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THE SIMULTANEOUS MODERNIZATION OF A NATION

SOCIALLY, ECONOMICALLY, POLITICALLY

AND

ATTITUDINALLY

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USAID/Philippines
July 12, 1972

THE SIMULTANEOUS MODERNIZATION OF A NATION
SOCIALLY, ECONOMICALLY, POLITICALLY
AND
ATTITUDINALLY

My menial task has been most educational and intriguing to me and I can only wish that the best will surface from my findings while on TDY in the Philippines and will be of some utility.

I have many people to thank both Filipinos and Americans for their help and advice. I will always remember this as a wonderful place to work with a true opportunity for Americans to do something substantial for the people of a wonderful country just turning the corner to modernization in foreign associations.

* * *

While they are on file, I intentionally omitted projected figures on irrigation, increased production, land reform, integrated industries and marketing because I do not agree with most of them. They are reliable enough however that I believe the Republic of the Philippines will soon become surplus and prosperous through combined efforts if the local people are permitted to exercise their attitudes and display their ability to support their country and their government as I have found them capable.

Ben R. Ferguson
TDY Consultant, USAID

Manila, Philippines

July 12, 1972

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SUMMARY AND CONCLUSIONS

1. Foreign aid programs may not generally reach their intended beneficiaries because they are written by the wrong people.

Results of my fact finding indicate a void in information to the local farmer and businessman. These people are generally ignorant of the fact that information is being gathered about them and disseminated at top echelons only. This information never reaches them.

Yet the local person is completely cognizant of his local situation and its needs but they know little or nothing about foreign aid programs and the generation of funds. They know little about government support.

2. The conventional approach to economic, social and political development is outmoded for the Philippines and is even detrimental.
3. The Philippine strategy is switching from dual society government to modernization. It is impossible to predetermine the sector analysis. Let it develop within the province or in some cases of specialization to several municipalities and in some generalities it might include the entire region. This all depends upon the consistencies of conditions and how expansive.

There are many existing conditions in the Philippines. Let the people determine the requirements and do not force a stereotyped program written remotely at a desk be forced upon them -- be as versatile as the local Filipinos.

Manual Circular No. 16160.1 "Sector Loan Policy" which provides for this be an example.

4. It is very necessary to allow the present development of supervised credit, controlled marketing, land reform and small industry capitalization under a sector loan for the entire Philippines.

Progress is as prevalent in other sections as it is in Nueva Ecija and Camarines Sur. I find equally efficient technicians (and perhaps not so pampered) in other sections of the Philippines and with the same concept. This is quite advantageous for the progress of the entire country.

Politically more harm will come from excluding and ignoring other sections than to involve all of them. Responses of people in other provinces knowledgeable of activities in the two above-mentioned provinces are usually - what do they have that we do not have? This is difficult to answer.

The people are cognizant of what they must do. Their demands to the central government are realistic and their patience is phenomenal but they do ask for recognition.

Let the program develop from the local people with rapidity regarding their demands as they have voiced at the rice roots level in the succeeding pages of this paper. For once let the man who produces the food and export products, who supposedly pays the taxes and who elects the president aid in supporting his own government and his own country.

The technical aspect will develop as rapidly as people respond to a production program and simultaneous development of an adequate marketing program. The tools are all there, put them to work in the right place - among the local people.

5. Filipinos display a willingness to test and adopt technical innovations. The laxity comes from the GOP technicians and the government itself. I have seen more privately created demonstrations by the people than by GOP technician implementation.

The best method yet found to promote increased production is in the form of the old-fashioned demonstrations which is being ignored by the GOP technicians.

6. The greatest insult to a man in any country, no matter how small or insignificant he might be is to be completely ignored. The foreign aid program will not succeed conclusively until it becomes strictly a peoples' program. A technique can be rapidly developed to involve every man in the development of himself and his country.
7. Filipinos have been subjected in the past to Japanese, American and other countries' whims which requires a special technique of implementation to overcome skepticism which still exists in their memory. This is in the form of fact finding on a local basis by the people themselves, surfacing problems through the fact finding process. Solving of problems by the people who found the facts is the answer. Implementation of the results of the problem identification and solving, sometimes called sector analysis which is really

old hat but very effective. This has proven itself in several countries less capable than the Philippines.

8. The Philippines is ahead of most "emerging" countries on the private sector side. This cannot be ignored in taking the government out of business and allow it to become the legislative branch for which it was created and in turn will discourage corruption through the divorce of money handling.

Political sophistication of the Philippines has both its advantages and its disadvantages but the above mentioned premise is the most important, let there be a separation of business and legislation.

9. Filipinos have the ability to accelerate their own progress. For this reason provinces vary little in progress but occur in different categories and in different degrees. This progress in various stages should not be ignored but should be encouraged province by province perhaps at both regional and national level.
10. The Philippines cannot be modeled after any other country. Responsibility must be created at local level and then appropriately either to barrio, municipality, region or central for action but first stemming from the local people.
11. The utility of a technician is the ability to be a good self multiplier. The Philippines are loaded with thousands of literate leaders

ready to be trained as trainers. It is impossible to select, train and pay from government funds 200,000 technicians (the number required to supervise 2 million small farmers) but there are 200,000 citizens present within the country capable of doing the job with motivation and help from the already trained GOP technicians. This is a modernized program being taken over already in some places of the Philippines by the people.

Many technicians are being misused at present. There are enough trained technicians if they are used properly through the self multiplier technique.

The leadership, expertise and knowledge which presently lies dormant among thousands of literate farmers is being ignored. Leadership development is ignored and yet these people could be activated shortly through seminars with GOP technicians on leader training programs. A do-it-yourself program is on the verge of becoming the primary development step with just a small amount of encouragement. From this exercise, people with common interests work as teams. At present manpower and expertise is being wasted.

12. Supervised credit has no country wide pattern. This is of no consequence, each area is implementing its program which benefits customs and conditions. I have witnessed fifteen different concepts and approaches. They will take their own line of success. The small farmer is not going to be motivated to increase production through supervised credit until he is assured of a firm price and

a stable market. Over 90% of farmers contacted have had successful experience with commodity loans in the past and they know the utility of them. These loans are not being financed.

13. Lack of unity on a country wide basis or land reform again does not spell disaster but is probably a healthy sign of modernizing a country and its government.

There should be no alarm that this program is not stereotyped country wide. It only means that local people are taking the course recognized by them as one fitted to their needs. Give them a chance to solve their own problems. As explained later in this paper there are many differentials found on the countryside regarding customs and ideas pertinent to land ownership and land holding.

Care should be taken that tenants are not cut away from the umbilical cord of the landlord prematurely. This is well understood by the people in the countryside both government servants and farmers. Differences between landlords, tenants and government officials must also seek their solutions before land reform will be a success in some areas. This again will be achieved at the local level. Perhaps there will be areas where complete separation between tenant and landlord will never be practical whatever the law may read.

14. There is a lack of integration of all institutions, agencies and sectors for a common cause. Many institutions, polytechnical schools, training schools etc. are being overlooked, ignored or misused.

Hundreds of institutions could be pressed into a valuable training program at a moment's notice for local people at little additional cost. As exhibited in the file accompanying the paper these institutions are now available.

15. Reporting at provincial level is inflated and misleading. Farmer reporting is at a great variance with statistics from the government. The main problem facing erroneous reporting is the tendency of government officials resting on non-existent laurels, while the local citizen knows nothing about it anyway.

There seems to be a discrepancy between what is reported about leaseholders verbally and written and what farmers actually say their present landlord-tenant status is and what percent of their crop they share with their landlord.

16. At present figures indicate that less than 10% of all farmers requiring credit can be serviced by existing institutions.

To expand the supervised credit program and to bring out into use, some of the "bamboo" money, barrio or community banks with stockholders holding 50% of the common stock should be encouraged to compete with the present rural banks.

There are sections of the Philippines where all rural banks are family owned. It has been stated by a number of people that the 554 rural banks are owned by 41 families of large magnitude. Competition is needed here from the private sector and people in certain areas are prepared to start such a movement.

The credit market is huge and competition is necessary.

Get the government out of the banking business and put the private sector more deeply into it. The private sector has proved itself adequate in all other phases of business.

17. The tax structure is something of concern. Local people are ready for local taxation if it is to be used for local improvement. The central government does not yet quite understand the attitudes of local people toward improving their civic needs by their own support.
18. Technical Assistance Bureau (AID/Washington) could measure into every facet of the Philippine program and since it is their own way of thinking, they could lend support through expertise to a creditable degree.

A full description of all activities are given in the following pages of this paper.

19. Farmers think the best crop insurance is proper timing of planting between storms and the proper management of crops.
20. Cost of production figures cannot be fixed nationwide because of too many variations of roads, distances to market, additional costs and types of cropping. Let the farmer groups establish standard cost figures within local areas for loan purposes with the aid of technicians, rural bank managers and cooperative managers. This saves thousands of days for technicians who can utilize their time

in helping farmers technically. I have cost of production figures on palay ranging from ₱400 to ₱1200 per hectare from one end of the country to the other. The same is true of livestock and poultry costs for financing. These cost figures however are consistent within areas.

21. The middleman will always be there. He can operate under control of price support and maximum interest rates. The marketing machinery is already here nationwide under proper control. Supervised credit for production and supervision of marketing to the middleman is no more difficult than supervised marketing to the coop. The middleman is needed, will always be here but must be controlled.
22. The Republic is past the point of government controlled credit unions and consumer marketing coops unless they are used to keep the middleman honest. Private enterprise has adequately demonstrated a take-over according to local farmers who seem to be very knowledgeable about the business situation in their local areas.
23. There is a concern regarding people, especially young people who are moving to urban areas. The present average age of the Filipino farmer is 49 which means that many young people have moved away thus creating an urban problem.
24. Provincial motor pools while one of the effective tools particularly toward political stability, are progressing very slowly with the exception of five provinces (mentioned on succeeding pages) should be of some concern from an action program.

THE REPUBLIC OF THE PHILIPPINES

Do foreign aid programs reach their intended beneficiaries, the people living in poverty or despair in developing countries?

Is the conventional approach to economic, social and political development actually successful in the Philippines. It will take some study at the grass roots level to determine this.

Part I - Introduction

We must learn to think like the illiterate and hungry in the villages and squalid farms of the country-side. In order to think like this one must brush aside the luxuries of life which we are accustomed to and spend much time having the same kind of life as the people we are trying to help.

While in too short a time I have tried to live with and understand these people for the last two and one-half months the same as I have in other Asian countries and really with much to my satisfaction.

With the many situations varying in various parts of the Philippines in provinces where a wide gap between the rich and the poor exists to provinces where the gap is very narrow between the rich and the poor. Hopefully attitudes of people and their reactions under these varying conditions will be brought to light together with other important observations found in the paper.

I have not found a universal solution to development through foreign aid nor have I found it here with all the fragmentation of concepts and ideas but I do see many developments which should be capitalized upon. The fact still remains that people of various Asian countries are different and every country must be lived with and studied in every way of life and living. No matter how much we spend and give we still have to fully comprehend the attitudes of people before we can help them.

The consistency of human nature among mankind is the fact that no man, no matter how small he is on the ladder of life, reacts negatively to being ignored. He is resentful and becomes very uncooperative. This was very well described by John Adams, "To be wholly overlooked, and to know it, is intolerable".

We have been partly guilty of building two types of nations. One type displays a dual society and the other a modernized society which seems to be of a more recent development. The Republic of the Philippines is gradually emerging from a dual society to a modernized society as displayed by some of the following changes as seen in many of the provinces.

1. Construction of simple dirt roads or canals perhaps 2 kilometers in length and costing a few hundred dollars are being simplified where previously it required the approval of dozens of disoriented central government officials where now the provincial governor elected by the people and perhaps a knowledgeable engineer may quickly pass judgement and work can begin. Local level people in such provinces as Isabela

told me by the dozens that only 50% of the farmers had access to road ways for marketing. They told me the cost of transportation to a farmer without a road was ₱1.50 per cavan while the average cost to the farmer having access to a road was only ₱0.10 per cavan. The farmers listed as one of their most important problems the shortage of roads and canals and that they wished to demand a road to every farm. They have been so very firm on this demand that the governor placed a road construction program at the top of his priorities. This is a very good place for foreign aid with surplus equipment and most effective politically. Many more provinces can be listed in the category.

2. There is a gradual change from projects being initiated by central government officials to officials of the local government, rural banks, farmer cooperatives in a few instances and other local organizations and institutions. This means that with more people participating, more projects of common interest are activated at the same time instead of one project being completed before another begins, we see many working at the same time, i.e. compact farm groups and supervised credit, construction of roads and bridges, enlargement of schools and new schools, increasing the hectarage under irrigation with every new type of increased farming production by improved techniques, increasing of livestock and poultry numbers and the building of small mills oriented toward agriculture, in some places more rice storage is needed. Fisheries needs to gain momentum in development. This change-over must be expedited however by involving more people at the barrio level by giving them a

chance to study their own problems through barrio conducted fact finding and barrio level problem solving. This is not difficult but must be done with the barrio people with a simple do-it-yourself project.

3. Local people are willing to tax themselves if they are allowed to use a share for local improvement. They were very emphatic about this point of taxes. At present this is moving very slowly because the local governments are not allowed to tax themselves for their own benefit as many of them indicate their willingness but to date most taxation for even local governments are collected and spent by the central government with the provincial government getting a small share.

4. Civil servants who work with the local governments have previously been employed, paid, promoted and transferred by the central government. Consequently these civil servants are beholden to the central government. We now see a radical change coming about where local rural banks employ their own technicians and supervisors as are the farmers coops doing in some areas. This must be hastened as the land reform picture develops and landlords are no longer the overseers and the bankers of their tenants and the two million small farmers will have no one to turn to unless many more technicians are trained together with many farmer leaders. Failure on this respect could spell suicide for the entire rural program. Peter the Great once said, "It is difficult for a man to understand everything and to govern from a distance".

Mr. Niblock and Dr. Sheppard asked me to make a three-month study and assessment and tabulate reactions of people in the Philippines who are developing themselves at the local level on the following points:

1. Credit to small farmers and small urban operations
2. To attempt to develop a better distribution and recovery of production loans
3. To devise a plan to keep abreast of a development program in the form of successful marketing which becomes suicidal to a successful program
4. How best to shift the technical burden from the landlord with paternal attitude to an **orderly** technical knowledge among 2 million small farmers and small businessmen oriented to and dependent upon agriculture and the small farmer
5. How to best use funds to build small industry oriented toward agriculture in the form of more rice mills, feed mills, electric power for machinery and irrigation pumps and mechanization through farm machinery (tractor, combines, etc.)
6. To develop one of the greatest food potentialities in the Philippines -- fisheries for people who love fish
7. To assess the rapidity of developing infrastructure for roads throughout the country by setting up and supplying motor pools
8. A progress study in Nueva Ecija
9. A progress study of Camarines Sur.

Again I find people not looking for cash from rich countries, several whose activities I have experienced in the last two and one-half months. I find the people searching not for foreign aid in cash but in the attitude to possess the political will to modernize.

The Filipino farmer and small urbanite family tells us he has been subjected to every Japanese and American idea as well as other countries whims but never has he an opportunity until recently to do it himself. They have become numb to unsupervised gifts and grants without an opportunity to respond.

In contacting over 2000 farmers (singly and in groups), government technicians, cooperative members and managers, rural bank borrowers and managers, it is found that even within the Republic of the Philippines many different concepts exist, planted in some cases by Americans but generally conceived and implemented by outstanding Filipinos. There is awareness of fragmentation of ideas throughout the country. This is best displayed through the fact finding survey results included in this paper.

Throughout the Republic I find the local little men singing the praises of Betty Smith and Ed Booth as far back as 1954 in Camarines Sur, of Huron Smith whose ashes are scattered over Laguna, of Al Hankins in Pampanga and other places, of John Elliott in Tarlac and surrounding country, of Bob Bartlett in Iloilo and surrounding areas and of many more. I only hear of these people occasionally from government

officials who move about from place to place but the impact was left with the common people who produce the food, pay taxes in some cases and elect the president. These are the people who have the endurance and memory and appreciate dedicated people who strive to correct attitudes among the right people to develop their country -- the common little guy who appreciated recognition and abhorred being ignored.

Filipinos display a willingness to test and adopt technological innovation even more so than in some of the other countries I have had the privilege of working. It all falls in different categories in every country.

Rural and barrio people appreciate the values of education which causes them to react favorably to new ideas but as stated previously they are skeptical to repeated trials and errors and reluctant to keep repeating projects which in their memory has failed. Care must be exercised in the implementation of new projects as the nationals at local level have a greater interest and understanding than unadvised implementations of foreign aid without full knowledge of the local national. Mechanical crafts and local skills are spotty throughout the country. This is true here more so than some other developing countries.

Let there be no misconstrual in this line of thought as the Philippines have perhaps progressed as rapidly as any country on the private sector side in the concentrated areas of population which has eased the unemployment situation but not enough.

Political sophistication is displayed in every corner of the Philippines. While the local populace seemingly has little influence over the central government, they are very knowledgeable about the activities of the central government and also of their own. This situation has drawbacks in some respects but generally speaking we find it much easier for people to comprehend and with willingness and knowledge of implementation.

Information was gathered in the following provinces and a list of seemingly active people is attached. Space does not permit all of those contacted but a record has been kept on them. This study includes time spent in the following areas of the country:

- | | |
|------------------|----------------------|
| 1. Iloilo | 8. Tarlac |
| 2. Nueva Ecija | 9. Bataan |
| 3. Camarines Sur | 10. Isabela |
| 4. Bulacan | 11. Cavite |
| 5. Laguna | 12. Rizal |
| 6. Batangas | 13. Misamis Oriental |
| 7. Pampanga | 14. Davao |

A number of other provinces should be surveyed to make the study complete. While in the Philippines the last seventy days total, fifty of them were spent in the field.

At this point I see nothing outstanding in any of the provinces. Supervised credit perhaps is more advanced in first, Camarines Sur, then

Nueva Ecija. Other provinces however seem to be almost abreast while others have not heard of supervised credit or compact farms. There is a very good reason for the solution of which I offer here.

The rural Filipino people are capable of accelerating the pace of development themselves and perhaps have become cognizant much more rapidly than their people in Manila realized since they are aware of the day of grants and gifts are a thing of the past and they now resort to and justify a credit system as well as begin to tax themselves. It is amazing how many rural banks and FaCoMas told me that they started supervised credit back in 1967 with the advent of AGLF. This was particularly true in Pampanga and in the north. From 1967 to 1969 numbers of borrowers decreased yearly and collections were poor; then in 1970 and 1971 loanee numbers were on the increase. It is not difficult to understand this recession of the new supervised credit system.

The utility of a good technician foreign or national is now a necessity under supervised credit, they are needed and appreciated by the people instead of being looked upon as a creature pushed upon the people accompanying a grant program. Since technicians are now hired by the institutions who serve the customer the people become apprehensive that their government as well as private business is something created by them and must be continued by them and it is expressly for their purpose. They now realize that this could be strengthened as

there is less government for the people and more government by the people. As the central government begins to realize that this is the case the same as the local people now realize and want to improve their nation, it will improve the loyalty of the masses of the people it now seeks.

The Present Situation

The republic still needs to organize and develop a comprehensive and continuous system of development of facts. A true method of fact-collecting and honest reporting is necessary to ever gain a recognition of facts on any of the following:

1. Land Reform
2. Education
3. Health
4. Credit
5. Agriculture and Fisheries.

We still find a tendency for advisors to say "Well now this is the way we did it in the States", which most certainly turns off every Filipino who is listening.

The following statistics are samplings in fifteen provinces and while basically correct and valuable for indicating trends would necessitate refinement on a finalized basis.

Number of farmers interviewed, singly and in groups	2064
Average size of family	7.1
Average size of hectares farmed	2.18
Total number of hectares farmed	4499
a. Hectares of palay, first crop	3091 (69%)
Hectares of palay, double cropped	1799 (39%)
Total hectares of palay (double and singly cropped)	<hr/> 4895 (100%)
b. Abaca, hectares	191 (4.2%)
c. Corn	857 (19%)
d. Fruit	149 (3.3%)
e. Vegetables	608 (13%)
f. Coconuts	512 (11%)
g. Other crops and uses	294 (6.5%)

This includes fish farms with a total hectarage of 1981, salt and brackish water.

In explanation of hectarage:

Permanent crops, hectares	852
Second crops, hectares	<u>1759</u>
	2611

This includes a slippage of 89 hectares from a total of 2700 hectares unaccounted for.

Average age of farmers	49
Number of land owners	165 (8%)

Number of share tenants	1485 (72%)
Number of written leases	414 (20%)
Other (combinations) (Not included in above figures)	197
Total number of palay farmers	1444 (70%)
Number of farmers actually holding titles or contracts	579
Number of hand tillers owned	306
Number having access to hand tillers	501
Number of large tractors owned	121
Number having access to large tractors	471
Type of threshing:	
By hand	1155
Mechanical	289
Number of hectares irrigated	2859 (68%)
Number of hectares rain fed	1639 (32%)
Number of hectares double cropped	3175 (70%)
These figures are inconsistent because in many years there isn't enough irrigation for a second crop and in many places the farmers have to rotate from year to year. This could be corrected in some cases.	
Number of farmers' families working yearly except Sunday	572
Average number of days the other 1492 families are unemployed, this excludes Sundays	313
Number of families owning pumps	493 (24%)
Number of farmers having access to pumps or gravity irrigation or both (duplicated with previous figure)	1403 (68%)

Number of farmers using sprayers for insect control	1858 (90%)
Number using adequate fertilizer	1041 (46%)
Number using some fertilizer but not enough to encourage increased use	1403 (68%)
Number using herbicides	505 (24%)
Number using mechanical and hand weeding	1218 (59%)
Number of farmers having knowledge of improved practices	1837 (89%)
Number who know about commodity loan	2022 (98%)
Number of farmers having taken advantage of loan program in the past	1486 (72%)
Electricity - number of farms	660 (32%)
Plant protection, insect damage (small amount of damage in 1971)	1816 (88%)
Hectares damaged by rats principally in Nueva Ecija and some in Camarines Sur, 80% to total loss	382 (9%)
Crop heavily damaged by tungro in 1971, hectares	1370 (28%)
Prevailing resistant varieties now being grown but affected to some extent by diseases ratoon crop, IR-20, IR-22 and C4.	
Average yields	1970 Hurricane 1971 Tungro 1972 first crop
	40 cavans/ha 61 cavans/ha 81 cavans/ha.
Gross average family income	₱4100
Average family loan through "compact farms or supervised credit (₱2000 per farmer, maximum)	₱1092
Percent repayment on time with 3648 loans mostly two drops	2590 (71%)
Average net profit per family per year	₱ 502
Number of farmers with savings accounts in the bank	487

Number of livestock loans	136
Farmers with pigs	619
Average number of pigs per farmer	2
Farmers having chickens	718
Average number of chickens per farmer	27
Number of training classes or seminars conducted by technicians per crop	1
Number of meetings per compact farm group per crop	3

Part II - A Direct Comparison on Progress in Nueva Ecija, and Camarines Sur with Twelve Other Provinces

The similarity of the provinces are surprisingly consistent. While the data is sparse it at least indicates a trend which undoubtedly will not change materially with a complete survey carried on throughout the Philippines on a house-to-house fact finding survey which should be done in each barrio by the local people themselves and not by the government officials for the obvious reason that surveys conducted by government people tend to always be slanted but of no value to local people for whom it was designed.

It has never been possible to convince "empire builders" that the truth is the best weapon to solve a problem at which time the problem as they realize it can be ~~not~~ head-on and until this happens the local people will never solve their problem when being misled. People-to-people house-to-house surveys are the most effective training device known.

The numbers and percentages of the sample are listed below and the comparisons which separate Nueva Ecija and Camarines Sur were all taken under the same conditions except in a few cases where dependable samplers helped me in certain barrios. Their being basically the same as ones taken near by pretty well validate them. Local people in the Philippines become very excited about doing this type of work.

The following samplings are done comparatively to get a conception of local response. Additional subjects of importance will be treated later.

<u>Province</u>	<u>Percent of Total</u>	<u>Families</u>	<u>Hectares</u>	<u>Families</u>	<u>Hectares</u>
Nueva Ecija	21	433	944		
Camarines Sur	23	475	1034		
Bulacan	9			135	404
Laguna	5			103	225
Batangas	4			83	179
Pampanga	6			124	271
Tarlac	5			103	236
Bataan	4			83	189
Isabela	5			104	287
Cavite	4			82	161
Rizal	4			83	131
Misamis Or	6			124	297
Davao	2			41	xx
Iloilo	2			<u>42</u>	<u>xx</u>
				1157	2360

	<u>Nueva Ecija</u>	<u>Camarines Sur</u>	<u>Twelve Other Provinces</u>
Number of Farmers interviewed singly and in groups	433	475	1156
Acres held per family	2.18	2.21	2.16
Total number of hectares farmed	944	1049	2506
Number of land owners	35 (8%)	42 (9%)	38 (7%)
Number of share tenants	303 (71%)	319 (67%)	862 (74%)
Lessees, oral and written	<u>95</u> (21%) 433	<u>114</u> (24%) 475	205 (19%)
<p>Note: Some are combinations of lessees, share croppers and owner-operators.</p>			
Number of hand tillers owned	60 (14%)	85 (18%)	151 (13%)
Having access to hand tillers	104 (24%)	118 (25%)	279 (24%)
Number of large tractors owned	26 (6%)	33 (7%)	62 (6%)
Number of having access to large tractors	94 (22%)	114 (24%)	263 (23%)
Type of threshing			
By hand	241 (56%)	402 (84%)	512 (49%)
Mechanical	46 (13%)	73 (16%)	370 (32%)
Number of hectares irrigated, (this again depends on rainfall, every season does not enjoy irrigation)	585 (62%)	723 (69%)	1308 (52%)
Hectares rainfed	359 (38%)	311 (31%)	969 (39%)
Number of hectares double cropped	651 (69%)	734 (70%)	1790 (71%)

	<u>Nueva Ecija</u>	<u>Camarines Sur</u>	<u>Twelve Other Provinces</u>
<p>Percentage wise the Nueva Ecija and Camarines Sur hectarage is little different on double cropping and multi-cropping than we found in the other provinces.</p>			
Number of farm families working yearly except Sundays	86 (20%)	95 (20%)	391 (34%)
Average number of days the other families are employed excluding Sundays	122	120	330
Number of farmers owning pumps	103 (25%)	120 (28%)	270 (24%)
Number of farmers having access to pumps or gravity irrigation or both	294 (68%)	332 (70%)	777 (67%)
Number of farmers using sprayers for insect control	321 (74%)	470 (94%)	1067 (92%)
Number using adequate fertilizer	199 (46%)	223 (47%)	619 (53%)
Number using some fertilizer but not enough to encourage increased use	294 (68%)	332 (70%)	777 (67%)
Number using herbicides	87 (20%)	124 (26%)	294 (25%)
Number using mechanical and hand weeding	219 (52%)	290 (60%)	709 (61%)
Number of farmers having knowledge of improved practices	389 (94%)	428 (94%)	1020 (88%)
Number who know about commodity loan	421 (97%)	467 (96%)	949 (88%)
Number having taken advantage of loan program in the past	303 (70%)	356 (75%)	827 (71%)
Electricity - number of farms	129 (20%)	85 (20%)	446 (39%)

	<u>Nueva Ecija</u>	<u>Camarines Sur</u>	<u>Twelve Other Provinces</u>
Plant protection - insect damage in 1971	868 (92%)	786 (75%)	1765 (70%)
Hectares damaged by rats with 80% total loss	147 (15%)	212 (20%)	23 (1%)
Crop heavily damaged by tungro in 1971 over 10%	264 (28%)	269 (25%)	837 (34%)
Growers using resistant varieties	307 (71%)	375 (79%)	1829 (73%)
Gross family income	P4201	P4191	P4104
Ave. family loan through compact farms or supervised credit, etc.	P1102	P1707	P 697
Number of farmers under supervised credit	302 (76%)	335 (70%)	856 (74%)
Number repaying	217 (72%)	271 (81%)	958 (83%)
Ave. net profit per family per year	P506	P511	P509
Number of farmers with savings in bank	89 (20%)	155 (32%)	277 (24%)
Number of livestock loans	41 (9%)	57 (12%)	38 (3%)
Farmers with pigs	108 (22%)	124 (26%)	387 (33%)
Ave. number of pigs per farmer	2.2	2.2	2.2
Farmers having chickens	180 (40%)	192 (45%)	346 (30%)
Ave. number of chickens per farmer excluding large poultry plants privately owned	38	37	34
Number of seminars or training classes conducted by technicians per crop	1	1	1-1/2
Number of meetings per compact farm group per crop	3	3	4

Part III. Observations of Fact-Finding Sampling

There appears to be no great significant difference in the fact-finding results in the fourteen different provinces.

At a date not too long hence, supervised credit with ACA looked like this. Since then it has rapidly changed but the pattern remains pretty much the same.

Province	Amount	Borrowers	Hectares
NUEVA ECIJA	97,500.00	325	162.5
	67,500.00	225	112.5
	165,000.00	550	275.0
CAMARINES SUR	45,000.00	150	75.0
	60,000.00	71	130.0
	105,000.00	221	205.0
ILOILO	110,000.00	333	166.67
	110,000.00	84	168.50
	220,500.00	417	335.17
TARLAC	67,500.00	225	112.50
	56,250.00	29	97.10
	105,000.00	350	175.00
	100,000.00	110	166.67
	112,500.00	112	277.25
	451,250.00	826	828.52
OTHER			
COTABATO	250,000.00	91	366.00
LA UNION	60,750.00	200	100.85
AKLAN	100,000.00	333	166.66
LA UNION	50,000.00	166	83.33

On the preceding page it will be noted that there is really no pattern to be followed regarding activity and it could even be a reflection of the need of the farmers creating the motivation.

There are indications that Filipinos through years of exposure have become more proficient in simplifying methods of administration, supervision and implementation of ideas than we have or that we give them credit.

This has been accentuated in the rural banking program (where only 40% of the rural bankers have actually taken part in the supervised credit program), crop improvement projects, expanding livestock and poultry projects on big scale through the private sector, setting up in a few cases of infrastructure builders such as motor pools for road building which is a powerful political tool more so here in the Philippines than in many other countries.

The deplorable condition of roads is often reflected in the attitudes and ability of the governor, his staff and with the provincial council. This is a horse back assessment of the provincial motor pools visited with the governors.

	<u>Attitude of Governor</u>	<u>Condition of Equipment</u>	<u>Equipment Needed</u>	<u>Condition of Roads</u>
1. Nueva Ecija	Good	Improving - Need better engineer, one is available	Has been listed	Deplorable
2. Camarines Sur	Good	No motor pool is started but the Governor is very excited and asking for equipment. Must have an engineer.		

	.Attitude of Governor	Condition of Eqpt.	Equipment Needed	Condition of Roads
3. Bulacan	Good with excellent engineering.	Good, has an efficient staff.	Is handling own needs.	Fair. Could do better.
4. Laguna	Fair, something lacking for staff.	Poor.	Not known.	Side roads very poor, more needed.
5. Batangas	Not fully knowledgeable of the situation.			
6. Pampanga	This motor pool appears to have depreciated to almost a point of no activity perhaps partly due to a change of governors. This might be helped with some individual pushing and pressure from the populace.			
7. Tarlac	As is historically true of other places, a change in provincial administration has caused a deterioration in the provincial road building system. Too sparse information was gathered other than to say the province has gone down hill.			
8. Bataan	Good	Poor	Unknown	Unknown
9. Isabela	Enthusiastic, new, energetic.	Cannibalized, almost total.	List submitted.	Very poor, 100% more country roads required.
10. Cavite	Fair	Poor	Unknown	Unknown
11. Mis. Or.	Good Enthusiastic	Comparatively good to fair 22 pieces	Submitted 22 pieces	Comparatively good to fair
12. Rizal	Little known.			
13. Davao	Very well taken care of with a surplus of money.			
14. Iloilo	Has gone from fair to poor.			

Training Trainers and Proper Utilization of Institutions

The technicians become very proficient in training literate farmers to become trainers. This is a means of surfacing and identifying leaders. Supervised credit is perhaps the most efficient tool to perform this simple exercise since the motive is so strong and the motivator is built in.

Let one technician multiply himself 1000 times by developing leaders. This process in the Philippines is obvious by its absence, yet this country is ready for this type of change-over as mentioned previously.

Non-agricultural institutions of higher learning such as the many polytechnical institutions throughout the country have geared themselves to train local patrons in all walks of life including agriculture and particularly on local development and for this reason they have become quite a valuable asset to local development as displayed by the accompanying brochures.

Local people are aware of the necessity of building a marketing program to keep abreast of a successful production program. These local institutions become quite valuable.

Division of Responsibility Reduces Duplication in Manpower

Local people are becoming more cognizant of the importance of division of responsibility of development with the barrio, the municipality, the province, the region and the central government as they

all have a definite charge. It is very refreshing to witness this upon contact with local people all over the Philippines. An advisor can become invaluable in this activity alone.

An observation indicates that the local people are more aware of the necessity of the division of responsibility than the central people.

The Beginning of Taxation Will Only Come Through Local Agreement

Taxes have become a concern of the local people with little encouragement from above. Only leaders among taxpayers well oriented will answer this question. People at the local level have told me that if they were allowed to organize and were assured that they could use taxes locally that there would be no problem of local tax collections. It could be tried in almost any province in the Philippines. Groups of people found in each barrio with the common interest in taxes will start the wheels turning.

Differences Between Landlords and Tenants Must be Settled

A lady landowner told me the other day "the tenants are becoming bolder everyday, they want everything." Another landlord told me "there is not a chance of the success of the land reform because the tenants will not pay for the land and we will have to take it back." Many sharecroppers have told me that they did not dare ask for a lease because their landlord would kick them off and take everything away

from them. Many tenants reportedly having written or oral leases upon interrogation do not have them according to their own story.

The difference in opinions between the landowners and the share croppers can be understandably dangerous without further education on both sides through activation of local people. I know the man who is reputedly the best director on agrarian reform and he is having his troubles admittedly. This will be discussed along with procedures.

Movement of Rural People to the Urban Areas

The age of farmers interviewed which is 49 years is an alarming signal that many young people have urbanized and will not stay on the farm. Younger people must become involved and interested in rural affairs rather than become anti-government. This must be done with interest creators.

Crop and Livestock Demonstrations Still the Best Method of Spreading Improved Practices for Increased Production

Local people understand the necessity of various demonstrations to increase production but few are ever found because of the laxity of government technicians to push this type of exercise. Barrio leaders can be trained very rapidly to carry on their own demonstrations some of which I have witnessed where no technician was instrumental in setting up. Probably the most effective tools for increasing production of any crop or livestock and one of the oldest demonstrations.

Proper Utilization of All Technicians

Government officials complain that they have fewer technicians now that supervised credit has taken them over. The officials say that they are unable to carry on their non-existent programs for lack of staff. To date the writer has seen very few active programs with an incentive and an active motivator other than supervised credit. He has talked to many of the more practical technicians who agree that the supervised credit program is the first constructive program where all technicians, crop and livestock can all be utilized. That the motivator is in the form of supervised credit which involves every technical problem of increased production. This is the area of work where every technician has a job to do--the first time in the history of the Philippines--a modernization.

Self-Multiplier of Technicians and Advisors

One technician can select out and identify one hundred literate and motivated leaders (already found throughout the Philippines) and by training them in leader training groups, each trained leader acting as a chairman of 100 farmers will multiply each technician 10,000 times.

One AID advisor can advise with 50 GOP technicians which in turn multiplies the AID advisor 500,000 times.

In the Philippines with two million farmers and rural families it will be impossible to search out, train and pay 200,000 technicians to develop these people but it is not an impossibility for one technician to use the self multiplier which is even more powerful because the people are doing it for themselves for their own benefit.

Integration of All Institutions, Agencies and Sectors
for a Common Cause

There exists in the Republic of the Philippines many institutions which through unification could contribute to the complete development by utilizing already existing enterprises and leadership found among the rural people throughout the nation.

These leaders only need to be surfaced through a simple fact finding survey, surfacing of problems through utilization of facts and implementation of local level decisions through common interest groups. The writer during the short time in the Philippines has already identified many of these groups with more being created progressively. I would say that the Philippines is one of the foremost countries to pursue this type of development and by doing so, this country emerges from a dual society to a modern society just by giving the people an opportunity to do what they like to do.

Do they want to be good palay farmers, hog producers, chicken producers, fruit growers, develop and improve health, improve schools, improve roads, increase and develop irrigation, develop better youth or just improve their community.

Where their interests lie, let them become leaders which in turn makes them better farmers and livestock producers and supporters of their government who is now frantically seeking the support of every leader who in turn has the support of all of his people who coordinate and work with him hundred fold.

The Philippines is now ready for this modernization movement and can rapidly transform itself from a self sustaining or even a deficit country with increasing exports per capita very rapidly. The United Nations International Trade Book reports that in 1950 the per capita export was \$16.33 compared in 1969 to \$22.99 of an increase of only \$6.66 as compared to a socially modernizing country of Taiwan from a per capita export in 1951 of \$12.48 to \$76.06 in 1969 with a \$63.57 increase.

Utilizing people effectively is the answer by letting them do what they like to do best.

Examples may be given starting with the barrios and going to the top level wherever the responsibility falls into the proper slot whether it be barrio, municipality, province, region or central. These responsibilities are all created as a result of fact finding activities at local level by the local people who take the full responsibility. I have already found evidence of portions of this even in the remote areas but they have not been pushed to a point of impact and they also exist with too much fragmentation. Never-the-less local people trying to help themselves is in evidence in many places.

A Suggested Approach to an Integrated Modernized Program for the Philippines.

For the sake of convenience these self organized groups may be identified as follows but could assume country wide identification.

1. Crop Improvement Groups

- a. NFAC - BPI - APC - Extension
- b. Agrarian Reform Program
- c. Agricultural Institutions
- d. Poli-technical Institutions
- e. Private enterprise i.e. fertilizer, chemicals, farm machinery, storage supplies, milling machinery, etc.
- f. International Institute of Rural Reconstruction
- g. Provincial farm tractor pools
- h. This is unlimited, many others may be added upon which the farm Agricultural groups can contact.

2. Irrigation Groups (may be separate or may be part of crop production)

- a. Irrigation development and machinery

Private enterprise, NIA, ISU, etc.

Studies of cost of government delivered water compared to water delivered by private enterprise.

3. Livestock groups
 - a. Animal Industry Divisions
 - b. Private Sector
 - c. Feed mills, pharmaceuticals
4. Credit groups - This program is not restricted to public or private institutions, every facet should be examined.
 - a. Rural Banks - Central Bank
 - b. ACA - FACOMAS - FCs
 - c. Private Banks
 - d. Philippine National Bank
 - e. Development Bank of the Philippines
 - f. Stock rural banks or community banks should be encouraged to organize and compete with the present rural banks many of whom will not contribute to supervised credit - the field is unlimited and competition is needed.
5. Public Works Groups
 - a. Provincial motor pools
 - b. Provincial Planning Commissions
 - c. National Highways Commission
 - d. Private contributory groups
 - e. Civil engineers
6. Local Taxation Groups
 - a. Studies of local needs and what the local area will bear.
 - b. Barrio, municipal and provincial organizations and officials.
 - c. Study of the taxable groups.

7. Small Industries

- a. Industrial divisions both public and private
- b. A study of the potentialities
- c. Market studies

8. Electrification Groups

A brief history might portray what could be done to expedite the future implementations of rural electrification in other areas. MORESCO (Misamis Oriental Rural Electric Service Cooperative) is a beautiful thing to behold. It is very expensive. It serves ten barrios with a population of over 12,000 families. To date it has energized 4141 houses with another 75% to go. They have been almost ten years activating the project and energized some six months ago.

Rural banks and ACA have been completely ignored with no knowledge of the supervised credit program (ALF until within the last few months). The credit unions in all the barrios are in name only in-so-far as credit to farmers are concerned.

I am not discrediting the program but I think the movement would be enhanced in the other areas soon to be activated if all enterprises and agencies serving the people would be used to strengthen the implementation.

In talking to the MORESCO people they would welcome all the aid possible and not have the project drag out ten years in each area as it did with the first coop.

Plans are now cut for electrical cooperatives as follows:

Surigao Del Sur Project

Davao Del Norte Electric Coop.

Cotabato Del Sur

Lanao del Sur

Before completion of the electrical system and the energizing of the Philippines there will be 36 cooperatives out of which 24 are supposedly organized. Each area should be preplanned with an electric common interest group activated.

9. Fisheries Groups

One of the most lucrative enterprises as well as one of the most important industries since everybody eats fish is not only the development of more marine type and brackish-water type but also fresh water fish culture. Opportunities are unlimited for production for both local consumption and unlimited export. Development of fisheries would develop an associated industry of canning.

- a. Secretary of Agriculture - Fisheries Department
- b. Private enterprise.
- c. Banking industry

10. Fruit Production Groups

- a. Secretary of Agriculture
- b. Private industry, shippers, exporters and canneries
- c. Bankers

There is no limit to the number of common interest groups which can be generated. Each newly organized group is a supporter of the government.

11. Other groups who have a definite utility and counterpart agencies, organizations and departments in which an interest generates should allow common interest groups to generate.

- a. Education
- b. Health and Sanitation
- c. Youth movements - i.e. Agriculture, Athletics and Civic

Please don't expect a foreign aid advisor to know everything and likewise a GOP government technician to know everything. We only expect them to understand the situation within their scope of work socially, economically and politically as it pertains to the area in which they work. We expect them to know how to advise their people where to go for assistance and technical ~~advise~~ when they are in need whether it be the private sector or all the existant government agencies. This applies to inputs, outputs and technical advice.

Facts and statistics indicate that this is not being done by 10% of the technicians and yet the personnel and facilities are generally present to put this in operation and make it a success.

Part IV - This Is Not a Program to Fret Over Irrelevancies and Fragmentations. They Will Adjust Themselves Over a Period.

I think it is well to pass on an observation that the Filipinos can be considered not only resilient and resourceful but they are flexible and adjustable. If an idea has merit and motivative powers, they will adjust to it. I mention this because there seems to be more concern among the American sector than the Filipino sector. The following have been discussed at length with some knowledgeable Americans and Filipinos, the latter at all echelons.

I have found no less than fifteen different concepts of the so-called compact farm groups or supervised credit groups or communal farm groups or Masagana 99 groups and many others all of which have somewhat different approach. There are so many ramifications that time does not permit discussing them all. All of them will not succeed but neither will the best concept in the world succeed 100%. Through competition, observance of one area to another, osmotic action and pride will cause some rapid shifts from a failing procedure to one that is an obvious success.

The crucial point of immediate action is to get as many rural people as possible to understand, support and utilize the present credit program which is under way into a limited extent in most of the provinces. The rectification will take care of itself.

It is doubtful that the Filipino-Moshav plan will succeed because of the heavy manpower required (three third country technicians and six GOP technicians) to take care of 92 farm families with an asking cost of 2,700,000 and a 30% yield with only a 65% repayment of loans. If the host country wishes to continue, they should be willing to bear the financial burden until the project gets into production. Give the effort a chance if the host country foots the bill.

Credit unions in Misamis Oriental have overshadowed all other credit operations in that province and to date none of the officials in the province including the governor have ever heard of supervised credit and only now are rural banks beginning to think about making loans without collateral. Credit unions have a membership of ten thousand with almost 100,000 families in the province and they have not made a loan. Either they will begin making loans soon or rural banks and the remnant of ACA will take over. The main object is to motivate local people into supporting existing institutions.

Manpower to Support Production Credit and Marketing

No place in the Philippines has the writer been where local people are incapable of writing their own credit program. An example could be like dozens of other barrios and municipalities such as the Rural Bank of Goa with 808 borrowers, or the Rural Bank of Nueva Caceres, Inc. with 150 borrowers, or the Rural Bank of Pandi with 205 borrowers. One board of carefully selected farmers could set up a stereotype farm plan which

would not vary enough to change yields and have every farmer who wishes to borrow to sign the farm plan. This would allow the technicians to pursue their informational and training program and reduce the manpower requirement 90% over the entire area. If this is not done there will never be enough technicians to cause supervised credit to succeed.

Land Reform Will Never Succeed Country Wide as a Stereotyped Formation

The writer has found many different conceptions of the land reform program as he has supervised credit. Some provinces favor land reform, others tolerate, others reject it as such and others abuse it. My observation can well be that there will be a land reform program and one that will succeed in the Philippines with as many variations as any rock and roll tune. This does not mean that it will not succeed, it merely means that Filipinos are individualists and that every section of the country have different customs just as they have different ideas about their land.

In one province I found eight land lords with a minimum of 350 hectares up to 7000 hectares with petitioners hundreds in numbers who were not lessees or share croppers but actual laborers of the land owner. In another province the tenants were complaining of intimidation by the landlord. In another there was misrepresentation about owner operator numbers. This does not spell failure to the land reform program it only indicates adjustment which come as rapidly as trying to transfer overnight from the landlord to the tenant without sufficient funds with

which to do it. Give the people in the various regions and provinces a chance to operate their own land reform program

Reporting Slanted Toward Rapid Progress Which is Non-existent

Nothing hurts or impairs a program more than giving people a feeling or a sense of security and that they have done a job well when findings prove otherwise and the people find out that only one fourth of the job is completed instead of eighty percent of the job as reported. It is gratifying to note that reporting is becoming more authentic and while it may take a longer time to materialize certain programs, at least they will be on a sound footing. I am referring now to the land reform program in more than one area.

The start has been made, the Philippine people at local level will unify their own programs if given a chance to participate.

Part V - Sometimes Precautions Could Be Helpful

I have no qualms about modernizing the Development Program of the Philippines and the cohesiveness of the Filipinos to integrate their program into a modern version of government support by energizing every facet of development categorically mentioned in this paper by allowing the local people to throw the burden of development from barrio to municipality to province to region to central. Where the shoe fits, it must be worn and may be fully recognized by the wearer and his responsibility.

My greatest concern is the possibility of fragmentation on the advisory side. The USAID Mission to the Philippines has the greatest opportunity since the beginning of foreign aid but perhaps the most difficult one.

Basically agriculturally oriented and supported with many important integrated activities the AID staff also has the most difficult job -- the word is still cooperation and cohesiveness.

A PROPOSED REINFORCEMENT TO AN OBVIOUSLY SUCCESSFUL PROGRAM

I would be the last to subject changes to a program which in some cases has proved successful while in other cases needs testing.

Additions should be made to enhance the chances of improvement which do not include any changes in the present program.

This supplement is based on the involvement of people in supporting the program which has been implemented in a number of provinces in the Republic of the Philippines. It does not propose changes in any way -- only support by the people.

I have suggested no changes in my paper "The Simultaneous Modernization of a Nation Socially, Economically, Politically and Attitudinally".

There seems to be one and one only problem which has surfaced, identified and implemented by local level people along with local private enterprise, that being supervised credit to the small farmer.

Since supervised credit or credit to the little farmer becomes involved in many aspects, it has a tendency to activate other interests but of a desirable magnitude of involving thousands of people to implement many ways of improved life and living.

To develop a modernized, well balanced program for any country all phases of development must be fully scrutinized and considered:

1. Social
2. Economic
3. Political
4. Attitudes.

The gaps on each of the above must be closed between local and central governments. Until this is done, little else will be accomplished.

A Simple Procedure to a Difficult Problem

1. Simple learning by villagers to identify their own problems.

Step No. I - Provincial Seminars

Several different approaches can be tried regarding personnel and procedures. This must be worked out to perfection.

A meeting of the Governor, Vice-Governor, Provincial Council and Provincial Technicians from all Secretariats.

The purpose of the meeting explained by the AID advisor or better yet by a counterpart at central level.

A likely prospect would be a representative from the Secretary of Agriculture.

The purpose would consist of a prepared paper on people involvement in the support of projects involving social, economic and political movements through common interest groups at local level.

This meeting has the sole purpose of obtaining the sanction of the government and the staff at provincial level.

Step No. II - Municipality Seminars

Provincial sponsored seminars conducted at municipality level to explain the purpose and the procedure.

Those participating:

A representative of the Secretary of Agriculture (appropriate designee), a representative from the Governor's office, the Mayor and staff including technicians.

- a. Purpose of the meeting by the Provincial Representative
- b. An outlined fact finding form is presented to the group for discussion. (This is the first step in a learning process.)
- c. Each topic in the fact finding form is discussed for informational purposes.

It should be explained to the municipality group that the fact finding survey will be used in every barrio to each family.

Step No. III - Barrio Seminar

A barrio level meeting will be called by the Mayor of the Municipality.

Those present:

A representative of the municipality, barrio captain and every adult in the barrio, farmer, businessman or otherwise.

An outlined fact finding form is presented to the group by a trained technician for discussion.

Allow the group an opportunity to accept or reject the conducting of a fact finding survey.

Step No. IV

Each barrio member is asked to complete the questionnaire for the sake of a record. The barrio captain requests volunteers to gather the data house-to-house.

Personnel assisting in the survey:

This is accomplished by literate volunteers attending the seminar to select a given number of households to collect information. These people should be citizens and not government servants.

Step No. V

After a 10-day period each member of the barrio collection team will submit the reports for tabulation. The recapitulation will be accomplished through participation of all the fact collection team.

Barrio chief and all literate people interested in learning to develop their community - usually the number will consist of five people up.

Importance of the Survey

- a. The farmer is being invited to participate in something new.
- b. The farmer is not ignored but is included in the development of his own local program.
- c. He is particularly in the most effective learning process yet conceived.
- d. He realizes many things about himself, his family, his barrio and his country after the exercise that he did not realize before.

- e. It is a reminder that he should accomplish many things he has ignored before.
- f. He has facts and statistics to prove to his government on demands that he could not use as fortification and arguments he did not possess before.
- g. It instills in the average local citizen that he must be a participant in the development of many projects not yet realized by him.

Step No. VI

Third barrio meeting called by the barrio captain to review the recapitulation of all the survey forms.

Attendance: All interested parties within the barrio.

Results of the survey discussed openly in the meeting led by the barrio captain or his designee.

The problems of the barrio are set up in the order of their importance in the judgement of the farmers and other members of the barrio.

This is perhaps the most important step in the beginning of objective thinking by the right people which are the local people.

In one barrio the problems confronting the people might well look like this:

1. Size of family very large
2. Size of farm too small for a feasible economic unit, yields low, etc.
3. Lessees too few, movement from share cropper too slow
4. Irrigation hectarage too small, more multiple cropping needed

5. Livestock feeds too costly, baby chicks loss very high, too many hogs die of contagious diseases, etc.
6. Credit sources need to be increased, cost of production in excess of credit allowance
7. Income per family too low, etc.
8. Many babies die previously to one year of age. Common diseases rage uncontrolled at times.
9. More side roads needed, cost of marketing excessive because of lack of roads. Transportation facilities inadequate.
10. Excessive loss from insects and rodents.
11. Improper planting time causes excessive destruction of crop from storms.

Examples of contents of the survey for discussion by all present: (This discussion is merely to orient participants of the knowledge each should possess.)

1. Population, rural and urban, number of farmers, businessmen, age of farmers, school-aged children, boys and girls, number of voters, etc. (Problem concerning population)
2. Agricultural production - acreages of all crops, yields, rainfed and irrigation
3. Land Reform situation - number of owner-operators, number of lessees, number of share tenants; hectares in production; potential hectarage; waste land.
4. Irrigation situation - number of irrigated hectares; number of hectares potentially for irrigation; costs of irrigation of various types.
5. Condition and numbers of livestock and poultry
6. Inland fisheries situation
7. Credit and finance - income per family; sources; adequacy
8. Health and sanitation

9. Communications - roads, telephones, telegraph and how it curtails cropping and marketing
10. Plant protection - losses, insects, diseases, and rats
11. Losses through natural calamities
12. Education - school-going children and children of school age; adult literacy
13. Housing
14. Small and cottage industries
15. Community organizations and recreation
16. Only 40% of school-aged children attending school
17. Housing facilities must be improved to prevent sickness
18. This barrio has no income other than small farms and small merchants. Supplemental income through other sources must be developed to increase the sub-marginal incomes.
19. No organizations such as PTAs, boy scouts, livestock and crops improvement clubs for youth are absent.

These are problems and not solutions and they will differ in every municipality if not in every barrio within the municipality.

Step No. VII

Third Barrio Meeting - Setting up Problem Sub-Committees.

These sub-committees may go by any name.

These people may be selected from leading farmers who are interested in some particular phase of agriculture or rural living.

The sub-committee might consist of the following:

Chairman - preferably an active barrio citizen

Members - might consist of two or more and should be popular leaders and successful in the particular project of their activity.

These members are then given instructions of working directly with technicians of the various departments and divisions in satisfying their needs.

They might begin the formation similar to the example listed below:

1. Crops Sub-Committee:

a. Chairman

b. Members

(There might be a greater number of sub-committees as time progresses.)

Problems:

1. Area of crop land too small under present conditions especially with the average family of 7 people. Yields of palay far below what can be produced.
2. Less than one percent of all cultivators need credit yet 80% say they need credit. Crop loans have been too small in the past.
3. Storms damage crops almost annually because no effort is made in timing plantings to avoid general storm season.
4. More hectares need to be placed under irrigation.
5. Inability to produce secondary crops because irrigation has not been developed nor has mechanization been introduced due to lack of financing.

Departments and technical services responsible for aiding sub-committees in solving problems:

1. Agriculture
2. Banking interests

3. Cooperatives

4. Private sector, fertilizer, chemicals, machinery.

Duties of Crops Sub-Committee:

1. To keep in touch with all departments and sectors responsible for aiding the farmer, public and private sectors.
2. Select good cultivators to carry on demonstrations.
3. Make regular visits to demonstration plots.
4. Call and conduct demonstration meetings in various parts of the barrio.
5. Make a study of new crops and varieties to be tested.
6. Contact barrio farmers and villagers asking their needs.
7. Keep record of the proceedings and minutes held with the service staff.
8. Study a practical cropping system for the village.
9. Check the need of plant protection at all times and use preventative plant protection.
10. Study costs of production records.
11. Organize regular seminars and training schools using technicians as teachers.
12. Conduct crop demonstrations and field days.
13. Coordinate closely with other sub-committees in setting up a good credit program.
14. Act as a control board in making agricultural loans as well as investigations and collections.

The formation and duties of each sub-committee which might range from a few to many, depending on the results of the survey would probably follow a similar form to the preceding one described.

In the event barrios are small in population, several might be combined.

It may be seen that all common interest groups (sub-committees arising from surfaced problems) have a definite set of duties.

As sub-committees become active they grow in membership.

Other sub-committees which might be created either in the beginning or later might include the following:

1. Land Reform Sub-Committee
2. Credit and Finance
3. Irrigation Sub-committee
4. Animal Husbandry
5. Public Works
6. Horticulture or Fruits
7. Fisheries
8. Education
9. Homemaking
10. Communications
11. Health and Sanitation
12. Marketing
13. Small Industries
14. Recreation.

Each sub-committee should meet at least semi-monthly. Each sub-committee should use as a nucleus the barrio council which becomes an integral part of the development. Barrio sub-committees

and central committees both barrio and municipal have thought to request the services of all government agencies and technicians.

Municipality Representation

With the mayor as chairman and his council as the nucleus, each barrio will have one member representation other than the present captain or council to represent this barrio at a regular monthly meeting.

Barrio decisions project proposals will be passed on to the municipality which in turn will, after due action, be passed to the province.

Evaluations and progress reports are done by each sub-committee semi-annually.

This procedure is very simple, very flexible, very compatible and does not change the present procedure but definitely fortifies the present program.

Politically if a province has 5000 barrios with 5 sub-committees per barrio each having 10 members, the governor has 250,000 supporters as do the mayors all of whom are at work on wholesome projects.

Socially more people are collaborating on common interests than ever before.

Economically 250,000 people are supporting their province at no additional cost to the government. They are capable of generating enough funds (bamboo money), investments from private enterprise and private loan money to create a provincial revolving fund of ₱100 per

person or ₱25,000,000 additional funds for all uses which has not been donated by the Philippine Government.

This exercise is only possible when attitudes of the right people are healthy - these are the local people.

This suggested approach may be changed to meet existing conditions nationally or locally according to existing conditions and results evaluations during development.

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