

Filipino Peasants Reclaim the Land in Defiance of Imperialist Globalization

Message presented by Danilo H. Ramos, general secretary of the Kilusang Magbubukid ng Pilipinas (Peasant Movement of the Philippines), to Rev. Dr. Konrad Raiser, general secretary of the World Council of Churches in Quezon City, Philippines, on March 16, 2000.

Just like any other Third World country, the Philippines has always been a source of cheap labor and raw materials while providing a market for the surplus goods from the industrialized countries. Therefore, its agriculture is predominantly undeveloped, relying on feudal relations and backward methods of production.

The intensifying imperialist globalization we are witnessing today has driven these exploitative trade relations to the extremes while pushing the majority of farmers further into the shackles of feudalism. Especially the Agreement on Agriculture and the rise of the World Trade Organization have been instrumental in this nefarious development.

Agriculture in Times of Imperialist Globalization

During the past decades, the agribusiness and food TNCs were able to expand their monopoly control on the Third World through increasing liberalization, privatization and deregulation as promoted by the IMF and the World Bank. Taking advantage of the backward characteristics of local agriculture, they linked up with local landlords and factions of the local elite to dominate the agricultural sector.

While their TNCs were expanding their markets, the United States (US) and the European Union (EU), were protecting and supporting their domestic agricultural sectors. They were competing with each other in escalating protectionist measures, actively encouraging an ever increasing overproduction. Their agricultural sectors became increasingly dependent on exports to get rid of their subsidized overproduction.

In the 1980s, when the global crisis deepened, increasing competition and overproduction was leading to intensifying trade conflicts among the industrialized nations while world prices were plunging. Moreover, the high cost of subsidized programs to support their agricultural sectors became a heavy burden on the rich countries' budgets.

The EU and the US took advantage of the Uruguay Round of GATT to force an Agreement on Agriculture upon the countries of the Third World. For them, this agreement had to solve the chronic problem of agricultural overproduction in the EU and US by expanding their markets. At the same time, it served to consolidate and strengthen the monopoly control of their TNCs on the food and agricultural sectors.

Expectedly, the US and the EU, the world's biggest exporters of agricultural products and home bases of the agribusiness TNCs, turn out to be the big winners of the Agreement on Agriculture.

This Agreement has hardly affected their ability to subsidize overproduction and export dumping, nor has it reformed their domestic policies toward a reduction of structural overproduction. In 1998, for instance, the rich countries' governments spent \$353 billion in support to their agriculture.

When the Agreement on Agriculture came into effect, the EU was able to raise its exports of agricultural products (excluding fish) from 44.7 billion euro (about \$46.7 bil-

lion) in 1995 to 52.3 billion euro (about \$54.6 billion) in 1997. The US agricultural exports ballooned from \$43 billion in 1994 to \$59.8 billion in 1996 – a 39 percent increase in only two years.

The US Department of Agriculture (USDA) has calculated that export gains attributed solely to trade liberalization since 1985 amount to at least \$3.5 billion per year. Once the Uruguay Round and NAFTA are fully implemented by 2005-2008, the projected impact on US agricultural export will grow to over \$10 billion a year. According to USDA estimates, exports directly attributed to trade liberalization will represent 13 percent of total US agricultural exports.

Increasing Imperialist Domination

The Agreement on Agriculture was effective in submitting the agriculture of the Third World to the needs of the TNCs and the interests of global imperialism. Third World economies were forced to open their markets for the surpluses of the imperialist countries.

This did not hamper their role as suppliers of cheap labor and raw materials. In fact, under the guise of “capitalizing on their comparative advantage,” they were persuaded to grow export crops that were marketable in the industrialized countries. Yet farmers who were able to make this conversion, were submitting themselves to increasing exploitation by landlords, foreign TNCs and the pro-imperialist factions of the local elite.

An assessment of the impact of the Agreement on Agriculture on 16 Third World countries by the Food and Agriculture Organization (FAO) confirms how hard their agriculture and poor peasants were hit. The most alarming finding was the general trend toward the concentration of land, marginalizing small farmers and increasing landlessness, unemployment and poverty.

For farmers land is a matter of life and death. Liberalization of agriculture, however, is encouraging the production of export crops, which is dominated by big corporations and not viable for most farmers. Small farmers are elbowed out of the market and have no other option but to cede their lands to big landlords and corporations.

The Agreement on Agriculture was also successful in undermining the food sovereignty of Third World countries, compelling them to import increasing amounts of subsidized surpluses from the US and EU. The FAO assessment observed that since the implementation of the Agreement on Agriculture, there was little change in the Third World countries’ agricultural export volume. Trade liberalization, however, has led to an almost instantaneous surge in food imports, with detrimental effects on the competing domestic sectors

The Demise of Philippine Agriculture

Philippine agriculture bears the imprints of almost 500 years of colonial and neo-colonial domination. Even prior to the Uruguay Round of GATT, Philippine agriculture was export-oriented, import-dependent and dominated by foreign, especially US, imperialism. This does not mean that the Agreement on Agriculture had little impact. It actually intensified the basic weaknesses of Philippine agriculture.

The Philippine government was proud to announce that it did not have to reduce or eliminate subsidies. Of course, this was only possible because the Philippine government did not have any substantial support for its domestic agriculture in the first place.

Instead, it bound any future government not to implement any agricultural subsidies that could boost the country's moribund agricultural sector.

Agriculture was restructured in line with the increasing liberalization of the sector through a set of other laws and policies like the Agricultural and Fisheries Modernization Act (AFMA) of 1997. For AFMA, "modernization" means the promotion of export crop production and incentives for foreign investors. The law even allows enterprises engaged in agriculture to import farm inputs and equipment without paying any tariffs and duties for a period of five years.

The current Estrada regime's 1999-2004 Medium-Term Philippine Development Plan claims that AFMA will "enable the sector to be dynamic, market-driven, readily accessible to improved technologies and internationally competitive" while transforming "sector stakeholders from subsistence producers to entrepreneurs."

This verbiage clearly exposes the government's intentions to intensify the export-oriented and import-dependent characteristics of Philippine agriculture. President Estrada is likewise pushing for constitutional changes in order to grant foreign corporations 100 percent ownership of land.

Serving Imperialist Interests

When the GATT Agreement on Agriculture was ratified, the government projected that agriculture would create 500,000 new jobs a year and additional gross value added worth P60 billion a year. Expectedly, none of these promises came true.

Due to the combined effects of government's implementation of the Agreement on Agriculture and other agricultural policies, the Philippine markets were flooded with agricultural imports. In 1994, the Philippines became a net importer of agricultural products, posting a \$42 million agricultural trade deficit. The deficit almost quadrupled to \$150 million in 1995. In 1996 and 1997, it reached \$789 million and \$764 million, respectively.

Although the local production of rice, the staple food of most Filipinos and the country's prime agricultural produce, was sufficient to meet demand, an increasing amount of rice was imported. Rice imports peaked at 2.2 million metric tons in 1998, almost 40% of local production. With 35 percent of total value, rice was the most important agricultural import product that year.

A comparison between the top ten agricultural imports and exports shows that imports were generally increasing while exports stagnated or went down. The big losers among the export products are sugar, pineapple, coffee, copra and abaca. Import growth was significant for cereals, fertilizers, dairy products, animal feeds, coffee, fish, meat, vegetables & fruits and vegetable oil & fats. For example, from 1993 to 1998, corn imports swelled by about 500 times, beef imports by almost four times, and pork 164 times.

Local production, on the other hand, was growing at a measly annual average of 0.23 percent from 1994 to 1998. The production of corn, sugar, peanut, tomato, cabbage, coffee, cacao and camote (sweet potato) steadily declined. In 1998, rice and corn, the two major staple crops, hit their lowest production figures since 1987 and 1984 respectively.

The same phenomenon occurred in the fisheries sector. There is a rising trend in importation of cheap fish while local production is dwindling. As a result, local fishermen are losing their means of livelihood.

Predictably, the US was one of the countries that took advantage of the Philippine markets. The country entered the top 15 agricultural importers from the US in 1994, with imports amounting to \$577 million. By 1996, the Philippines imported already \$852 million of US agricultural goods. Even in 1998, at the height of the economic crisis, the Philippines still imported \$715 million worth of US agricultural products.

Intensifying feudal exploitation

Since the implementation of the Agreement on Agriculture and the country's submission to the WTO, the living conditions of the Philippine peasantry worsened. Even the government admits that the total number of rural poor families increased by about 300,000 between 1994 and 1997.

The liberalization of the economy has increased production costs, thus affecting productivity and farmers' incomes. Especially the prices of seeds and fertilizer rose substantially. This is a direct result of the Philippines' import dependency as foreign agribusiness TNCs are able to charge artificially high prices because of their monopoly position. The domestic price of urea, for example, is on a five-year average 73 percent higher than its world price.

While farmers are paying higher prices for their farm inputs, they have to sell their produce at prices that are depressed by the monopoly position of big traders (like the rice cartel, known as the Big Seven) or food processing conglomerates. Cheap, subsidized imports from the industrialized countries are now pushing the prices even lower.

That the past and present agrarian reform programs have failed to give land to the landless is widely known. The current trend, however, is the reconcentration of land in the hands of landlords and corporations. Increasing landlessness is the result.

Any remaining hope on real land distribution was cynically undermined by the Estrada administration when it embraced the "corporate scheme" of land reform as applied to one of the properties of Danding Cojuangco, a notorious landlord and former Marcos crony. This "corporate model" does not even come close to actual land distribution as it transfers land ownership to a corporation that is controlled by landlords or agribusiness conglomerates.

These developments have driven more and more small peasants from their lands, depriving them of their livelihoods. Seven hundred thousand jobs in agriculture have been lost since 1996, raising official rural unemployment statistics to 1.3 million in 1998. An increasing proportion of peasants is forced to work as farm workers on landlords' farms and plantations, often earning as low as 60 to 90 pesos per day.

To make a long story short, the liberalization of agricultural trade under the WTO and the Agreement on Agriculture has worsened the basic weaknesses of Philippine agriculture. More than ever it is drawn away from the needs of the people, prioritizing export production while it is dependent on imported technology. Consequently, Philippine agriculture is rapidly plunging in an ever deepening crisis while Philippine food security becomes completely dependent on imported agricultural products.

For the peasant masses, feudal exploitation has worsened. An increasing number of peasants is landless and, more than ever, the peasants are living at the mercy of landlords and monopoly corporations. The concentration and monopolization of land, credit and trade have reached unprecedented levels and are taking the small farmers in an ever tightening stranglehold.

Peasants Resist Imperialist Globalization

With this reality in mind, it is not surprising that intensifying exploitation and domination is spurring peasant protest. In the Philippines, the landless and small farmers are organizing themselves in local people's organizations. With the help of the provincial and regional chapters of KMP, these organized peasants are studying the root causes of their dismal situation and discussing actions and alternatives.

Last October 21, 1999, an estimated 80,000 Filipino farmers affiliated with KMP protested against feudal exploitation and imperialist globalization and voiced out their clamor for land in nationally coordinated protest actions. Thousands of farmers, many of them women, from as far as Isabela and Mindoro came to Manila riding jeepneys and trucks and holding protest rallies in the towns and cities on their three-day journey. They denounced the Estrada government's plan to grant 100 percent foreign ownership of land and called for genuine land reform. KMP is planning similar actions in June and October this year.

An important issue in the national campaigns is the increasing monopoly control of foreign TNCs on Philippine agriculture. KMP will kick off an international campaign against agrochemical TNCs on April 4, the 40th anniversary of the Philippines-based International Rice Research Institute (IRRI), one of the driving forces behind the TNC takeover of agriculture. Several Philippine and international organizations have already committed their participation.

At the local level, provincial and regional chapters of KMP are spearheading campaigns and protest actions in support of the interests of the small farmers. In Hacienda Looc in the province of Batangas, for example, 10,000 farmers and fisherfolk are refusing to make place for a real estate project that would turn fertile agricultural lands into a tourist paradise for the rich. There are also the more than 300 peasant families who defend their claims on a portion of the former Clark US Airbase in Pampanga they are already tilling for years. In Bukidnon, Mindanao, 1,000 peasant families are resisting eviction from the government-owned lands of the Central Mindanao University.

The local chapters of KMP are also actively implementing alternative agricultural practices to advance their cause. Land distribution is being implemented wherever possible and idle lands are occupied to make them fertile. In many instances, organized farmers resolutely choose to plant food crops instead of cash crops for export and revive indigenous practices that are harmless for the people and the environment.

These manifestations of opposition and protest often face harsh repression by the Philippine government and local potentates. In the countryside, the Estrada administration is implementing Oplan Makabayan, a counterinsurgency plan that targets armed rebels who defend the cause of the poor as well as farmers who are expressing their opposition by peaceful means. Just ten days ago, for example, two farmers who are active members of the local KMP chapter in Hacienda Looc were mercilessly killed by armed goons of the landgrabbing real estate company. And only yesterday, a staff member of KMP's national office was detained together with a priest, a pastor and other activists while they were joining a peaceful picket of striking workers.

The principal demand of the Filipino peasantry is the implementation of genuine agrarian reform as a means of fulfilling the basic needs of the farmers. Under the current neocolonial conditions in the Third World, however, this struggle against feudal bondage is tightly linked with the struggle against imperialist globalization.

Therefore, we are linking arms with anyone who is opposing the advance of imperialist globalization while we welcome any support for the struggle of the organized peasantry. We are very fortunate that we have always been able to count on peasant advocates in the church sector. An increasing number of individuals, churches, congregations and parishes are now supporting the struggle of the peasantry for genuine land reform and against eviction from the lands they till.

An expression of this church support for peasant issues was the Church-Peasant Conference that was held in June 1997. The theme "Strengthen Church-Peasant Solidarity for Genuine Agrarian Reform" aptly captures the spirit that transpired during this gathering of more than 150 participants from various churches, denominations and congregations.

The solidarity of the church sector went beyond words. When thousands of farmers were hit by flash floods last year, for example, the National Council of Churches supported KMP's "Balik Tanim" (Replanting) Project that enabled them to recover a part of the losses they incurred.

Last July, 1999, the National Ecumenical Jubilee 2000 Conference issued resolutions calling for freedom from feudal bondage, for the scrapping of the Agriculture and Fisheries Modernization Act of 1997, and for the exclusion of agriculture of the WTO. Also the 15th General Assembly of the Ecumenical Bishops Forum expressed its support for the peasant struggle for land.

The solidarity between the church sector and the peasantry is also one of the cornerstones of "Stand for Land," the Solidarity Network in Defense of Land. This alliance of professionals, church people and other peasant advocates was launched last October to support the peasant struggle for land and to oppose the government's plans to grant foreigners full ownership of Philippine lands.

These and other acts in support of the peasants' cause are boosting their morale and resolve in their quest for justice, freedom, peace and democracy. Therefore, we call on the church sector to strengthen their links with the small farmers through church-peasant support networks and specific church programs in support of farmers' issues and problems. Tighter solidarity between the sector of the church and the peasantry would greatly advance our opposition to feudal exploitation and imperialist domination.