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FOREIGN INVESTMENTS IN PHILIPPINE AGRICULTURE

Maria Angela Cristina G. Garcia

INTRODUCTION

In the Philippines, one-third of the gross domestic product, two-thirds of export earnings, and one-half of the total employment are generated by agriculture.[1]

The country's dependence on agriculture is in line with the neoclassical economic doctrine of comparative advantage which states that developing countries should specialize in the production for export of primary commodities so as to take advantage of their supposed rich natural endowments. However, such a strategy for development is currently under attack by radical economists who claim that "comparative advantage" is a notion contrived by western imperialist powers in order to keep Third World countries dependent on them for finished industrial products, and to take on a subservient position in the world capitalist system.

This debate between neoclassical economists and radical economists may never get resolved. In the case of the Philippines, however, perhaps the more relevant issue to consider is the question of who benefits from any gains made possible by the present export-oriented policy in agriculture. What passes for a national development strategy may just be a reflection of the preferences set by a group of multinational companies operating in the country. These multinational companies have already gone so far as to blur the line between agriculture and industry by integrating so tightly the production, processing and international marketing of agricultural commodities. In *Capitalism in Philippine Agriculture,* René Ofroneo (1980, p. x) was right on the mark when he posed this question: "In the analysis of Philippine Agriculture. . . . One must not only ask: who owns the

Research Associate, Philippine Institute for Development Studies.

1. "A Look at the Country's Export Crops," NEDA *Development Digest,* July 31, 1975, p. 1.

land? It is also necessary to ask: who controls the profits from the marketing and processing of the land?"

This study is an attempt to gauge the amount of foreign participation, direct and indirect, in Philippine agriculture. Unfortunately, the lack of available materials and time constraints have prevented this project from being too ambitious. At best, it hopes to trigger further research on the effects of foreign participation in Philippine agriculture.

Agricultural Investments Incentives Act

Under Presidential Decree No. 1159 (Agricultural Investments Incentives Act), foreign investors in agriculture are given the following basic rights and guarantees:

(*a*) The right to repatriate the entire proceeds of the liquidation of the investment in the currency in which the investment was originally made at the exchange rate prevailing at the time of repatriation.

(*b*) The right to remit earnings from the investment in the currency in which the investment was originally made at the exchange rate prevailing at the time of remittance.

(*c*) The right to remit, at the exchange rate prevailing at the time of remittance, sums necessary to meet payments on foreign loans and obligations arising from technological assistance contracts.

(*d*) Freedom from expropriation by the government of the property represented by investments or of the property of enterprises except for public use or in the interest of national welfare and defense and upon payment of just compensation. In such cases, foreign investors shall have the right to remit sums received as compensation in the currency in which the investment was originally made at the exchange rate at the time of remittance.

(*e*) Freedom from requisition of the property represented by the investment or of the property of enterprises, except in the event of war or national emergency and only for the duration thereof. Just compensation shall be determined and paid either at the time of requisition or immediately after cessation of the state of war or national emergency. Payments received as compensation may be remitted in the currency in which the investment was originally made at the exchange rate prevailing at the time of remittance.

Foreign investors in registered enterprises engaged in preferred areas of agriculture are granted the following incentives and benefits:

(*a*) Deduction of organizational and preoperating expenses from taxable income over a period of ten years.

(*b*) Accelerated depreciation for fixed assets and capital equipment.

(*c*) Carry-over of net operating loss in any of the first ten years of operation as a deduction from taxable income for the six years immediately following the year of such loss.

(*d*) Exemption from tariff duties and compensating tax or imported capital equipment within seven years from the date of registration of the enterprise.

(*e*) Tax exemption on breeding stocks and genetic materials within seven years of the date of registration of the registered enterprise.

(*f*) Tax credit on capital equipment purchased locally.

(*g*) Tax credit for withholding tax on interest payments on foreign loans.

(*h*) Protection in the form of a ban against importation of goods unfairly competing with those produced by the registered enterprise.

(*i*) Deduction of one-half of labor training expenses from taxable income.

(*j*) Deduction of invested profits from taxable income.

(*k*) Deduction of 25 percent of research and development training expenses from taxable income within seven years from the date of registration of the registered enterprise.

(*l*) All expenses of necessary and major infrastructure work may be applied to the payment of taxes due.

(*m*) Deduction from taxable income of 30 percent of freight and transportation expenses within five years from the date of registration of the enterprise.

Foreign investors in pioneer agricultural enterprises are further granted the following incentives:

(*a*) Exemption from all taxes under the Internal Revenue Code, except income tax, from the date the area of investment is included in the Agricultural Investments Priorities Plan to the following extent:

1) 100 percent for the first 3 years;
2) 75 percent for the 4th through the 5th year;
3) 50 percent for the 6th and 7th years;

4) 25 percent for the 8th and 9th years; and
5) 10 percent for the tenth year.

(*b*) Postoperative tariff protection to an extent not exceeding 50 percent of the dutiable value of imported items similar to those being manufactured or produced by a pioneer agricultured enterprise, unless a higher rate is provided by the Tariff Code or by pertinent laws.

Foreign investments in registered agricultural enterprises are given the following special export incentives:

(*a*) Tax credit equivalent to the sales, compensating and specific taxes and duties on supplies, raw materials and semimanufactured products used in the manufacture or production of enterprises' products and forming part thereof; and

(*b*) Deduction from its taxable income of an amount equivalent to the sum of the direct labor cost and local raw materials utilized in the manufacture of export products of the enterprises.

Foreign investors in pioneer and other registered agricultural enterprises are furthermore given preference in the granting of government loans from government financial institutions. They are entitled as beneficiaries of 10 percent of a banking institution's loanable fund set aside for agrarian reform credit.

Coconut

Coconut is the most important export commodity of the Philippines. With more than 23 percent of total cultivated land (2.285 million ha.) devoted to coconut, the Philippines accounts for almost over-half of total world production and contributes more than 80 percent of total coconut trading. In 1980, the industry's export revenue of $820.5 million represented 14.2 percent of the country's total foreign exchange earnings.[2]

The importance of the coconut industry is also reflected in the amount of employment it generates: one of every three Filipinos (or 12 million people) is dependent on the industry for livelihood.[3]

Prior to World War II, foreign investors controlled the intermediate processing of coconuts for export and for local distribution. In 1935, Filipinos accounted for less than $1,000,000 of the total $11,895,000 that was invested in coconut mills, factories and of

2. *Countryside Report,* LUSSA, p. 57.
3. "A Look at the Country's Export Crops," p. 2.

TABLE 1

EXPORTS OF SELECTED COMMODITIES, 1982

	Value ($000)	*Volume (M.T.)*
Bananas	146,108	926,684
Pineapple, canned	87,550	170,862
Pineapple juice	9,245	39,861
Pineapple concentrates	10,496	18,876
Coconut products	594,127	
Copra	49,218	177,736
Coconut oil	401,026	921,237
Desiccated coconut	68,283	90,251
Copra meal/cake	72,116	588,565
Others	3,484	
Sugar and sugar products	444,529	
Centrifugal and refined	416,028	1,247,520
Molasses	24,780	462,570
Abaca and abaca products	30,886	
Unmanufactured	20,125	34,159
Abaca rope	10,761	9,017

Source: National Census and Statistics Office.

refineries; the American share amounted to $5,545,000 (almost one-half) while the shares of the British and Spanish were $3,495,000 and $1,000,000, respectively.[4]

In recent years, however, significant changes in the coconut industry have taken place. Through the establishment of UNICOM in 1979, Filipino corporations have been able to take over the more pfofitable export of copra and the processing and export of coconut oil. However, Table 2 shows that foreign corporations have been able to maintain their dominant role in the manufacture of desiccated coconut.

4. *Countryside Report*, p. 54.

TABLE 2

FOREIGN INVESTMENT IN THE COCONUT INDUSTRY
(1980 figures)

	Total foreign equity share (%)	*Volume (in M.T.)*	*Share of total export (%)*	*Value (U.S.$ million)*
Desiccated coconut[a]				
Franklin Baker of the Phil.	99.99 (American)	30,730	35	41.3
Peter Paul Phil. Corp.	38.0 (American)	17,147	19.5	22.5
Blue Bar Coconut Products Inc.	26.0 (American)	10,411	11.8	14
Sun Rope Coconut Products	26.67 (Chinese)	4,285	—	5.7
Coconut oil				
Philippine Refining Co.	99.99 (British)	35,184	3.8	22.0
Copra meal				
Philippine Refining Co.	99.99 (British)	15,240	3.6	2.2

a. Total volume comes to 87,861 metric tons valued at U.S. $ 116.8 million.
Source: "Philippine Exports of Coconut Products," ***Coconut Statistics 1980,*** Vol. VI, No. 14, as cited in ***Countryside Report,*** LUSSA Research Staff, 1982.

Sugar

Forty-seven percent of the country's cultivated land (or 422,000 ha.) is devoted to sugar. Some 409,000 sugar workers representing 6.5 percent of the total agricultural labor force[5] tend to the land.

Prior to the declaration of martial law in 1972, sugar was the country's largest export, accounting for 18.5 percent of total exports.[6] In 1974, however, the Philippine sugar industry received a severe blow with the expiration of the Laurel-Langley treaty; it meant the loss of privileged access to the U.S. market. Unprepared for free market trading, the industry dropped to fourth place in importance among the country's commodity exports.

In 1977, the Philippine Sugar Commission (PHILSUCOM) was established by the government to direct the development and stabilization of the sugar industry. Unfortunately, a discussion of the success (or failure) of PHILSUCOM is not within the scope of this study.

Table 3 shows that the foreign investors still have a significant share in the country's sugar mills. Most of these mills were established between 1907 and 1930 when there was a large inflow of American, Spanish and Chinese capital for the promotion of the industry.[7]

Bananas

Banana now ranks sixth in importance among the export products of the Philippines, having surpassed in a very short time span the performances of tobacco, abaca, and pineapple.[8] This phenomenal growth of the industry was triggered by a high demand for bananas in the Japanese market. The introduction of the giant cavendish variety in 1968 also helped boost exports. Consider the following:

— In 1960, a mere \$28,600 worth of bananas were exported. By 1974, exports had gone up to \$95,479 thousand. By 1982, this figure had reached \$146,108 thousand, according to the National Census and Statistics Office.

5. *Political Economy of Philippine Commodities,* University of the Philippines, Third World Studies Program, 1983, p. 135.

6. Ibid.

7. *Countryside Report,* p. 126.

8. "Bananas Rank Sixth in the List of Export Products of the Philippines Today," NEDA *Development Digest,* 1975(7), p. 2.

TABLE 3

FOREIGN INVESTMENT IN THE SUGAR INDUSTRY

	Year established	*Total foreign equity (%)*	*Number of workers*	*1981 Gross revenue rank*	*1981 Gross revenue ($000)*	*1981 Total assets (₱000)*	*1981 Income tax policies*
Victoria Milling Co., Inc.	1919	17.013	3,695	73	470,129	452,618	9,197
Central Azucarera de la Carlota	1918	28.71	1,719	249	145,503	221,397	350
Central Azucarera de Don Pedro	1927	80.363	1,414	227	156,685	221,706	8,477
Central Azucarera de Tarlac	1927	10.5	2,057	165	217,772	244,344	4,270
Central Azucarera de Bais	1918	68.89	1,257	525	66,555	129,961	499
San Carlos Milling Co., Inc.	1957	32.078	753	854	39,110	4,173	539
Ormoc Sugar Co., Inc.	1928	12.3	436	–	–	–	–
Central Azucarera de Pilar	1924	3.15	–	1,039	31,719	106,877	–
Hawaiian-Philippine Company	1918	87.0 (British)	–	406	87,976	114,557	6,999
Bogo Medellen Co., Inc.	1920	200	–	739	47,370	67,071	5,683

Source: ***Countryside Report***, LUSSA Research Staff 1982 and Business Day's Top 1,000 Corporations, 1982.

— By 1974, the Philippines had captured 92.56 percent of total Asian exports.[9]

— In 1967, only .05 percent of total banana production was exported. By 1974, bananas for export constituted 53.66 percent of total domestic production.[10]

— Almost 97 percent of total banana exports are shipped to Japan. Between 1966 and 1975, banana exports to Japan represented an average of about 90 percent of the country's total exports of fresh fruit.[11]

— In 1975, the area planted to bananas came to 233,300 ha. with an output of 1,686 thousand metric tons valued at $73 million. By 1981, the area planted was 311,830 ha. with an output of 4,072 thousand metric tons valued at $146 million.[12]

— In 1975, the production cost of bananas was estimated at ₱12.00 per box; the purchasing price in Japan then was ₱50-₱80.00/box.[13]

Furthermore, an UNCTAD study shows:[14]

— Producing and exporting countries receive only about 11.54 ¢ of every dollar worth of bananas sold.

— With an estimated total retail sales value of $2.114 billion, roughly $245 million accrue to domestic producers in the exporting countries.

— Whereas the gross return to growers at the packing plant is around 11-12 percent that of the foreign enterprises is of the order of 80.5 percent.

The export of bananas is controlled by three American corporations, namely, Dole/Stanfilco (Castle & Cooke), Philpak (Del Monte), Mindanao Fruit Company (United Brands), and one Japanese Corporation, Sumitomo Shoji Kaisha Ltd.

Instead of producing bananas themselves, these foreign corporations have opted to contract local growers and local plantation owners. The advantages of contract farming as identified by Ofroneo are the following.[15]

9. "Bananas Rank Sixth," p. 3.
10. Ibid, p. 5.
11. Ibid. p. 4.
12. Ibid. p. 3.
13. Ofroneo, p. 117.
14. "MNCs Hit on Banana Pricing," *Times Journal*, February 2, 1977.
15. Ofroneo, "The Changing Agrarian Landscape in the ASEAN Region." In *Philippine Journal of Industrial Relations* IV (1982), p. 70.

1. By asking farmers to shift to a new crop and to enter into a growers contract, agribusiness firms are able to effectively expand the area for production of the crop in demand.

2. All the risk in cultivation (pestilence, drought, etc.) is shouldered by the individual growers.

3. There is no danger of nationalization. However, local partners can be expected to defend the interest of the foreign corporations that control the marketing of their produce.

4. If there is a glut in the market, the controlling companies can always refuse the produce of the farmers or reduce their purchases by imposing rigid "quality control."

5. Problems in personnel management are avoided.

6. The contracting farmer can always buy cheap from the growers and sell the same agricultural produce at a higher price.

Tables 4-8 give a profile of the foreign corporations involved in the banana industry.

TABLE 4

PHILIPPINE PACKING CORPORATION (Philpak)

Parent company: Del Monte Corporation
Nationality: 99.99% American
Date of incorporation: 1926
1981 Gross revenue rank: 31
1981 Gross revenues: ₱832,847,000
1981 Net sales: ₱800,215,000
1981 Net income: ₱39,795,000
Income tax provision: ₱22,196,000
Fixed assets: ₱148,171,000
Total assets: ₱832,434,000
Share of banana production: 28.1%
Growers contracted for banana production:
Hijo Plantation, Inc.; Lapanday Agricultural and Development Corporation; Evergreen Farms, Inc.; AMS Farming Corporation; F. S. Dizon & Sons, Inc.; Delta Farms, Inc.; Farmingtown Agro-Developers, Inc.; Marsman Estate Plantation, and Jose U. Fernandez
Total farm area contracted: 5,802

Source: SEC, Top 1,000 Corporations, 1982.

TABLE 5

BANANA GROWERS FOR PHILIPPINE PACKING CORPORATION
(Philippine Subsidiary of Del Monte Corporation)

	Gross revenue rank	*Foreign holding*	*Gross revenue (₱000)*	*Net sales (₱000)*	*Net income (₱000)*	*Income tax provision (₱000)*	*Fixed assets (₱000)*	*Total assets (₱000)*	*Total effective land area (ha.) (as of Feb. 1977)*
AMS Farming Corp.	837		40,265	40,164	(3,101)[a]	–	12,910	44,518	907
Delta Farms, Inc.	1,626	* (*)	16,757	16,757	496	–	2,205	28,365	420
Evergreen Farms, Inc.	1,359	* (*)	22,002	22,002	(334)	–	2,541	24,488	500
F.S. Dizon & Sons, Inc.									458
Farmingtown Agro-Developers, Inc.	1,143	* (*)	28,056	27,844	(2,433)	–	1,770	2,251	511
Hijo Plantation	585	*	59,249	57,498	2,408	–	29,079	64,396	1,350
Jose V. Fernandez	–	–	–	–	–	–	–	–	–
Lapanday Agr. & Development Corp.	772		45,228	43,879	(2,556)	–	20,200	68,029	550
Marsman & Co., Inc.	150	* (*)	234,064	227,861	815	–	6,545	137,999	1,106

** Majority.
* Minority.
(*) Uncertain.

[a]Parentheses denote a negative number

Sources: Business Day's *1000 Top Corporations in the Philippines,* 1982. NEDA *Development Digest,* July 31, 1975.

TABLE 6
DOLE PHILIPPINES

Parent Company: Castle & Cooke
Nationality: 99.99% American
Date of incorporation: 1963
Merged with Standard (Phil.) Fruit Corp. (Stanfilco) in 1980
1981 Gross revenue rank: 41
1981 Gross revenues: ₱746,707,000
1981 Net sales: ₱746,707,000
1981 Net income: ₱5,438,000
1981 Income tax provision: ₱3,536,000
1981 Fixed assets: ₱152,163,000
1981 Total assets: ₱504,877,000
Share of banana exports: 34%
Growers contracted for banana production:

	1981 Gross revenue rank	*Total land area (ha.)*
Checkered Farms, Inc.	1,120	1,000
Diamond Farms, Inc.	1,910	1,000
Golden Farms, Inc.	1,502	600
375 small growers & Stanfilco Farms		3,400

Total land area contracted: 6,000 ha.

Sources: SEC, ***Top 1,000 Corporations, 1982.*** See also Krinks (1981).

Pineapple

Pineapple is next to banana in importance among the export fruit crops of the Philippines. With a share of about 15 percent of total fruit output, the 1980 value of fresh pineapple exports was $10.1 million while that of canned pineapple amounted to $96.9 million. During the last 10 years, approximately 28,006 hectares have been devoted to pineapple.[16]

In spite of its importance, the pineapple industry is in the hands of only two foreign corporations: Dole Philippines, Inc. and Philippine Packing Corporation (Philpak).

16. "Growing Fruits for Export." In NEDA ***Philippine Development,*** Vol. IV, No. 15. See also National Census and Statistics Office data.

TABLE 7

TAGUM AGRICULTURAL DEVELOPMENT, INC. (TADECO)

Nationality: Filipino
Foreign partner: United Brands (formerly United Fruits)
1981 Gross revenue rank: 160
1981 Gross revenues: ₱219,576,000
1981 Net sales: 216,459,900
1981 Net income: (460,000)
1981 Income tax provision:
1981 Fixed assets: 165,621,000
1981 Total assets: 264,791,000

Share of banana exports: 27%
Total effective land area: 4,500 ha.

Sources: SEC, ***Top 1,000 Corporations, 1982.*** See also Krinks (1981).

TABLE 8

DAVAO FRUITS CORPORATION

Parent company: Sumitomo Shoji Kaisha, Ltd.
Foreign equity share: 40%
Date of incorporation: 1978
1981 Gross revenue rank: 177
1981 Gross revenues: ₱199,607,000
1981 Net sales: ₱198,860,000
1981 Net income: (991,000)
1981 Income tax provision:
1981 Fixed assets: ₱8,818,000
1981 Total assets: ₱69,516,000

Total effective land area: 3,516 ha.
Share of banana export: 11%

Sources: SEC, ***Top 1,000 Corporations, 1982.*** See also Krinks (1981).

Both Dole and Philpak shifted all their operations in 1973 from Hawaii to the Philippines in order to benefit from labor costs. Workers in Hawaii received \$2.64-₱2.69 an hour while workers in the Philippines were paid only .15-.20 cents an hour (Ofroneo 1980, p. iii). This meant considerable savings for both Philpak and Dole, especially since their employees number some 10,000 and 9,000, respectively (Ofroneo 1980, p. iii).

In order to get around the constitutional law prohibiting private corporations from holding more than 1,024 hectares of land, both Dole and Philpak inked a 25-year lease with the National Development Corporation (NDC) at nominal amounts. (The NDC was formed by the Philippine government precisely for the purpose of holding public agricultural land in excess of the amount allowed to private corporations.)

In 1982, Dole and Philpak together had export earnings from pineapple products of \$37,940,038, as shown by the Central Bank.

Abaca

From 1900 to 1908, abaca accounted for more than 60 percent of the total value of Philippine exports.[17] During that period, the Philippines supplied the world market with all the abaca fiber requirements for pulp paper and cordage manufacture.

Alarmed by Filipino monopoly of abaca production, the U.S. government took out abaca planting materials from the country and provided Central American plantations with a \$35 million subsidy to grow them.[18]

After World War II, the Philippine abaca industry received further setbacks from two other factors: mosaic disease infestation which greatly reduced production and the introduction of synthetic fibers as a substitute for abaca. As a result, many growers lost interest in abaca cultivation. The 475,140 ha. devoted to the crop in 1910 was reduced to 230,680 ha. by 1979.[19]

Nevertheless, the Philippines still supplies 87 percent of the world demand for abaca. In 1979, abaca accounted for 1.2 percent of the country's total export earnings. In 1980, this figure amounted to \$65.9 million.[20]

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17. *Countryside Report*, p. 137.
18. Ibid. p. 138.
19. Ibid. p. 143.
20. Ibid. p. 149.

TABLE 9

FOREIGN INVESTMENT IN THE ABACA INDUSTRY

	Year established	*Total foreign equity (%)*	*Number of workers*	*1981 Gross revenue rank*	*1981 Gross revenue (₱000)*	*1981 Gross assets (₱000)*	*1981 Income tax policies (₱000)*
Paper Industries Corp. of the Philippines	1952	16.07	11,761	22	1,072,547	2,798,544	–
Bataan Pulp & Paper Mills, Inc.	1957	10.6	435	471	75,701	133,214	–
Kimberly-Clark Phils., Inc.	1956	87.03 (American)	685	155	227,954	349,112	12,928
Manila Cordage Company	1924	40.0 (American)	578	–	–	–	–
Elizalde Rope Factory, Inc.	1935	99.9	–	708	49,248	29,511	–
Columbia Phils. Inc.	–	100.0 (American)	–	–	–	–	–
Scott Paper Phil. Inc.	1961	100.0 (American)	375	173	203,961	181,335	6,715
Menzi Dev't. Corporation	1964	– (American, 0.02)	–	967	34,467	159,862	–
Oriental Corrugated Fiber-board Box, Co.	–	– (Thailand, 11.4)	–	–	–	–	–

Source: *Countryside Report* LUSSA Research Staff 1982 and Business Day's TOP 1,000 Corporations 1982 Edition

The abaca industry is expected to receive a big boost from the increased cost of oil-based synthetic fibers. Products of abaca manufacturers, in particular, are already in high demand in the world market. As the next table shows, foreign investments dominate abaca manufacturing.

Corporate Farming

In addition to the foreign corporations so far mentioned in this study, many more multinational corporations are diversifying into agricultural production as a response to General Order No. 47 issued on May 27, 1974. This corporate farming decree requires corporations with 500 or more employees to go into cereal production in order to help feed the country's population. The government also encourages the corporations to intercrop rice with other crops such as sorghum, soybeans and mongo.

Although the decree seems to have good intentions, the result has been increased concentration of agricultural production in the hands of a few corporations. Small farmers are evicted from their lands and reduced to hired help. Indeed, corporations are finding agriculture a highly profitable venture. As of December 1978, 242 corporations have taken advantage of General Order No. 97 by developing 26,867 ha. (Ofroneo 1980, p. 79). One must remember that this decree also applies to corporations already involved in agriculture but not yet in rice production.

Moreover, the government is revitalizing the National Development Company in order to encourage foreign companies to invest in Philippine plantations for palm oil, rubber, coffee, and cacao.[21] By leasing land from the NDC, private corporations are able to get around the constitutional law limiting landholdings to 1,000 ha. — a size that would be too small for a viable export-oriented plantation.

Conclusion

The neoclassical rationale for advocating a policy of production by comparative advantage is difficult to dispute. No doubt, the country needs to export goods it can produce cheaply in order to import industrial goods not available domestically. Unfortunately, however, this study shows that a significant share of export earnings from agricultural commodities accrues to foreign investors and their

21. "Philippines: Plantation Plans," *Asia Week*, May 2, 1980, p. 44.

local elite partners. Indeed, the profits made are high, especially with all the investment incentives offered by the Philippine government to foreign corporations. The question that needs to be asked now is, how much of these profits are reinvested and how much are repatriated?

Moreover, one must also find out how foreign exchange earnings are used. Is it fair for the government to put so much emphasis on earning foreign exchange if these earnings are used mostly for the import of luxury goods for an already comfortable class? Meanwhile, small farmers who have been made to give up food production in favor of cash crops are faced with the predicament of having to pay high prices for basic foods from a measly income.

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