



Joint NEC-ICA Transportation Survey Project



By Colonel Blas A. Alejandre, OS

QUOTING a Washington dispatch dated 23 April 1956, the *Manila Daily Bulletin* published the following news item:—"The villagers and small farmers of the Philippines will receive the largest benefit from the aid program which the United States is providing to that nation during the present fiscal year, the International Cooperation Administration (ICA) announced yesterday. The amount of aid for 1956 fiscal year is \$29,100,000, the ICA said. Of this total, \$4,200,000 will be used to support an expanded rural development

program while \$7,600,000 will be used to aid in various programs to strengthen the economy of the nation, including rural road construction, port and harbor improvements, water supply and land development projects, and rural health units."

Since July, 1951, the United States has had an aid program in the Philippines which has amounted to over \$137 million, in non-military aid. The Philippine Government for its part has appropriated funds to match this aid, with the over-all objective of this Joint US-Philippine effort be-

ing the improvement of the living conditions and earning capacity of the rural population. One of the important projects in the U.S. aid program, designed to assist President Magsaysay's comprehensive economic development program is the JOINT NEC-ICA TRANSPORTATION SURVEY PROJECT which is conducting a comprehensive survey of the transportation problems of the entire Philippines. Former NEC chairman Filemon Rodriguez first proposed the survey in 1953, but it took months of negotiations, conferences and consultations between ICA in Washington, and the NEC in Manila, before the plans for the complex undertaking were finally presented to the Cabinet and the President who approved it in 1955.

Objective and Scope

The Joint NEC-ICA Philippine Transportation Survey Project has for its objective and scope, the following, as outlined by NEC:

A. GENERAL OBJECTIVE: The Philippine Government employs the

Survey Team to conduct an economic survey and provide a comprehensive report and recommendations on Philippine domestic transportation, both passenger and freight, but not including local transportation except where, as in the case of certain cargo facilities in Manila and other large cities, a real national interest is involved. On the basis of such survey report, a program of necessary legislative, administrative and financing measures will be formulated by the NEC designed to enable domestic transportation to make the greatest possible contribution to economic development in the Philippines. For the purpose of this survey, local transportation is defined as transportation moving solely or primarily within the confines of individual municipalities, towns, or metropolitan areas or cities.

B. SPECIFIC OBJECTIVES: The survey report and recommendations will touch on the following points:

1. The need for and the means of improving the availability and effici-



Filipinos and Americans are jointly undertaking a transportation survey project through the NEC and the ICA. Photo shows the author, briefing Prof. R. Shreve, leader of Transportation Survey Group, on the route of the project.



Photo shows the members of the Survey Party at Sarangani Bay. From left to right are an NDC representative, PC commander, I. Krauste, Col. Alejandro, R. Garcia, R. Shreve, E. Arnold, Prof. Ullman, and E. Robison.

ency of inter-island water transportation and of reducing its cost, including the need for the means of improving shipping ports (Inter-island or combined inter-island and international), including the comparative economic advantages of the use of a large number of ports as against concentration of inter-island services in a smaller number of ports serviced by improved feeder road transportation.

2. Need for and means of improving the availability and efficiency of transportation (other than local) on all major islands and of reducing its cost, including the proper and most economical relationship between road transportation and coastwise shipping where these are alternatives and, with respect to competitive areas on the islands of Luzon and

Panay between road transportation, railways and coastwise shipping; also the comparative economic advantage of reorganization, re-financing, and rehabilitation and possibly expansion of existing railway lines on Luzon and Panay or any part of them, as against abandonment of any part of present operations.

3. Need for and means of improving the availability and efficiency of domestic air transportation and reducing its present cost.

4. The comparative economic advantages of enlarging the number of customs ports especially for loading of export cargoes, as against improvement of domestic transportation serving a restricted number of ports in international trade.

5. Need for and means of modifying government organization in the

field of transportation.

6. The development of an integrated transportation improvement investment program over at least a 5-year period.

Project Operations

C. SCOPE OF PROJECT OPERATIONS WHICH SURVEY REPORT SHOULD COVER: Within the framework of the objective enumerated, the survey report should cover common carrier, contract and proprietary commercial passenger and freight transportation as:

1. **TRAFFIC** — Direction, volume, types, and other characteristics of existing traffic; traffic trends during 1952 through 1954; estimates of traffic potentials for the years 1956

to 1965, respectively, including anticipated effects of the Philippine Economic Development Program. Special attention should be given to transportation routes in relation to areas of increased economic activity such as Mindanao.

2. **FACILITIES AND OPERATIONS** — Transportation facilities now available, including transportation services and industrial and commercial proprietary transportation; vessels, vehicles, rolling stock; ports, airports, railway lines and terminal roads, aids to navigation; construction, servicing and repair facilities and practices; labor force including managerial, professional, skilled, unskilled; terminal construction, servic-

Survey party has reached as far as Malaybalay, Bukidnon. Photo shows team with ex-Congresswoman Fortich who welcomed members and briefed them on the needs of NARRA projects in Bukidnon and other parts of Mindanao.



ing and repair labor force; corporate organization, management and operating practices; present scope and practices of financing of transportation services; carriers' associations, shippers' associations, forwarders, brokers, and other auxiliary services, etc., etc.

3. COST — Transportation costs; cost elements; transportation rates, including rate-making procedures and practices; also competitive practices and abuses; competition between various modes of transportation, competitive trends during 1952 through 1954; effects of competition; also transportation companies's financial results.

4. REGULATION AND PUBLIC SUPPORT — Government regulation of domestic transportation; regulatory bodies and practices; other

existing legislation affecting transportation, law enforcement; subsidies and other forms of promotion; taxation; government services to transportation expenditures for transportation purposes; government ownership or part ownership in the domestic transportation field; etc., etc.

5. ANALYSIS — Suitability and adequacy of existing domestic transportation facilities (including services and types of conveyances) for (a) existing traffic and presently existing potentials, and (b) estimated traffic potentials for the years 1956—1960 and 1965, respectively.

6. RECOMMENDATIONS — Recommendations for government action and other appropriate recommendations.

Survey Group

The Survey Team selected for this

Overall objective of joint U.S.-P.I. effort is the improvement of the living conditions and earning capacity of the rural population. Developed transportation is envisioned to contribute to economic progress of the country.





Development of land transportation would bank heavily on the presence of roads, for which the government has set aside a big sum in form of public works funds. Photo shows huge machine cutting through Mindanao forest.

complex undertaking is composed of Stanford Research Institute specialists in water, air and land transportation. Five of the seven-man team arrived during March from Menlo Park, California, and immediately opened joint offices at Manila — ICA and the NEC Buildings in Padre Faura, Ermita. The Project Leader, Robert O. Shreve, is a Master of Business Administration, and holds the position of Manager of Transportation Research and Senior Transportation Economist, Stanford Research Institute. He is concurrently a Lecturer in Transportation at the Graduate School of Business, Stanford University, California, since 1949. Professor Shreve was formerly an active member of the Traffic Com-

mittee, California Association of Port Authorities, 1945-48; and the Marine Terminal Association of Central California.

Rear Admiral John W. Landegran, USN Retired, is the Shipping Expert of the Survey Group. He obtained his early training with the U.S. Merchant Marine and Allied Industries (1908-1924); with the U.S.A. Quartermaster Dept. (1925-26); and then service in the U.S. Navy during WW II (1941-1947). Admiral Landegran is the only member of the team who has previously served in the Philippines, having been Port Captain in the Philippines during the Liberation. Another retired officer with the Group is Colonel H. Edwin Robison, U.S.A., who served in the



Survey group members, among them the author, are shown with ex-Congresswoman Fortich plotting points on map where roads are most needed to connect the Maramag and Wao projects in Bukidnon.

staff of Gen. MacArthur in Tokyo, Japan, as Deputy Chief and Executive Officer, Govt. Section, SCAP. Col. Robison is also a Master of Business Administration, in addition to his A.B. degree in History, from the Stanford University. He is classified as Senior Economist, Area Development and Transportation, Stanford Research Institute, and is presently the Deputy Project Leader of the Survey Team.

The "Doctor" of the Group, Edward L. Ullman, Ph. D. University of Chicago, is the Specialist in Economy and Geography. He is a Professor in Geography at the University of Washington (1951 to present), and Director of ONR Research Project in Transportation Geography and Regional Inter-relationships. He had previously served as Transportation Specialist, with the U.S. Maritime Commission (1946); and as Expert Consultant, Research and Develop-

ment Board, in the Department of Defense (1949-51).

The alter-ego and constant companion of Dr. Ullman is Prof. Robert K. Arnold, who submitted as his Ph. D. Dissertation:—"The Economic Development of the Philippines, 1800 to 1941". He is a product of the University of California, where he has served as Lecturer, Dept. of Economics and Dept. of Business Administration. Prof. Arnold has been an avid student of Philippine Economy and History, although this is his first trip to our Country, having written a Review of "American Economic Policy towards the Philippines" in 1954. He is classified as a Transportation Economist in the Stanford Research Institute.

Significantly, the Stanford Research Specialists requested to visit Mindanao in their first survey trip during April. Matching the strong Stanford Team; ICA, NEC, NAR-

RA and the AFP assigned qualified representatives to participate in the Transportation Survey, to coordinate their work in their various fields in the over-all Rural Development Program of President Magsaysay. The representatives who accompanied the Survey Team on the inspection trip to Mindanao on 6 April '56 aboard a PAF Carrier Plane which was furnished by Gen. Cruz:—

Mr. Ray Davis — ICA, NARRA Consultant

Mr. R. H. Beloso — Acting NAR-

RA Manager

Mr. Ned Krause — ICA, Transportation Con.

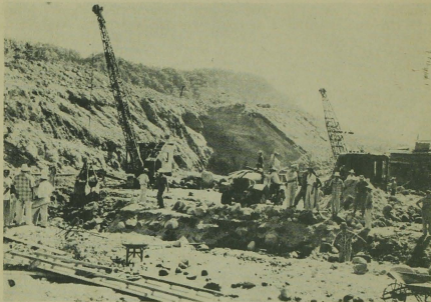
Mr. Rob Garcia — NEC, Transportation Div.

Col. B. A. Alejandre — GHQ, AFP Representative

Flying direct to Bukidnon, the NAR-RA Base Camp for Mindanao Resettlement Projects, the Survey Party decided to land at Malaybalay and make it as the party's base of operations. Ex-Congresswoman Remedios Fortich, the NARRA Director for

Photo illustrates what people of various communities can do to help achieve objective of transportation survey. Wooden bridge shown was built with the help of inhabitants.





By building roads through forests and mountains, the vast undeveloped regions will finally be opened and their agricultural and mineral products transported economically to the different markets in the country.

Bukidnon, briefed the survey team on the problems and needs of the MARAMAG — WAO Settlements, especially the need for roads.

Air Survey

Adhering to its purpose of integrating all the transportation needs of a region, the survey party again took to the air for a "bird's-eye-view" of the roads, rivers and ports of Surigao, Agusan, and Davao. The expert flying and navigational ability of the PAF pilots ferrying the group, enabled the members to observe closely the existing road, and more important the need for more roads in the fertile regions of these provinces. The speed of the "aerial survey" and its comparative safety, convincingly

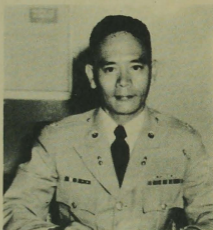
proved the feasibility of establishing "feeder" air routes to serve this region, which is bound to progress with the construction of more roads. Of the three Provinces, Davao was first in the total acreage it had under cultivation, the longest and best roads, and the busiest seaport and airport. But there is still room for improvement.

Cotabato was the next province in the survey team's itinerary. Buayan Airport, in General Santos which adjoins Dadiangas on Sarangani Bay, constitutes a veritable hive of rural development activities. The ACCFA and the NDC both are busy propagating cotton in the Lagao area, which will soon be put under irrigation.

Artesian wells which were dug by AFP Engineers on orders of the President are now supplying water. NARRA has a homesite development in Dadiangas, while NARIC is utilizing the crude port facilities for shipping out the Rice and Corn crops harvested in Cotabato Valley. Taking to the air again, to see better the vast fertile regions of Alah and Koronadal, the Survey group flew from Buayan to Tacurong. The Kenram airstrip furnished a convenient landing spot in the midst of the lush Cotabato region. Ramie plantations and the two Ramie fiber plants of Kenram and Araneta corporations are eloquent proof of the agricultural and industrial potential of Cotabato. This indeed is an auspicious beginning for the ultimate realization of that oft-repeated paen: **MINDANAO IS THE LAND OF PROMISE!**

This is only the beginning, echoed the Survey Group upon completion of the first inspection trip to Mindanao. Plans are now shaping up for the second "leg" of the survey, to take in the western part of Mindanao, comprising the Provinces of Misamis Oriental and Occidental, Lanao, Zamboanga, Basilan and Jolo. Thus, for the first time, Mindanao and Sulu, the vast undeveloped region of yester-years, will finally be surveyed in a manner which will literally "open it up", by means of an integrated system of roads, airports and seaports. Then, and only then, can the agricultural and mineral products of this fabulous region be transported economically over the great land masses of Mindanao, and exported to

other parts of the Philippines or sent to foreign lands. The AFP for its part also has a large stake in IV MA, taking into consideration its EDCOR Projects in Cotabato, and AFP participation and support of various Presidential Rural Development Projects. The southern bastion to foreign lands. The AFP for its own, at last!



Col. B. Alejandro

About The Author

Colonel Blas A. Alejandro, until recently the AFP Chief, Ordnance and Chemical Service, who had direct charge of the distribution, repair and maintenance of all AFP vehicles, is presently the Project Officer for transportation support of the NARRA, the ACCFA and the Board of Liquidators. A graduate of Mechanical Engineering and of the U.S. Army Ordnance Service, he is now being recommended by armed forces authorities to coordinate or act as liaison officer with the Stanford Group, National Economic Council, on matters concerning transportation problems of the armed forces.