

New Coconut Oil Scare: Bulletin Editorial

By ROY C. BENNETT

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If the Philippines presses its case against the proposed American marketing agreement which would bar Philippine coconut oil from oleomargarine manufactured and sold in the United States there is little chance that it ever will become effective or even receive favorable consideration by the administration. However, the recurrence of unfair and discriminatory proposals of this character is disconcerting to trade, extremely harmful to business in its present critical stage.

Philippine coconut oil interests are perfectly right in taking immediate steps to get their case in form for presentation in imposing fashion.

It should be remembered that it was an eleventh hour burst of activity which saved the coconut oil interests from a severe slap from the state of California, a slap which would have taxed oleomargarine containing Philippine oil from the markets of that state. Even though it is a self-evident fact that all arguments of fairness are on the side of the Philippines,

To give favorable consideration to any such proposal the administration would have to reverse itself on the stand it has taken so far in demanding a square deal for the Phil-ippines and Philippine products. Furthermore it would have to betrav the underlying principles in the free trade arrangement and thereby invite a slap in the face for American products entering the Philippines. The adoption of rules such as those which the oleomargarine manufacturers are reported to have proposed would disarm the American defenses which have withstood discriminatory action in the Philippines against American imports.

No. 591.-OLEOMARGARINE: PRODUCTION AND MATERIALS USED

NOTE:—All figures in thousands of pounds. Frame for solid on that had of all and the service of the Bureau of Apricultural homomics, Department of Arcicipation, while by the optimization for an est estended to the Commissioner of Internal Revenue for taxition purposes. Colored olcometerative is taxed 10 cents per pound is uncolored, 1/4 reft, per pound.

Year ended June 30	Oleomargarine production			District or	Year ended June 30			
	Total	Colored	Uncolored	inaterial	1928	1929	1930	1931
1911	121,163 128,601 145,228 144,021 152,510 233,170 359,217 391,280 281,082 299,182 239,609 215,403 248,047 257,157 257,157 333,122	5.831 6,236 6,520 6,584 7,505 6,749 8,012 6,505 13,849 15,624 11,601 8,260 11,548 11,280 13,181 14,502 15,351 16,306	115.332 122.365 138.707 137.637 138.215 145.761 225.158 319.934 345.3388 375.656 209.481 84.336 209.422 224.151 204.123 234.866 242.655 2470.348 316.816	PRODUCTION BY STATE4 California. Chargalo. Indiana. Kanyaa. Maryland. Maryla	29.072 1.026 140,882 3,482 20,482 7,234 3,100 805 1,849 11,848 2,657 28,657 28,657 28,657 28,657 28,657 28,657 28,657 28,051 2,899 828 8,025 10,051 2,305	37,444 1,102 153,044 3,516 20,258 9,022 3,968 4,364 3,510 11,247 3,208 32,123 31,262 3,431 31,262 3,431 31,262 3,431 31,265 3,431 31,265 3,431 31,265 3,431 31,265 3,431 31,265 3,431 31,265 3,444 3,5163,516 3,5163,516 3,516 3,516 3,516 3,516 3,516 3,516 3,5163,516 3,516 3,5163,516 3,516 3,5	38,823 1,619 157,955 4,369 23,440 9,820 3,462 6,374 2,760 12,735 2,899 31,471 34,523 4,224 4,845 9,191 3,531	31,049 836 120,422 3,014 18,799 6,120 2,391 8,637 1,731 10,766 2,183 24,534 29,074 2,560 7100 5,886 4,724
1930. 1931. 1930. 1930. 1 930. Total	277,773 311,755	17.103 8,847 13.608	332,021 268,926 298,147	MATERIAL CONSUMED Total	361.069	410.937	424,648	334,891
Combined animal and vegetable oil. Exclusively vegetable oil.	95,876 215,879	8.859 4,749	87,017 211,130	Oleo oil Coronut oil Cottonseed oil Mitk Palm oil	45.477 141,000 24,801 83.115 955	47.185 171.412 28,173 94,752 1.349	45,322 185,066 30,214 97,753 1,102	28.010 155.954 22.037 77.251 2.773
19311 Total	221.953	6.146	215.807	Peanut oil. Salt. Oleostearine	5,459 25,024 5,532	6,617 27,311 5,834	5,714 28,890 6,269	5,291 22,981 5,485
Combined animal and vegetable oil. Exclusively vegetable oil	56,872 165,081	3,996	52,876 162,931	Neutral lard Olco stock. Butter Miscellaneous	25.036 1,738 2.484 1,403	24,189 1,294 2,611 1,559	19.632 1.189 2.616 1.983	10,180 1,025 1,013 2,852

C.S. Statistical Austracii 1952 Source: Commissioner of Internal Revenue, Treasury Department, and Bureau of Agricultural Economies, Department of Agriculture.

So far there is no reason to jump at the assumption that the administration will reverse itself and betray the flag. There is no more reason to assume that the proposal will be approved than there is to assume that a lot of the proposals made here for booting American goods will be enacted into law or otherwise officially approved. However, if the matter is allowed to rest on the assumption that there is no danger it is possible that the proposed ban might slip through, the sponsors of it winning their point by default of Philippine representatives.

It is hardly to be expected that we should be given a blanket promise of extra liberality or generosity. That cannot be expected and is not asked. But it is reasonable to expect and only fair to ask that the principles of free trade will be applied with mutual fairness.

A pronouncement which promises that should stop efforts at discriminatory measures at either end of the line, should have a definitely reassuring influence on trade on both sides of the Pacific and across the Pacific.

notwithstanding the fact that the course of action of the administration promises support for the Philippine product in fair competition on the American markets, it is not safe to take too much for granted and leave everything to providence.

There ought to be some way in which concerted action could bring an official pronouncement pledging the territories under the flag a square deal, marketing quotas or no marketing quotas, industrial recovery act or no industrial recovery It is time act. that it be known that Philippine commercial interests are tired of the disordering influence of proposals of this character.