).



Mackinder's "Fig. 5", entitled "The National Seats of Power"

## States Kruzewski:

"On his Mercator-projection Mackinder had boldly shifted the conventional European center and showed the Americas on the edge of each side of Africa, Europe, and Asia. In this manner he indicated that he saw the world 'as a whole'. Enclosing this novel picture with an earth-girdling oval, he made his message dramatic by dividing the natural seats of power into three areas,—one, a 'pivot' area, wholly continental; a second, an 'outer crescent', wholly oceanic; and a third, an 'inner crescent', partly continental, partly oceanic. Mackinder had shattered the old, comfortable picture of the relations of the continents as well as complacent notions of the relations of sea power and land power. His own countrymen paid little heed, but German strategists pondered carefully what he had disclosed, and Hitler came close to bringing sea power to destruction by capturing land bases on which it rested. Today, statesmen, generals, seamen and airmen everywhere see the round world through Mackinder's eyes. And they see the Soviet Union in control of what he described as its Heartland."

In the lecture referred to and in books he wrote later, Mackinder emphasized that—

"in the world at large, Russia occupies the central strategic position... She can strike on all sides and be struck from all sides, save the north."

In 1943, states Kruzewski, he was asked whether he considered that his strategic concept of a Heartland had lost any of its significance under the conditions of modern warfare, but he reiterated his faith in the Heartland idea as more valid and useful than had been either 20 or 40 years before; also, he did not feel that air power had revolutionized military strategy. He lived long enough to see the war brought to a close by the explosion of atomic bombs, but not long enough to write about it. He foresaw, however, that the Soviet Union would emerge from the Second World War as the greatest land power on the globe.

The article leaves the reader to speculate as to what Mackinder would think today with the further development of both aviation and of the atomic bomb. Also, what he would think of the fact that Russia is no longer safe from attack from the north,—from advanced bases in Greenland and Alaska and from points far north in Europe.

As to Mackinder's "Fig. 5" map of the world, it is very natural that men have been thinking of the world as stretching from east to west, or west to east; for one thing, because the world's shipping, and now its aviation, has plied chiefly in those directions. It was long almost entirely overlooked that there is a Northern Hemisphere as well as there are Eastern and Western hemispheres.

Today, another projection of the earth's land masses has become familiar as a part of the design of the seal and the flag of the United Nations. In this design, the great continents surround the North Pole, which is represented at the center. Russia, in this projection, does not appear to be so centrally situated as in Mackinder's and similar maps. In fact, there would seem to be no "Heartland" at all, the center of the world being that geographical "pivot area", the cold and desolate Arctic Ocean, over which, nevertheless, Russia could be most directly reached from a number of points and especially from points on the North American continent.

It is true that Soviet-Russian territory, despite its enormous size, is relatively compact and that the Russians have the advantage of the use of interior lines. It is also true that, today, it is exerting enormous expansive pressure all about its periphery. However, the wide-flung spread of the other continents and of the countries both in the "inner crescent" and the "outer", would be an advantage in both offensive and defensive operations.

Russia-Siberia is not today, by grace of geography, so irresistible and so invulnerable as it appeared to be during Mackinder's lifetime.

With the development of the H-bomb, an instrument of wholly unprecedented dimensions of destructiveness, against which such escape measures as dispersion and retreat underground are futile, the question arises whether this does not afford the first opportunity in history for the establishment of a world government able to enforce its laws.

The formation of a world government has never before appeared to be feasible because unchallengeable authority and power could not up to now be placed at its disposal.

The present United Nations is no more a world government than was the League of Nations; their chief powers were and remain those of moral suasion.

Economic sanctions have been applied but were successfully defied, in the case of the League, by Italy, Japan, and Germany, and the issues raised between them and other nations had finally to be referred to the age-old arbitration of war.

More recently, economic sanctions have been defied by Russia and its satellites, including China. And the more important forceful intervention of the United Nations against the aggression in Korea, beginning now four years ago, only led to a small war with still undecided results, mainly because by far the larger burden of the action was allowed to rest on the United States and the United States Government was unwilling to resort to the use of the atomic bomb.

Today, the will to peace of the greater part of mankind is still defied by the Russian totalitarian state and those states under its evil domination in their continuing acts of subversion and aggression outside their own borders.

But now, because of the development of the new weapons, unchallengeable power has come into being, and while it is true that the United States does not hold an absolute monopoly in these weapons, it is generally accepted that it is far in the lead of any other nation in the world with respect to them. The United States is, however, morally restrained in resorting to their use for merely national advantage except in retaliation after itself suffering attack.

Suppose, then, that the Government of the United States, so authorized by its people, turn over to the United Nations, as the existing nucleus for a world government, all its atomic weapons and the means for producing them, on condition that that organization, with the consent and support of the majority of mankind, will assert, obtain, and maintain a world monopoly in these weapons, at the same time ordering all aggression and subversion everywhere to cease, while being, from the beginning, instantly ready, if necessary, resolutely to employ to this end the required minimum of the overwhelming force which will have been placed at its command.

With perhaps some limited slaughter, but possibly with none,—as the lifting of the mace of this supreme authority and dread power alone might suffice, we should then have established a world government which would be wholly democratic, yet possess the strength necessary to restrain and suppress the global outlawry and criminality which today menaces every man and every hope and which may, as things are, lead to the destruction of the world and the death of the human race.

There is no way out except thus to form and empower a firm union of all law-abiding nations, which then shortly would come to embrace all peoples.





# Statement on the "Nationalization" Bills

BY THE COMMITTEE ON FOREIGN AND DOMESTIC TRADE CONTROLS  
American Chamber of Commerce of the Philippines, Inc.

THE American Chamber of Commerce of the Philippines, Inc. is in full sympathy with the aspirations, as disclosed in numerous nationalization bills introduced into the present session of Congress, to increase the participation of Filipino citizens in the general trade of the country. But while the basic objectives of these bills reflect the natural desire of the Philippine people to dominate their own economy, the means to be employed, as well as the necessity for such measures, are open to serious question.

In the first place, although no fully satisfactory statistics are available, those which have been produced show that the Filipinos engaged in retail and wholesale trade already outnumber foreigners by a vast majority. These thousands of businessmen did not require special discriminatory legislation to set them up in business. L. R. Aguinaldo, Ang Tibay, La Mallorca, Pambuco, H. G. Henares & Sons, Puyat & Sons, Rizal Cement Co., and many others are examples of Filipino enterprises which thrive under competitive conditions without special treatment. Initiative, vision, and hard work are the indispensable qualities possessed by the founders of these concerns which made their establishment and subsequent success possible. If these qualities are lacking, the best intentioned statutes are totally inadequate, and where these qualities are present no special legislation is needed.

As a body representing American businessmen, we naturally look to the experience of the United States for the light it may throw on the effects which may be expected from the proposals under consideration. The United States did not grow to its position as the wealthiest nation in the world, nor did its great corporations attain their present size, through nationalization measures. In the early stages of United States economic development, foreign capital was warmly welcomed and foreigners were invited to immigrate to America. Instead of surrounding such foreigners with restrictions, they were encouraged to engage in enterprises of their choice and many made notable contributions to the growth of the country. The many thousands of prosperous Filipinos in the United States attest to this policy.

It is generally agreed that the Philippines should attract as much foreign capital as possible to accelerate the develop-

ment of its boundless natural resources. It should be apparent that the nationalization bills of all descriptions which have been introduced into the present session of the Philippine Congress create a climate which would serve to repel rather than invite prospective foreign investors. In a day when the free world is rapidly growing smaller and when political and economic isolationism is largely discredited, such restrictive legislation can hardly be regarded as anything but anachronistic.

Such a complete displacement of aliens in commerce as is contemplated by these bills could not be accomplished without creating very serious dislocations in the economy of the country. Uprooting and destroying established commercial houses which have played an important part in the country's business, is certain to introduce chaotic conditions in the economic system for a long time to come. Moreover, the problem of what to do with the dispossessed can not be lightly ignored; nor can the very sizable capital expenditures required to compensate the dispossessed for business property and assets the use of which would be denied to them by nationalization.

Surely there is a more orderly and, from a long-range point of view, more permanently effective way to enlarge the share of Filipino businessmen in the country's trade. The thousands of Filipinos already engaged in trade show that the ability and will successfully to compete in commercial pursuits are a part of the national heritage. Encouragement and education can hasten and facilitate the entry of many more Filipinos into trade. This is a government responsibility. Training centers can be set up to teach the fundamentals of business to aspiring entrepreneurs. Special credit facilities should be made available to the small businessman, and a corps of experts could be trained by the Government to travel throughout the Islands, to visit Filipino stores and to show the proprietors on the spot how to deal with the common problems with which they are all faced. These are only a few of the means which can be employed to build up a flourishing and growing body of Filipino businessmen which we feel would achieve sounder, more lasting results than the unnatural and artificial measures proposed in Congress.

"Capital" is still a word which is misunderstood by a great many people. One of the best definitions and explanations of the term was incorporated in an "Capital" article, "The Meaning of Pan-Americanism" by Ezequiel Padilla, a professor of law and formerly Minister of Foreign Affairs of Mexico, which appeared in the latest issue of the quarterly magazine, *Foreign Affairs*.

It is quoted as follows, together with several introductory and concluding lines of great interest:

"The root of Latin America's great evils is poverty. And that does not spring from congenital incapacity or racial inferiority; it comes from lack of investments.

"What are investments? What is enterprise?"

"They represent man's ability to conquer nature. Without enterprise, without investments, without capital, nothing can be done; that is why the strength of a nation is reflected in its investments.

"The capital which sets up a business is not formed, as primitive minds may imagine, by money in circulation, nor even by credits and financial arrangements.

"Capital is the accumulation of the savings of generations.

"When we say we need United States investments, spiteful minds think of a caricature labelled 'Wall Street.' They do not realize that the 'reserves' are the accumulated resources of intelligence, order, and willingness to sacrifice—the savings of the multitudes of people spread throughout the great North American continent.

"This capital represents billions of hours of work transformed into forces which are a sacred heritage and the mainsprings of civilization. Such capital also represents struggles to realize the people's claims to a better life and the conquests of inventive genius, all implicit in the technology which has put into man's hands the power of lifting himself out of poverty and misery.

"All this wealth, this store of achievement, this vast power of human deliverance, is epitomized in these magic words: Enterprise, Capital, Investment.

"It is this accrual that the United States, motivated by idealism and by the new American spirit of helping other nations to help themselves, can use to enable the Latin American peoples to redeem themselves not only from the oppression of man but of nature,—from soul-destroying poverty. . . ."

\*The paragraphing is the *Journal* editor's. In the original article the whole quotation constituted a single paragraph.

# Automotive Companies in the Philippines

By J. L. MANNING  
Manila Trading & Supply Company

**A**UTOMOTIVE land transportation has played a vital role in the economic life and development of the Philippines for the past almost half a century.

One of the most important links of the automotive land-transportation chain, from steel mill to manufacture, to railroad, to freighter, to assembly plant, to sales organization, to consumers, are the franchised automotive dealers.

In the Philippines, the automotive dealers have played a most significant part in the economic development of the country as they historically expanded their functions far beyond those normally carried out by similarly franchised dealers elsewhere in the world.

Specifically, the Philippine automotive dealer generally handles his own retail-credit financial paper (retail-credit sales self-insured), his own automotive assembly plant, large parts-inventories, and large and complete service and repair shops. Capital investment is considerably larger than the average found elsewhere in similar businesses, and payrolls in point of numbers run considerably larger than in the average automotive dealerships in the United States.

A detailed history of each of the dealerships and the makes of vehicles will not be attempted here. However, a listing showing the pre-war and the post-war pictures will be of interest and useful.

**Bachrach Motor Co., Inc.:** Founded by Emil Bachrach who entered the automotive business in 1907 and through the years at different times since then, handled such well-known makes as STUTZ cars, OVERLAND cars, FORD cars, MITCHELL cars, BRISCOE cars, DE VAUX cars, MINERVA cars, SCRIPS-BOOTH cars, BUICK cars, R C H AMERICAN MIDGET cars, DURAN cars, STAR cars, WILLYS KNIGHT cars, CADILLAC cars, PACKARD cars, AUSTIN cars, and the NASH cars. The Company has handled the CHALMER trucks, STAR trucks, CLYDESDALE trucks, FORD trucks, FEDERAL trucks, and the WHITE trucks.

Of the above long list, the Bachrach Motor Co., Inc. continues to handle the AUSTIN and NASH cars, and FEDERAL and WHITE trucks.

**Bataana Motor Corp.:** Established by the C. V. Starr interests; handled STUDEBAKER cars and trucks from the end of the last war until 1950.

**E. C. McCullough & Co.:** Originally a printing and stationery office; handled electrical supplies, Remington typewriters, U. S. tires; also dealt in tobacco and manufactured cigarettes.

Acquired the FORD agency in 1911-1912. Also distributed "E. M. F." and PAIGE automobiles and ALCO trucks (American Locomotive Co.). The automobile department, including the FORD agency, was sold to the Manila Trading & Supply Co. on January 1, 1918.

**Embassy Motors:** Established in 1946 jointly by Elizalde & Co. and R. P. Runion. Exclusive distributors for the sale of DE SOTO cars and trucks.

**Estrella Auto Palace:** Entered the automotive business in 1902 or 1903 and handled French vehicles up to 1914, such as the RENAULT, PANHARD, and BRASSIER cars and the DE DION BOUTON and DELAHAYE trucks. After 1914, the Company imported the HUPMOBILE, DODGE, ESSEX, and HUDSON cars, and, more recently, it represented the HUDSON cars and DIAMOND T trucks.

**Fabar, Inc.:** Founded by Manuel Barredo in 1949 as agents for STUDEBAKER cars and trucks; has installed a small but complete assembly plant in 1951 to handle importations of this automotive equipment on "Complete Knocked Down" (CKD) basis.

**Filipinas Auto Sales Corp.:** Obtained the franchise for Luzon on DODGE cars and trucks in 1953.

**Insular Motors, Inc.:** Founded in 1934 by Mr. Frank Liddell in partnership with Eugene E. Wing, formerly of the International Bank and later Manager of the China Banking Corporation; acquired from the Pacific Commercial Company, OLDSMOBILE car sales, PONTIAC car sales, OLDSMOBILE truck sales, WILLYS and MACK trucks, and REO trucks. The organization was not reactivated after the war.

**International Harvester Company of Philippines:** International Harvester Company purchased MacLeod & Company in the Philippines in 1904 and operated under that name in the shipping and fiber business.

The Company began its motor truck and farm-machinery sales in the Philippines in February, 1921, under Herman Forst. It expanded its truck and farm-machinery sales under the name of International Harvester Company of Philippines in 1930. The General Manager at that time was L. L. Spellman who was followed by N. H. Duckworth. Annual motor truck sales have increased consistently since the 1930's when the late President Quezon inaugurated his road-improvement program. Crawler tractors and other industrial equipment today also account for a large portion of the Company's business.

**Liberty Motors, Inc.:** Established in 1946 jointly by Elizalde & Co. and R. P. Runion. In 1948 it was taken over by the C. V. Starr interests. Exclusive distributor in the Philippines for WILLYS products.

**Liddell & Co., Inc.:** Established in 1946 by Frank Liddell who obtained the franchise from General Motors to handle CHEVROLET cars and trucks and spare parts for Luzon, Masbate, and Marinduque; also to handle OLDSMOBILE cars and GMC diesel trucks and spare parts for the Philippines.

**Liddell Motors:** Founded in 1949 by Frank Liddell as dealers for Liddell & Co., Inc. in the products of CHEVROLET, OLDSMOBILE, GMC diesel and parts for Luzon, Masbate, and Marinduque. Active sales operations stopped in 1950 when Northern Motors, Inc. was organized and took over the distribution.

**Liddell Motors, Inc.:** Established in 1949 by Mrs. Irene Liddell and operated as dealers of Liddell & Co., Inc., up to 1950.

**Luneta Motors Company:** Established in 1915 by Walter Hicks and later taken over by Macondray & Co., Inc. Pre-war, the Company handled MAXWELL cars and trucks (which later became CHRYSLER and PLYMOUTH cars and trucks) and FEDERAL trucks. Post-war, it is the distributor for PACKARD and English FORD cars, and REO and English THAMES trucks.

**Macondray & Co., Inc.:** Automobile Department established in 1928; pre-war the Company handled WILLYS cars and DE SOTO cars and trucks; post-war, it handled Luneta Motor Company products until that Company was rehabilitated.

**Manila Motors:** Established about 1925 by Alexander Bachrach and Walter Hicks. Bought out Harry Everett to handle STUDEBAKER cars and trucks; pre-war only.

**Manila Trading & Supply Co.:** Obtained the franchise to handle products of the Ford Motor Company in 1917 and has continued as dealers up to the present time. The Company was formed by Julius S. Reese who remains its majority stockholder and President. Handled FORD cars and trucks, FORDSON tractors, CLEVELAND cars, and LINCOLN cars; later, with standard shift FORD cars and trucks, MERCURY, ZEPHYR, and LINCOLN cars.

Between the period 1945 and 1947, several dealers in the products of the Ford Motor Company were appointed in the Philippines, as follows:

1. Bicol Trading, Inc.—Iriga, Camarines Sur
2. East Visayan Motors, Inc.—Cebu City
3. Davao Motor Sales,—Davao City
4. Mindanao Motor Corporation,—Cagayan de Oro City
5. Montilla Motor Company,—Bacolod City
6. Panay Motors, Inc.—Iloilo City
7. Port Motors, Inc.—Manila (Subsidiary of Manila Trading & Supply Co.)

**Mayon Motors, Inc.:** Originally in business under the name and style of **Krivenko Motors, Inc.** The Company was established in 1946 and handled the sale of PONTIAC cars under the management of Messrs. Manney and Krivenko, and GMC trucks.

**Northern Motors, Inc.:** A sister company of Southern Motors, Inc., organized in 1950 to handle distribution of CHEVROLET, OLDSMOBILE, and GMC diesel trucks in LUZON.

**Pacific Commercial Company:** This Company began doing automobile business through its subsidiary, the **American Hardware & Plumbing Company** about the year 1915. The American Hardware & Plumbing Company at that time was a corporation, but was dissolved a few years later. After its dissolution the automobile business was done in the name of the Pacific Commercial Company and under the trade names **Automotive Sales Company** and **Pacific Motors**. The Pacific Commercial Company handled all General Motors automobiles and trucks, consisting of CADILLAC, LA SALLE, BUICK, OAKLAND, OLDSMOBILE, PONTIAC and CHEVROLET automobiles and G.M.C. and CHEVROLET trucks. It also brought in some OPEL automobiles manufactured in Germany by General Motors Corporation. The Pacific Commercial Company retired from the automobile business in 1941.

**Pacific Motors:** Under Frank Liddell and E. E. Wing, this Company acquired from the Pacific Commercial Company in 1941 the importation and distribution of CHEVROLET cars and trucks. After the war in 1945, it operated for a short time.

**Parsons Hardware Company:** Some years ago, this Company acquired the HUMPHREYS agency from the Estrella del Norte and also handled semi-diesel trucks and PACKARD trucks just prior to the war. It is not at present in the automotive business.

**Philippine Motors, Inc.:** Established in 1951 for the sale of CHRYSLER and PLYMOUTH cars and FARGO trucks.

**Ramcar, Inc.:** Established in 1919 as an electric repair shop and battery manufacturer. The Company now imports and assembles HILLMAN MINX cars and WAYNE

All-Steel bus bodies. Ramcar, Inc. is owned and operated by Ramon Caro.

**Reliance Motors, Inc.:** Established in 1946 for the sale and distribution of BUICK and CADILLAC cars.

**Rizal Motors, Inc.:** Acquired franchise of PLYMOUTH and CHRYSLER cars and FARGO trucks for Philippines in 1950. In 1953, the Company established an assembly plant of CHRYSLER products, a division of **Rizal Motors, Inc.**

**Southern Motors, Inc.:** A sister company of Northern Motors, Inc., established in 1946 for the distribution of GMC products in the Visayan Islands and Mindanao, with branches in Cebu, Bacolod, Iloilo, and Davao.

**Teal Motors:** For a period prior to the war this Company handled BUICK cars and REO cars and trucks; it was owned and operated by Ellis H. Teal.

**United Motors (P. I.), Inc.:** Originally established in 1940 and re-established in 1946 for the sale of DODGE cars and trucks.

**Yutivo Sons Hardware Co.:** In 1940 this Company took over from the Pacific Commercial Company the distribution of GMC spare parts throughout the Philippines; also the sale of CHEVROLET, PONTIAC, BUICK, CADILLAC, and GMC trucks for the Visayas and Mindanao. After the war, it appointed **Southern Motors, Inc.** to handle the distribution of the foregoing lines.

THE following table of the post-war importations into the Philippines of automotive products, broken down into categories, by years, at dealer-cost, reveals the size of the industry:

Year	Trucks	Cars	Spare Parts	Totals
1946:	Qty Value	Qty Value	Qty Value	Qty Value
	3,132 \$4,443,971.49	2,010 \$13,139,828.87	529,808.51	\$8,113,608.87
1947:	Qty Value	Qty Value	Qty Value	Qty Value
	5,481 8,598,515.91	5,222 8,839,151.26	1,673,148.39	19,110,815.56
1948:	Qty Value	Qty Value	Qty Value	Qty Value
	6,747 12,195,788.71	6,069 11,438,275.50	3,151,679.18	26,785,743.39
1949:	Qty Value	Qty Value	Qty Value	Qty Value
	8,827 8,647,990.97	3,710 7,049,781.52	3,344,692.30	19,042,464.88
1950:	Qty Value	Qty Value	Qty Value	Qty Value
	2,279 5,108,123.94	905 6,530,503.69	1,578,963.71	8,316,690.44
1951:	Qty Value	Qty Value	Qty Value	Qty Value
	1,824 3,235,756.00*	504 908,208.00*	998,914.32*	5,142,878.32*
1952:	Qty Value	Qty Value	Qty Value	Qty Value
	1,209 2,144,706.00*	276 497,352.00*	662,280.19*	3,304,338.19*
1953:	Qty Value	Qty Value	Qty Value	Qty Value
	2,250 3,991,500.00*	288 518,976.00*	1,231,841.15*	5,742,317.15*

\*Estimates only; exact figures not available.

## Bell Act . . .

(Continued from page 167)

In Manila, on May 12, President Magsaysay urged approval of bills introduced in the Senate (S. No. 203) and the House (H. No. 2516), amending Commonwealth Act No. 733 (re the Philippine Trade Act of 1946) as follows:

"Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

"Section 1. Section 1 of Commonwealth Act No. 733 is hereby amended to read as follows:

"Sec. 1. Acceptance of, and authority to formally execute, the Executive Agreement and its revision.—The Executive Agreement which the President of the Philippines and the President of the United States have agreed to enter into pursuant to Title IV of Public Law 371—79th Congress, approved April 30, 1946, entitled "An Act to Provide for the Trade Relations between the United States and the Philippines, and Other Purposes", as hereinbefore set forth, is hereby accepted

and approved, and the President of the Philippines is authorized to formally execute the same on or after July 4, 1946. For the purpose of securing a revision of the foregoing Agreement, without prejudice to its termination should a mutually satisfactory revision not be obtained, and notwithstanding the provisions of Section 2 hereof enacting and continuing in effect as laws of the Philippines during the effectiveness of the said Agreement Sections 311 and 312 of the Philippine Trade Act of 1946, the duty-free treatment provided for in Article 1, paragraph 1, of the Agreement shall apply in lieu of the treatment provided for in Article 1, paragraph 2, sub-paragraph (A) and (B), to the United States articles, entered or withdrawn from warehouse in the Philippines for consumption, during such period after the 31st day of July, 1954, but not after the 31st day of December, 1955, as the President may declare by proclamation to be a period during which Philippine articles, as defined in sub-paragraph (5) of paragraph 1 of the Protocol, other than those specified in items D to G, both inclusive, of the Schedule to Article II, will be admitted into the United States free of customs duty, as such duty is defined in the Agreement, and during which the application of sub-paragraph (B) of Paragraph 2, Article 2, if it should be applied by the United States, will not substantially impair the national economy, provided that any such proclamation shall be without prejudice to sub-paragraph (A) and (B) of Paragraph 2, Article 1, being considered as having been in effect for the purpose of applying the provisions of sub-paragraph (C) of Paragraph 2, Article 1, of the Agreement."

# Brief Review of the Government's Business Policies\*

By PRESIDENT RAMON MAGSAYSAY

**I** WISH to express my appreciation at having been given this opportunity to offer a brief review of the business policies of my Administration and to trace the steps which we have taken to implement those policies.

First of all, let me repeat my assurance that business will get a fair deal under my Administration. No one will be forced out of business through unilateral action on the part of the Government. On the contrary, legitimate business will be given all the protection it deserves and all the encouragement it needs.

Some confirmed pessimists have been saying that business conditions have deteriorated and that they will continue to get worse instead of better.

These are counsels of fear.

Necessarily, the achievement of our goals will take some time. It will mean a lot of hard work and patience. But we have set into motion a number of long-range projects which I am sure will alleviate the temporary difficulties under which business labors today.

If there has been a business slow-down, we may attribute this partly to the great world-wide shift from a wartime to a peacetime economy from the consequences of which the Philippines has not been exempt.

More significantly, the present business slow-down has been the consequence of our lack of economic planning in the past, a result of our failure to adjust to a program of austerity soon enough and quickly enough.

The first thing that my Administration has sought to do, therefore, has been to correct this costly error.

**T**o begin with, we have mapped out a new economic development program. This program will involve the expenditure of around ₱4,000,000,000 within a period of 5 years, or at the rate of ₱800,000,000 a year.

More than half of this cost will be borne by private enterprise; the rest will be shouldered by the Government. To help the Government defray its share of expenses, a Bill is now pending in Congress which seeks to float ₱600,000,000 in bonds.

We want to make sure, however, that this program will be properly carried out and that the allotted funds will be effectively used. To this end, therefore, we have revitalized the National Economic Council which has been invested with broad powers in the implementation of the national economic program.

One important function of the Council is the establishment of a priority system in the enterprises to be developed and expanded. This system has to be set up due to the fact that our resources are limited, and we must distribute them in such manner that the maximum benefits can be obtained. This means that priority in the allocation of exchange will be given to the more essential business enterprises, and that the distribution of public works, such as the construction of roads, wharves, railroads, and electric plants, will jibe with and complement the system of priorities for economic development.

I am sure this assurance will make all of you happy, since one of the most persistent complaints of businessmen is the unavoidable delay and confusion in the release of funds and the consequent loss of time in starting industrial operations. The priority system will correct all that.

**H**AND in hand with this program, we are reorganizing our tax-collection machinery. We need money not only for operation of our Government but also to finance our development projects. Tax collection methods in the

past have caused the loss of a tremendous amount of revenue which otherwise could have been utilized for the improvement of existing services to taxpayers, or the creation of new ones.

In this connection, I wish to assure you that at present the Government has no intention of raising the present tax rates. On the contrary, the Government means to encourage business by lessening the burden of taxation on those who feel that they cannot operate freely owing to high taxes and high production costs.

Additionally, we hope to provide further encouragement to business enterprises by exempting from the payment of taxes all new and necessary industries.

To the hard-pressed industries needing financial assistance from the Government in the form of tax exemptions or direct financial aid, I wish to give assurance that their needs will be studied thoroughly and that help will be extended to them in accordance with the Government's capacity to meet their needs.

We are not going to allow old industries to die because of neglect on our part and thus needlessly throw more people out of work. On the other hand, we cannot allow new industries to languish because of our failure to sense their most urgent needs.

**T**HIS brings me to the subject of controls. The imposition of controls has been cited as the principal deterrent not only to the inflow of new capital into local industries but also to the entry of foreign capital here.

These controls were never intended to be permanent. They have been instituted as a palliative, as a stop-gap measure designed to check the drain on our foreign-exchange reserves and thus to stabilize our international reserve position. We have to do this not only because we need to put our economy in a stable position but also to make possible the smooth implementation of our development program.

I am happy that our businessmen have shared this broad view of controls. Ultimately, controls are designed to protect our newly established industries by restricting the inflow of imports.

Prospective foreign investors, on the other hand, fear controls under the impression that they might not be able to remit their profits or transfer their capital. This fear is unfounded. Present regulations permit both the remittance of profits and capital transfer, subject only to the condition that such will not jeopardize the national economy.

I am sure that those foreign investors who are interested in investing in the long-term future of the country, and who are not concerned merely with making a "quick killing," will find these conditions sufficiently flexible to permit large-scale business operations.

As I said, the imposition of controls is a strictly temporary measure. They will be lifted just as soon as our international exchange position is made stable.

**I**N our all-out effort to establish a sound economy, I have stressed strongly the rural aspect. This is because of my belief that the barrio is the fundamental starting point in any program which seeks to revitalize the economy and raise the living standards of the people. Better living standards mean an increase in the purchasing power, and an increase in purchasing power will mean better participation in the fruits of the land among the rural inhabitants who compose 75% of our population.

As long as the bulk of our population remains below the optimum standards of living, there is no hope that we can create the strong middle class which forms the strongest

\*Speech read for the President by Executive Secretary Fred Ruiz Castro at the Sixth Annual Awards Dinner of the Business Writers Association on May 4.

# Philippine Foreign Trade Statistics, 1953, Compared with 1952

Bureau of the Census and Statistics  
(F. O. B. Value)

Item	1953		1952	
	Value (Pesos)	Percent Distribution	Value (Pesos)	Percent Distribution
Total Trade	1,695,908,258	100.00	1,557,036,275	100.00
Imports	894,678,748	52.76	852,223,856	54.73
Exports	801,229,510	47.24	704,812,419	45.27
Balance of Trade:				
Unfavorable	93,449,238		147,411,437	

## I. TWENTY PRINCIPAL IMPORTS: 1953 COMPARED WITH 1952

Article and Country of Origin	1953 Value (Pesos)	1952 Value (Pesos)
<b>1. Cotton and Manufactures</b>	119,422,950	106,806,206
United States	104,678,246	97,021,080
Japan	7,318,344	2,361,276
Hongkong	3,981,980	2,857,030
Great Britain	1,017,138	734,704
China	850,332	1,983,324
France	629,930	670,762
Pakistan	376,594	—
Switzerland	319,646	471,746
Germany	70,930	33,886
Belgium	68,540	84,386
Other countries	111,270	590,012
<b>2. Mineral Oils (Petroleum products)</b>	75,133,500	80,176,780
Indonesia	39,507,096	41,083,454
Bahrain Island	14,173,444	—
Arabia	10,612,224	9,639,886
United States	10,592,690	13,234,698
Malaya	244,754	62,082
Great Britain	2,468	590
India	646	108,780
Switzerland	82	—
Hongkong	—	—
<b>3. Iron and Steel and Manufactures</b>	70,248,936	53,475,234
United States	33,754,500	22,140,428
Japan	24,163,472	20,167,846
Belgium	3,963,266	4,070,248
Germany	2,129,390	2,477,192
Great Britain	1,810,932	1,919,700
France	1,424,928	695,578
Netherlands	989,532	767,500
Hongkong	673,862	232,792
Luxemburg	497,578	118,552
Sweden	245,814	238,584
Other countries	595,662	885,398
<b>4. Automobiles, Parts of, and Tires</b>	63,130,162	57,705,544
United States	62,611,856	56,644,622
Great Britain	260,434	172,656
Japan	85,990	132,526
France	72,254	487,732
Spain	26,510	16,580
Germany	19,158	23,944
Hawaii	18,262	—
Guam	6,832	3,300
Hongkong	6,700	4,216
Denmark	6,190	—
Other countries	15,976	219,978

<b>5. Machinery (Except Agricultural and Electrical)</b>	59,221,632	54,309,902
United States	50,705,316	41,647,794
Great Britain	2,366,496	3,196,928
Germany	1,718,188	1,607,496
Japan	1,361,648	2,569,224
Hongkong	724,866	154,968
Sweden	595,948	373,038
Hawaii	388,400	63,066
Netherlands	344,132	39,610
Italy	338,122	3,658,582
Canada	133,624	87,726
Other countries	544,872	911,470
<b>6. Rayon and Other Synthetic Textiles</b>	52,212,102	50,185,018
United States	50,315,588	49,704,534
Japan	1,675,106	115,106
Hongkong	71,892	85,886
Switzerland	58,282	147,384
Great Britain	28,446	12,306
France	25,354	46,776
Sweden	11,824	3,344
Italy	6,472	3,480
China	6,086	21,238
Spain	4,638	6,018
Other countries	8,414	38,946
<b>7. Grains and Preparations</b>	46,164,462	73,917,028
United States	22,361,682	24,024,402
Canada	21,738,374	26,027,468
Hongkong	536,516	291,944
Germany	486,876	—
Denmark	397,652	172,254
China	237,444	466,200
Australia	161,616	270,760
Great Britain	137,944	214,034
Malaya	59,848	122,854
Netherlands	25,284	9,936
Other countries	21,226	22,317,176
<b>8. Dairy Products</b>	45,736,126	35,067,502
United States	37,724,782	29,786,570
Netherlands	4,696,506	1,796,124
Australia	1,679,346	2,018,028
Switzerland	839,942	984,330
New Zealand	463,658	132,910
Denmark	122,372	93,820
Canada	91,826	149,512
Sweden	40,852	20,654
China	33,104	28,280
Great Britain	24,784	27,004
Other countries	18,954	30,270
<b>9. Paper and Manufactures</b>	36,875,962	39,270,020
United States	32,770,496	35,231,334
Canada	1,164,514	1,517,828
Japan	453,942	405,628
Finland	442,238	—
Sweden	276,300	616,692
Spain	229,772	324,140
Germany	226,850	119,488
Norway	219,600	10,120

bulwark of every democratic state. And such a middle class ultimately constitutes the firmest support for business in a free enterprise system.

I HAVE no wish to be over-confident, nor do I wish to minimize the known hazards that lie along our course. But I believe that the long-term prospect which face us is a happy one.

To achieve our goals, however, will involve all our energy and patience, all our capacity for sustained application, and all the faith and goodwill that we can summon. The task in our time, as I see it, is to lay the foundations of our future on as secure and solid a basis as we can make it.

I trust that we have begun to do so.

I thank you.

Netherlands	206,586	23,204	16,360,294	13,473,146
Hongkong	201,226	162,008		
Other countries	684,438	859,578		
<b>10. Chemicals, Drugs, Dyes, and Medicines</b>	<b>36,866,702</b>	<b>29,683,866</b>		
United States	32,661,252	27,113,064		
Great Britain	1,117,500	256,082		
Switzerland	885,614	614,430		
Germany	493,854	167,258		
Italy	356,098	86,926		
France	328,678	232,810		
Japan	246,440	233,440		
Netherlands	218,720	71,106		
Canada	137,590	315,608		
Belgium	105,004	44,268		
Other countries	315,952	548,874		
<b>11. Electrical Machinery and Apparatus</b>	<b>30,343,788</b>	<b>26,100,402</b>		
United States	28,764,822	24,922,690		
Japan	351,822	274,980		
Netherlands	321,338	244,484		
Germany	282,670	116,228		
Great Britain	164,126	241,220		
Hongkong	120,652	59,226		
Sweden	81,552	14,814		
China	80,654	78,744		
Italy	36,366	22,364		
Canada	33,988	88,620		
Other countries	105,798	37,032		
<b>12. Tobacco and Manufactures</b>	<b>27,655,248</b>	<b>33,166,464</b>		
United States	27,524,156	33,035,010		
Hongkong	128,916	130,226		
China	2,016	30		
Great Britain	128	1,012		
Japan	24	40		
Gusm	4	—		
Malaya	4	8		
Other countries	—	138		
<b>13. Fish and Fish Products</b>	<b>19,909,194</b>	<b>15,706,704</b>		
United States	16,243,286	14,226,652		
British Africa	1,295,608	14,076		
Netherlands	1,025,280	442,524		
Portugal	319,266	190,622		
Hongkong	287,298	240,278		
China	277,355	175,946		
Japan	231,774	217,466		
Canada	60,462	137,780		
Mexico	49,564	11,834		
Germany	34,676	—		
Other countries	84,624	49,526		
<b>14. Fertilizers and Fertilizing Materials</b>	<b>19,224,974</b>	<b>26,621,942</b>		
United States	9,670,832	18,404,192		
Netherlands	3,816,328	2,060,170		
Germany	2,064,544	1,307,274		
Belgium	1,178,440	357,634		
Japan	1,026,306	1,995,738		
Canada	714,814	2,391,652		
France	383,796	61,744		
Great Britain	201,758	—		
Italy	174,146	—		
Hongkong	—	10	282	
Other countries	—	—	43,256	
<b>15. Miscellaneous Metal Manufactures</b>	<b>18,693,374</b>	<b>15,510,332</b>		
United States	17,771,396	14,121,648		
Bahrain Island	218,420	—		
Germany	184,328	146,204		
Japan	171,380	159,516		
China	87,816	53,578		
China	73,960	26,542		
Hongkong	67,270	49,828		
Sweden	51,826	67,394		
Italy	24,114	35,814		
Netherlands	12,536	—		
Other countries	30,528	849,808		
<b>16. Vehicles, other than Automobiles</b>	<b>16,360,294</b>	<b>13,473,146</b>		
United States	13,831,786	10,568,480		
Belgium	615,024	242,778		
Japan	515,140	1,855,390		
Malaya	510,884	336		
Germany	510,128	216,000		
Great Britain	261,236	191,952		
Netherlands	37,134	154,712		
Hongkong	30,556	46,338		
Denmark	19,214	—		
Indonesia	11,594	15,750		
Other countries	17,598	181,410		
<b>17. Non-Ferrous Metals, Except Precious</b>	<b>14,218,206</b>	<b>13,737,520</b>		
United States	10,700,226	9,715,692		
Germany	1,023,804	832,944		
Japan	734,078	1,422,814		
Malaya	339,986	197,714		
Hongkong	299,934	98,770		
Canada	287,742	408,598		
Switzerland	198,252	93,288		
China	149,534	60,782		
Great Britain	128,746	276,260		
France	64,850	58,314		
Other countries	291,054	572,344		
<b>18. Leather and Manufactures</b>	<b>10,301,644</b>	<b>8,453,726</b>		
United States	9,352,646	7,879,604		
India	335,368	322,860		
Australia	245,626	171,558		
Japan	17,070	7,642		
Spain	13,428	7,516		
Great Britain	12,642	39,076		
Germany	10,518	390		
Hongkong	9,324	6,988		
Malaya	1,902	76		
China	926	4,598		
Other countries	2,194	13,418		
<b>19. Cocos, Coffee, and Tea</b>	<b>8,773,000</b>	<b>6,331,452</b>		
United States	2,934,570	2,411,064		
Ceylon	1,481,626	1,496,470		
Great Britain	1,387,160	696,372		
Brazil	829,770	472,426		
Ecuador	662,684	217,208		
Hongkong	419,250	208,702		
China	285,838	415,840		
Colombia	261,086	59,120		
Hawaii	162,732	100,812		
Argentina	86,266	—		
Other countries	262,018	253,438		
<b>20. Jute and Other Fibers</b>	<b>8,507,856</b>	<b>13,349,464</b>		
India	3,525,238	4,226,358		
Pakistan	1,841,992	1,186,554		
Spain	1,441,642	2,059,614		
Japan	949,550	1,233,906		
United States	528,568	851,868		
Malaya	88,018	16,004		
El Salvador	44,418	—		
Italy	24,972	3,540,228		
Canada	21,478	24		
Hongkong	20,962	294		
Other countries	21,018	234,614		
<b>Other Imports</b>	<b>115,678,636</b>	<b>99,173,604</b>		
<b>Total Imports</b>	<b>894,678,748</b>	<b>852,223,856</b>		

## II. TWENTY PRINCIPAL EXPORTS; 1953 COMPARED WITH 1952

Article and Country of destination	Unit	1953		1952	
		Quantity	Value (Pesos)	Quantity	Value (Pesos)
1. Copra	kilo	599,686,187	232,440,418	660,115,548	178,441,530
United States		314,465,737	124,401,313	300,091,007	80,386,877

\*Included in British East Indies in 1952.

Netherlands	73,578,541	28,391,817	48,310,801	13,105,279
Denmark	35,822,962	13,551,843	25,244,400	6,531,932
Venezuela	30,374,434	11,603,283	16,068,520	4,115,313
Switzerland	27,649,424	10,788,193	64,261,570	17,890,807
Belgium	26,303,042	9,751,356	43,515,474	11,752,927
Colombia	22,369,748	8,486,898	28,942,542	7,525,208
Germany	19,112,157	6,851,340	9,357,360	2,628,814
Israel	11,805,920	4,335,082	23,624,000	6,320,479
Norway	10,718,800	3,979,535	10,693,400	2,907,846
Other countries	27,485,422	10,299,758	89,988,474	25,276,048
<b>2. Sugar</b> .....kilo	<b>785,826,780</b>	<b>193,781,671</b>	<b>856,199,824</b>	<b>187,751,939</b>
United States	784,961,087	193,563,734	844,472,250	184,269,562
Japan	838,000	206,740	11,696,680	3,461,469
Guam	21,224	9,485	—	—
Hawaii	6,377	1,680	3,339	998
Israel	92	32	200	80
Egypt	—	—	27,272	19,800
France	—	—	60	20
Great Britain	—	—	23	10
<b>3. Abaca Fibers, Unmanufactured</b> ...bale	<b>848,449</b>	<b>75,304,242</b>	<b>847,371</b>	<b>79,769,676</b>
United States	283,412	29,440,956	365,100	37,589,961
Japan	240,313	19,279,888	196,555	16,740,513
Great Britain	106,679	9,837,097	98,124	9,356,842
Germany	35,414	2,982,255	25,139	2,171,743
France	37,608	2,612,319	34,269	2,609,997
Netherlands	31,274	3,384,550	18,515	1,493,977
Yugoslavia	25,626	2,054,993	24,278	2,110,745
Norway	16,265	1,598,808	11,432	1,144,028
Denmark	14,699	1,203,835	14,296	1,315,480
Canada	8,875	911,231	6,800	720,476
Other countries	48,284	3,898,310	52,863	4,515,914
<b>4. Base Metals and Concentrates</b> ...kilo	<b>1,894,379,511</b>	<b>69,992,316</b>	<b>1,803,660,369</b>	<b>41,768,193</b>
United States	646,123,756	46,156,987	555,591,647	18,718,017
Japan	1,242,859,315	23,661,902	1,247,743,922	23,020,908
Canada	5,080,000	150,000	—	—
Spain	218,440	16,057	324,800	29,268
Taiwan	98,000	7,370	—	—
<b>5. Logs, Lumber and Timber</b> ...bd.ft.	<b>589,583,366</b>	<b>62,581,005</b>	<b>300,870,411</b>	<b>35,051,938</b>
United States	104,329,688	15,801,110	66,694,295	12,442,309
Japan	452,522,801	42,207,067	204,455,021	17,051,023
British Africa	4,959,463	1,375,028	7,034,733	1,909,386
Taiwan	12,029,488	1,162,248	6,588,497	554,221
Hongkong	7,562,756	627,376	6,879,328	705,815
Korea	4,602,408	415,483	—	—
Hawaii	1,566,393	399,539	4,327,912	1,165,348
Netherlands	333,294	147,498	187,271	126,628
Ireland	496,566	113,046	206,094	43,039
Belgium	295,412	100,004	215,523	73,176
Other countries	883,097	232,606	4,281,737	981,263
<b>6. Coconut Oil</b> .....kilo	<b>61,034,297</b>	<b>35,287,323</b>	<b>84,855,307</b>	<b>33,430,534</b>
United States	59,538,421	34,472,350	53,699,479	19,997,224
Switzerland	478,240	291,073	6,838,451	2,853,363
British Africa	513,577	262,553	5,210,209	2,049,110
Colombia	493,286	252,076	1,656,760	832,694
Guam	9,653	8,496	9,827	7,699
Hongkong	960	640	—	—
Thailand	160	135	—	—
Italy	—	—	5,428,038	2,393,910
Belgium	—	—	4,320,083	1,825,335
Netherlands	—	—	3,987,712	1,661,022
Other countries	—	—	3,704,748	1,810,177
<b>7. Desiccated Coconut</b> ...kilo	<b>49,543,285</b>	<b>31,461,831</b>	<b>38,467,151</b>	<b>19,091,765</b>
United States	49,318,657	31,315,955	38,016,644	18,866,367
Canada	170,723	108,660	421,513	210,427
Hawaii	38,011	26,240	28,421	14,419
Hongkong	9,545	5,586	—	—
Japan	6,349	5,390	370	339
Guam	—	—	203	213
<b>8. Pineapple, Canned</b> ...kilo	<b>81,271,868</b>	<b>24,386,731</b>	<b>80,538,041</b>	<b>23,539,190</b>
United States	81,268,118	24,385,531	80,526,866	23,532,748
Hongkong	3,750	1,200	11,175	6,442
<b>9. Embroideries, Cotton, Silk, and Linen</b> .....	<b>18,496,123</b>	<b>—</b>	<b>—</b>	<b>14,317,938</b>
United States	18,495,428	—	—	14,305,959
Japan	689	—	—	3,633
Hawaii	6	—	—	16
Guam	—	—	—	8,330
<b>10. Tobacco and Manufactures</b> .....	<b>9,539,199</b>	<b>—</b>	<b>—</b>	<b>9,468,983</b>
Spain	5,273,411	—	—	6,210,728
United States	1,528,273	—	—	1,618,093
Belgium	717,025	—	—	340,522
Indo-China	662,677	—	—	—
Netherlands	647,840	—	—	26,922
Hongkong	174,521	—	—	207,121
French Africa	147,008	—	—	53,507
Hawaii	140,287	—	—	108,461
Morocco	95,050	—	—	102,128
Japan	67,798	—	—	11,991
Other countries	85309	—	—	789,510
<b>11. Cocoa Meal or Cake</b> .....kilo	<b>69,023,229</b>	<b>8,457,183</b>	<b>76,700,436</b>	<b>10,926,534</b>
United States	60,119,043	7,426,595	73,472,041	10,478,176
Hawaii	2,869,225	378,514	2,212,395	320,358
Belgium	3,356,559	366,839	—	—
Denmark	1,526,256	156,850	1,016,000	128,000
Germany	1,117,600	124,600	—	—
Hongkong	34,546	3,785	—	—
<b>12. Gold and Concentrates</b> ...kilo	<b>116,020</b>	<b>4,832,715</b>	<b>1,741,360</b>	<b>8,950,093</b>
United States	38,841	2,543,179	1,691,657	5,313,397
Great Britain	77,179	2,289,536	49,703	3,636,696
<b>13. Molasses</b> ...kilo	<b>175,386,368</b>	<b>4,774,359</b>	<b>195,562,976</b>	<b>11,231,694</b>
Japan	103,982,520	2,890,677	112,977,810	7,021,716
Korea	41,563,098	1,252,970	24,172,404	1,088,197
Great Britain	18,269,736	347,125	27,739,848	1,687,784
United States	7,151,014	149,787	6,509,106	360,002
Hongkong	4,420,000	133,800	12,723,808	387,535
Thailand	—	—	11,440,000	686,400
<b>14. Rope</b> .....kilo	<b>3,961,003</b>	<b>3,579,976</b>	<b>4,675,657</b>	<b>4,780,708</b>
United States	1,322,846	1,265,911	1,732,116	1,783,493
Malaya	1,138,604	890,575	1,142,516	1,082,322
Indonesia	544,874	579,312	822,191	956,878
Thailand	154,284	148,485	162,143	164,274
Porto Rico	154,928	117,798	267,454	219,473
Venezuela	120,223	93,756	—	—
Japan	76,075	82,377	24,973	28,163
Hongkong	69,117	71,890	45,679	51,725
Peru	65,192	58,561	142,595	139,155
Ceylon	43,229	37,591	16,554	18,148
Other countries	271,631	233,720	319,436	337,077
<b>15. Chemicals</b> .....	<b>3,202,855</b>	<b>—</b>	<b>—</b>	<b>2,048,964</b>
United States	3,167,038	—	—	1,760,522
Thailand	35,117	—	—	54,449
Guam	700	—	—	150
Belgium	—	—	—	137,751
Malaya	—	—	—	96,132
<b>16. Cotton and Manufactures Except Embroideries</b> .....	<b>3,042,011</b>	<b>—</b>	<b>—</b>	<b>1,569,667</b>
United States	3,024,422	—	—	1,530,470
Guam	14,901	—	—	20,598
Japan	2,282	—	—	96
Hawaii	188	—	—	348
Israel	137	—	—	137
Malaya	81	—	—	15,981
Hongkong	—	—	—	1,760
Great Britain	—	—	—	300
Taiwan	—	—	—	300
Other countries	—	—	—	114

# The Business View

A monthly review of facts, trends, forecasts, by Manila businessmen

## The Government

From Official Sources

**APRIL 2**—President Ramon Magsaysay visits Tagkawayan, Quezon province, to look into the distribution of some 8,000 hectares of deforested land available to homesteaders there of which some 5,000 hectares are already occupied, and states he will send student surveyors of the Mapua Institute of Technology to assist in the subdivision of the area into parcels of from 6 to 8 hectares.

**April 3**—The President inspects and inaugurates the 2,000-hectare Corpus national settlement project at barrio San Ramon, Uson, Masbate, where the 52 prisoners he released from jail some months ago are now settled; the men had been convicted of illegal cultivation in a reserved forest area.

**April 4**—The President lays the corner-stone of the National Press Club Building to be erected near the Jones Bridge on a 4,000 square-meter plot of land donated to the Club by the Quirino Administration; he pledges his own support and states he expects the press to "continue doing its duty,—to report the facts, honestly, fearlessly, and accurately, never sparing evil and ever encouraging what is good and just."

**April 5**—The fact-finding committee, headed by Atty. Ambrosio Dollete, which investigated the People's Homesite and Housing Corporation, reports to the President and recommends that a number of its officials be required to resign and that another be suspended and prosecuted for bribery; General Manager Vicente Fragante was already suspended on recommendation of the committee.

**April 6**—The President issues an executive order prohibiting the use of trawlers in San Miguel Bay in order to protect the municipal fisheries of the Camarines provinces and the livelihood of the people.

The President issues an order that all government public work projects be pushed forward on a 3-shift, 24 hours-a-day basis.

The President issues a proclamation establishing "daylight-saving time" for the Philippines from 12 o'clock midnight, April 11, to 12 o'clock midnight, June 30, "in order that officers, employees, and laborers of the Government may be afforded sunlight for work and recreation purposes after office hours, and to effect savings in the use of light both to the Government and the general public." (Clocks are to be set ahead one hour.)

The President delivers the commencement address at the University of the Philippines; he states that the University is the Government's "crowning effort in the task of national education, in the function of molding the nation's youth into sound, useful citizens."

Acting Director of Private Schools Daniel M. Salcedo recommends to Secretary of Education Pastor Endencia the closing of 12 private schools, most of them in the provinces, for failure to maintain the required standards, in line with the President's instructions to take the necessary measures against "diploma mills."

**April 7**—Malacañang announces that Col. Leoncio Tan has been reassigned to the Armed Forces and that Major Jose Lucban had been designated to replace him as Director of the National Bureau of Investigation; Major Lucban has been serving as the legal counsel of the N.B.I.

The President holds a breakfast conference with Vice-President Carlos P. Garcia, concurrently Secretary of Foreign Affairs, on the Japan reparations and other questions.

The Inter-Departmental Committee on Land Tenure submits its second progress report to the President, and also recommendations that the lending policies of the Philippine National Bank and the Rehabilitation Finance Corporation be revised so as to effect a more equitable distribution of credit facilities to farmers; that ₱10,000,000 be appropriated to increase the capitalization of the Agricultural Credit and Cooperative Financing Administration; that the par value of shares in the capital stock of rural banks be reduced from ₱100 to ₱10

17. Shells and Manufactures	2,431,024	2,602,117
United States	2,338,194	2,555,780
Germany	46,747	
Japan	44,168	41,030
Sweden	866	
Mexico	851	400
Hawaii	190	225
Guam	8	
Canada		4,200
Hongkong		482

18. Beverages, Wines and Liquors	2,162,395	766,036
Korea	880,449	6,750
United States	517,875	238,087
Guam	475,687	233,743
Japan	180,000	194,750
Hawaii	90,900	77,708
British Borneo	5,580	
Taiwan	7,325	
Spain	3,800	150
Thailand	529	
Great Britain	140	
Other countries	110	14,848

19. Rattan and Manufactures	1,799,960	1,527,436
United States	1,402,420	866,323
Hawaii	114,128	314,332
Guam	57,711	129,088
Venezuela	47,267	18,002
Panama, Canal Zone	35,458	43,899
Other United States Insular Possessions	34,253	203
Porto Rico	27,430	49,220
Panama, Republic of	24,469	54,598
Canada	13,450	6,160
Dominican Republic	8,979	
Other countries	34,395	45,611

20. Scrap Metals... kilo	8,934,456	1,695,600	10,625,603	1,373,226
United States	1,874,456	945,666	1,073,403	674,389
Japan	7,060,000	749,934	9,552,200	698,877
<b>Other Exports (including Re-exports)</b>				
			11,980,573	35,776,899
<b>Total Exports</b>			<b>801,229,510</b>	<b>704,812,419</b>

III. FOREIGN TRADE, BY NATIONALITY OF TRADER: 1953				
Nationality	Total Trade	Imports	Exports	Re-Exports
Total	1,695,908,258	894,878,748	801,229,510	797,265,592
American	579,026,840	247,861,906	331,164,934	330,170,108
Filipino	560,340,026	356,975,914	203,364,112	200,884,822
Chinese	343,422,901	219,948,170	123,474,731	123,277,222
British	113,333,554	52,053,246	61,280,308	61,272,144
Spanish	65,808,256	4,255,774	61,552,482	61,549,010
Danish	18,551,124	1,261,552	17,289,572	17,288,572
Swiss	8,307,890	7,571,874	756,016	735,562
Indian (Hindu)	2,676,992	2,650,110	26,882	23,843
German	2,035,602	27,010	2,008,592	2,008,592
Swedish	908,871	896,042	4,829	100
Thai (Siamese)	300,709	150,726	149,983	149,983
Indo-Chinese	296,588	277,688	20,900	20,900
Belgian	150,790	150,790		
Italian	138,117	102,542	35,575	35,575
Syrian	98,896	98,896		
Australian	55,320	55,320		
Japanese	52,518	1,156	51,362	51,362
Indonesian	50,274	50,274		50,274
French	47,172	47,172		
Dutch	41,004	34,074	6,930	6,930
Hungarian	27,770	27,770		
Argentinian	25,534	22,318	3,216	716
Norwegian	24,928	24,928		2,500
Korean	16,601	11,228	5,373	5,373
Austrian	14,228	14,228		
Jewish	7,058	6,658	400	400
Cuban	2,930	2,930		
Abyssinian	2,272	2,272		
Ecuadorian	992	992		
Yugoslavian	698	698		
Irish (Free)	670	670		
Panama	218	218		
Greek	206	206		
Polish	100	100		
Portuguese	96	96		
British Malayan	88	88		
Mexican	48	48		
Colombian	10	10		
All other countries	146,367	143,328	3,039	2,139



to encourage farmers to invest in them; that the urgency of a bill authorizing loans from postal savings banks to farmers be certified to Congress. The ACCFA was created with a supposed revolving capital of \$100,000,000, but none of this amount has as yet been appropriated.

Secretary of Finance Jaime Hernandez reports to the Cabinet that the \$2,000,000 requested by the ACCFA for the purchase of rice-seed for Cotabato farmers and other forms of relief will soon be made available. Secretary of Agriculture and Natural Resources Salvador Arana reports that some 400,000 rats are now being killed weekly in Cotabato mostly with the rat-poison "Fival"; another poison, "1080" is to be tried soon.

April 8 — Announced that the President has requested Ambassador Carlos P. Romulo to send him a detailed report on the United States proposals for a Pacific Treaty Organization (PATO) and on the proposed warning to Communist China. The President states he has already received, through the Department of Foreign Affairs, a communication regarding Secretary of State John Foster Dulles' invitation for a 6-nation warning against Chinese Communist intervention in Indo-China, but that a more detailed report is necessary. At the same time the President sets a conference for Sunday night (April 11) at Baguio with leaders of both houses of Congress, including chairmen and members of the foreign affairs and national defense committees.

In the presence of some 200 college students who call on him prior to their departure for Mindanao, having volunteered to assist in the anti-rat campaign, the President signs an executive order creating the "Consultative Council of Students" and inducts the chairman and 16 members into office. The chairman is Carlos Malabanan, a student of the Department of Youth and Student Affairs. The President states that the volunteering for this service is "concrete and tangible proof of the new vision that our youth of today possesses."

The newspapers report that Speaker Jose B. Laurel, Jr., last night asked Rep. R. M. Durano, Chairman of the House Committee on Commerce and Industry, to temporarily desist from reporting out any of various "nationalization" bills because of the adverse reaction aroused; the Committee has been holding hearings on measures to nationalize the retail trade, the lumber, abaca, rice, coconut, copra, fishing and drug industries, and banking; a labor nationalization bill, already passed in the House, is now awaiting action in the Senate.

April 9 — The President leads the nation in commemorating the 12th anniversary of the fall of Bataan in ceremonies at the Mount Samat Cemetery; more than a thousand survivors of the defenders of Bataan and Corregidor and their families arrived at Mount Samat on buses and some came across the Bay on LSTs.

April 10 — The President issues Administrative Order No. 20 coordinating the rat-extermination activities of all government agencies in the Philippines. The provision for the force of the Armed Forces in that province; he also issues Executive Order No. 23 providing an award of \$100,000 for the best method of eradicating rats by means of micro-organisms not dangerous to human beings. Later the President personally checks on the loading of supplies and equipment for the anti-rat campaign in Mindanao at Pier 5, Manila.

The President in a conference with Secretary of Labor Elueterio Aedeoso expresses a desire to have the "Blue Sunday" labor law amended and instructs him to observe its working in outlying areas where the people do their marketing on Sundays.

The special committee investigating anomalies in the People's Homesite and Housing Corporation recommends modification or cancellation of the Corporation's contract with Miguel Morillos & Sons involving the sale of some 14 hectares of land in Quezon City; it also recommends an inquiry into the advance payments for supplies bought from the Alto Pipe and Foundry, Inc. and from the Aron Trading Company.

Announced at Malacanan in the evening that the President's conference with congressional leaders in Baguio had been postponed in order to give the participants more time to study recent developments. The President points out—

"that the nation's security requires, and that the policy of his Administration has declared, Philippine commitment to the principle of associating itself with the other free nations of the world in resisting communist aggression in Southeast Asia. The President expressed the readiness of the Philippines to discuss with other nations, in accordance with this principle, how best to present a unified front against further communist aggression, subject to agreement on details among all participants. Special significance is attached to the conflict in Indo-China because the area is considered the key to the defense of Southeast Asia and because of its proximity to the Philippines. The fact that the briefing session brought out in several hours several hours' flying time to Manila, and that the communist forces are using powerful and modern military equipment, it was pointed out, makes it a matter of grave and immediate concern to the Philippines."

April 11 — The President confers with the general staff of the Armed Forces at Camp Murphy.

"The President was given a fill-in on the progress of the Indo-China conflict, how it has grown into its present crisis and its inevitable effects on the whole of Southeast Asian countries including the Philippines, India, Indonesia, Burma, Thailand, and Malaya. The briefing session brought out that the seriousness of the situation would necessarily demand strengthening of the Philippines' defenses. The President pointed out that the pattern of action in Indo-China—a communist-led, unprovoked, and unprovoked invasion of a small, peaceful, and democratic country—was the same pattern being pursued in the Philippines by the Hukos. It was noted during the briefing that Communist China was carrying out a similar pattern in the Sino-Indonesian conflict in Southeast Asia. Observation was made to the effect that the Philippines has adhered to the principle of eradicating colonialism in Asia. It was pointed out, however, that the same must be done with the peace of developments in some Southeast Asian countries, thus requiring decisive measures on the part of the Philippines for the maintenance of the country's security..."

Despite the announcement yesterday that the conference would be postponed, the President in the late afternoon confers with administration and congressional leaders he found in Baguio, though Senator Claro M. Recto is not present, on the matter of joining in a warning to Communist China as proposed by Secretary of State Dulles.

April 12 — Malacanan issues the following statement:

"To clarify and define discussions derived from the situation in Indo-China as well as the Philippine Freedom Movement, Magasaysay has authorized issuance of the following official statement on this date:

"(1) In a statement issued April 10, 1954, the President declared that his Administration, being committed to the principle of collective security, was prepared to accept the principle of the association of the Philippines with the other free nations in a common declaration opposing further Communist aggression in Southeast Asia, such association being subject to mutual agreement on details. The statement has not been modified. However, talk of expanding the Armed Forces of the Philippines, or of committing any of its elements to the Indo-China theater, is without foundation.

"(2) The President has no official information at this time that the United States seeks to organize a Pacific treaty organization similar to the NATO. This has only been speculated upon by press dispatches from Washington, and the United States participation in such a pact has been, therefore, wholly theoretical and conjectural."

Shocked by the brutal murder in Cavite of Mrs. Damiana Ongkiko, kidnapped for ransom some 37 days ago, the President directs Maj. Gen. Jesus Vargas to dispatch the 7th Battalion Combat Team to the province and also directs Secretary of Justice Pedro Tuason to send his best investigators there to work with the fiscals and the Constabulary.

April 17 — The President appoints Under-Secretary of Foreign Affairs Oscar M. Guerrero, Acting Secretary during the absence of Secretary of State Carlos Garcia who leaves today for Geneva as head of a Philippine delegation to the conference to be held there on Korea and Indo-China.

The President nominates Felino Neri, former Under-Secretary of Foreign Affairs, as envoy extraordinary and minister plenipotentiary at large to join Vice-President Garcia in Geneva; the appointment of Hilario Corpus as a member of the delegation was withdrawn a few days ago.

The President names as members of a Philippine panel to meet with the Japanese negotiators on the matter of reparations, Senator Jose P. Laurel, chairman; Acting Secretary of Foreign Affairs Guerrero, vice-chairman; Senators Francisco Delgado, Lorenzo Sumulong, Lorenzo Tañada, and Quintin Paredes; Representatives Daniel Z. Rono and Jose Rodolfo Ramos, Carlos Hildado, and Diosdado Macapagal; National Economic Council Chairman Felimon Rodriguez, Dean Vicente Sinco, Daniel Aguinaldo, and P. E. Domingo.

The President announces that a sub-committee group from the Armed Forces is at work preparing the ground for talks between Philippine and American representatives on the implementation of the Philippine-American Mutual Defense Pact; the top-level Philippine committee, still to be organized, will include members of the Senate and the House.

Formal reparations negotiations begin at Malacanan between the Philippines and Japan.—Vice-President Garcia delivering the opening speech; the Japanese delegation is headed by Ambassador Shozo Murata and Secretary Kenji Muramatsu; the former was Ambassador to the Philippines during the Japanese occupation.

April 18 — The President releases the following statement:

"The Philippine Government agrees in principle with the United States' proposal to issue a joint declaration against Communist aggression in Indo-China. Our first concern is, as it has always been, our national security. This concern today has become more grave with the deepening crisis in Indo-China. In the interest of our national security, it is our duty to strengthen ourselves in every way. But in the face of the Communist peril in Asia, it has also become our great duty to multiply our strength through joint action with our allies in the free world. It is particularly important to maintain our alliance with the United States, which is today the principal bulwark of the free world against Communist aggression and tyranny. In the Indo-Chinese crisis, however, there is an element which is of great concern to the Philippines as an Asian country. This is the political element of independence of the peoples of Indo-China. I believe that the proposed declaration should contain an affirmation of the rights of all peoples to freedom and independence. Thus, should the United States and the Philippines, in their common interest, have an assurance that the contemplated joint action is aimed at the defense of the independence of the Indo-Chinese peoples against Communist imperialism, any other joint declaration of joint action would have maximum significance. It should approach as closely as possible the guarantees of the Atlantic Charter. It should be the Asian equivalent of that historic document. I have instructed our delegation to Generalissimo Chiang Kai-shek to discuss with the United States the following conditions are met: first, that the right of Asian peoples to self-determination is respected; and second, that the Philippines be given a plain and unqualified guarantee of United States help in case of attack under our Mutual Defense Pact."

April 19 — The President orders the placing of all municipal police forces in Cavite province under Philippine Constabulary control.

April 20 — The President and Congress leaders in conference agree to authorize the Rehabilitation Finance Corporation to buy the rights of the British bond-holders in the Manila Railroad Company, worth \$42,000,000, for \$26,000,000, the difference representing accumulated interest over some 37 years which the bond-holders have offered to waive; the bonds of the company, worth \$53,000,000 issued by the Philippine Government when it acquired the Railroad Company from its British owners in 1917, the Government paying \$8,000,000 in cash; negotiations for the sale just authorized were conducted by the President through Central Bank Governor Miguel Cuaderno and Minister Jose Romero in London.

The President completes the membership of the National Economic Council with the appointment of the following as acting members: Secretary of Finance Jaime Hernandez, Secretary of Commerce Oscar Ledesma, Secretary of Agriculture Salvador Arana, Acting Secretary of Public Works Vicente Orosa, Acting Secretary of Labor Elueterio

Adevo, Budget Commissioner Dominador Aytona, Economic Coordination Administrator Sotero Cabahug, Under-Secretary of Foreign Affairs Leon Ma. Guerrero, Andres Hizon, and Alfonso Calalang; Filemon C. Rodriguez was previously appointed Chairman and Central Bank Governor Cuaderno a member.

April 21 — The newspapers report a decision, at a Senate Coalition meeting yesterday, to reject the Garcia-Ohno agreement on the amount and manner of payment of reparations as "inadequate"; one Senator denounced it as a "flagrant attempt to fool the Philippines" into accepting Japanese technical assistance in lieu of reparations payment. The attack was led by Senators Claro M. Recto and Lorenzo Tañada; defense of the agreement by Acting Secretary of Foreign Affairs Guerrero was unsuccessful.

The agreement, signed by Vice-President and Secretary of Foreign Affairs Garcia on April 15, before he left for Geneva, is published. It declares, in part:

"1. The amount Japan shall expend for the furnishing of the services of the Japanese people in production processing, salvage of sunken vessels, and other work as reparations to the Philippines shall be \$400,000,000. 2. The above-mentioned work shall be finished in a period of 12 consecutive years, extending for another 10 years, depending upon the circumstances then prevailing, upon the request of either of the contracting parties. 3. The services mentioned in the above paragraphs shall be rendered in a most expeditious manner to the satisfaction of the Government of the Philippines and in such manner as to achieve maximum benefits for the Philippines. The projects shall be chiefly those exemplified in the attached list. However, in regard to specific details and the manner both Government and Japan shall immediately enter into consultations in order to reach an agreement. 4. The economic value which will accrue to the Philippines through the services furnished by Japan in the above-mentioned manner, shall be estimated by a joint Japanese-Philippine reparations commission, and the total estimated economic value of the reparations shall not be less than \$1,000,000,000. 5. There shall be prompt ratification of the San Francisco Peace Treaty of 1951 by the Philippines upon the conclusion of all reparations agreement. Attached list of proposed projects: (1) Salvage of sunken vessels, (2) Development of foreign resources, (3) Expansion of rice industry through establishment of irrigation system, scientific culture, and other agricultural installations, (4) Increase in provision of artisanal, (5) Repair and construction of barrier roads, (6) Development of iron mines, copper mines, etc., (7) Increased installation of hydro-electric and thermal power-generating plants, (8) Improvement in the facilities of Manila harbor and Manila air terminal, (9) Double-tracking of railroad lines and improvement of trolley and bus-transportation systems, (10) Medical services and construction of hospitals, (11) Renovation of churches and other religious establishments, (12) Renovation and construction of schools and other educational establishments."

April 21 — The President summons Japanese reparations Ambassador Murata to Malacañang to ask clarification of the Japanese offer of "services" and is informed by the latter that this includes capital goods such as steam turbines, diesel engines, irrigation pumps and pipes, etc. The President states that he had not been furnished with a copy of the proposal but that he had been informed by Vice-President Garcia that capital goods were included among the forms of reparation expected from Japan. The President is quoted as saying:

"I have just approved Garcia's preliminary and explanatory arrangements in principle as a basis for negotiation for reparations, as a basis for discussion. But this morning I read that you would pay only in services, and if this term means only technical help and labor, we will not be able to agree."

Murata "took pains to emphasize that the Japanese would not send their clerks to the Philippines to work on reparations projects. . . . Toward the close of the conversation, the President asked Murata and Urabe to see Acting Foreign Secretary Leon Ma. Guerrero immediately and set down 'in writing' their clarification of the reparations proposal. The pair left to see Guerrero immediately."

The President receives Dudley Colton, general manager and vice-president of Johns Manville, Inc., who tells him of the Company's desire to set up an asbestos water-pipe factory; the President encourages him to go ahead stating that "the Government welcomes any foreign capital interested in manufacturing materials that will be of help to the country."

The President suspends Primo Villar, Chief of the Motor Vehicles Office, pending investigation of serious administrative charges against him.

Ramon Diokno, former Nacionalista senator, appointed associate justice of the Supreme Court only two months ago, dies of a heart attack in Baguio, aged 68. The President issues a statement mourning his death and offers the family an army plane to bring the remains to Manila.

April 22 — The President being informed by Acting Collector of Customs Jaime Velasquez that there is pending in the United States Congress legislation authorizing the sale of 8 United States vessels to two Philippine firms, the Compania Maritima and the Philippine Steam Navigation Company, approves the suggestion that Congress should be requested to authorize other Philippine ship operators to participate in a public auction of the vessels.

The President at a Cabinet meeting instructs Acting Secretary of Public Works Orosa to push the construction of pump irrigation plants. The President approves the construction of a \$3,000,000 4-story building to house the Government Service Insurance System on a lot on the corner of Arroceros and Concepcion streets, Manila.

The President receives a delegation of recently discharged personnel of the Philippine Air Lines who inform him they are forming a corporation for the purpose of acquiring 1,024 hectares of agricultural land near Lake Nauhan, Oriental Mindoro, and he encouraging the plan stating the Government will give them all aid in their settling there.

The President also receives a delegation from the Marikina Shoe Producers Association, Inc., who ask that he take steps to end the acute shortage of leather which threatens the doom of the shoe industry;

The President asks Secretary of Finance Hernandez to see about increasing the dollar allocation for shoe-making materials.

After consultation with leaders of Congress, the President announces the composition of a panel to represent the Philippine Government in the reparations talks with Japan composed of Senator Jose P. Laurel, Chairman, and the following members: Senators Francisco Delgado, Claro M. Recto, Gil J. Puyat, Lorenzo M. Tañada, and Lorenzo Sumulong, Representative Daniel Romualdez, Secretary Jaime Fernandez, Florentino Pimentel, Miguel Cuaderno, Alfonso Calalang, Daniel Aguinaldo, Jose Paez, Antonio de las Alas, and Carlos Fernandez.

April 23 — The President instructs Acting Secretary of Foreign Affairs Guerrero to advise the United States Embassy that the Philippine Government is ready to appoint a panel to discuss the implementation of the Philippine-United States Defense Pact. The President received a report from Ambassador Carlos P. Romulo, his personal envoy to the United States, saying that he had transmitted to Secretary of State John F. Dulles the Philippine desire for bilateral talks on the Pact, as agreed upon in a conference between President Magaysay and congressional leaders in Baguio some time ago.

The President instructs Malacañang legal adviser Judge Salvador Esquerra to look into the legality of cancelling the Army's 3-year contract with Demetrio Muñoz for the purchase of second-line "A" tires; the President also instructs him to find out the name of the Malacañang official who, according to Muñoz's alleged boast, had used his influence to help him obtain dollar allocation licenses from the Central Bank; the Bank was instructed to withhold action pending an investigation. The Barrera-Vargas report on the Crisol-Castro investigation clears Executive Secretary Fred Ruiz Castro from the charge of interference in an extortion case being prosecuted by the National Bureau of Investigation, stating also that Jose M. Crisol, former acting Director of the NBI, was motivated by a "commendable, uncompromising attitude against even the shadow of interference in what he honestly believed to be his sworn duty." "It seems that the whole controversy arose from some kind of misunderstanding."

The President attends the "First National Jamboree" of the Boy Scouts of the Philippines at Balara, Quezon City, April 23-30, attended by some 6000 boys from all parts of the country and some 11 foreign countries; one group of 25 boys hiked to Manila all the way from Isabela, a distance of some 400 kilometers, in 15 days.

April 24 — The President visits POC, Pangasinan, and announces his plan to establish a 2,000-hectare ED-COR project there.

April 25 — The President receives the delegates of the League of Women Voters of the Philippines who end a 3-day convention in Manila today.

Malacañang announces that the departure of the President's special mission to Japan to assess its capacity to pay reparations, originally set for April 28, has been held up pending the outcome of consultations between the group and the Philippine delegation to the Philippines-Japan reparations conference; the mission is composed of Secretary of Foreign Affairs Hernandez, Juan P. Ortigas, Jr., Col. Jaime Velasquez, Francisco Rodolfo Barranco, Vicente F. Barranco, and a representative of the Congressional Press Association.

The Department of Foreign Affairs announces that Acting Foreign Secretary Guerrero informed Japanese Ambassador Murata last night that the Japanese delegation to the reparations conference would be informed in due time of the date and place of the second session of the conference, Murata having asked when the conference would be resumed. Secretary Guerrero indicated in his note that the conference would be resumed if it appeared to be "possible in the situation created" by the Japanese Envoy's note of April 23 in which he stressed that the Japanese would be ready to continue the conference only "on the basis of the Garcia-Ohno memorandum"; the Philippine position was that the conference should consider the question of whether the Garcia-Ohno memorandum was merely a starting point for the negotiations, or its basis, as the Japanese averred.

April 26 — The President administers the oath of office to former Representative Felixberto Serrano as Philippine Chief Delegate to the United Nations with the rank of Ambassador.

The President addresses the Philippine Medical Association on the occasion of its 47th annual meeting in the Far Eastern University Auditorium, speaking of his desire for the establishment of medical centers, built around groups of specialists, in various areas, and of setting young general practitioners in the small towns and barrios; he states that there should be at least one doctor to every 1,000 people, but that in the Philippines, while there is a government doctor in every town, these, theoretically, may have to look after as many as 75,000 people, in consequence of which the majority of Filipinos live and die without ever having had the services of a physician. He also speaks of the factor of health in the low productivity of Philippine labor.

The President receives a number of representatives of the Grand Lodge of Free and Accepted Masons of the Philippines, headed by Grand Master Mauro Baradi, who hands him a check of \$15,000 for the President's Liberty Wells Campaign Fund. Albino Syip, Treasurer of the Liberty Wells Association, reports that the funds obtained now exceed \$250,000. Acting Public Works Secretary Orosa states that some 250 artesian wells have already been dug since January 1.

The President receives Ray Higgins, Chairman of the Philippine Red Cross Blood Bank, and asks him to convey his thanks and the

appreciation of the Filipino people to the officers and men of the U. S. Navy who have recently donated more than 1,500,000 cc. of blood, commercially worth some ₱763,650, the ships concerned being the *Helena*, *Salisbury Sound*, *Pine Island*, *Essex*, and *Boxer*. The total amounted to some 3,054 bottles-ful, and Higgins states the sailors could easily have given 10,000 bottles of fresh blood were there an available plasma plant.

April 27 — The President unexpectedly visits the Central Bank and happening to find the Monetary Board holding a meeting, he warns against the danger of frightening away foreign capital necessary to the rehabilitation of the country and states the Board should do what it can to encourage the flow of foreign capital into the country and provide adequate protection to foreign investors to the limit of the law.

April 28 — The Agricultural Credit and Cooperative Financing Administration announces that loaning operations were suspended yesterday pending the release of more funds; although over 61% of the ACCFA's 1953 crops loans "have been paid up in palay deposits, the funds can not be used for new loans until the palay is sold and converted into cash; Farmers Cooperative Member Associations are reported to be disappointed and preparing to sell to the old middlemen and prices are dropping steadily.

April 29 — The President issues instructions to the Philippine Committee which is to proceed to Japan to

"survey and appraise present and prospective economic conditions in Japan" with a view to assessing in the light of those conditions the amount which Japan can pay as reparations to the Philippines, and also to provide our Government with a body of up-to-date facts regarding Japan to guide this Administration in the conduct of our trade relations with that country."

The President signs the instrument of ratification of the International Sugar Agreement of 1953, previously signed by the authorized representative of the Philippines in London on October 30, 1953. The Philippine Senate concurred in the ratification with the reservation:—"that in case the Executive Agreement between the United States and the Philippines whereby the latter is allowed to export to the former 850,000 long tons of sugar duty-free is abrogated, the Philippines will seek a revision of this Treaty to protect its own interests."

April 30 — The survey mission headed by Secretary of Finance Hernandez leaves for Tokyo in the morning; in the evening Ambassador Murata and the members of the Japanese reparation panel also leave for Tokyo.

The President at a conference with officials of the National Rice and Corn Corporation expresses concern over the price of rice and directs them to go after profiteers and bring down the price.

The 8-day First National Jamboree of the Boy Scouts of the Philippines ends. Some 6,000 of the 150,000 Boy Scouts of the Philippines attended together with some 200 Scouts from 12 foreign countries, all quartered at Balara, Quezon City. One group of 21 Boy Scouts from Santiago, Isabel, hiked all the way to Manila, 400 kilometers in 15 days, under the sponsorship of the Rev. John L. Pelossier of the La Salette school in Santiago.

The President receives officials and delegates of the foreign countries participating in the Second Asian Games to open tomorrow; they were headed by Antonio de las Alas, chairman of the organizing committee and Jorge B. Vargas, President of the Philippine Amateur Athletic Federation and the Asian Games. Some 1500 officials and athletes, around 1,000 athletes, are quartered in various University of the Philippines buildings at Diliman; from Japan (51 athletes), Nationalist China and India (33 athletes each), Pakistan (21), and other countries, — Korea, Malaya and Singapore, Hongkong, Thailand, Vietnam, Burma, Indonesia, Ceylon, Afghanistan, Israel; some 20 countries were to take part, but Cambodia, Nepal, and Iran sent words they could not come. The Asian Games Federation grew out of the First Far Eastern Athletic Championships held in Manila in 1913 on the initiative of the Philippines, China, and Japan; the Asian Games Federation was formally organized in New Delhi, in 1949, the First Asian Games being held there in 1951; the Third Games will be held in Tokyo in 1958.

## Banking and Finance

By M. D. ARNOLD

Sub-Manager

The National City Bank of New York

COMPARATIVE statement of condition of the Central Bank:

	As of Dec. 31, 1949	As of Jan. 29, 1954	As of Feb. 26, 1954	As of Mar. 31, 1954
	(In thousands of pesos)			
International Reserve.....	₱460,689	₱451,133	₱465,963	₱454,926
Contribution to the International Monetary Fund.....	30,000	30,000	30,000	30,000
Account to Secure Coinage.....	113,306	106,940	106,940	106,940
Loans and Advances.....	77,047	33,324	18,524	19,724
Trust Accounts.....	—	—	—	—
Securities Stabilization Fund.....	—	—	—	—

Domestic Securities.....	92,197	233,127	241,094	239,887
Other Assets.....	20,390	47,959	46,383	53,363
	₱793,629	₱902,483	₱908,904	₱904,840
Currency-Notes.....	₱555,576	₱605,205	₱611,333	₱612,202
Coins.....	74,384	84,498	84,385	84,376
Demand Deposits-Pesos.....	117,682	163,998	163,507	156,290
Securities Stabilization Fund.....	2,000	14,471	14,620	14,615
Due to International Monetary Fund.....	22,498	496	496	496
Due to International Bank for Reconstruction & Development.....	2,389	2,377	2,377	2,376
Other Liabilities.....	2,636	6,329	6,459	7,483
Deferred Credits.....	—	1,212	1,759	2,364
Capital.....	10,000	10,000	10,000	10,000
Undivided Profits.....	6,464	428	700	1,370
Surplus.....	—	13,268	13,268	13,268
	₱793,629	₱902,483	₱908,904	₱904,840

The International Reserves as of March 31, 1954, were as follows:

Central Bank International Reserves.....	\$27,462,921.16
Japan Open Account (due from).....	13,462,523.32
Net FX Holdings Other Banks.....	74,032,090.86
	\$314,957,535.34

This is an increase of approximately \$4,800,000 as compared to February 26, 1954.

Currency and coins issued totalled ₱696,577,876.99.

Money is still tight in the market. Merchants continue to complain of increasing difficulty in effecting collections.

## Manila Stock Market

By J. J. ORTIGAS

Picornell, Ortigas & Co.

March 20 to April 23

FOLLOWING the same pattern of past years, trading has been restricted due to the Easter holidays and the usual exodus to Baguio.

The gold-mining share market has displayed an easier tendency, with most of the leading issues registering small losses. Among the base-metal issues, Consolidated Mining was easier, but the leading producers, Philippine Iron Mines, and Lepanto Consolidated, firmed somewhat.

In the commercial and industrial section, trading was quiet and featureless. Central Azucarera de Tarlac was more in demand among the sugar group. Fixed interest securities continued firm.

### MINING SHARES

1953-54 Range	High	Low	Close	Change	Total Sales	
107.42 82.78	M. S. E. Mining Share Average.....	92.38	89.81	92.05	Off .76	6,427,050
0.255 0.15	Atco Mining Co.....	.165	.15	.165	—	80,000
0.0875 0.037	Atlas Cons. Mining Co.....	.06	.0575	.06	—	665,500
0.0975 0.06	Baguio Gold Mining Co.....	.0975	.095	.095	—	125,000
2.16 1.00	Balotoc Mining Co.....	.0013	.0013	.0013	—	100,000
0.0226 0.0013	Betong Buhay Gold Co.....	2.90	2.88	2.85	Up .10	6,300
4.60 2.60	Benget Cons. Mining Co.....	.031	.015	.03a	—	—
0.031 0.015	Coco Grove, Inc.....	.044	.04	.042b	Off .002	1,207,883
0.046 0.034	Consolidated Mines, Inc.....	.12	.12	.12	Off .035	20,000
0.32 0.12	General Base Metals, Inc.....	—	.19a	—	—	—
0.32 0.16	Hibao Gold Mining Co.....	.042	.042	.042	Off .008	62,000
0.105 0.042	Irogan Mining Co.....	.43	.40	.43	Up .01	353,250
0.43 0.325	Lepanto Cons. Mining Co.....	.07	.065	.07	Up .005	95,000
0.1475 0.05	Mindanao Mother Lode.....	—	.11b	—	—	—
0.1075 0.06	Paracoto Cons. Mining Co.....	1.80	1.65	1.74	Up .09	85,700
2.29 1.42	Philippine Iron Mines, Inc.....	.16	.15	.16	—	117,000
0.31 0.15	San Maurizio Mining Co.....	.18	.17	.175	Off .015	707,000
0.27 0.17	Surigao Cons. Mining Co.....	.015	.015	.015	—	40,000
0.015 0.008	Suyoc Cons. Mining Co.....	x—	—	—	—	—
	x—=Ex-Dividend					

COMMERCIAL SHARES

1953-54 Range	Company	High	Low	Close	Total Sales	
185.00 135.00	Bank of the Philippine Islands	185.00	183.00	185.00	Up 3.00	55
72.50 60.00	Central Azucarera de Baia	60.00	60.00	60.00	—	92
117.00 100.00	Central Azucarera de La Carlota	117.00	117.00	117.00	—	31
105.00 100.00	Central Azucarera de Pilar	—	—	100.00a	—	—
370.00 360.00	Tarlac	39.00	32.00	42.00b	Up 9.00	935
12.00 10.00	China Banking Corp.	37.00	37.00	37.00	Up 5.00	7
24.00 22.00	China de Celulosos de Filipinas x	10.75	10.50	10.75	Off 1.00	1,300
10.00 4.00	Fil. Cia. de Seguros Industrial Textiles Mfg. Co. P.I.xxx.	4.20	4.00	4.20	Off 1.20	1,800
7.50 7.00	Inular Life Assurance Co.	—	—	7.00b	—	—
0.40 0.27	Manila Broadcasting Co.	40	40	40	Up .03	5,000
3.35 2.80	Manila Wine Merchants x	3.00	3.00	3.00	Off .10	625
—	Mayon Metal, class "B"	—	—	—	—	—
104.00 101.00	Meralco, 6-1/2% Metropolitan Insurance Co.	104.00	104.00	104.00	—	300
34.00 20.50	Pasudeco	—	—	34.00a	—	—
6.00 5.00	Philippine Air Lines, Inc.	6.00	5.50	6.00	Up 1.00	1,750
14.00 11.50	Philippine Long Dist. Tel., com.	14.00	13.00	14.00	Up 1.75	3,930
0.0525 0.014	Philippine Oil Dev. Co.	.025	.017	.025	Up .005	2,735,545
0.98 0.86	Philippine Racing Club, Inc.	—	—	.86b	—	—
100.00 99.50	R. & D., 4% Bonds, 1959	100.00	100.00	100.00	Up .50	T 50
34.50 29.00	San Miguel Brewery, com.	33.50	33.00	33.00	Off .50	19,667
100.00 94.00	San Miguel Brewery, % pref.	100.00	98.00	100.00	Up 3.00	130
13.00 13.00	Talaxy Sley Milling, Inc.	—	—	20.00a	—	—
13.00 13.50	Universal Insurance & Indemnity	13.50	13.50	13.50	—	200

x—Ex-Dividend  
xx—Ex-Rights  
T—Bond sales reported in units of P100

OVER THE COUNTER

Company	High	Low	Close	Total Sales
A. L. Ammen Transportation	50.00	50.00	50.00	324
Demonstration Gold Mines	.012	.012	.012	29,000
Far Eastern University	140.00	140.00	140.00	20
Johnson-Pickett Rope Co.	115.00	115.00	115.00	115-1/2
Manila Jockey Club	1.85	1.85	1.85	6,906
Marinduque Iron	.20	.20	.20	20,000
Mine Operations, Inc.	.004	.004	.004	30,000
Motor Service Co.	2.50	2.50	2.50	10,000
Philippine Long Dist. Tel. 6% bonds (1949)	103.00	103.00	103.00	P10,700.00
Tabacalera, 6% bonds, 1962	100.00	100.00	100.00	P14,000.00
Victoria Milling Co., Inc.	100.00	100.00	96.00	Ex-Div. 1,643

Credit

By P. LUTHI  
Treasurer, Menzi & Co., Inc.

**A** SURVEY of the credit situation in the Philippines during the first three months of the current year, conducted by the Association of Credit Men, Inc. (P.I.) among its member firms, indicates that the demand for increased credit facilities by wholesalers, retailers, and consumers continues unabated. Of the reporting members, 67% reported lower cash sales and increased credit sales, 11% reported cash sales unchanged, and 22% reported a slight increase in cash sales as against credit sales.

Generally, there was a continued pressure on credit managers to extend more favorable terms to customers, and credit men are finding it necessary to devote more attention to the review of requests for extension of credit in order to avoid possible losses on bad accounts. Most credit executives feel that, in general, collections continue to be slow and might become even more difficult in the future.

In the foodstuff and staple business, it has been noted that some prime necessities are being hoarded or that some manipulation is going on. The public has been observed to have a feeling of uneasiness regarding this condition. An exception to general slowness in collection is reported by one credit executive who states that his company had better collections in this and the preceding month than during the same period last year. This credit executive,

however, qualifies the situation by stating that the major line is agricultural implements, and faster collection recently is attributed to the fact that in most provincial localities income from staple goods seems to have gone up in favor of farmers who have also had some benefit of long-term financing from certain institutions. A credit executive in a business dealing in the requirements of public utilities, admits that his company's collections continue to be slow and attributes this to competition among transportation concerns in the province and to tightness of money. This credit executive indicates that down-payments on items handled on an installment basis vary from 30% to 40% with the balance payable in 12 months as a general practice and exceptions given for payments to go beyond 12 months. Another credit executive reports no serious difficulties in collection, but admits having noted that collection is still slow and states that, as a precaution, extension of credit has been limited to regular customers and new customers of proved good-credit reputation. Another executive reports that for the past two or three months he has noted an increase in past-due accounts.

Certain business quarters are showing continued interest in a simplification of the collection system in the Philippines, but express some doubt that this can be easily done on an universal scale. It is pointed out that many people in the Philippines are not used to keeping bank deposits, partly due to the requirement of banks that a fairly sizable amount be deposited in opening a current account. It has been observed that in many provinces people depend only on the provincial agencies of a government bank. Those in the more distant places are handicapped in not having facilities for depositing their funds or for payment by postal money-order. Even with the use of postal money-orders, some doubt is expressed as to a wide use of this facility by provincial merchants in paying their obligations to Manila firms because of reported loss of postal money-orders in the mail and difficulties in obtaining reimbursements.

Nevertheless, the Association is continuing its drive among its members to help in the simplification of collecting accounts, recommending that wider use be made of the mail service in sending checks and the gradual elimination of collectors.

Electric Power Production  
(Manila Electric Company System)

By J. F. COTTON

Treasurer, Manila Electric Company

1941 Average—16,316,000 KWH

	Kilowatt Hours	
	1954	1953
January	57,301,000	50,107,000
February	52,447,000	45,501,000
March	57,776,000*	50,789,000
April	54,407,000**	49,159,000
May	52,042,000	52,304,000
June	51,304,000	53,877,000
July	54,275,000	53,636,000
August	55,943,000	53,756,000
September	53,636,000	57,968,000
October	55,943,000	
November	53,756,000	
December	57,968,000	
Total	628,357,000	

\*Revised  
\*\*Partially estimated

**A** PARTIAL output was considerably lower than March because of one less day, the Easter holidays, and the special holiday on April 9. There was an increase of 5,248,000 KWHs or 10.6% above April, 1953.

In order to gauge the effect of daylight-saving time on the use of electricity, a comparison was made of the output for two 6-day periods. The first period was from Monday, March 29 through Saturday, April 3. The second period began on Monday, April 19, and ended Saturday April 24.

There was virtually no difference in output for the two periods; the comparative figures being 12,018,300 KWH before the adoption of daylight-saving time and 12,020,000 KWH after. During the hour from 6 p. m. to 7 p. m. the average use dropped about 23%. There was also a drop of about 20% in the hour from 5 to 6 in the morning. However, after daylight-saving time the use from 8 p. m. until 1 a. m. was greater.

The figures indicate that Manila people are now rising a little later in the morning and are going to bed later,—by daylight-saving time. By sun-time, local time, they seem to be "splitting the difference."

## Real Estate

By ANTONIO VARIAS

Vice-President, C. M. Hoskins & Co., Inc., Realtors

**R**EAL ESTATE sales registered in the Greater Manila area during the month of April, 1954, numbered 551, with a total value of ₱7,170,328, as compared with 780, with a total value of ₱7,714,296, registered during the preceding month of March.

Of the April sales, 159, with a total value of ₱4,692,440, represented deals within Manila, proper, and 392, with a total value of ₱2,477,888, were transactions registered in Quezon City, Pasay City, and in the suburban towns of Caloocan, Makati, Malabon-Navotas, Parañaque, Mandaluyong, and San Juan.

A few of the bigger sales registered during the month were:

- ERMITA**  
**CITY OF MANILA**  
**Ermita**—Zobel St. A property with a lot of 1,202.7 sq. m. sold by Pio Barretto & Sons, Inc. to Leon V. Picache et al for ₱144,450.  
**Paco**  
**Otis St.** A tract of 9,015 sq. m. sold by Chua Limco to the Domestic Investments Corp. for ₱135,235.  
**Cristobal St.** A tract of 16,925.1 sq. m. sold by Juan Riu Pianas to Lino Gutierrez for ₱270,801.  
**Quiapo**  
**Orocco St.** A 1-story concrete building with a lot of 1,327 sq. m. sold by Vicente Somes to Co Cuanco & Sons for the reported sum of ₱120,000.  
**Sampaloc**  
**Sining St.** A 2-story house with a lot of 450 sq. m. sold by Rosario Rosales to Gerardo Cabaneta Ong for ₱36,000.  
**Sta. Cruz**  
**Gandara St.** A parcel of 1,733.2 sq. m. sold by Getacue Investments Corp. to Benito Go Bio for ₱200,053.  
**Tondo**  
**Morga St.** A property with a lot of 674.8 sq. m. sold by Paz Ongsiaco to Salvador Diaz for ₱47,000.  
**PASAY CITY**  
**Taft Ave. corner Piliplip St.** A parcel of 1,100 sq. m. sold by Juan Riu Pianas to Sisinio Medina Cue et al for ₱40,000.  
**Lourdes St.** A property with a lot of 212 sq. m. sold by Teresa Vda. de Ripl to Teresa Fuentes for ₱16,000.  
**CUBAO**  
**Samson Road (Int.)** A parcel of 5,745 sq. m. sold by Cesimiro Domingo to Narciso Reyes, Inc. for ₱30,000.  
**New Manila.** A parcel of 3,905 sq. m. by Magdalena Estate, Inc. to the Philippine Amusements Enterprises, Inc. for ₱93,305.  
**Diliman**  
**South "D" corner South 8th and 9th Sts.** A property with a lot of 4,410 sq. m. sold by Tomas de Vera to Yao Mun Tek for ₱40,000.  
**South 19th St.** A property with a lot of 835 sq. m. sold by Alberto M. Flores to Lope Quinal for ₱37,000.  
**SAN FRANCISCO DEL MONTE**  
**Quezon St.** A tract of 16,019 sq. m. sold by Carmen G. de Villaresal to La Campana Food Products, Inc. for ₱36,066.  
**Sta. Mesa Heights**  
**Mayon St.** A property with a lot of 601 sq. m. sold by Mariano Roxas to Venancia Yuson for ₱80,000.  
**SUBURBAN TOWNS**  
**Mandaluyong**  
**Psychopathic Road.** A property with a lot of 690 sq. m. sold by Augusto M. Aguila to Elydio Valencia for ₱20,000.

**Malabon**  
**Tuley.** A property with a lot of 1,437 sq. m. sold by A. M. Raymundo to Dr. Alejandro T. Aquino for ₱27,208.

**Parañaque**  
**Quirino Ave.** A property with a lot of 1,728.8 sq. m. sold by Rosario M. Vda. de Mendosa to E. M. Ramirez for ₱65,000.  
**Villamar Court.** A parcel of 991 sq. m. sold by Vicente Arias to Antonio Trillo for ₱44,419.

**Pasig**  
**Rosario.** A tract of 13,203 sq. m. sold by Josefa Santos to Litton Spinning and Weaving Mills, Inc. for ₱35,357.

## REAL ESTATE SALES, 1954

	Manila	Quezon City	Pasay City	Suburban Towns	Total
January.....	₱4,757,076	₱1,306,427	₱505,410	₱1,676,512	₱8,245,425
February.....	2,444,703	2,295,413	330,245	1,859,162	6,929,523
March.....	2,811,805	2,501,229	162,167	2,239,095	7,714,296
April.....	4,692,440	1,381,842	169,520	976,526	7,170,328

## REAL ESTATE MORTGAGES, 1954

January.....	₱6,243,766	₱1,308,920	₱517,867	₱3,629,703	₱11,700,256
February.....	2,980,579	1,891,440	600,810	2,115,852	7,588,816
March.....	4,400,965	2,132,170	417,390	1,773,031	8,723,556
April.....	5,606,798	1,392,580	267,850	1,503,990	7,771,218

## Building Construction

By JUAN J. CARLOS

President, United Construction Co., Inc.

**D**URING the month of March, the Office of the City Engineer approved building permits for construction work amounting to ₱3,869,670. For the same period in 1953, the volume of work authorized amounted to ₱5,172,855, in comparison with ₱3,465,780 in 1952 and ₱6,487,320 in 1951.

Some of the big projects that were started during the month under review were:

A 3-story commercial building for Ambrosio Padilla on P. Ducos Street, Quiapo, costing ₱300,000;

On Gandara Street, Binondo, for Yu Kim Teng, a 3-story building, estimated at ₱200,000;

For Elizalde Rope Factory at 343 Tanduay Street, a 1-story steel bodega, costing ₱150,000;

A commercial building for Guison Brothers, estimated at ₱100,000, located on Isaac Peral Street, Ermita.

The biggest single contract to a Filipino company was recently awarded by the National Power Corporation for the construction of the power facilities of the Ambuklao Hydro-electric Plant at Bokod, Mountain Province, to the Philippine Engineers' Syndicate, Inc., in the amount of ₱12,000,000. The Philippine Engineers' Syndicate, Inc. is a corporation composed of several Filipino contractors, of which the writer is the President, who have grouped themselves together to undertake this project. It will be recalled that in 1949, Pier 9, South Harbor, Manila, was constructed by the Contractors' Syndicate, No. 1, a corporation also formed by Filipino engineers, for the amount of ₱10,000,000, the work being finished two months ahead of the scheduled time; this project was under the supervision of the U.S. Army. The Ambuklao project calls for the construction, within 550 days, of an underground power-house, where the controls for the entire plant will be situated.

Another project that was let out recently by the National Power Corporation involves the erection of steel towers and the stringing of electric wires from Ambuklao to Manila, a distance of 230 kilometers, at a cost of about ₱1,500,000. The towers and wires and appurtenances will be supplied by the National Power Corporation. This project also calls for completion within 550 days.

Prices of steel products, including nails, roofing sheets, and bars, remained firm during the period under

review. Cement, however, continued to be very scarce. The Cebu Portland Cement Company has paid orders for about 400,000 bags which until now have not been filled. To remedy the situation, the CEPOC has authorized the importation by private firms of Japanese or Belgian cement through PRISCO.

## Port of Manila

By W. S. HURST

Administrative Officer, Luzon Brokerage Company

**D**ELIVERIES from the South Harbor piers for the month of April totalled approximately 85,000 tons. This showed an increase of 10,000 tons over March.

Latest reports from the Delgado Bros. arrastre firm show that loss from pilferage is still on the decline. Pilferage of cargo will probably never be completely stopped but it is hoped that it will be kept to the barest minimum.

Col. Jaime Velasquez, who took over as Acting Commissioner of Customs recently, has left for Japan to join the Philippines reparations mission. Reports had it that he was leaving the Customs for good, but from later reports received he will return to the Customs Bureau upon his coming home from Japan. Which report is true will be soon known after his return. In the meantime, Mr. Edilberto David, a man with many years of experience in the Customs Bureau, will act in the place of Colonel Velasquez.

The piers are still congested and deliveries are not being made as fast as we would like them to be, but we can see an easing up in this situation. It is anticipated that it won't be long before things are back to normal.

## Ocean Shipping and Exports

By B. B. TUNOLD

Secretary-Manager

Associated Steamship Lines

**T**OTAL exports during the month of March this year showed an increase of 2,487 tons as compared with exports during March of last year; 147 vessels lifted 431,406 tons of exports during the month, as against 428,919 tons lifted by 129 vessels during the same month last year.

Commodities which have registered sharp increases over last year's figures are: coconut oil from 2,992 to 5,036 tons and tobacco from 1,509 to 2,691 tons.

Exports during March, 1954, as compared with exports during March, 1953, were as follows:

Commodity	1954	1953
Alcohol.....	54 tons	—
Beer.....	916 "	477 tons
Cigars and cigarettes.....	20 "	13 "
Coconut, desiccated.....	2,859 "	4,705 "
Coconut oil.....	5,036 "	2,992 "
Concentrates containing copper, gold, silver, lead, and zinc.....	539 "	—
Concentrates, copper.....	19,399 "	10,645 "
Copra.....	51,966 "	44,629 "
Copra cake and meal.....	5,159 "	4,576 "
Embroideries.....	203 "	246 "
Empty cylinders.....	237 "	457 "
Fruits, fresh, mangoes.....	61 "	158 "
Furniture, rattan.....	583 "	1,199 "
Glycerine.....	300 "	364 "
Gums, copal.....	90 "	76 "
Hemp.....	67,839 bales	98,716 bales
Hemp rugs.....	116 tons	—
Household goods and personal effects.....	377 "	236 tons
Logs.....	56,782,121 bft.	34,938,404 bft.
Lumber, sawn.....	5,495,546 "	5,294,018 "
Molasses.....	23,653 tons	27,899 tons
Ores, chrome.....	39,816 "	42,134 "

Ores, iron.....	23,795 "	103,473 "
Ores, manganese.....	3,900 "	—
Pineapples, canned.....	2,557 "	3,464 "
Rattan, round.....	232 "	177 "
Rope.....	336 "	305 "
Shell, shell waste.....	79 "	62 "
Skins, hides.....	17 "	93 "
Sugar, cent./raw.....	106,088 "	83,645 "
Sugar, muscovado.....	810 "	—
Tobacco.....	2,691 "	1,509 "
Vegetables.....	74 "	77 "
Veneer.....	26 "	—
Transit cargo.....	49 "	35 "
Merchandise, general.....	1,119 "	593 "

## Freight Car Loadings

By JOSE B. LIBUNAO

Traffic Manager, Manila Railroad Company

**L**OADINGS of revenue freight during the month of March, 1954, totaled 7,917 cars. This was an increase of 1,678, or 26.89% over the loadings during March, 1953, of 6,339 cars. The increase in the number of cars used is traceable to the greater sugar cane tonnage. There were more cane cars in use during March, 1954, than during the same month last year.

### Revenue Carloadings by Class

Group Commodities	March—Tonnage	
	1954	1953
Products of agriculture.....	103,331	75,435
Animal products.....	621	1,150
Products of mines.....	1,882	2,010
Products of forests.....	14,885	15,778
Products of manufactures.....	39,934	39,888
Merchandise less than by carload.....	6,464	5,239
Total.....	167,117	137,500

The increase of 29,617 tons is to be attributed to the increased loadings of sugar cane which accounts for 29,974 tons; of manufactured articles, such as gasoline, by 3,016 tons; fuel oil, by 1,727 tons; soft drinks, by 2,064 tons; and merchandise in less than carload lots, by 1,225 tons, which, together with some 13 other items, registered a total aggregate increase of 40,979 tons.

On the other hand, because of competition and partly because of lack of proper equipment, there were decreases in centrifugal sugar, by 3,660 tons; in molasses, by 2,322 tons; in desiccated coconut, by 1,710 tons; and in some 23 other items, making a total aggregate decrease of 11,362 tons. The resulting over-all increase was 29,617 tons.

On the whole, it may be stated that March tonnage increased due to heavier purchases of goods for the expected increased sales during the Holy Week retail-buying.

It is believed that there will be further betterment during the coming month. Better prices are being offered for sugar, copra, and coconut oil. The slight recession in the United States is easing off, and improved business can be expected.

## Mining

By HENRY A. BRIMO

President

Philippine Gold Producers Association, Inc.

**T**HERE is very little news to report from the gold producing industry for the past month. Gold prices have remained fairly steady during this period, hovering between P102.80 and P104.00 for bullion and "closing" on a firm note. No doubt, gold buyers are closely watching, and being influenced by, progress of the proposed legisla-

tion to provide the industry with a subsidy (at a price of ₱111.72 per ounce, refined gold, for marginal mines, and ₱105.40 refined, for non-marginal companies). With Congress now on its last month, and with the Subsidy Bill already reported out by the House and awaiting discussion on second reading, it is expected that prices may rise slightly in proportion to its progress during the closing days.

Even with the passage of the Subsidy Bill (House Bill No. 2294, sponsored by Congressmen Fernando V. Pajarillo, Luis Hora, Reynaldo P. Honrado, and Ramon P. Mitra), it is not likely that the local premium price would catch up with the subsidy price, but the possibility nevertheless exists that this might occur. From the viewpoint of the Government, such an occurrence would mean that very little gold would be sold to the Central Bank, thus reducing the amount of the subsidy and the cost to the Government.

The Subsidy Bill would provide the relief suggested by the ten-man Committee appointed by President Magsaysay and charged by him with the task of finding ways and means to give help to the hard-pressed gold producers. At present reading, this Bill aims to give uniform relief for all mines except the Atok-Big Wedge Mining Company, which might benefit more if it returned to production and if there were sufficient funds in the proposed Subsidy Account at the end of each year to pay this Company additional relief.

This fixed-price subsidy, by the way, only partially conforms to the suggestion of the International Monetary Fund for a subsidy based on individual costs. However, the Presidential Committee looked into this question at length and recommended the uniform subsidy as a temporary expedient for several good reasons, namely: (a) to avoid possible complications and confusion which might otherwise develop if the International Monetary Fund

suggestion was imposed without prior serious study of local mining costs; (b) because the mining costs of the gold producers are quite uniform anyway; and (c), more importantly, because it is the desire of this Committee to avoid a subsidy based on costs, as this might relegate incentives to increased efficiency to a forgotten limbo, and at a time when the marginal nature of almost every mine demands the utmost efforts toward increased efficiency.

The two-price subsidy, moreover, would help to make the proposed piece of legislation conform more closely with the suggestion of the International Monetary Fund.

The Presidential Committee expects that in the ensuing year, largely through the efforts of the Central Bank, and through the importation of two Canadian experts who have had experience with the Canadian subsidy system based on costs, serious study will be undertaken of gold producing mines here so that a more mature subsidy legislation can then be provided next year which would entirely satisfy the International Monetary Fund.

Meanwhile, with only twenty congressional days remaining on the calendar, passage of House Bill No. 2294 is far from assured. It is presumed that there is nothing controversial in the Bill itself and that Congress well recognizes that the gold producers must have this Bill or perish for the most part, but in view of the record number of bills clamoring for consideration, the restricted time left might find a casualty in the hopes of the gold producers. For this reason, it is stated that President Magsaysay holds the key to its final enactment, and that by certifying to its urgency, thus enabling Congress to act on it without the necessity of three readings in both Houses, its passage could be assured. Readers will recall that it was President Quirino's certification a year ago that made possible the passage of Republic Act No. 909 (tax relief) on the last day of the session.



## Lumber

BY PACIFICO DE OCAMPO  
Secretary-Treasurer

Philippine Lumber Producers' Association, Inc.

**D**URING the month under review, March, 1954, the Philippines exported 65,095,891 bd. ft. of logs and lumber, 9,013,458 bd. ft. more than the preceding month. The big increase was mainly due to an increase in the shipment of logs to Japan, from 45,633,265 bd. ft. in February, 1954, to 53,430,905 bd. ft. in March, 1954, an increase of 7,797,640 bd. ft. The exports to the United States increase by 1,741,174 bd. ft., from 4,432,793 bd. ft. in February, 1954, to 6,173,967 bd. ft. in March, 1954. Exports to all other countries decreased by 525,356 bd. ft., from 6,016,375 bd. ft. in February, 1954, to 5,491,019 bd. ft. in March, 1954.

The following are the figures for the logs and lumber in bd. ft. inspected for export during March, 1954, as released by the Bureau of Forestry.

Shipper	Destination	Volume in Board Feet
		Logs Lumber
Aboitiz & Co., Inc.	Japan	899,975
Aguinaldo Development Corp.	U. S. A.	201,162
Agusan Timber Corp.	Japan	1,399,920
Alberto S. Llorente	Japan	2,720,000
American Rubber Co.	Japan	446,553
Anakan Lumber Company	U. S. A.	1,765,290
Anacleto O. Refineses	Japan	200,000
Aras-asan Timber Co.	Japan	2,720,000
Atlantic Gulf & Pacific Co.	Japan	465,719
Basilan	Hongkong	260,128
	U. S. A.	128
	Hawaii	813,729
	Hongkong	117,625
	Denmark	106,057
	Japan	6,266
Company	Japan	1,299,947
Biglig Bay Lumber Co., Inc.	Japan	3,900,000

Brigido R. Valencia	Japan	1,542,280
Cantilan Lumber Co.	Japan	899,775
Cipriano Luna Lumber Enterprises	Japan	765,692
Continental Merchandizing Corp.	Japan	286,684
Dahican Lumber Co.	Formosa	138,637
Dy Pac & Co., Inc.	Formosa	820,000
Edward L. Kincaid	Japan	479,000
Edwards Enterprises Corp.	U. S. A.	221,899
Finday Millar	Japan	949,988
General Enterprises, Inc.	Okinawa	500,000
F. E. Zuellig, Inc.	Japan	1,255,425
General Enterprises, Inc.	U. S. A.	45,006
General Lumber Co., Inc.	U. S. A.	91,155
G. S. Mañalac Enterprises	Japan	1,350,000
Hercules Lumber Co., Inc.	Formosa	996,258
Iligan Lumber Co., Inc.	Japan	2,435,422
Insular	U. S. A.	183,423
	Hawaii	67,577
	Japan	2,499,990
	U. S. A.	450,000
	Africa	556,984
	Belgium	70,753
	Canada	64,217
	Hawaii	77,483
	Japan	849,779
	U. S. A.	1,189,159
	Japan	750,002
	U. S. A.	500,000
	Japan	1,250,000
	U. S. A.	1,399,990
	Japan	870,000
	U. S. A.	5,800,000
	Japan	499,429
	Japan	299,184
	Japan	258,000
	U. S. A.	249,062
	Japan	499,828
	Japan	1,083,618
	U. S. A.	19,998
	Japan	1,953,337

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Sta. Ines Logging Enterprises	Japan	1,000,000	
Schnabel & Cueva	Guam	1,500	
Standard Sawmill Co.	Japan	2,000,000	
Tagtag Sawmill Co., Inc.	U. S. A.	83,884	
	Hawaii	43,832	
Tirador Lumber Co., Inc.	Formosa	659,919	
T. H. Valderrama & Sons	Japan	1,109,687	
Valderrama Lumber Mfrs. Co.	U. S. A.	50,241	
Valeriano C.	U. S. A.	200,012	
Bueno	Japan	494,477	
Visayan Sawmill Co., Ltd.	Japan	1,700,998	
West Basilan Timber, Inc.	Japan	500,000	
Western Mindanao Lumber Co., Inc.	U. S. A.	20,050	
Woodworks, Incorporated	U. S. A.	223,652	
	Okinawa	500,000	
	Africa	108,000	
	Formosa	220,000	
Yearsley, Inc.	U. S. A.	5,000	
<b>Totals</b>		<b>5,845,417</b>	<b>59,250,474</b>

## Resume of Exports to:

	Lumber (Bd.Ft.)	Logs (Bd.Ft.)	Total (Bd.Ft.)
Japan	—	53,430,905	53,430,905
United States and Canada	3,689,212	2,484,755	6,173,967
All others	2,156,205	3,334,814	5,491,019
<b>Totals</b>	<b>5,845,417</b>	<b>59,250,474</b>	<b>65,095,891</b>

## SUMMARY OF EXPORTS DURING MARCH, 1954, ARRANGED BY COUNTRIES OF DESTINATION IN THE ORDER OF VOLUME OF SHIPMENT TO EACH COUNTRY

Countries of Destination	Lumber (Bd.Ft.)	Logs (Bd.Ft.)	Total (Bd.Ft.)
Japan	—	53,430,905	53,430,905
United States	3,624,995	2,484,755	6,109,750
Formosa	—	2,834,814	2,834,814
Okinawa	1,000,000	500,000	1,500,000
Hawaii	664,984	—	664,984
Hongkong	306,517	—	306,517
Belgium	106,185	—	106,185
Canada	70,753	—	70,753
Denmark	64,217	—	64,217
Guam	6,266	—	6,266
	1,500	—	1,500
<b>Totals</b>	<b>5,845,417</b>	<b>59,250,474</b>	<b>65,095,891</b>

## Trend of Exports to:

	This Month Lumber (Bd.Ft.)	Logs (Bd.Ft.)	Month Ago Lumber (Bd.Ft.)	Logs (Bd.Ft.)	Year Ago Lumber (Bd.Ft.)	Logs (Bd.Ft.)
Japan	—	53,430,905	—	45,633,265	—	28,918,979
United States and Canada	3,689,212	3,484,755	2,982,630	1,450,163	4,082,944	2,866,129
Other countries	2,156,205	3,334,814	1,755,946	4,260,429	1,425,977	1,825,131
<b>Totals</b>	<b>5,845,417</b>	<b>59,250,474</b>	<b>4,738,576</b>	<b>51,343,857</b>	<b>5,508,921</b>	<b>32,810,239</b>

Arrivals of logs and lumber in Manila during the month under review, aggregating 13,155,326 bd. ft., increased by 674,345 bd. ft., as compared to arrivals during the previous month of 12,480,981 bd. ft.

## COMPARATIVE STATEMENT OF EXPORTS MADE TO DIFFERENT REGIONS OF THE UNITED STATES DURING THE MONTHS OF FEBRUARY AND MARCH, 1954

Period	Lumber in Board Feet					Logs in Board Feet					Grand Total
	Western States	Eastern States	Gulf States	All Others	Total	Western States	Eastern States	Gulf States	All Others	Total	
February, 1954	1,849,541	667,951	98,842	306,211	2,922,545	763,862	186,301	500,000	—	1,450,163	4,372,708
March, 1954	2,132,813	2,033,607	244,562	214,013	3,624,995	1,384,743	—	608,000	500,012	2,484,755	6,109,750
Difference (Increase +; Decrease -)	283,272 +	365,656 +	145,720 +	92,198 -	702,450 +	620,881 +	186,301 -	100,000 +	500,012 +	1,034,592 -	1,737,042 +

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A generally stable condition prevailed in the local wholesale lumber market during the month under review, March, 1954, with prices remaining steady as of the preceding month at P170-P185 per 1000 bd. ft. for white lauan, P170-P185 for apitong, and P200-P215 for red lauan.

## Manila Hemp

By ROBIN DUNCAN  
Third Vice-President, Conrad & Co., Inc.

At the beginning of the month, the New York market was stagnant, with manufacturers showing no interest at all. Quotations on April 2 were: machine-cleaned F, 20¢; I, 19-1/2¢; S2, 18-7/8¢; J1, 18-7/8¢; G, 17-3/4¢. These prices were nominal as practically no business was done. Toward the end of the month, the market weakened, and hemp was offered at: machine-cleaned F, 19-3/4¢; I, 19¢; S2, 17-1/2¢; J1, 17-1/2¢; G, 16-1/2¢. There were indications that sellers would even shade these prices for business.

The London market was active, with a quite startling demand for DAM/S3 which continued throughout the month. Other Davao grades were in demand, but with the weakness in New York, prices declined, with the exception of DA/S3, about \$20/25 per ton. Non-Davao hemp declined relatively less, as there was less of this type being offered, production in the Bicol having fallen off considerably to the present low prices.

The demand from Japan was sporadic, and reports continued to flow in on the present financial stringency there, affecting all importers. Here in the Philippines, the question of whether the Philippine-Japan Trade Agreement, which expires on May 20, will again be extended, is an unsettling factor, particularly in view of the present opinion

of Congress on reparations. Prices in Japan declined in sympathy with other consuming markets, about \$2 a bale.

Little further has been heard on the subject of hemp for Korea: the amount allocated was apparently more than the economy of Korea could absorb, and it is clear that importers there would rather buy finished goods, such as rayon material, than raw materials such as hemp.

The decline in prices throughout the Philippines has inevitably resulted in decreased production. As pointed out in our report for February, we are seriously concerned regarding future production unless prices improve, and there are no indications from consuming markets which would warrant an increase at present.

We detail below the usual statistics:

	Balings—January, March inclusive				
	1954	1953	1952	1951	1950
Davao.....	122,149	119,713	129,356	122,446	75,456
Albay, Camarines, Sorsogon.....	32,349	79,788	56,099	86,356	50,790
Leyte, Samar.....	33,026	34,788	50,625	49,803	31,598
All others.....	21,731	26,194	20,469	27,627	20,402
Total.....	209,255	260,483	256,549	286,232	178,246

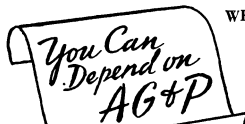
	Exports—January, March inclusive				
	1954	1953	1952	1951	1950
United States and Canada.....	45,549	88,311	91,974	188,079	61,080
Continent of Europe.....	47,521	48,768	50,792	50,919	23,384
United Kingdom.....	37,085	29,571	37,095	41,707	17,240
Japan.....	55,838	67,712	26,307	33,990	31,688
Australia and New Zealand.....	1,800	1,200	350	—	625
South Africa.....	2,340	2,550	3,450	2,820	780
India.....	1,310	1,700	1,430	2,290	1,775
Korea.....	—	—	—	—	700
China.....	1,034	950	3,425	1,555	3,850
Others.....	702	20	160	—	—
Total.....	193,180	240,782	214,983	321,360	141,122

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## Sugar

By J. H. D'AUTHREAU  
Acting Secretary-Treasurer  
Philippine Sugar Association

**T**HIS report covers the period April 1 to April 30.

**New York Market.** Under pressure from Washington and the threat of being ruled off the ballot in the new election, the ILA called off its longshoremen's strike on April 5. The new election to determine longshoremen representation is now set for the last week in May.

The market opened easy with 5,000 tons Philippines for end April arrival done at 6.20¢. On April 5, 4,000 tons Philippines, due April 23, were sold at 6.23¢. The market remained generally quiet until April 15 with small lots of Philippines, Cubas, and Portos for April and May arrival at equivalent to 6.20/23¢, c.i.f., duty paid basis. It was thought that refiners would be obliged to come more openly into the market after the Easter holidays. A sale of 3,000 tons Philippines to operators was reported over the holidays at 6.27¢ for discharge not before July 1. But upon the reopening, refiners continued aloof and the market remained dull and inactive for the rest of the month with limited business only in Philippines at 6.20¢ for May/June shipment. The market was further depressed by the appearance of unsold afloat Philippines in hands of operators for May arrival which sold down to 6.15¢. Refiners are evidently well stocked and refined withdrawals slow. Forward positions on the exchange remained fairly steady throughout.

Reported sales of actuals totalled 121,595 long tons, of which 30,000 tons were Philippines. Exchange operations for the period approximated 279,600 short tons. Deliveries of refined for the period March 21 to April 24 were 736,775 short tons, as compared with 661,377 for March and 528,980 for April, 1953. Total deliveries for the year to April 17 were 2,145,955 short tons, as compared with 2,295,460 short tons on the same date in 1953. On April 24 refiners stocks were 242,758 long tons as against 182,023 long tons on the same date last year.

Opening and closing quotations on the No. 6 Contract were as follows:

	May	July	Sept.	Nov.	March, 1955
April 1.....	5.70¢	5.77¢	5.80¢	5.80¢	5.54¢
" 30.....	—	5.74	5.77	5.78	5.54

Average spot price for April was 5.694286¢.

Average spot price January 1 to April 30 was 5.622317¢.

**Local Market.** (a) Domestic Sugar. The market continues dull and depressed, with little trade activity reported. Prices have declined about 30 centavos per picul in all districts, the last quotation from Bacolod being ₱13.80 ex Negros warehouse. Manila quotations for ex Manila warehouse as announced by the Bureau of Commerce were as follows:

	97°	98°	99°
April 7....	₱14.30/₱14.50	₱16.00/₱16.20	₱17.10/₱17.50
" 14....	₱14.10/₱14.30	₱16.00/₱16.20	₱17.10/₱17.50
" 21....	₱14.10/₱14.30	₱16.00/₱16.20	₱17.10/₱17.50
" 28....	₱14.10/₱14.30	₱16.00/₱16.20	₱17.10/₱17.50

(b) Export Sugar. Due to heavy sales earlier in the season, the market has been dull and inactive throughout the month, with the exception of the Easter holiday flurry at which time, based on operator interest in New York, some 9,000 tons changed hands at ₱15.50/55. The market has since declined to ₱15.15, at which there is no interest on the part of sellers whatsoever.

Shipments for the month were much less than expected, partly due to some vessels loading over the end of the month. Total shipments actually reported by the Customs Houses were approximately 109,000 long tons, making a total of 509,422 long tons against the 1953-54 crop, as compared with 443,000 long tons up to the same date in 1953. Total shipments from January 1 to April 30



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were approximately 407,964 long tons, as compared with 294,819 long tons at the same date in 1953. Total Philippine arrivals in New York for the period January 1 to April 24 are recorded at 268,667 long tons, as compared with 219,215 long tons for the same period in 1953.

*World Market.* Opening and closing quotations were as follows:

	Spot	May	July	Sept.	Oct.	1955 March	1955 May
April 1.....	3.33¢	3.34¢	3.33¢	3.32¢	3.33¢	3.26¢	3.27¢
" 30.....	3.38	—	3.39	3.35	3.35	3.27	3.29

which reveal little change from last month. The spot price has recovered to 3.35¢. From Japan it is reported that because of the deteriorating foreign exchange situation, the Government will reduce sugar imports from the dollar areas during the fiscal year April 1, 1954, to March 31, 1955. The tentative import schedule of the MITI is reported as follows:

	Metric Tons	
	Apr./Sept.	Oct./March
(a) From Dollar areas (much on barter or link basis).....	100,000	215,000
(b) Open Account areas (Indonesia, Brazil, Philippines).....	125,000	30,000
(c) Taiwan (Formosa).....	175,000	155,000
(d) Direct Consumption (presumably from Taiwan and Indonesia).....	—	20,000
	<u>400,000</u>	<u>420,000</u>

Cuban sales to the world free market as of March 31 are reported at 453,770 Spanish long tons, as against approximately 1,200,000 at the same date last year.

*Cuban Molasses.* President Batista has authorized the production of high-test molasses equivalent to about 100,000 tons sugar to be obtained from surplus cane. It is now reported that this molasses will be sold to the United States for the manufacture of cattle feed and not as previously reported for conversion to alcohol. It is estimated by waiving of taxes, by reduced wages to labor, and reduced prices for cane, the molasses will be produced for the equivalent of about 1.25¢ a pound for sugar.

*United States-Philippine Trade Act.* Administration supporters in Manila are reported at work preparing the necessary resolution for adoption by Congress requesting the United States Government to extend the Act in its present form for the 18 months period beyond July 3 next which will be devoted to study of its possible revision by joint commissions.

*International Sugar Agreement.* The International Sugar Agreement of 1953 was ratified by the Senate of the Philippines on April 8, 1954, by Resolution No. 8.

*1953-54 Milling.* Of the 25 Centrals that operated during the 1953-54 crop, 5 Centrals have already finished milling, and the latest reports received by the Philippine Sugar Association indicate that the total production of these 25 Mills to April 25 is 1,194,924 short tons. The average of juice purities to date is 84.27.

**Copra and Coconut Oil**

By WILLIAM S. RICE, JR.

*Copra Buyer, Philippine Manufacturing Company*

**T**HE market was steady to strong the first three weeks of the month with considerable strength during the third week. Prices declined again in the fourth week.

A large short position had developed among foreign dealers and local exporters during the long decline. Copra arrivals at Cebu and Manila fell below expectation due to holding by producers and small buyers and loss of production during the Holy Week holidays. International developments centering around the Indo-China War tended to make some shorts nervous. After reaching a new low for

the year on April 1, the market began to react with gradually increasing momentum which culminated in a very sharp rise during the third week when these strengthening factors bore most heavily on the market. Prices declined during the last week as arrivals increased sharply, and the market closed on an easy tone.

**Copra Prices.** During April, prices to the United States ranged upward from \$157.50 to \$187.50 per short ton c.i.f. West Coast, a recovery of \$30.00 during the month, but the close was at \$177.50, giving a net gain of \$20.00 for the month.

In Manila the local price for fresh copra, resecada basis, 30-day delivery, followed the export prices and advanced from ₱28 to a high of ₱34 and later closed at ₱31 per hundred kilos.

**Coconut Oil Prices.** Coconut oil ranged from 11-1/2¢ to 13-3/4¢ per pound f.o.b. tank cars, Pacific Coast, for May shipment. On two occasions the spot coconut oil market was quite strong, enabling crushers to raise their ideas for copra purchased against spot sales.

**Copra Cake and Meal Prices.** The West Coast meal market steadied at about \$60 to \$63 per short ton f.o.b. dock West Coast.

### Copra Statistics

#### PHILIPPINE COPRA AND COCONUT OIL EXPORTS (In long tons)

Copra Exports	February	March
United States.....	16,749	23,000
Europe.....	28,250	25,623
Other countries.....	5,051	3,343
Total.....	50,050	51,966

#### Coconut Oil Exports

United States.....	4,978	5,036
Other countries.....	—	—
Total.....	4,978	5,036

#### MANILA AND CEBU COPRA ARRIVALS (In metric tons)

	Manila	Cebu and Cebu
1951 monthly average.....	14,344	19,667
1952 monthly average.....	14,604	15,102
1953 monthly average.....	12,052	15,979
January, 1954.....	13,038	15,490
February, 1954.....	11,674	14,218
March, 1954.....	10,356	14,170
April, 1954.....	10,300	13,926
April, 1953.....	8,305	13,380
April, 1952.....	12,411	9,587
April, 1951.....	10,183	17,789

#### PHILIPPINE AND INDOONESIAN COPRA EXPORTS (In metric tons)

	Philippine Copra Exports*	Indonesian Copra Exports
1951 monthly average.....	74,586	38,566
1952 monthly average.....	67,533	23,992
1953 monthly average.....	57,821	19,998
January, 1954.....	53,992	15,116
February, 1954.....	58,879	17,644
March, 1954.....	60,919	—

**Production and Future Prospects.** Production continues to improve and exports during the first quarter of the year were much improved over the same period of 1953. This trend should become even more pronounced as the year continues.

## Desiccated Coconut

By HOWARD R. HICK  
President and General Manager  
Peter Paul Philippine Corporation

THIS report covers the period from March 20 to April 20 during which time the copra market dropped greatly and reached the year's low to date. Raw nut

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prices dropped correspondingly and for about ten days raw nut prices were about 5% below equivalent copra prices.

Desiccated coconut factories have been operating at about 50% capacity, which accounts for the very weak raw coconut prices. There apparently is a large inventory of desiccated coconut in the United States plus the fact that April production means June arrival, which is the beginning of summer when purchases drop off as comparatively few candy and baking products are used during the summer.

However, the drop in production in the Philippines is unusually great, and it is the writer's opinion that general business conditions and stock-conscious buyers are more responsible than the seasonal trend.

The following shipping statistics cover the month of March:

Shippers	Pounds
Franklin Baker Company	1,130,800
Blue Bar Coconut Company	930,135
Peter Paul Philippine Corporation	463,700
Red V Coconut Products, Ltd.	2,120,400
Sun Ripe Coconut Products, Inc.	653,000
Cooperative Coconut Products, Inc.	587,500
	<b>5,867,535</b>

## Tobacco

By LUIS A. PUJALTE  
Wholesale Dealer & Exporter  
of Leaf Tobacco

THE following communication, which I received from a friend in the tobacco business, effectively expresses a view with respect to the proposed re-establishment of the National Tobacco Corporation which I fully share: IN connection with the pending bill (H. No. 107) seeking the re-creation of the National Tobacco Corporation, statements made which are not based on facts must be checked, so as not to mislead those entrusted with the task of mapping out the economic policies of the country.

In news items which appeared recently in the local press, it was stated that the price for the Cagayan Valley leaf tobacco is now down to ₱7.00 per quintal, and that the cause for this low price is the abolition in 1950 of the National Tobacco Corporation which was created in 1940 for the purpose of protecting the interest of the farmers and which, for this same reason, is being proposed to be re-created. It was further stated in the same news reports that during the lifetime of the former NATOCO, the price per quintal averaged ₱24.00.

For the sake of accuracy, the prices paid per quintal to the farmers, according to reliable information, were as follows:

1939.....	₱ 9.20	NATOCO was actively buying tobacco from the farmers
1940.....	8.80	
1941.....	4.50	NATOCO was actively buying tobacco from the farmers
1942-45 War years		
1946.....	17.64	NATOCO was actively buying tobacco from the farmers
1947.....	21.99	
1948.....	26.62	NATOCO no longer in existence
1949.....	26.70	
1950.....	30.45	NATOCO no longer in existence
1951.....	19.33	
1952.....	14.56	
1953.....	24.09	

From the foregoing figures, it can be seen that from 1940 to 1950 when the NATOCO was actively engaged in buying tobacco from the farmers, the average price was not ₱24.00 per quintal but only ₱19.35, and that in 1953, when it was no longer in existence, the prices climbed as high as ₱24.09.

These facts prove that prices do not depend upon the existence of a government corporation, unless an outright subsidy is contemplated, but are governed by the very old law of supply and demand. The prices of tobacco are especially sensitive to this law, inasmuch as 70% of the Cagayan-Isabela tobacco looks to the foreign market as its outlet, while the domestic demand for this type of tobacco is relatively constant, the sales of native (non-Virginia) cigarettes being comparatively small and unfluctuating.

Replying to the remarks which appeared in the press that the prices paid to the farmers listed in the books of the buyers are probably incorrect, it is stated that buyers have no reason to hide the actual prices paid, and this claim in the newspapers is unjust and untrue.

Before deciding on the re-creation of a government entity like the NATOCO, it is respectfully recommended that the records of the de-

funct NATOCO be studied carefully and the causes be found why this corporation failed to accomplish the purpose for which it was established and was consequently abolished. This, it is believed, is very necessary in order that any mistakes found would not be repeated in case of its reestablishment.

## Rice

By CHARLES O. HOUSTON, JR.

Director, Graduate School, University of Manila

THIS month's survey covers the period March 29 to April 17. Between those dates the rice market remained generally firm with a hardening of the suppliers' attitude toward the end of the period. The market was influenced to some extent by the exodus of Manila residents to Baguio and the provinces. Owing to limited arrivals in the face of a moderate demand, all varieties except bencer and elonelon second class registered increases ranging from 25¢ to 50¢ at the beginning of the period to 40¢ to ₱1.05 (all per sack of 56 kilos) at the end of the period. No change was shown in quotations for NARIC varieties throughout the period. The gradual hardening of prices seems due to the reluctant attitude of palay holders to trade, anticipating better bids from millers, brought about by the news that the NARIC would soon enter the market and begin buying palay at ₱8.60 per sack (44 kilos). As a result, palay ordinario, Cabanatuan, registered an abrupt increase, during the week of April 5-10, to as much as 80¢ per sack (44 kilos).

### PRICES (Sack, 56 kilos)

Week of March 29—April 3

	Week before		Month ago		Year ago	
	o.	c.	o.	c.	o.	c.
Macan	15.70-16.50	15.50-16.20	15.50-16.50	15.50-16.50	18.20-19.00	
1st class:	15.70-16.50	15.50-16.20	15.50-16.50	15.50-16.50	18.20-19.00	
2nd class:	15.70-16.50	15.50-16.20	15.50-16.50	15.50-16.50	18.20-19.00	

Elonelon	17.00-18.00	x <sup>1</sup>				
1st class:	17.00-18.00	x <sup>1</sup>				
2nd class:	16.50-17.50					

Wagwag	18.50-19.50					
1st class:	18.50-19.50					
2nd class:	17.50-18.00	x	x	x		

	Week of April 5-10					
	o.	c.	o.	c.	o.	c.
Macan	16.00-17.00	15.70-16.50	15.50-16.00	15.00-15.50	18.20-19.00	
1st class:	16.00-17.00	15.70-16.50	15.50-16.00	15.00-15.50	18.20-19.00	
2nd class:	15.50-16.50	15.20-16.00	15.00-15.50	17.50-18.50		

Elonelon	17.50-18.50	x	x	x
1st class:	17.50-18.50			
2nd class:	17.00-18.00			
Wagwag	18.50-20.00	x	x	x
1st class:	18.50-20.00			
2nd class:	17.50-18.50			

Week of April 12-17

Macan	16.50-17.00	16.00-17.00	15.50-16.00	16.70-19.20
1st class:	16.50-17.00	16.00-17.00	15.50-16.00	16.70-19.20
2nd class:	16.00-16.50	15.50-16.50	15.00-16.50	18.20-18.70

Elonelon	18.00-18.50	x	x	x
1st class:	18.00-18.50			
2nd class:	17.50-18.00			

Wagwag	19.00-20.00	x	x	x
1st class:	19.00-20.00			
2nd class:	18.00-18.50			

### PRICES

(Palay: sack of 44 kilos)

Week of March 29—April 3

	This week	Last week	Month ago	Year ago
Ordinario	6.90	6.90	7.10-7.20	8.45

Week of April 5-10

Ordinario	6.90	6.90	7.10	8.45
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Week of April 12-17

Ordinario	7.70	6.90	6.90-7.10	8.45
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### PRICES

(Rice: per ganta)

Week of March 29—April 3

Year ago Month ago Week ago This week 1941

Macan	0.93	0.78	0.78	0.78	0.29
1st class:	0.85	0.73	0.73	0.73	0.28
2nd class:					

Elonelon	1.08	0.93	0.93	0.93	0.31
1st class:	1.03	0.88	0.88	0.88	0.30
2nd class:					

Wagwag	1.20	1.15	1.15	1.15	0.32
1st class:	1.10	1.00	1.00	1.00	0.29
2nd class:					

NARIC	0.80	0.75	0.75	0.75	0.25
-------	------	------	------	------	------

(Palay: per ganta)

Unclassified	0.55	0.48	0.48	0.43	0.12
--------------	------	------	------	------	------

Macan	0.93	0.78	0.78	0.78	0.29
1st class:	0.85	0.73	0.73	0.73	0.28
2nd class:					

Elonelon	1.08	0.93	0.98	0.98	0.31
1st class:	1.03	0.88	0.88	0.88	0.30
2nd class:					

Wagwag	1.20	1.15	1.15	1.15	0.32
1st class:	1.10	1.00	1.00	1.00	0.29
2nd class:					

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	0.80	0.75	0.75	0.75	0.25
NARIC					
	(Palay: Per ganta)				
Unclassified	0.55	0.43	0.43	0.43	0.12
	PRICES				
	(Rice: per ganta)				
	Week of April 12-17				
	Year ago	Month ago	Week ago	This week	1941
Macan					
1st class:	0.93	0.78	0.78	0.80	0.29
2nd class:	0.85	0.73	0.73	0.75	0.28
Elonelon					
1st class:	1.08	0.93	0.93	0.93	0.31
2nd class:	1.03	0.88	0.88	0.88	0.30
Wagwag					
1st class:	1.20	1.15	1.15	1.15	0.32
2nd class:	1.10	1.00	1.00	1.00	0.31
NARIC	0.90	0.75	0.75	0.75	0.25
	(Palay: per ganta)				
Unclassified	0.55	0.43	0.43	0.43	0.12

These tables indicate that, toward the end of the period surveyed, a gradually rising tendency became evident. While holders of stocks awaited a rising market, the whole industry suffered the most severe shock in many months with the announcement that no further funds would be available from the ACCFA and that its loaning operations would be reduced, with a possible end in view. How severe this shock will prove to the industry will not become apparent before the end of the month of May, but that it is liable to prove severe is indicated in the figures for May 3:

(Rice: sack 56 kilos, ex-warehouse):

	O	C
Macan		
1st class:	17.70-18.20	
2nd class:	17.20-17.70	
Elonelon		
1st class:	19.50-20.00	
2nd class:	19.00-19.50	
Wagwag		
1st class:	21.00-22.00	
2nd class:	19.50-20.50	

At production and shipping centers, a considerable rise also was noticeable: Cabanatuan: ₱17.00 (macan); ₱20.00 (wagwag); and 19.00 (raminad). In Iloilo: prices ranged from ₱14.50 to ₱18.00, and in Aparri, ordinario (in sacks of 60 kilos), stood at ₱14.50. At the end of trading, closing price for Macan, in Manila, stood only 50¢ less than opening prices a year ago. Ordinario, which at the end of the period surveyed (April 17), stood at ₱7.70 (sack of 44 kilos), at the end of trading May 3, had reached ₱8.00. Unless the situation in the ACCFA is clarified quickly, prices can be expected to rise and the gains of the past quarter will have been lost.

1 Opening 2 Closing 3 Not available

## Imports

By S. SCHMELKES  
Mercantile, Inc.

ALL figures are in kilos with the exception of those for foodstuffs which are given in package units:

Commodities:	March, 1954	March, 1953
Automotive (Total)	1,732,255	1,891,150
Automobiles	140,915	252,936
Auto Accessories	14,154	2,173
Auto Parts	312,353	168,679
Bicycles	896	—
Trucks	125,275	593,284
Truck Chassis	412,168	296,477
Truck Parts	92,289	100,670

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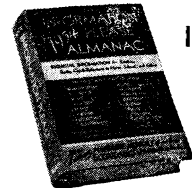
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Cement	3,036,766	19,915
Glass Window	789,248	172,725
Gypsum	2,012,701	
Chemicals (Total)	6,618,053	8,698,470
Caustic Soda	585,322	198,716
Explosives (Total)	55,375	282
Firearms (Total)	6,042	918
Ammunition	3,512	430
Hardware (Total)	5,450,069	2,875,411
Household (Total)	1,248,384	1,198,168
Machinery (Total)	2,556,872	2,440,118
Metals (Total)	10,630,922	9,285,249
Petroleum Products (Total)	78,567,760	100,067,675
Radios (Total)	23,016	13,842
Rubber Goods (Total)	1,042,422	959,683
Beverages, Misc. Alcoholic	7,664	5,153
Foodstuffs, Total Kilos	24,590,362	19,083,149
Foodstuffs, Fresh (Total)	46,617	21,198
Apples	6,396	2,980
Oranges	17,927	15,587
Onions	15	6
Potatoes	100	10
Foodstuffs, Dry Packaged (Total)	16,206	30,194
Foodstuffs, Canned (Total)	360,405	298,635
Sardines	2,065	24,603
Milk, Evaporated	181,770	104,764
Milk, Condensed	30,253	17,548
Foodstuffs, Bulk (Total)	354,544	391,974
Rice	313,451	337,987
Wheat Flour	545	751
Foodstuffs, Preserved (Total)		
Bottling, Misc. (Total)	1,213,833	899,339
Cleansing and Laundry (Total)	299,001	33,292
Entertainment Equipment (Total)	3,855	9,556
Livestock-bulbs-seeds (Total)	29,949	16,019
Medical (Total)	531,991	657,473
Musical (Total)	28,211	24,723
Office Equipment (Total)	101,626	54,423
Office Supplies (Total)	28,199	15,698
Paper (Total)	5,242,078	3,570,553
Photographic (Total)	109,632	30,665
Raw Materials (Total)	916,171	1,332,695
Sporting Goods (Total)	15,776	20,417
Stationery (Total)	240,896	83,684
Tobacco (Total)	496,923	1,091,645
Chucheria (Total)	125,344	43,471
Clothing Apparel (Total)	301,580	372,583
Cosmetics (Total)	53,055	36,972
Fabrics (Total)	565,820	1,081,565
Jewelry (Total)	98	14
Leather (Total)	200,037	254,675
Textiles (Total)	3,477,662	4,411,120
Twine (Total)	106,722	48,802
Toys (Total)	7,894	15,683
General Merchandise (Total)	1,194,993	554,080
Non-Commercial Shipments (Total)	207,326	95,109
Advertising Materials, Etc. (Total)	7,651	22,169

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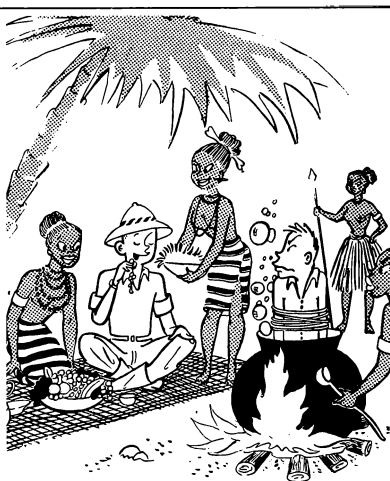
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## Food Products

By C. G. HERDMAN

Vice-President, Marsman & Company, Inc.

**D**URING the month of April, arrivals of wheat flour were considerably larger than they have been during recent months, totalling well over 700,000 bags. April is one of the months of light consumption of flour, and it is estimated that the total consumption was not over 550,000. Arrivals for the month of May will also be heavier than recently and from all indications the Philippines will be slightly overstocked on flour in June. Flour importers are ordering forward as much flour in advance as possible, and May shipments, to arrive here before the end of June, will undoubtedly be very heavy if the bill now before Congress to amend the present Exchange Act is passed in its present form. The bill referred to would provide for the extension of the exchange tax on practically all merchandise imported, at the old rate of 17%, and would become effective on July 1, 1954. Flour under the present Act is exempt from this tax. Flour arriving after July 1 thus would automatically cost the baker at least 17% more than at present.

**T**HIS new Exchange Act would also affect to the same degree future importations of canned fish, which up to the present has been exempt from that tax. It is sincerely to be hoped that this bill will be amended before being enacted into law so that both wheat flour and canned fish will continue to be exempt from this very heavy tax. These two commodities together with canned milk, which remains free of the exchange tax, are the three imported commodities of prime importance to the people throughout the country. They form a very important part of the daily diet of all classes, and if this tax is imposed, living expenses, particularly of the lower wage group, will be materially increased. This tax cannot possibly be absorbed by dealers as both items are customarily handled on an extremely narrow margin of profit and any added taxes on these commodities must be passed on to the consumer. The Chamber of Commerce of the Philippines has addressed a memorandum to the proper committees of the Congress urging that these two commodities be exempt from payment of the exchange tax in the proposed bill. We hope this recommendation will be favorably considered and the bill so amended before final reading.

**T**HERE have been quite considerable arrivals recently of canned sardines from South Africa and fair quantities from Japan, as well as of canned California anchovies. The demand locally has been quite light, there being ample supplies of fresh fish available during this period. The prospective imposition of the exchange tax on canned fish, however, will probably result in considerable further im-

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portations during May and June, in spite of the light demand, so as to save on the tax.

Stocks of canned meats of all varieties are ample, although arrivals during the last month have been less than normal. The quantities of fresh frozen meats from Australia and South America arriving have been much larger than usual, extra allocations of exchange having been authorized for imported fresh meats to take the place of carabao meat generally sold in the local markets, the killing of carabao for food purposes having been banned by presidential decree.

Importations of canned milk particularly of unsweetened evaporated and non-fat solids have been in very good quantity but are still insufficient to fill local demand, and it would appear that there will be an actual shortage in this market by June or July unless additional exchange allocations are authorized permitting increased importation. Nearly all importers have already exhausted their exchange allocation for this very important commodity for the entire semester and will be unable to bring forward further supplies. This can only result in an extreme shortage in the near future.

Local fresh fruits and vegetables are in very good supply at present. Arrivals of imported fresh fruits have been comparatively light but ample for local demands. Imported canned fruits and vegetables are on the short side. Their importation under present rules is very restricted and supplies will undoubtedly be even smaller in the future than at present.

## Textiles

By A. MARGOLLES  
Acting General Manager  
Neuss, Hesslein Co., Inc.

**A**PRIL has been a quiet trading month in textiles due to the market having closed during Holy Week, and buyers keeping away from Manila. Reports of a general cash shortage among the consumers in the provinces tend to discourage any improvement in trading conditions for the time being.

The New York market has remained fairly steady in spot cotton and cotton goods, but there has been a noticeable decline in prices of goods made from synthetic fibers, particularly goods in second hands. Several of the largest rayon producers in the United States have curtailed production to offset this recession, but since the closing down of several mills for a week or so, prices have risen somewhat. Some cotton mills have also curtailed production, but to a much lesser extent, in order not to pile up inventories, but the outlook for cotton goods looms more promising with the expected, and overdue, improvement in domestic demand.

Arrivals from the United States totalled 17,558 packages; 8,503 packages were cotton piece goods; 2,635, rayon

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piece goods; 2013, cotton remnants; 1036, rayon remnants; and 2458, yarns.

Arrivals from other countries total 3732 packages, of which 2126 came from Japan, consisting of 1371, rayon piece goods; 637, cotton piece goods; and 138, miscellaneous. From Europe, 1201 packages were received, mostly threads and yarns; from China, 308 packages, mostly cotton piece goods and knitted goods; and from India, 97 packages of hessian cloth and bags.

THE total arrivals from all sources are considerably less than last month. The volume of forward bookings has also decreased considerably over the last few weeks due to the non-availability of import licenses, and unless some additional allocations are granted before the new licensing period, beginning next July, we face decreased arrivals for the next few months.

SPECULATION has been current regarding the future functioning of the import-license allocations. There are rumors that the future issue of import quotas will be entrusted to another Government agency or a new Control Office, but it seems likely that no changes will take effect for the next allocation period from July to December.

## Legislation, Executive Orders, and Court Decisions

By ROBERT JANDA

Ross, Selph, Carrascoso & Janda

THERE have been no Supreme Court decisions of particular interest to the business community during the month. The Court of First Instance of Manila in the case of Lim Hu vs. Central Bank, et al., (Civil Case No. 21509), however, handed down a decision holding that the Central Bank was without authority under the Central Bank Act to prohibit or license the importation of goods into the Philippines by importers who did not request the Bank to grant them foreign exchange with which to pay for these purchases. The decision, while probably correct legally, would leave a hole in the screen of controls the Central Bank has placed over the entire Philippine economy. It is doubtful that the administrative authorities concerned with imports will accept the decision as a basis for action until it has been affirmed, modified, or reversed by the Supreme Court which will probably not be for a year or so, by which time the Philippine Congress may well have legislated on the subject.

No important legislation has been actually enacted by Congress during the past month and most important bills are still in the committee stage in one or both Houses.

## Philippine Safety Council

By FRANK S. TENNY

Founder & Executive Director

THE Philippine Safety Council's "Award of Merit" for the year 1953 was voted to 6 industrial firms recently. These awards, given since 1947, are generally

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based on Excellence in Safety Matters and Contribution to the National Safety Movement. Specific citations follow:

**Philippine Manufacturing Company:** For effective company-wide safety program resulting in low accident rate.

**San Miguel Brewery:** For emphatic safety activities in nation-wide branches and prompt response to safety recommendations.

**Pangasinan Transportation Company:** For the sixth consecutive year; operating its bus fleet with an average of but one accident per 1,000,000 kilometers traveled, in spite of prevailing traffic conditions.

**Philippine Match Company:** For excellent company safety and fire-prevention program.

**E. R. Squibb & Sons:** For outstanding safety and fire-prevention facilities built into its new modern plant.

**Manila Electric Company:** For effective driver training program, resulting in several drivers winning 5-year, 4-year, and 3-year safety badges.

Other Merit Awards were given to Mayor Arsenio H. Lacson, Col. Agustin G. Gabriel, Dr. Basilio J. Valdes, and the Manila Rotary Club, and Subic Bay Post No. 4, American Legion.

The Council announces with the greatest pleasure that an "Award of Merit" has been awarded to Mr. A. V. H. Hartendorp, Editor and Manager of the American Chamber of Commerce *Journal*, for his cooperation in publicizing the progress of the national safety movement for several years.

The annual election of officers and directors of the Council was held recently. Those chosen are: President: Manuel M. Aycardo, Jr., Engineer of Soriano y Cia; Vice President: George H. Evans of the Manila Machinery and Supply Co.; Secretary: Mateo C. Cornelio of the Luzon Brokerage Co.; Treasurer: Hyman Levine of the Bachrach Motor Co.; Executive Director: Frank S. Tenny. In addition to the foregoing, members of the Board of Directors are City Engineer Alejo Aquino, Henry A. Brimo, William A. Chittick, Aurelio B. Aquino, James F. Dunwiddie, and Steven S. Rivers.

Recent developments at the Motor Vehicles Office are expected to make the Council's work much more effective, and to be of great assistance to the national safety movement. Further, the Manila Mayor's Traffic Committee is at work and the National Traffic Commission is expected to be reactivated soon.

The Fire Prevention Board is about to publish and distribute a regular bulletin on fire-protection methods to industrial firms and government offices. Agitation for the creation of a position as National Fire Marshal has again been heard. If this is done, Manila Fire Chief Cipriano Cruz is the most likely choice.

The Council has vigorously urged its industrial members to compete in the Manila Rotary Club's Industrial Safety Contest. The new Secretary of Labor, Eleuterio Adevos, has come out strongly in favor of accident-prevention efforts in industrial plants.

Next month's column will reveal the Council's program and projects for the coming year.

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### COST OF LIVING PRICE INDEX FOR WAGE EARNERS' FAMILIES IN MANILA, BY YEAR AND MONTH, 1935-1954 (1941=100)

Bureau of the Census and Statistics

Year and Month	All Items (100)	Food (63.43)	House Rent (11.96)	Clothing (2.04)	Fuel, Light and Water (7.73)	Miscellaneous (14.84)	Purchasing Power of a Peso
1935.....	89.7	89.7	96.4	89.7	85.1	90.2	1.1148
1936.....	87.4	88.3	96.6	88.4	77.5	87.7	1.1442
1937.....	88.6	88.3	96.4	88.2	85.2	89.5	1.1261
1938.....	92.1	92.1	96.8	92.2	88.8	92.5	1.0858
1939.....	93.2	94.8	97.7	94.8	84.3	92.9	1.0730
1940.....	97.3	98.9	98.9	99.0	89.9	96.7	1.0277
1941.....	100.0	100.0	100.0	100.0	100.0	100.0	1.0000
1945.....	691.5	834.3	236.4	1448.4	379.1	650.9	0.1446
1946.....	521.7	649.4	236.4	649.7	348.2	383.3	0.1917
1947.....	387.2	415.4	453.9	256.8	310.0	272.2	0.2584
1948.....	364.2	386.1	453.9	208.4	288.9	259.1	0.2746
1949.....	343.7	357.9	453.9	198.4	272.9	251.1	0.2910
1950.....	332.9	333.7	453.9	270.7	252.0	282.8	0.3004
January.....	332.3	336.8	453.9	238.0	253.1	269.1	0.3009
February.....	335.3	340.2	453.9	233.3	257.8	273.0	0.2982
March.....	336.6	341.4	453.9	236.7	257.8	276.6	0.2971
April.....	329.1	328.6	453.9	237.7	252.9	283.1	0.3039
May.....	317.4	308.6	453.9	244.7	249.7	290.4	0.3151
June.....	319.3	310.9	453.9	243.5	249.7	293.5	0.3132
July.....	326.3	322.4	453.9	252.6	249.7	290.4	0.3065
August.....	327.3	325.9	453.9	258.7	251.1	280.2	0.3055
September.....	334.2	335.0	453.9	317.4	252.5	279.4	0.2992
October.....	345.5	351.1	453.9	337.3	249.7	285.4	0.2894
November.....	346.7	353.2	453.9	322.8	249.7	286.6	0.2884
December.....	344.9	350.5	453.9	325.2	249.7	285.7	0.2899
1951.....	352.6	361.5	453.9	365.3	248.0	285.7	0.2836
January.....	347.9	355.0	453.9	331.5	249.7	285.6	0.2874
February.....	351.7	359.8	453.9	343.8	249.7	289.9	0.2843
March.....	346.4	349.3	453.9	379.4	248.8	293.6	0.2887
April.....	355.3	362.6	453.9	398.6	247.5	294.6	0.2815
May.....	359.2	367.0	453.9	410.4	247.5	300.6	0.2784
June.....	360.5	372.2	453.9	399.5	247.5	288.5	0.2774
July.....	359.0	370.1	453.9	382.0	247.5	290.2	0.2786
August.....	357.8	371.4	453.9	354.0	247.5	280.0	0.2795
September.....	356.1	369.0	453.9	356.4	247.5	279.0	0.2808
October.....	351.0	361.1	453.9	350.4	247.5	279.0	0.2845
November.....	344.1	351.1	453.9	343.8	247.5	275.8	0.2906
December.....	341.9	348.9	453.9	335.2	247.5	272.1	0.2925
1952.....	339.4	347.4	453.9	295.9	244.1	268.4	0.2946
January.....	342.8	350.9	453.9	330.8	247.5	269.7	0.2917
February.....	341.2	349.8	453.9	311.2	243.4	268.5	0.2931
March.....	337.9	345.1	453.9	301.1	243.4	268.1	0.2959
April.....	335.9	342.7	453.9	300.7	243.4	264.6	0.2977
May.....	335.1	341.8	453.9	293.2	243.4	264.4	0.2984
June.....	338.1	346.3	453.9	290.2	243.4	265.5	0.2958
July.....	340.4	349.5	453.9	286.6	243.4	268.1	0.2938
August.....	340.7	349.4	453.9	289.1	243.4	269.9	0.2935
September.....	341.1	350.0	453.9	287.7	243.4	270.7	0.2932
October.....	337.6	344.6	453.9	289.3	243.4	269.4	0.2962
November.....	340.5	349.3	453.9	286.2	243.4	269.8	0.2937
December.....	340.9	348.9	453.9	284.4	247.5	272.3	0.2933
1953.....	318.2	314.3	453.9	280.1	243.7	269.5	0.3143
January.....	337.3	343.2	453.9	283.7	247.4	272.4	0.2965
February.....	323.0	321.1	453.9	281.5	243.4	273.0	0.3096
March.....	318.6	314.3	453.9	281.5	243.4	272.4	0.3139
April.....	317.6	312.8	453.9	281.1	243.4	272.2	0.3149
May.....	314.3	307.8	453.9	280.9	243.4	271.1	0.3182
June.....	313.1	306.0	453.9	277.8	243.4	271.1	0.3194
July.....	316.0	311.0	453.9	277.8	243.4	269.5	0.3165
August.....	316.1	311.9	453.9	277.8	243.4	266.4	0.3164
September.....	315.8	311.6	453.9	277.8	243.4	265.6	0.3167
October.....	315.3	310.6	453.9	279.0	243.4	266.4	0.3172
November.....	315.2	310.1	453.9	280.9	243.4	267.0	0.3173
December.....	315.5	310.7	453.9	280.9	243.4	267.0	0.3170
1954.....							
January.....	311.7	304.7	453.9	279.3	243.4	267.0	0.3208
February.....	301.5	290.0	453.9	278.3	232.1	267.0	0.3317
March.....	301.1	289.5	453.9	274.9	232.1	267.0	0.3301
April.....	302.9	292.5	453.9	272.2	232.1	266.8	0.3321

NOTE: Miscellaneous was revised from 1950 to May 1953 and clothing from February 1952 to May 1953.

# The "LET YOUR HAIR DOWN" Column

WE often receive letters of commendation from readers, but not so often do they come from members of the Chamber Board of Directors, this being natural enough as some, at least, of the members of the Board themselves play a part in making the *Journal* what it is; in other words, to an extent at least, they would be praising themselves. Here, however, addressed to the editor, is a letter from Mr. Paul Wood, head of the International Harvester Company of Philippines and a member of the Board:

"I wish to offer you my congratulations on the excellent April issue of the *Journal*. Your comments on 'The Randall Report and Trade Agreement Revision' are certainly to the point. I found a great deal of interest in several other articles and expect that you will receive congratulations on this issue from others besides me."

THE editor was much gratified by a reference to him and to the *Journal* in connection with the comment of columnist Ramon Cristobal, of the *Philippines Herald*, on an article of his published in several of the Manila dailies on the atomic bomb as strengthening the possibilities of forming a world government. Mr. Cristobal referred to him as one "who has studied Philippine affairs with a scholarly objectivity these many decades", and as "today editor of the *American Chamber of Commerce Journal*, an honored position which was one held by another friend of the Filipinos, Walter Robb, Sr., who is now in retirement in California."

"It makes me truly happy to think," said the editor, "that despite the criticism I must raise at times, this able Filipino newspaperman recognizes me as a friend of the Filipino people,—which, indeed, I am, and that he considers the editorship of the *Journal* 'an honored position'. The position," continued the editor with a grimace, "could so easily be described as one for a 'foreign capitalist hireling' that it makes me shudder, although it would be calumny. But that this has never been said, surely, is a credit to the Chamber as well as to my predecessor, Mr. Robb, and myself."

THE following letter, by way of comment on the article, "Philippine Languages", in the March issue of the *Journal*, was received from Mr. Leopoldo A. De la Cruz (as the

letter is a long one, it is quoted only in part):

"I enjoyed reading your March, 1954, issue of the *Journal*, as I always do. We have a regular copy of your *Journal* in our library in Mapa High School, Manila, where I am a faculty member... The article, 'Philippine Languages', took me aback... as you missed something important. The article stated: '...in western Visayan dialect, Ilongo or Hiligaynon, for the most part is spoken by the people in that contiguous island area including Panay...' Let me

tell you there is a portion of Panay Island, the northwestern coastal towns from the tip of Malay to Aitavas, hinterward, where the dialect spoken is called *Akian*... or *Akean* dialect. Yes, even Dr. Ernest Frei, in his speech delivered before the Philippine Bibliographic Society, August 19, 1953 (published in the *Philippine Library Journal*, 1954, Vol. III, Nos. 1-2, January-February), never mentioned this [Akian dialect]... But this dialect is spoken by almost 250,000 inhabitants of the Akian towns... It is very different from Hiligaynon..."

Akian, of course, is a recognized dialect of the Visayan, and failure to mention it was possibly an oversight on the part of the author of the article. However, if the figure given by Mr. De la Cruz is accepted (250,000 Akian-speaking people), this

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compares to 4,840,000 speaking Cebu-Visayan (spoken in the central Visayas and northern and eastern Mindanao); 2,436,000 speaking Hiligaynon (spoken in most of Panay, western Negros, and the Romblon group); and 1,226,000 speaking Waraywary (spoken in Samar and eastern Leyte).

It is to be pointed out that the article was not so much a "scientific" article as it was the result of a study of Philippine languages with a view to determining what languages are best used for "information operations", newspaper advertising, radio broadcasting, etc.—hence its suitability for publication in a periodical such as the *Journal*.

Anent this same article, a letter was received from Father Rudolf Rahmann, S.V.D., Dean of the Graduate School, University of San Carlos, Cebu City. Father Rahmann wrote:

"In the March issue of the *American Chamber of Commerce Journal* (XXX, 3) you published an article on 'Philippine Languages'. I am sure that Father Fritz Bornemann, the editor of *Anthropos* would like very much to have a copy of the article. Could you kindly send him one? Father Bornemann's address is: Anthropos Institute, Posieux (Fribourg), Switzerland. Thanking you in advance and wishing you happy Easter, I remain, dear Mr. Hartendorp, Devotedly yours, etc."

Of course, we immediately sent Father Bornemann, editor of *Anthropos*,

one of the most famous anthropological and ethnological journals in the world, several copies of the *March Journal*.

DURING the month, the editor received a letter from an old friend, and a friend of many of our Chamber members and *Journal* readers, Stanton Youngberg, in the old days Director of the Bureau of Agriculture. He wrote as follows:

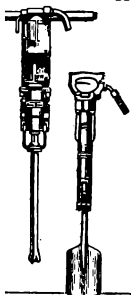
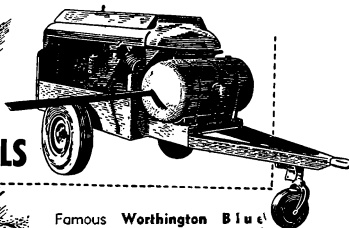
"Father' Heath—whom you no doubt remember as having been associated with Meralco for many years—recently showed me a copy of the February, 1954, number of the *Journal*, which some Manila friend of his had sent to him.

"I was tremendously interested in the articles on the barrios and especially in your splendid editorial on that subject, and with which I fully agree. It is eminently sound and constructive. In my early years in the Islands, in the fight against rinderpest, I necessarily had to spend a great deal of time in the barrios and in many out-of-the-way municipalities. I can truthfully say that life was not too unpleasant in those places and the people never had the attitude of a downtrodden segment of the population. There were always fiestas, marriages, and baptisms; and a baile could always be promoted without too much difficulty. Everyone concerned succeeded splendidly in throwing dull care away.

"I read point 22 of the McMillan-Rivera Report with interest and a suppressed chuckle. You and I know whose hackles will rise if any attempt is ever made to implement that recommendation. Not that I disagree; but it hasn't a chance of getting to first base.

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[Point 22, referred to by Dr. Youngberg, reads: "Consider techniques of controlling population growth."]

"Mrs. Youngberg and I are living on our farm 15 miles from the State House in Columbus, Ohio. We are not in good health and it is fortunate that we have a very good couple to operate the farm. We often speak of the good old days in the Islands with a great deal of nostalgia. We lived there for so many years that it seems more like home than does Ohio. We do not say that out loud around here, for the people would think that we are trying to 'high-hat' them."

"Father' Heath and Selden O'Brien and family live in Columbus and we visit back and forth quite frequently. Those visits are very enjoyable as we all speak the same language. We are glad that we live in a place where there are at least a few Philippine 'Old Timers'."

"I am taking the liberty of enclosing a copy of one of the Ohio State publications which contains an article concerning 'a servitor'. My election to be the recipient of this Honorary Degree was the most complete and unexpected surprise of my life. At times I still have to pinch myself to realize that it really happened. In my wildest dreams I had never imagined for myself any honor of that kind. It is needless to say that the Youngberg family is very happy and proud, but our pride is kept within due bounds and our humility has not suffered."

"Congratulations on your work in making the *Journal* a splendid publication. Keep up the good work."

"With kindest personal regards and best wishes for your continued success, I am, very sincerely, etc."

The publication Dr. Youngberg refers to contains a picture showing him as receiving the honorary degree of Doctor of Science from Ohio State University last December, and gives the following facts about him in connection therewith:

"Dr. Youngberg, who was honored with the degree of doctor of science, has had a long and unusual career, marked with interment by the Japanese during World War II, success in eradicating a devastating animal disease from the Philippine Islands, and work in resettling Central European political refugees in the Islands."

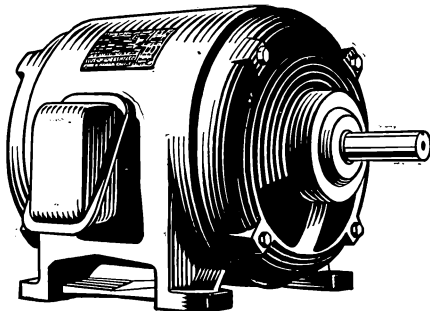
"A native of Lake Park, Minn., Dr. Youngberg now resides near Grove City, O. In 1907, he began more than a quarter of a century of service to the Philippine Islands, then under the guardianship of the United States, when he was appointed a veterinarian in the Philippine Civil Service."

"After serving first as supervising and then as chief veterinarian of the Islands, he



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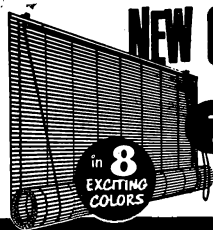
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became director of the Philippine Bureau of Agriculture and later of the Bureau of Animal Husbandry until his retirement, in 1934, from Philippine service.

"He returned to Ohio for five years, but went back to the Philippines in 1939 in connection with resettling Central European political refugees in the Islands. While negotiating with the Philippine government for their admission, the Japanese invaded the Islands and Dr. Youngberg and his wife, the former Hazel Coberly, an Ohio State graduate of 1908, were interned for more than three years by the Japanese."

Dr. Youngberg's surprise at receiving the honorary degree from Ohio State University is a credit to his humility, but he certainly earned it and it is good to think that he finally was given this recognition even if this was in the United States and not in the Philippines where he earned the distinction—as many another American Old Timer did whose work has not been similarly rewarded. It appears rarely to occur to our Philippine academic authorities to thus honor anyone not a politician.

THE following letter was received by the editor from Col. Frank Hodson, of Warner, Barnes & Co., Ltd., concerning the short editorial in last month's issue of the *Journal* on the transfer of the Hubbell Monument:

"With reference to the mention in your *Journal's* April issue of the transfer to the grounds of the American Embassy of the Hubbell monument, my colleagues and I would very much like to obtain further information about the Hubbell family.

"We know that Peete, Hubbell & Company was taken over as a going concern by Warner, Blodgett & Company in 1887, because we have copies of the two firms' fortnightly Circulars, which commenced with one issued by Peete, Hubbell & Company on August 31, 1848. The name was changed to Warner, Blodgett & Company on March

22, 1887, and to Warner, Barnes & Company on July 20, 1896.

"Because the first of the Peete, Hubbell & Company Circulars is dated in August, 1848, it was thought the company was formed at that time, although we have no documentary evidence to substantiate that belief. In view of the contents of Chapter XI of 'Commercial Progress in the Philippine Islands' (reprinted by your Chamber in April, 1925), I feel quite certain that George W. Hubbell and his father, Capt. Ezekiel Hubbell, were both connected with Peete, Hubbell & Company. However, as the former died 17 years before the issuance of the first P. H. Circular in our possession and as his father would have been about 80 years old when the Circular was published, it seems reasonable to suppose that Peete, Hubbell & Company was in existence for some considerable time before 1848.

"It might be possible to obtain information from old official records in Bridgeport, Connecticut, which would throw some light on the Hubbell family's business activities, or lead to other sources of information regarding the members of two generations who came to this country. If you can inform me as to an effectual way of instituting such a search, I shall be very glad to see what can be done when I am next in New York, which will probably be during the coming two months. Yours sincerely, etc."

The editor replied as follows:

"Thank you for your letter of April 28. A few days before I received it, Mr. John L. Manning called me up on the telephone to volunteer the information,—with respect to queries included in the same editorial which you saw, that as a former officer of the Elks Club some years ago, he had been approached by Mrs. Janet Walker about the matter of transferring the Hubbell monument and that, if he remembered right, she had shown him some correspondence with the trustees of the Hubbell Estate in Connecticut. Since Mr. Walker is out of the country and not due back here until August, I called up Mrs. Allen K. Hackett, who is a friend of Mrs. Walker's and lives in her house, to ask whether she knew anything about those papers. Mrs. Hackett told me that she had a vague recollection that Mrs. Walker turned them over to Colonel Meader, formerly with the American Embassy here. I then called up

Mr. Ralph R. Busick, who has taken Colonel Meader's place, and he has started a search of the files with, as yet, no success. Of course, I shall see Mrs. Walker about the matter as soon as she returns and pass on to you what I may learn. However, if you are going to New York, it would probably not be difficult for any lawyer there to look up for you the trustees mentioned and you could then get into direct touch with them. Very sincerely yours, etc."

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# One man's contribution to rural development.

a true story by

Governor Lazatin of Pampanga

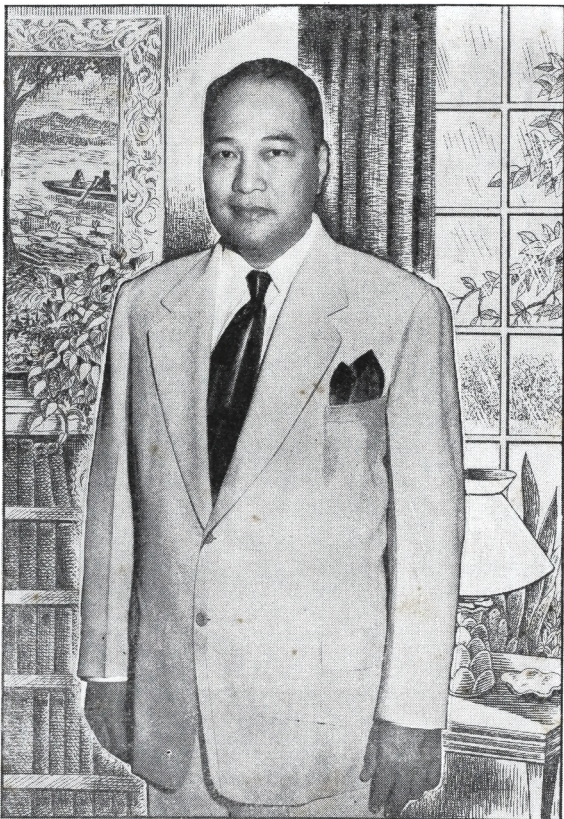
"Stories about neighbors and friends are always the most interesting. Here's one about a man who is one of our Province's most successful and useful businessmen, Emeterio S. Morales. You'd like him. Terry is a sportsman who loves hunting and fishing. He has a wonderful family—eight children—and he was born right here in Pampanga forty-eight years ago.

"He's enthusiastic about orchards, and comes by his hobby honestly. You see, he's our International Harvester Dealer. Here in Pampanga the principal crops are sugar cane and palay, and Terry has a lot to do with our farming industry. His sales and service of farm equipment, trucks and busses help make our farms more productive, and aid in keeping a steady flow of produce and people to market areas.

"Now Harvester has been here in the Philippines for 50 years, and it's a company with a prime interest in our farming problems. So Morales, through his company's experience—and his own—knows that the proper use of good farm machinery, and the efficient transport of farm products can mean the difference between a bare existence and prosperity for our Pampanga farmers.

"In 1935 Morales went to work for International Harvester as a salesman. He soon found his life work—for two years later, with Harvester Company's help, he had his own dealership. It has meant a lot to Emeterio S. Morales, too, for his percentage of sales from 1949 to 1953 increased 185 per cent!

"We're proud of our local businessmen, and we're especially proud of Emeterio S. Morales. He has enriched his community far more than he may know—through his knowledge of transportation, of farming and farm machinery so necessary to our prosperity in the province of Pampanga."



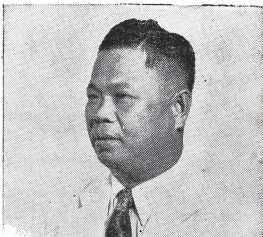
Hon. Rafael Lazatin, Governor of Pampanga



E. S. Morales Company, September 6, 1949. This modest beginning was the INTERNATIONAL HARVESTER dealership after the war destroyed the original building.

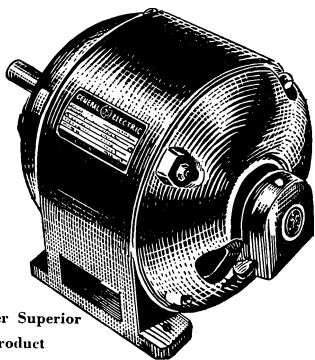



This prosperous looking, modern building, erected by E. S. Morales in 1952, has a floor area of over 400 square meters devoted to INTERNATIONAL HARVESTER sales and service.



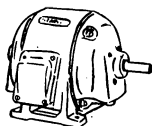
E. S. Morales. INTERNATIONAL HARVESTER dealer, one of San Fernando, Pampanga's most helpful and useful businessmen.

# The MOTOR that Industry Needs

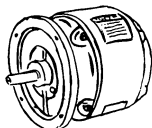


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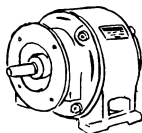
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