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### Endnotes

<sup>1</sup>Inayatullah, "Conceptual Framework for Country Studies of Rural Development" in Inayatullah (ed.) *Approaches to Rural Development: Some Asian Experiences* (Kuala Lumpur: Asian and Pacific Development Administration Center, 1979), p. 11.

<sup>2</sup>This section is drawn from Romeo B. Ocampo, "Social Justice: An Essay on Philippine Social Ideology", *Philippine Journal of Public Administration*, Vol. XV, Nos. 3-4, (July-October 1971).

<sup>3</sup>Austin Ranney, "The Study of Policy Content: A Framework for Choice" in Austin Ranney (ed.) *Political Science and Public Policy* (Chicago: Makham Publishing Co., 1968), pp. 6-7.

<sup>4</sup>The exemption given to sugar and coconut lands was modified subsequently by a Presidential announcement on October 11, 1977 whereby tenants of sugar and coconut plantations of less than 25 hectares can become co-owners or stockholders of the corporations which hold them. This announcement expanded the scope of the agrarian reform program. The expansion of the program, however, is subject to the following requirements; (a) the land must be tenanted (thereby, excluding lands under plantation management or labor administration), (b) the land must not be more than 25 hectares in area.

With these requirements, only a small portion would be covered by the provision making tenants of commercial croplands co-owners through equity participation and profit-sharing. For instance, in the case of coconut, less than 2% of coconut farms would be covered since 98% are more than 25 hectares. Given the first requirements, more than 80% of coconut farms would be excluded because they employ wage labor. (Source: Bureau of Agricultural Economics, 1977.)

<sup>5</sup>This figure was used as the scope of OLT from October 21, 1972 to December 1977.

<sup>6</sup>Total crop land in 1976 (latest data available) totalled 11,460,000 hectares; food crop land, 8,014,600 hectares; rice and corn land, 6,836,400 hectares. Source: Bureau of Agricultural Economics Summary: Agricultural Land Utilization (Crop Area Harvested) by Kind of Crops, Cropyears 1967-79.

<sup>7</sup>Commercial crop land totalled 3,445,800 hectares, constitution 30.1% of total crop land in 1976. Source cited in reference no. 6.

<sup>8</sup>The second and third priorities are not mutually exclusive categories. This may be an example of an ambiguous rule which hampers OLT implementation.

<sup>9</sup>Resettlement, like land transfer, is a program of the MAR under the land tenure improvement aspect.

<sup>10</sup>For detailed procedures used, see Duncan A. Harkin, *Some Distributional Considerations in Philippine Land Reform* (Manila: USAID, February, 1975), Appendix VI.

<sup>11</sup>The other modes of payment include: a) payment of 30% in preferred share of stock issued by the Land Bank bonds at 6% interest; b) full guarantee of the tenant's amortization payments in 15 equal annual installments; c) through annuities or pensions with insurances; d) exchange arrangements for private corporations where the government has holdings.

Land Bank bonds are fully guaranteed by the government, are transferrable, and acceptable payment for goods under Japanese government reparation projects, and also

acceptable as collateral for loans in amounts up to 80% of the their value. The loans carry an interest charge of 12% and are granted by public lending institutions specially for the purchase of stocks or assets of government owned or controlled corporations.

<sup>12</sup>Harkin, *op. cit.*

<sup>13</sup>Cited in Antonio Ledesma, S.J., *Rice Farms and Landless Rural Workers: Perspectives from the Household Level*. (Paper presented in an International Rice Research Institute Saturday Seminar, October 28, 1978).

<sup>14</sup>*Sharing in Development: A Programme of Employment, Equity, and Growth for the Philippines* [Report of an Interagency Team financed by the UN Development Program and organized by the International Labor Office (ILO)]. Philippine Edition (Manila: National Economic and Development Authority, 1974), pp. 487-512 and Appendix A.

Improvement in overall tenant income was calculated as the average of income improvements weighted according to the mode of tenure before the transfer. The ILO mission used a tenure distribution pattern weighted in favor of the groups who gain the most so as not to understate the distributive effect of land transfer: share tenants constituting half of OLT beneficiaries, ordinary leaseholders, 30%, and reform leaseholders, 20%

Income improvements were calculated by taking the present value of an income stream which is constant at the original tenure status levels (i.e., ordinary leaseholders, reform leaseholders, or share tenants) and thereafter as equivalent to that of an owner-cultivator, and comparing this to the present value of an income stream which remains at the original tenure states level indefinitely, at the time preference rate of 20%. For reform leaseholders, the improvement in the income stream is 2% larger than the reform leaseholders who remain as leaseholders; for ordinary leaseholders, 23%; and for share tenants, 84%.

<sup>15</sup>For a detailed discussion of the procedures used, see *Sharing in Development: A Programme of Employment, Equity and Growth for the Philippines*. *Op. cit.* pp. 487-492 and Appendix A.

<sup>16</sup>Landowners' capacity to absorb the forced sale of their land is evidenced in Bernal's study of rice lands in 1967. It was found that landowners who have more than 100 hectares also own a major business or are major stockholders of a corporation; own two or more cars and two or more houses; and take vacations abroad. Those with 50-100 hectares are executives or officials in large businesses or in the government, or owners of large retail businesses; they have one or two cars, a residence valued at ₱25,000 to 60,000 (1960 prices); and take vacations to Baguio or to out-of-town places in the Philippines. Those with 11-49 hectares have white-collar jobs; are school teachers or supervisors, or own a small retail business; they have a residence worth ₱10,000-₱20,000. Those in the lowest class, having only 6-10 hectares, are primarily self-employed without any high living conditions.

<sup>17</sup>The estimates are based on the following data and assumptions; 1) the maximum proportion of total family income derived from all agricultural crop rentals is about 4% (data derived from income and expenditure surveys of the Bureau of Census and Statistics); 2) this amount is transferred away from the richest 20% of urban families (to which the landowning class roughly belongs) and equally shared by the lower 20% of rural families (to which rice and corn farmers roughly belong), and 3) there is *no compensation* from the gaining to the losing groups.

<sup>18</sup>Mahar Mangahas, V.A. Miralao, and R.P. delos Reyes. *Tenants, Lessees, Owners: Welfare Implications of Tenure Change* (Quezon City: Institute of Philippine Culture and Institute of Economic Development and Research, 1976).

<sup>19</sup>*Ibid.*

<sup>20</sup>Welfare differentials among the three peasant subclasses have been documented by Antonio Ledesma, *op. cit.* This section is drawn from this study. The generalizability of these findings has not been established but they do provide useful insights regarding stratification within the peasantry.

<sup>21</sup>Masagana 99, a major government credit program for rice production does not include the landless, even if it grants loans without collateral.

<sup>22</sup>Ma. Aurora Carbonell-Catilo and Perla E. Legaspi, *A Case Study of a Rice Farming Community in the Philippines: The Process of Impoverishment and Farmer Participation*. (Paper prepared for the Economic and Social Commission for Asia and the Pacific, U.N., August, 1981.)

<sup>23</sup>United Nations, *Public Administration in the Second United Nations Development Decade*. Report of the Second Meeting of Experts, January 16-26, 1971, p. 36.

<sup>24</sup>Hung Chao Tai, *Land Reform and Politics: A Comparative Analysis* (Berkeley: University of California Press, 1974), p. 267.

<sup>25</sup>Vivian Tucay, *Administrative Capability of the Ministry of Agrarian Reform* (A term paper submitted for PA 298—Seminar in Government Management, University of the Philippines, College of Public Administration, 1st semester, 1980-81.)

<sup>26</sup>Keith Griffin, *Political Economy of Agrarian Change: An Essay on the Green Revolution* (Cambridge: Harvard University Press, 1974), pp. 198-204.

<sup>27</sup>For a very well written argument on agrarian reform policies as Con-mechs, see Josefina Tayag, *Land Reform As Confidence Mechanisms* (A term paper submitted for PA 323—Administration of Social Development, University of the Philippines, College of Public Administration, 2nd semester, 1980-81.)

<sup>28</sup>Culled from Angelito Manalili's discussion of Crassroots Participation, Command and General Staff College, AFP, March, 1981.

<sup>29</sup>*Ibid.*

<sup>30</sup>Term coined by the Institute of Social Work and Community Development, U.P., to refer to process that combines *facilitating* and *manipulating*.

<sup>31</sup>Minutes of the Proceedings of the Committee on Social Justice of the 1971 Constitutional Convention, October 26, 1971.

The Committee on Social Justice worked as subcommittees: Concept on Property and Just Compensation; Land Ownership; Development of Natural Resources; Ownership of Strategic Industries; Housing Problems; Taxation; Right to Work and Economic Security; Right to Education, Medical Care and Social Security; Political Power; Access to Credit and Cooperatives; Crime Prevention and Treatment of Offenders; and Indigents Access to Courts.

<sup>32</sup>*Ibid.*, November 20, 1971.