Philippines in Perspective
An Orientation Guide

Technology Integration Division
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Chapter 1: Geography

Introduction

The Philippines is a tropical Southeastern Asian archipelago located east of Vietnam between the Philippine Sea and the South China Sea. Shaped like an irregular polygon, the country consists of volcanic islands with mostly mountainous interiors, narrow coastal plains, and numerous river systems and lakes. The Philippines’ landscape is largely the result of its position between the Pacific and Eurasian tectonic plates in the Pacific Ocean—an area called the “Ring of Fire.” This region makes the Philippines vulnerable to volcanic activity, earthquakes, tsunamis, and recurrent typhoons. The Philippine environment is further impacted by the mismanagement of natural resources, pollution, and climate change.

Area

The Philippine archipelago comprises 7,107 islands spread over 298,170 sq km (115,124 sq mi) of land and 1,830 sq km (706.5 sq mi) of water. At a total of 300,000 sq km (115,830 sq mi), it is slightly larger than Arizona. The archipelago stretches nearly 1,850 km (1,149 mi) from Y’Ami Island in the north to Sibutu Island in the south. It is approximately 1,000 km (621 mi) wide.

The Philippine island group is surrounded by four tropical seas: the Philippine Sea to the east, the South China Sea to the west and north, the Sulu Sea to the southwest, and the Celebes Sea to the south. Neighbor states include Taiwan and China to the north, Malaysia and Indonesia to the south, and Vietnam to the west. The Philippines, along with China, Malaysia, Taiwan, and Vietnam, holds a contested claim over the Spratly Islands (also known as Kalayaan or “Freedom” Islands) in the South China Sea. In addition, the Philippines claims sovereignty over the Scarborough Reef, also in the South China Sea, and Malaysia’s Sabah State located in northern Borneo.

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The Philippines’ territorial sea claims extend as far as 100 nautical miles from the closest coastline. This area includes the Sulu Sea in its entirety, along with the northern section of the Celebes Sea. President Marcos extended the baseline in 1978 to claim an area in the South China Sea, including the Spratly Islands, which measure 285 nm wide.

**Climate**

Due to its proximity to the equator, the climate in the Philippines epitomizes the tropics. There are three seasons: the (relatively) cool dry season from November to February, the hot dry season from March to May, and the wet season from June to October. In Manila, the temperature usually hovers around 27°C (80°F). In other parts of the country, temperatures may rise to 37°C (98°F). Farther up in the mountains, the average temperature is cooler. Due to the heat and surrounding bodies of water, humidity is high, ranging from 70% in March to 85% in September.

The climate is directly affected by the northeast monsoon from December to February and the southwest monsoon from May to October. Annual rainfall varies but is heaviest in the highlands where it can rain as much as 500 cm (196 in) per year. While the central islands of Cebu, Cotabato, and Bohol receive the lowest annual rainfall, the southeast receives rainfall all year. Typhoons may occur during any season but often from July through October. Of the 15–20 typhoons that occur in a year, 5 or 6 may result in death and destruction.

**Principal Island Groups**

The Philippine islands are conventionally grouped into three sets: the northern group, which includes Luzon and the capital, Manila; the central Visayan, Palawan, and Mindoro islands; and Mindanao along with the southern Sulu Archipelago. Only about 1,000 of these islands are populated. The majority of the landmass, 94%, is made up of

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11 islands: Luzon, Mindanao, Palawan, Samar, Negros, Panay, Mindoro, Leyte, Cebu, Bohol, and Masbate. Luzon and Mindanao, compared to half of the islands that measure less than 2.5 sq km (0.96 sq mi), measure 105,000 sq km (40,541 sq mi) and 95,000 sq km (36,680 sq km), respectively.

The geological partitioning of the present-day Philippines into a series of islands contributed to the evolution of endemic species of wildlife, or those which are indigenous to a particular place, due to an isolated habitat. Many species, however, are threatened due to loss of habitat, introduction of new species, and pollution.

**Luzon**

Luzon, the northernmost island in the Philippines, is also the largest and most populated. Manila, the capital city and large metropolitan area, and Quezon City are situated on the south end of the island. Industries, such as textile and metal manufacturing, are located around the metropolitan area. The main industry, agriculture, can be found in the center of Luzon where the mountainous and jagged coastline leads into a flat, fertile interior. This plain produces the majority of the countries rice and much of its sugarcane.

Luzon’s topography is characterized by a ragged coast, two mountain ranges, and central plains. The ragged coast surrounds the island and houses numerous tourist resorts. Located on the southern portion of Luzon are Manila Bay, the Taal Volcano, Laguna de Bay (the Philippines’ largest freshwater lake), and Mayon Volcano. The northern portion of the island is more mountainous and is drained by the Cagayan River. The Sierra Madre Mountains, located along the eastern side from the north to the central part of the country, make up the longest mountain range in the country. Running parallel to it on the west, the Cordillera Central range includes Mount Pulog, the highest peak in the range at 2,928 m (9,606 ft). The Sierra Madre and the

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Cordillera Central join to form the heavily forested Caraballo Mountains located in central Luzon. The Zambales Mountains are west of the Central Luzon Valley. Mount Pinatubo, where one of the Philippine’s most devastating volcanic eruptions took place after 600 years of dormancy, is located in this range.

Mindanao

The second largest island, Mindanao, is located at the southern end of the archipelago. The irregular shape of Mindanao houses numerous peninsulas and deep bays, such as Davao Gulf. Forests and mountains cover much of the island. Mount Apo, the highest peak in the country and an active volcano, reaches a height of 2,954 m (9,690 ft). The Agusan and Mindanao rivers form extensive swamps as well as fertile basins. Narrow plains run parallel to most of the coast. In addition, the Diwata Mountains line the east coast.

Due to its proximity to Malaysia and Indonesia, Islam quickly spread to Mindanao through neighboring Arab traders during the 14th century. Today, Mindanao is home to much of the Philippine’s minority Muslim (or Moro, from the Spanish “Moors”) population in a predominantly Roman Catholic country. Many Filipinos migrated to lesser-populated Mindanao after WWII. Some native tribes from the island resisted what they considered occupation and annexation of their land and demanded their own state. After nearly 50 years of conflict, the separatists are now engaged in negotiations.
with the government.\textsuperscript{22-23} In the absence of a final peace agreement, however, the island remains restive.\textsuperscript{24}

\textit{Visayas}

The Visayan Islands are situated between Luzon and Mindanao in the center of the Philippine archipelago. Visayas consists of several large islands and several hundred smaller islands in the Visayan, Camotes, and Samar seas. The islands are typically divided into three sub-regions: Western Visayas (major islands Negroes and Panay), Central Visayas (major islands Bohol and Cebu), and Eastern Visayas (major islands Samar and Leyte). Eastern Visayas is the least populated and least developed because its location faces the full brunt of any typhoon. The eastern islands also act as a weather buffer for the western and central islands, partly explaining their more developed economies.\textsuperscript{25} The Central Visayas are among the most densely populated in the island archipelago. The major urban areas in the Visayan Islands are Cebu in Cebu Island and Iloilo City in Panay Island.

Most of the Visayan Islands are mountainous. Samar and Masbate islands are the hilly exceptions. Panay and Negroes have large plains that allow for the cultivation of sugarcane and rice. Other crops grown in the Visayas are corn, banana, tobacco, and coconut.\textsuperscript{26} Fishing is also an important industry.\textsuperscript{27} Intensive agriculture and fishing have taken a toll on the natural environment, however. This may have contributed to the deceleration of the Visayan Islands’ economy from 2007 to 2008, when it dropped by 3.7%.\textsuperscript{28}

\textsuperscript{22} Yahoo News. AP News. Teves, Oliver. “Philippine Muslim Rebels Drop Independence Demand.” 23 September 2010. http://news.yahoo.com/s/ap/20100923/ap_on_re_as/as_philippines_muslim_rebels;_ylt=AtzX2R9DILwRlOXAgh08VvUBxg8Fc_ylu=X3oDTRMMzNThtdGNpBGFzc2V0A2FwLzlwMTATwOTlzL2FxX3BoaWxpcHBpbmVzX211c2xpbV9yZWJlbHMEcG9zAzExBHNIYwN5bl9wYWdpbmF0ZV9zdW1tYXJ5X2xpc3QEc2xrA3BoaWxpcHBpbmVtdQ


**Major Cities**

**Manila**

Manila, on central Luzon Island by Manila Bay, became the capital of the Philippines under Spanish colonial rule in 1571. Known as the “Pearl of the Orient,” it was a thriving, multicultural and international trading center from the late 1800s until WWII.\(^{29}\) The battles conducted by the United States and Philippine forces against the Japanese destroyed the city, killed approximately one million Filipinos, and left few examples of colonial architecture.\(^ {30}\)

Manila today is again a burgeoning commercial center in one of the world’s populous metropolitan areas, the Metropolitan Manila network. Metro Manila comprises about 15 cities including Manila City, Pasay, Quezon City, and the Makati financial district. Manila has a diverse economy served well by its port in a protected harbor and its English-speaking inhabitants.\(^ {31,32}\) In addition to commerce and finance, industries such as textile production, food processing, publishing, printing, and tourism are vital economic sectors.\(^ {33}\) Filipinos get around by buses called jeepneys (small buses made using jeep chassis), elevated rail, taxis, and their own private cars.\(^ {34}\) Vehicle emissions are a significant source of air pollution in Manila. Another major concern is addressing the needs of millions of Filipinos who live in shantytowns—many of whom are vulnerable to diseases and natural disasters.\(^ {35}\) (Population: metropolitan area calculated in excess of 20 million\(^ {36}\)).


Davao City

Davao City, on Mindanao Island, is the largest city in the Philippines in terms of area. It does not fall under the authority of a provincial government but has an equivalent status with the national government. The city’s history has made it a cultural melting pot. After Spanish rule, it was a Japanese colony until WWII. After its destruction during the war, the city was rebuilt with American, Spanish, and Moorish influences. However, hard times continued with the urban guerrilla warfare of the 1980s that pitted the Moro National Liberation Front (MNLF) and the New People’s Army (NPA) against the government.

Today, Davao City is peaceful and thriving. It is the center of commerce and trade for the island as well as the regional administrative and commercial hub. It has 50 small ports servicing both passenger traffic and international cargo. Its international ports ship a natural fiber called abaca, a major crop native to the region. Other industries include textiles, cement, and plywood. (Population: 1.36 million, 2007 est.).

Cebu City

Cebu City, on the eastern coast of Cebu Island, is the oldest city in the country. It developed from a fishing village into a trading port prior to the arrival of the Spanish who initially made it their capital. Its origins as a major urban center lie in its role as a port that became an important stop in carrying goods between Spain and Mexico. Today, it is the commercial, cultural, and transportation center of the Visayan region. (Population: 0.80 million, 2007 est.)

Quezon City

Ten km (6 mi) north of Manila, fast-growing Quezon City has become an extension of the capital metropolitan area. Named after President Manual Luis Quezon, the city was capital of the Philippines from 1948 to 1976. Today, it is home to the light industry, expansive resettlement housing projects, and Philippine’s premier university, the

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University of the Philippines. Architecturally, it is representative of the Spanish colonial legacy.

Bodies of Water

The Philippines is replete with rivers and lakes. In all, the Philippines is home to 421 rivers, about 60 lakes, and over 100,000 ha (247,105 ac) of freshwater swamps. Luzon’s major rivers include the Pasig, which passes through the cities of Manila, Cagayan, Agno, Pampanga, Chico, and Bicol. Mindanao’s principal rivers include the Mindanao and the Agusan River. The Philippines has 18 river basins greater than 1,000 sq km (368 sq mi), most of them in Luzon and Mindanao. The five largest river basins are the Cagayan, the Agno, Pampanga, the Mindanao, and the Agusan. The Palawan River on Palawan Island is one of the longest underground rivers in the world.

Because the Philippines is comprised of islands, river travel never developed into a major mode of transportation. The Mindanao River, which gives the island its name, is the major exception. It serves as a commercial transportation artery for inland communities and trading hubs such as Pagalungan, Cotabato City, and Datu Piang.

The largest lake in this country is Laguna de Bay, 13 km (8 mi) southeast of Manila, with an area of 922 sq km (356 sq mi). This shallow lake, with an average depth of 2.8 m (9 ft), provides water for agriculture along its banks. In addition, the lake has long been

a resource for fisherman. However, intense urbanization and industrialization along the edges have lead to an increase in water pollution.49

Lake Taal, in southwestern Luzon, is the Philippines third largest lake after Lake Sultan Alonto in Mindanao.50 Taal Lake is situated about 60 km (37 mi) south of Manila.51 Lake Taal fills the crater of an extinct volcano. In the middle of the lake is a small volcanic island, and in the center of the island is yet another crater containing an even smaller lake called Yellow Lake. Lake Taal is the deepest lake in the Philippines and has a surface area of 234 sq km (90 sq mi).52

Manila Bay, one of the finest natural harbors in the world, figured prominently in the Spanish decision to make Manila the site of their capital. Close to mainland southeast Asia, it is well protected by the Luzon’s Cordillera Central range in the east and the mountainous Bataan peninsula in the west. Almost entirely landlocked, this bay has a surface area of 2,000 sq km (770 sq mi).53

Volcanoes

The Philippine Islands are in fact the tops of volcanic mountains rising from the ocean floor. Hundreds of volcanoes dot the Philippine landscape but most are extinct or dormant.54 Currently, only 22 volcanoes are active.55 Major active volcanoes include Mayon (Luzon), Taal (Luzon), Kanlaon (Visayas), and Bulusan (Luzon).56 Mayon has erupted about 50 times since recorded history.57 It’s most catastrophic


eruption occurred in 1814, resulting in 1,200 fatalities and the destruction of several towns.\textsuperscript{58} The last eruption was in 2006 but did not approach its earlier level of destructiveness. It began erupting in December 2009–January 2010; the area was put on high alert but the volcanic activity decreased just before an explosive eruption occurred.\textsuperscript{59,60} One of the centuries’ largest volcanic eruptions was Pinatubo’s in 1991, with effects that were felt worldwide.\textsuperscript{61}

Environmental Issues

The Philippines faces a number of environmental issues including climate change, deforestation, soil erosion, pollution, improper disposal of solid and toxic wastes, coral reef degradation, mismanagement and abuse of coastal resources, and over-fishing.\textsuperscript{62,63} The Philippine government has made significant progress in environmental conservation and protection, particularly in the area of biodiversity.\textsuperscript{64} Nevertheless, existing threats to the environment continue to undermine these efforts. Specifically, land conversion and development combined with expanded farming have taken a toll on the country’s forest cover, marine life and environment.\textsuperscript{65,66}


Mining has contributed to deforestation, soil erosion, toxic waste, and poor quality of air and water in major urban areas.\textsuperscript{67-68} Vehicles and factories add to the pollution.\textsuperscript{69} Deforestation and climate change are perhaps two of the largest environmental concerns. Prior to 1900, rainforest covered nearly two thirds of the Philippine archipelago.\textsuperscript{70} As late as the 1970s, the Philippines was one of the world’s largest tropical hardwood exporters.\textsuperscript{71} Today only about 3\% of the original rainforest is left.\textsuperscript{72} Forests are an important energy source as charcoal and fuel-wood, especially for the growing and poverty-stricken rural population.\textsuperscript{73} The Philippines' natural resources are also at risk of the effects of climate change. According to the UN, impacts of climate change include “change in the timing of biological events, changes in species distribution and behavior, increased vulnerability of species to extinction, and increased intensity of diseases.”\textsuperscript{74} In addition, climate change can negatively impact the productivity of an ecosystem. In the Philippines, climate change can be observed most prominently during warmer, drier weather patterns and the increased frequency of extreme weather such as typhoons, floods, drought, and forest fires.\textsuperscript{75} Such changes in weather and climate adversely affect the Philippines’ agricultural sector, fresh water, marine and coastal life, and environment.\textsuperscript{76}


Natural Hazards

Natural disasters such as volcanoes, earthquakes, typhoons, and tsunamis are the result of the Philippines’ topography and geographic location. The country is situated between the Pacific and Eurasian tectonic plates in the Pacific Ocean. Half of all above-sea level volcanoes in the world lie within this region.\(^7\) They produce fertile soil and significant geothermal energy.\(^78,79\) High magnitude earthquakes are common in the Philippines. Two of the most destructive were in August 1976 and July 1990 measuring magnitudes of 7.9.\(^80\)

Volcanoes and typhoons have the potential to create environmental catastrophes when combined with rapid population growth. Such growth over the past decades has increased the size of urban areas and led to unsustainable farming practices.\(^81\) In particular, loss of ground cover due to massive deforestation and desertification increases the likelihood of flooding.\(^82\)

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Geography Assessment

1. The islands of the Philippines are part of the Southeast Asian archipelago.
   **True**
   The Philippines is a tropical Southeastern Asian archipelago located east of Vietnam between the Philippine Sea and the South China Sea.

2. The Philippines has four seasons: two dry seasons and two rainy seasons.
   **False**
   There are three seasons: the (relatively) cool dry season from November to February, the hot dry season from March to May, and the wet season from June to October.

3. Over 90% of the landmass of the Philippines is made up of just five islands: Luzon, Mindoro, Visayan, Palawan, and Mindanao.
   **False**
   The majority of the landmass, 94%, is made up of eleven islands: Luzon, Mindanao, Palawan, Samar, Negros, Panay, Mindoro, Leyte, Cebu, Bohol, and Masbate.

4. Manila, the capital of the Philippines, is located on the island of Luzon.
   **True**
   Manila, in central Luzon, became the capital of the Philippines under Spanish colonial rule. It has an estimated population of 11.29 million with a metropolitan area in excess of 15 million.

5. Climate change has affected neither the pattern nor the frequency of weather-related hazards in the Philippines.
   **False**
   Due to climate change, the Philippines is experiencing warmer, drier weather patterns and increased frequency of extreme weather such as typhoons, floods, drought, and forest fires.
Chapter 2 History

Introduction
Situated between the Pacific and Indian Oceans, the Republic of the Philippines has a long history of migration, trade, and colonization. The earliest inhabitants migrated from the Asian mainland and Taiwan and settled in scattered communities throughout the archipelago, which were ruled by neighboring kingdoms. Although Filipinos traded extensively with China, Indonesia, India, and Japan and were influenced by their religious practices, the Philippines did not become a state until the Spanish arrived. The Spanish established their first permanent settlement in 1565, and ruled the Philippines for 333 years, making Catholicism the national religion. Nationalist movements and American military aid led not only to independence from Spain but also colonization by the United States after the Spanish-American War.

Despite resistance, the U.S. played a part in building a democracy in the Philippines. Japanese occupation during World War II delayed democratization but the Philippines eventually became a commonwealth in 1935 and an independent state in 1946. The constitution and political structures in the Philippines are based on U.S. models. The Philippines have experienced little stability since independence because power has generally remained within an oligarchy which has been corrupt and abusive. Since 1986, Filipinos have ousted two presidents through “people power” and attempted many coups against other presiding leaders. The current president, Benigno S. Aquino III, faces endemic corruption, a large deficit, and national security threats from separatist and communist groups.
The Pre-Spanish Period

Earliest Human Habitation

The recent discovery of a foot bone near the Callao caves north of Manila suggests that human settlement in the Philippines could date as far back as 67,000 years ago. The discovery also suggests that boat building might have been a developed skill at that time. Experts disagree, however, as to whether the “Callao Man” originated from neighboring islands, mainland Asia, or some other place. Callao Man shares features with the Aetas, the dark-skinned, short-statured Asian group of hunter-gatherers indigenous to the Philippines. Later called Negritos (“small blacks”) by the Spanish, the Aeta migrated to the Philippine islands over a land bridge during the last glacial period some 30,000 years ago.

Migration to the archipelago spanned thousands of years. Among the migrants were the Malayo-Polynesians, a subgroup of the Austronesians, who came by sea from Taiwan. Archaeologists date their movement between 3,000 and 1,500 B.C.E. In the Philippines, they organized themselves by kinship groups in scattered settlements called barangay, named after the boats they used for travel. The datus, local chieftains, ruled over the nobles, freemen, slaves, and workers in the settlements. The communities sustained themselves through fishing, mining, weaving, rice cultivation, and trading. Over time, the Austronesians colonized the Southeast Asian archipelago and remained dominant there until the Spanish arrived in the 16th century.

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Hindu and Chinese Influences (200 C.E.–16th Century B.C.E.)

While the Austronesians were engaged in a continuous migration from island to island, a well-developed civilization, the “Land of the Veda,” existed in India. If the Philippine archipelago represented the far eastern edge of South Asia, India signified the west. In their westward odyssey, the Austronesians came into contact with China and India. At this point, a countermarch fueled by trade began: the Indians and the Chinese began to retrace the steps of their Malay visitors, eventually reaching the Philippine Islands. The Chinese exerted substantial commercial influence by the 15th century, when they governed a number of islands in the northern Philippines.\(^91\) They eventually lost their settlements, but many Chinese stayed and worked in the Philippines.

Neither Vedic nor Buddhist culture established deep roots in the archipelago and neither succeeded in supplanting indigenous animist beliefs. The Devanagri script used for writing Hindi, and other Sanskrit-based languages, never became the written language of commerce or literature; Filipinos, however, adopted some Sanskrit words.\(^92\) In contrast, the imported agricultural model displaced indigenous farming practices that relied on rain. Irrigated rice cultivation plowed by water buffalo, still a common sight in the Philippines today, had its origins in continental Asia.

Sri Vijaya Kingdom (7th–13th Centuries)

Sri Vijaya, a Buddhist kingdom and center of learning, was a major maritime kingdom and commercial empire in Southeast Asia by the 8th century.\(^93\) Sri Vijaya was centered in Palembang, in southeastern Sumatra. Over the centuries, Sri Vijaya became wealthy and powerful, ruling the important Straits of Sunda and Malacca. Their power was strengthened when they quelled raids from the Javanese Sailendra and the South Indian Chola kings.\(^94\)–\(^95\) By the dawn


of the 12th century C.E., the Malay Kingdom of Sri Vijaya enjoyed significant success in controlling international trade routes. It extended its influence to the vast archipelago of tropical islands inhabited by a variety of peoples, including the present-day Philippines. Continued raids, however, reduced Sri Vijaya’s power and authority and by the end of the 13th century, Sri Vijaya was vanquished by the rival Javanese kingdom of Singhasari.

Majapahit Rules the Straits (13th–16th Centuries)

Mongols invaded in 1292 and assisted in founding a new dynasty in the archipelago: the Majapahit Kingdom. The son-in-law of the Singhasari king enlisted the aid of the Mongols to kill the king. The son-in-law then eliminated the Mongols. This new kingdom followed the Hindu religion. It commanded the Straits of Malacca and Sunda and controlled kingdoms in the Malay archipelago, Borneo, Sumatra, Bali, and the Philippines at its peak. The Majapahit might have extended its influence deeper into the islands, however, a new wave of settlers introduced Islam to the area.

Islam Spreads through the Archipelago

Muslims, followers of Islam, passed through the Philippines as traders in the 10th century. Before the end of Sri Vijaya, Arab merchants reached Java and Islam began to take hold. Between the 14th and early 16th centuries, Islam spread throughout the archipelago, as far north as Luzon. In the northern and central Philippine Islands, however, Islam never penetrated beyond the coastal towns and villages. Those who practiced Islam in the Philippines were called Moros. Islam may have made greater inroads into the country, if Spanish explorers had not opened the door to Christianity.
The Spanish Period (1521–1898)

Magellan: First Contact

The first European to land in the Philippines was Ferdinand Magellan, a Portuguese-born navigator and explorer for the Spanish crown during the 16th century. At that time, Spain, among other European nations, was searching for a shorter westerly route to the Asian spice markets. Magellan, commissioned by King Charles I to circumnavigate the globe, reached Southeast Asia after three years in the spring of 1521. Upon his arrival in Cebu in March, he promptly claimed the archipelago for Spain. His stay in the Philippines however, was short-lived as he was killed by a local chief from Mactan Island a month later. Only one of Magellan’s ships, the Victoria, returned to Spain, bringing back spices from the Moluccas, the original reason for Magellan’s journey. Out of the approximately 250 men who left on 5 ships from Spain 3 years earlier, only 18 survived.

A Colony of Spain

King Felipe II of Spain, Charles’ son, dispatched more ships to the archipelago, which was eventually renamed “Felipinas” in his honor in 1542. Spain’s colonization of the Philippines was facilitated by the decentralized nature of the barangay social structure spread over a fragmented archipelago. The first permanent settlement was established in 1565 with Miguel López de Legazpi from New Spain (Mexico) as the first Spanish governor. Legazpi established a foothold in the region by defeating the Muslims in Manila and making it the Spanish colony’s capital in 1571. Manila, with its harbor, large population, and proximity to the central Luzon rice lands, would


remain headquarters of Spanish religious, commercial, civil, and military missions for over 300 years.

Spain had three main objectives in administering their sole Asian colony: to profit from the spice trade, to further their missionary efforts by developing contacts with China and Japan, and to convert Filipinos to Christianity. Of these objectives, the Spanish were partially successful in achieving the last. The Philippines had neither spices nor precious metals to trade. Furthermore, efforts to build rapport with the Chinese and Japanese were fruitless, and, with the Chinese in Manila, violent.

The Spanish did convert most Filipinos to Catholicism through a new colonial social system. The Spanish created new ecclesiastical establishments and administered them through the state. In rural areas, the Spanish co-opted local leaders and ruled Filipinos indirectly. Local governments had strong clerical influence over their communities. They protected the interests of those who converted to Christianity and conferred land titles to members of a new social class, the principalia. Conversion in the Philippines was a relatively easy task due to the lack of strong resistance from the natives and the lack of other organized religions besides Islam. Through the work of several religious orders and Jesuits, most of the Luzon, central Philippines, and the coastal cities of Mindanao were converted to Christianity. In the process, however, the Spanish destroyed the traditional ways of communal use and ownership of land, forced different tribes to live together, and broke up territorial boundaries. A new cultural community developed in the lowlands from which the Muslims and the upland tribes felt alienated.

The Moros and the lowland tribes were not the only discontented population in the colonial Philippines. Disturbances during this period included the general population’s open resentment toward the Spanish, a revolt by priests seeking inclusion in the religious orders, and warfare against the British during the Seven Year’s War (1756–1763) when the British East India Company briefly captured Manila. Resistance against the British marked the beginning of a nationalist spirit that Spain could not subdue, despite


significant economic reforms (such as free trade) and economic developments (such as the cultivation of major exports including tobacco, abaca, and sugar).\textsuperscript{114-115,116}

**Nationalist Rebellion**

Nationalism in late 19th century Philippines was a largely urban development.\textsuperscript{117} Filipino students and exiles, returning from abroad with modern ideas of freedom and independence, joined the native elite class (\textit{ilustrados}) and the rural people in revolt against Spanish colonialism.\textsuperscript{118} The resistance movement fell into two different camps: reform-minded and independence-driven. One of the earliest nationalist leaders was the Chinese Filipino reformer Jose Rizal. A member of a group of intellectual reformers called the Propaganda Movement, he established the Philippine League (\textit{Liga Filipa}) in 1892, a national non-violent political organization, but was arrested and exiled in Mindanao.\textsuperscript{119} After his arrest, the groups split and some members joined Katipunan, an underground secret society.

Katipunan was founded by Andres Bonifacio, another Chinese Filipino, with the intent of overthrowing the Spanish colonial regime.\textsuperscript{120} They were a highly organized, 30,000-member-strong group with their own initiation rituals and a lower- and lower-middle class membership. In 1896, the Katipunan revolted against Spain but the Spanish caught and executed many members of this and other groups, including Jose Rizal, who had returned, for an alleged role in the revolt.\textsuperscript{121}

In 1897, Emilio Aguinaldo emerged as the head of the newly formed revolutionary government. He ordered the execution of Bonifacio, who he saw as a rival, and started


organizing his government and the fight against the Spanish. Once again, the Spanish defeated the Filipino resistance fighters and Aguinaldo and government officials were sent into exile in Hong Kong through a USD 800,000 Spanish-Filipino peace pact in December 1897. Within a year, however, Spanish rule came to an abrupt end.

**The American Period (1898–1946)**

*The Spanish–American War*

Spanish rule in the Philippines came to an end, in part, due to U.S. involvement in Cuba—another Spanish colony seeking independence. The United States declared war on Spain on 25 April 1898 after the USS Maine mysteriously exploded on 15 February 1898 in Havana’s harbor. The U.S. decided to take the war to Manila. Commodore George Dewey, the commander of the Asiatic Squadron, defeated the Spanish fleet on 1 May. Aguinaldo, asked to return to the Philippines as a partner in the war, reinforced U.S. victory by providing intelligence and military assistance. Dewey may have promised American recognition of a free and independent Philippines in exchange for Aguinaldo and his movement’s cooperation in defeating Spain. If that promise was made, it was kept only after 48 years of American rule.

Fighting broke out between Aquinaldo and the Americans immediately after the Spanish were defeated. Aguinaldo declared Filipino independence on 12 June 1898 separately from the Americans. Geopolitical forces, however, delayed independence for almost half a century: with the departure of Spain from the archipelago, other European powers saw their chance to fill the vacuum. Britain, France, Germany, and Japan sent warships to Manila Bay. The U.S. was neither to relinquish its newly attained strategic advantage nor the trade interests its position in the Philippines furthered. On 10 December 1898, the U.S. and Spain signed the Treaty of Paris. In this agreement, Spain granted Cuba independence and sold the Philippines to the U.S. for USD 20 million.

*The Filipino–American War*

This sellout enraged Filipino nationalists. For the next two years, Aguinaldo’s guerrillas battled U.S. forces and attempted to create a new government. A revolutionary congress was held near Manila in January, installing Aguinaldo as president of a new republic. Greatly outnumbered and outgunned in the battlefield, however, the Filipinos lost 16,000

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fighters, and at least 200,000 civilians to famine and disease.\textsuperscript{125} The U.S. lost 4,234 soldiers. Aguinaldo was captured on 23 March 1901 and finally admitted defeat. Most of the guerillas laid down their arms, though pockets of resistance continued until 1913, particularly among the Moros (Muslims) in Mindanao and Sulu.\textsuperscript{126}

\textit{The American Colony}

The United States mission in the Philippines was intended to be temporary and to develop free and democratic institutions in their only colony.\textsuperscript{127} The first Philippine Commission, appointed by U.S. President McKinley in January 1899, recognized Filipino aspirations for independence but also noted that the country was not ready for it. The Taft Commission, appointed a year later, was given legislative and some limited executive powers in establishing the practical supports necessary for a democratic government.\textsuperscript{128}

During U.S. colonization, a new judicial system was created which included a Supreme Court and new legal codes to replace Spanish ordinances. A civil service was also established with new municipal codes and boards. A free, public elementary school system was developed, and strong public education remains today.\textsuperscript{129} In addition, the U.S. disestablished Catholicism as the state religion. Negotiating with the Vatican, the U.S. bought USD 7.2 million (166,000 hectares) worth of friar land holdings and redistributed them, mainly to estate owners. Part of the agreement, however, was that the religious orders would nevertheless remain in the country.

Political organizations were also created and developed quickly.\textsuperscript{130} Filipinos held their first elections for the legislative assembly in July 1907, which convened three months later. The Philippine Assembly (lower house) and the Philippine Commission (upper house appointed by the president of the United States) comprised the bicameral legislature. As a result of the Jones Act of 1916, the Assembly’s name was changed to the


House of Representatives; the Commission became the Senate, whose members were elected by the people, not appointed.\textsuperscript{131-132}

Filipinos also organized their own political parties, some of whom collaborated with U.S. leadership.\textsuperscript{133} The \textit{ilustrado} (the country’s native elite) had strong political influence at that time. Among them, Trinidad H. Pardo de Tavera and Benito Legarda established the Federalista Party, with an agenda to make the Philippines a state of the United States. The party appointed their members to political positions in the Supreme Court, governorships, and the civil service. However, their statehood platform had limited appeal, and they changed their name to the National Progressive Party, with an independence platform. In 1907, another party emerged and gained political ascendancy that lasted beyond 1945. From the start, the \textit{Nacionalistas}, who represented the wealthy elite of Filipino society, publicly called for Filipino independence; but in fact, they actively supported American authorities, in a manner called the “policy of attraction.”\textsuperscript{134} Filipinos also formed the Communist Party of the Philippines and the Socialist Party during this period. Both parties were sympathetic to the tenant farmers’ resistance to elite land control.\textsuperscript{135}

\textit{Commonwealth}

The Philippines became a self-governing commonwealth in 1935. A new government, presided over by Nacionalista Party member Manual Quezon, was designed to transition the country to independence over a period of 10 years.

Most Filipinos welcomed the commonwealth. The Muslims, a small but important minority, however, viewed this “Filipinization” ominously. They correctly anticipated that the Catholic majority would dominate politics and the economy in the Philippines, and threaten the Muslim way of life. Indeed, this is precisely what happened. Catholics from Luzon and the Visayan islands flooded into the island of Mindanao, crowding the Moros out of their own homeland. This Catholic encroachment would sow the seeds of animosity and hostility, and later bear the fruit of Muslim separatist movements, including the Moro National Liberation Front and Abu Sayyaf.

\begin{footnotes}
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World War II and Japanese Occupation

Japan attacked the unsuspecting Philippines 10 hours after they attacked Pearl Harbor, Hawaii on 7 December 1941. The combined U.S. and Philippine military units were forced to retreat to the Bataan Peninsula and Corregidor at the mouth of Manila Bay. The Japanese occupied Manila on 2 January 1942, but American and Philippine forces kept up their defense until the spring. They finally surrendered Bataan in April and Corregidor in May. The Japanese captured 80,000 prisoners of war and forced them to march to a prison camp 105 km (65 mi) to the north. During this infamous “Bataan Death March,” some 10,000 men died as a result of harsh treatment, starvation, and disease.

After occupation, Japan promised independence to the Philippines but began organizing a new government structure by which they could direct civil affairs. Most of the Philippine elite collaborated with the Japanese in this new political process for a number reasons: to pass information to the Allies, to protect Filipinos from the harsh Japanese rule, to protect family and personal interests, and the belief that collaboration was the best policy.

While the Philippine elite collaborated with the Japanese, the general population, for the most part, did not. In fact, anti-Japanese underground and guerrilla activity continued. Some 260,000 were involved in guerrilla organizations alone, limiting Japanese control to 12 of the 48 provinces by the end of the war. One of the largest and most effective anti-Japanese militias, the Huks, had 30,000 members. Led by communist party member Luis Taruc, it was formed in 1942 as the Hukbalahaps (short for Hukbo ng Bayan Laban sa Hapon, or People’s Anti-Japanese Party). The Huks recruited heavily among tenant farmers in central and southern Luzon. Some of the heaviest fighting took place in Luzon, where the Japanese had retreated. Together with the Allied forces, however, they were able to defeat the Japanese who surrendered on 2 September 1945. Manila experienced fierce fighting and the city, along with the rest of the country, suffered extensive damage. In terms of human loss, an estimated one million Filipinos died in the war.

After the allied victory, the Huks and other resistance groups fully expected recognition and the opportunity to participate in the governance of their own country. This did not happen. Instead, the U.S. government restored the former commonwealth leaders to power.

Independence

The Philippines became a sovereign and independent republic on 4 July 1946, with Manual Roxas as president. The plan to move ahead with independence resumed amid complete breakdown during the war, concerns about Japanese collaborationists, rampant inflation, and shortages of food and other goods. Furthermore, the Philippine economy was dependent on U.S. markets. The U.S. not only maintained 23 military installations in the country but also provided military aid and training.

Post-Independence (1946–Present)

Early Independence Period

Such military support was helpful and timely due to the ongoing strife between the Huk and the government. The Huk Rebellion (1945–1953) marred the first eight years of independence and complicated reconstruction and recovery after the war. Many of the elite and landowners had sided with the Japanese during the war, while tenant farmers had fought the Japanese in battle. The war, in effect, widened the gap between the poor and the rich and increased animosity between them. When landowners returned from urban areas where they had fled to avoid the fighting, they demanded back rent from the peasants; they used both their own security and the military police to enforce these monetary demands. The Huks did not readily comply. The Huks, then known as the People’s Liberation Party (Hukbong Mapagpalaya ng Bayan), wanted to participate in the government and to disband both the military police and the general assembly. The communist-led insurgency eventually weakened and fell into criminal activity by 1951. They were suppressed by improved Philippine armed forces and government reforms that appeased some peasants.

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Issues with the United States over the rights to operate military bases caused significant anti-American demonstrations and sentiments during Macapagal’s administration.\footnote{Bureau of East Asian and Pacific Affairs, U.S. Department of State. “Background Note: Philippines.” 29 October 2010. http://www.state.gov/r/pa/ei/bgn/2794.htm#history} At that time, the U.S. still controlled large areas of land they did not need for military operations. In 1962, the President proclaimed 12 June as the national day of independence, commemorating General Emilio Aguinaldo’s declaration of independence on 12 June 1898, in addition to 4 July 1946 as the day of independence from the United States.

**Marcos’ 20-Year Rule**

Nacionalista Party leader Ferdinand Marcos defeated Macapagal in 1965 and continued to dominate Philippine politics for the next two decades. He stayed in power through a successful re-election in 1969 (the first in the country’s history) and thereafter through dictatorship after declaring martial law in 1972.


During Marcos’ second term, economic growth slowed and his administration was faced with two ongoing insurrections. Optimism faded as the quality of life deteriorated through increased crime rates and random acts of violence. In addition, the socialist New People’s Army and the Muslim southern secessionists threatened national security. Muslims were divided into two camps, the Moro National Liberation Front (MNLF) and its splinter group, the Moro Islamic Liberation Front (MILF). Violence between Muslims and Christians was on the rise in Mindanao and the Sulu Archipelago, where many Christians from the north had migrated as part of a government-sponsored migration program.152

The government may also have been involved in the political violence that led to Marcos suspending habeas corpus in 1971.153 Martial law followed on 21 September 1972 and lasted until 17 January 1981.154 Marcos cited the “communist threat,” and lawlessness as justification for martial law, but investigations showed that government agent provocateurs may have planted the random bombings in Manila and other large urban areas. Nevertheless, Marcos governed from a new constitution in 1973 that gave him absolute power.155 He restricted civil liberties, suspended parliament, imposed censorship, arrested opposition parties, and placed his allies in the armed forces. At the same time, rampant corruption and cronyism in his administration contributed to a significant decline in the country’s economic growth and development.156

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**People Power!**

Among Marcos’ critics and opposition members to be arrested was his rival Senator Benigno Aquino. As a member of the landowning class, Aquino hailed from an equally dynastic background as Marcos, but Aquino was a committed pro-democracy member of the opposition party during the Marcos era. Thus, Marcos, viewing Aquino’s popularity as a threat to his power, had him imprisoned. In 1980, after Aquino had spent seven years behind bars, the Marcos government granted its most famous dissident permission to travel to the U.S. for medical treatment. Fully aware of the risks, Aquino decided to return home three years later. As he stepped off the plane in Manila on 21 August 1983, he was gunned down by soldiers.

Aquino’s assassination was the beginning of the end of the Marcos regime. Aquino’s widow, Corazon, stepped in to lead the opposition to Marcos. The “People Power” movement gained backers over the next three years, winning the support of many traditional politicians and business leaders, along with the Catholic Church. Meanwhile, a parallel movement was growing in the military, consisting of young officers who, disgusted with the corruption of the Marcos government, sought to restore professionalism to the armed forces.

On 7 February 1986, President Marcos won another term in office in a snap election he called to appease U.S. demands for political, economic, and military reform and to garner a popular mandate. The elections were universally dismissed as fraudulent. Two weeks later, Defense Minister Juan Ponce Enrile, along with General Fidel Ramos, Commander of the Philippine Constabulary, demanded Marcos’ resignation. An increasing number of military personnel turned against Marcos and joined the opposition. Marcos ordered the army to put down the insurrection, but hundreds of thousands of Filipinos flooded the streets and joined forces with rebel troops. This non-violent sequence of events, which forced the president from power on 22 February, came to be known as the “People Power” revolution.

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An ailing Marcos and his high-profile wife, Imelda, along with other relatives, were granted refuge in Hawaii where he died in 1989. Filipino history from colonization to the end of the Marcos era has been summed up by Filipinos in the following way: “Three hundred years in a Spanish convent, 50 years of Hollywood, and 20 years of ‘his and hers.’” The joke encapsulated the hope that the People Power revolution, which toppled Marcos, represented a distinct break with the country’s past.

Presidency of Corazon Aquino

Corazon Aquino came to power amid great hopes for reform. This was buoyed by her release of hundreds of political prisoners, endorsement of a new constitution limiting the president to a single six-year term, and revival of an independent judiciary and a freely elected parliament. To close the Marcos era, she lifted the censorship restrictions instituted during martial law and initiated efforts to recover the hundreds of millions of dollars of ill-gotten gains that had disappeared into his family coffers. What Aquino failed to do, however, was address the contentious issue of land reform that remains the primary source of income inequality in the Philippines.

The lack of progress on land reform is reflected in how people referred to the Philippines’ first female president. Initially Aquino was considered a “revolutionary.” As hopes for change faded, she became known as a “reformer.” Finally, at the end of her term, she was dismissed as a “restorationist” who had delivered little of the change her ascendance to power initially heralded.

Thus, Aquino’s legacy was mixed. She oversaw the complicated process of restoring democracy after the Marcos era and presided over the creation of a new constitution.

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designed to prevent takeover by a future dictator.\textsuperscript{170} However, her administration was both weak and fractious, and the country did not reach full political and economic stability during her tenure.\textsuperscript{171} Over the course of her six-year term, she survived more than five coup attempts staged by the military. At the end of her rule, she endorsed Fidel Ramos, her defense secretary and a graduate of West Point, for the presidential election.

\textit{Post-Aquino Politics}

Fidel Ramos won the presidential election in 1992 with Vice President Joseph Estrada on a “national reconciliation” platform.\textsuperscript{172} He created the National Unification Commission in preparation for talks with military rebels, communist insurgents, and Muslim separatists. He also granted amnesty to these groups and legalized the Communist party. In October 1995, he signed an agreement with the military insurgency, which then ceased its armed activities. In addition, he made peace with the Muslim insurgent group, the Moro National Liberation Front in 1996. Ramos also dedicated himself to rebuilding the Philippine economy, just as Aquino had rebuilt a democratic system of governance. He was considered successful in restoring investor confidence in the Philippines. Nicknamed “Steady Eddy,” he implemented several deregulation and anti-monopoly measures that Aquino had been unable to get through the legislature.

In 1998, movie star Joseph Estrada, with Vice President Gloria Macapagal-Arroyo, won the presidential elections in a landslide. His party promised to reduce poverty and crime.\textsuperscript{173} However, charges of corruption dogged Estrada from his first day in office. He became the first Philippine president to face impeachment proceedings. Ultimately he was forced from office in early 2001 by a combination of insider political maneuvering and massive street protests organized via text messaging.\textsuperscript{174} His short-lived presidency underscored how weak the Philippine political institutions remained, making it easy for elected officials to succumb to favors those in the private sector are in a position to dispense.\textsuperscript{175} Nine days later, Estrada’s vice president was sworn in as president.

\begin{footnotesize}
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\item \textsuperscript{172} Bureau of East Asian and Pacific Affairs, U.S. Department of State. “Background Note: Philippines.” 29 October 2010. http://www.state.gov/r/pa/ei/bgn/2794.htm#history
\end{itemize}
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President Arroyo, a Ph.D. economist and daughter of former President Macapagal (1961–1965), confronted an ailing economy in which a wealthy minority continued to own most of the land while the majority, who hovered near the poverty line, remained trapped in a subsistence livelihood.  

Recent Events

On 30 December 2002, Arroyo announced that after completing the term vacated by Estrada, she would step down from the presidency and not seek office in her own right. She did not, however, stand down. She was reelected president in the 2004 election, though charges of rigging the election dogged her. While Arroyo enjoyed some success in generating greater tax revenues, her husband’s questionable business dealings created a storm of protest leading to calls for her resignation a year after reelection. Further controversy ensued when she pardoned Estrada, who had been sentenced to a life term after his conviction for corruption on a massive scale in September 2007. More significantly, both insurgent activity and extra-judicial murders by government forces increased during her watch.

Arroyo also faced continuing challenges from within the military. In July 2003, Arroyo declared a month-long state of rebellion across the country due to an armed mutiny in Manila in which over 1,000 people were charged. The most recent coup attempt against her government occurred on November 2007. It was led by a group of renegade soldiers.

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being tried for a 2003 mutiny.\textsuperscript{184} While the coup was suppressed, it reflected the uneven support for Arroyo within the armed forces. This was problematic given the military’s role in combating terrorist and other groups that advocate violence as a means to address economic grievances.\textsuperscript{185}

In the 2010 elections, Liberal Party Senator Benigno S. Aquino III, the son of Benigno and Corazon Aquino, won the presidential election. Despite the violence and some setbacks with a new automated voting system, Aquino won by a landslide with a strong turnout.\textsuperscript{186,187} Among other domestic issues, he has made health care, education, creating jobs, and strengthening the judicial system his priorities.\textsuperscript{188,189}

Issues facing President Aquino include corruption, a large deficit, and national security.\textsuperscript{190-191} He will need to reduce the endemic corruption in the government and strengthen anti-corruption enforcement and vigilance. The deficit, while not large, is a record in pesos (the Philippine currency) and a small tax base coupled with corruption and chronic evasion could hinder spending on social services and infrastructure.

Security issues involve threats on three fronts: the Muslim separatists, the Maoists, and the Abu Sayyaf (\textit{Bearer of the Sword} in Arabic). Formal peace talks with the Moro Islamic Liberation Front, begun in December 2009 after a cease-fire, are still ongoing due to disagreements concerning power-sharing, territory, and wealth.\textsuperscript{192} The Maoist insurgency continues but they have said they will talk with Aquino. The Abu Sayyaf, formed in 1991 as another splinter group of the Moro National Liberation Front, will not negotiate.

History Assessment

1. The first people to populate the islands of the Philippines were the Austronesians.  
   **False**
   The first settlers, the “Aeta,” or “Negritos” in Spanish, came to the Philippines during the last Ice Age. A second group, the Austronesians, arrived much later by sea from Taiwan.

2. Ferdinand Magellan arrived in the Philippines in 1565 and became the first Spanish governor the same year.  
   **False**
   The arrival of Ferdinand Magellan in 1521 was a prelude to colonization, but he was killed soon after by the Mactan Islanders. Miguel López de Legazpi became the first Spanish governor in 1565.

3. The U.S. purchased the Philippines from Spain for USD 20 million in 1898.  
   **True**
   At the end of the Spanish–American War of 1898, the U.S. and Spain signed the Treaty of Paris that allowed the U.S. to purchase the Philippines for USD 20 million.

4. Ferdinand Marcos was the President of the Philippines for over 20 years.  
   **True**
   Ferdinand Marcos became President of the Philippines in 1965, and did not leave office until he was forced from power in early 1986.

5. President Gloria Macapagal-Arroyo was the first woman elected as the leader of the Philippines.  
   **False**
   The Philippines’ first female president was Corazon Aquino who came to power after Marcos was forced from power. Macapagal.
Chapter 3: Economy

Introduction

Although the Philippine economy is growing rapidly, it still lags behind other Asia-Pacific countries such as Singapore or Taiwan. After World War II, the Republic of the Philippines was the second-wealthiest country in Asia, after Japan. It is now one of the poorest—despite its ample human and natural resources—due to recurring economic and political crises, economic mismanagement, and a lack of sustained robust economic growth.

Nevertheless, the newly industrialized country is transforming itself from an agriculture-based economy to a service and manufacturing economy with 31 years of growth (7.3% in 2007). The global recession of 2008–2009 slowed the Philippine economy, but only slightly compared to other countries in the region. The archipelago rebounded through its limited exposure to troubled institutions abroad, election spending, easing of fiscal policy, growth in the outsourcing industry, and continued domestic consumption. Much of the domestic spending is reinforced by remittances sent from Filipino workers abroad. Remittances have helped the country avoid recession, support investment growth and consumption, and bolster the balance of payments while the country handles a 57% GDP (Gross Domestic Product) debt ratio.

Agriculture

The agricultural sector, which includes forestry and fisheries, has historically been the backbone of the nation’s economy. Over 40% of the country’s total land area is arable farmland. The volcanic soil is rich and fertile, supporting a variety of crops throughout the year. The main agricultural products include rice, coconut, corn, bananas, pineapples, sugarcane, cassavas, mangoes, eggs, pork, beef, and fish. Rice, coconut, and corn are the staple crops. Rice is grown in north-central Luzon, south-central Mindanao, and the western Visayas. Coconut is grown extensively in the coastal areas. The Philippines is one of the world’s largest producers of coconut products.

The agricultural sector employs about one third of the population and is the second largest employer in the Philippines. Agriculturalists work on either small plots of rented land or on large plantations they own. Much of the land, however, is owned by a small group of wealthy landowners, a legacy of 19th century economic development.

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Over the past decades, agriculture has become a shrinking percentage of the GDP. 212 Continued rural to urban migration, natural disasters (drought and storms), and the economic crisis of the mid 1980s are all factors in the sector’s decline. 213,214 Between 1988 and 1998, the agricultural GDP fell by 6%. 215 Similarly, between 1991 and 2002, the number of farms and total farmland gradually decreased. 216 In 2009 estimates were at 14% of GDP, where it has stayed fairly consistent for the past few years. 217

This sector faces a number of challenges. 218 Inadequate government policies, poor infrastructure, and insufficient financing have slowed agricultural production, including fishing. 219 In addition, land conversion and development, combined with expanded farming, have taken a toll on the country’s forest cover, marine life, and environment. 220,221 Slash and burn farming, uncontrolled logging, and inadequate reforestation have dramatically reduced hardwood and pine. 222,223 Destructive fishing methods, such as cyanide fishing, kill not only the fish but also the coral reef, and damage the fishing areas. 224,225


Industry

Industry is largely concentrated in urban areas and around metropolitan Manila, where infrastructure allows for a smooth production flow of raw materials to finished products. The most important industries are electronics assembly, textiles, food processing, finished wood products, petroleum refining, footwear, and fishing. Other industrial production includes the processing and assembly of tobacco, leather products, printing, publishing, and semi-conductors. Many factories in the Philippines are subcontractors or licensees of foreign firms. They make finished products out of unfinished imported goods for export. Industrial growth has fluctuated since rising significantly during the 1950s, but has stabilized in past decades, particularly in manufacturing. Industry accounts for 30% of the country’s GDP but employs only 15% of its workforce. The government has encouraged domestic and foreign investment in industry through tax credits and favorable credit terms. Challenges in the industry sector include poor infrastructure, transportation, and communication.

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Natural Resources

The Philippines is rich in mineral resources. Its untapped mineral wealth is estimated at over USD 840 billion worth of gold, copper, and chromate deposits. The archipelago also has significant deposits of silver, nickel, coal, sulfur, gypsum, marble, limestone, silica, clay, and phosphate. Most of the minerals (including gold, copper, and chromite) are located in Luzon and Mindanao. The Visayas has deposits of nonmetallic minerals such as marble, salt, sulfur, cement, phosphate, and silica. In addition, natural gas and petroleum was discovered in the northwest coast of Palawan.

During the 1970s, the Philippines was a top 10 world producer of gold and copper. In the decades following, high operational costs, decreased demand, labor disputes, high interest rates, natural disasters, and power shortages reduced industry growth. Even today, high production costs, low metal prices, and insufficient infrastructure investment pose challenges to the industry. Red tape, disputes over landownership, and the Muslim and communist insurgencies have been additional concerns for developers. One positive sign for the industry was a 2004 Supreme Court decision to allow 100% foreign-owned firms to invest in mining, oil, and gas.

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Energy

The Philippines has significant potential for energy production, particularly with geothermal energy. In terms of oil, exploration began in the 1950s and peaked during the 1970s but yields were small, and there was no production between 1996 and 2000. In 2001, oil production increased with the development of the Malampaya Oil Rim, the biggest oil-production site today. Production is still low, however, at 25,290 bbl (barrels per day). The Philippines must still import petroleum for its own consumption needs. The Philippine oil reserves were estimated to be 138.5 million bbl in January 2010.

The Oil Rim project, located underneath the Malampaya natural gas field, led to significant production of natural gas. Prior to 2001 there were discoveries of reserves but no production. Almost all natural gas production today is derived from the Malampaya natural gas field. Natural gas in the Philippines is used to generate electricity. The Shell, Chevron, and Philippine National Oil Company (PNOC) Deepwater Gas-to-Power Project is not only the country’s largest natural gas development project but also one of the biggest sources of foreign investment. Natural gas reserves were estimated at 98.54 billion cu m (3.48 trillion cu ft) in January 2010.

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The Philippines’ offshore hydrocarbon sources add to its substantial geothermal, coal, and hydro reserves. Geothermal and coal resources in the Philippines are so vast they have reduced some of the country’s dependence on oil. The Philippines continues to be the world’s second largest producer of geothermal energy after the United States. Power plants in Luzon, Negros, Leyte, and Mindanao create nearly 20% of the electricity in the Philippines. In terms of coal, demand is too high, and the country must continue to import coal for power generation and industry use. Lastly, while the Philippines generates enough electricity to meet its own consumption needs, inequalities of distribution and a low rate of access in rural areas are problems. In the past, Filipinos used solar, agri-waste, animal waste, and other methods to produce small amounts of energy in rural areas.

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Service Sector

The Philippine service sector is large in comparison to other Asian countries. It comprises over 50% of the nation’s GDP and employs about half of the labor force. The IT industry in particular is promising, and expected to outperform other countries. The Philippines has become a leading provider of business process outsourcing (BPO) services, alongside India and Canada. Aside from IT, the archipelago also offers BPO services in medical transcription, engineering, and finance. Given the worldwide recession, global BPO companies are increasingly using the Philippines as a backup to India for a number of reasons including low costs, a large English speaking population, adequate telecommunication infrastructure, and a technically savvy workforce. Approximately 65% of their services are provided to North America, a quarter is exported to ASEAN (Association of Southeast Asian Nations) countries, and 10% to Europe. Other countries the
Philippines exports BPO services to include the United Arab Emirates, Japan, and Saudi Arabia. Canada, Australia, and New Zealand are emerging markets.

### Banking

Financial services contribute a substantial amount to the services industry and the country’s overall economic growth.\(^{275}\) The banking sector weathered the global financial meltdown well, due to its limited exposure to troubled institutions abroad.\(^{276}\) The banking sector now comprises about 80% of the entire financial system’s resources and about 90% of all financial activity.\(^{277,278}\) The Central Bank issues the national currency, the *piso*, and conducts banking operations, along with other private and government-owned banks.\(^{279}\)

### Tourism

Tourism is a big business in the Philippines. Metro Manila is replete with 16th century Spanish cathedrals, churches, shrines, museums, galleries, parks, shops, restaurants, and nightclubs. Numerous tropical islands with vast stretches of white sand and blue sea offer surfers, scuba divers, and vacationers a worldly paradise. To make these features part of a world-class travel destination and a potential source of investment, the Philippine government passed the Tourism Act of 2009. This law makes tourism vital to the national economy and an important tool for socio-economic growth.\(^{280}\) It also creates incentives, such as tax breaks, for newly established Tourism Enterprise Zones.\(^{281}\)

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Not surprisingly, the Philippines tourism sector has grown over the past several years.\textsuperscript{282} In the past, economic and political instability, terrorism threats in the southern islands, and a belief that neighboring countries offered better attractions, kept tourists from visiting the archipelago.\textsuperscript{283,284} Since the 2005 record high of 2.5 million visitors, however, the number of visits has increased steadily.\textsuperscript{285} A major market for tourism in the Philippines is east Asia, including China, Hong Kong, Taiwan, Korea, and Japan.\textsuperscript{286} Metropolitan Manila and Cebu Island are the most popular travel destinations.

The Philippines is also known for sex tourism.\textsuperscript{287} Child sex tourism, in particular, is a serious problem, with the majority of the clientele coming from Northeast Asia, Europe, and North America.\textsuperscript{288} The Department of Tourism in the Philippines instituted the ASEAN Regional Education campaign in 2007 in an effort to raise awareness and to protect children in tourist areas.

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Foreign Investment

Developing countries such as the Philippines are dependent on foreign capital to improve productive capacity. Since the 1980s, the Philippines has implemented certain reforms to encourage foreign investment. It became a member of the World Trade Organization, created competition in telecommunication and air transport sectors, and has allowed foreign investment in the power generation sector. Strengths the country now offers are free trade zones, a large English-speaking population, and a well-educated working class. The tourism, mining, and BPO sectors offer opportunities for investment.

Foreign investors are looking for evidence of societal stability to safeguard their investments. The Philippines has not been rated as safe historically, and foreign participation in the economy remains controversial. Widespread corruption, lack of transparency, inadequate infrastructure, regulatory inconsistency, a slow and complex judicial system, and constitutionally mandated restrictions on certain sectors hinder investment in the Philippine economy. Foreign ownership is restricted or limited in some areas due to reasons of defense, national security, safety, public health, and morals. These sectors include retail trade, firearms, explosives, military hardware, gambling, and massage clinics. In addition, civil unrest instigated by terrorist organizations such as the New People’s Army (the communist party’s military wing) creates an unstable investment environment.

The United States has been a major investor in its former colony. The two nations have a bilateral Trade and Investment Framework agreement.
Trade

The Philippine archipelago had an estimated trade deficit of USD 8.88 billion in 2009 but is seeking economic independence as it develops its economy. Major Philippines exports are: electronic products, semi-conductors, transport equipment, copper products, petroleum products, garments, fruits, and coconut oil. Their leading export partner in 2009 was the United States, at 17%. The European Union nations standing together totaled 20%. Major products the Philippines imports include electronic products, machinery, transport equipment, mineral fuels, iron, steel, chemicals, plastic, and grains. The leading import partner was Japan at 12.5%.

Manufacturing exports for the country totaled the largest share in 2009 at 85%. Manufacturing leads in commodity imports as well, but is followed by fuel and mining products at 20%, and agricultural products at 12%. Transportation was the country’s biggest service import.

Merchandise trade between the U.S. and the Philippines totaled USD 12.6 billion in 2009. The Philippines also benefits greatly from a program that allows duty-free access to U.S. markets for developing countries. In 2006, the Philippines made its first bilateral trade agreement with Japan. Recently, new markets have opened, such as East Asia.

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and Southeast Asia, including China and Singapore. The Philippines has preferential trade rates under ASEAN-Korea, ASEAN-China, and ASEAN-Australia New Zealand Free Trade Areas.

Trade and the International Division of Labor

The Philippine economy has been based on international trade. During the Spanish era, Manila became a transit hub for the exchange of merchandise between China and Mexico. Throughout the American colonial era, the main exports were textiles and sugar. More recently, the archipelago nation became part of the international division of labor—materials used in consumer goods destined for store shelves in North America and Europe are imported into the Philippines duty-free and then assembled for re-export.

The Philippine Economic Zone Authority (PEZA) manages five government-owned ecozones in Baguio, Bataan, Cavite, Mactan, and Pampanga. PeZA also oversees a number of free trade areas, export processing zones, and other industrial buildings. The ecozones attract new investors with on-site recruitment centers and financial incentives. At the end of November 2009, over 600,000 Filipinos worked in ecozones. Profits, however, sometimes come at the expense of the workers. The Philippines has signed the International Labor Organization (ILO)’s standards protecting the rights of workers. In addition, all labor laws apply to the

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ecozones. Nevertheless, due to the illegal practices of companies and/or officials, it is difficult for unions to organize in ecozones and for the government to enforce labor laws there.314

Standard of Living

The rate of poverty315 has increased in the Philippines despite the country’s economic growth.316 The poverty rate hovered around 45% since the 1990s.317 Poverty continued to increase even during the period of rapid growth from 2004 to 2008.318 The causes of poverty are unemployment, governance concerns (basic services, land reform, etc.), macroeconomic issues, armed conflict, rapid population growth, agriculture sector problems, and disability.319,320,321

External shocks such as natural disasters and elevated global food and fuel prices also contribute to increased poverty levels.322 Reports indicate that of the 99 million total population, 45% lives in poverty (2006 estimate) and 7.1% are unemployed (2010 estimate).323,324 Underemployment stands at about 20%.325 The Economic Planning Secretary foresees further increases in the unemployment rate countrywide.326

315 The poverty line covers the population living on less than $2.00 a day.
Over half of the population in the Philippines is urban. Urban businesses drive the
growth of the national economy and urban areas. Rural areas lag behind in both
development and poverty reduction. The poverty gap between regions and provinces, and
between urban and rural areas in particular, are widening. Poverty has been pervasive
and most severe in the countryside, where most of the poor population lives. In rural
areas, subsistence farming and fishing communities are prevalent and rely on agriculture
as the main source of income. However, a decline in production, limited access to
microfinance, productive assets, affordable credit, business opportunities, and
unsustainable practices limit profitability. In addition, limited access to basic services,
lower education levels, and larger families lead to acute income inequality in the
country.

Many middle- and high-income Filipinos rely on remittances from family and friends
who work overseas to supplement their income. Remittances account for as much as
10% of the GDP. An estimated 9–11 million Filipinos are currently working abroad,
some because they cannot find jobs in the Philippines.\textsuperscript{338} The USD 17.3 billion sent home in 2009 boosted loans and benefited many sectors.\textsuperscript{339} The Central Bank expects remittances to increase 8\% in 2010.\textsuperscript{340}

**Transportation and Telecommunication**

In the Philippines, transportation methods include airplanes, boats, railways, buses, and personal vehicles.\textsuperscript{341,342} The roads handle approximately half of all freight transport.\textsuperscript{341} Even so, as of 2008, only 11\% of the 201,910 km (125,461 mi) of roadways are paved.\textsuperscript{344} Most of the paved roads and highways are in Luzon’s Metro Manila region, Visayas, Mindoro, Palawan, and Mindanao.\textsuperscript{345} In Luzon, paved expressways extend from the densely populated southern and western provinces to Laoag in the north, Baguio in the west, and Sorong in the south.\textsuperscript{346} The Maharlika Highway (Pan-Philippine Highway) is a system of hard-surface roads, bridges, and ferries that link Luzon, Leyte, Samar, and Mindanao.\textsuperscript{347} More infrastructure work is needed to improve connectivity and road conditions. The road network is often crowded with undisciplined drivers.\textsuperscript{348} Inevitably, as the World Bank points out, “inadequate

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connectivity and the lack of a sustainable road safety strategy […] reduce the efficiency of the road network in promoting growth and providing safe access."\(^{349}\)

In terms of telecommunications, the Philippines has a good system in place. There are 80 telephones (fixed-line and mobile cellular) per 100 persons.\(^{350}\) While fixed-line subscription has increased only slightly since about a hundred years ago, mobile cellular use has increased sharply.\(^{351}\) By contrast, the internet has spread slowly due to its high cost. In 2008, approximately 5.6 million people had internet access, only a small fraction of the 99 million total population.\(^{352}\)

**Looking Forward**

The Philippines’ growth outlook is moderate compared to other East Asian countries.\(^{353}\) The Philippine economy is expected to grow 3.5% in 2010.\(^{354}\) Second quarter growth stood at 7.9%, the fastest growth rate in three years.\(^{355}\) Growth in BPO/IT outsourcing, tourism, and energy; natural resources; infrastructure development; and increased public-private partnerships may bring the country to the 2010 estimated growth rate. However, the archipelago faces a number of long-term challenges that prevent it from reaching its potential. In addition, while the country is generating wealth, its wealth and growth is not inclusive. A large informal sector, high rates of poverty, and unemployment continue to be problematic for the nation.\(^{356}\) Foreign investors are looking for structural reforms to improve public and private sector governance, to remove the bottlenecks that impede growth, and to reduce the costs of doing business in the Philippines.

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Economy Assessment

1. The Philippine economy relies heavily on remittances from expatriate Filipino workers abroad.

   True
   Remittances, which account for as much as 10% of the country’s GDP, have helped the country avoid recession, support investment growth and consumption, and bolster the balance of payments.

2. Industry accounts for the single largest portion of the Philippines’ GDP.

   False
   Industry accounts for 30% of the country’s GDP. The service sector comprises the largest portion of the GDP at over 50%.

3. The Philippines is able to produce enough petroleum to meet its needs.

   False
   Though the country does produce oil, its production is low (25,290 bbl). Thus, it must still import petroleum for its own consumption needs.

4. The Philippines has historically been viewed as safe for foreign investment.

   False
   Widespread corruption, lack of transparency, inadequate infrastructure, regulatory inconsistency, a slow and complex judicial system, and constitutionally mandated restrictions on certain sectors hinder foreign participation in the economy.

5. The Philippines’ tourism sector has declined in the past several years.

   False
   Although instability, threats of terrorism, and other countries offering better attractions have kept tourists away in the past, the number of visits has continued to increase since a record high of 2.5 million in 2005.
Chapter 4 Society

Introduction
The Philippines population of 99 million people is a true mix of ethnic, linguistic, and religious groups. Its cultural diversity arises both from its geographic location and centuries of colonization by the Spanish and the Americans. Malay, Chinese, Arab, Spanish, and American influences can be seen in the language Filipinos speak, the religion they practice, the way they dress, and in the sports they play. Filipinos, family-oriented and spiritual people, have developed their own unique way of life, adapting these influences in their own native culture. English and Filipino are the official languages while indigenous languages are spoken at home, Christianity is practiced with animist beliefs, and native foods are consumed alongside American fast food. Such customs create “a unique blend of diversity and homogeneity in the Philippines.”

Ethnic Groups
The majority of Filipinos are descendents of Malays who migrated to the archipelago by boat some 30,000 years ago. Only the oldest residents, the Negritos, who are distinguished by their shorter stature, darker skin, and curly hair, are believed to be descendents of people who crossed land bridges from mainland Asia. In addition to these settlers, Chinese, Arab, and Indian peoples also migrated to the archipelago over the centuries. Many Filipinos trace their ancestry to these as well as Spanish and American peoples, who colonized the Philippines between the 16th and 20th centuries. Mestizo is the name for someone with Malay and Spanish or Chinese blood, specifically. Filipino refers to the inhabitants of the country in general.

Spread across 7,107 islands, Philippine residents had little contact with those living on other islands. Hence, culture and traditions, along with language, diverged widely. Today, Filipino society comprises nearly 100 distinct ethnic groups, based on language and culture.\(^{361}\) According to the 2000 census, the major ethnic groups are: Tagalog 28.1%, Cebuano 13.1%, Ilocano 9%, Bisaya/Binisaya 7.6%, Hiligaynon Ilonggo 7.5%, Bikol 6%, Waray 3.4%, and other 25.3%.\(^{362}\) Ethnicity is usually associated with a region;\(^{363}\) ethnic groups can be generally divided into three main categories: lowland Christians, southern Muslims, and indigenous highlanders.

The Tagalogs, the largest ethnic group, are lowland Christians who live mostly in central and southern Luzon and in Mindoro.\(^{364,365}\) Many of them live in Manila, the capital city. Thus, they are highly visible in politics and in business. The Tagalogs, along with the Visayans, also make up the migrant Christian population in Mindanao.\(^{366}\) The term Visayan refers to people who trace their roots back to the sugar-rich central islands of the Visayan region. The Cebuano, Hiligaynon Ilongo, and Waray-Waray are subgroups within the Visayan population. High population density as well as official encouragement prompted some to migrate to Mindanao where they continue to identify themselves as Visayan.\(^{367}\) The Ilocanos, the third largest ethnic group, live mainly in northern Luzon and have a history of emigration and achieving success overseas. Some of their success is due to President Marcos who was also an Ilocano and gave his people government jobs during his tenure (1965–1986).\(^{368}\)

Muslim Filipinos, also referred to as Moros, have historically lived mainly on the southern island of Mindanao and the Sulu archipelago, where separate sultanates ruled after the advent of the Islamic religion.\(^{369}\) The Moros represent the most culturally autonomous group of Filipinos, set apart by their own legal system, language, and

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religion. They were a dominant force of resistance against Spanish and American colonial rule. Three main Muslim groups emerge as the most important in the area: the Tausug, Maranaw, and Maguindanao. The Tausungs, along with the Samals, live by the sea while the Maranao and the Maguindanao inhabit the hills and mountains of central and western Mindanao.

Most of the Philippine’s ethnic groups live as indigenous populations in remote areas of Luzon, Mindoro, and Mindanao. They include the Negrito, Bontoc, Kalinga, Ifugao, Tingguian, Badogo, Mandaya, Mangyan, and the Benguet. The Philippines’ mountain dwellers are known collectively as Igorot, meaning “mountaineer.” The Ifugao, for example, are ancestors of the Igorots who built the rice terraces on the mountains of northern Luzon. The area is now a UNESCO World Heritage site.

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Languages

While estimates vary, some studies suggest that over a hundred languages are spoken in the Philippines.\(^{378}\) Most of them belong to the Malayo-Polynesian family of languages and are thus related. The eight major languages in the country are: Tagalog, Cebuano, Ilocano, Hiligaynon (Ilonggo), Bicol, Waray (Samarnon), Pampango, and Pangasinan.\(^{379}\) Approximately 85% of the Filipino population speak one of these languages as their mother tongue. Filipino and English are the official languages and medium of instruction, acting as a unifying force in the culturally diverse nation.\(^{380}\)

Filipino is based on Tagalog and other Philippine languages. Tagalog itself is one of the four principal languages, the others being Cebuano, Ilocano, and Maranao.\(^{381}\) It is spoken mainly in Manila, south-central and central Luzon, and Marinduque and Mindoro islands.\(^{382}\) Cebuano is spoken by various ethnic groups in the Visayas. Tribes in northern Luzon speak Ilocano while those in Mindanao speak Maranao. Many Filipinos speak Filipino as their second language after English or their mother tongue.\(^{383}\)

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Education

Education is valued highly in the Philippines as a means of achieving economic and social mobility. Thus, it is not surprising that the Philippines has one of the highest literacy rates in Asia at 92% for ages 15 and over. The American colonial government laid the foundation for an educational system that was open to everyone. Today, public and private institutions provide education in both Filipino and English. Due to the use of English in schools, the Philippines has one of the largest English-speaking populations in the world.

Primary and Secondary Schools

Both primary and secondary education is free in the Philippines. Primary education is compulsory, begins at age seven, and lasts for six years. Secondary education, for students age 13–16, is not compulsory. College preparatory instruction typically covers all four years of secondary education, although students may choose vocational training in their last one or two years.

In the past decade, the Philippines has made significant progress in expanding access to primary and pre-primary education. Nevertheless, less than half of three- to five-year-olds have access to preschool, with rural children and boys among the most disadvantaged. Although the transition rate from primary to secondary education is high at 99% (for 2007), drop out rates are significant in secondary schools. Net primary school enrollment rates for 2007–2008 was 85% compared to 62% in secondary schools.

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The drop out rates are high among boys in particular. Quality of instruction and an insufficient number of secondary schools are other challenges the Philippines faces. In addition, natural disasters and poverty limit access to quality education.

**College and University**

Numerous private, state-run, and religious colleges and universities operate in the Philippines. Enrollment is a significant problem, however, at approximately 30%. Prominent universities include University of the Philippines, Ateneo de Manila, and Philippine Women’s University. Ateneo de Manila University appeared in the 2010 top 50 “World’s Best Universities: Asian and Middle Eastern” list. The oldest university in Asia is the University of Santo Tomas, located in Manila and founded some 350 years ago.

**Religion**

The Philippines lays claim to being the only Christian nation in Asia. Spanish colonial rule starting in the 16th century converted the majority of Filipinos to Catholicism, the faith now practiced by 80% of the population. Protestant missionaries during American colonization made some converts beginning in the early 20th century. Today, Protestants, Evangelicals, and other Christian sects (including the Aglipaya and the Iglesia ni Kristo) make up approximately

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10% of the population. The Filipinos are a deeply religious people. Despite the constitutional separation of church and state, the strength and influence of the church, and Roman Catholicism in particular, has increased over the centuries in both the political and social arenas. Nevertheless, in addition to their Christian faith, many Filipinos also practice their traditional pre-Christian animist beliefs and rituals. As part of their “personalistic” religion point of view, many Filipinos worship the Virgin Mary alongside spirits and believe in superstition.

Islam was introduced to the islands by Arab traders beginning in the 10th century. By the early 16th century, Islam was practiced throughout the archipelago’s coastal regions. The arrival of the Spanish opened the door to the spread of Christianity and Islam was reduced to mainly the southern islands. Today, the Sunni Muslims of Mindanao and the Sulu archipelago comprise some 5% of the population. Their practice includes five daily prayers at different times of the day, fasting during the month of Ramadan (occurring at different times of the year due to the Islamic observance of the lunar calendar), yearly donation to the poor, and at least one pilgrimage to the holy city of Mecca in Saudi Arabia, if possible.

Followers of other organized and non-organized religions, such as Buddhism and Taosim, make up 2.5% of the population.

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Traditions: Celebrations and Holidays

Most of the holidays in the Philippines revolve around religion. The main religious events in Christianity are: Holy Thursday, Good Friday, and Easter, occurring in March or April; All Saint’s Day (1 Nov.), and Christmas (25 Dec.). Easter is perhaps the most devout and joyful expression of Filipino piety. During Holy Week (the week before Easter), Catholics take palm leaves to church to have them blessed by priests, attend passion plays on Holy Thursday, and go to reenactments of the death of Jesus on Good Friday. On the morning of Easter Sunday, villagers celebrate the encounter between Mary and Jesus in a procession called Salubong. They carry statues of Mary and Jesus and bring them together at one church amid singing and the sounds of bells.

Christmas is another festive holiday among Christians. Christmas lights and trees, nativity scenes, firecrackers, processions, and a meal of traditional roast pig are all part of the spirit. In addition to these holidays, every town and village will hold a fiesta in honor of its patron saint. These festivals celebrate a particular saint and community life; family members from afar often return to their hometown for the yearly fiesta.

Among Muslims in the Mindanao and the Sulu Archipelago, Ramadan, Eid al-Fitr, Eid al-Adha, and the Shariff Kabungsuan Festival are the main holy days. Ramadan is the 30-day holy period in which adult Muslims do not eat, drink, or smoke from dawn until dusk. Eid al-Fitr is a celebration of the end of fasting. Eid al-Adha takes place during the last month of the Islamic calendar. It marks the completion of the Islamic pilgrimage (hajj) to Mecca in Saudi Arabia. The Shariff Kabungsuan Festival commemorates the arrival of Islam in the Philippines.

Many of the secular holidays celebrate the history of the Philippines and its heroes: Bataan Day (9 April), honoring those who died in the WWII Bataan Death march; Labor Day (1 May); National Heroes Day (last Sunday of August); Independence Day (12 June), in commemoration of the 1898 declaration of independence from Spain; Bonifacio Day (30 November), celebrating Andres Bonifacio as leader of the 1896 fight against Spain; and Rizal Day (30 December) in honor of Jose Rizal, a national hero.

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Social Customs

Social customs not only vary between groups, but also between urban and rural residents. Rural social customs are more traditional. In rural areas for example, pre-marital courtship is common, but only under the supervision of a chaperone. In big cities such as Manila, unmarried couples may date without a chaperone. Pre-marital cohabitation is unthinkable regardless of locale. In both villages and cities, marriage is based on the mutual consent of the young man and woman, not on parental pre-arrangements. The couple will seek their parents’ approval, but the choice is still the couple’s. While some wealthy families steer their children toward seeking partners among the offspring of other wealthy Filipino families, marriage with foreigners is common.

Most Filipinos are church-going Roman Catholics who tend toward religious conservatism. As a result, the government is reluctant to push family planning initiatives for fear of antagonizing the Catholic Church, which opposes all artificial forms of birth control.413

Likewise, public displays of affection between men and women are confined to holding hands or a brief embrace. The exception to this rule is between parents and small children. Philippine society extols the virtues of male–female equality and the statistics for high school and university attendance differ little by gender.

Gender Issues

Equality for both men and women is granted by the Philippine constitution. However, despite the high level of civil liberties, gender imbalances are still a part of Filipina life.414 Some of the imbalance is due to vague regulation and budgetary constraints in implementing protection afforded to women by rights.415

In terms of employment, Filipinas have long been part of the work force and continue to work in


diverse fields.\textsuperscript{416} Since being granted suffrage in 1937, Filipinas have become important leaders in government, including president (Corazon Aquino in 1986 and Gloria Macapagal-Arroy in 2001). Approximately half of the corporate executives, supervisors, managers, and government officials in the country are women.\textsuperscript{417}

At home, however, the man of the house usually has ultimate authority. As daughters, Filipinas generally marry young but polygamy is illegal and women are free to choose who they want to marry.\textsuperscript{418} Women also have equal rights to inheritance as well as access to land and other assets. However, men are perceived as the proper owners of land and other property. Thus, despite legislation granting equality, women still face difficulty in achieving financial independence because they may need a male co-signer or lack proper credit. Moreover, women—even those who work outside the home—still bear most of the burden for household responsibilities.

Domestic violence, rape, and prostitution are all serious problem in the Philippines.\textsuperscript{419} Although such crimes are illegal, enforcement has been ineffective. Sex tourism, another serious social issue, is also a source of sexual exploitation and forced labor. In addition, sexual harassment is widespread in the workplace. Cases of violence against women are often unreported due to embarrassment, lack of information about how to report the incident, and a belief that it is either unimportant or nothing can be done about it.\textsuperscript{420}

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\textsuperscript{418} Social Institutions and Gender Index. “Gender Equality and Social Institutions in Philippines.” No date. http://genderindex.org/country/philippines


\textsuperscript{420} Social Institutions and Gender Index. “Gender Equality and Social Institutions in Philippines.” No date. http://genderindex.org/country/philippines
\end{flushleft}
Cuisine

Philippine cuisine is as diverse as the many different groups that inhabit the various regions of the archipelago. It shows traces of Malay, Spanish, and Chinese influence in both indigenous dishes and foods of foreign origin. The staple foods in the Filipino diet are rice and seafood, two of the country’s major agricultural products. Most dishes are made with steamed or boiled rice or rice noodles complemented by fish—and chicken, beef, or pork (for non-Muslims) if available.

Filipinos enjoy a variety of foods, ranging from regional dishes to American and local fast food. Typical dishes include the Spanish-inherited morcon (beef prepared with pork fat inside it), pochero (beef, chicken, or pork stew with green beans and cabbage), and paella (a rice, seafood, and meat combo). Local Chinese noodle dishes called pancit, rice porridge, and spring rolls are also popular. During festivals, holidays, or large get-togethers, families will prepare lechon (whole roasted pig), cooked over coals for several hours. During meals, food is usually brought to the table and eaten at one time in buffet style.

Coconut and sugar, another set of abundant crops, make up the ingredients of many dishes. Coconut milk, for example, is used for cooking meat, fish, or vegetables and as sweeteners in candies and fruit salad. It is also used in the distilled lambanog alcoholic beverage and in coconut wine called tuba. Some ingredients allow cooked foods to last several meals in the absence of refrigeration. Specifically, adobo (chicken or pork stew prepared in vinegar, soy sauce, and garlic) or sinigang-style foods (fish soup boiled with

vegetables or tamarind, a sour fruit) are a means to preserve leftovers in a tropical climate.\textsuperscript{429-430}

For dessert, Filipinos enjoy cakes, pudding, flan, and fruits, among others.\textsuperscript{431} Most fruits grown in the Philippines are tropical, including banana, papaya, pineapple, watermelon, and guava. Halo-halo ("mix-mix") is a favorite cool and creamy summer drink made with fruit, shaved ice, and other sweet flavorings.

**Traditional Dress**

The different groups in the Philippines wear a great variety of indigenous-style clothing. For the most part, however, Filipino men and women wear casual western attire such as jeans and T-shirts. The quintessential male formal attire is the pocketless *barong tagalog* shirt.\textsuperscript{432} This elegantly stitched garment evolved from those worn by Tagalog men before the arrival of the Spanish. Contact with Europeans extended the laced part of the shirt. During the American colonial era, men quickly donned suits although the *barong tagalog* made a comeback after independence. For public functions, women who opt for a traditional style are usually attired in the *terno*, a long dress identifiable by its butterfly sleeves that came to be associated with former First Lady Imelda Marcos.\textsuperscript{433}


The Arts

Literature

Philippine literature has its roots in traditional folktales, songs, and poems. They were passed down orally through succeeding generations and still are in some parts of the country. During pre-colonial times (prior to the 16th century), Filipinos used Baybayin, which is similar to Sanskrit, to write their oral literature. Most oral literature, however, was transcribed into the Roman alphabet after Spanish colonization. Running themes in these early forms of literature were nature, life events, and history. One epic known in the northern Luzon region is Biag ni Lam-ang (Life of Lam-ang), depicting the adventures of a folk hero.

The pre-colonial songs, lullabies, folk narratives, epic stories, and the connected rituals under Spanish colonialism gave way to religious prose and poetry. Filipino pasyon (the verse narrative of the sufferings of Jesus according to the Christian tradition) dates back to the early 18th century, but the 19th century brought dramatic changes. Filipino intellectuals who travelled to Europe for education—the ilustrados—brought back the seeds of the uprising against the Spanish colonialists. Rizal’s novels contributed greatly to the Philippine nationalist movement. The American era brought the English language and free verse to the Philippines through the words of Jose Garcia Villa. Contemporary Philippine literature features poetry, short stories, novels, and essays, all of which flourish and are supported by a host of literary awards.

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Music and Dance

The Philippines has a heritage of music and dance, which play a significant part in daily life. Both western and traditional styles are popular. A new genre of Filipino music emerging from the 1950s called pinoy (or OPM, Original Pinoy Music) is a mix of the two. Although pinoy was initially just western songs translated into regional Philippine languages, Filipino composers eventually created their own songs and sound. Later, pinoy was mixed with other genres such as punk rock or reggae.438

Traditional music varies by region. Filipino musical instruments include bamboo flutes, gongs, drums, violin, bamboo zither, and lutes.439 Music is often part of rights of passage (marriage, etc.) and seasonal celebrations.440 The kulintang ensembles of the southern islands feature single-headed drum and a set of gongs.441 It is part of Muslim cultural heritage, traditionally played by female musicians at wedding celebrations and fiestas.442

Ethnic dance in the Philippines draws mainly on nature as part of its theme. The national folk dance is tinikling. It features dancers who dance and hop between bamboo poles as a tikling (heron) might. The Moro version of this dance is called singkil. Dancers jump between two sets of two crisscrossed poles, each of which are struck together at fast speeds.

Sports and Recreation

The sports and recreational that Filipinos enjoy varies by region, from mountain climbing to boxing and bowling.443 Basketball is a national obsession while chess and golf are two other popular pastimes.444 Other hobbies Filipinos engage in include sipa, eskrima, and cockfighting.


Sipa

Although it goes by different names, *sipa*, played throughout Southeast Asia, is a cross between soccer and volleyball and a fiesta favorite in the Philippines. Instead of a ball, a shuttle made of various materials is used in play. Players cannot touch the shuttle with their hands; instead they hit it with their feet, legs, head, shoulders or elbows. The goal is to keep it from landing on the ground as it is volleyed back and forth across a net.

Eskrima

Eskrima, along with *kali* and *arnis*, is a form of martial arts practiced in the Philippines. The sport, whose name is adapted from the Spanish word for fencing, draws on fighting styles influenced by Indonesian and Chinese martial arts. In contrast to other forms of martial arts, each strike can be used in three different ways: as a hand gesture, with a wooden dagger, or a rattan baton.

Cockfighting

Cockfighting (*sabong*) has been described as a national pastime in the Philippines. Tens of thousands of legal and unregistered cockpits are scattered throughout the islands. The matches, usually on Sundays and holidays, are particularly bloody because razor-sharp spurs are tied to the roosters’ legs as they battle until one dies. Male spectators bet through intricate hand signals from the pentagon-shaped arena. Birds bred for their “kamikaze-like courage” and formidable wingspan are imported from the United States.

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to fight. Gamblers can win or lose thousands of pesos on each bet during a single day’s event.

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Society Assessment

1. The majority of Filipinos are Muslim.
   **False**
   Spanish colonial rule converted the majority of Filipinos to Catholicism, the faith now practiced by 80% of the population. Muslims, based predominantly in Mindanao and the Sulu archipelago, comprise roughly 5% of the population.

2. Most marriages in the Philippines are arranged by the parents.
   **False**
   In both villages and cities, marriage is based on the mutual consent of the young man and woman, not on parental pre-arrangement.

3. Outside the home, women compete equally with men at work; however, within the home, men are still considered the heads of the families.
   **True**
   Filipinas have long been part of the work force. Nevertheless, in family matters, the man of the house usually has the last word.

4. The Philippines has one of the largest English-speaking populations in the world.
   **True**
   The American legacy is reflected in the fact that the archipelago nation has one of the largest English speaking populations in the world.

5. The Philippines has high primary and secondary enrollment rates but not everyone can benefit from the educational system.
   **True**
   Enrollment in the educational system is free and open to everyone but access to a quality education is limited, particularly for rural children and boys due to natural disasters and poverty can limit access to quality education.
Chapter 5 Security

Introduction

The Republic of the Philippines, a former Spanish and American colony, became independent in 1946. Since then, the archipelago has been plagued by political instability, economic mismanagement, and pervasive corruption. The rule of law is generally weak due to a weak law enforcement agency and judiciary.\(^{454}-^{455}\)

In addition, the mostly Catholic nation has battled Muslim (or Moro, what the Spanish called the Philippine Muslims) separatists in the form of the Moro National Liberation Front (MNLF), the Moro Islamic Liberation Front (MILF), and the Abu Sayyaf Group (ASG) as well as the communist party’s armed wing, the New People’s Army (NPA). The communists and Islamic insurgencies have resulted in nearly 160,000 deaths and the displacement of over 2 million Filipinos.\(^{456}\) Much of the violence over the decades is rooted in poverty due to a history of government underinvestment.\(^{457}\) Poverty has worsened in conflict areas and invited Muslim extremists, including Indonesia-based Jemaah Islamiyah (JI).\(^{458}\) Other internal threats in the country are armed private militias and human trafficking.\(^{459}\)

The United States has historically been the Philippines’ most important strategic ally, and recently the two nations have cooperated in joint counterterrorism efforts. A 60-member International Monitoring Team (IMT) oversees the peace process on the southern island of Mindanao between the government of the Philippines and the MILF. Malaysia makes up the majority of the team, along with contingents from Japan, Brunei, and Libya.\(^{460},^{461}\)


U.S.–Philippine Relations

American and Philippine relations highlight a shared history based on U.S. colonization of the archipelago from 1889–1946. Today, the two countries continue to be linked by their security alliance, democratic principles, economic ties, and more recently, counterterrorism cooperation.462,463

From Independence to 9/11

Formal U.S.-Philippine military relations are built on two agreements: the 1947 Military Bases Agreement and the 1951 Mutual Defense Treaty. The Military Bases Agreement (MBA) allowed the U.S. to retain 23 military facilities in the Philippines.464 However, the agreement was steeped in controversy from the beginning due to differences of opinion on military and economic issues.465 Filipinos felt the agreement infringed upon their sovereignty, unfairly protected U.S. military personnel from Philippine law, and did not adequately compensate the Philippines.466 Consequent amendments to the agreements in 1979, 1983, and 1988 failed to appease the opposition.467 In December 1991, the Philippine government asked the United States to withdraw its forces within one year.468 The MBA was, thus, abolished.469 Subic Bay Naval Base was one of the last bases, and closed in November 1992.470 In all, approximately 40,000 people withdrew from the bases, turning over more than USD 1.3 billion in assets to the Philippines.471,472

The 1951 Mutual Defense Treaty (MDT) strengthened the security relationship between the U.S. and the Philippines. It decreed that "an armed attack in the Pacific Area on either of the Parties would be dangerous to its own peace and safety."\textsuperscript{473} While the treaty guarantees U.S. defense of the Philippines against external aggressors, the treaty does not extend to internal threats nor to territories in dispute (such as the Spratly Islands).\textsuperscript{474,475} The military cooperation established under the MDT also served as the basis for annual joint military exercises. In June 1999, the Visiting Forces Agreement went into effect, allowing U.S. ships to visit the Philippines and conduct combined military exercises.\textsuperscript{476}

**The Post-9/11 Security Alliance**

Philippine-U.S. security and economic ties were strengthened after al-Qaeda’s September 11, 2001 attacks on the World Trade Center in New York and the Pentagon in Virginia. In October 2003, the U.S. designated the Philippines a major non-North Atlantic Treaty Organization (NATO) ally because the Philippines ratified all 12 United Nations counterterrorism conventions that month.\textsuperscript{477} In addition, the U.S. increased military aid to the Philippines from USD 76 million in 2001 to USD 114 million in 2003.\textsuperscript{478} Since then, the U.S. has continued to provide the Philippines the largest increase in foreign assistance in Southeast Asia.\textsuperscript{479}

The purpose of U.S. assistance in the Philippines is to help the Philippine army combat terrorism, support peace and security in Mindanao, foster good governance, promote education and


health programs, promote law enforcement cooperation, and advance competition in the private sector.\textsuperscript{480-481} In 2010, the U.S. gave the Philippines USD 144 million in grants.\textsuperscript{482} Much of the economic assistance was allocated for promoting economic growth, peace and security in the southern island of Mindanao.\textsuperscript{483} Since 2002, as many as 600 U.S. troops have been stationed in the southern Philippines to provide training and intelligence to the Philippine military.\textsuperscript{484} Most of the troops are counterinsurgency specialists who train elite Filipino forces to fight militant and separatist groups.\textsuperscript{485} U.S. troops are not allowed to participate in offensive operations.\textsuperscript{486} The International Military Education and Training program in the Philippines is now the world’s third largest program. Annual joint military exercises also facilitate Philippine counterterrorism efforts and development projects, particularly in the southern Philippines.\textsuperscript{487}

\textbf{Neighbor State Relations}

The Philippines cooperates with neighboring countries, such as Indonesia and Malaysia, to combat common regional threats.\textsuperscript{488} The archipelago nation is also linked to neighboring states through membership in the Association of Southeast Asian Nations (ASEAN), the ASEAN Regional Forum (ARF), of which the U.S. is also a member, and the Asia-Pacific Economic Cooperation (APEC) forum. The purpose of these organizations is to support and promote regional peace and stability, economic growth and prosperity, and regional dialogue and diplomacy.\textsuperscript{489,490,491}

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The key issue between the Philippines and China, Malaysia, Taiwan, Vietnam, and Brunei concerns the Spratly Islands, also known as the Kalayaan (Freedom) Islands, in the South China Sea. Many of these 200-plus islands are little more than submerged islets, rocks, and reefs that pose a hazard in one of the world’s busiest locations for seafaring traffic. Yet, they have strategic importance due to suspected oil and gas deposits beneath them. This is a winner-take-all dispute. International maritime law confers exclusive ownership to all resources within a 200-nautical-mile radius of a given point to the country whose claims of sovereignty are internationally recognized, regardless of whether the area is a rock formation or suitable for human habitation. Control would be especially beneficial to the Philippines since it is wholly dependent on imported oil.

Manila has periodically tried to extract a commitment from Washington to defend the Philippines’ claim to the Kalayaans as part of the bilateral Mutual Defense Treaty. Yet, the U.S. has steadfastly refused.

In 2002, the Philippines, ASEAN members, and China signed a non-binding Declaration on the Conduct of Parties in the South China Sea to ease tensions in the region. The agreement, which urges involved parties to exercise restraint and avoid provocative activities such as war games, is not yet a formal code of conduct. Meanwhile, most of the countries are promoting and developing tourism on some of the islands.

China

The dispute over the Spratly Islands dominated relations between mainland China and the Philippines for several decades. China claims all of the islands and has used both a charm offensive and direct military involvement to solidify its claims. \(^{501, 502}\) Since the mid 1990s, both China and the Philippines have stationed troops on military outposts built on several islands. \(^{503}\) 

The Philippines viewed China’s decision to station troops on the islands as an indicator of their regional ambitions. \(^{504}\) The 2002 Declaration on the Conduct of Parties in the South China Sea and 2005 joint accord on conducting seismic studies in the area eased some of the tensions. More recently, bilateral relations have improved, driven by Chinese investment in the Philippines, particularly in energy, mining, agriculture, and infrastructure. \(^{505}\) 

China has become one of the leading trade partners in the Philippines, ranking slightly lower than the U.S. \(^{506}\) Investment, economic aid, and military assistance have allayed some Filipino fears of China’s growing military and economic might. \(^{507, 508}\) In addition, Manila has accepted the “One China” policy, which prohibits any government recognizing the PRC from engaging in diplomatic activity with Taiwan. \(^{509}\)

China remains concerned about the archipelago nation’s close economic and military ties to the United States, and about U.S. interference in the Spratly Islands dispute over the issue of free shipping lanes. \(^{510, 511, 512}\) China claims that the dispute must be resolved without outside parties. \(^{513, 514}\)


Japan

Economic ties and security dominate Philippine–Japanese relations. Although Japanese wartime occupation of the Philippines left bitter memories of cruelty and hardship in the WWII generation that fought with the United States against Japan, negativity toward Japan in the post-war generation is non-existent. The “Treaty of Peace with Japan” and the “Reparations Agreement Between Japan and the Republic of the Philippines,” signed in July 1956, cemented diplomatic relations between the two nations. Japan has since become a major investor and trading partner in the Philippines. In late 2010, Japanese companies pledged to invest USD 2.85 billion in the Philippines, mostly for the expansion of power capacity and manufacturing operations. In 2009, Japan was the Philippines’ leading import partner and second leading export partner after the U.S. Japan is also part of the International Monitoring Team for the Mindanao peace process between the Government of the Philippines and the Moro Islamic Liberation Front.

Japanese development experts on the team are involved in assessing, monitoring, and planning reconstruction and development projects in former conflict-stricken areas.  

**Malaysia**

Philippine–Malaysia relations are mostly tied to security and claims to the Malaysian State of Sabah. Malaysia has facilitated ongoing negotiations between the Republic of the Philippines and the Moro Islamic Liberation Front since 2001. In addition, the Malaysian-led International Monitoring Team has monitored the 2001 cease-fire as well as the development, humanitarian, and rehabilitation aspects of the peace process since 2004. Their presence has decreased violence in areas affected by conflict.

**Indonesia**

Philippine–Indonesian relations have improved since establishing diplomatic relations in 1947. In the early 1960s, both the Philippines and Indonesia opposed the formation of Malaysia. Yet, bilateral relations between Jakarta and Manila were not close throughout the Cold War period. Indonesia played a prominent role in the Non-Aligned Movement (a developing nations movement to be neutral in the Cold War), while the Philippines maintained a close relationship with the United States. Relations with Indonesia improved after Indonesian President Suharto was removed from office in 1998.

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**Internal Threats**

The Philippines faces a number of internal threats, which can be split into two major groups: Islamic and communist. Islamic groups operating in the country include the Moro National Liberation Front (MNLF), the Moro Islamic Liberation Front (MILF), an Islamic separatist group not considered a terrorist organization, and Abu Sayyaf, Jemaah Islamiah. The communist New People’s Army is another of the country’s long-running insurgencies.\footnote{Office of the Coordinator for Counterterrorism, U.S. Department of State. Country Reports on Terrorism 2009. “Chapter 2: Country Reports: East Asia and Pacific Overview.” 5 August 2010. http://www.state.gov/s/c/rls/crt/2009/140884.htm} Most of these
organizations operate in southern Philippines, which the United States considers a terrorist safe haven. Safe haven areas include the Sulu/Sulawesi Seas littoral, the Sulu Archipelago, and the island of Mindanao. Abu Sayyaf and al Qaeda-linked Jemaah Islamiyah have sought safe havens in the Sulu/Sulawesi Seas coastal region, which includes the maritime boundaries of the Philippines, Indonesia, and Malaysia. Terrorists use these areas to organize, raise funds, train, and avoid capture. Government control and the rule of law are weak there, the terrain is rugged, and monitoring is a challenge across thousands of islands that also host legitimate activities like tourism and trade. Terrorists exploit root causes, namely the local Muslim minority’s wrath and resentment against government policies and widespread poverty, to promote their ideology.

Both Abu Sayyaf and MILF have received financial assistance from al Qaeda in the past, and both were involved in the Soviet–Afghan war after the Russians invaded Afghanistan.

540 According to the State Department: “Terrorist safe havens are defined in this report as ungoverned, under-governed, or ill-governed areas of a country and non-physical areas where terrorists that constitute a threat to U.S. national security interests are able to organize, plan, raise funds, communicate, recruit, train, and operate in relative security because of inadequate governance capacity, political will, or both. Physical safe havens provide security for terrorist leaders, allowing them to plan acts of terrorism around the world.” Office of the Coordinator for Counterterrorism, U.S. Department of State. “Chapter 5: Terrorist Safe Havens and Tactics and Tools for Disrupting or Eliminating Safe Havens.” 5 August 2010. http://www.state.gov/s/ct/rls/crt/2009/140891.htm


in 1979. Some reports suggest MILF links to Abu Sayyaf and Jemaah Islamiyah; MILF denies such links.

Although there have sometimes been differences in strategy between civilian and military authorities, the Philippine government has made some progress in tackling the country’s internal threats. Pairing development with security operations has led Philippine forces to better success in isolating and killing insurgents. Philippine President Benigno Aquino recognizes that peace and security is needed to foster economic growth and investment, particularly in resource-rich Mindanao. His government has expressed interest in reviving stalled negotiations both with the MILF and with communist rebels.

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Islamic Separatist Groups

The Philippines has a long history of Islamic separatism, going back to the Spanish colonial period. Moros, descendents of Muslim settlers who arrived between the 10th and 13th centuries, are independent and proud of their cultural heritage. They resisted Spanish colonization alongside the general population as the Spanish destroyed traditional land-use practices and territorial boundaries. The Spanish created a new cultural community in the lowlands from which the Muslims and the upland tribes felt alienated.

After the United States won the Spanish–American War in 1898, the Moros fought against American colonialism alongside other rebel groups until 1913. After independence, the Catholic majority dominated politics and the economy, and threatened the Muslim way of life. Manila encouraged the large-scale migration of Christians from densely populated areas to sparsely inhabited, predominantly Muslim Mindanao, which was viewed as an agricultural frontier. Christian settlers received official assistance, while Muslim farmers had to make do with far fewer government services. Moreover, the Muslims found themselves outnumbered in their ancestral land.

Calling their homeland the “Moro Nation” (Bangsa Moro), Mindanao Muslims viewed themselves as under foreign occupation. Their primary allegiance was to Islam and not to the newly sovereign Philippine nation-state. By 1969, clashes between Muslims and the Philippine military were a common occurrence in various parts of the historically Islamic south. Armed conflict increased dramatically the year after declaration of martial law and the rise of private militias. Soon after martial law, open rebellions arose and the Moro


National Liberation Front consolidated control under the leadership of Nur Misuari.\textsuperscript{564} It gained international backing from Muammar Kaddafi in Libya, who supplied arms through Malaysia.\textsuperscript{565}

The 1976 cease-fire, known as the Tripoli Agreement, laid plans for an autonomous Muslim zone in the south. But disputes over implementation led to a resumption of the civil war within six months. The Marcos government in Manila viewed assimilation as the ultimate goal, rather than ethnic regionalism.\textsuperscript{566}

The MNLF negotiated a settlement with the government in 1996, ending the 24-year civil war that claimed an estimated 120,000 lives.\textsuperscript{567} The peace treaty provided limited autonomy to four provinces in Mindanao under the Autonomous Region of Muslim Mindanao (ARMM). The provinces include mainland Maguindanao and Lanao del Sur provinces, and Sulu, Tawi-Tawi, and Basilan island provinces.\textsuperscript{568} Since the area is only semi-autonomous and the peace negotiations did not address all Moro concerns, low levels of violence continue to occur.\textsuperscript{569} Since the settlement, the MNLF has weakened and largely demobilized, but some members splintered off to form the Moro Islamic Liberation Front and Abu Sayyaf.\textsuperscript{570,571}

A faction of the MNLF formed the more religious and militant Moro Islamic Liberation Front (MILF) in 1980. Although at first they fought for independence, now they may settle for autonomy and protection of their ancestral domain and cultural identity. The MILF formally renounced terrorism in June 2003. In August 2008, after 11 years of negotiation, the government and the MILF almost agreed on a roadmap for a final peace treaty, but the deal broke down when local Christians petitioned the Supreme Court to block the agreement. Fighting resumed and hundreds of thousands were forced to flee their homes. Formal peace talks that began in December 2009 after a cease-fire in July, are ongoing. An International Monitoring Team observes the ceasefire agreement to maintain peace.

Prospects for peace were complicated by the emergence of another MNLF breakaway group, Abu Sayyaf (Bearer of the Sword), in 1991. Founded by Abdurajik Abubakar Janjalani, who fought in Afghanistan alongside the mujahideen against Russian occupation, ASG’s membership includes former MNLF members who were unhappy

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with the 1996 peace accord. Abu Sayyaf seeks an independent Islamic state and has distinguished itself in the Filipino public consciousness through high-profile bombings, kidnappings, and beheadings. The first victims were Filipino Christian residents of the South. More recently, Westerners, who offer the prospect of substantial ransom payments, have been targeted for kidnapping. Both the MNLF and MILF have condemned ASG activities.

The Philippine Army killed ASG founder Janjalani during a gun battle in December 1998. His younger brother Khaddafy Janjalani took over, improving ties with the MILF and JI, and moving away from kidnappings in order to develop bombing capabilities. In February 2004, ASG was blamed for a bombing in Manila Bay that killed over 100 people. The group was also responsible for simultaneous bombings in three different cities in February 2005.

Due to combined Philippine and U.S. counterinsurgency efforts, ASG membership decreased from approximately 1,000 in 2002 to a few hundred in 2005. Khaddafy Janjalani was killed in a clash with Philippine troops in 2006, but despite the loss of top leaders, ASG has not been written off. Its reputed links to al Qaeda brought it to the attention of Washington, which has provided support for the Philippine

The Philippines continues to capture and kill Abu Sayyaf insurgents, including Abu Sayyaf founder Abdul Basir Latip. 596

**Communist Groups**

Since 1969, the Maoist-inspired Communist Party of the Philippines (CPP) and its armed forces, the New People’s Army (NPA), have engaged in an insurgency to overthrow the government and replace it with a Marxist state. While not strong enough to hold territory, government forces have not been able to vanquish it either. The roughly 4,700-member NPA justifies its attacks, which have killed tens of thousands, by claiming human rights abuses. 598

The peace process between the Philippine government and communist groups has been intermittent since 1986. 599,600 Some progress led President Ramos to legalize the communist party, but peace talks stalled in 2001 after rebels killed a congressman. 601,602 After a revival in early 2004, talks broke down again later in the year with the communists blaming the Philippine government for their placement on U.S. and European terrorist lists in 2002. The government of the Philippines and the National Democratic Front, the communist party’s political arm, have scheduled formal peace talks, to be held in Oslo, Norway, in February 2011, although attacks continue. 603,604,605,606

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Poverty

Poverty is a serious problem in the Philippines. In conflict areas, a history of poverty causes people to lash out against the government while the armed conflict exacerbates poverty. The poverty rate has remained around 45% since the 1990s. The internal causes of poverty are interrelated with access issues. The main causes of poverty are unemployment, governance concerns (basic services, land reform, etc.), rapid population growth, macroeconomic issues, armed conflict, and agriculture sector problems. External shocks such as natural disasters and elevated global food and fuel prices also contribute to increased poverty levels. Recent official reports indicate that 7.1% of the 99 million total population are unemployed, and 45% live in poverty, a percentage roughly unchanged since the 1990s.

The historic concentration of land ownership, and thus political power, in the hands of a few has never been successfully addressed by the Philippine government. Successive coup attempts have forced elected presidents to put their immediate political survival ahead of long-term planning in the national interest. This has enabled the small land-owning elite to evade redistribution programs. Minorities face loss of their land, mainly due to development projects, government neglect, worsening poverty, and discrimination.

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Human Trafficking

The Philippines is a Tier 2 Watch List country for human trafficking according to the U.S. Department of State. The Philippines is a source and destination transit country for the trafficking of men, women, and children for prostitution and forced labor. Filipino men and women who migrate abroad are trafficked for labor and sexual exploitation in Asia, the Middle East, South Africa, Europe, and North America. Internally, Filipinos are trafficked from rural areas to urban centers and cities. Women and children are trafficked internally to work as domestic helpers, factory workers, beggars, and sex workers. Some Filipinas are trafficked by organized criminal gangs. Crime syndicates are heavily involved in the commercial sex industry and in international trafficking of persons, particularly from China, South Korea, Japan, and Russia for sexual exploitation.

618 According to the U.S. Department of State, Tier 2 Watch List country are those “countries whose governments do not fully comply with the TVPA’s minimum standards, but are making significant efforts to bring themselves into compliance with those standards AND: a) the absolute number of victims of severe forms of trafficking is very significant or is significantly increasing; b) there is a failure to provide evidence of increasing efforts to combat severe forms of trafficking in persons from the previous year, including increased investigations, prosecution, and convictions of trafficking crimes, increased assistance to victims, and decreasing evidence of complicity in severe forms of trafficking by government officials; or, c) the determination that a country is making significant efforts to bring themselves into compliance with minimum standards was based on commitments by the country to take additional steps over the next year.” Office To Monitor and Combat Trafficking in Persons, U.S. Department of State. “Trafficking in Persons Report 2010.” 2010. http://www.state.gov/g/tip/rls/tiprpt/2010/142749.htm


Armed Forces

According to the latest studies in 2006, the Armed Forces (AFP) of the Philippines includes the Philippine Army (66,000 members), Philippine Air Force (16,000), and the Philippine Navy (24,000 members including 7,500 marines). It is responsible for enforcing domestic laws, particularly in remote locales, and has played a prominent role in fighting both NPA communist insurgents and Moro separatists. Another organization, the 6,000-member National Capital Region Command, created in November 2003, defends the elected president against coup attempts. In December 2010, President Aquino announced a new counterinsurgency plan that would shift some troop activities from combat operations to civilian-military work, such as building schools, clinics, roads, and drinking water systems in the country’s conflict areas; troops would also act as teachers and healthcare workers. The plan is part of government measures meant to undercut Maoist and Muslim rebel’s reasons for violence.

Filipino armed forces have also been engaged abroad on many occasions, including during the Korean War, and in Africa, Haiti, and Kashmir, among other locations.
Private Militias

Many heavily armed private militias operate in the Philippines. They often have alliances with political parties and powerful landowners, and sometimes act as a bulwark for the government against communist and Muslim secessionist guerrillas. Militia men, police officers, and soldiers are hired by corrupt politicians around elections to gun down journalists or political opponents or to intimidate voters. Violence in the run-up to the May 2010 elections killed at least five political candidates and more than a dozen campaign organizers. These criminals are not always arrested and convicted.

The most recent and atrocious act of militia violence was the killings ordered by the ruling Ampatuan family in Maguindanao Province on 23 November 2009. A private militia killed over 50 people. President Arroyo was an ally of the governor until the massacre forced her to end the alliance. The group included members of an official militia that used government-issued weaponry and supported Philippine security operations. President Aquino announced a year later that he would not disband state-

funded militias, but he did continue the state of emergency status in the province. The president cited cost and an overstretched military and police force as his reasons. No prosecution in the case has been completed.


Security Assessments

   
   False
   
   In 1947, the United States and the Philippines signed a Military Base Agreement (MBA). The Philippine National Assembly chose not to renew the agreement in 1991.

   
   False
   
   U.S. assistance in the Philippines includes military training and intelligence, as well as law enforcement cooperation, and programs promoting education, health, and development. U.S. personnel are not allowed to participate in offensive operations.

3. The Islamic separatist movement in Mindanao developed in the 1990s.
   
   False
   
   Mindanao, in the southern Philippines, has been engulfed in conflict over Muslim political and cultural autonomy since the late 1960s.

4. The Abu Sayyaf (ASG) is a high-profile Islamic separatist group known for bombings, kidnappings, beheadings, and reputed links to Al Qaeda.
   
   True
   
   The Islamic separatist group Abu Sayyaf (ASG) is well known in the Philippines for its bombings, kidnappings, and beheadings. Its reputed links to Al Qaeda have also brought it to the attention of Washington.

5. There are two competing communist groups in the Philippines: the Communist Party of the Philippines (CPP) and the New People’s Army (NPA).
   
   False
   
   The New People’s Army (NPA) is part of the Maoist-inspired Communist Party of the Philippines (CPP) and acts as the military forces for the CPP.
Final Assessments

1. Typhoons are a relatively common occurrence in the Philippines.
2. Mindanao is the largest island in the Philippines.
3. The highest peak in the country, Mount Apo is also an active volcano.
4. In terms of area, Manila is the largest city in the Philippines.
5. Major river transportation never developed within the Philippines.
6. Millions of Filipinos must look abroad for employment.
7. The majority of Filipinos work in the agricultural sector.
8. The Philippines is the world’s second largest producer of geothermal energy.
9. Foreign ownership is restricted in the Philippines.
10. The Philippine government’s Tourism Act of 2009 was passed to stimulate the country’s growing tourism industry.
11. While the Philippines is now one of the poorest countries in Asia, it was once the second richest after Japan.
12. More than three fourths of all Filipinos are members of the Catholic Church.
13. In the Philippines, women are at a disadvantage when competing against men for managerial positions.
14. One form of martial arts practiced in the Philippines, *eskrima*, was brought to the islands by the Spanish.
15. Muslims in the Philippines are based primarily on the northern islands of Luzon and Mindoro.
16. The influx of Catholic Filipino settlers from other islands was one of the main triggers for the Muslim separatist movement in Mindanao.
17. Subic Bay Naval Base is still active and is mainly used for logistical support for the current conflicts in Iraq and Afghanistan.
18. Private militias are tolerated by the government because they take orders from the Philippine armed forces.
19. Communist and Islamic insurgent groups work together to effect change in the Philippines.
20. The primary issue of contention between the Philippines and its neighbors is competing sovereignty claims over the Spratly Islands.
21. The Austronesians who settled in what is now the Philippines are thought to have come from Taiwan.
22. Islam did not reach the Philippines until after the arrival of the Spanish in the 16th century.
23. During World War II, the Philippines were occupied by the Japanese.
25. After over two decades of authoritarian rule, Ferdinand Marcos was driven from power in a bloodless coup.
Further Reading


