

# REBOLUSYON

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of the Central Committee  
of the Communist Party of the Philippines

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**ON THE QUESTION OF STAGES  
IN THE PHILIPPINE REVOLUTION**

**THE CHARACTER OF PHILIPPINE SOCIETY  
AND THE TWO-STAGE REVOLUTION**

**SOCIAL INVESTIGATION:  
SOUTHERN TAGALOG 1994  
THE CONDITIONS OF THE MOST EXPLOITED  
AND OPPRESSED CLASSES AND SECTORS**

**NEOFASCISM AND REACTION**

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## CONTENTS

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*Editorial Article:*

**On the Question of Stages in the Philippine Revolution..... 1**

*Correspondence:*

**The Character of Philippine Society  
and the Two-Stage Revolution..... 17**

By Bagani Dong-ilay

**Social Investigation: Southern Tagalog 1994  
The Conditions of the Most Exploited  
and Oppressed Classes and Sectors..... 25**

Excerpts from the General Summing-Up  
of the Southern Tagalog Regional Party Committee

**Neofascism and Reaction..... 79**

By the International Department  
of the Communist Party of the Philippines

**In Commemoration of the 100th Death Anniversary  
of Engels..... 84**

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## ON THE QUESTION OF STAGES IN THE PHILIPPINE REVOLUTION

### Editorial Article

In line with the rectification movement, we need to clarify the national-democratic and socialist stages of the Philippine revolution and deal with an array of wrong notions about these. In this regard, we also wish to deal with certain particular passages in Comrade Renmin Malaya's article which appeared in our last issue as well as those in Comrade Bagani Dong-ilay's letter reacting to it, which appears in this current issue.

The Program for a People's Democratic Revolution and Comrade Amado Guerrero's *Philippine Society and Revolution* set forth the national-democratic and socialist stages of the Philippine revolution in accordance with Marxism-Leninism. The character of the current stage of the Philippine revolution is national-democratic in correspondence to the semicolonial and semifeudal character of Philippine society. The perspective of this stage is socialist. In other words, it looks forward to the stage of socialist revolution and prepares the conditions and factors for it.

### WRONG NOTIONS ABOUT THE TWO STAGES

Since the late '70s, however, certain wrong notions about the character of Philippine society and the two stages of the Philippine revolution have circulated within the Communist Party of the Philippines (CPP). Most conspicuous was the notion that the U.S.-Marcos fascist dictatorship had industrialized and urbanized the Philippines to the extent that it was no longer semifeudal (in fact, semifeudalism was deepened as the big compradors and landlords thrived under the U.S.-Marcos economic policy dictated by the IMF and World Bank) and that the ongoing national-democratic revolution will lead to a national-democratic society rather than to a socialist society.

The wrong notion of building a "national-democratic society" as the goal of the national-democratic revolution was most widely disseminated within and outside the Party in the form of a draft proposal for the "New Katipunan", which aimed at recycling the old national-democratic revolution under the leadership of the bourgeoisie.

liquidating the leadership of the proletariat in the united front and putting the people's army and the local organs of political power under the leadership of a united front organization called "New Katipunan" rather than under that of the CPP.

The pretext was to attract more people into the united front by pleasing the anti-Marcos reactionaries, downplaying and laying aside the leadership of the proletariat, misrepresenting the current united front in the new-democratic revolution and the democratic coalition government in the prospective socialist revolution as frameworks for negating the class leadership of the proletariat and in essence preempting the dictatorship of the proletariat and doing away with the socialist perspective, despite lip service to it.

The goal of building a "national-democratic society" undermined the socialist perspective of the Philippine revolution. It is akin to Liu Shaoqi's notion of "consolidating the national-democratic revolution" after the victory of the Chinese new-democratic revolution in 1949. Refuting the slogan "Firmly establish the new-democratic social order" put forward by Liu and others, Mao in 1953 stated: "That is a harmful formulation. In the transition period, changes are taking place all the time and socialist factors are emerging every day." There is also the related wrong notion that a break or transition period separates the national-democratic stage from the socialist stage of the Philippine revolution. Implicit or explicit is the notion that capitalism is to be developed fully or indefinitely before socialism is possible.

All the foregoing wrong notions fail to grasp the principle that the national-democratic revolution under the leadership of the proletariat is a process of building the people's army and other instruments of political power in the hands of the revolutionary party of the proletariat, destroying the semicolonial and semifeudal system and overthrowing the comprador big bourgeoisie and the landlord class. The new-democratic revolution is basically completed upon the nationwide overthrow of the reactionary classes and lays the ground for the socialist revolution. In advancing from the national democratic stage to the socialist stage of the Philippine revolution, the proletariat through the CPP wields the people's army and other components of state power and thus guarantees the basic conditions for starting the socialist revolution under the requisite class leadership of the proletariat.

The "Left" opportunists who espoused urban insurrectionism and militarism and the Right opportunists who directly pushed the concept

of the "New Katipunan" and the line of making the urban-based legal struggle the principal form of struggle shared the view that Philippine society was no longer semifeudal and that there was the need to deviate from the strategic line of protracted people's war in the new-democratic revolution. While outwardly they appeared not to accept or were indifferent to the concept of the "New Katipunan", the "Left" opportunists considered national liberation fronts, led by the radical anti-imperialist petty bourgeoisie and by the "comandantes" in Nicaragua and El Salvador, as the model for overriding the class leadership of the proletariat and the Party.

The most unabashed Rightists who have exposed themselves outside the Party as revisionists, bourgeois populists, anticommunist "socialists" or liberals, conjoin on the notion that Philippine society is no longer semifeudal. They differentiate themselves from the "Left" opportunists within the Party by explicitly pushing the notions that the national-democratic revolution can dispense with the vanguard role of the proletariat and that the society resulting from such a revolution will have nothing to do with a proletarian dictatorship but will put the components of state power in the hands of the exploiting classes and will promote a "mixed economy" to develop capitalism fully and indefinitely before socialism can arise.

Currently, the Rightists who receive funds from imperialist agencies for building anticommunist "nongovernmental organizations" spread the propaganda that a "civil society" is impossible under the proletarian-socialist state and that it is attainable only under bourgeois-democracy through an indefinite series of reforms within the trisectoral neocolonial framework of the bourgeois state, big business and foreign-funded NGOs run by petty-bourgeois hustlers.

There is also the "Left" and Trotskyite notion continuously circulated by Filemon Lagman that Manila-Rizal is a city already ruled by an industrial big bourgeoisie rather than by the comprador big bourgeoisie and that therefore the socialist revolution can be undertaken immediately in the region as well as in the entire country. It speaks of a national-democratic revolution as a secondary aspect or tactic of the socialist revolution in the current situation. There is the failure to grasp the principle that socialism cannot commence without the national-democratic revolution being basically completed through the overthrow of the comprador big bourgeoisie and the landlord class and, therefore, ending the semicolonial and semifeudal conditions.

Failing to leap into socialism through urban insurrectionism as early as 1988, the Lagman gang has become even more hostile to the line of new-democratic revolution and protracted people's war. It has exposed itself as an anticommunist Trotskyite group. Currently, it is further degenerating as a holdup gang and as a tool of reactionary politicians.

Because of the long period during which wrong notions about the two stages of the Philippine revolution have circulated without being criticized and repudiated, even some comrades who are committed to the rectification movement and who take a generally correct position fall into making some wrong or imprecise statements such as that under national democracy, competitive capitalism is the dominant mode of production even as it is a transitory stage, thus a "freak" situation so-called follows the national-democratic revolution (Renmin Malaya) or that the socialist revolution proceeds from conditions of semicolonialism and semifeudalism (Bagani Dong-ilay).

## THE TWO STAGES IN THEORY AND PRACTICE

Let us go as far back in history as possible to trace the origin of the theory of the two-stage revolution. In his time, Marx said that for the German revolution to resurge and advance, a second edition of the peasant war was needed. The antifeudal democratic revolution must be carried out before the socialist revolution can begin in a country where feudalism persists. At that time, feudalism persisted in extensive areas of Germany amidst the burgeoning industrial capitalist revolution.

The theory of the two-stage revolution gained importance when the focus of bourgeois-democratic revolutions shifted to the East in the first decade of the 20th century, after these were basically completed in the West at the end of the 19th century. Lenin observed the trend in the 1905 revolution in Russia and the revolutionary ferment in China, Turkey and elsewhere.

In *Two Tactics of Social Democracy*, Lenin elaborated on the proposition of Marx about the need for an antifeudal democratic revolution where feudalism or any considerable remnant of it persists and further explained that the proletariat must carry out the tasks of the bourgeois-democratic revolution before it can carry out those of the socialist revolution. Indeed, the February bourgeois-democratic revolution came ahead of the Great October Socialist Revolution in 1917 in Russia where islands of industrial capitalism were surrounded by the ocean of feudalism and medievalism. The proletariat could

prevail over the reactionaries and foreign interventionists only by building its alliance with the peasantry through the nationalization of land and land reform.

In consonance with Marxism-Leninism, Mao further clarified in theory and practice the two stages of the Chinese revolution under proletarian leadership. The first stage is the bourgeois-democratic revolution which puts an end to semicolonialism and semifeudalism. The second stage is the socialist revolution. The Chinese Communist Party had to carry out and complete the bourgeois-democratic revolution, which had won victory in 1911 but which had been subsequently betrayed and defeated.

Mao owes to Marx and Lenin the theory of the two-stage revolution. His great originality lies among others in developing the theory and strategic line of protracted people's war for carrying out the new-democratic revolution. Upon the establishment of the People's Republic of China, signifying the nationwide defeat of semicolonialism and feudalism, the socialist revolution could start even as certain transitory measures were adopted, including the full implementation of such a bourgeois-democratic measure as land reform and concessions to the middle and petty-bourgeoisie.

The two stages of the Chinese revolution are distinct but continuous. There is no break or transition period keeping the two stages apart, if the first stage under the leadership of the proletariat is truly victorious. Under such a class leadership, the democratic revolution becomes one of a new type and is different from the old type led by the bourgeoisie. The victory of the new-democratic revolution provides the conditions for the hegemony of the proletariat and the building of socialism. It is not for building capitalism in the main and certainly not making it dominant in a "national-democratic society".

Like the successful democratic revolution of the old type, the new type puts an end to feudalism but in the entire process it involves the following: the class leadership of the proletariat over other democratic classes and strata, the absolute leadership of the proletarian revolutionary party over the people's army as the main component of state power as well as other components of state power such as the police and courts, and the socialist perspective in the context of the world proletarian-socialist revolution.

The factors and conditions for launching the socialist revolution in the future are developed in the course of the new-democratic revolution.

The new-democratic revolution, with its definite anti-imperialist and antifeudal content, is a preparation for the socialist revolution. Upon the nationwide seizure of political power, the new-democratic revolution is basically completed and the socialist revolution can begin because semicolonialism and semifeudalism are ended. It is not correct to say that socialism can proceed from semicolonial and semifeudal conditions. These are ended precisely by the national-democratic revolution. The old social relations dominated by the comprador big bourgeoisie and the landlord class are cast away.

The overthrow of semicolonial and semifeudal rule is the main task of the new-democratic revolution. When this task is accomplished, the new-democratic revolution is basically completed. The completion of this task is the precondition for the start of the socialist revolution, notwithstanding the fact that within the context of the socialist revolution, particularly in its early period, some transitory bourgeois-democratic measures still need to be carried out, with due consideration given to the positive role that the middle- and petty-bourgeoisie can play in the quickest possible rehabilitation and reconstruction of the country after the civil war and in the development of the productive forces from the given level.

The nationwide seizure of political power by the proletarian revolutionary party, the people's army and the entire people means the overthrow of the semicolonial and semifeudal joint dictatorship of the comprador big bourgeoisie and the landlord class and the coming to power of the people's democratic dictatorship of the patriotic and progressive classes and strata under the leadership of the working class and on the basis mainly of the worker-peasant alliance.

In exercising leadership, the proletarian revolutionary party decides the line and policies of the state and yet consults with its allies in the united front through the people's consultative conference. It directs the civil government on the basis of multiparty support or support of all the patriotic classes and strata. It leads and controls such components of state power as the army, police and the courts. The proletarian dictatorship is in fact at the core of the broad form that it takes, which is the people's democratic state or coalition government.

There is a difference and a dialectical relationship between the broad form of the people's democratic state or coalition government and the proletarian dictatorship at its core. While it is correct to say that the people's democratic dictatorship is not exclusively or purely the



proletarian dictatorship, it does not mean that the latter does not exist within the former. In fact, the proletarian dictatorship at the core governs the people's democratic state and is exercised against any counterrevolutionary element or force that tries to oppose or liquidate the class leadership of the proletariat. The people's democratic state is neither a denial of the proletarian dictatorship nor a license for allowing any bourgeois stratum to subvert and overthrow the hegemony of the proletariat in the revolution.

The proletarian dictatorship in its most concentrated form (the proletarian party leading the people's army and other components of state power) prevents any bourgeois stratum from contesting the class leadership of the proletariat and ensures the commencement and development of the socialist revolution. It guarantees the class leadership of the proletariat in the process of socialist revolution, undertakes the suppression of counterrevolutionaries and guarantees the full democratic participation of the people. The communist party resolutely exercises the dictatorship of the proletariat to continue fighting and defeating the enemy and guarantee the success of the socialist revolution.

While the imperialists, the comprador big bourgeoisie and landlord class are dispossessed of political power and prohibited from owning the means of production and exploiting the people, the new state pursues the policy of utilizing, restricting and transforming the middle- and petty-bourgeoisie. Their bourgeois legal rights are retained but are regulated, restricted, subordinated to and made to serve the socialist policy of the state. These are steadily reduced in stages and ultimately eliminated.

Under the people's democratic state, which may also be called a socialist state because the proletarian dictatorship is the engine or determinant core, the socialist sector of the economy immediately comes into force and effect with the state's full control of the entire economic and financial system and with the nationalization and conversion into state ownership and control of the assets of foreign monopolies, the bureaucrat capitalists and traitors. These assets include those in the strategic industries, the large mechanized farms, the main sources of raw materials and the main lines of distribution. These constitute the dominant sector and determine the socialist character and direction of the entire economy. These constitute the initial foothold for building the socialist economy.

Mao pointed out that the time between the founding of the People's Republic of China and the basic completion of socialist transformation is a period of transition and that the Party's general line or general task for the transition period is basically to accomplish the country's industrialization and the socialist transformation of agriculture, handicrafts and capitalist industry and commerce.

### **TRANSITORY MEASURES OF A BOURGEOIS-DEMOCRATIC CHARACTER**

Smashing the bureaucratic and military machinery of the old state power means defeating and dissolving the main component of state power, suppressing the counterrevolutionaries and immediately replacing the pro-imperialist reactionary leadership with the proletarian revolutionary leadership in civil agencies, institutions and organizations and reorganizing these civil entities or replacing them with appropriate ones within a reasonable period of time after the seizure of political power.

In the early years of the socialist state, it is simply impossible for communists all by themselves to take the place of all the administrative personnel of the overthrown state and all the personnel of economic, social and cultural institutions. To try to do so is to actually sabotage the socialist revolution and prevent the consolidation of the socialist state, the revival of the economy and healing of the wounds of war.

Any ultra-Left campaign of dismissing people from their middle- and low-level jobs and punishing them on criminal charges of counterrevolution for simply having served the old regime is harmful to the newly established socialist society. In the first place, prior to the victory of the new-democratic revolution, a large mass of ordinary personnel in the institutions of the old regime shall have become integrated in the revolutionary mass movement. The proletariat has to avail of the support of the democratic united front in order to organize the socialist state and other institutions.

The need for a large increase in membership of the proletarian party becomes urgent after the seizure of political power in order to advance to socialist revolution and construction. However, adopting a loose policy of admitting an avalanche of applicants into the revolutionary party without undergoing revolutionary education and tempering through struggle is harmful to the socialist revolution. There must be vigilance, revolutionary education, definite correct standards and

practical tests, especially in dealing with the experts, bureaucratic personnel and intelligentsia of the old regime.

Owning and controlling the commanding heights of the economy, the socialist state can plan and direct the development of the entire economy along the line of socialist revolution and construction. Such bourgeois-democratic transitory measures as land reform and concessions to middle and petty producers are subordinate to socialist policy and bourgeois rights are subject to immediate restriction, including the prohibition of private monopolies and preemption of capitalism from becoming dominant in society. The productive assets owned by the middle and petty producers are subject to basic socialist transformation in due time.

After nationwide distribution of the land to the peasants, rudimentary cooperation is immediately undertaken and cooperativization and mechanization of agriculture can follow and are carried out in stages. The state farms and advanced cooperative farms demonstrate to all the peasants the superiority of socialist agriculture. As soon as possible, the agricultural cooperatives as one more form of public ownership in a big way augment and reinforce the socialist character of the entire economy. Relatedly, the state-owned industries are expanded and developed to accommodate those who leave the farms. The private enterprises and the joint state-private enterprises steadily undergo basic socialist transformation.

A well-balanced development of the economy is undertaken. Industry is the leading factor and agriculture is the base of the economy. The latter guarantees the food and the raw-material requirements of industry. While heavy and basic industries must be built to make a sound industrial foundation, light industry is developed quickly to serve the needs of the people and accelerate capital accumulation.

For some period of time, the state can allow the private enterprises of the middle and petty bourgeoisie. But all these are subordinate and subject to the line of socialist revolution and construction. Insofar as a capitalist sector is allowed to exist, it is controlled and regulated by the people's government and is linked with the state-owned socialist economy in various forms and is supervised by the workers. The capitalist sector is of a new type. It is allowed to exist not mainly to make profits for the capitalists but to meet the needs of the people and the state.

Only about one-fourth of the profits goes to the capitalists and three-fourths go to the welfare fund of the workers, to the state in the form of taxes and to the capital reproduction fund. In one period, the private entrepreneurs can collect profits on their investment. In the subsequent period, they can collect fixed interest. Ultimately, they shall no longer be allowed to do so. The ultimate destination of the amount of capitalism permissible in the early period of socialism is public ownership and elimination of class exploitation.

In the early period of the socialist revolution and construction, it is a wise and scientific policy as demonstrated by Lenin, Stalin and Mao to adopt transitory measures of a bourgeois-democratic character within the dominant socialist framework. Land reform must be carried out in order to give full play to the revolutionary participation of the peasantry, strengthen the worker-peasant alliance and lay the basis for cooperativization and mechanization. Concessions are given to middle- and petty-bourgeois producers to prevent disruptions in the economy, keep production running, accumulate capital and thereby gain time for developing the revolutionary cadres and Red experts who shall together with the masses advance the process of converting the means of production to public ownership.

To adopt measures of a bourgeois-democratic character, allowing the owner-cultivators and the petty- and middle-bourgeois producers to make positive contributions in building a socialist society at its early stage, does not mean bringing about a "freak" situation. Failure to adopt such transitory measures will lead to a breakup of the alliance of the proletariat with the peasantry and with the petty and middle bourgeoisie, disrupt production, cause unnecessary economic suffering and provoke anticommunist social unrest and even turmoil. A transition period may be spoken of insofar as transitory measures of a bourgeois-democratic character are contained in the general process of socialist transformation.

In the Soviet and Chinese revolutionary experience, the Leninist policy of buying off the middle and petty bourgeoisie allows the proletariat to eliminate first of all the political and economic power of the big bourgeoisie and the landlord class, consolidate the proletarian dictatorship and draw competent assistance to the great mass of workers and peasants. Concessions to the national bourgeoisie and the rich peasants for a certain period of time allow the proletariat and the

worker-peasant alliance to consolidate their revolutionary gains and to deliver the main blow at the big bourgeoisie and the landlord class.

The "Left" opportunist wishes to socialize the ownership of everything at one fell swoop, antagonizing allies of the proletariat and losing their support. The Right opportunist wishes to indefinitely prolong the transitory bourgeois-democratic measures even after these have outlived their purposes and thereby allow the bourgeoisie to regenerate and accumulate economic and political strength.

Stalin defeated the "Left" opposition and pursued Lenin's New Economic Policy, which gave concessions to the middle- and petty-bourgeois producers (including the rich peasants and traders) within the socialist framework. Subsequently, he pursued full-scale socialist industrialization and collectivization and mechanization of agriculture and defeated the Right opposition headed by Bukharin who wished to prolong the New Economic Policy indefinitely.

Guided by the theory and practice of Lenin and Stalin, Mao pursued the reconstruction and basic socialist transformation of the Chinese economy, with temporary concessions to the middle- and petty-bourgeois producers. Subsequently, he carried out the Great Leap Forward in every sector of the economy and defeated the Chinese Bukharinites who wished to prolong and enlarge the concessions applicable in the 1949-1956 period.

The grant of concessions to the middle- and petty-bourgeois producers and keeping them under restriction in both the Soviet Union and China in the early period of socialism, involved the correct handling of contradictions among the people, that is between the proletariat and these social strata. Whereas the contradiction of the proletariat with the big bourgeoisie and the landlord class is antagonistic, that with the petty and middle bourgeoisie could be kept nonantagonistic, thus allowing them to make positive contributions even as their bourgeois rights are increasingly restricted towards being ultimately eliminated.

## **MAIN CONTRADICTION IN SOCIALIST SOCIETY**

The persistence of the petty and middle bourgeoisie in early socialist society means that the bourgeoisie is not totally dissolved and has a material basis for regeneration. By keeping in mind this fact alone, one is able to understand that the main contradiction in socialist society is that between the proletariat and the bourgeoisie. In 1952, Mao criticized the head of the United Front Work Department of the CPC Central

Committee for describing the national bourgeoisie as an "intermediate class". He stated categorically, "With the overthrow of the landlord class and the bureaucrat-capitalist class, the contradiction between the working class and national bourgeoisie has become the principal contradiction in China; therefore, the national bourgeoisie should no longer be defined as an intermediate class."

According to Mao, this contradiction is one between the exploiter and the exploited and is by nature antagonistic. But if properly handled, it can be transformed into a nonantagonistic one and resolved by peaceful methods. Unlike the big bourgeoisie and the landlord class in semicolonial and semifeudal society, which wielded the coercive instruments of state power and exercised a joint class dictatorship against the people, the national bourgeoisie in the early period of socialism does not wield such instruments and is required to follow the socialist policy of the state. The national bourgeoisie can be dissolved in socialist society by legal and peaceful means, including tax policy, abolition of bourgeois inheritance laws and outright removal of bourgeois property rights.

Even after the legal and economic dissolution of all strata of the old bourgeoisie, the ideological, cultural and other influences of the domestic and international bourgeoisie will persist in socialist society, penetrate the party, state and economic enterprises, encourage the formation of a new bourgeoisie and undermine the rule of the proletariat. The revolutionary proletariat must recognize the problems related to these and must solve them. In 1962, Mao warned strongly against the development of the new bourgeoisie in the bureaucracy and intelligentsia. He was mindful not only of the open Rightist attacks in the past but also of the persistently more subtle Rightist attacks on the line of socialist revolution and construction.

As Lenin pointed out, socialism entails a long historical epoch. After being dispossessed of power and wealth, the bourgeoisie increases its resistance so many times more with all kinds of weapons and with the assistance of the international bourgeoisie. The bourgeoisie can motivate and activate as its counterrevolutionary agents certain elements and sections of the bureaucracy and intelligentsia and can manipulate the basest instincts of greed and selfish interest as well as the old ideas, beliefs, habits and customs carried over from the past in vestigial institutions and in the social psychology of the people.

Because it includes noncommunists and even hidden anticommunists, the socialist state is vulnerable to the germination or penetration of unhealthy trends from the domestic and international environment. Even the revolutionary party of the proletariat is vulnerable to these if it weakens its grasp of Marxism-Leninism and is not vigilant and militant. It is pure idealism to think that this party is always immune to adverse influences from the outside. As a matter of course, there is always two-line struggle, ever developing and varying in intensity at various times.

In the history of the world proletarian-socialist revolution, what has proven to be the deadliest opponent of socialism and the proletariat is the new bourgeoisie developing within the ruling proletarian party, the socialist state, the economic enterprises and cultural institutions. In the course of revising the basic principles of Marxism-Leninism, this new bourgeoisie pushes prematurely the proposition that "the proletariat has accomplished its historic mission", that the proletarian dictatorship has become passe, or that the "class struggle is dying out" and misrepresents — as the essential way to socialism — such transitory measures of the past as those in Lenin's New Economic Policy and similar concessions in China to the middle and petty bourgeoisie in the course of reconstruction and the basic socialist transformation.

To undermine and destroy socialism in the Soviet Union, the revisionist renegades retrogressed to Lenin's New Economic Policy and invoked it in order to rationalize their "reforms" for restoring capitalism. The Chinese revisionist renegades have also used the tactics of adopting retrogressive capitalist-oriented "reforms", misrepresented as drawn from the 1949-1956 period, in order to initially undermine socialism and subsequently go full speed at restoring capitalism and opening up to the imperialists. They consider Mao perfectly good up to 1949, with the arrogant qualification that even up to then he had no personal achievement distinct from the collectivity, that he progressively lost merit as he pushed socialist revolution and construction from stage to stage and that he ended up as a total disaster with the Great Proletarian Cultural Revolution from 1966 to 1976.

In socialist society, the main contradiction is between the proletariat and bourgeoisie for an entire historical epoch. The proletariat can keep society socialist and win greater victories in socialist revolution and construction only by grasping the class struggle as the key link in the mode of production and the superstructure and in the dialectics of these

two. The victory of modern revisionism and the actual restoration of capitalism after the death of Stalin and Mao are indubitable proof that within socialist society the bourgeoisie continues to exist and is always preparing to impose itself on the proletariat and the people.

It is not enough to overthrow by force the imperialists and local exploiting classes, dissolve the entire old bourgeoisie by legal and administrative means, expand production in every sphere of the economy and increase professional and technical training. It is also not enough to interpret the class struggle as simply one between imperialism and the people, look out only for the local agents of imperialism and stress efficiency and material incentives among the bureaucrats, intelligentsia, the peasants and workers. It is necessary to put proletarian revolutionary politics in command, to recognize the danger of revisionism within the proletarian party and capitalist restoration within socialist society and to revolutionize continuously not only the mode of production but also the superstructure through class struggle by the proletariat.

Not to continuously wage the proletarian class struggle within socialist society is to allow the bourgeoisie to reemerge as the ruling class and promote modern revisionism, bureaucrat capitalism and all-round capitalist restoration. The new bourgeoisie — in combination with the remnants of the old bourgeoisie and with the international bourgeoisie — first engages in ideological subversion of Marxism-Leninism and take the guise of an intelligentsia and bureaucracy, pretending to be classless or above classes, before it conspicuously appears bourgeois, seizes political power and conspicuously casts away the socialist policies of the ruling party and state under the pretext of bringing about socialist progress or even communism through sheer expansion or modernization of productive forces in terms of sheer economic catching up, competition or collaboration with the capitalist countries.

So far in the history of mankind, Lenin, Stalin and Mao were the best able to demonstrate on a large scale that socialist revolution and construction can be carried out, with astoundingly great victories against imperialism and all reaction. However, even in the time of these great communists, the old and new bourgeoisie found ways of biding their time and preparing for the restoration of capitalism. Thus, modern revisionism emerged and was able to seize political power in the Soviet Union in 1956 and in China in 1976.



It is to the great credit of Mao that he was able to keep China socialist from 1956 to 1976, even after the Soviet Union came under the sway of modern revisionism. He was able to study, criticize and repudiate modern revisionism, resist the homegrown Rightists and the strong Soviet revisionist influence in the Party and state bureaucracy and ultimately work out the theory of continuing revolution under proletarian dictatorship in order to combat modern revisionism, prevent the restoration of capitalism and consolidate socialism.

Mao's greatest and most unique contribution to the development of scientific socialism is his theory and line that continuing revolution under proletarian dictatorship consists of revolutionizing the superstructure and letting this play the principal role over the mode of production and further revolutionizing the relations of production and letting it play the principal role over the forces of production. Previously, Stalin presumed that after the socialist relations of production are set, it was simply a matter of expanding the forces of production and using administrative means and security forces to keep the bourgeoisie domestically extinct and combat imperialism and its malevolent local agents.

Mao had the advantage of learning from the positive and negative lessons from Stalin's great pioneering work at socialist revolution and construction and confronting the revisionists that had started their career in Stalin's time. But like Stalin, despite all great achievements, Mao would come under attack in theory and practice by the Chinese revisionists who seized power and restored capitalism.

One lesson to learn from the experiences of Stalin and Mao is the need to deliver the blows accurately at the enemy in the exercise of proletarian dictatorship, dissolve the old bourgeoisie as a class, watch out for the rise of a new bourgeoisie, rely on revolutionary mass education and mobilization, raise up a great number of new proletarian revolutionary cadres and prevent anyone who has systematically espoused revisionist ideas from getting a share of power even when he says he is already repentant and reeducated.

In the face of the disastrous results of modern revisionism and capitalist restoration in the Soviet Union and China, Mao's great achievements in Marxist-Leninist theory and practice are incontrovertibly proven and shine ever brighter. Without Mao's criticism of modern revisionism, China would have succumbed to it much earlier like all camp followers of the Soviet Union and it would

now be difficult to understand the process of capitalist restoration in former socialist countries. Without his theory of continuing revolution under proletarian dictatorship and the initial practice of the great proletarian cultural revolution, it would now be difficult to have any historical experience and scientific basis for keeping the hope that communists will know better how to build socialism and defeat the bourgeoisie in their own country until imperialism is defeated on a global scale and communism is made possible by the international proletariat.

The development of the theory and practice of scientific socialism continues. The struggle of the proletariat and the people for socialism does not cease. The most compelling reason for this is the ever worsening oppression and exploitation of the proletariat and the people under the current conditions in which imperialism and all reaction run rampant. The new world disorder is generating not only the horrors of capitalism but the conditions for the global resurgence of the anti-imperialist and socialist movements.

In this forthcoming resurgence, the proletarian revolutionaries will benefit from the great victories and legacy of their great communist predecessors, learn the positive and negative lessons from their historical experience, combat revisionism even more sharply and effectively, learn better than ever before to build socialism and take advantage of the new situation.

## *Correspondence*

### **THE CHARACTER OF PHILIPPINE SOCIETY AND THE TWO-STAGE REVOLUTION**

**By Bagani Dong-ilay**

On the whole, Renmin Malaya's article argues well for the basic analysis of Philippine society as "semicolonial and semifeudal" and the corresponding political line of national-democratic revolution and protracted people's war. However, I would like to make a few comments to help tighten some loose ends, clarify some weak or inaccurate formulations, and perhaps invite some discussion on the concept of national democracy.

1. The first point that needs to be posed when analyzing the character of Philippine society is to locate it in the world capitalist system dominated by imperialism. In this world capitalist system, a few imperialist powers decide the fate of the majority of poor and backward countries, collectively called the third world. By economic might, not to speak of political and military power, these imperialist countries dominate and actually decide the fate of the countries of the third world which they have either divided among themselves or share as "spheres of influence" or as neocolonies.

One cannot overemphasize this basic truth because the opponents of our line — from the Lavaites to the present opportunist renegades — all fall into the error of either underestimating the decisive role of imperialism or else ascribing to it a benevolent role.

Renegade Popoy Lagman, for instance, asserts that not even imperialism can stop the development of local capitalism. According to him "the process of the development of capitalism — the dissolution of small-scale production, the concentration of property, etc., — will proceed and will continue, despite all the resistance of feudalism and the interference of imperialism, and through all these feudal remnants and imperialist interventions, as what is happening — gradually, not in a revolutionary way — in Philippine society". One need only point out to Popoy the not-too-rare phenomenon (in the dog-eat-dog competition among the capitalist giants) of one monopoly capitalist driving another monopoly capitalist to extinction and also that of monopoly capitalists

completely dominating and trampling underfoot the nonmonopoly capitalists of their respective countries. Why cannot the foreign monopoly capitalists trample underfoot weak, puny capitalists of poor and weak countries?

When we speak of the semicolonial character of Philippine society, we speak of the dominance of imperialism — specifically U.S. imperialism — economically, politically and culturally over Philippine society. The comprador big bourgeoisie which is more powerful than its ally, the landlord class, is merely a servant, running-dog and agent of foreign monopoly capital.

Foreign monopoly capitalism or imperialism determines the narrow limits within which local capitalism (and the whole economy for that matter) can develop. It has in fact confined the development of the Philippine economy to one which we characterize very precisely as semifeudal — a basically agrarian, backward and pre-industrial economy. In it the overwhelming majority of the people, the peasants, work under very backward conditions and suffer feudal and semifeudal exploitation and oppression from landlords and merchant capitalists. Industrial capitalism represented by the national bourgeoisie is very much underdeveloped; there are basically no industries to speak of. If industries exist at all, these are at the mercy of foreign monopoly capital which supply the machinery and intermediate goods needed as in light manufacturing. The big compradors — who are mainly commercial capitalists — serve as agents and junior partners of foreign monopoly capital in dominating the domestic commodity market and in perpetuating colonial trade or the export of raw materials and agricultural products and import of manufactures and semi-processed raw materials for local light manufacturing.

For as long as imperialism dominates and feudalism persists, the Philippine economy has no hope of developing into a modern industrial economy. Imperialism is interested mainly in capturing the domestic market. Together with the local comprador bourgeoisie, the foreign monopoly capitalists control the export of agricultural and mineral products and the import of manufactured goods, machinery and intermediate products. Foreign monopoly capital is not interested in, nor will it permit, real industrialization or the full development of native industrial capitalism in the country.

Popoy Lagman, Felipe Patricio and their kind engage in word play when they make false distinctions between semicolonial and semifeudal

as "description" and as "characterization" of the mode of production. We describe and at the same time characterize Philippine society as semicolonial and semifeudal.

When Marx and Engels propounded on the four social formations they came across in their study of the history of human society, they — at the same time — served warning that they were not saying that there could be no other social formations. The point to remember is to make a concrete analysis of actually existing social formations, using the scientific tools that they have handed down to us in order to discover the main character of such social formations. Essential to such an analysis is recognizing what are the existing classes — as these are determined by ownership of the means of production, the social organization of production and the distribution of the social product.

Under the rule of imperialism and the local comprador bourgeoisie, the most profitable economic activity is buy-and-sell. The country produces mainly agricultural and mineral products to be sold in the world market. The country buys manufactured consumer goods, and machinery and intermediate products necessary for the limited industrial production (light manufacturing) in the country. Local industrial production is not developed under their rule. Thus, the country remains poor and backward. It is not in the interest of imperialism to develop industrial production or industrial capitalism in the country. Why? Simply because they will lose a captured market for their surplus products. They will lose control of a source of raw materials for their industries. They will create one more competitor in the dog-eat-dog world of capitalist competition.

2. With regard to national democracy, Renmin Malaya says:

"We do away with the misconception that in the struggle for national democracy competitive capitalism will be encouraged to develop into full-blown capitalism, with its political and cultural superstructure. In national democracy, *competitive capitalism is the dominant mode of production even as it is a transitory stage* [Editor's emphasis]. However, the national bourgeoisie or the competitive capitalist class is not the dominant or ruling class. Moreover, the political and cultural systems of the transitional formation are not supportive of the capitalists, as in traditional capitalist society. These systems are designed to enable capitalist features to fulfill their transitory historic role and push socialist features articulated or arranged within the capitalist mode to their

destiny. In other words, national democracy is a 'freak' type of social formation. For which reason it is called so and not 'capitalism' or 'capitalist society'. It is in this sense that we say national democracy is a mixed economy. It is in its own right a social formation between semifeudalism and capitalism."

a. It cannot be said that after nationwide victory of the national-democratic revolution "competitive capitalism" will be the dominant mode of production. This will mean that a bourgeoisie — by whatever name it would call itself — will also be dominant in the whole economy, notwithstanding the qualifications that it will be "transitory" and that the superstructure will not be in the service of this so-called "competitive capitalism".

After victory, the people's democratic republic (a specific form of the dictatorship of the proletariat) will confiscate the assets and enterprises of the imperialists, the comprador big bourgeoisie, bureaucrat capitalists and landlord class. The state will take over the banks, the mines, telecommunications, power firms, the oil industry, in short all the strategic industries so that the state sector will take the leading role and the commanding heights of the whole economy. This is to ensure as Mao said that "private capital will not dominate the livelihood of the people". In a semifeudal economy, big capital — imperialist, comprador and bureaucrat — controls the lifeblood of the whole economy. With imperialist, comprador and bureaucrat capitalist property now held by the people's democratic state, the proletariat and all the laboring people would be in control of the whole economy.

It is true that the state will not confiscate all capitalist property and will allow the national bourgeoisie a place in the economy, insofar as they contribute to the development of the backward productive forces handed down by the previously existing semifeudal economy, in providing employment and in the creation of social wealth. But the economic activity of the national bourgeoisie will not be allowed to play the leading or dominant role in the whole economy. And in accordance with the policy of redemption or buying out, the state will, with a clear-cut agreement with the concerned national capitalists, take over at the proper time the enterprises run by the latter and phase out their participation in joint state-private enterprises.

It is important to remember that the national bourgeoisie has a dual character — progressive and reactionary. With the proletariat in power, the progressive aspect of the national bourgeoisie can be harnessed to

serve socialist revolution and construction. But the national bourgeoisie will always want to develop capitalism to the full and herein lies its reactionary character. This is contrary to the interests of the proletariat and the toiling masses whose interests lie in the complete socialist transformation of the economy and the eradication of all the remnants of capitalism. The joint democratic dictatorship of the proletariat and the peasantry will see to it that this reactionary aspect of the national bourgeoisie is held in check.

Thus, the revolutionary government will use two methods for transforming capitalist property into public, socialist property. The policy of confiscation will be applied to big capital — foreign monopoly, comprador and bureaucrat. The policy of redemption or buying out will be applied to medium and small capital and assets — national-bourgeois, petty-bourgeois and enlightened landlord and rich peasant.

This is what Marx and Engels meant when they wrote in the *Communist Manifesto* that "the proletariat will use its political supremacy to wrest, by degrees, all capital from the bourgeoisie, to centralize all instruments of production in the hands of the State, i.e., of the proletariat organized as the ruling class".

The incorrect statement that competitive capitalism will be the dominant mode of production (and thus impliedly an economically dominant bourgeoisie) and the correct statement that it will not be the dominant or ruling class leads to the awkward conclusion that national democracy is a "freak" type of social formation.<sup>1</sup>

b. The problem seems to be in the understanding of the two-stage revolution. What are these two stages we speak of? Where does one begin and end, and where does the other start and end?

<sup>1</sup> As things now stand in the current national-democratic stage of the Philippine revolution, rudimentary cooperation and other methods of working collectively are fostered among the organized masses in the course of waging the protracted people's war. Furthermore, the national bourgeoisie is weak and does not offer any significant opposition to neocolonial domination even only as allies of the basic revolutionary forces within the National Democratic Front. After victory, a "competitive capitalism" cannot emerge to dominate the economy unless the victorious revolutionary leadership "freaks out" and abandons or delivers the gains of the revolution to independent petty producers and to the national bourgeoisie, which will mean regression to semicolonialism and semifeudalism in a very short time as has happened in Nicaragua. — *Ed.*

Here we speak of two transitions. One is from semifeudalism to socialism. When we speak of the national-democratic revolution being a *bourgeois revolution of a new type led by the proletariat*, we mean that the aim of the revolution is to effect the transition from a semifeudal society — a basically agrarian economy with elements of an underdeveloped capitalism — to one in which socialist revolution and construction can immediately commence.<sup>2</sup> The aim is not to establish a capitalist society but to get to the point at which socialist revolution and construction can be carried out. Upon nationwide victory or the overthrow of the joint class dictatorship of the comprador big bourgeoisie and landlord class and the establishment of the joint democratic class dictatorship of the working class and peasantry, the bourgeois democratic tasks are basically completed and the socialist revolution can begin. The confiscation of foreign monopoly capitalist, comprador and bureaucrat capitalist property upon the nationwide seizure of power and their conversion into state property is the first major step in the socialist revolution and construction. This stage begins the transition from socialism to communism, which will last for a long historical period.

How is it possible to bypass full-blown capitalism<sup>3</sup> and go straight to socialism upon the overthrow of semicolonialism and semifeudalism?

<sup>2</sup> We need to emphasize that it is not the aim nor perspective of the national-democratic revolution to effect such a transition. Upon victory, semicolonialism and semifeudalism are both immediately and decisively ended. Feudal and semifeudal forms of exploitation are abolished upon the implementation of the maximum program of agrarian reform. For the peasant masses, national liberation and democracy must mean decisive measures to complete their social, political and economic liberation through the completion of the maximum program of agrarian reform and other socioeconomic, political and cultural reforms. In a manner of speaking, the "transition" from semifeudalism to socialism is already being undertaken in the course itself of our protracted people's war. It consists of the gains achieved in building the revolutionary organs of political power, waging agrarian revolution (minimum program) and building the national united front. These gains prepare the ground for the decisive leap towards socialist revolution and construction immediately upon nationwide victory of the revolution. — *Ed.*

<sup>3</sup> This is actually a false problem. The current stage in the development of world capitalism, which is monopoly capitalism or imperialism, precludes the development into "full blown capitalism" of a victorious national-democratic revolution. As is now being demonstrated by developments in Eastern Europe and the former Soviet Union, even countries where socialism created an industrial foundation are now being de-industrialized and turned into mere neocolonial dumping grounds of Western imperialists' surplus products. Bypassing "full blown capitalism" in order to build socialism is a historical necessity. — *Ed.*



Because the bourgeois democratic revolution of a new type will not bring the bourgeoisie to power but the proletariat through the Communist Party, in basic alliance with the peasantry and with the additional support of the other democratic classes. With the proletariat and the peasantry wielding political power, it will be possible upon the seizure of nationwide victory for the revolution to immediately effect the confiscation of monopoly capitalist, comprador and bureaucrat capitalist property and enterprises and their conversion into state property and state-run enterprises. By this act the proletariat and the entire people take control of the whole economy. Through this, the economic foundation of socialism is laid.

In the political sphere, it is the proletariat that wields political power through the people's democratic dictatorship whose core and essence is the dictatorship of the proletariat. In the economic sphere, it is the state sector that takes the leading role, the commanding heights and controls of the whole economy.

c. "However, the national bourgeoisie or the competitive capitalist class is not the dominant or ruling class. Moreover, the political and cultural systems of the transitional formation are not supportive of the capitalists, as in traditional capitalist society. These systems are designed to enable capitalist features to fulfill their transitory historic role and push socialist features articulated or arranged within the capitalist mode to their destiny."

While reassuring us that capitalism will be reined in, these statements, especially the third taken together with the previous assertion that competitive capitalism will be the dominant mode of production, may be open to quite dangerous interpretations.

The most extreme interpretation would make it very much akin to the "theory of the productive forces". Interpreted along this line, it would not be too far off Deng's line of "socialism with Chinese characteristics". Deng's line is that since China's productive forces are backward, "capitalism must be used to serve socialism". His argument is that as long as the proletariat holds political power through the Communist Party it would be permissible, nay desirable, to let capitalism do the work of developing the backward productive forces.

We will not dwell extensively on this. Suffice it only to say that as Marxists, we hold that in periods of transition, it is the replacement of the old relations of production with the new and more appropriate

relations of production that unleashes the productive forces that have been hitherto suppressed by the old and outmoded relations.

The victory of the national-democratic revolution will put the proletariat and the toiling masses in the position of being "masters of society" from being "slaves of external economic laws". The "economic laws of blind competition and anarchy" will be replaced by the conscious application of economic laws in the service of society. In socialist society, it is the creative energy of the emancipated laboring people that is decisive in developing the productive forces. It will be the working people's revolutionary consciousness and enthusiasm for socialism (nurtured through mass struggles guided by the Communist Party's sustained political and ideological work) transformed into a material force that will push the development of the productive forces to new and greater heights.

Chinese socialism under Mao's leadership and guidance transformed backward China into modern industrialized China in so short a time. The Soviet Union in the time of Comrade Stalin far outstripped the rates of economic expansion of the highly industrialized countries of the West, serving as a great inspiration to all the working people of the world and even earning the grudging respect of the bourgeoisie. The examples of socialist China and socialist Soviet Union in the past have amply demonstrated the superiority of socialism over capitalism.

## **SOCIAL INVESTIGATION: SOUTHERN TAGALOG 1994 \***

**EXCERPTS FROM THE GENERAL SUMMING-UP  
OF THE SOUTHERN TAGALOG REGIONAL PARTY COMMITTEE**

### **The Conditions of the Most Exploited and Oppressed Classes and Sectors**

#### **THE WORKING CLASS**

##### **Imperialist Control and Exploitation of the Workers in the Region**

###### **I. General Description**

The industrial sector of Southern Tagalog is dominated by foreign multinational companies engaged in processing, packaging and/or merchandising mainly of drugs (Bayer, Ciba-Geigy, Monsanto), food (San Miguel Corporation, Coca-Cola, Nestle, Wyeth-Suaco, RFM-Swift), chemicals and petro-chemicals (Du Pont, Procter and Gamble, Filsyn), electrical products and gadgets (Fuji-Haya, Westinghouse, Yazaki-Torres/EDS), and steel products (Philsteel/Benguet); as well as in oil refinery (Shell and Caltex), shipbuilding and repair (PNOC-Keppel, AG&P), car assembly (Nissan, Toyota, Honda), semiprocessing of electronics and microchips (Rohm, Mitsui-Panasonic, Fujitsu-Ten) and coconut desiccating (Peter-Paul and Franklin-Baker).

In our still incomplete survey of foreign monopoly-owned and -controlled firms in the region, we have counted 48 big main factories with 19,429 workers, owned and controlled by Americans and Europeans concentrating on the manufacture of drugs, food and beverages. Two U.S. multinationals have a monopoly of two oil refinery plants — Shell and Caltex — with more than 400 workers. We have also counted 65 big factories with 37,137 workers, owned by Japanese capitalists, processing electronic components and microchips, electrical gadgets and harness, and garments. Joint ventures

\* The first part of this document appeared in our April-June 1995 issue.

between foreign multinationals and domestic investors cover 96 big factories with 23,009 workers along different industrial lines such as food, wine and beverages, textile and garments, chemical products. The domestic investors are usually Chinese-Filipinos (naturalized Chinese) such as Tan of ABI, Dee of CCP, Lim of PG/FC, Tanco of STMI, Coyuito of Chemphil-LMG, Concepcion of RFM/Cosmos.

We have also come across 38 joint ventures — a significant number — between Filipinos and Taiwan-Chinese, with some 8,267 workers. The rest of the enterprises are owned by other foreign capitalists, such as Koreans, Singaporeans, Indians, Australians, and others.

The enterprises owned by Filipino big compradors comprise a significant number but these are dispersed and are of the small and medium categories. We have counted 96 of such enterprises, with a total of 22,800 workers. These are usually subcontractors in garments manufacture and in the agricultural subsector (farms and hatcheries); or are in coconut desiccation and in sugarcane and coconut plantations. Their position in the economy of the region emphasizes the semicolonial and semifeudal character of the Philippine economy.

The foreign monopoly capitalists control and dominate the advanced and principal industries, while the local big compradors own the secondary and small businesses, whose role is limited to serving the needs of the foreign monopoly capitalist enterprises. The latter are averse to developing the local industries precisely because the semicolonies and underdeveloped societies have been designated to serve as sources of raw materials, suppliers of cheap and docile labor force, and dumping grounds for surplus production. Finally, the profits of the foreign monopoly capitalists are wholly expatriated to their own countries.

Imperialist control, predominantly Japanese, is also dominant in the garments industry. Although there are numerous small enterprises in garments manufacture (especially small subcontractors) dispersed throughout the region, these are mere extensions of the international subcontracting system fully controlled by the imperialists — from raw materials (imported), quota and machinery to production supply and pricing in the international market.

In agriculture-based industries, especially those in sugar, coffee and coconut production, which abound in the region, imperialist influence and control prevail through dictation of low prices and quota limitations because the products are mainly raw-material exports needed by the foreign monopolies.

## **2. International Subcontracting**

The practice involves subcontracting the processing of a specific product component (computer microchips, for example) to a specific country, usually where labor is cheap. The materials are supplied (exported) by the parent company, and the semiprocessed products are reexported to the parent company which then undertakes the final processing. An outstanding example of a foreign monopoly engaged in this practice is Levi Strauss Co., the biggest garments enterprise in the world. The sewing of pants, clothes and related products are contracted to other countries for the local and foreign markets.

It is also called "offshore assembly" because the labor-intensive aspects of production are assigned to countries that offer very low wages and other offshore incentives such as tax holidays, import liberalization, ready-to-operate facilities and strike-free zones. This practice prevails in the so-called electronic and garments industry in our country.

In the region today, international subcontracting can be clearly seen in two main labor-intensive industries: (1) garments and (2) electronics and microchips. At the international level, giant Japanese monopoly firms predominate in the industries practicing this system in so-called developing countries — essentially colonial or semicolonial — like the Philippines.

Due to the increasingly grave recession in the economies of industrial capitalist countries resulting from the contraction of the international market, the bulk of unsold commodities (inventories) increases while the profits amassed by giant corporations in these countries become smaller. Furthermore, because of the "higher wages and benefits" of workers in the industrial countries and the higher cost of imported raw materials, the clever capitalists prefer to transfer part of the marketing and production process to their colonies and semicolonies where the labor force is "controlled and docile" as well as cheap, in order to undertake a great part of the processing and to expand their market.

With the collaboration of the neocolonial or puppet states in setting up industrial enclaves or industrial estates, the foreign monopoly capitalists are able to disperse various parts of the production process to different plants (subsidiaries and sister companies) in various countries while still maintaining their main plants for assembly of the various components into finished products in their home countries. The

firms or plants involved in such an international process do not therefore create a complete product but mere parts of a product.

For example, Rohm in the Philippines and Malaysia make computer microchips, Philips in the Philippines makes monitors, Fujitsu-Ten makes computer drives, Maxidata makes computer diskettes, and Philips or IBM at the main plant receives these components for assembly into finished products.

Because the components are categorized as semiprocessed goods and the industries are labor intensive, the plants require a big number of workers who are hired under the contractual or labor-only contracting (LOC) scheme. This scheme is of course subject to the law of capitalist competition and profit maximization among the supermonopolies. To reduce costs (principally of labor power) and maximize profits, the monopolies subcontract the processing of components to areas where labor power is cheap and docile. The types of components subcontracted for processing also change depending on the demand for the final product in the international market.

Under international subcontracting, the intensity of exploitation can be measured by comparing the extremely low value-added in local processing compared to the high value-added in the processes taken over by high technology in the mother companies. From the low value-added in local processing, the subcontractor still gets his profit, leaving so little for the wages fund, thus the extremely low wages for the contractual workers who enjoy no tenure nor social welfare benefits. The monopoly capitalists can still extract high surplus value despite the relatively higher wages they pay the skilled workers in their own countries because a great part of the production process are done by the workers under subcontracting.

The international subcontracting scheme favors only the imperialist countries and foreign monopolies because they keep high technology under their control and keep the industries of the third world backward. Thus, the third world countries continue to serve as producers of raw materials and semiprocessed goods for the needs of the former.

No significant gain can be made by the local economy from this system as a result of almost all the incentives granted by the puppet state to the foreign monopoly capitalists, such as protection under the Omnibus Investment Law, ready-to-operate industrial enclaves such as Calabarzon, and cheap labor in the millions. When the quota is reached and the contract finished for operating the plants in the enclave, the

foreign investors can freely leave the country with their profits, machinery and the entire capital invested, while the workers are left worse off with the loss of their source of livelihood, and the national economy, like the workers, is also left worse off with its growing trade deficits.

### **3. Control of Industry Through Subsidiaries**

A subsidiary is a company legally owned and/or controlled by other companies. It can be controlled by a single capitalist but, technically speaking, a company can be considered a subsidiary when the bulk of its capital is owned by others. Bayer Philippines is a subsidiary of Bayer AG Group of Companies in Germany; Coca-Cola Bottling (Philippines) is a subsidiary of Coca-Cola, USA; RFM-Swift Meat Processing Corp. is a subsidiary of Swift (Ohio), USA; and Nestle (Philippines) is a subsidiary of Nestle SA Vevey in Switzerland.

It is natural for local capitalists to safeguard the position of their products against competition both in the local and international or foreign markets. But in the competition they are squeezed out even from the local market due to the government's misplaced provisions; the country's inherent role as a neocolonial dumping ground for the surplus production of the industrial capitalist countries; and the unrestricted importation of both raw materials and finished products. Thus the ground is laid for compelling the local capitalists to pay royalty fees to the foreign monopoly capitalists and serve as their local subsidiaries. Outstanding examples are RFM having to pay royalties to Swift-USA; Asia Brewery Inc., to Carlsberg-Germany; and San Miguel Corp. to Coca-Cola, USA. This means that the products of the foreign capitalists are manufactured by the local capitalist partner (subsidiary) without any outlay nor risks; but with maximum benefit, for foreign capital. By merely licensing the use of its brand names, the foreign corporation collects royalty fees for every unit of the products with its brand names.

Eventually, the foreign capitalists are able to get into the subsidiary's board of directors while increasing their shares of stocks in the local corporation. In the long run the foreign capitalists either take control of the management and operation of the local subsidiary or gain complete ownership of it.

At the very outset, in getting the contract for being a subsidiary, the local company has to agree to a host of conditions before being granted the license to manufacture the patented product's brand. Among these

conditions are foreign company supervision and specifications with regard to standard process and mixture, dimensions, package designs, promotion, and others. The local subsidiary cannot violate these. And to have full control over its brands and "safeguard" its prestige as well as that of its products, the foreign company has to have decisive positions in the local company's board of directors. Thus begins the process of gaining full control of the operation and capital of the local subsidiary.

A case in point is Nestle Philippines, which used to be Nutripro-San Miguel Corporation, a distributor of Nestle Switzerland Señorita brand milk. As a subsidiary of Nestle, it first set up a manufacturing plant for coffee, milk and other infant food. As Nestle's capital share grew, so did its dominance over the board of directors. It later took the name Filipro, still owned by SMC. Finally, it stood as Nestle Philippines with Nestle Vevey gaining full control of the corporation and later on gradually eating up other SMC corporations. Such has been the usual practice of foreign monopoly capitalists with regard to their local subsidiaries, particularly in main and strategic industries and banks in the Philippines.<sup>1</sup>

In the region, many corporations started out as local subsidiaries and ended up under ownership and/or control of the foreign monopoly capitalists. These corporations always make it to the "Top 1,000 Corporations", amassing superprofits through the intense exploitation of their workers.

The enterprises in this category in the region are solid because they have attained product stability and economies of scale. The workers here are relatively stable economically, compared to workers in light and medium types of industries. The workers in these companies are usually skilled. Their unions have demonstrated a certain level of firmness in collective bargaining struggles. Nevertheless, in sharp union-management disputes, these companies can go all-out against the unions, using all sorts of maneuvers and methods, because of their economic strength and influence on the state.

The workers in these enterprises do receive higher wages and enjoy better benefits relative to others, but these same workers suffer the highest rate of capitalist exploitation. They are subjected to all sorts of enticement such as "benefits" for sports, recreation and family

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<sup>1</sup> See "Maskara ng Higante" [The Giant's Mask], from *Ibon Facts and Figures*, 1992.



activities; various types of bonuses and special assistance; product promotions and workers' incentives; and study tours and exchange trainees with the mother company abroad. The capitalists use these to cover up superprofits amassed by the company from the workers' industry.

Believing that the compensation they receive comes from the "concern of the good capitalist", some workers do not see (in some cases they refuse to see) that what they receive in wages and benefits amounts to a very small part of the surplus value created by their labor power and entirely appropriated by the capitalist in the form of thousands of percent of profits remitted to the home country.

### **The Situation of Enterprises and Employment in the Region**

#### **1. General Description**

According to the data of the reactionary government (CLS/BLES), the region's total labor force is 5.546 million, or 13.6 percent of the country's total, from a total household population of 4.558 million (65 percent of the region's population). Of the region's total labor force, 2.895 million are employed, 763,000 are underemployed, and 439,000 have no direct employment. The BLES data shows that 91.5 percent are employed and that only 8.5 percent are unemployed while 20.2 percent are underemployed. The same report states that the rate of labor participation in the region's overall productivity relative to household population is 63.5 percent.

The same report, shows that in 1993, the region had a total of only 581,000 workers employed in 24,484 enterprises and commercial establishments with at least five upward to 2,000 workers. It also had 179,000 workers employed in 731 enterprises, with at least 50 workers and above.

In our own investigation, we counted a total of 443 industrial enterprises in the region. These enterprises employ a labor force of 137,837 of whom 46,953 in 160 establishments are unionized. (We did not include the small commercial and industrial establishments mentioned in the BLES report, such as bakeries and shops, cottage industries and small construction firms, as well sugarcane and coconut plantations and the public sector.)

The BLES data on the labor force is very deceptive, particularly with regard to those companies with big capital and using labor intensive

processes. A glaring example is the situation in Calabarzon, which supposedly has provided hundreds of thousands of jobs annually since 1990. Actually, under the prevalent system of direct contractual hiring or labor-only contracting, thousands of workers are hired at the first instance for a period of five months, after which some workers have their contracts renewed (rehired) and others replaced by new contractual workers. Both those whose contract have been renewed and those who are actually newly contracted are then reported as "increases in employment" while those whose contract have not been renewed are not deducted from the total number of currently employed workers.

## **2. Concentration of Enterprises and Labor in the Region**

In the region, Laguna has the highest concentration of enterprises, totaling 198 with a labor force of 57,201.

By lines of industry, these enterprises — particularly those owned by Americans, Europeans, Japanese and Chinese Filipinos — are in drugs, food and beverages, chemicals and petrochemicals, textiles, steel products and garments. This development has been the result of the transfer of multinational companies from Metro Manila in line with the project of the U.S.-Marcos dictatorship to decongest Manila from the late 1970s to the early 1980s.

There is a concentration of enterprises in the old industrial belt or the San Pedro-Calamba strip. There has been a notable increase in the number of factories in the informal industrial belt being developed along the Tulo-Santo Tomas (Batangas) highway as well as the western part along the south expressway from San Pedro to Calamba.

With the development of the Calabarzon project, apart from the Canlubang Industrial Park that was set up and has been operational since sometime ago, there are five active and operational industrial estates: Laguna International Industrial Park in Biñan; Ayala Technopark I and II in Santa Rosa; Light Industry and Science Park and Pittland Industrial Estates in Cabuyao; and Carmel-Ray Industrial Estates in Canlubang.

The old industrial belt in Laguna has for a long time been the base of militant and genuine trade unions in the whole region. The national-democratic movement has strong mass support among the workers here. Most of the unions here are affiliated to the federations Olalia, NAFLU-ST and the February Six Movement.

Cavite comes next in terms of concentration of enterprises, totaling 135, with a labor force of 42,000. Since the start of the Calabarzon project, Cavite has become the main recipient of the "new enterprises" of foreign capitalists. Actually, the enterprises here, which in the main are engaged in the business of export and reexport, such as garments and electronic chips, are concentrated in two enclaves — the Cavite Export Processing Zone and the People's Technology Complex — and in seven formal and informal industrial estates: the First Cavite Industrial Estate in Dasmariñas, the Dasmariñas-NHA Industrial Estate, the GMA-NHA Industrial Estate, the DBB-NHA Industrial Estate, the Granville Industrial Estate, the Tanza-General Trias Informal Industrial Estate, and the informal industrial estate under construction along Bacoor and Rosario.

Almost all of these were established recently to accommodate the Calabarzon project enterprises, with the exception of the Dasmariñas-NHA, the DBB-NHA and those along the Aguinaldo highway from Bacoor to Tagaytay. The enclaves and industrial estates in Cavite are considered as the base of Japanese and Taiwan-Chinese big businesses.

The workers here are subjected to severe repression; a "no-union, no-strike policy" has been imposed by the local government. Thus the capitalists are given increased leeway to exact more surplus from the workers.

Genuine trade union leadership is strong among the base unions but many of the new unions being set up are unaffiliated. Trade union organizers find it difficult to organize the workers in the factories because the enclaves are well guarded and the local governments employ goons to harass union organizers and leaders.

Batangas has a smaller number of factories, but these are in the category of strategic industries, such as oil and fuel refinery plants, shipyard and ship repair, and chemical products, not to mention the pier being upgraded as an international port. There are 33 enterprises in the province, with 14,315 workers.

The concentration of enterprises here are to be found in three main areas: the first district with its sugarcane plantations and sugar mills; along Bauan and Batangas City with its oil refinery and shipyard and ship repair facilities; and the Santo Tomas-Lipa industrial belt with its food, garments and agri-subsector industries. The operations of the shipyard and ship repair sector involve fabrication of ship parts and rust-cleaning requiring a big number of workers under direct and

indirect labor-only contracting. Another notable fact is the big number of contractual skilled workers doing the same work as regular employees but receiving much less than the latter.

A progressive labor alliance is flourishing in the agricultural subsector while the yellow-led Fuel-Gas, a federation affiliated to the Trade Union Congress of the Philippines, controls the strategic industries. Workers in the sugar plantations and mills belong to NAFLU.

The province of Quezon remains practically unchanged with regard to the number of enterprises and their products. It has 11 factories and 5,598 workers mostly in the coconut desiccating industry, and a few small mines and quarries. The unions here used to be progressive, rallying strongly around the national-democratic movement. Now the majority of them have become less politically conscious although the national-democratic movement still exerts a lot of influence.

The degree of concentration of enterprises is also relatively significant in (eastern) Rizal province. There are some 70 enterprises with an estimated 20,310 workers. Like Laguna, Rizal province has different lines of industries, notable among which are cement quarries. In the industrial clusters are to be found garments enterprises and agroindustrial farms. As part of the implementation of the Calabarzon project, the construction of industrial estates is supposed to start before the end of 1994.

### **3. The Calabarzon Enclaves**

Based on our research, there are two active enclaves and six industrial estates in the region (excluding the Canlubang Industrial Park).

The Cavite Export Processing Zone (CEPZ) in Rosario, Cavite, which concentrates on the production of garments and electronic microchips, has 89 operational factories with a labor force of 25,898. Most of these enterprises are owned by Japanese and Taiwan-Chinese capitalists. Of the 89 enterprises, big loca unions are to be found in 28 with more than 200 workers each; in 14 with more than 500 workers each; and five with more than 1,000 workers each.

The People's Technology Complex (PTC) in Carmona, Cavite has 32 factories with a total of 6,295 workers in the processing of garments, steel products, and electronics and microchips. PTC has nine big

enterprises, three of which are non-unionized (Global, Bendix and Rohm); most of the rest have independent unions.

The First Cavite Industrial Estate (FCIE) in Langkaan, Dasmariñas has only two operational factories that can be considered big: the Comprehensive Textile with 700 workers, and the Campo Frio with 500 workers. There are other companies setting up factories here but these are not yet confirmed as operational.

The Laguna International Industrial Park (LIIP) in Mamlasan, Biñan is owned by the Korean concern, Samsung. Four operational factories are under joint venture with Filipino businessmen. There is a total of 1,140 workers.

In the Ayala Technopark I and II in Santa Rosa, only two of the five operational factories are big: Fujitsu, which is not yet unionized, and Panasonic which is under FDTU (Federation of Democratic Trade Unions). These five are engaged in food production, car assembly, and electronic parts and microchips production. They have a total of 3,045 workers.

The Cabuyao Light Industry and Science Park in Cabuyao is a newly constructed industrial estate for processing electronic microchips and some chemical products. There are 22 factories with 4,344 workers. Only three of the 22 factories are big. We should also take note of the other companies, which though small in terms of number of workers, belong to such giant international corporations as Procter & Gamble and Ibarra-Benguet.

The Pittland Industrial Estate in Pittland, Cabuyao has 10 operational factories with a total of 918 workers engaged mainly in food and drug production. Although only one out of the 10 factories can be considered big, this estate has become alternative site to the national capital region for established companies owned by foreign capitalists, such as Wyeth-Suaco, Swiss Pharma and Zuellig Pharma.

The Carmel-Ray Industrial Park in Canlubang, Laguna has seven factories with a total of 1,113 workers mainly engaged in the production of garments and plastics. Of the seven, two have a large labor force but which cannot be considered strategic.

Most of the enterprises in the Calabarzon enclaves and industrial estates are in the category of light and medium industries and are really small. On the other hand, the factories with big capital employ a large number of workers because these are also labor intensive like those in garments, electronic microchips and electrical products.

The local government units exercise minimal or limited power over the operation of the enclaves because, first, the Cavite Export Processing Zone is under the administration of the Export Processing Zone Authority and, second, the industrial estates are still under the control of the private developers and owners.

Majority of the workers are young, newly graduated from high school and unskilled. This is because the light and medium industries do not need skilled workers. Of the total number of such enterprises, only a few have unions. In all the enclaves, it is only in PTC-Carmona where trade unions exert significant influence. In the rest, the situation is ripe for organizing. However, the right to organize and form unions is severely being suppressed. The majority of the workers have no permanent status, thus organizing them is extremely difficult.

Another issue that needs attention is the increasing number of migrant workers from other regions of the country flowing into our region, especially into the enclaves and industrial estates of the Calabarzon. This is because 1) the factories from Metro Manila bring with them their own workers when they transfer to Calabarzon; and 2) the worsening conditions in the countryside in various parts of the country drive an increasing number of the landless and unemployed to search for work.

We have no data yet on the other industrial estates of Calabarzon such as the Gateway Business Park, the First Cityland Heavy Industrial Center, the Dasmariñas-NHA Industrial Estate, the GMA-NHA Industrial Estate, the Informal Industrial Estate, and the one under way in San Pedro.

Most of the established strategic factories in the Calabarzon area have been in operation since the 1970s. These enterprises are either owned or are subsidiaries of foreign monopoly capitalists engaged in the production of food and beverages, chemicals, petrochemicals and drugs, oil refinery, electrical parts and gadgets, textile and thread, and shipyard and ship-repair.

Of the new enterprises, the majority are labor intensive, engaged in the processing of garments, electronic parts and microchips. Most of these are small transient enterprises processing products with relatively unstable market demand. The increase in the number of newly established factories and enterprises in the region resulting from the Calabarzon-type "industrialization" is within the framework of international subcontracting undertaken by the imperialists particularly

in "underdeveloped" countries where there is a large reserve of "docile and cheap" labor force, as in the Philippines. The products of these enterprises are export-oriented but dependent on imported components or materials. The increase in number of such industries is not within the framework of national industrial development but represents a reinforcement of the semicolonial and semifeudal character of Philippine society.

## **The Situation of the Workers in the Region**

### **1. The issue of wage and labor standards**

With regard to wage standards, we have two ways of describing the workers in the region: those who are unionized; and those who are not yet unionized, particularly those in the Calabarzon enclaves.

Most of the workers who have had their unions for a long time receive wages higher than the standard set by the minimum wage law. The main factor for this is, of course, the victories achieved by the unions in struggles for collective bargaining agreements (CBAs) over more than a decade now. On the other hand, the vast majority of contractual workers who do not belong to unions and are not included in CBAs are left way behind on the issue of wage increases. Furthermore, of the total number of workers in the region, only a very small number — those in strategic, big and base unions — are covered by CBAs. At present, unionized workers earn a daily average of P120 to P135 (or a monthly average of P3,315) which is still variably lower than the wages received by workers in giant multinational companies such as Nestle, Shell and Caltex.

Among the non-unionized workers, only a few receive the legislated minimum wage, and the vast majority, especially in the Calabarzon enclaves, receive less. Those whom we can count as receiving a minimum wage or even higher, based on skills, can be found in enterprises owned by the Japanese imperialists, such as Yazaki, EDS, Rohm, Panasonic, Fujitsu-Ten, Honda, and Columbia Motors.

Workers in labor-intensive factories, such as garments and electronics, generally receive an average monthly gross salary of P2,522. Apprentices receive less than 75 percent of the legislated minimum wage. Worse, the prevalence of the system of labor-only contracting and subcontracting has encouraged a big number of capitalists to violate the minimum wage law. A report of the government's Department of Labor and Employment (DOLE) has even

noted that the region has the biggest percentage of capitalists violating the minimum wage law.

## **2. The Issue of Labor-Only Contracting**

Labor-only contracting (LOC) is supposed to be prohibited by the Labor Code but is the prevalent practice of capitalists and contractors.

Under this system, the labor contractors, usually local government authorities or capitalist dummies, take advantage of the big reserve of unemployed and "unskilled" workers in order to supply the labor power requirements of labor-intensive enterprises. The contract is between employment agency and the capitalist on the one hand, and that between employment agency and the worker on the other. In effect, the workers are not the responsibility of the capitalists. Under the system, the capitalists are freed of paying social benefits and are able to reduce production costs.

The workers have no chance for regular employment because the contract between them and the agency is valid for only five months (the labor law stipulates six months of continuous employment for workers to qualify as regulars) and upon expiry of the contract, the worker loses the job or is rehired under a new contract.

Although the law "guarantees" union rights even to contractual workers, the cycle of employment leaves no room for workers to form unions. Those who attempt are easily kicked out. Thus, there are no collective bargaining agreements nor benefits.

Aside from reducing production costs through this system, the capitalists also profit from the use of the contractual workers' earnings. Among the outstanding issues related to this are the remittance racket in the Social Security System (SSS), the income tax racket and many other deductions from the workers' wages.

There are two existing rackets in the SSS. One is "delayed remittance". Here the capitalist makes use of the workers' contribution to the SSS fund to make a fast buck. Because remittances are required quarterly, the workers' money is first put in a bank under time deposit. Another common modus operandi is the "alternate or juggling remittance". Of the amount paid by 100 workers to the SSS, 50 percent is remitted while the other 50 percent is used as capital; only after one nine-month period is the other 50 percent remitted, after which the first 50 percent of the workers' new payment is used as capital.



The second racket is the most brazen. Here, the capitalist collects SSS premiums from the workers, which he does not turn over to the SSS but instead uses for other businesses. Although the law prohibits this practice as an anti-labor crime, and despite the many cases which workers have filed in court, no capitalist perpetrator has been punished.

In Cavite, the workers pay "monthly contributions" to the local government supposedly to support "productivity measures" and "industrial peace" programs.

There is another LOC scheme where the capitalists contract labor directly and not through labor contractors or dummies. This is often done by capitalists with products of seasonal demand (i.e. Christmas decoration). After peak-season production, the contractual workers are terminated. Labor-only contracting can never guarantee workers' job security.

### **3. The Subcontracting System**

Subcontracting is another widespread practice of the capitalist. It represents another severe form of exploiting workers in the region. Through it, the capitalist economizes on the cost of production. It is the usual practice of capitalists in the garments and agri-business industries.

Subcontracting takes the following form: The capitalist who always wishes to fulfill the quota of production orders at the earliest possible time does not directly hire new workers but instead distributes parts of processing the raw materials to various subcontractors who in turn hire workers. Thus, the contract is between the subcontractors and the workers. In the production of jackets and pants, for example, the work needed to make the entire jacket and the pair of pants are subdivided among groups of workers under subcontract, after which the mother company merely attaches on the zippers and the name brand.

In the agri-business, subcontractors are supplied with all the inputs for raising chicken and pigs within a specified period in "authorized poultry and piggery farms". The owners of these farms hire the workers and supply poultry and swine products to the plants of Magnolia Foods (for dressed chickens) and RFM-Swift (for canned processed meat).

Actually, the small capitalists or subcontractors do not like this kind of business operation. It is a pattern dictated by the operation of the monopolies for maximizing profits.

From the capitalist's point of view, quota fulfillment and on-time shipment are big factors to consider in the garments industry. When production is concentrated in one big factory, labor problems are more likely to break out. When a labor-management dispute comes up precisely during peak-order periods, the capitalist is forced to close down or face the alternative of paying compensation for failure to ship out the orders. The big capitalists resort to a series of subcontractors in order to avoid production and shipment troubles and rid himself of any responsibility to the workers.

Flexibility must be adopted in conducting the struggles of workers under the subcontracting scheme. First, the subcontractor's business depends entirely on the big capitalist, and he does not have the stability to accommodate the demands of the workers. Also, most of the subcontractors in the region belong to the upper petty-bourgeois stratum. The big capitalists use them as buffers against workers demands.

The workers under this scheme are paid on a piece-rate basis and in their desire to fulfill the quota or produce as much as they can, they often work from sunrise until dark.

The intensity of exploitation is further aggravated by extremely poor working conditions. The subcontractors are usually unmindful of the conditions of his workers — usually some 20 to 50 — mostly home-based women assigned to work with machine and manual processes. Additional issues are the subhuman working conditions, the absence of standard benefits accruing to workers and — as in labor-only contracting — the extreme difficulty of organizing unions to fight for their right to work and economic benefits. Thus the workers are forced to content themselves with whatever amount the subcontractor gives, which sometimes does not even come on time.

Also notably, the workers are deprived of such "social benefits" as coverage by the Social Security System and Medicare. As in labor-only contracting, racket is also prevalent in subcontracting.

When the contract is over, subcontracting also ends and the contractual workers are left idle. Subcontracting is clearly a system that does away with job security. It is savage exploitation at work.

The apprenticeship and learners scheme is another savage system of extracting surplus value from the workers. The capitalists take advantage of the law providing for a program of apprenticeship and learning. This is done mostly by enterprises owned by foreign

monopoly capitalists and in need of skilled workers, such as Nestle, ATC, Toyota, Nissan, Honda, PNOG and AG&P.

The apprentices come from vocational and trade schools, like the privately owned Don Bosco and the state-run NMYC. While going through their vocational courses, they work in the factories as part of their practicum. They perform skilled work like regular workers but receive only allowances, the maximum being 75 percent of the minimum wage without any benefits from the company, except the hope of receiving fair grades from their engineer-supervisors in order to pass the schools' apprenticeship requirements.

This form of worker exploitation has the full patronage of the state through the DOLE and the NMYC. Since apprentices from the NMYC and other private vocational schools are not regular employees, these institutions, therefore, serve as contractors in this type of labor-only contracting.

The learners' scheme is widespread in such labor-intensive semiprocessing industries as garments and electronic microchips. It is one form of direct hiring of contractual workers who have minimal chances of becoming regular workers because they are bound to the learners/emergency contract and are assigned to seasonal and temporary jobs in the production process. Like the apprentices, learners receive a small percentage of the minimum wage in the form of allowances.

#### **4. The Workers in Calabarzon**

The workers in Calabarzon are to be found in enterprises within enclaves and industrial estates, mainly in Laguna and Cavite.

The situation and problems of most of the workers in Calabarzon are similar to those of the other workers in the region. They do not enjoy the standard benefits such as the minimum wage, humane conditions of work and job security. They receive less than the law provides, and many of them are casual or contractual workers. Furthermore, they are cheated by being charged (in addition to what is stipulated by law) various kinds of dues checked off from their salary for such purposes as the so-called fund for "protecting" industrial peace and productivity.

The implementation of the Calabarzon project is within the framework of the export/reexport of semi-processed products and provides "docile and cheap labor" to factories within the enclaves and industrial estates. The capitalists and the state bureaucrats, particularly those from local government units, make sure that labor unrest does not

disturb the "normal" flow of business, that "industrial peace" prevails and that foreign investors are enticed to come in and do business.

*It is in this context that the local government units wage an anti-union propaganda offensive and extensively use psychological warfare (psy-war) tactics against the workers. The whole package is aimed at thoroughgoing exploitation of the workers along the design of the Calabarzon project.*

This is what distinguishes the workers in Calabarzon from their fellow workers in other parts of the region. The enterprises are confined within well-secured enclaves and industrial estates, employ a particular kind of repression and degree of suppression of the workers' rights to organize, unionize and enter into free collective bargaining.

The process of suppression and repression starts as early as the period of job application. The applicant has to have a certification from the head of the barangay where he/she resides, although a mayor's permit is also common. In many instances, the applicant is required to sign a "waiver" on the right to join a union and vow to desist from any activity that violates the concept of "industrial peace and productivity", because the Calabarzon enclaves and industrial estates are union- and strike-free zones.

The process continues once the worker signs his contract, which stipulates that a violation of it would mean automatic lay-off. And while the workers are on the job, the psy-war machine manned by the officials of the local government unit continues to churn out anti-union propaganda through the controlled media and other tools.

Workers have a natural tendency to form unions to defend their democratic rights and struggle against intensified exploitation and oppression in the workplace. Many workers have stood up to build unions in their factories, against which various forms and tactics of suppression are unleashed.

Nevertheless, our experiences bear out that all schemes of the capitalists and the local government units to violate and suppress workers' rights fail when workers show determination in forming their unions. Actually, it is through psy-war tactics and widespread anti-union propaganda that suppression and violence are undertaken. Workers have been able to wage united actions while the organizers and union leaders have been able to move freely within the Calabarzon enclaves and industrial estates. True, some union leaders are laid off and military troopers and goons as well as the local government units

move in against the unions and the workers, but this is generally the same practice perpetrated by the capitalists and their instruments in the bureaucracy as experienced by all workers in the whole region and the whole country as well.

### **5. Other Problems Facing the Workers**

Apart from the problems mentioned above, there is the widespread exploitation of women workers. They are victims not only of such serious discrimination as receiving lower compensation for their work and being left behind in job regularization and promotion; having less opportunity for employment in multinational corporations with higher wage scales. If hired at all, they are relegated to clerical jobs. Maternity benefits are inadequate — if not totally absent. They also become victims of serious sexual violence from managers and supervisors in the factories.

There is widespread violation of the workers' on-the-job health and safety regulations, and the standard human conditions of work, particularly in labor-intensive industries like garments, textiles and electronics. Only established industries and enterprises have a modicum of abiding by health and safety standards, but even these are not adequate.

Violations include inadequate ventilation in the workplace, absence of safety gears, lack of information (seminars and workshops) on health and safety, lack of medical personnel, and absence of any provision for appropriate medical benefits.

We can cite some examples. Subcontract workers in garments factories lack proper ventilation in their workplaces, are not given dust-masks and do not have medical benefits. Workers in electronics and microchips also lack proper ventilation in their workplaces and are not provided with safety gears against lead and mercury contamination. Workers in shipyards and ship-repair do their welding under the heat of the sun and perform ship repair without safety gears. There have been many cases of workers being summarily dismissed due to disability contracted on the job and unable to demand compensation.

Child labor is relatively widespread. In sugarcane plantations and haciendas, children aged nine years and above are forced to work. This is also the case in small factories, such as those in shoemaking and cottage industries. And there is also the exploitation and violation of the

youth in such decadent forms of occupation as child and youth prostitution prevalent in Pagsanjan and other tourist enclaves.

## **Suppression of the Labor Movement**

### **1. General Description**

With the upsurge of the labor movement in the region, especially during the vigorous advance and dominant influence of the national-democratic movement among unionists from 1984 to 1987, the suppression of the workers by the combined forces of the state (represented by the DOLE and the military) and capitalist organizations (represented by their chambers of commerce) became intensified. Basically, this suppression is for ensuring that the capitalist class continues to amass superprofits from the workers' labor power. As far as the state is concerned it is for maintaining its role as implementor of the dictates of the foreign monopolies and furthermore for removing the dominant influence of the national-democratic movement in the trade union movement.

Suppression is carried out in various forms and degrees. The most conspicuous is the suppression of the workers' right to organize themselves and form unions. The capitalists resort to tactics of colluding with yellow trade union leaders to form company unions or enter into "sweetheart" contracts. When the workers demonstrate a strong determination to put up their union, the capitalists use various methods such as firing union leaders from their jobs or harassing them. They collaborate with the DOLE to ensure that certification elections and local elections favor the capitalists and their proteges among the yellow union leaders. In local union struggles, the tactic of calling a strike on grounds of intra-union, inter-union or management intervention — through which organized workers have won many victories — is no longer workable because of the implementation of the more repressive anti-labor Republic Act (RA) 6715.

The right to free collective bargaining is also widely suppressed through various forms of intervention by the officials of the local government and the DOLE. In the future, such antiworker interventions in collective bargaining will further aggravate as the joint forces of the capitalists, the state and the labor aristocrats promote the scheme of "voluntary arbitration". Most serious of all is the unconditional suppression of the right to strike. The capitalists concentrate their main blow on workers' strikes.

The entire legal process with regard to strikes is repressive. Before a strike can be called, a notice must be filed with the DOLE. And then "conciliation meetings" mediated by the NCMB (National Conciliation and Mediation Board) must be held, while in the process a "strike vote" (seven days before the strike depending on the "cooling-off" period) must be taken, requiring majority approval as proof that the members are united behind the strike. The notice of strike has a "cooling-off" period of 30 days in case of a bargaining deadlock and 15 days in case of unfair labor practices.

The case then goes up to the DOLE secretary who often hands down a decision to assume jurisdiction or issue an injunction order in favor of the capitalist, irrespective of whether the strike pushes through or not. If the union or workers do not abide by the decision, the DOLE resorts to "deputizing the military" to break the strike, or declares the strike illegal and allows the capitalist to fire the union leaders from their job.

Looking at the whole process, the capitalists first resort to harassment and delaying tactics, prepare their attack by taking advantage of the long "cooling-off" periods, and finally pass on the task of all-out suppression to the state, that is, through the DOLE and the military.

The DOLE and the military are the capitalists' main instruments for the suppression of the workers. The personnel within the entire structure of the DOLE can be considered paid agents of the capitalists for suppressing the workers and the main factor for ensuring that through "legal" maneuvers all issues are resolved and decided in favor of the capitalists. At the end of this line of suppression is the Supreme Court which, more often than not, make the workers lose patience with the long process of litigation that only reinforces the suppression of their rights.

One new development on the issue of suppression of the workers' movement is the emerging pattern of psy-war tactics: the presence of military officials in negotiations between the capitalists and the workers, and military "visits" to offices of trade union and legal organizations. There are two pretexts for such "visits". One is supposedly to develop "rapport" between the workers and their leaders on one hand and the military on the other. The other is supposedly to preempt any misunderstanding between the workers and military when the time comes for the latter to perform their "duty" according to DOLE

directives. In fact this is no different from military intervention in favor of landlords on the issue of land reform. This practice of the military is clearly a form of psy-war to preempt the workers' actions in pursuit of particular local as well as national and general struggles of the labor movement.

## **2. Repressive Anti-Labor Laws**

From the time of the U.S.-Marcos dictatorship up to that of the U.S.-Aquino regime, a series of repressive anti-labor laws have been passed. The Marcos fascist dictatorship aggressively enacted and implemented laws to suppress the working classes. However, the labor movement under the influence of the national-democratic line has effectively and successfully fought them. Thus, the state has redoubled its efforts through even more insidious repressive laws to further the suppression and exploitation of workers.

a. RA 130 and RA 227. RA 130 provides for a notice of strike, a strike vote and a "cooling-off" period before the strike. RA 227, otherwise called the Anti-Scab Picketing Law, prohibits all types of barricades to allow for the free passage in and out of factory premises. This law essentially seeks to render workers' strikes ineffective by providing for the unhindered movement of the goods/products and the capitalists' minions in and out of factory premises, thus preventing paralyzation of production.

b. Presidential Decree (PD) 823 prohibits strikes in "vital industries". Although coverage is supposed to be limited, it provides the capitalists with a big loophole. No one else but the DOLE and the Philippine president can designate which enterprises are in the category of "vital industries". Under the circumstances that the DOLE consists of paid agents of the foreign capitalists and that the president slavishly follow imperialist dictates, even a fish sauce ("patis") factory can be declared a vital industry and should, therefore, be "strike-free".

These decrees were used by the state as a guarantee for inducing foreign capitalists to invest in such export processing zones as the Bataan Export Processing Zones. In this regard, the decrees comprise the policy dictated by the foreign monopoly capitalists to have their enterprises classified as "export-oriented" and therefore "vital industries" designated as "strike-free".

c. LOI (Letter of Instruction) 1458 was a move to reinforce RA 130 and RA 227, which had both proven ineffective in the face of the



militant struggles launched by the workers' movement during the U.S.-Marcos fascist dictatorship. LOI 1458 sought to prevent the upsurge of the strike movement in 1985. Amending the anti-labor provisions of RA 130 and RA 227, LOI 1458 orders the legal and direct intervention of the police and military as "peace-and-order keeping forces" to ensure "peaceful picketing". Under conditions of a mounting workers' strike movement, this law sparked increased violence against striking workers.

In the region, it was used to attack the workers' strike at Filsyn and the workers' action at DBB. It was the last anti-labor legislation passed under the U.S.-Marcos fascist dictatorship.

d. EO (Executive Order) 111 was issued under the U.S.-Aquino transition government in 1986, supposedly to junk the hated RA 130 and RA 227. It is a deceptive piece of legislation insofar as it does not essentially depart from RA 130 and RA 227. Its so-called "liberalization" are no more than decorative features, such as the provision for a simple majority vote (50 percent plus one) in filing a "notice of strike" (NOS) and taking a strike vote and the provision reducing the requirement for the filing of certification elections to 20-25 percent (workers or union members). Despite such "liberalization", the entire process of suppressing the right to strike unconditionally has been reinforced.

e. RA 6715 was passed during the term of President Aquino. It was drawn up in the Senate as the Herrera Bill (authored by the yellow trade union leader, former TUCP secretary-general, now Senator Ernesto Herrera), passed by both houses as the Herrera-Veloso Law, finally passed as RA 6715 or the new Labor Relations Law. RA 6715 covers the following: 1) the establishment of the National Labor Relations Council (NLRC), and the definition of its composition, powers and duties 2) the creation of the Department of Labor Relations; and, most importantly, 3) a comprehensive provision on union registration and cancellation; rights and status of union members; and rights of legitimate labor organizations. Essentially, the law sharpens the repressive character of all past labor legislations.

Let us cite its notoriously repressive provisions on the questions of strikes, arbitration and certification elections:

*On Strikes.* The right to file a notice of strike is given only to a "legitimate union" as "sole and exclusive bargaining agent". Grounds for a strike are limited. Strikes over the issue of intra-union conflicts

are prohibited. A violation of the collective bargaining agreement by the capitalist cannot be a ground for strike unless proven to be of a gross character, but the catch is that it is the DOLE solely that determines whether the violation is gross or not.

The law stresses "conciliation" against the right to strike for redressing workers' grievances. It reinforces the authority of the state to intervene in workers' struggle against the capitalists through the provisions on "assumption of jurisdiction" and "injunction order." If the DOLE considers a strike or even a notice of strike as affecting national security and the economy, its secretary can immediately assume jurisdiction or issue an injunction order to prevent or freeze the union's legitimate actions. By these preemptive provisions, the law excessively minimizes the will and self-determination of the workers to exercise their legitimate rights and to conduct their struggles because even before the unions can begin to take action the DOLE can assume jurisdiction and issue an injunction order.

Thus the reactionary state and the capitalists together can totally prevent the workers from staging a strike because the union shall have been put into a position of violating the DOLE's assumption of jurisdiction and injunction order and its actions being declared illegal, with the usual end result of its union leaders and officers being fired.

*On Arbitration.* NLRC arbitrators are given a wider coverage of cases to decide. All issues at the level of grievance mechanisms are automatically submitted for voluntary arbitration. The law subverts the spirit of free bargaining through the automatic provisions in the collective bargaining agreement regarding 1) grievance procedures; 2) voluntary arbitration; 3) no-strike, no lock-out; 4) the LMC (Labor Mediation Council) which weakens the role of the union and presents itself as an alternative for settling grievances and demands but in the long run delays the resolution of problems and allows the capitalists to frustrate the strike or maneuver against the workers.

When strikes do break out, the law provides for "improved offer balloting or referendum" every month through which the striking workers are made to choose between the current offer of the capitalists or go on with the strike. This tactic aims at weakening the determination of the strikers.

Furthermore, it is now easy to get an injunction order from the NLRC because the votes of two or three commissioners are enough to make a

decision, instead of the former requisite of a majority of 15 commissioners sitting en banc.

*On Certification Election.* The law grants the labor aristocrats firmer control of the labor movement by extending their term of office from three years to five years.

Company and yellow unions and the capitalists are thereby able to speedily hatch up "sweetheart contracts", and the latter are immediately ensured of a trouble-free five years on the issue of recognition.

f. RA 6727 is also known as the Wage Regionalization Act or the law creating the Regional Wage and Productivity Board. The law essentially aims to set the workers off against each other by means of varying levels of increase in the minimum wage based on economic classification of the regions.

In fact, the practice of dividing the workers does not end here but goes down to the level of the factory as a result of wage distortion created by arbitrary wage increases based on stipulated wage ceilings as well as of open provisions on exemptions for the capitalists based on their capacity to grant increases. These open provisions give the capitalists the excuse to violate the minimum wage law with impunity. Southern Tagalog reportedly leads in the number and gravity of this kind of violation.

## **The Situation of the Trade Union Movement in the Region**

### **1. General Description**

According to our research, Southern Tagalog has a total number of 443 factories with a total labor force of 137,837. Of these factories, only 160 have unions with 46,953 members or 34 percent of the total labor force organized into unions, including those whose leadership is progressive and militant and those under the leadership of yellow trade union bosses.

By lines of industry, the biggest number of workers can be found in 83 garments plants and factories with 32,662 workers, or 23.7 percent of the total labor force. Among these, the largest are Norgate, Fantastic, Philips, Cavite Apparel, Bratex, Verlei-Hestia, Grandoe, and Capital Garments.

Next in the number of workers are the 42 enterprises in electronic parts and microchips with 17,171 workers or 12.5 percent of the labor force. These include Fujitsu-ten, Rohm, Mitsui-Panasonic, Ionics,

Haneda, Maxon and Clarion. These enterprises are largely concentrated in Cavite and Laguna.

The food and beverage industry, which is a strategic industry, counts third with 16,797 workers or 12.2 percent of the labor force in 37 factories, including Nestle, RFM-Swift, GMC, Coca-Cola, Magnolia, Purefoods and ABI. These factories are based in the industrial belt of Laguna where the national democratic movement is also strong.

Progressive and militant trade unions are relatively strong in the food and garments industries and are in the process of expanding into the electronic-parts and microchips industries.

The national-democratic movement exerts relatively strong influence in 16 factories with more than 2,000 workers in the food and beverage industry, in six factories with more than 1,500 workers in the chemical and petrochemical industry, and in nine companies with more than 5,000 workers in the transportation industry.

In the textile industry with 19 plants and about 7,300 workers, the dominant position is shared by two allied progressive federations.

On the other hand, yellow federations are dominant in the oil and fuel industry with its two major plants in Batangas and more than 400 workers, as well as in the shipbuilding and repair industry in Batangas with 3,000 workers in four plants.

In the drug industry, most unions are under the influence of yellow federations, while a few are organized in progressive and militant trade unions.

In the transportation industry, the unions in three of the nine companies with more than 5,000 workers belong to progressive and militant trade unions but are not consolidated. The unstable employment of the workers themselves and the largely individualized petty operators in the business make consolidation work in these unions extremely difficult.

Up to now, we cannot speak of a strongly organized national-democratic movement among the workers in the public sector, even as they constitute quite a number in the region. The same is true with the huge number of plantation and agricultural workers. The organized forces among them still constitute a small percentage of their total number.

In the region as a whole, the national-democratic movement first established and maintained strong organized forces in the industrial belt

of Laguna and in the second district of Cavite because the factories in these areas preceded the implementation of the Calabarzon project.

In Batangas, the political influence of the national-democratic movement is present in quite a number of unions in the first district. But there have been some temporary weakening due to the activities of the factionalists. The unions in the strategic enterprises in Batangas City-Bauan Bay are dominated by the yellow-led Fuel-Gas. In the factory belt of the agri-subsector along the highway in the fourth district, the national democratic movement exerts strong political influence and continues to expand and consolidate.

Most of the unions in enterprises in San Pablo-Lucena City area are independent. But the national democratic movement exerts political influence, especially among workers in the coconut desiccating industry.

In the province of Rizal, the splittists has sparked struggles within base unions of the progressive trade union movement even as efforts are being made to further expand and consolidate the latter throughout the whole province.

## **2. The Political Spectrum in the Trade Union Movement in the Region**

Politically, the five main federations in the region take the line of the national-democratic movement: 1) Omega, comprising 30 local unions with 6,397 members; 2) Nissan, comprising 17 local unions with 5,364 members; 3) DFA, comprising seven local unions with 1,849 members; 4) IBM, comprising six unions with 1,753 members; and 5) Anglo, comprising three local unions with 1,214 members. NFS has one union with 85 members. A significant number of independent unions — 18 locals with 7,291 members — also take the line of the national-democratic movement. The whole block of genuine, militant and patriotic trade unions has a total of 82 local unions with 23,868 members. This block is currently divided into four active district alliances: Almapila, Pamansag, Almada and Sorla. Alab is now inactive. The provincial alliance in Quezon, has also been inactive since its congress in 1992.

The February Six Movement (FSM) works in close alliance with the block of the progressive and militant trade unions in the region. It has 11 local unions with a total of 2,088 members. All its local unions are also local unions of Almatika, their regional labor alliance.

MEWA cannot be considered in alliance with the progressive, militant and patriotic trade unions in the region although it is under Kilos-Bayan at the national level. It has no formal relations with the regional alliance.

The yellow-led unions can be considered as a bloc divided into eight federations with 14,435 workers, and 21 independent unions with 6,926 members. Following are the divisions: 1) the CFW, seven local unions with 1,260 members; 2) Fuel-Gas, seven local unions with 2,249 members; 3) UWP-BMP, six local unions with 2,313 members; 4) PTGWO, four local unions with 1,106 members; 5) Namawu, four local unions with 567 members; 6) FFW, three local unions with 770 members; 7) TUCP (ALU and NLU), four local unions with 3,850 members; and 8) FDTU, one local union with 2,300 members. As a whole, the yellow bloc has 57 local unions with 20,731 members.

Currently, the militant and progressive unions constitute the single biggest bloc in the region. However, the progressive labor movement in Southern Tagalog has experienced some setback from its preeminent position in 1984, particularly since the confusion and division brought about by the factionalists and splittists in the workers' movement. Another big factor has been the loss of a big number of unions from 1987 to 1992 as a result of business closures and the setbacks in certification elections and local elections, aggravated by the limited work in trade union organizing which is confined to a very few factories.

The progressive and militant trade union movement has simply maintained dominance vis-a-vis the bloc of yellow-led unions. Our research indicate 80 enterprises that can be considered big and strategic. They have a strategic role in the national economy and employ at least 300 workers each. The number of workers in these enterprises totals 58,522.

In terms of political blocs competing for influence in the strategic industries, the national-democratic movement leads with 43 local unions, (53 percent of the total number of strategic factories) and 28,867 workers, while the yellow-led bloc has 31 local unions (38.7 percent of the total) with 20,755 workers

Among the yellow-led bloc, Fuel-Gas stands out for its control of strategic plants in the oil and chemical industry. The national-democratic movement should not overlook this fact, especially because its own influence is limited to workers and unions in the food and

beverage, drug and chemical industries as well as to local unions which, though big, cannot yet be categorized as strategic.

The strength of the militant and progressive trade union bloc is concentrated in the industrial belt; however, it has lost a lot of influence in Cavite after the local government succeeded in crushing its base unions in Carmona and DBB and these were replaced by unions "independent" of its leadership.

In Quezon, the genuine, militant and patriotic trade unions have declined in vigor and militancy since the downslide of the coconut desiccating industry in 1990 resulting in the massive layoff of workers.

In Rizal, the factionalists and splittists continue with their activities to disrupt genuine trade union organizing which, however, continue to forge ahead.

## THE PEASANTRY

### Intense Feudal and Semifeudal Exploitation

#### 1. The Land Problem

According to government data, 49 percent or 3,106,600 of the region's inhabitants depend on agriculture for a living: 560,285 are farmers, of whom 80 percent or 448,228 are landless sharecroppers, leaseholders (paying fixed rent), farm workers, and swidden farmer-settlers on government-owned (public) lands.

Some 835 landlord families control 70.27 percent, or 496,469 hectares, of the region's total agricultural land. Prominent among them are the Yulos with 7,100 has.; Escuderos, 4,000 has.; Reyeses, 2,257 has.; Sanggalangs 1,600 has.; and Uys, 1,500 has.<sup>2</sup> There has been no basic change in the existing landlord-peasant relations. Feudal and semifeudal relations prevail.

In coconut-producing areas, consisting of the major parts of Quezon, Laguna, Batangas, Mindoro and Marinduque and some parts of Cavite, about 80 percent of the total landholdings are owned by big landlords. In these areas, the prevalent sharing system is *tersyuhan* (2/3-1/3) in favor of the landlord. In some other areas, the sharing system ranges

<sup>2</sup> The Yulos, Escuderos and the Reyeses are among the top big comprador-landlord-bureaucrat capitalist families with interlocking interests in trading, banking and manufacturing. They are in close collaboration with foreign monopoly capitalist interests. They also wield great political control and influence not only in the region but also nationally.

from *tersyong baliktad* (1/3-2/3) in favor of the peasant to 60-40 in favor of the landlord. There are also areas practicing the fixed-rent system (computed at 25 percent of the average annual yield based on three normal crop years).

A research conducted in 1989 reveals that under the prevailing sharing system, on the average a tenant-peasant family earns a mere P2,087.40 every two months or P34.79 per day from a three-hectare coconut farm. Thus, tenants have to sell their labor power seasonally (or take up some sideline occupation) to survive or make both ends meet.

Only about 20 percent of the landlords, with coconut plantations using the wage system, follow the legally stipulated minimum agricultural wage of P82.50 per day. Regular farm workers on the average receive only P40-P50 per day under extremely poor working conditions and very minimal support for domestic necessities.

On rice and corn lands mainly in the rural plains and some in hilly and mountainous areas of the region, Presidential Decree No. 27 (covering rice and corn lands) issued by the U.S.-Marcos dictatorship — true to expectation — did not dismantle the traditional landlords' monopoly control. It has reinforced semifeudal relations, with the landlords increasingly taking on the function of landlord-trader-usurer (LTU); and for our purposes we may call them new-type landlords.<sup>3</sup> The rich peasants and small landlords were the ones generally hit by PD 27. The big landlords evaded compliance with the law by simply converting the land to other crops (also as provided by the law) and/or using their influence on the bureaucracy.

The prevailing sharing system on ricelands is still 60-40 in favor of the peasant who, however, has to shoulder all the expenses. Under the leasehold system, the peasant pays 20 cavans per hectare for the dry-season crop and 15 cavans per hectare for the rainy-season crop.

In parts of the rural plains, the *aryendo*<sup>4</sup> system is gaining ground. Traditional landlords lease their land for a definite period to LTUs who in turn use it for commercial rice cropping and other truck or cash

<sup>3</sup> As in other feudal and semifeudal societies, traditional or aristocratic landlords regard merchant-traders and the new rich with contempt and thus generally do not engage in trading or in systematic usury for extracting surplus, especially beyond their own tenants. The LTUs maintain combined trading and usurious-lending networks over extensive areas beyond their landholdings. — *Editor*.

<sup>4</sup> The *aryendo*, like the *inquilino* system, dates back to Spanish colonial times. — *Editor*.



cropping. These big leaseholders hire farm workers from among the tenants at slave wages of P60-70 per day.

Landlords control about 80 percent of the sugarcane lands in Batangas and Laguna. In these areas, capitalist and semifeudal forms of exploitation thrive side by side. At the Yulo-controlled Canlubang Sugar Estate and the Roxas-controlled Haciendas Banilad and Palico, intense capitalist exploitation of the workers prevails.

Sharecropping and the fixed-rent system are also widespread. The usual sharing is 50-50 on both expenses and earnings, excluding the peasant's labor power. The usual annual fixed rent ranges from P3,500 to P4,000 per hectare.

In sugarcane plantations, the traditional and the new-type landlords control the principal means of sugar production, the sugar mill, through which they also control the production and earnings of independent farmers and even extract surplus product from them. The sugar mill deducts 35 percent of the gross product as milling fee. They also control the market and get for free certain "by-products", such as bagasse, which they use for wine and alcohol manufacture.

## **2. Monopoly of the Means of Production and the Market**

The monopoly of both traditional and new-type landlords over the principal means of production is the secure base of feudal and semifeudal exploitation. The means of production include capital, tools and technology, and the necessary farm infrastructures. Furthermore, the market, the main destination of the peasants' produce, is dominated, if not directly controlled, by the landlord-trader-usurers. Here, the peasants' surplus product is further extracted.

In coconut-growing areas, capital is concentrated in the hands of the traditional landlords, LTUs, big compradors, and foreign capitalists. They own the copra warehouses, big transport vehicles, and even the desiccating plants, refineries and oil mills, and factories processing consumer products. They also control such banks as the United Coconut Planters' Bank, the main lender of capital.

In rice-growing areas, the peasants are in great need of advanced equipment and technology for production to increase yield and avoid bankruptcy. With the International Rice Research Institute in Los Baños, Laguna in the lead, the use of modern seeds (high-yield varieties or HYVs) that increase production but require intensive use of fertilizers and pesticides is being promoted. These also require

extensive irrigation systems, which the government controls and uses for extracting surplus product from the peasants in the form of irrigation fees. Furthermore, the government, the comprador big bourgeoisie (the "Big 7 Rice Cartel", for example), and the foreign monopoly capitalists collude in controlling the market.

In sugarcane-producing areas, control of the market by the big comprador-landlords is effected through ownership of the sugar mills and comprador control of the inputs. They manipulate the purchase price of sugar and the inputs. (Sugarcane production uses up 40 percent of the country's total fertilizer import, which comes to about 23 sacks of fertilizer per hectare.) This explains why it is in the sugar industry that such monopoly control by the big comprador-landlords and the foreign capitalists has become most notorious.

In vegetable- and fruit-cropping (trucking) areas, the LTUs have monopoly control of the market. They own the warehouses and transport vehicles and control the market for the produce. The peasants therefore cannot take their produce directly to the market. We can cite cabbage-cropping in Banahaw as an example. The produce is purchased from the farmers at a farmgate price of P5.50-P7.50 per kilo and then sold in the market at P25-P30 a kilo. The bulk of the surplus product is shared among the local traders/wholesalers and the LTUs.

In coffee-cropping areas, monopoly control by LTUs or the local comprador-landlords and the foreign capitalists prevail. Local traders buy the coffee beans from the farmers and sell these to the LTUs. The LTUs in turn sell it directly to the comprador and the foreign capitalists who own such processing plants as Nestle Philippines (a subsidiary with 88 percent Swiss equity) and General Milling Corporation (owned by Uytengsu) and control coffee beans export.

Such a monopoly of the means of production and distribution (market) results, on the one hand, in the concentration of profit and capital in the hands of the few and, on the other, the poverty and misery of the people in production, which becomes the basis of yet another form of semifeudal exploitation: usury, in its variety of practices from area to area.

In Mindoro island, Valiant Distribution, Inc., one of the biggest rice cartels, has a monopoly control of the market in Mindoro Occidental. Only 18 percent of the total rice production is purchased by the National Food Administration, so that the rice farmers are forced to sell to the merchant-traders. In the town of Sablayan, the mayor, a big monopoly

trader, dictates the current purchase price at P5.50 to P5.85 per kilo of palay.

In Mindoro Oriental, *tersyuhan* is the prevalent sharing system in coconut areas.

In irrigated ricelands, the following are the usual practices:

a. In the weeding-harvesting system, the farm worker gets one cavan for every six or seven cavans of the total harvest.

b. The prevailing wage rate is P50-P60 per day, without meals.

c. In threshing, the work crew gets 2/3 of the rent income after the owner of the threshing machine has deducted his share.

In fruit-growing areas, orchard owners pay a daily wage rate of P30-P70 per day (without meals) for pruning, weeding and picking. We have not yet gone deeply into the study of the political economy of the central part of Mindoro Oriental where fruits (rambutan, lanzones, citrus, lemon and banana) are the main produce.

### 3. Severe Usury

Usury in its variety of practices is one of the most severe forms of exploitation. Through it, peasants are deprived of income from their produce and eventually dispossessed of land and livelihood. The system results in an unending cycle of further concentration of wealth and the instruments of production in the hands of the LTUs and the further impoverishment of the people in production. This is further aggravated by the lack of agricultural support services and subsidies from the government.

In Southern Tagalog, the main form of usury is the *prenda* system, whereby the peasant uses his land as collateral for a fixed amount of loan. Aside from the interest on the loan, the lender-usurer becomes the virtual owner of the land and its produce, thus he is able to further extract surplus product from the peasant. Until the loan is paid back, the usurer gains control of the use of the land: have it farmed or rented by others, dictate the crop, schedule the harvest, designate the supplier of agricultural implements and the buyer of the crop. Another form of usury is formally charging the same amount loaned but with the right to buy the peasant's produce at a designated low price. Thus the usurer extracts the interest payment from the difference between the very low purchase price and the price at which he disposes of the product at the next instance.

In Mindoro Occidental, where commodity production and distribution is relatively not well developed (in the main, peasants still produce what they consume), interests on loans go as high as 140 to 200 percent if payment is in kind, and 18 to 24 percent if in cash. When the loan is made in milled rice or in fertilizer, the going rate is as high as 95 to 150 percent per cavan of rice or fertilizer.

The going rates per crop-period are: 1) for every bag of fertilizer loaned, three cavans of palay in payment; 2) for every cavan of husked rice loaned, three and a half cavans of palay in payment; and 3) the *libuhan* system — for every P1,000-cash loan, 16 to 18 cavans of palay in payment.

In Mindoro Oriental, the usurer usually lends fertilizer and pesticide to wetland rice farmers at a going rate of three cavans of palay per sack of fertilizer, and three and one half cavans of palay for every liter of pesticide per crop period. There is also the *halili* system — for every P1,000-cash loan, the equivalent in kind (palay) at the preset price of P120 (NFA farmgate price is P250) per cavan in payment.

Through the widespread practice of usury, the twin phenomenon of land monopolization by the LTU and dispossession and semiproletarianization of the owner-peasant-producers continue relentlessly.

#### **4. Low Wages for Farm Workers**

The emergence of farm workers (from the dispossessed peasants), owning no means of production other than labor power, is part of the growth of semifeudalism in the countryside. In Southern Tagalog, the main form of farm-worker exploitation is direct. This is prevalent in plantations and corporate farms. In these places, only a very small number of regular farm workers (20 percent) enjoy the government-set daily minimum wage for agricultural workers. Furthermore, majority of them lack job security, work long hours and are deprived of such political rights as organizing themselves into unions or other formations and waging strikes and other forms of struggle to advance their interests.

The other form is indirect exploitation of a huge number of daily-wage farm workers by the landlords and LTUs in the form of maintaining low wages, although most of those who buy their labor power are also peasants. The peasants who earn so little, after deducting the rent and selling his produce at a low price to the trader and

deducting the land rent or amortization, can only afford to pay wages based on his own meagerly income. Thus, the extraction of surplus product from the peasants by the landlords and the LTUs lowers even more the wages of the farm workers in the chain of surplus-value extraction.

In Mindoro Occidental, for example, the wage for rice-transplanting (*talok*) is P47-P50 per day; P5-P7 per hundred bundles for uprooting and bundling seedlings; and P100 per day for plowing, harrowing (with water buffalo or hand tractor), excluding meals. In the *traskuhan* system, using carabao, the fee is five cavans per hectare. In harvest and post-harvest processing of palay, the usual practice is 1/15 to 1/18 share in the *bigkisan* (sheave) system; one *balde* (approximately 10 liters) of palay per workday in the *baldehan* system; and seven cavans of palay per hectare under the *pakyaw* (piece-rate) system. For threshing, the crew gets P3 per cavan or P300 for every 100 cavans, which is divided among the team members. In drying palay, 50 centavos are paid for every sack.

In mongo cropping, the sharing is one-fourth to one-sixth, with the farm worker doing the sowing, spraying, harvesting and shelling. In watermelon-seed cropping, the wage for culling the seeds from the pulp, including washing and sun-drying, is P7.00 per tin (deciliter).

In Mindoro Oriental, the prevalent *kamkam* system (from weeding to reaping) in ricelands, the farm worker's share or wage in kind is one-sixth. The usual daily wage is P60-70 per day, excluding meals. In garlic-cropping, the farm worker who does the planting, weeding and uprooting gets a share or wage in kind of one-ninth.

## **5. Militarization in the Countryside**

The government is ruthlessly implementing its "total war" policy in Southern Tagalog to counter the growing strength of the revolutionary movement and to maintain and stabilize the conditions for feudal and semifeudal exploitation by the landlords, LTUs and foreign monopoly capitalists.

More than 30,000 regular troops of the Armed Forces of the Philippines (AFP) are deployed or stationed in Southern Tagalog. They are divided into regular infantry battalions of the Philippine Army and companies of the Philippine National Police (PNP). The number excludes the paramilitary forces such as the Citizens' Armed Forces Geographical Units (CAFGUs) and the municipal and city police

forces, and their intelligence personnel and network. Furthermore, the Southern Luzon Regional Command, the PNP Training Academy, and a Philippine Air Force (PAF) Fighter Wing all have their headquarters in the region.

AFP military operations have wrought serious damage to the agricultural sector. Due to these operations, tons and tons of peasants' produce have been destroyed or spoiled. Worse, the enemy military forces have directly violated the human rights of the masses in the region. There are numerous documented cases of massacres and frustrated massacres, "salvagings" (extrajudicial executions), torture, rape, bombings, strafings, looting, forced evacuations and others. Most affected are most parts of Quezon, Laguna, Batangas and eastern Rizal; almost the entire island of Mindoro; and the central and northern parts of Palawan.

In the rural plains, legal peasant organizations and legal institutions as well as peasant mass leaders and activists are continuously harassed. There have been cases of arrests and kidnapings. Military troops often terrorize open peasant mass actions, sometimes acting as the landlords' "private armies".

The government's military offensives have also affected the revolutionary movement. Through the "special operations teams" (SOT), the enemy forces have occupied some areas and built military camps, formed local CAFGUs, and set up intelligence networks. Repeated enemy military operations forced us to leave some areas but we are now in the process of recovering these areas.

## **THE FISHERMEN**

### **Conditions in the Major Fishing Areas**

The Philippines is an archipelago consisting of 7,107 islands. It is surrounded by the Pacific Ocean to the east, China Sea to the north and the Celebes Sea to the south.

The country has territorial waters (extending to the so-called exclusive economic zone) of 220,000,000 hectares, and a 17,460-kilometer-long coastline. This does not include inland water resources (freshwater and brackishwater) totaling 825,821 hectares of which 200,000 hectares are lakes.

Southern Tagalog has 10 major fishing areas: Laguna Bay in Laguna and Rizal, the country's largest inland water; Taal Lake in Batangas, the

country's third largest lake; the first district (facing the China Sea), Batangas Bay and Balayan Bay, all in Batangas; Lamon Bay in Quezon; Tayabas Bay in Quezon and Batangas; Ragay Gulf in Quezon and Bicol; and the waters around the coastlines of Mindoro and Palawan.

There is a total of 174 coastal towns in these major fishing areas.

Lamon Bay has 409 coastal barrios in 10 coastal towns with a population of 358,943.

Laguna de Bay has 164 coastal barrios in 30 coastal towns. It has an area of 91,136 hectares and a 220-kilometer-long coastline. About 76,000 families live along the coastline of which 18,100 are fishermen's families.

Taal Lake has 10 coastal towns, with 3,242 families dependent on fishing for a living.

Tayabas Bay has 322 coastal barrios in 12 coastal towns with a population of 465,281. It has a 100-kilometer-long coastline.

The first district of Batangas has 25 coastal barrios in three coastal towns with a population of 44,945. It has a 98.1-kilometer-long coastline.

The island of Mindoro (Oriental) has 124 coastal barrios in 13 coastal towns with a population of 198,631.

Balayan Bay has 25 coastal barrios in five coastal towns with a population of 34,911. Its coastline extends to 56 kilometers. The island of Palawan has 22 coastal towns and has a 1,959-kilometer-long coastline. Batangas Bay has four coastal towns. Ragay Gulf has four coastal towns. There are no additional data on these fishing areas.

Based on available data, the 10 major fishing areas in Southern Tagalog cover 1,007 coastal barrios in 174 coastal towns with 1,102,711 inhabitants in 79,242 families. The shoreline extends to a total of 2,433.1 kilometers.

## **Production and Productivity**

### **1. National Level**

The Philippines was the eleventh biggest source of fish products worldwide in 1989. It came third after Japan and Indonesia in tuna production.

Based on 1991 data, the fishing sector was the second biggest contributor to the country's agricultural production. Agricultural products (rice, corn, coconut, etc.) led with a share of 53.9 percent. The fishing sector had a share of 17.6 percent.

This sector contributed only a small share to the gross national product (GNP), amounting to 3.7 percent. The whole agricultural sector had a share of P261.7 billion of the GNP. The fishing sector contributed P46.1 billion to this amount. From 1982 to 1991, the sector's annual growth rate of production was 3.6 percent, though increasing slightly by 0.2 percent in 1991.

Of the subsectors (commercial, municipal and aquaculture), municipal fishing contributed the major part amounting to 44 percent, followed by commercial fishing and aquaculture with 29 percent and 27 percent, respectively.

In 1991, the fisherfolk sector numbered one million in the whole archipelago, or about 1.7 percent of the whole population. This means that there was one fisherman for every 60 inhabitants. Of the sector's total population, municipal fishermen accounted for the biggest number, reaching 675,677 or 68 percent. They were followed by those working in fishponds and the like (aquaculture) with 258,480 or 26 percent. The commercial sector came last with 56,715 or 6 percent.

Fish-product exports reached a total of P14 billion. Of this amount, prawns and semiprocessed tuna accounted for 75 percent (P7.5 billion for prawns and P3.1 billion for tuna). On the other hand, the country imported P2.32 billion worth of fish products, 92 percent of which was accounted for by fish meal (23 percent) and frozen/chilled fish (69 percent). Imports increased by 25 percent from 1990 to 1991.

## **2. Southern Tagalog**

In 1991, Southern Tagalog came second to Western Mindanao in the share of the country's total fish production, with a share of 19 percent. Of the total regional production, 72 percent came from municipal fishing, while 28 percent came from aquaculture and commercial fishing (each with 14 percent).

The region had the biggest share in the country's production by traditional fishermen, reaching 31 percent of the national total.

The region ranked fifth in the country's commercial production, accounting for 9 percent. Its aquaculture production contributed 10 percent to the sector's national total.

Traditional or municipal fishing is of two types: inland municipal fishing in lakes and the like; and marine municipal fishing, which refers to fishing close to the seacoasts.



In 1991, production from municipal fishing reached 352,996 metric tons. Fifty-four percent of this came from inland waters while 46 percent came from waters along seacoasts. Southern Tagalog led in the national production in this sector with a share of 31 percent. This is due to the fact that three of the country's 10 biggest lakes are located in the region. First of these is Laguna Bay in the provinces of Laguna and Rizal, with an area of 90,000 hectares; second is Taal Lake, 33,432 has.; and third is Naujan Lake, 8,000 has.

In commercial fishing, Southern Tagalog was the fifth largest producer, with a 9-percent share of the national total in 1991. Of the region's total fish production, 29 percent was accounted for by commercial fishing.

### ***By Sector***

Commercial fishing has three subsectors: brackishwater, freshwater and mariculture. The freshwater sector is further subdivided into fishponds, fishpens and fishcages.

Of the region's total fish production for 1991, 24 percent came from the aquaculture sector, ranking it fourth with 10 percent in the national fish production.

For the region's aquaculture sector production, 52 percent was accounted for by the freshwater subsector, 32 percent by the brackishwater subsector, and 16 percent by the mariculture (or saltwater aquaculture) subsector.

The region's freshwater aquaculture production ranked first in the country's total with a share of 42 percent. This was accounted for by the fishpen and fishcage production, both of which the region was No. 1.

Its brackishwater aquaculture production also had a significant share of 8 percent, ranking it fifth in the country's total subsector production. In mariculture production, the region contributed only 4 percent to the country's total production, although it ranked third nationally.

### ***By Provinces***

In 1991, the province of Quezon accounted for the bulk of the region's fish production, producing 41 percent of the regional total. Palawan was second with 33 percent. Batangas was third with 9 percent.

The municipal fishermen contributed the main share (68 percent) to the region's total production, compared to the 32 percent share of commercial fishing sector.

By provinces, Palawan registered the biggest bulk with 40 percent; Quezon, 28 percent, and Batangas, 12 percent.

The provinces of Romblon, Marinduque and Aurora have mostly municipal fishermen. Commercial production in these areas is nil. In municipal fishing, Marinduque engages in small-scale production, although it occupies fourth place in the region.

### ***Forces of Production***

In 1991, Lamon Bay had 24,943 full-time fishermen, 1,546 part-time fishermen, and 1,200 fish workers in commercial fishing vessels. There were 3,856 motorized bancas (small fishing boats), 1,602 non-motorized bancas, and 77 commercial fishing vessels.

Laguna de Bay had 18,000 fishermen. There are no data yet on the number of full-time and part-time fishermen, fishworkers, motorized and non-motorized bancas, and commercial fishing vessels.

In Taal Lake, there were 35 commercial fishing vessels. There are no data on the number of fishermen, fish workers, motorized and non-motorized bancas.

In Tayabas Bay, there were 10,278 full-time fishermen, 723 part-time fishermen, and 1,645 fish workers. There were 3,304 motorized bancas, 1,974 non-motorized bancas and 81 commercial fishing vessels.

In the first district of Batangas, there were 4,765 full-time and part-time fishermen and 1,000 fish workers. There were also 1,038 motorized bancas and 819 non-motorized bancas, and 90 commercial fishing vessels.

The island of Mindoro had 14,236 families dependent on fishing for a living. In Mindoro Oriental, there were 6,235 full-time fishermen, 3,454 part-time fishermen, and 285 fish workers. The fishermen had 5,489 motorized bancas and 2,994 non-motorized bancas. There were 24 commercial fishing vessels in the area.

Balayan Bay had 5,981 full-time and part-time fishermen, and 2,917 fish workers. There are no data for the number of bancas and commercial fishing vessels.

For the entire region, submitted data showed that there were 70,202 full-time fishermen, 6,723 part-time fishermen, and 7,047 fish

workers.<sup>5</sup> There were 13,637 motorized bancas and 7,389 non-motorized bancas, and 307 large commercial fishing vessels.

The common means of production used by municipal/traditional fishermen are the banca (motorized or paddle), hook and line, and net. The most commonly used methods are the following: hook and line (*kitang, kaskas, kawil*), *palubog (pante)*, *bayakos/kakag*, ply net, *pukot*, spear, *baklad, dalat* and *salap*. Commercial fishers use big motorized bancas and fishing vessel, trawl, *basnig* [purse seine], hook and line, *pangulong, buli-buli, taksay* and dynamite.

In aquaculture, fishcages and fishpens in lakes and fishponds in brackish waters are used.

### ***Relations of Production***

The fisherfolk's daily income is uncertain and therefore so is his future.

They suffer exploitation in the form of rapidly rising cost of the basic inputs and the means of production, and lack of guarantees to demand a fair price for their catch. All these are controlled by the traders/merchants and the consignees (dealers and middlemen).

Furthermore, fishermen and fish workers suffer various other forms of exploitation in every area or type of fishing.

1. In medium or commercial fishing vessels, the system of exploitation based on the ownership of capital precludes any kind of job or wage security for the fish workers. The prevailing practice is a sharing system based on the amount of catch and the designation of members of the work crew.

### ***Case Studies***

Usual practice: fishing vessel using trawls, *buli-buli, kalansisi* and others.

For every fishing expedition, all expenses for petrol, machine oil, ice, liquified petroleum gas (LPG) for cooking, food and cigarettes are deducted by the fishing capitalist from the catch to be shared.

After these deductions, the catch is divided into two parts: one part for the vessel owner or capitalist, and the other part is divided among all crew members, according to designation.

<sup>5</sup> Data for part-time and full-time workers cannot be ascertained from the figures because some provinces reported compounded figures for both.

Case Study 1: a basnig with a 25-member crew on a 15-day monthly expedition with an average 200-kilogram catch per day:

$$\begin{aligned} & 200 \text{ kgs / day} \times 15 \text{ days/month} \times \text{P}25/\text{kg} \\ & = \text{P}75,000 - \text{P}30,000 \text{ expenses} \\ & = 45,000 - 1/2 \text{ for owner/capitalist} \\ & = 22,500 \text{ for sharing by the crew (25-member)} \\ & = \text{P}900 \text{ per fisherman per month} \end{aligned}$$

Case Study 2: pukot or kalansisi-type, with a 12-member crew on a 20-day monthly expedition with an average catch of 50 kilograms per day priced at P25 per kilogram.

$$\begin{aligned} & 20 \text{ kgs/day} \times 20 \text{ days/month} \times 25/\text{kg} \\ & = 25,000 \text{ minus expenses of } 6,000 \\ & = 19,000 - 1/2 \text{ share of owner/capitalist} \\ & = 9,500 / 12 \text{ workers} \\ & = \text{P}792 \text{ share per fisherman per month.} \end{aligned}$$

2. Traditional or municipal fisherfolk, with their primitive or backward means of production, are at a disadvantage. They cannot compete with commercial fishing vessels which also operate in municipal fishing grounds. They also suffer exploitation through very high production costs and very low price for the catch. Exploitation also exists in the production relations between the "operator" (boat owner) and the fisherman-renter. The usual practice is to deduct, first, the expenses from the total earnings or catch. The net earnings or catch are then divided thus: one part for the boat, one part for the net, one part each for the fishermen-renters (in this case, two per vessel).

Case Study 1: Palubog (bottom set net): a fisherman without his own fishing boat and implements, with a catch of 5 kgs per day for 20 days at P25 per kg.

$$\begin{aligned} & 5 \text{ kgs/days} \times 20 \text{ days/month} \times 25/\text{kg} \\ & = 2,500 - 500 \text{ expenses} \\ & = 2,000 - 2/3 \text{ or } 1,333.32 \text{ for boat and net owner} \\ & = \text{P}666.66 \text{ for the fisherman for one month.} \end{aligned}$$

Case Study 2: Bayakos/kagkag: eight fishermen on a 20-day month with a sharing system of one part for owner of boat and two parts to be divided by fishermen.

$$\begin{aligned} & 20 \text{ kgs/days} \times 20 \text{ days/month} \times 25/\text{kg} \\ & = 7,500 - 1/3 \text{ or } 2,500 \text{ for boat owner} \\ & = 5,000 \text{ divided by } 1/8 \\ & = \text{P}625 \text{ share per fisherman for one month} \end{aligned}$$

3. Workers in aquaculture (fishponds, fishpens and fishcages), caretakers are no different from tenants or caretakers of landlords. They are either paid *fixed wages* or *in shares of the yield*. They are exploited in the same way as tenant-peasants and farm workers.

The relations of production (sharing system) between the fishpond, fishpen and fishcage owner and the caretaker or tenant are expressed in two ways: 1) wage system where the caretaker gets P100 a day and 10-15 percent of the total yield; and 2) 30-35 percent of the total yield for the caretaker.

In the case of fishpond, fishpen and fishcage workers, such as maintenance workers and fish feeders, their earnings depend on what system applies to farm workers. Generally, they are exploited by means of the eight-hour working day without job benefits or incentives.

There are many issues or problems in the fishing areas. In Laguna de Bay, for example, outstanding issues are: demand for the abolition and replacement of the Laguna Lake Development Authority; the need for a comprehensive rehabilitation and development of the lake; use of illegal fishpens by big fishing capitalists; opposition to Executive Order 121; illegal or destructive fishing methods; the issue of land and water use due to the Calabarzon project; and the issuance of permits for fishpen/fishcage and commercial fishing.

In Taal Lake, outstanding issues include illegal and destructive fishing practices; monopoly of the Pansipit river fishing area; land and water use conversion for tourism as part of the Calabarzon project; issuance of permits for fishpen/fishcage and commercial fishing; and the maintenance of the existing ecology of the lake (currently registered as class B).

In the marine fishing grounds, urgent issues include the negative effects of the Fishery Sector Program contained in Presidential Decree No. 704; illegal and destructive fishing practices; intrusion of commercial fishers in municipal waters; conversion of lakeshore areas into commercial, industrial, residential and fishpond areas with its attendant eviction of local fishermen; lobbying in Congress for the Unity Bill and the setting up of Resource Management Councils; the RP-Japan, RP-Taiwan treaties on fishing; monopoly of foreign and local capitalists in the production, marketing and processing in the fishing industry; and the degradation of marine resources and the entire ecosystem, as exemplified by the destruction of mangroves.

## **A SHORT NOTE ON THE URBAN POOR**

The region has the largest concentration of urban poor in the whole country outside the national capital region. The four largest resettlement areas have been set up in Southern Tagalog since the time of the U.S.-Marcos dictatorship. These are: Dasmariñas Bagong Bayan, Bulihan sa Silang and General Mariano Alvares (GMA) — all in Cavite — and San Pedro Resettlement Area (SPRA) in Laguna. The population in these four areas is listed as half a million. The shorelines of Laguna de Bay and Bacoor Bay also have concentrations of urban poor. So have certain communities in the cities of Cavite, San Pablo, Lucena and Batangas (particularly Sta. Clara).

Among the number of urban poor are farmers who have lost their farms as a result of the land-use conversion scheme of the government. Farmers in the areas chosen for industrial estates, the centerpiece of the Calabarzon project of the U.S.-Ramos regime, have been driven off their farm lands.

Unemployment, deprivation of the right to reside, deprivation of social services, including the most basic needs such as water, run rampant in the communities of the urban poor. They are constantly run down when the government starts putting up infrastructure projects in areas occupied by them, especially with the implementation of the Calabarzon project in the region. A burning issue these days is the forced eviction of urban poor residents along the shores of the Laguna de Bay to make way for the planned construction of a dike around the lake. This is the same issue being faced by the residents of Sta. Clara in Batangas City to make way for the transformation of Batangas Port into an international port. The urban poor in Bacoor had earlier been evicted to make way for the coastal road currently being constructed and extended up to Rosario, Cavite which is the site of the Cavite Export Processing Zone.

Aside from the national-democratic organizations, the Socdems are actively organizing among the urban poor. The latter have organizations in Cavite City and Bacoor. The Zone One Tondo Organization (ZOTO) is still strong among the organizations brought by those resettled from the National Capital Region (NCR) to the four main resettlement areas. These organizations are still friendly to and support the national-democratic organizations in activities among the urban poor. TUMANA, an institution, is also active in helping organization and mobilization work among the poor, particularly in resettlement areas.

despite its economic approach in its work among the urban poor. For a long time, the "nail, wood, and corrugated-iron roofing sheets" mentality has dominated those influenced by this institution.

The national-democratic movement has to exert more effort in reactivating the struggles of the urban poor communities. Urban poor activism has been on a decline since 1984-85 when these communities took up local and political issues.

## **ON THE MANGYANS OF MINDORO**

### **Conditions and Problems**

The term Mangyan refers to six major ethnolinguistic groups inhabiting the rim and mountains of Mindoro island. Generally, the Mangyans are divided into two main groups — the Southern Mangyans and the Northern Mangyans — each with its own language.

The Northern Mangyans consists of the Irayas, the Alangans and the Tadyawans while the Southern Mangyans consists of the Hanunuos, the Buhids and the Tao-Buhids. There is no exact count of the entire Mangyan population on record. The estimate, according to the Tribal Forum (1984), is 114,000 or 17 percent of the entire 668,882 (1980) population of the island.

The Research Center of De La Salle University (RCDLSU) in its research refers to seven ethnolinguistic groups — the Northern Mangyans consisting of the Irayas, Alangans and Tadyawans; and the Southern Mangyans consisting of the Batangans, Hanunuos, Buhids and Ratagnons.

In our own research and investigation, we have encountered Mangyan groups called Batangans (Sablayan and Calintaan) and Bangons (at the headwaters of the Bongabon River). From the similarity of their linguistic structure and customs, we have established that they belong to the Tao-Buhid subgroup. The Ratagnons are regarded by the RCDLSU as having emerged from the intermarriage of Visayan settlers and Hanunuos and thus, in a strict sense, is not a separate ethnolinguistic group. We can therefore retain the six ethnolinguistic groupings: Iraya, Alangan, Tadyawan, Buhid, Hanunuo and Tao-Buhid.

The basic distinction between these two main groups is not based on mere geographic location but on differences in language and other group-specific cultural characteristics.

The history of the Mangyans is as old as the aborigines or other indigenous tribes in what is now the Philippines. In the past several centuries, they had lived along the seacoasts of the island with its teeming waters and forests until this century when they were driven towards less hospitable inland mountain forests and alienated from their ancestral domain.

In earlier times, the Mangyans inhabited the plains, living in abundance through fishing, hunting and food gathering from the rich resources of the island. It is recorded that the Mangyans had been trading with the Chinese since the 10th century.

The coming of the Spanish colonialists towards the latter part of the 16th century disrupted the natural links of the Mangyans from the economic and cultural stream in the archipelago. The process of their transformation and alienation into a "cultural minority" started. It qualitatively deepened towards completion in the period of U.S. imperialism.

The coming of migrant settlers from Luzon and the Visayan islands has practically completed the banishment and alienation of the Mangyans. The settlers took advantage of the Mangyans' traditional communal view of land use and grabbed the land from them. This process of dispossession of the Mangyans was facilitated by the fraudulent system of land titling, deception, usury, force and violence. The Mangyans with their indigenous concept of land use became easy prey to the dirty maneuvers of lowland settlers ("loctanon") whereby under bourgeois law the possession of a land title (a mere piece of paper) is more weighty than actual communal possession and use of the land.

Now, the original settlers have been joined by big capitalists and big foreign merchants. Thousands upon thousands of hectares have fallen into the hands of transnational corporations, influential bureaucrats and politicians and government institutions and converted for use as pasturelands, plantations, logging concessions and others in so-called development projects of the Manila government. The entry of the transnational corporations, logging concessionaires and pasture lessor has accelerated the grabbing of ancestral lands from the Mangyans.

The rise of the cash economy, together with the wholesale landgrabbing, have relegated them to conditions of deprivation, poverty and suffering. New production relations have dissolved the old



communal production relations of self-sufficiency among the Mangyans.

Thus, the Mangyan are forced into tenancy and wage relations under the worst exploitative, oppressive and chauvinistic conditions. They are victims of various kinds of discrimination: starting from the wages that they receive to conditions under which they sell their produce. Their products are underpriced by the merchant opportunists who take advantage of their simple ways.

Today, the Mangyan communities are a living image of the backwardness of the country and of government neglect. There is glaring poverty, landlessness, discrimination, illiteracy, and absence of social services. The Mangyans in varying degrees are being deprived of their cultural identity or ethnicity under the semicolonial and semifeudal society.

### **Analysis of Present Mangyan Social Structure**

The Mangyans that we have come upon are of a clan society. Families band together on the basis of kinship and ethnolinguistic similarity. They practice shifting-plot or swidden agriculture, apparently dating back to Philippine prehistory.

The Mangyan clan society is lower than the tribe. It has no formal political structure or authority as in tribal communities of the Moros or the Cordillera people.<sup>6</sup>

The tribal societies of the Moro or the Cordillera people have their chieftain who wield political authority over the tribe; a class of warriors for the defense of the tribe; and priests who wield moral and spiritual influence over the entire tribe.

In the Mangyan society, the recognized head or father wields no actual authority over the members of the clan or community. They are merely consulted by the members of the clan for advice in solving problems that arise between families and preside over rituals.

The grouping of families/clans come from the need for mutual protection, benefit and support. Their grouping into communities does

<sup>6</sup> There is need to check whether this is the highest form reached in the development of Mangyan society in the past or there has been a sociocultural degradation resulting in the dissolution of the structure of authority as well as mode of production upon the impact of the now dominant settlers who have grabbed the best lands and introduced the commodity system. — *Editor*

not reflect a development of indigenous political or administrative units.

Patriarchal relations obtain in the family or clan. This is reflected by the direct voice of the male clan members in deciding and solving problems affecting the family or clan as well as in the choice of the leaders for their barrios [under the Manila-imposed local government and administrative system] whereby only the male clan members participate in voting. However, in some cases, some degree of democratization has been achieved, giving way to women's participation in deciding matters pertaining to the family and the clan.

The entire community or clan have high respect for their chief and elders. Within the clan, the oldest male member is recognized and holds moral influence over the other members of the community, although he does not wield political authority. Disputes among members of the community are referred to the clan chief or father for advice or solution. This is practised commonly by almost all the ethnolinguistic groupings.

The level of the development of Mangyan society reflects a low level of development of the mode of production. The nature of shifting-plot or swidden agriculture has given rise to a concept of ownership which is attached to the produce rather than to the land. The Mangyans have no ingrained concept of the right to ownership of the land apart from what it grows and produces.

For the Mangyans, the land is for all. Everyone has the right to cultivate it. In their struggle for production, they fight to secure their right over the produce of the land rather than over the right to ancestral domain. Their system of shifting-plot or swidden agriculture makes the land infertile after several croppings, thus the little value they give to the land, which they easily leave rather than defend when challenged. Their concept of ownership makes the Mangyans vulnerable to all sorts of landgrabbers who are thus left unchallenged when they lay claim to the land.

The Mangyans who rely mainly on swidden or shifting-plot agriculture produce for themselves their main staples such as rice, corn, bananas and root crops. Production remains low — subject to the vagaries of nature, primitive technology, lack of capital input and lack of security in land tenure.

There is no overt struggle of classes in Mangyan communities and sitios. These are unlike those of the "lowlanders" or settlers whose class

divisions and conflicts are sharp. Aside from class divisions, there are also groups and sectors with legitimate sectoral demands and interests.

Feudal and semifeudal relations have not completely obliterated the Mangyan's indigenous beliefs, tradition and communal relations. In varying degrees, the traditional belief in the communal access to use of the land still prevails.

### **Our Political Line**

Any effort towards the liberation of the Mangyans from their backward, oppressed and exploited condition has to be within the framework of the national-democratic struggle of the entire people. Any effort outside such a framework cannot decisively solve the problems confronting them.

The problems of various ethnic people, including the Mangyans, are closely bound with and, as a matter of fact, are extensions of the the feudal and semifeudal relations of exploitation in our country. Thus the fundamental problems of ethnic minorities can be solved only with the overthrow of imperialist domination of the economy, the elimination of feudal and semifeudal exploitation and the development of social production.

Thus, to liberate themselves, it is important for the Mangyans to unite and join the struggle of the workers, peasants, urban petty bourgeoisie and national bourgeoisie as reliable allies in achieving national freedom and democracy.

National oppression and other forms of chauvinism spawned by the domestic ruling classes and their foreign masters can be put to an end by persevering in the struggle against the reactionary rule of the comprador big bourgeoisie, big landlords, bureaucrat capitalists and U.S. imperialism. The overthrow of the reactionary state representing the ruling classes is the key to ending the national oppression suffered by the ethnic minorities.

All attempts to assert the right to self-determination outside the framework of destroying the reactionary state will be meaningless, easily led astray and vulnerable to being coopted. So long as the state machinery of the ruling classes exists, the foundation for national oppression of the ethnic minorities as well as class oppression of the entire people will also remain. Thus, the liberation of the minority peoples is closely bound up with that of the rest of the people from semifeudal and semicolonial oppression and exploitation.

The minorities' centuries-old land problem — the same problem affecting the majority of the people — arose primarily from the deprivation of their ancestral domain. This is a major manifestation of national oppression.

The Party recognizes the fact that the feudal rule and exploitation imposed by the landlords on the Mangyans is the cause of the latter's landlessness. The Party approaches this problem within the framework of its Revolutionary Program of Land Reform, with the particular objective of improving production, developing cooperation in marketing and aspects of agricultural production and distribution.

Moreover, within the framework of the minimum objective of the agrarian revolution, it is important to remember that efforts towards it should always be linked to the struggle for fair or equitable pricing of their products in the market, fighting the various forms of usury that victimize them by regulating interest rates on loans, and achieving other corresponding changes in the relations of production.

### **On the Concept of Ancestral Domain**

Although, as we have explained, the historical development of Mangyan society has not reached the point of having evolved a consciousness of the concept of ancestral domain, we explain this concept to them and lay the basis for their struggle for the right to self-determination.

However, their historical claim to ancestral domain is based on the following definition: "those portions of the territory that their communities or ethnolinguistic groups occupy for their socioeconomic and cultural activities and survival". Thus, under the particular conditions of Mindoro, these are the interior or central parts of the island inhabited by their indigenous communities.

With the victory of the people's democratic revolution, all the Mangyan groups shall be given a special voice in deciding the cultivation and development of the natural resources within their portion of the territory principally for their benefit and for the common interest of the entire people. The people's democratic government shall provide the necessary scientific, technical, economic and political support for the all-round development of the Mangyans in the cultural and political spheres as well as the scientific and technological knowledge to effectively administer and cultivate the natural resources in their control. Any development project initiated by the people's

democratic government shall always take into consideration the right of the ethnic minorities to self-determination as well as the mass line.

Furthermore, in arousing, organizing and mobilizing the Mangyans, we warn against the danger of carrying the slogan of defending the ancestral domain apart from the overall national aspirations of the toiling masses who are victims of the class oppression and exploitation perpetrated by the U.S. imperialists, the big comprador-landlords and the bureaucrat capitalists. We must be alert to the danger that the Mangyans would count among their enemies the peasant-settlers in the plains who actually share their fate as victims of the exploitative and oppressive social system. We must also be alert to the danger that the national and class content of their struggle would be diluted and waged outside the frame of the revolutionary struggle for national freedom and democracy and fall into sectarianism.

In wielding the slogan, "Fight for the right of ancestral domain", we must sharply define its content as a mass movement to fight for land rights over their present domain over which they have legitimate historical and traditional claim or "ownership". In arousing, organizing and mobilizing the Mangyans, we must make them conscious of the value of the land that they till in addition to the traditional value that they attach to their produce from the land. We must encourage them to defend their right over their land as a way of safeguarding the long-term continuity of production. We must make them understand that there is a limit to the areas where they can shift. We must encourage them to settle permanently on the land that they cultivate, to develop it and improve production.

### **Development and Revolutionary Transformation of Existing Political Structures**

The further development of our concept with regard to revolutionary work among the Mangyans comes from our initial practice over a few years on the basis of the conclusions drawn from our social investigation.

In the process of undertaking mass work among the indigenous people we have established a new sociopolitical reality, which is important to a dialectical understanding of the specific characteristics of every ethnolinguistic group that we work with, thus enabling us to adopt a style of work more responsive to their needs.

The orientation that we have drawn up refers to the step-by-step laying of open and secret, legal and illegal and armed and unarmed infrastructures parallel to those of the mass movement of the indigenous people. These are infrastructures for establishing the people's democratic power that shall replace the traditional, patriarchal and outdated sociocultural-political system of the ethnic people. This process shall culminate in the formation of a revolutionary federation of ethnolinguistic groups having proportional representation within the organization of the NDF which shall be established on the island.

We have also mentioned that this semigovernmental structure shall ensure that the Mangyans will have sufficient and genuine power and determination to take the road of self-determination (in relation to the reactionary government) within the framework of the national-democratic revolution.

In continuing to deepen our study of the socio-cultural-political reality of the ethnic communities, we have observed the following:

1. The traditional custom and way of life of each ethnolinguistic group go through stages of transformation and degeneration.

2. The transformation and degradation of the traditional custom and way of life among the members of each ethnolinguistic group also vary.

In socio-historical perspective, this is because the dominant sociocultural and politico-economic order of the lowlanders has impinged on and caused changes within the ethnic society.

Short of being completely assimilated, the ethnic social structure gradually etches itself into the socioeconomic and political structure of the existing exploitative and oppressive order. The ethnics are transformed into a strata of producers and consumers in the semifeudal economy.

Even the political infrastructure of the ethnic communities loses its identity. If the original and traditional forms of rule exists at all today, these are gradually degenerating. The superior political infrastructure of the mainstream economy prevails and the ethnic communities are being integrated into it and are gradually adopting — or adapting to — its political forms.

In sum, the transformation of the ethnic Mangyan communities is half-baked. First, these did not have the opportunity of evolving according to its internal laws of motion. Such an internal process has been disrupted by the impingement of the historical forces of colonialism and imperialist domination on the one hand and by the

chauvinism of the domestic ruling classes of the comprador-bourgeoisie and the big landlords on the other.

Thus, in their social life, there exists — alongside their traditional customs and ways — those of the mainstream economy.

In connection with this reality, we can cite a few conclusions.

1. The present society of the ethnic communities is in a state of flux. Their identity, as to political form and self-rule, have not firmed up.

They are at the stage of seeking and discovering the historically appropriate political form of self-determination to achieve the right to their ancestral domain.

2. In our organizing work, it is preferable for us to transform what we come upon and develop its progressive aspects rather than set up a parallel mechanism or alternative political infrastructure.

3. The role of the traditional leaders of the community must be recognized and given importance, especially at the early stage of building political influence. However, it is important to develop young and progressive leaders within the community while gradually reducing the traditionally bound leaders to nominal status and building up the functional status of new progressive leaders.

4. In the process of transforming the political custom of a community which we come upon, we need to revive and strengthen the inherent primitive democracy by introducing the modern concept of people's democracy within the various ethnolinguistic groups.

5. In categorizing the ethnics which we influence, it is possible to identify each settlement or community where we can effectively mobilize and convince the leaders to listen to our policies and line of analysis.

In our experience, when we have organized their leaders in NDF cells or in organizing groups or committees, their respective following or the entirety of their clan are also easily mobilized and willingly take up tasks in the revolutionary struggle.

6. Their ethnic warrior tradition which has been dormant for a long time has to be gradually revived. It is necessary to revive in the consciousness of the community that bright stage in their history when their ancestors lived in dignity and freedom so that they will learn to value and defend their interests as a community.

Another point that need to be clarified is the slogan regarding their right to self-determination. In the particularity of the Mangyans, it is

wrong to direct their natural right to self-determination towards a demand for autonomy.

The demand for autonomy means the building of an independent political structure of governance within a definite territory within the scope of the ethnolinguistic group. Such a concept implies that Mangyan society has reached a stage of development where a type of political system of administration larger than the tribe has evolved (such as the system of the Moro sultanate). It would also imply that such a political structure has its corresponding advanced economic base, much more developed than the economy of shifting or swidden plot agriculture.

Such a concept goes against the truth and the reality that even among the Mangyan communities there are no formal indigenous political structures. It is even more untenable to extend such a concept to cover all the ethnolinguistic groups of the Mangyans.

Such a concept is rooted in the dogmatic application and twisted understanding of the concept of Mangyan ancestral domain and a misconception of the economic and political development reached by the Mangyan communities.

It is necessary to view Mangyan self-determination within the framework of the development of the entire Philippine society and the struggle of the entire people to free themselves from national oppression.

This means that the integration of Mangyan society into the national stream and development of the entire people, not independence and autonomy. On the other hand, efforts at the integration of Mangyan society into the economic and political stream of the entire Philippine society must take into consideration the particularities of their customary laws, tradition and culture. This is the essence of their exercise of self-determination within the context of the people's democratic revolution.



## NEOFASCISM AND REACTION

By the International Department  
of the Communist Party of the Philippines

2 June 1995

The crisis of the world capitalist system has become so severe that actual unemployment and social welfare cutbacks even in the industrial capitalist countries are of a magnitude unprecedented in the entire period following World War II. These are brought about by the supermonopolies in their drive to counteract the falling rate of profit, maximize profits and win in competition against each other. In this drive, the supermonopolies invest in higher technology and cut down the cost of production by reducing employment and lowering the real wage levels of the workers. They accumulate additional funds through tax breaks, takeover of funds and assets from the state and reduction of social funds at the expense of the proletariat and the people.

In a vicious cycle, the reduction of employment and real income among the people results in less effective demand or less purchasing power of the consumers for the goods and services produced in the capitalist system. The higher profits of the monopoly firms winning in the competition also means the absorption or bankruptcy of other monopoly firms, resulting in further unemployment. The crisis of overproduction worsens.

The intensified competition for markets is not only within any industrial capitalist country but increasingly among the major capitalist countries. Various centers of capitalism now tend to consolidate their national and regional markets and intensify their competition, thus departing from the tendency for a long period of time after World War II to build transnational firms and banks under the leadership of U.S. monopoly capitalism.

But even as the industrial capitalist countries compete against each other, they are united against the proletariat and peoples of the world. Outside North America, Western Europe and Japan, most of the third world and former Soviet bloc countries have continued to suffer bankruptcy, over-borrowing and depression and offer a shrinking market for the goods and services produced by the West and Japan.

Thus, the industrial capitalist countries are hard hit by the crisis of overproduction. The people suffer increasing unemployment and social misery and are increasingly becoming disgusted with whichever is the bourgeois party or coalition of bourgeois parties in power as this fails to solve the problems arising from the worsening crisis of capitalism.

In Western Europe, the monopoly bourgeoisie still uses mainly traditional parties for espousing liberalism and neoliberalism, social-democracy or Christian democracy and to some extent nongovernmental institutions for espousing reformism and social voluntarism. To dispel popular disgust at the traditional parties, the monopoly bourgeoisie encourage the high-profile role of so-called clean and successful businessmen in new parties and coalitions as well as the electoral participation of green parties and neorevisionists proclaiming themselves "Left-wing" social-democrats.

Further on, the monopoly bourgeoisie whips up such outrightly reactionary ideas and sentiments as nationalism, racism, anticommunist populism and religious bigotry or prejudice, thus encouraging the emergence of neofascism. These undisguised Rightist ideas and sentiments are calculated to obscure the capitalist root cause of unemployment and social misery and to inflame passions in preparation for using counterrevolutionary violence domestically to suppress the progressive forces.

The monopoly bourgeoisie invokes national pride to induce the working class into accepting exploitative policies through a trisectoral framework of class conciliation among the state, big business and the trade union bureaucracy. The workers are made to accept that it is a matter of national pride to help the monopoly capitalist class raise profitability and that foreigners are supposedly the entities to blame for the persistent or increasing unemployment as they supposedly take jobs away by accepting far lower wages.

Migrant workers and political refugees from third world countries have consequently become the most visible and easy targets of neofascist violence under the slogans of an aggressive nationalism and racism. They have taken the place of Jews as the main accessible target of neofascists. There is an objective and increasingly conscious collaboration between the violent anti-foreigner attacks of the neofascists, which are sensationalized in the bourgeois media, and the official policy and legislation against migrant workers and political refugees.

Like their fascist predecessors, the neofascists try to excite the passion of national and racial superiority. They invent idealistically a golden past of national greatness and glorify the fascist regimes of the past. They also utilize eclectically every idea or sentiment that builds up an aggressive and expansive sense of national and racial superiority. In the Western cultural milieu, they pick up what suits them from idealist philosophy, social Darwinism and Christianity.

Just as the Nazis fanned the flames of Christian religious prejudice against the Jews, who were derided as the killers of Christ, the neofascists try to capitalize on a fear of the Islamic faith, because many of the migrant workers come from countries where Islam is the dominant or is a major religion. In the first place, the imperialists have encouraged Islamic religious fundamentalism in the East as a weapon of anticommunism in the cold war. Subsequently, the neofascists use anti-Islam hysteria against Muslim migrants in the West.

Like their fascist predecessors, the neofascists use an anticommunist kind of populism. For the wrong reasons, they utilize the real grievances of the people and the youth (e.g., unemployment) in order to galvanize a mass movement according to their fascist line. They declare that their fascist parties and groups are classless and that they are for the people. They cultivate a petty-bourgeois sense of "classlessness" or of being *declassé*, especially among recruits from the ranks of the unemployed, the youth and intelligentsia. But in fact, they serve the monopoly bourgeoisie by obscuring the capitalist root cause of oppression and exploitation and by trying to lead the masses astray.

Like their predecessors, the neofascists initially call attention to themselves by forming paramilitary or vigilante formations and undertaking violent actions for the purpose of getting sensational bourgeois press coverage and inciting the masses against their targets. These actions seem to be anarchistic, especially when done by groups that are still small. But the point of the neofascists is to get public recognition and draw attention to their fascist position. They are not anarchists in essence. They emulate the leader principle, hierarchy and mechanical military discipline practiced by their predecessors.

The notorious propensity of the fascists and the neofascists to use counterrevolutionary violence against proletarian and progressive forces is not their original invention. It is learned from the history of violence perpetrated by capitalism and imperialism. What scandalizes certain sections of the bourgeoisie is that fascist violence ultimately

leads to a destruction of the bourgeois democratic processes even as the fascists use the same processes to attain monopoly of political power.

Like their fascist predecessors when these were not yet in power, the neofascists are positively regarded by the monopoly bourgeoisie insofar as they are anticommunist. They penetrate the coercive apparatuses of the bourgeois state and collaborate with the military and police officers against communist and progressive forces. Even now, the police are using the neofascists as actual disrupters of progressive demonstrations or as the pretext for refusing to issue rally permits to demonstrations of progressive forces.

The neofascists calculate that the monopoly bourgeoisie will find them increasingly useful as breakers of workers' strikes and other mass actions of the people as the crisis of capitalism worsens. They expect to gain strength by getting more financial support and cooperation from the monopoly bourgeoisie and from the reactionary institutions, such as the military and police, the churches and the mass media. They anticipate that they would play the decisive role in anticommunist suppression and that like their predecessors they would take over the monopoly capitalist state.

In some countries in Western Europe, neofascist parties are already getting a sizeable portion of electoral votes, as in France, Italy and Belgium. In countries like Germany, where antifascist laws and militant antifascist resistance still exist, the neofascists have resorted to the tactics of proliferating small groups that are interconnected through a secret as well as open network. The monopoly bourgeoisie is harsh on revolutionary parties and groups but deals with neofascist parties and groups with velvet gloves.

Fascism and war are far bigger monsters in Russia and in several countries of Eastern Europe than in Western Europe. That is because the crisis of capitalism is worse there as a result of revisionist betrayal of socialism and the further degeneration of their economy, politics, culture and morality in the post-revisionist period.

State capitalism and the military and police are being used in a fascist way in that part of the world. But the Western imperialists proclaim that democratization is flourishing there so long as the privatization of state assets goes on. They are bound to change their tune when military fascism arises from the ranks of military officers to make bigger trouble for them as national and class contradictions further sharpen. The

neofascists of Western Europe have increasing close links with their counterparts in the former Soviet bloc countries.

*There are similarities in character and circumstances between the fascists of the past and the neofascists of today. But certainly there also are differences. History does not repeat itself. For one thing, the proletariat and the people learn from the past and they have seen how the fascists of the past succeeded for a while and failed ultimately after wreaking terrible havoc on mankind in World War II.*

Among the proletariat and the people, there is rising consciousness and vigilance against the neofascists. There are also revolutionary forces ever ready to act militantly in a tit-for-tat struggle with the neofascists even as they struggle against the more cosmeticized forces of monopoly capitalism.

## IN COMMEMORATION OF THE 100th DEATH ANNIVERSARY OF ENGELS \*

We, the Communist Party of the Philippines (CPP), commemorate the great communist teacher, Friedrich Engels, on the occasion of his 100th death anniversary. We reaffirm his great communist teachings and further strengthen our resolve to wage revolutionary struggles in our respective countries and to contribute to the resurgence of the world proletarian revolution and the broad anti-imperialist movement amidst the worsening crisis of the world capitalist system.

Before collaborating directly with Marx, Engels had studied and written on the conditions of the working class and saw its potential as a revolutionary class. In comradeship with Marx, he matured further and made brilliant achievements as proletarian revolutionary thinker and fighter.

Marx and Engels laid down the basic principles of Marxism in philosophy, political economy and scientific socialism. They co-authored such great works as the anti-idealist *The Holy Family*, the *German Ideology* which germinated the monumental work of Marx, *Capital*, and *The Communist Manifesto*.

Marx focused on the critique of the capitalist political economy. Engels complemented this work with his elaborate work in dialectical and historical materialism. He integrated into materialist philosophy the advances in the natural and social sciences. He wrote such great works as *Anti-Dühring*, *Dialectics of Nature*, *Origin of the Family* and *Ludwig Feuerbach*.

Marx and Engels were the closest comrades-in-arms in practical revolutionary activity. They joined the Communist League together. They worked together in *Neue Rheinische Zeitung* and resisted the counterrevolution. They founded the First International. And Engels increasingly took over the work of leading it as Marx's illness grew worse during the last ten years before his death in 1883.

Engels was devoted to Marx and to the communist cause. After the latter's death, he edited and published volumes II and III of *Capital* and was instrumental in establishing the Second International, in which he was regarded as the most outstanding thinker and leader. He died of

\* Extract from Message of Solidarity to the Partito Marxista-Leninista Italiano (PMLI)

cancer on August 5, 1895, while he was at work on the fourth volume of Marx's *Capital*.

Only by grasping the theoretical and practical achievements of Marx and Engels can we proceed to grasp the succeeding stages of the development of Marxism, such as those of Leninism and Mao Zedong Thought.

Our celebration of Engel's monumental contributions to revolutionary theory can only be as significant and worthwhile as we are inspired by them and as we are determined to uphold his great communist teachings, to comprehend the revolutionary struggles and victories of the proletariat since his time and to march forward along the line set by the party of the revolutionary proletariat under the guidance of Marxism-Leninism-Mao Zedong Thought.

Long live the memory and works of Engels!

Victory to the proletariat and the people!

Long live proletarian internationalism!

*June 4, 1995*

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