

REHABILITATION PROBLEMS of the RURAL DISTRICTS

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

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

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

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

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

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

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

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

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

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

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

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

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

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Philippine Agriculture . . .

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earn more, live better and be a better farmer.

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

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

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

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

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

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

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

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

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

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

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

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

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

The Rebirth of . . .

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FIRST CONGRESS OF THE PHILIPPINES

Second Special Session

HOUSE OF REPRESENTATIVES

[H. No. 553]

INTRODUCED BY CONGRESSMEN RAMOS, ROMERO, GALLEGO, MONTANO AND DE LOS SANTOS, AS MEMBERS OF THE CONGRESSIONAL RECONSTRUCTION AND REHABILITATION COMMISSION.

AN ACT TO AMEND SECTION FIVE OF COMMONWEALTH ACT NUMBERED FIVE HUNDRED SIXTY-FIVE ENTITLED "AN ACT PROVIDING FOR THE ORGANIZATION OF COOPERATIVE ASSOCIATIONS, AUTHORIZING THE CREATION OF AN AGENCY OR DESIGNATION OF AN INSTRUMENTALITY OF THE GOVERNMENT TO PROMOTE AND SUPERVISE THE S A I D ASSOCIATIONS, AND PROVIDING FUNDS FOR THE PROMOTION AND SUPERVISION OF THE SAME."

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

SECTION 1. Section five of Commonwealth Act Numbered Five hundred (Continued on page 22)