# The Philippines' Case at Washington

An interpretation of pertinent factors from what is believed will be Cordell Hull's viewpoint as Roosevelt's state secretary

By Walter Robb

Much press discussion has transpired in Manila of late, relative to the future status of the Philippines as an independent nation. Apologists on one side led by President Manuel Luis Quezon spurn the political neutralization of the Philippines under international agreement, a step made feasible by the Tydings-McDuffic act creating the ten-year Commonwealth and providing independence in 1946. This side thinks the better security lies in leaving America naval bases in the Islands after 1946 an effecting a good trade treaty with her. On the other side, apologists cling to the neutrality proposal. Perhaps there is too much show of heat on both sides.

At any rate, President Quezon has posted off to Washington to talk up his side; he will find President Roosevelt a bignavy man, though it is not so certain that Roosevelt cottons to the strategy of naval bases on foreign territory—that is to say, on the shores of a foreign country—or that he cares to prolong indefinitely America's political interest in the Far East as naval stations here would do. Roosevelt may think England's political interest in this part of the world more permanent and practical than America's and that the game is one to play at Downing Street rather than in Washington.

But we think President Quezon has a decisive card that remains to be played. If he can get naval-stations arrangements made, why not Philippine independence at a much earlier date than 1946—why not have it come within Quezon's own administration? Quezon probably angles for Cordell Hull, as secretary of state, a statesman strong in Wilson's self-determination doctrine. At the same time, Major General "Field Marshal" Douglas MacArthur is Quezon's mentor in matters relating to the political security of the Islands now and in the future; the problem is to reconcile MacArthur's narrow view of the situation with Hull's broad one; the soldier thinks of what is best for the Philippines, the country that gave him his golden baton, but the statesman thinks beyond this to what is best for the United States not merely in her relations with the Philippines but with Holland (because of the Dutch East Indies), Britain, China, Japan and possibly even Russia.

Quezon, thinking of the trade, proposes that his office be granted the manipulation of a flexible tariff schedule. In this and other proposals there lurks more dollar diplomacy than is entirely disconsolate should it be punctured and deflated. For Quezon probably feels that good exports from the Philippines, fibers and copra particularly, mean a great deal to the United States in her trade with the Islands and are not associated in the minds of manufacturers requiring them with the volume of American manufactures sold here. America, while under Cordell Hull's state policy at least, would probably rather see five centavos a day added to daily wages in China or fifteen to wages in the Philippines than higher Philippine duties against foreign goods with American goods coming in duty free.

Thus Mr. Hull is more likely to study totals than percentages; and he is likely to want to know how much the totals, gross sales, can be practically increased from year to year and whether they might not decline unless wages rise, whatever the height of the tariff. In short, his view of the Philippine

tolerable to Hull's scholastic detachment, no doubt; and we

believe Quezon tossed it forth as a trial balloon and would be

ages; and he is likely to want to know how much the totals, gross sales, can be practically increased from year to year and whether they might not decline unless wages rise, whatever the height of the tariff. In short, his view of the Philippine trade is certain not to be unilateral: he will wish to know its real weight in America's overseas commerce as a whole—he will look ahead to what may be expected of the future rather than back toward what actually prevailed in the past. Hull has no chip on his shoulder for any country; he wants the nations to return to the generally harmonious relationships that prevailed among them, and in their mutual commerce, before Postdam decided to turn parades into battles, and naval reviews into Jutlands, and for this attitude he will one day have the Nobel prize.

Hull is no warm friend of artificial commerce; it takes a good deal, perhaps more than the Philippines care to put on the

ball, to make him swing at such ideas.

The Philippines have not reached a crisis in their economics such as Denmark faced when the American Northwest was settled and new grain supplies from western Canada, western United States, and Argentina began supplying England, Denmark's customer for this staple up to that time. On the contrary, the Philippines have their oldtime tropical products to sell and a good demand for them in the United States because they have a valid claim to a part of America's sugar market and nothing comes up to threaten their copra and fibers there.

If we consider sugar, as America grows more of it her demand also rises; at the same time, the Philippine population increases rapidly, creating demand for more rice and more land on which to grow it. Under any conceivable conditions, Philippine sugar will always enter the American market on terms at least as advantageous as Cuba enjoys there—terms keeping Javan sugar practically out of the market. Philippine sugar will continue rolling into San Francisco and New York indefinitely, and the switch in the field from cane to rice will be gradual.

As America will always want a lot of good Manila rope, she will continue buying the hemp for it here because she can procure it nowhere else. She will also continue buying the bulk of her copra and coconut oil here, because here is the world's major supply of that product; and if possibly she ceases to accept the oil and insists on buying the copra only, the net loss to capital and labor will be comparatively small—and probably all made up by wider manufacture of soap here for the domestic and Far Eastern trade.

That America tends to buy as many tropical supplies here as she well can is evidenced in how quickly Congress stopped leaks in the oil excise-tax legislation, and the differential this

CALL 5-73-06
ISUAN, INC.
Sole Distibutors

\*fresh vp\*

with

part of the control of the control

(Please turn to page 10)



## The American Chamber of Commerce

#### OF THE

#### PHILIPPINE ISLANDS

(Member Chamber of Commerce of the United States)

DIRECTORS:
P. A. Meyer, President
C. S. Salmon, Vier-President
John L. Headington, Treesurer
J. C. Rockwell
E. M. Grimm
Verne E. Miller
S. F. Gazhes
E. Schradieck
H. M. Cavender

EXECUTIVE COMMITTEE:
P. A. Meyer, Chairman
C. S. Salmon

RELIEF COMMITTEE:
C. G. Clifford, Chairman

MANUFACTURING COMMITTEEN

E. B. Day, Cheirmen

F. H. Hak

D. P. O'Brien

H. P. Strickler

LBGISLATIVE COMMITTEE: C. S. Salmoo, Chairman Judge James Ross L. D. Lockwood C. G. Clifford

FINANCE COMMITTEE: Verue E. Miller, Chairman E. J. Deymek

FOREIGN TRADE COMMITTEE: H. B. Pond, Chairman N. H. Duckworth ALTERNATE DIRECTORS

L. K. Cotterman E. M. Bachrach L. D. Lockwood H. Dean Hellis

SECRETARY: C. G. Clifford

COMMITTEES

PUBLICATIONS COMMITTEE: P. A. Meyer, Chairman C. S. Salmon Roy C. Bennett

BANKING COMMITTEE: E. J. LeJeone, Chairman E. E. Wing J. R. Lloyd

RECEPTION & ENTERTAINMENT COMMITTEE: E. Schradieck, Chairman H. J. Belden

INVESTMENT COMMITTEE:
P. A. Meyer, Chairman
C. S. Salmon
J. C. Rockwell
S. F. Gaches

SHIPPING COMMITTEE:
H. M. Cavender, Chairman
E. M. Grimm
Chester F. Sharp

## Hon. Ricardo Nepomuceno

(Continued from page 5)

will not singe off their wool.

The Commissioner hails from Marinduque. He is a Tagalo; you would suppose the folk of Marinduque to be either Bikols or Bisayans, but they are Tagalos and may have migrated from Batangas—they speak with the rising inflexion of Batangueños. (In Marinduque, Mineral Resources is developing a lead-zinc property under the skillful guidance of Victor Lednicky)

Commissioner Nepomuceno is a little past forty. He is married. Mrs. Nepomuceno is also from Marinduque, and they have five children, all attending the public schools, three girls and two boys. The Commissioner graduated in law at the University of the Philippines. He tends to be laconic, which may be a natural trait heightened by his long experience at the Supreme Court as a law clerk. During seven years at the court he was Associate Justice Thomas A. Street's private secretary; better training, in the Philippines, no aspiring student of the law could have than seven years' association with the late Justice Street—who was wont to remark the sound character and ability of Nepomuceno.

Leaving the court, the young barrister repaired to politics and between 1922 and 1931 without a break was elected and reelected Marinduque's representative in the lower house of the old Philippine legislature. Then he lost, but in 1934 came back as a member of the constitutional Convention and took a leading part in the counsels and debates that led to the drafting of the Constitution of the Commonwealth—to be carried on after 1946 as that of the independent Philippines.

President Quezon first appointed Commissioner Nepomuceno a judge of first instance, in Nueva Ecija—it being a cardinal rule of Quezon's never to name a judge to his home province. This position was held less than six months, when Quezon, announcing to a large press conference one Friday afternoon, "I have decided who the Commissioner will be, but won't tell you now because the appointment isn't signed and I don't want a lot of disappointed friends down on meal I will say is that when you know who he is you will approve his selection—" the next day, or possibly the next Monday morning, came through with the name, Ricardo Nepomuceno.

The Commissioner's former colleagues in the law-making branch of the government share the unstinted confidence President Quezon has in him as a law administrator.

### The Philippines' Case . . .

(Continued from page 6)

legislation gives the Islands.

Let the wisemen of politics east and west meet as they may, and arrange as they will, a stout American demand for Philippine surplus products must remain the basic factor in the Islands' economics and those who take most advantage of this fact will prosper best. President Quezon, whose particular delight is to speak with his tongue in his cheek, probably knows as well as any man that even during the British period in the Islands after the decline of American maritime facilities in the Civil War period and the opening of the Suez canal hardly a decade later, America was really buying large quantities of Philippine products—just as she has since, just as she will until chemists, should it ever be possible, obviate her necessity for them. Only, during the British period, the trade was round about instead of being direct; cargoes were loaded at Manila for London and Liverpool whose real and final destination was New York or Baltimore, Boston or Philadelphia.

Earlier, American ships hauled the cargoes themselves and had the major part of the business. As to American imports, just let Juan de la Cruz have a peso to spend instead of fifty centavos or a peseta, and generally you will see him buying something of an American brand. The Philippines have sufficient sound trade to offer America to keep her interest in this market as alert as her general indifference to overseas commerce for manufactures permits. But this interest will grow, rather than diminish, under any set of circumstances fate

determines.

## "Right" Baldwin?

(Continued from page 7)

and he had strong notions of how to implement this concern and make it effective. He more and more insisted upon his wife's prerogatives; instead of taking every suggestion from the cabinet, he had suggestions of his own for that august power to take from him, therefore from the crown. But he died, so there was no final rumpus; Victoria was left disconsolate to the alternate hammering righteousness of Gladstone and the velvet diplomacy of Disraeli, and no monarch ever in London knew better than she where to find the dotted line and fill it out with the royal signature.

Albert had already looked to the empire, and staged a great empire fair; thereafter Britain had Albert Hall, until fire consumed it a few weeks ago, and Queen-Mother Mary went and visited the ruins to distract her mind from worries provoked by a forward son forty-two years old—a young and liberal king in step with his times but out of harmony with that nebulous entity too delicate even to boast a shadow, the tough and tender British constitution.

There is little more to this British constitution save that what is done is right; but of course what is done must be done by the cabinet or under its aegis: sometimes it likes Canterbury to do it, and His Grace obliges; as in Edward's case, it was no question that he was king and even would be king should he marry Mrs. Simpson, or perhaps her maid, and