

LAND REFORM: BEHIND THE RHETORIC OF AQUINO'S DAVAO PROMISES

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In 1972, an estimated 1.3 million hectares of rice and corn lands, mostly in Luzon, were worked by 900,000 tenants. About 40% were in estates larger than 50 hectares. These were owned and controlled by only 1.6% of all landowners, which meant that these landowners controlled an average of 150 hectares and 420 people.¹

Faced with a growing insurgency, ex-President Ferdinand Marcos declared Martial Law in September 1972. One month later, he promulgated Presidential Decree (PD) No. 27, which announced "*The Emancipation of Tenants from the Bondage of the Land They Till.*" It is otherwise known as the Land Reform Law or Tenant Emancipation Act.²

PD 27 introduced the following:³

1. Operation Land Transfer — stresses the land-to-the-tiller principle; distribution of certificates of land transfer to all eligible tenant farmers on rice and corn lands.
2. Samahang Nayan — organization of potential land reform beneficiaries in the barrios into pre-cooperatives, eventually leading toward an integrated network of area-wide cooperatives servicing the various needs of its members.
3. Masagana 99 — designed to increase rice productivity by providing for the credit and input requirements of small farmers.

This law decreed that land ownership would be transferred to the tenants for rice and corn lands above 7 hectares, and that there would be leasehold arrangements for lands 7 hectares and below for other tenanted lands. This law hoped to transfer 716,520 hectares into the hands of 396,082 tenants.

PD 27 did not diminish tenancy. *Ibon Facts and Figures* reports:⁴

In 1980, 24.8 percent of the total farm area consisted of tenanted lands, up from the 1971 figure of 18.2 percent. Among palay and corn

¹ "Land Reform Headway But . . .," *Ichthys*, December 1977, p. 13.

² *Pres. Ferdinand E. Marcos on Agrarian Reform*, with an introduction by Conrado F. Estrella (Quezon City: Public Information Division, Ministry of Agrarian Reform, 1979), p. 104.

³ "The Philippine Case: Paradigm Lost?" *Rural Monitor*, July 1977.

⁴ "Rooting Out Inequality," p. 3. Figures came from the *Agenda for Action for the Philippine Rural Sector* (College, Laguna: Agricultural Policy and Strategy Team, University of the Philippines-Los Baños-Philippine Institute of Development Studies, October 1986).

lands, the only crops covered by the Marcos land reform program, the situation has worsened. From 1971 rates of 17.6 percent and 18.5 percent, respectively, tenancy in rice and corn farms rose to 29.4 percent and 19.6 percent in 1980.

After twenty years of his rule, Marcos had "accomplished" the following: 76,853 tenants acquired land ownership; 14,344 emancipation patents were given under Operation Land Transfer; 39,806 titles were received through direct negotiations; 7,642 patents were granted in settlements; 15,061 deeds of sale were made in landed estates; and there were 236,699 new leaseholders.⁵

The above 76,853 tenant beneficiaries comprise only 19.2% of tenants in rice and corn lands above 7 hectares, 3.8% of all tenants in all crop-lands, and 0.9% of the total number of landless tenants and farm workers.

In effect, Marcos did not make any headway in the solution of the land problem. This was manifested by the worsening of the rural rebellion, which grew rapidly and posed a major threat to his rule.

Marcos declared in 1980 that "If land reform fails, then the whole structure of the New Society crumbles."⁶ These were prophetic words, and were translated into reality in February 1986.

The Promise

In the 1986 presidential election, agrarian reform was one of the major campaign promises of the Aquino-Laurel tandem. In a speech in Davao City, Corazon Aquino capitalized on the failure of the Marcos land reform program. She outlined the policy she would pursue should she be elected:⁷

The two essential goals of land reform are greater productivity and equitable sharing of the benefits and ownership of the land. . . . [W]e will seek viable systems of land reform suited to the particular exigencies dictated not only by the quality of the soil, the nature of the produce, and the agricultural inputs demanded, but above all by the needs of the small farmers, landless workers, and communities of tribal Filipinos whose lives and whose personal dignity depend on their just share in the abundance of the land.

In addition, Aquino assured long-time settlers and share tenants that "land-to-the-tiller" will not remain an "empty slogan." The "growing number of landless workers" were promised resettlement schemes and cooperative forms of farming. As for the island of Mindanao, she stressed

⁵ These "accomplishments" were noted in Ed Tadem, "Notes on the Philippine Agrarian Reform Issue," presented at the ARENA-TWSC-TWN International Consultation on "Democratization in the Philippines," Quezon City, 18-20 August 1986.

⁶ "RP Land Reform: 'Most Peaceful Revolution in the World,'" *Bulletin Today*, 2 June 1980.

⁷ "Selection 10.1: Program of Social Reform, Corazon Aquino," in *The Philippine Reader*, ed. Daniel B. Schirmer and Stephen Roskamm Shalom (Quezon City: KEN Inc., 1987), p. 339.

that conservation of forests and other natural resources should start immediately.

Not a few people felt that, with the ouster of Marcos after the February 1986 coup and Aquino's assumption to power, there was new hope for a solution to the centuries-old problem of unjust agrarian structures that fuels the current rural-based rebellion led by the National Democratic Front (NDF).

The Agrarian Situation

The Aquino government inherited from the previous regime an agrarian problem with no solution in sight except for a genuine agrarian reform measure that is drastic and needs a political will to implement.

As of 1980, those involved in agriculture numbered 7 million, or 49% of those gainfully employed by major occupations, numbering a total of 14 million. They were tilling 10 million hectares of farmlands, or 1/3 of the country's total land area of 30 million hectares.⁸ These hectares were devoted to the following:⁹

CROP	HECTARAGE
rice & corn	5,710,700
coconut	2,842,900
sugar	312,800
tuber, root & bulb crops	131,600
cattle	128,700
coffee	123,800
banana, pineapple & mango	116,500
citrus and vegetables	64,500
fiber crops	60,100
hog, chicken & other livestock	52,900
others	180,400

In 1985, out of 10 million agricultural labor force, there were 2 million tenants, 5 million seasonal farm workers and subsistence fishermen, 1.5 million farmer-occupants of public lands without titles and only 1.5 million owned the lands they were tilling.¹⁰

The peasants are an essential force in the Philippine economy. They produce its food, and account for two-fifths of the export earnings. As

⁸ National Economic and Development Authority [NEDA] and National Census and Statistics Office [NCSO], *1980 Census of Population and Housing: Philippines* (Manila: NEDA and NCSO, 1983), pp. xxxii-xxxiii. All 1980 census publications to be cited henceforth have the same authors and publishers.

Those involved in agriculture also include people working in animal husbandry, fishing, and forestry. The census does not give figures for each category.

⁹ *1980 Census of Agriculture: National Summary*, p. 28.

¹⁰ *Ibid.*

consumers, they provide the government a big source of income through levies and taxes.¹¹

In fact, from 1972 to 1986, there was an impressive agricultural growth of 3.6%, which was 24.9% of the economy's total goods and services. During the "crisis years" from 1983 to 1985, agricultural output had a modest 9% annual growth while industrial output dropped by 25%.¹²

Poverty of the Philippine Peasants

But despite their vital contribution to the country's economy, the peasants remain one of the most exploited and economically depressed sectors in Philippine society. This is borne out by the fact that the incidence of poverty is higher in the rural areas, where one finds the peasantry, than in the urban centers.

The poverty line for the rural areas was set by the NEDA and NCSO at ₱2,066 a month, the amount needed to satisfy the nutritional requirements and other basic needs of a family of six. In these areas, 63.7% or 3.8 million families were living below the poverty line as of 1985. This is against 52.1% or 1.87 million families in the urban areas, although here the poverty threshold was ₱3,005.¹³ Over 2.2 million families — roughly 13.4 million Filipinos — living below the poverty line are from the agricultural sector. Their average six-month family income in 1985 amounted to ₱5,151, but the average household expenditures for the same period was ₱5,931.¹⁴

Why are the peasants so poor? What problems confront the Philippine peasantry? The traditional view is that a person is poor because he is lazy. Does the peasant deserve this view?

As can already be gleaned from earlier descriptions of the Philippine peasantry, the average peasant does not have access to modern methods of production. He clears the land, plants, weeds, and harvests without the use of machines.

Since the peasant generally has no other source of income while waiting for his plants to grow, he has to take out loans from a usurer,

¹¹ *Annual Report of the Executive Director, FAB, 1982*, Annex A-3, "The Filipino Peasant Struggle for a Free, Just, Humane and Democratic Society," pp. 2 and 3. See also NEDA, *1983 Philippine Statistical Yearbook*, Chapter 5, "Agriculture," pp. 306-318.

¹² "Rooting Out Inequality," p. 3.

¹³ NCSO and NEDA, as cited in Ma. Victoria Gochoco-Perez, "6 of 10 Families Poor in 1985, Government Says," *Business Day*, 17 September 1986.

¹⁴ NEDA, *Low Income Group Study Project Based on 1985 Family Income and Expenditure Survey and the Socio-economic Survey of Special Groups of Families* (n.p., 1985), as cited in "Rooting Out Inequality," p. 3. This is most likely the same study reported by Ms. Ochoco-Perez.

promising to pay outrageous rates ranging from 50% to 200%. This is on top of the debts he has already contracted for production costs.

After the peasant has harvested his crop, he has the problem of bringing his produce to the market, either due to the lack of vehicles or to inadequate roads. Then a middleman comes along (usually the usurer or the landlord), and buys the produce at an extremely low price. The amount that the peasant receives will go to the payment of loans and land rent. The latter may be as much as 80% of the gross sales, even if the peasant had shouldered the production costs.

And so after the harvest, the poor peasant is left with zero balance if he is lucky, and with still unpaid loans and land rent, if he is less fortunate. It is easy to see that being in debt can become an endless oppressive cycle.

For the rural workers, poverty may be due to the seasonal nature of their work, or the very low wages they receive, or both.

Thus, it can be summed up that peasant problems are due to low incomes despite high production cost, exacerbated by the lack of reasonable credit facilities and adequate supporting infrastructure (irrigation, roads, and the like).

But the main issue is that of the question of land ownership. Most peasants do not own the land they till. They have to fork out a major portion of their harvest to their landlord, who for the most part has little or no input to the land. Furthermore, in recent years the encroachment of commercial farms has dispossessed thousands of farmers, converting them into agricultural laborers.

Ibon Facts and Figures reports:¹⁵

Of the 1.6 million families directly engaged in crop farming, 35 percent tilled lands of less than one hectare while five percent had farms of over five hectares. At least 43 percent were tenants of leaseholders.

The 1980 census revealed that 2.3 million individually operated farms had a total area of 2.9 million hectares, while 116,799 had 2.3 million hectares.

Among corporate farms, 2,488 small ones likewise had an average size of 1.2 hectares. In the big league, however, 722 firms held roughly 216.2 hectares each.

In 1980, two-thirds of the 19-million agricultural population were on less than a third of the country's total farm area.

Reassuring the Peasants

Confronted by such conditions, Aquino reiterated her promise to the

¹⁵ "Rooting Out Inequality," p. 3.

peasants a month after assuming office. Heherson Alvarez was appointed Minister of Agrarian Reform.

The April 1986 "Freedom Constitution" reiterated the 1973 constitutional provision of instituting land reform and liberating the peasants from the bondage of the soil. While reorganizing government bureaucracies and coming up with new thrusts, land reform was given some consideration by the Aquino government.

The 1986 Constitution gave emphasis to land reform with its provision that the government shall "undertake the just distribution of all agricultural lands" and implement an agrarian program.

founded on the right of farmers and regular farmworkers, who are landless, to own directly or collectively the lands they till or, in the case of other farmworkers, to receive a just share of the fruits thereof.
[Section 4, Article XIII]

Such program, however, will be "subject to such priorities and reasonable retention limits as the Congress may prescribe, taking into account ecological, developmental, or equity considerations."

But for the rest of its first year in power, the Aquino government was thrown into the dilemma of choosing between instituting a comprehensive land reform using her broad executive powers and waiting for the Congress to pass a land reform law.

Many viewed that waiting for the legislature to decide the issue will erode any effectivity of the program. It was feared that the Congress will eventually be dominated and controlled by landlord interests.

While the government was still formulating its land policy program at a snail's pace, peasant initiatives such as land occupations and takeovers became widespread. Led by the militant Kilusang Magbubukid ng Pilipinas (KMP) or Philippine Peasant Movement, a total of 48,768 hectares were seized by the peasants all over the country by the end of 1986.¹⁶

Recommendations from government institutions and non-government organizations (NGOs) with regards to land reform have not been acted upon by the new dispensation. This dilly-dallying resulted in the death of nineteen (19) KMP peasants and their sympathizers while they were demonstrating at the foot of Mendiola bridge on January 22, 1987. While demanding for a genuine land reform, they were shot at by government troopers without any warning.

The incident came to be known as the Mendiola Massacre, and prompted the government to create the Cabinet Action Committee (CAC)

¹⁶ Kilusang Magbubukid ng Pilipinas [KMP], *Ulat Pampulitika sa Taong 1986* (mimeographed), p. 2. KMP chairman Jaime Tadeo was quoted as saying that a total of 70,500 hectares of land as of June 1988 have been occupied by the peasants. See 23 June 1988, *Manila Chronicle*.

on Agrarian Reform. The CAC had the task of coming up with a new agrarian reform program.

An initial draft of an executive order on the Comprehensive Agrarian Reform Program (CARP) was drawn up in April. The program would target the transfer of 3.79 million hectares and would benefit around 2.81 million small peasants and landless agricultural workers, or about 27.6 percent of the 10.2 million workers employed in agriculture.

The program involves four phases:

Program A, to be implemented in 1987-1989, completes the Marcos land reform program in rice and corn areas, which covers 557,000 hectares.

Program B, to be implemented together with Program A, aims to distribute sequestered lands, foreclosed and forecloseable lands, idle and abandoned lands, voluntary offers and expropriated lands. It will cover some 600,000 hectares.

Program C deals with landed estates under labor administration and tenanted non-rice and non-corn areas. It covers 1,280,000 hectares and will be implemented in 1989-1992.

Program D, slated for 1987-1992 and covering some 1,350,000 hectares, deals with lands under public domain.

The draft was severely criticized by many quarters. Among them was the World Bank (WB), which sent a delegation for a two-week visit in mid-March to review the government proposal for the financing of the expanded land reform.¹⁷ The May 13 report of the WB Mission assessed that the program is doomed to fail and pushed for a "more radical" plan.¹⁸ Prof. Roy Prosterman, who designed the US-sponsored land reform program of South Vietnam and El Salvador called it "an unworkable program."¹⁹

Meanwhile, during the last days of May 1987, thirteen (13) major national peasant and rural worker organizations, including some seventy (70) NGOs involved in rural development work, formed the Congress for a People's Agrarian Reform (CPAR).²⁰ CPAR declared that the core principle of agrarian reform is

the primacy of the right of all members of the agricultural labor force . . . to own and control the land, have access to other natural resources and gain full disposition over the produce.

On July 22, after undergoing fifteen (15) revisions, the land reform blueprint finally came out as Executive Order (EO) No 299 and was signed by Aquino.

¹⁷ *Malaya*, 28 February 1987.

¹⁸ Serialized in *Manila Chronicle*, 23-26 June 1987.

¹⁹ *Manila Chronicle*, 1 July 1987.

²⁰ *Philippine Currents*, June 1987.

Prepared barely five days before the opening of Congress, EO 299 was largely a compromise to landlord opposition to land reform. Although the intent was to at least provide the legislature with a direction on the issue, it only reiterated the constitutional provisions on land reform. However, it failed to touch on the retention limits, priorities and timetable. Furthermore, it penalizes the peasants with permanent disqualification because of premature occupation of lands. It is not surprising that CPAR immediately rejected the EO 299 as a mockery of the peasant's proposal that shows complete disregard of their plight.²¹

The opening of Congress added a new chapter in the search for a land reform program. Both Houses committed themselves to working for the long overdue program. The House of Representatives even promised that it would enact a law within ninety days.

Representative Bonifacio Gillego headed the 31-member Agrarian Reform Committee. Dominated largely by landlords, the committee nonetheless produced a respectable House Bill 400. Ironically, even before the bill reached the floor debates, it was severely watered down by amendments which deleted its remaining progressive features. It raised the retention limit to fourteen (14) hectares and eliminated the progressive and selective compensation scheme.

As an additional protective measure, a group of representatives led by Representatives Romeo Guanzon and Hortencia Starke in February 1988 filed House Bill 941, which has a vague timetable, sets no clear beneficiaries, and most of all exempts private lands from land reform.²² The landlord's agrarian reform bill totally disregards the essence of land reform which is social justice.

In the Senate, two bills were filed separately. The bill introduced by Senator Heherson Alvarez provides a retention limit of between 7 and 24 hectares, depending on the type of cropland. It further seeks exemptions for plantations while requiring profit-sharing schemes for its workers. However, using the Alvarez formula will greatly affect the coverage of the land reform area. It will exclude 76% of ricelands, 75% of cornland, 76% of coconut lands, 31% of sugar lands, and 81% of other croplands. The bill also retains the penalty clause in EO 299 for premature occupation of lands by peasants.

Senator Agapito Aquino's version on the other hand, prohibits absentee landlordism, limits the retention limit to only three hectares, and hopes to cover at least 70% of total farmland. Looked upon as a progressive if not a liberal land measure, it does away with the EO 299 penalty clause.

²¹ *Manila Chronicle*, 24 July 1987.

²² *Manila Chronicle*, 15 February 1988.

By March 25, the two chambers of Congress passed on second reading their final versions of the Comprehensive Agrarian Reform Program.²³ The Lower House approved the "diluted" HB 400 and the Upper House voted for the Alvarez bill.

After nine months, the House of Representatives had finally passed an agrarian reform measure with the passing of House Bill 400 on the third and final reading on 21 April 1988. The 13 original proponents of the bill led by Representative Gillego dissociated themselves from it, charging that the landlords had terribly emasculated it.

The following day, CPAR ended a four-day caravan, and its more than 10,000 participants converged at Liwasang Bonifacio to call for a genuine land reform program.²⁴ On the same occasion, the influential Catholic Bishops' Conference of the Philippines released a pastoral letter exhorting the need for a "realistic" comprehensive agrarian reform program.²⁵

A bicameral conference was called to put up a compromise bill that would satisfy both the Lower House and the Upper House. The issues of timetable, scope and retention limit were marked by heated debates. The House was firm in its position to postpone the distribution of private lands until the fourth year, while the Senate pushed for the second year of the program. After three weeks of haggling and compromises, the committee approved on June 6 an agrarian reform measure.²⁶

Before embarking on a European tour, Aquino signed Republic Act (RA) No. 6657 or the Comprehensive Agrarian Reform Law of 1988 (CARL '88) into law. She said that the law was "the means by which we shall truly achieve independence."²⁷

RA 6657 retains the scope provided for in EO 299. It aims to distribute all lands regardless of tenurial arrangement and crops, whether private or public lands. A ten-year program, CARP involves three phases. The landlords are allowed to retain five hectares and may award 3 hectares to each children.

Cardinal Jaime Sin called it "another miracle" while Amando Doronilla, *Manila Chronicle* editor, said it was "an accord of the elite." A group of 25 organizations including the Archdiocese of Manila and the Bishops-Businessmen's Conference for Human Development stated in a position paper, "despite its shortcomings, (the CARP) is the best bill at this time."²⁸

²³ *Manila Chronicle*, 26 March 1988.

²⁴ *Manila Chronicle*, 22 April 1988.

²⁵ Serialized in the *Manila Chronicle*, 2-3 May 1988.

²⁶ *Manila Chronicle*, 7 June 1988.

²⁷ *Manila Chronicle*, 11 June 1988.

²⁸ *Manila Chronicle*, 28 June 1988.

The leftwing organizations affiliated with the Bagong Alyansang Makabayan (BAYAN) on the other hand declared in a manifesto that "the will to break the monopoly of land ownership by a few families and free the country's vital tracts of land from foreign control is the touchstone of commitment to a genuine agrarian reform."²⁹

On June 26, a full-page advertisement rejecting the CARP was signed by different personalities from various political groups.³⁰ They declared that the new land law

makes a mockery of social justice. It preserves society's historical prejudice against the poor and the powerless. It frustrates [the people's] aspirations for peace and progress.

CPAR, which vigorously lobbied for Representative Gillego's HB 400 and supported with reservation Senator Aquino's bill, criticized RA 6657 as "fake, pro-landlord, and deceptive." On June 26, it adopted its own version of agrarian reform and called it the People's Agrarian Reform Code (PARCODE) of 1988. A new dimension in the struggle for genuine land reform ensued when CPAR used Section 32, Article VI of the Constitution. The provision allows the people to amend, reject or enact a law through petition signing by no less than 10 percent of total registered voters. CPAR hopes to gather around 2.5 million signature in support of PARCODE to make it binding and in force.³¹

Conclusion

The agrarian program of the Marcos regime failed dismally. It is not a remote possibility that the same fate awaits the Aquino CARP. The landlord bloc in the House, are not contented with their emasculation of the land law, is currently preparing proposed amendments particularly to exempt private commercial farms from distribution.³²

A country is "usually given the chance to implement a land reform program only once," land reform "specialist" Posterman was quoted to have said. He added that the Philippines has "a great historic opportunity to tackle this basic problem" of landlessness.³³

However, the Aquino government bungled the opportunity to formulate a coherent land reform policy with its vast power intact a few months after February 1986. The much discredited Marcos land reform program ironically continued to be implemented.

²⁹ *Philippine Daily Inquirer*, 25 June 1988.

³⁰ *Philippine Daily Inquirer*, 26 June 1988.

³¹ *Manila Chronicle*, 27 June 1988.

³² *Manila Chronicle*, 28 June 1988.

³³ *Manila Chronicle*, 1 July 1988.

Gareth Porter writes that "unfortunately, the Aquino government never treated land reform as a priority issue until after the tragic deaths of KMP demonstrators on 22 January."³⁴

Time and again the Aquino leadership gave way to landlord pressure. Like the previous regime, it has not exerted the political will to grant the long-held dream of the Filipino peasants. Failure to address this issue has eroded her popularity among the biggest sector of the Philippine population.

The main impediment to any government-sponsored land reform program is that it never really answers the central issue of rural poverty, and that is landlessness. Rather the focus has always been on the rebellion in the countryside. The government cannot seem to realize that the rebels are not the inventors of rural poverty and unrest, although they thrive on the former.

Meanwhile, the rebellion in the countryside continues to grow despite the claims of the government forces that they are winning the war.

Time may not be on the side of the Aquino government. A new political power is emerging in the countryside. The NDF-led peasants are replacing the traditional landlord-dominated political structure. Through its radical program of agrarian revolution of lowering land rent, distribution of confiscated lands of absentee landlords, cooperatives and peasant organizing the insurgents continue to expand considerably.

³⁴ See "Counter Insurgency in the Philippines: Aquino Was Right," *S AIS* [School of Advanced International Studies] *Review* 7 (Summer-Fall 1987): 107.