

the sense of satisfaction we experienced in reading the earlier section of the article.

While it is well that the Government should do everything within reason to encourage and to directly assist this basic industry, we believe that much of what is in the Secretary's mind should be left to private initiative and energy, which would cost the Government and the taxpayers nothing.

If well financed corporations were encouraged to enter the field by relaxing somewhat the restrictions on the leasing of land, we are convinced that the country would in time not only become self-sufficient in rice-production, but might produce rice for export.

The victories of the conservative and liberal over the labor parties recently in both New Zealand and in Australia, which were the first two countries in the world to have "labor"-governments, are to be looked upon as significant democratic victories, because government by any class, be it aristocratic, capitalist, or labor, can never be a government of, for, and by the people.

It may be claimed that a labor-controlled government is more nearly democratic than any form of class-government because the labor elements in a population form the largest class, but this is not true. Not only does so-called organized labor represent only a part of the labor population, but it excludes, and its interests run counter to, other large "working" classes, such as the farmer, business, and professional elements. Narrow labor interests also run distinctly counter to the interests of the majority of the people as consumers. A labor-government is strictly speaking always a minority-government as well as being clearly a class-government.

Ideally, government policies should not be determined by crass class interests. Government policies should be

determined politically by truly political parties, the natural political cleavages being those which separate the progressives from the conservatives and leave a liberal element in between. Reactionaries and radicals normally form only the fringes.

Whereas the coming into power of any class-government arouses fear and a bitterness that may rise to desperation, administrations brought into office along normal political lines arouse little hostility and are always more or less satisfactory to all the people, regardless of how an election ran and whether the winning majority was large or small.

Such a government can be truly representative of all the people, for after all, the differences between conservatives and liberals and progressives are often merely differences of mood and temper at any given time, on the part of the people, parties, or even single individuals. A man generally begins life as a progressive or radical, and ends it as a conservative if not a reactionary, and he may shift from one pole to the other and back again in a single day. Party principles and platforms, in fact, are not infrequently actually interchanged over a period of time. Policies which appear radical to begin with are often later supported by the conservatives.

In a sense these divisions, however, are timeless and the most enduring as they spring from the heart and mind of man. Class interests change over the years, and class differences will in time be wiped out, especially now that the discovery of atomic energy promises, if properly used, to bring about a world in which there will be little toil and a rich abundance for all.

But though class-governments,—feudal, aristocratic, plutocratic, belong in large part to the past, the fascist and "communist" as well as the labor-governments belong, alarmingly, to the present. It must be the continuing task of democratic men to beware of and to oppose them all.

New Year Statement

By AMBASSADOR MYRON M. COWEN

To the Members of the American Community:

AS we enter upon the work of a new year, I wish to extend a warm and cordial greeting and my very best wishes to the twenty thousand Americans now residing in the Philippines.

A primary function of an embassy such as ours is to protect, advise, and assist American citizens resident, traveling, or having interests in the foreign country in which it is located. It is my earnest desire that the Embassy here in Manila become increasingly helpful to you during the coming year.

In addition to the activities traditionally carried on by American Embassies in other countries, our Mission has an extremely important function to serve as an instrumentality of the United States Government in assisting, in so far as it may be possible and appropriate, this country and its Government. This function is due, in large measure, to our past relations with the Philippines. It is also a recognition of the fact that American security is dependent, in large part, upon the political and economic independence and well-being of other free states.

Back in the dark days of 1942, President Roosevelt said to the people of this country: "Your freedom will be

redeemed and your independence established and protected." In 1945 that freedom was redeemed. In 1946 that independence was established.

The freedom and independence the Filipino people now enjoy cannot permanently endure, however, unless they achieve economic self-support. Just as we helped them in the past to become politically independent, so must we assist them in the future to become economically independent, in so far as it may be possible and beneficial in this modern world of economically interdependent nations.

On July 4, 1946, President Roxas summed up the task of the past three years when he said: "We must perform near-miracles to bring prosperity to this land. The work of two generations was reduced to rubble in the passionate moments of war. Now we must rebuild in months what it took decades to create."

While some of those near-miracles were being wrought, the economy of this country was very substantially sustained by money given and spent here by the United States Government. During the fiscal year 1949, for example, the total amount that came in was estimated at ₱804,000,000—more than double the Philippine Government's budgetary expenditures for the same period. This flow of money will

soon end or be greatly diminished, however, and the Philippine Government wisely is taking steps now to provide for the nation's transition to an increasingly independent economy.

Mechanisms and controls needed to furnish a stable base for this transition came suddenly—as, indeed, their very nature required. Most of them, though long familiar in other countries where American business prospers, were strange to the economic life of this country. Some were frankly experimental, to be adjusted as circumstances required. All, being departures from established practice, caused temporary confusion and, in some cases, extreme hardships for certain American business interests. This Embassy has made, and will continue to make every possible effort with the Philippine Government, to cushion or minimize such hardships without impairing the Philippine Government's long-range program of economic stabilization.

I am most heartened to note that my own confidence in this nation's promising future is echoed by long-experienced members of the American business community, and I endorse wholeheartedly the recent advice of the President of the American Chamber of Commerce not to sell the Philippines short on the basis of unfavorable conditions of the moment. Those of you who have lived here for many years know the rich commercial potential of this nation of

20,000,000 ambitious people. Those of you who intend to stay for years to come know that your own best interests demand a stable and prospering Republic.

I have confidence, too, in your ability to adapt yourself to whatever the future requires. As one of our Manila newspapers reminded us a year or so ago, we Americans are temperamentally a youthful and versatile people. We have the happy faculty of rolling up the past with all its problems, mistakes, and discouragements and unrolling what we always assume will be a bright new future. We have been doing this individually and collectively for nearly a century and three quarters and we shall, I hope, continue to do so for centuries to come, both at home and abroad. To aid or advise you in such adaptation is a function of this Embassy which I invite you to use freely and frequently.

The United States has a mighty stake in the future of this Republic. Our stake is not primarily economic but the preservation of the democratic way of life. We now have the opportunity to assist in setting this independent Republic on the highroad to national success. In the year that lies ahead, let's discover how each of us can contribute his small part to the development of this country. Let us all rally to the cause of Philippine economic stability, for the ultimate survival of this nation depends upon its attainment.

New Year Statement

By **FREDERIC H. STEVENS**
*President, American Chamber of Commerce
of the Philippines*

I have been asked the old, annual question: What do you think of the business prospect for 1950?

Perhaps I had better be a little round-about . . . Experience is a hard school, but people do learn. We are learning today.

The Philippines is potentially a rich country. The possibilities are very great, and there is opportunity, especially for young men, to pioneer in agricultural and industrial enterprises as well as in business, as there was for the Americans in developing the western United States. If our young men would go out and work, at real development, in the primary industries,—farming, cattle-raising, fishing, mining, manufacturing, get away from the idea that opportunity lies only in working in some government or other office or in entering some over-crowded profession, the Philippines would soon be in a very sound state economically. Capital will certainly come into the country in adequate volume sooner or later. It is largely up to the people and the Government when that time will be.

The most important thing right now is the necessity of restoring confidence in the peso, in our currency and its management. I believe that our financial authorities are taking remedial measures which, unfortunately, have become necessary,—although I hold no brief for the manner in which these measures are being carried out or for their severity and scope. My personal opinion is that the situation in which we find ourselves was man-made and could have been avoided, but now that we are involved in it, it is up to all of us to cooperate in overcoming the unfavorable conditions which exist.

Frankly, I feel that the year which lies ahead will be a difficult one, but to a people who maintained their spirit and courage throughout the three years of the loss and misery of the Japanese occupation, such a year as we are facing will seem light in comparison, though perhaps more difficult to bear patiently because we realize that we ourselves, and not an enemy, are largely responsible.

I am sure, however, that our government authorities understand the burdens being laid on the people and will do everything possible to deal wisely with the basic situation as well as to cope with the unemployment and the rising price-trend which are inevitable as long as the present controls are maintained. As I said, we are learning, and I believe these controls will before long be greatly diminished.

One thing I think the Government should do is to encourage the unemployed people in the cities, who can do so, to go back to the farms. This will require, among other things, a better enforcement of law and order in some of the provinces, and this, too, I believe, the Government will not fail to look to. But we must all cooperate with the Government and give it our loyalty and backing.

Present conditions are such that many people have lost confidence, and while this is not without reason, I think, nevertheless, that many of our fears are baseless, especially the fear, for instance, that the country is going bankrupt and that the peso will be devalued. Conditions would have to become a lot worse if that were to happen.

So, as the people of the United States were once advised not to do, I say to government officials and businessmen: Don't sell your country short.

"The world order which we seek is the cooperation of free countries, working together in a friendly, civilized society".

FRANKLIN D. ROOSEVELT