



# LAND *and* PEOPLE *in the* PHILIPPINES

By J. E. Spencer

*Issued under the auspices of the International Secretariat of  
the Institute of Pacific Relations*

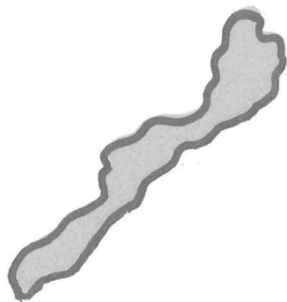
# LAND AND PEOPLE

## GEOGRAPHIC PROBLEMS IN RURAL ECONOMY

BY

J. E. SPENCER

ISSUED UNDER THE AUSPICES OF THE  
INTERNATIONAL SECRETARIAT  
OF THE INSTITUTE OF PACIFIC RELATIONS



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## *Foreword*

THE CRUCIAL importance of understanding the fundamental rural problems in the countries of noncommunist Asia has become abundantly clear in recent years as is well indicated in the emphasis now being placed on rural reconstruction in the MSA programs of economic aid to Southeast Asia and the Philippines. The most striking recent example of this new awareness of Asia's rural problems is to be seen in the report of the Bell Survey Mission to the Philippines and in the MSA reports on the work of the Joint Commission for Rural Reconstruction in Formosa. Questions of land reform, rural credit, crop improvement, and agricultural extension work have now been recognized by American and United Nations authorities as essential parts of the process of strengthening democratic forces and improving standards of living in the poverty-stricken agricultural societies which characterize most of South-eastern and Southern Asia.

Even with the best will in the world, however, plans for reform will miscarry unless they are based on accurate and up-to-date knowledge of the fundamental geographic and physical conditions which govern so much of the productive capacities of the areas. Professor Spencer's present study, based on extensive recent field work, supplies much of that basic information and should be of real value, not only to Western students of the Philippines, but also to many Filipino officials and teachers.

## FOREWORD

The present study constitutes one of a series of inquiries sponsored by the Institute of Pacific Relations during the past twenty years into the basic problems of land use and rural social and economic problems of Asian and Pacific countries. Other notable studies in this series have dealt with China, Japan, Korea, Indo-China, Australia, New Zealand, and Indonesia. Other investigations still in progress deal with postwar Japan and India.

The completion and publication of the study were aided by grants from the Rockefeller Foundation and the Institute of Pacific Relations. It should be noted, however, that the author alone is responsible for statements of fact or opinion expressed in the study.

WILLIAM L. HOLLAND  
Secretary General

*New York*  
*September 26, 1951*

## *Preface*

THE REPUBLIC of the Philippines is one of the most distinctive eastern countries, partly because it is less oriental than any other country in the Orient. Americans think that the country should be in excellent condition and that the Filipinos should be very happy with their lot. It has been a shock to many to realize that neither of these assumptions is completely true. The Philippine difficulties arise in part out of a double colonial background. Spain administered the islands indirectly for a long period under a narrow concept of colonial rule. When the United States voluntarily took over the Philippines it had excellent intentions but no experience in colonial administration in the tropics. Now that the Filipinos are independent they face an accumulation of historical problems complicated by a short but destructive period of war and Japanese control. Independence has brought freedom, but it also has crystallized many serious problems, and Filipino inexperience in government, finance, and management is a handicap to the successful operation of the country.

This study deals with selected aspects of the rural background of the Filipinos in an effort to understand more clearly some of their current difficulties. There is little recent literature that examines the basic structure of Philippine economy. The best recent surveys are *Die Philippinen*, by the German geographer Albert Kolb, published in 1942, and *Philippine Economics*, by the Filipino economist

Andrés V. Castillo, published in 1949. Neither volume has wide circulation in the United States, and the former has only scant circulation in the islands.

I have begun, therefore, with a detailed and historical description of rural economy. In such matters as population growth, soils, transportation, and the export trade I have attempted to make clear some of the problems that face the islands, as well as to describe present conditions. The subjects of urbanism and industrialization have intentionally been treated only indirectly, though both pose serious problems for the future. Many of the strictly economic aspects of the Philippine scene are not adequately treated, since I claim no competence as an economist. Beginning with chapter ix I have tried to describe the background of particular problems of island rural economy around which future development must center. The last two chapters attempt to assess the over-all situation of the national economy from the point of view of government and current and future development.

It has not been possible, in one short book, to explore fully every cultural and economic ramification of the rural scene. It is easier to label Spanish, American, and Filipino failures than to blueprint remedial programs that can be kept within the comparatively small purse of the country. By the very nature of its approach this study becomes a critical one, but with admiration for the real progress that has been made, and with the sincere hope that the advantages implicit in the situation will not be wasted.

The University of California deserves thanks for the sabbatical leave which made possible the firsthand study and travel necessary to the volume. The University of California, the Rockefeller Foundation, and the Institute of Pacific Relations all generously provided research grants without which the study could not have been carried out. Ray Hanchett made maps from preliminary sketches. Members of two graduate seminars in geography not only lived through the evolution of ideas around the topic but contributed useful suggestions. My wife, Kathryn, struggled over my grammar, as did Erma Lemberger and Fred Neurath who did the typing. W. L. Holland of the Institute of Pacific Relations has been patient and



## PREFACE

helpful ever since first suggesting the study. Charles Wolf, Jr. read the manuscript critically but cannot be blamed for my failure to accept all his suggestions. Dominador Rosell and other members of the Philippine Division of Soil Survey and Conservation were of tremendous aid during the period of field work and in later response to my long-distance demands for answers to specific questions.

University of California,  
Los Angeles, July, 1951.

J. E. S.

## *Plates*

(All photographs were taken by the author)

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# IN THE PHILIPPINES



*Berkeley and Los Angeles*

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## *Chapter I*

### BASIC STRUCTURE OF THE ECONOMY

THE PHILIPPINES today possesses an unstable agricultural economy which is deeply embroiled in international trade. The people are attracted to the Occident, tied by bonds to the Orient, and threatened by the advance of what aspires to be the Soviet World. The islands and their population are chiefly agricultural, chiefly rural, chiefly literate, chiefly Christian, and politically sophisticated, but each term misleads into overgeneralization. An urban resident might wish to add the phrase, chiefly capitalistic; but a rural critic would certainly counter with, precapitalistic. Heterogeneity—the intermixture of diverse elements and trends in the economy and culture of the Philippines—is far more prevalent than are unity and conformity. This involved situation is the result of a double colonial apprenticeship. Two very different patterns of treatment by Spain and the United States, ending in voluntarily given independence, have left deep marks. After severe punishment during World War II and major American postwar aid, the Filipinos began their independence with economic and social handicaps as well as advantages.<sup>1</sup>

Some of these handicaps admittedly arose out of situations over which the Filipinos had no control, whereas many were the results of inexperience in management. By the summer of 1950, after four years of independence, the Filipinos had used large sums of money, supplied chiefly by the United States, without achieving a full