# Fountainhead Of Various Industries

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THERE is this outstanding difference between a government corporation and a private business firm; that whereas the latter is primarily concerned with the accumulation of profits for the benefit of its stockholders, the former's primary objective is a long-range development of a specific industry or enterprise which would redound to the benefit of the most distant generations.

A Philippine government corporation ordinarily seeks to readjust the economic set-up as our coming political independence requires by achieving the result of a planned economy through leadership instead of regimentation and to pioneer in economic development by undertaking scientific researches and preparations in those fields of activity in which capital has so far hesitated to venture.

The National Coconut Corporation, as I pointed out in a recent radio speech, is not like an ordinary business concern whose main objective is to make profit, but rather it is more or less of a scientific institute for the acceleration and improvement of an industry affecting the lives of millions of Filipinos, and which because of the unsettled conditions in the world today, should be readjusted to a position independent of trade preferences in the United States.

And this readjustment can easily be accomplished if the coconut producers will simply get together and cooperate in the attainment of a common objective.

Just to give an instance. A small coconut kiln would cost around ₱2,000.00. Tl.is amount may be too much for an ordinary coconut planter, but 15 or 20 farmers constructing a common kiln will find the investment easily within their means. The National Coconut Corporation will construct the kiln for them, show them how to use it properly, and buy their charcoal at the market price.

All parts of the nut can thus be utilized through this cooperative way, and from 1,000 nuts, a gross income can be secured as follows:

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| Copra (230 kg. @ ₱.03) | ₱ 6.90 |
| Coir fiber (150 kg. @ ₱.09) | 13.50 |
| Wood preservative (3 cans, @ ₱3.50) | 10.50 |
| High grade charcoal (36 kg. @ ₱.02) | .72 |
| Total | ₱31.62 |

Charcoal from kilns, according to an authority on the subject, has been found to be of as high quality as mineral carbon in the making of carbon electrode, gas masks, and for foundry work in place of cake.

Coir fiber, today considered the most important by-product of the coconut, according to the same authority, can be made into a variety of things such as sacks, ropes, mats, rugs, fishing nets, plaster-board and insulating materials.

Actually, some 300,000 tons of fiber are thrown away every year, simply because the use of defibering machines has not yet been popularized. At the present price of 9 centavos a kilo, this waste fiber could be worth ₱27,000,000 to the Philippines. The old-fashioned method of extracting coir is by setting or soaking the husk in water for several months. Naturally, this process is tedious and the turn-over being slow, the tendency is to throw the husk away. But if we consider the fact that in jute sacks alone, the Philippines imports ₱4,000,000 annually from India, we might start looking at so much waste product as so much potential gold.

Coconut planters can purchase defibering machines from the National Coconut Corporation at very reasonable payment plans. Nacoco defibering machine costs ₱700.00. These machines can defiber 1,000 nuts a day, or a capacity of 150 kilos of clean coir fiber a day of 10 hours work.

The Philippines is the largest copra producer in the world. Not less than 600,000 hectares, or about ¼ of the cultivated area of the country are planted with coconuts. Copra ranks second in importance among our principal export products. In 1939, copra shipments totalled 295,460 tons valued at over 26,-000,000 pesos. Being dependent on the world markets, the welfare and prosperity of the coconut producers depend to a large extent, on factors existing in the overseas markets, and on the immutable law of supply and demand. During the first World War, copra was sold in the local market at as high as ₱41.00 per hundred kilos, and coconut oil on the basis of ₱.80 per kilo. The 1914-1919 period was indeed the best in the history of the local coconut industry.

But history did not repeat itself in the present war. A comparison of current prices of coconut products with those of previous years will reveal a world of difference. Today, values have come down before the impact of the European conflict, and placed many producers at the point of bankruptcy.

It is therefore, but proper that we turn to the by-products of coconut which properly industrialized can displace such costly importations as gasoline, crude oil, kerosene, mineral carbon, paints, sacks, and other articles.

To form a nucleus of an enormous body of skilled workers in the industrialization of the coconut raw materials, the National Coconut Corporation has set up a number of schools, notably the one in Sariaya, for the teaching of home industries all over the country to train men and women in the skill necessary to turn out the standardized products which the corporation plans to manufacture out of the coconut raw

materials.

These schools will teach the following:

Better method of making copra—improved drying process;

Methods of making soap in the home—Nacoco sosa mixed with an equal amount of coconut oil, produces a good soap by means of a process which a five-year old can master in one demonstration;

Production of good lard and butter from the coconut meat juice;

Weaving of hats from strips of processed coconut leaves;

Making from coconut leaves braids to be exported to the United States for manufacture into various articles;

Preparation of coconut dishes—home-cooking department of the schools dedicated to the encouragement and introduction of coconut dishes in our daily diet;

Preparation of coconut charcoal for gas masks, a national defense item, with possibilities of profitable exportation;

Preparation of a wood preservative from coconut shell—the NCC technicians got a hint from the fact that coconut shells are never attacked by termites and forthwith developed a process for extracting a preservative for wood from the coconut shell;

Manufacture of coir from the coconut husk, the long fibers for the making of door mats, brushes, brooms, and similar articles;

Manufacture of a panelling material from the "shorts" of coir fiber, mixed with cement and asbestos, the product having been proven as fire-proof, sturdy, durable, and capable of competing with the commercial wall board used in house construction;

Preparation of coconut shell charcoal for motor fuel—the NCC technicians have developed a device by which charcoal is converted into gas and runs motors. The charcoal costs only P.02 a kilo and 45 kilos, costing P.90, are all that is necessary to run a motor truck from Manila to Sariaya, a trip which normally costs from P4.80 to P5.00 in gasoline;

Manufacture of sugar and rice bags from coir to replace the jute bags which are difficult to get these days because of the war preoccupation of India and the disruption of maritime transportation; and

Production of margarine and other edible products from copra.

All the products to be turned out by the home industries and the plants of the NCC are to be standardized so they can be marketed in quantities, whether locally or abroad, without any difficulty arising from variation in specifications.

Developing these home industries based on the coconut, the NCC expects to increase the total employment of the population in gainful work, and at the same time augment the total wealth-producing activity of the country.

The self-sufficiency motif in the NCC's rehabilitation of the coconut industry is dramatized by the NCC's own use of coconut oil, coconut shell as charcoal and raw shell for motor fuel in all its plants, instead of imported crude oil, gasoline, kerosene or coal.