

Philippine Social Movements and Contemporary Contestations over Models of Economic Development¹

This paper provides an overview of Philippine social movements that have challenged the dominant models of economic development through three major periods in the country's history, i.e., the pre-martial law, martial law, and post-martial law periods. The major bone of contention was the need to address poverty, underdevelopment, and glaring socio-economic inequalities. A foremost advocacy is the need for agrarian reform, as well as the search for a development alternative to the International Monetary Fund/World Bank development model which emphasizes liberalization, the market, and privatization, as enshrined in the current neo-liberal development framework. The struggle of social movements and their advocacies and strategies is contextualized during the changing political and economic dispensations during these time periods. Gains and increments have been attained in pursuing their goals and objectives, but social movements continue to confront an arduous challenge, given the hegemony of the alliance of local and global elites.

INTRODUCTION

The nature of contestations over models of economic development in the Philippines is best understood in the context of the perennial existence of underdevelopment, poverty, and socio-economic inequalities in the country. The Philippines in the 1950s ranked next to Japan as Asia's best performing economy. This was only to drastically collapse in the 1970s under an authoritarian regime. In the 1980s, it was referred to as the "basket case" of the region. It never made it to the elite group of the New Asian Tigers of Thailand, Indonesia, and Malaysia. The downfall of the dictatorship gave much hope that the country would be able to address its development woes. It was believed that corruption was the very cause of its poor economic performance. "Good governance" became the key term in addressing this. For the social movements in the country, however, it was the nature of the economic policies pursued by the elites in the country, as supported by multilateral agencies—e.g., the International Monetary Fund (IMF) and the World Bank (WB)—which was the very cause of economic stagnation. Such economic policies espoused liberalization, privatization, and free competition, which intensified in an era of globalization under a neo-liberal development paradigm. Such a development model indeed brought growth to the country (e.g., the highest growth rate in the region in 2013). The problem, however, was that poverty incidence remained the same and the gap between the rich and the poor increased. Thus, contestations over models of economic development continue to ensue.

This paper thus attempts to give an overview on how Philippine social movements challenged the dominant models of economic development through three major periods in our history, i.e., the pre-martial law, martial law, and post-martial law periods. It will highlight the nature of the burgeoning of social movements in the forms they took—e.g., from revolutionary movements to non-governmental organizations (NGOs). It will also look into the social movements' relationship with politico-economic elites and the way such a relationship was shaped by social movements' advocacies. Of importance, too, is how social movements' advocacies and strategies were affected by the changing political dispensations and the manner in which the global economic environment impacted on Philippine social movements dynamics.

THE FOUNDATIONS OF DEVELOPMENT CONTESTATIONS DURING THE PRE-MARTIAL LAW PERIOD (1948-1972)

The foundations of the nature of contestations over models of economic development in the Philippines were laid during the pre-martial law period under the auspices of American colonial policy in the country. This nurtured an oligarchic elite which established a solid base in landownership. Because of this, the state subsequently failed to achieve autonomy from the dominant class in the Philippines (Sidel 1999, 10). “American colonial policy also allowed these oligarchic elites to engage in rentier capitalism, which gave them a significant share of the nation’s economy and a simultaneous attenuation of central government control over the provinces. The privatization of public resources, thus, strengthened a few fortunate families while weakening the state’s resources and its bureaucratic apparatus” (McCoy 1994, 10). These families are referred to as Philippine political dynasties, which provided for the backbone of the emergence of the country’s oligarchy. The “oligarchy” is described as a subset of the “political family” (Park 2008, 124). With political and economic power in their hands, these oligarchic elites controlled the key industries in the country, i.e., raw materials for export such as sugar and coconut. Given such a situation, the country’s economic growth expectedly did not trickle down to the majority, resulting into the prevalence of poverty, underdevelopment, and glaring socio-economic inequalities. This spawned an agrarian unrest which led to the emergence of the Partido Komunista ng Pilipinas (PKP) or the old Communist Party of the Philippines in the 1930s. Under the auspices of the Soviet Union, it sought to bring land to tiller in the context of a Marxist-Leninist concept of society. The PKP-led communist movement was, however, easily quelled by US military force. Peasant unrest also led to the government’s institution of an agrarian reform, but this was inutile given the dominance of the country’s landed politico-economic elites.

THE NATIONALIST DEVELOPMENT ALTERNATIVE

In the 1950s, the landed elites began to venture into the manufacturing sector, providing the foundation of the Filipino industrial bourgeoisie and “projecting alternative strategies for development” (Rivera 1994, 3).

Beginning in the 1950s and 1960s, too, “the closely held conglomerates of the major oligarchic families also became highly diversified units” (Hutchcroft 1998, 38). These families combined manufacturing, finance, agriculture, commerce, services, urban real estate, and other business interests, all under one roof (ibid.). The establishment or expansion of business ventures by the local elites included joint ventures with multinational corporations needing technocratic skills. Through the 1960s, “major elite segments and dominant families of the local manufacturing class were closely linked with foreign capital” (Rivera 1994, 83). The Philippine landed politico-economic elites would, however, also be divided concerning the nature of the economic development thrust they would pursue. A major bone of contention was those supporting the import-substitution development policy in the 1950s under the Macapagal Administration (1961–1965) against the export-oriented industrialization (EOI) development strategy. The latter was against the efforts of the country to establish their own capability for heavy industrialization through import-substitution (Lichauco 1981, 78).

The import-substitution policy was supported by the government’s foreign exchange control. This did not only favor the local elites who were in support of such a policy, but also became another source of American domination. It was under President Elpidio Quirino, who took over after the demise of President Manuel Roxas in 1948, whereby the rate of the two pesos to a US dollar was fixed and could not be adjusted (Sicat 2014, 127). This was upon the advice of Quirino’s set of economic advisers in 1949, headed by Central Bank Governor Miguel Cuaderno. Cuaderno “counseled the government to impose import and foreign exchange controls” (Sicat 2014, 127). Because the Central Bank stuck to the exchange rate of USD1 to P1, Sicat (1988) noted that the country suffered the adverse effect of not having full monetary autonomy from the Americans. He further observed that such a situation was aggravated after independence because of the delayed adjustments in the value of the peso. This produced serious economic policy errors. Sicat pointed out that foreign exchange was made cheaper through an overvalued exchange rate, “or government policy wished them to remain cheap to feed to preferred users. The result of was massive misallocation of resources” (Sicat 2014, 127).

The Marcos technocrats, which included Sicat, sought a shift in such a policy under the auspices of the IMF and the WB advisers in the 1960s. They campaigned for a decontrol program which they

described as a return to free trade (Hawes 1984, 263). The technocrats, some of whom have undergone training with these financial institutions assumed the role of the major implementers of free enterprise in the country. They preached on the need to abandon government protection and to meet multinational competitors on an equal basis in the free market (Lichauco 1981, 78). Through the Macapagal Administration's Program Implementation Agency, which became the Presidential Economic Staff later on, technocracy pressed for an open door policy to foreign investments and foreign loans, mainly from the IMF.

Such a policy was opposed by the nationalist politico-economic elites who found allies in the burgeoning left movement in the country given the government's failed agrarian reform program amidst growing poverty. In 1969, there emerged the new Communist Party of the Philippines (CPP) and its military arm, the New People's Army (NPA), and the National Democratic Front (NDF), its illegal united front. This was breakaway faction from the PKP and carried with it the Marxist-Leninist-Maoist line, with support coming from the People's Republic of China. Although it also advocated the armed struggle, its thrust was not in the urban areas as advocated by the PKP, but in the rural areas through guerrilla warfare and a protracted people's war. Both members of the PKP and the CPP, through its united front strategies, forged links with the nationalist politico-economic elites particularly those in Congress and in the business community. Thus, the development contestations during this era were waged on two fronts. For the left movement, it was to push for agrarian reform through a revolution, and for the politico-economic elites, the debate was for protectionism versus the entry of American multinational corporations and the privileging of foreign investors over local investors in the context of liberalization. In relation to this, the CCP's strategy, which is also generally that of other communist parties worldwide, was to unite with the national bourgeoisie to fight a common enemy, which was US imperialism and the politico-economic elites who allied with the United States and multinational corporations. In the CPP, this was done under the auspices of its NDF, which was at the forefront of the national democratic movement in the country.

DEVELOPMENT CONTESTATIONS DURING THE MARTIAL LAW PERIOD (1972-1986)

On 21 September 1972, Marcos arrested this growing wave of nationalism by declaring martial law. He jailed his political opponents, including those from the landed elites, and to appease the growing agrarian unrest, he issued Presidential Decree (PD) No. 2 on 26 September 1972, declaring the entire country a land reform area. On 21 October 1972, Marcos promulgated PD 27, emancipating the tiller from the bondage of the soil. PD 27 was aimed to transform tenants in rice and corn areas as “owners” of the land they were tilling through a system whereby the tenant could begin to purchase their farm lands on installment. Those who remained as tenants would be shifted from share to fixed-rent leasehold tenancy (Quintana 1989, 134). Agrarian reform during the martial law period was, however, rendered a failure, and one of the major reasons was that it did not include sugar and coconut lands. These two agricultural crops were the top dollar export earners of the country during the 1970s, with Philippine coconut exports amounting to 60 percent of the total number of coconuts exported during this period. These industries were controlled by Marcos’s “chief cronies,” Roberto Benedicto and Eduardo Cojuangco Jr., respectively. The landed elites who were associated with Marcos continued to rule, and he also created new landed elites which transformed themselves into political dynasties. As during the pre-martial law period, the theory of rent seeking continued to characterize elite politics, and crony capitalism flourished under the regime of Ferdinand Marcos (McCoy 1994, 10).

Together with the president’s cronies/relatives and the military, the technocracy became one of the three legs which propped up the martial law regime. The nationalist technocrats were kicked out of government and the IMF/WB technocrats provided the leadership with a credible development program which was endorsed by the foreign agents of development. Foremost of this nationalist economists was Hilarion Henares, who was the Chairman of the National Economic Council (NEC) under the Macapagal Administration. Henares believed that importance should be placed on industrialization and, in particular, the propagation of import-substitution industries (*UNTV* [n.d.]). Under the Marcos pre-martial law administration, the Chairman of the NEC was Filemon Rodriguez, who also advocated for heavy industrialization and protectionism. Cesar E. A. Virata, who was

Marcos's Secretary of Finance, did not agree with this development view of Rodriguez and replaced him with Gerardo Sicat. Virata agreed more with Sicat who advocated for liberalization and export-oriented industrialization (Virata 2007).

Thus, the Marcos technocrats continued to pursue their export-oriented development strategy and propagated the massive entry of foreign capital through foreign investments and loans, as well as the removal of all restrictions on trade. They also facilitated the entry of the Philippines into the General Agreement on Trade and Tariff (GATT).

The curtailment of political and civil rights, however, did not bring about economic development and, worst, aggravated the poverty situation, particularly in the countryside. Joint ventures between state corporations manned by the technocracy with multinational corporations (MNCs) also produced severe socio-economic consequences on local communities which were not directly involved in the transnationalization process in the country. One grave social consequence of state and MNC alliance was the eviction and relocation of Filipino communities occupying lands favored by foreign and state corporations. Small farmers, fisher folk, and a number of the urban poor were forced to evacuate their land and sea locations to pave the way for industrial and agricultural projects, like the establishment of export processing zones, a copper sintering plant, a nuclear plant, and export-crop plantations (Lim 1983, 19). Tribal Filipino communities have also been vanquished from their ancestral lands to pave the way for infrastructure, like dams to provide electricity and irrigation in order to entice foreign capitalists to business ventures in the far-flung places of the country. This led to the cultural genocide of at least 4.25 million Filipinos (Rocamora 1979, 2). This repressive situation led to the rapid growth of the communist insurgency in the country. This is understandable as during the martial law era, economic policies which were carried out during the pre-martial law period continue to dominate. That is, the push for liberalization, as was epitomized by the Philippine joining the GATT-WTO (World Trade Organization), as well as more incentives for foreign investors, particularly in the form of MNCs and preference for export-oriented industrialization over import-substitution industries. The failure of the martial law regime to also implement a comprehensive agrarian reform law, as it only covered rice and corn lands, continued to fuel agrarian unrest in the countryside, as led by the CPP-NPA-NDF.

Although the armed struggle was the primary source of change by the CPP-NPA-NDF, it also realized that there was a need for the impoverished sectors of society to survive amidst the military repression and the growing poverty. Such a view was also shared by sympathizers of the CPP-NPA-NDF, as well as by foreign governments and European NGOs that saw the need to help the poor in the countryside but that did not want to course the economic assistance through the government. This was because of the fear that it would be pocketed by the corrupt dictatorship. This led to the growth of developmental NGOs (for further details, please see Encarnacion 1988).

THE GROWTH OF THE ANTI-DICTATORSHIP MOVEMENT

For the local business community, they tolerated the corruption of the dictatorship as they saw this as a better alternative to what the CPP was advocating for. The 1981 economic crisis, however, as spawned by the 1979 Iran-Iraq war that raised the price of oil to about US\$36 per barrel, among others (Virata 2008), brought a change in perspective. They articulated that the country's current economic crisis was due to the inability of the regime to curb graft and corruption and the lack of accountability of the public officers. Local businessmen also voiced their resentment concerning the bailout of crony companies during the economic crisis at the expense of others who did not have the proper connections to the regime and thus could not avail of the regime's rescue funds (Bello et.al. 1982, 151). These businessmen showed their disapproval of the technocracy's blind loyalty to the policies of the IMF/WB group which led to the centralization and the streamlining of the local economy benefitting only foreign investors and not their local counterparts. All these have led to the elimination of small- and medium-scale industries and commercial industries in the country, as well as the foreign domination of the economy. This economic policy made these businessmen allies of the CPP and its supporters in the anti-dictatorship struggle, as they both resented crony capitalism and the adverse effects of the IMF/WB policies in the country. Their alliance was given impetus with the assassination of Marcos's chief opponent, ex-Senator Benigno "Ninoy" Aquino, in August 1983. This paved the path for the 1986 People Power Revolution in the country which saw the downfall of the Marcos dictatorship.

NGO DEVELOPMENT WORK AS AN ALTERNATIVE DEVELOPMENT PARADIGM

The 1986 People Power Revolution ushered in old as well as new dimensions to the nature of the development contestations which ensued during the pre-martial law and martial law periods. The NGO alternative development paradigm, which emerged during the martial law period, was pursued (for further details, please see Encarnacion 1988), and it harped on the need to bring development directly to the community through NGOs with the support of foreign assistance—i.e., not from IMF/WB but from foreign NGOs and even governments. Emphasis was placed on the establishment of self-reliant economies and not on the production of commodities for the world market, as exemplified in an export-oriented industrialization development paradigm. This economic endeavor was a source of people empowerment in the context of the repressive dictatorship. The local businessmen, now under a new political dispensation, did not want the corruption of the martial law era, which for them was a major source of economic underdevelopment. In terms of the economic policies, they were against the IMF/WB policies that favored big businesses and foreign investors, which for them were killing off small- and medium-size enterprises.

These development perspectives would pervade in a post-martial law context which continued to witness dominance of the old oligarchy and traditional political families during the Aquino (1986–1992) and Ramos administrations (1992–1998) (Park 2008, 126). Thus, the elites continued to dominate the Philippine economy. This domination was epitomized by powerful landowners preventing the establishment of an agrarian reform law. Although the Aquino government passed the Comprehensive Agrarian Reform Law (CARL) or Republic Act (RA) 6657, the majority of the peasant and farm workers' organizations rejected this. Thus, despite the fact that the president, during her electoral campaign and after coming to power, emphasized that the major redistribution of agricultural land was to be the cornerstone of her administration's economic policy, the government failed to pass an agrarian reform law that effectively and efficiently addressed the needs of the Filipino farmers. This failure, however, was also not a surprise, as the Aquino government's anti-people economic policies can only be explained by the domination of her cabinet as well as of Congress by policymakers who come from the conservative big business class,

political clans, and landowning elite. Thus, ever after the 1986 People Power revolution, 20 percent of the total population continued to own 80 percent of the country's agricultural lands (Almojuela 1992, 4). Furthermore, in terms of economic policies, there was not much difference with regard to the development policies that the Aquino government pursued, as compared to that of the martial law regime's. That is, Aquino continued to pursue the development prescriptions of the IMF and WB.

Such a situation heightened the debate within the CPP, whether to seek reforms in the system or to pursue the armed struggle. On the one hand, political change had indeed occurred with the ouster of the dictatorship. But on the other hand, the elites, which included Mrs. Aquino, continued to dominate Philippine society. This had an impact on the CPP debates on the role of development work carried by NGOs which are associated with the NDF movement. For a long time, development work was viewed as secondary to the armed struggle. There were, however, NDF mass organizations that believed that the socio-economic projects these organizations were setting up and implementing had a crucial role in the movement. More importantly, economic assistance should be channeled to these livelihood schemes rather than be used for buying arms. This debate together with other debates—e.g., whether to wage the struggle in the urban rather than the rural areas, and whether the rights of women, as well as those of the indigenous people's should not be treated as secondary to the armed struggle—brought the split in the CPP on 10 December 1992. The split was between the "reaffirmists" (RAs) and the "rejectionists" (RJs). The RAs were those who maintained that the CPP should continue to adhere to the orthodox Marxist-Leninist and Maoist principles that they had advocated from the early days of the CPP—e.g., the armed struggle—while the RJs were those who rejected this. The RJs argued that the country was presently enjoying a "democratic space" which was not there during the dictatorship's dark years. This paved the way for former CPP cadres involved in development work in nurturing relations with foreign NGOs to support such an effort.

THE FOSTERING OF NGO DEVELOPMENT WORK

This turn of events seems to also complement the thrust of foreign NGOs that believed that, with Marcos overthrown, now was the time

to focus on development work and it was into this where their financial assistance was to be channeled. NGO-to-NGO relations through development aid from foreign NGOs to local NGOs were also redefined with the end of the martial law period. There emerged the bias towards development work rather than funding for organizing the workers and the peasants. The reason for this was the perception that since democracy had been “restored” in the Philippines, development assistance should now be channeled for economic and development purposes rather than for political purposes—e.g., organizing the marginalized sectors of society. There were local NGOs, however, that did not agree with this and argued that there was still an important need to channel funds for organizing the workers and the peasants so as to empower them. Thus, Dutch NGOs such as CEBEMO, ICCO, and Nederlandse Organisatie voor Internationale Bijstand/Novib (Netherlands Organization for International Development Cooperation), which continued to be active in the Philippines during the post-martial law period, were geared towards this. A second strand was for foreign NGOs to channel funds directly to the popular Aquino government instead of through NGOs like during the martial law period. The reason for this was that the Aquino government, having risen to power through people’s power, “must be given all the assistance it needs to realize the aspirations of the revolution which she symbolized” (David 1988, 21).

CONFRONTING DEBT AND DEVELOPMENT

A major concern of the social movements was how the government can repudiate or declare a moratorium on the debt payments for the debts that were associated with the Marcos family. This was because the economy had not fully recovered and the burden of debt payments will certainly stymie the country’s development. The issue of the Marcos’s debts led to the rise of the Freedom from Debt Coalition (FDC). The FDC consisted of a broad coalition of political blocs that were identified with the Philippine Left (Ariate and Molmisa 2009, 31, 34). The FDC had three basic calls as the focus of its advocacy (ibid.).

1. “Implement a moratorium on foreign debt-service payments until acceptable capable terms based on the country’s capacity to pay are won in a new agreement;

2. “Disengage loans that did not benefit the people . . . ;
3. “Limit foreign debt-service payments to more than 10 percent of export earnings to enable the country to finance its economic recovery.”

Funding for the FDC came from, among others, the following NGOs: “Bread for the World, Bank Information Center, Canadian Catholic Organizations for Development and Peace, United Church of Canada, Christian Aid, Cordaid, Global Greengrants, Novib, Oxfam-GB, Oxfam-Hong Kong, Swiss Catholic Lenten Fund, Trocaire Primate’s World Relief and Development Fund, Helvetas, and 11.11.11 (Coalition of the Flemish North South Movement in Belgium—a pacifist group)” (ibid., 40–41).

Foreign funding enabled the FDC to contribute to the global discourse on freedom-from-debt advocacy, as its campaign against odious debt (earlier referred to as “tainted” loans) was supported by very specific examples, like the case of the Philippine Bataan Nuclear Plant (BNPP) (ibid., 46). The BNPP, a white elephant funded by multi-billion dollar loan from the US Eximbank, became the international symbol of the debt issue. The FDC and its international partners also took advantage of the multilateral financial institutions’ (MFIs) policies, such as the Heavily Indebted Poor Countries initiative to advance the debt-relief issue. It was instrumental in the formation of the Asia Pacific Movement on Debt and Development or the Jubilee South Asia-Pacific. One of its major objectives was “to bring together debt and development movements and organizations from Africa, Asia-Pacific and South America—the so-called global South” (ibid., 48). FDC was thus an example of a local NGO which had gone transnational in its advocacy campaigns as its major targets are the MFIs.

The post-martial law period therefore witnessed the continuation of the demand for agrarian reform and the need for development to reach the countryside through NGO development work, i.e., economic policies which addressed the marginalized sectors of society. A new development model of contestation also emerged with the issue of debt and (under)development because of the massive loans accumulated by the dictatorship that did not benefit the Filipino people. Such a development thrust also had its support from foreign funders.

THE CRITIQUE AGAINST THE NEO-LIBERAL DEVELOPMENT PARADIGM

Aside from the need from agrarian reform, Philippine social movements continued to confront liberalization as the country's major development paradigm. This issue of contention that emerged during the pre-martial law period and that pervaded during the martial law period, continued to dominate the post-martial law era. The era of globalization in the early 1990s, however, brought forth a new dimension into this model of contestation.

Neo-liberalism as a development paradigm, as advocated by the IMF/WB, was further strengthened in the Philippines. This paradigm, which placed emphasis on deregulation, privatization, and liberalization, attracted a broad spectrum in Philippine society.

This included government officials, the local business community, University of the Philippines economists, as well as NGOs (Tadem 2005, 93). Neo-liberals also became known as "free marketeers," whose admiration for the virtues of the market and EOI included criticism of crony capitalism. Unlike the martial law technocrats, the neo-liberal coalition of the 1990s advocated reducing the state's role in the economy. Known as "free marketeers," neo-liberals admired the virtues of the market and the EOI. As they are also known for their harsh criticism of crony capitalism, they advocated for reducing the state's role in the economy during the 1990s. A reason for this was they blamed the collapse of the Philippine economy to Marcos cronies who intervened in the market for the personal gain of a few (*ibid.*). The neo-liberal development paradigm is also perceived to perpetuate American hegemony through globalization. This perpetuation is done by multilateral institutions, e.g., the IMF, the WB, and the WTO, which are dominated by the United States and European countries.

CONTESTATIONS OVER PRIVATIZATION AS THE MODEL FOR DEVELOPMENT

This provided the ideological foundation for the push for privatization under the Ramos administration (1992–1998), an economic policy emanating from the government's advocacy for liberalization as seen during the pre-martial law and martial law periods. Although the impetus already came in the ouster of Marcos in February 1986,

with a study by academics advocating for privatization, the Aquino administration did not pursue this because the President refused to break up monopolies, except those identified with Marcos and his relatives. She protected her own family's monopoly of the telecommunications industry with the Cojuangco-controlled Philippine Long Distance Telephone Co. The study in general prescribed to limit government intervention in areas where it can do better. The major targets of the privatization efforts were in two valuable social services, i.e., the power and water sectors. Between these two sectors, the privatization of the energy sector has proved most costly.

The major advocates of energy privatization—i.e., the WB and the Asian Development Bank (ADB)—have both argued that this was needed due to the following factors: One was that state-run utilities have been unable to adequately expand access to electricity and ensure reliable supply. Another was that the state sector was finding it more difficult to meet the financing needs of new investments and maintenance (Malaluan 2003b, 9). Another justification for privatization was based on the belief in the efficiency of its logic. This was because technological developments and increase in market demand combine to diminish the natural monopoly character in certain aspects of the industry, particularly in power generation. The ADB and WB were one in concluding that the dominance of the sector by public sector monopolies for a long time has resulted in high costs, poor service, bad investment decisions, and lack of innovation (Malaluan 2003a).²

NGOs, however, argued against raising the following issues: One argument was that of private sector fundamentalism. Although they recognized the argument that privatization and deregulation could break up monopolies or cartels, lower prices, improve product efficiency, and mobilize investment, they also pointed out that the private-is-necessarily-better framework was too centered on commercial principles and marginalized non-economic but also important objectives. Moreover, they argued that history was replete with evidence of the efficacy of development planning, social regulation, and institutional intervention in achieving socio-economic goals. Another argument against privatization was that the Philippine experience has shown that replacing government with the private sector will not reduce corruption and rent-seeking, which has generally characterized public sector operations. An example of this was seen in the independent power producer (IPP) incident, wherein a report

made by the Philippine Center for Investigative Journalism (PCIJ) pointed out that then President Fidel Ramos “personally pushed for the speedy approval of some of the most expensive power deals and justified signing more contracts” despite warning of impending oversupply (cited in Avendaño 2003). Furthermore, “individuals linked to Ramos lobbied for the approval of some IPP contracts, which came with numerous other deals, including lucrative legal, technical, and financial consultancies that were given to individuals and companies close to the former president” (ibid.). Despite these arguments, RA 9136 or the Electric Power Industry Reform Act (EPIRA) was signed into law on 8 June 2001. EPIRA is the most comprehensive legislation mandating the full privatization of the electric power industry in the Philippines. This law provides for the vertical unbundling of the electric power industry into four sub-sectors: generation, transmission, distribution, and supply. Its two major elements are deregulation and privatization.

A validation of the criticisms of NGOs on the adverse effects of privatization was seen recently when the Manila Electric Co. (Meralco), the country’s biggest electric company, announced a price hike in late 2013 of P4.15 per kilowatt increase that would affect its 5.3 million customers. This drew public outrage, including government officials who were fearful of the political backlash this would cause. Even government realized that with the deregulation of the energy sector, it had no control of electricity price hikes. This prompted a Senator to announce that he would file a bill seeking to repeal the EPIRA of 2001, stating that the government reacts to the people’s plight but businessmen do not (Esguerra 2014a). No less than President Benigno Aquino has also warned that power firms who have passed on warranted additional costs to consumers will suffer from the consequences (Esguerra 2014b). Under the current Aquino administration, privatization is further given impetus in the form of privatization via public-private partnerships. “The major concern is such partnerships are now occupied by former executives of big corporations involved in electricity generation and distribution, water distribution, infrastructure, real estate and telecommunications” (Uy 2010).

CONTESTATIONS OVER THE WTO AND CHANGING TRADE RULES AND REGULATION

The other major bone of contention concerning development models in the country is the Philippines' accession into the WTO. Such a contestation, like privatization, is a spin-off from the debates which emanates from the policy of liberalization that pervaded during the pre-martial law and martial law periods.

The Philippines, compared to its neighbors Indonesia and Thailand, "carried out much earlier and more widely the policies of deregulation and privatization, especially those that related to agriculture" (Bernabe and Quinsaat 2009, 5). In 1994, in particular, the economists predicted the following benefits from the implementation of the Agreement on Agriculture (AoA) of which were the following (ibid., 10):

1. "Expansion of export markets for the Philippines as a result of trade liberalization;
2. "Greater consumer welfare as consumer prices were expected to go down due to increases competition; and
3. "Increased employment and livelihood opportunities in the rural sector."

None of these happened as the Philippines transformed from a net agricultural exporter to a net agricultural importer. Furthermore, developed countries continued to maintain high levels of unfair support for their agricultural producers (ibid., 12).

It was in this context whereby the Stop the New Round (SNR) Coalition was formed. The SNR is a "broad grouping of public interests groups and individuals that spearheaded a Philippine campaign against the launching of a new round of negotiations in the WTO" (Quinsaat 2009, 62). Focus was placed on the Fifth Ministerial Conference of the WTO in Cancun on 10–14 September 2003. The SNR members, especially the NGOs, have rich transnational ties, and its donor agencies have been involved in the transnational campaigns to address the adverse effects of privatization, deregulation, and liberalization in the South. These donor agencies include the following: Development and Peace, the official development agency of the Catholic Church in Canada, which has been implementing its advocacy of public control

of water for common good across North American since 2003; the Coalition of Flemish North-South Movement in Belgium, which supports NGOs working on the impact of policies of international financial institutions (IFIs) on the quality of public services, especially water and electricity, the consequences of agricultural trade liberalization, and the struggle for land reform of small peasant and indigenous peoples; and Oxfam Great Britain and Oxfam Novib, both of which are implementers of the global campaign Make Trade Fair, who call on governments, institutions, and multinational companies to change the rules so that trade can be part of the solution to poverty (Quinsaat 2009, 77, 78). Philippine social movements, therefore, are able to draw from the support of their counterparts in the First World in their advocacy against the WTO.

STRATEGIES OF CONTESTATIONS IN A PERIOD OF DEMOCRATIZATION AND GLOBALIZATION

The period of democratization and globalization have brought about various strategies of contestations which were not present during the martial law period. In the post-martial law period, the three areas of government—i.e., the executive, the legislative, and the judiciary—became key areas for social movements, civil society, and NGOs, among others, for advocating an alternative development model.

USING THE LEGISLATIVE ARENA

The anti-energy privatization campaign, for example, saw NGOs like the FDC building and strengthening their key allies in Congress. It was also through this arena where they sought to expose the power relations among the legislators and private interests in the energy sector. The intervention of public interest advocates in the privatization process picked up when Congress tackled the bill to restructure the power industry. FDC was a leading critical voice when the sponsors of the bill pushed its passage in the 11th Congress beginning in 1998. The FDC engaged the committee hearings by raising the injustice of passing the burden of the National Power Corporation (Napocor) debts and the onerous IPP contracts to the national government and consumers. After the ouster of President Joseph Estrada on 20

January 2001, the FDC and Action for Economic Reform engaged in the consultations conducted by the executive department and the bicameral conference committee, and worked closely with allies in Congress—e.g., Rep. Loretta Ann Rosales—to raise issues against the House and Senate versions of the bill.

For the movement against changing trade rules and regulations, the Philippine Congress was also used by farmers' organizations and civil-society groups in making "policymakers aware of the need to provide safety nets to the agricultural sector" (Bernabe and Quinsaas 2009, 23). These groups argued that these safety nets were needed due to the sector's unpreparedness to compete in the world market (*ibid.*).

PRESSURE ON THE EXECUTIVE BRANCH

For the executive branch, the immediate target of the groups was the Philippine president. FDC, for example, pressured then President Estrada to suspend further privatization programs pending its thorough review. They also sought to engage the executive of the Department of Energy (DoE) and Napocor, the key government agencies tasked with privatization in a debate on technical issues. NGOs also mobilized to pressure President Gloria Macapagal-Arroyo not to flip-flop on her original decision to study all possible options regarding the problems of Napocor and the electricity sector (Freedom from Debt Coalition [n.d.], 2).

In the case of the WTO, civil society has exerted pressure on the government bureaucracy for negotiations to be transparent and accountable. Civil society's criticism of the formulation of the Japan-Philippine Economic Partnership Agreement, for example, was focused on the absence of transparency regarding how the Department of Trade and Industry handled the bilateral agreement between the Philippines and Japan. This led to contentious debates in the Philippine Senate between civil society groups and government officials on issues such as Philippine sovereignty and environmental destruction among others, leading to month's delay in the ratification of the treaty.

THE SUPREME COURT

The recent Meralco electricity price hikes issue has led to the filing of petitions in the Supreme Court by party-list lawmakers and a group of electricity consumers and homeowners associations. The petitioners claimed that their constitutional right to due process was violated when the DoE and the Energy Regulatory Board allowed and approved the increases without conducting public hearings. (Aning 2014). On 23 December 2013, the Supreme Court issued a 60-day temporary restraining order on Meralco from collecting the P4.15 per kilowatt increase. In late December 2013, the Court “temporarily restrained Meralco from collecting the price increases. The Alliance of Concerned Teachers (ACT), called the Meralco increase as resulting from the collusion of power generation firms” (Esguerra 2014a).

CIVIL SOCIETY COLLABORATION WITH “REFORMIST” TECHNOCRATS

The collaboration of civil and society and government “reformists-minded” technocrats was witnessed during the advent of democratization and globalization. As noted, the WTO AoA chief negotiator and Department of Agriculture (DA) Undersecretary Segfredo Serrano collaborated with civil society groups in the formulation of the country’s negotiating position. What brought them together was their fight against “the developed countries’ policies of limiting market access for the produce of developing countries and the subsidies they provide for the produce of their domestic market” (Tadem 2009, 46).

This concern facilitated the creation of the Task Force on WTO Agreement on Agriculture (TF-WAAR). This Task Force was organized in September 1998 by then-DA Secretary William Dar through a special order. TF-WAAR (which later on became TF-WAR) in 2001, is a multisectoral consultative bod. It is composed of twenty-eight representatives from state institutions and agencies who have a key participation in trade policymaking and stakeholders.³ Its main responsibility is to consider, develop, evaluate, and recommend Philippine negotiating positions and strategies on agriculture (ibid., 48).

“The participation of the TF-WAR was further enhanced when the DA, hoping to augment the technical skills they have already possessed, actively sought their expertise in negotiations” (ibid., 51). Civil society, through the TF-Core Group, was able to frame “the Philippine concerns in a manner that the members of the coalition blocs in the Group of 20 (G20⁴) Developing Countries and the Alliance on Strategic Products and the Special Safeguard Mechanism (more popularly known as the G33⁵) could identify with” (ibid., 52).

LOCAL NETWORKING AND ALLIANCE BUILDING

In all these undertakings, importance is placed on the need to form networks, alliances, as well as coalitions at the local, regional, and international levels to challenge the proponents of the neo-liberal development paradigm. Networking and alliance-building is not only limited to NGOs and legislators, but also extends to affected sectors of the community and other sympathetic individuals and groups. This has made possible, for example, the mobilization of constituencies, networks, and allies both for material and manpower support in the campaigns against the power reform bill (Freedom from Debt Coalition [n.d.], 2). As for the alliance against the AoA, the “negative impact of liberalization on the livelihood of many small producers created a broad spectrum of organization and networks lobbying against liberalization” (Bernabe and Quinsaat 2009, 23). An example of this is the *Alyansa Agrikultura* (Agricultural Alliance)—a coalition of agricultural producers, which includes vegetable growers, livestock and poultry raisers, crop farmers, etc.—which has lobbied the government to address, among other things, the problem of excessive importation (ibid.).

INTERNATIONAL NETWORKING AND ALLIANCES

As for international alliances, this is best seen in the bigger rubric of the anti-globalization movement challenging the neo-liberal ideology with emphasis on liberalization, privatization, and unhindered market competition. The SNR, for example, has linked up with the Our World Is Not for Sale (OWINFS) transnational movement. Both the SNR and the OWINFS share a commitment “to prevent another unjust

round of WTO agreements” (Quinsaat 2009, 77). The OWINFS is an “all loose grouping of organizations and activists worldwide that grew out of the international campaigns against the Multilateral Agreement on Investment (MAI) and the WTO. Acting as a ‘hub’, the OWINFS coordinates exchange of information and analysis, and links initiatives of country-based campaigns of social movements and NGOs to make international strategies against the WTO and trade liberalization more effective” (ibid., 77). The SNR is also an example of “an event-based coalition that was the result of an active and consultative process of formulating a strategy of the WTO undertaken in the transnational public sphere and that gained footing in as it adapted to Philippine conditions” (ibid., 62). Headway was made with the collapse of the Cancun ministerial meeting. This highlighted the “crisis within the multilateral trade organization, brought mainly by the difference in position of developed and developing countries” (Bernabe and Quinsaat 2009, 28). The anti-globalization alliances also carry with it issues which concerns the liberation of women, the preservation of the environment, and the rights of workers.

As for regional networking, it was also only recently that the Association of Southeast Asian Nations (ASEAN) was considered the site of regional networking and alliances by Philippine and other NGOs and other civil society players. As noted by Nesadurai (2012, 167), “many CSOs [civil society organizations] had not tried very hard to engage ASEAN before the 1997–8 Asian Financial Crisis. Instead they directed their advocacy work towards the more powerful multilateral organizations, whose neo-liberal rules and programs were seen as more likely to undermine people’s well-being, rather than a weakly institutionalized ASEAN with little in the way of binding regional rules and programmes that could pose a threat.” Moreover,

CSOs targeted their advocacy towards the Asian Pacific Economic Cooperation and Asia Europe Meeting which were seen as champions of neo-liberal economic governance. However, CSOs began to view ASEAN in a different light from the late 1990s and especially following ASEAN’s announcement in 2003 of its ASEAN Community project, which envisaged a deepening of regional integration first began under the ASEAN Free Trade Area. (ibid., 166)

PROTEST ACTIONS AT THE NATIONAL, REGIONAL AND INTERNATIONAL LEVELS

The campaign against the neo-liberal development paradigm has also been waged through protest actions at the national, regional, and international levels. Philippine social movements, for example, have joined hands with other social movements in participating, as well as following, the Battle of Seattle demonstrations in 1999, with “their own protests against the principal agents of globalization—the IMF, the WB, the WTO, and the Asian Development Bank” (Tadem and Tadem 2003, 168). In the cases of the anti-privatization movement, NGOs have targeted the annual governor’s meetings of the ADB. One of the biggest protest actions against the ADB, in which participated NGOs denouncing the Bank’s neo-liberal policies such as privatization, was the ADB’s 33rd annual conference in Chiang Mai in May 2000. Among those who spearheaded this protest were the following: the Asian NGO Coalition, which was formed in 1988 and has systematically questioned ADB policies in the region; the Environmental Policy Institute (now referred to as Friends of the Earth US); and the NGO Forum on the ADB.

CHALLENGES TO CONFRONT

Despite incremental gains in their strategies of contestations, social movements continue to confront formidable challenges in their quest to highlight the adverse impact of the development models propagated by the Philippine government as supported by the IFIs. These include the following:

THE DOMINANCE OF THE POLITICO-ECONOMIC ELITES

The current controversy on the price hike on electricity brings to light again vested interests that continue to hound the privatization process in the Philippines. Evidence shows that that privatization of the energy sector has not reduced corruption and rent-seeking that has characterized public sector operations. Such a situation can only be explained because of the dominance in the private sector of politico-

economic elites who are able to use their clout to attain their interests. Such was the manner in which the law that created EPIRA evolved in Congress. A special report by the Philippine Daily Inquirer in 1998 identified Eduardo C. Cojuangco, Geronimo Velasco, and William Gatchalian as being interested in the privatization of the National Power Corporation's (NPC) or NAPOCOR generation assets. These groups had their respective links to Malacanang appointees in the NPC Board then (Malaluan 2003b, 16). Connections in Congress and the Executive by politico-economic elites have allowed these power groups to exert considerable influence. Meralco, the electric company which had monopoly of the sector before the EPIRA, and its affiliates continue to exercise strong influence on the legislative process, which permeates key provisions of the EPIRA (IBON Facts and Figures 2002, 14).

Such a situation links with the issue of participatory policies in the Philippines. Aside from the weight of the politico-economic elites, it is inherently tough work to mobilize around public interest issues given the resource constraints of public interest advocates and the political and ideological differences among them that limit coalition building. Blame is also placed on the more structural character of the Philippine state.

As noted by Hutchcroft (1998, 13), access to the state apparatus "has been the major avenue to private accumulation as the quest for 'rent-seeking' opportunities brings a stampede of elites and would-be favored elites to the gates of Malacanang Palace." Hutchcroft (*ibid.*, 11) refers to this as booty capitalism whereby "the Philippine development quagmire can be traced in large degree to the endurance of a predatory oligarchy and a patrimonial state."

The dominance of the politico-economic elites also explains why a genuine agrarian reform program in the country has not been pursued. As noted by 2003 Ramon Magsaysay awardee and journalist Sheila Coronel, "since the 1950s, land reform has been viewed as the key to rural productivity and national prosperity. But reform has been repeatedly blocked by elite-controlled legislatures or by presidents who owe their office to landlord patrons" (quoted in Donmakles [pseud.] 2011). This is very much epitomized by the exemption by the Corazon Cojuangco Aquino administration's CARL of the Cojuangco family's Hacienda Luisita from agrarian reform under the stock option to the farmer clause (Tadem and Tigno 2006). For the moment, "Hacienda Luisita farmers are divided over a compromise deal with Hacienda

Luisita Incorporated (HLI) on how to distribute the land. Farmers have been given the option to get the land or shares of stocks in the hacienda” (Howard 2010). Critiques of the stock option scheme claim that the 6,000 farmers have been forced to sign the compromise settlement deal that gave them the option to either get farm lots in the 6,453-hectare plantation, or retain their stocks in the corporation (*ABS-CBN News* 2010). The Alyansa ng mga Manggagawang Bukid sa Hacienda (Alliance of Farmers Working in Haciendas) and the Unyon ng mga Manggagawa sa Agrikultura (Union of Agricultural Workers) have also called the land distribution in the Hacienda Luisita as a sham. Among the 10 reasons they gave was the “exclusion of hundreds of agricultural land from distribution” and “the exclusion of a number of bona fide farm workers in the final master list of beneficiaries, and the underhanded insertion of names of unqualified ones” (*Philippine Daily Inquirer* 2014).

THE HEGEMONY OF THE NEO-LIBERAL DEVELOPMENT PARADIGM

Another major challenge is the neo-liberal development paradigm model which has continued to persist despite the 1997 Asian financial crisis and the 2008 global economic crisis, which are testimonies of the failure of such a paradigm regionally and globally. This model was given further impetus with the Philippine economy’s expansion in the first quarter of 2013 to 7.8 percent, making the Philippine economy the fastest-growing in Asia and the poster-child of the IFIs (Remo 2013). Such an impressive growth rate for economists is attributed to the remittances of 11 million Overseas Filipino Workers (OFWs) bringing in a revenue of US\$21 billion a year in 2013. For 2014, OFW remittances are estimated to rise by 5 percent to a record high of US\$22.5 billion. The other major sources of the growth rate are the Business Processing Operations or call centers (Montecillo 2014). The focus has been on the service sector. “The reliance of the government on OFW remittances and call centers, however, has brought down the number of industries in the country from about 200 in 1970s to around 10 now” (Uy 2010).

Despite this impressive growth rate though, the Philippines has one of the highest poverty rates among emerging Asian economies. The poverty incidence stood at 27.9 percent as of the first semester,

unchanged from the 28.6 percent in 2009 (Remo 2013). Furthermore, glaring socio-economic inequalities in the country continues to be unabated. The National Statistics Census Board noted that in terms of the income distribution, 20 percent of the population (or the poorest segment) accounted for only 6 percent of the total national income, while the upper 20 percent accounted for nearly 50 percent (*Philippine Daily Inquirer* 2013a). “Liberalization has continued to be criticized for failing to resolve the fundamental problem—the growing gap between a small, wealthy elite and the majority poor, both within the Philippines and internationally” (Yap 2007). This has been noted by the Economic Planning Secretary Arsenio Balisacan, who admitted that the biggest continuing challenge to the Aquino administration is for this to benefit the majority of the Filipinos, and that the only way for growth to be inclusive is for poverty to be structurally addressed and the huge income inequality narrowed (quoted in *Philippine Daily Inquirer* 2013b).

The insulation of the technocrats in their policy-making efforts has been reinforced by the dominance of the neo-liberal paradigm. This is because its main propagators, the WB and the IMF have continued their alliance with the country’s technocrats and in the process have shielded them from domestic political pressure (Tadem 2009, 41). This is particularly seen in the difficulty of the FDC in getting the government to declare a debt moratorium on a debt which the Philippines has already paid so many times over. As Akbayanparty-list representative Walden Bello pointed out, the need to fully service the foreign debt has led to the imposition of a 12-percent value-added tax (quoted in Uy 2010).

THE WEAKNESS OF THE PHILIPPINE LEFT MOVEMENT

The failure to successfully put forward an alternative development paradigm is also blamed on the weakness of the Philippine left movement. This has been attributed to the following factors: One is the split in the left movement, which prevents the movement from presenting a united front against the dominance of the politico-economic elites. Second is that the CPP-NPA-NDF continues to maintain their traditional armed insurgency strategy in the post-Marcos era, which has turned away potential supporters to their cause. This is because such a strategy

has been quite radical and uncompromising, and continues to rely mainly on violent and military measures for revolutionary causes. This has enabled the traditional political elites and the military, which are considered as the two most prominent ultra-conservative forces, to use it “as a pretext for justifying the status quo and defending their vested interests” (Park 2008, 129). A third reason is that the politico-economic elites have undermined the electoral efforts of the left movement, as seen in the party-list system of representation. The party-list system of representation was instituted in the 1987 Philippine Constitution to allow for members of the marginalized sectors to be represented in Congress. Six percent of the votes cast for the party-list system gives the party three seats, the most number of seats a party-list party could get. Four percent of the votes on the other hand gives a total of four seats, while 2 percent of the votes is equal to two seats. Although initially the politico-economic elites supported left parties in the party list system, through the years, they began to run their own parties in the party-list system. This has led left movement members to ally with traditional politicians to win in the party-list system. A result of this alliance is a compromise of their advocacies. This was seen when the Agrarian Rural Concern (ARC), a party-list party identified with the Philippine Ecumenical Action for Community Empowerment, an NGO identified with the RJ-faction which allegedly believes in urban armed struggle, forged a tie-up with Senator Miriam Defensor-Santiago, a traditional politician, whose support ARC received in exchange for Santiago’s son being the no. 1 party-list candidate of the ARC. Such a move brought forth a split in the NGO. A fourth reason is that members of the left have also cast their support on traditional politicians to gain a foothold in national politics. During the 2010 May presidential elections, Bayan Muna, a party-list party identified with the CPP-NPA-NDF, cast its support for the presidential candidate of Manny Villar. As for the left RJ-identified party-list parties of Akbayan and Sanlakas, they supported the presidential candidacies of Simeon Benigno Aquino and Joseph Estrada, respectively. Akbayanis now in power because of the victory of Aquino. But the problem is that there seems to be no distinction between their development agenda with the neo-liberal development agenda of the current Aquino administration. Moreover, their recruitment into the government bureaucracy is mainly because of their personal ties with the president, and they do not bring with them their party agenda or program, if it has one at all. Thus, the relationship becomes one of patronage and cooptation by the traditional elites of left party politics.

Reid (2008, 23–25) has referred to such a relationship as one of semi-clientelism in describing NGO activists who were recruited into the Estrada and Macapagal-Arroyo administrations. In the former, one had Horacio “Boy” Morales, leader of the popular democrats, for example, as Secretary of Agrarian Reform, and in the latter, Corazon “Dinky” Soliman as Secretary of Social Work and Development. Soliman is identified as one of the foremost leaders of the social democrats. As Reid noted, the need of Estrada and Macapagal-Arroyo for these NGO activists was to put a “face” in their administrations which was pro-poor. What surfaces is a “consistent trend toward pragmatism and seeking dubious and even opportunistic alliances become apparent” (ibid.).

Another concern with the reformist activities of NGO players is exemplified by Gawad Kalinga, which is a “highly successful provider of housing to the poor” (Pinches 2010, 304) and is viewed as a “vehicle for tangible intervention in the arena of need and political struggle, and . . . a discourse of class construction, through which middle class actors connect, but command and distance themselves from the *masa*” (ibid., 306).

Like the charismatic movement El Shaddai, “modernist transformation and upward mobility are achieved without regard to the structures of social and political inequality addressed by the less-celebrated less well-funded left middle class activists” (ibid.).

CONCLUSION

This paper has thus shown the nature, as well as evolution, of the contestations over development models in the Philippines. A basic bone of contention since the pre-martial law period and up to the present is a clamor for genuine agrarian reform program to address poverty, underdevelopment, and glaring socio-economic inequalities. Up to the present, this has not yet been attained, given the dominance of the landed politico-economic elites in the country—with no less than the current President Benigno Aquino himself and his democracy icon mother former President Corazon C. Aquino coming from one of the most prominent landed classes in the family, i.e., the Cojuangcos and Aquinos of Tarlac. Such a status quo has spawned two communist movements, the PKP in the 1950s, and the CPP-NPA-NDF in the 1970s which have continued to challenge this travesty.

Such a situation was further aggravated when the Philippines pursued the IMF/WB Bank prescription for development in the 1970s, of an export-oriented industrialization (EOI) development thrust and liberalization favoring foreign investors and capital. This went against the economic policies of a faction of the elites, which advocated for a nationalist industrialization through an import-substitution industrialization. During the martial law period, the EOI policy won out, and together with this was the opening up of the economy to foreign investors and MNCs, particularly in the agricultural sector. This witnessed the displacement of hundreds of communities to pave the way for local and MNCs agricultural joint ventures. To address the growing poverty in the countryside, development NGOs connected with the left movement that emerged with financial support from foreign governments and NGOs, to institute livelihood projects to develop self-reliant communities. The reality, however, was NGO development work could not be separated from the political, i.e., the anti-dictatorship movement. As for the local business community, resentment was placed on the perpetuation of the economic interests of the Marcos cronies, particularly in the major export industries of sugar and coconut, as well as with the incentives being given to foreign capital as advocated by the government's adopting the IMF/WB policy of liberalization.

With the downfall of the dictatorship in 1986, members of the left continued to pursue NGO development work with the help of foreign government and NGO donors to address poverty in the countryside. Related to this continuation were the cooperative experiments of prominent former leaders of the CPP-NPA-NDF. This was to bring forth development to the countryside or the marginalized peoples of Philippine society. But the dominant development paradigm continued to be the IMF/WB's development prescription of liberalization, this time coupled with the push for privatization and the strengthening of the market economy as opposed to a state-led development strategy. The major criticism, however, on this was the failure of IMF/WB policies during the martial law period, which left the country with millions of dollars of debt. This gave birth to the FDC, a broad coalition of left political blocs demanding the following: (1) selective repudiation on debt, (2) a 10-percent debt cap, and/or (3) a moratorium on debt payments to allow for the country to develop. As the targets were the IFIs, the FDC was a local movement which became transnational and

was eventually supported by foreign governments and NGOs. The dominance of the neoliberal paradigm also placed focus on the social movements' campaign against privatization particularly in the social service sectors, i.e., energy and water. Among the arguments were that privatization does not necessarily mean more efficiency, and, in fact, the experience shows that it has been characterized by corruption and rent-seeking. The other major development bone of contestation was the Philippines' accession to the WTO despite unfair international trade rules and regulations. This gave birth to the SNR coalition, a broad coalition of NGOs, social movements, and civil society players among others, which was inspired by transnational social movements in the anti-globalization struggle. The movement, which was supported by foreign NGO donors, campaigned against the launching of a new round of negotiations in the WTO, with focus on the Fifth Ministerial Conference of the WTO in Cancun in 2003.

The era of globalization also witnessed a variety of strategies used by social movements to contest the dominant development models. The democratization period enabled the social movements to make use of the executive, legislature, and the judiciary as arenas where they could bring forth their contestations of their issues and concerns against the neo-liberal development paradigm. One also witnessed the collaboration of civil society players with "reformist" technocrats in the bureaucracy in coming up with a Philippine negotiating policy on the WTO AoA, which pitted the developing states vs. the developed states. The strength of the social movements drew from local and transnational alliances, networking, and coalitions. A major form has been through protest actions at the national, regional, and international levels. Their efforts were given impetus with the 1997 Asian financial crisis and the 2008 global economic crisis, testimonies of the failure of the neoliberal development paradigm.

Arduous challenges, however, remain. These include mainly the continuing dominance of the politico-economic landed elites that have continuously blocked the implementation of an agrarian reform program and that have continually engaged in corruption and rent-seeking in economic policies such as privatization. Secondly, is the continuing dominance of the neo-liberal development paradigm and the consequent insulation of technocratic policy-making from public pressures and intervention. And lastly, the weakness of the left movement to provide a feasible alternative development paradigm

This has been mainly attributed to the split in the left movement; the dominance of the politico-economic elites in electoral politics in particular, undermining left movement's efforts in the party-list system of representation; and, lastly, the cooptation of social movement players by traditional politicians.

NOTES

- 1 This article is a revision of the paper entitled, "Contemporary Contestations over Models of Economic Development: The Philippine Experience," which was presented at the WP4: National and Transnational Exchange of Information: New Models of Development and Conservation in Southeast Asia, Programme on Integration in Southeast Asia Trajectories of Inclusion, Dynamics of Exclusion (SEATIDE), EFEO Centre, Chiang Mai, Thailand, 13 February 2014. The author wishes to thank the two anonymous reviewers for their comments and suggestions, but she bears the responsibility for all the views expressed here.
- 2 Nepomuceno A. Malaluan is a senior trustee and policy analyst of the Action for Economic Reform (AER).
- 3 Its members include Coffee Foundation of the Philippines, the Federation of Free Farmers, National Federation of Hog Farmers Inc., Philippine Association of Meat Processors Inc., Philippine Institute for Rural Development Studies, and the Philippine Sugar Millers Association. TF-WAR members from the private sector include the Philippine Chamber of Food Manufacturers, National Onion Growers Cooperative, Philippine Association of Hog Raisers Inc., Sanduguan, Pambansang Kilusan ng mga Samahang Magsasaka, Caucus of Development NGOs, and Philippine Business for Social Progress.
- 4 The G20 is composed of Argentina, Bolivia, Brazil, Chile, China, Cuba, Ecuador, Egypt, Guatemala, India, Indonesia, Kenya, Mexico, Nigeria, Pakistan, Paraguay, Peru, Philippines, South Africa, Tanzania, Thailand, Uruguay, Venezuela, and Zimbabwe.
- 5 G33's agenda is for developing countries to be allowed to self-designate certain strategic products that would not be subjected to tariff reductions or new commitments and to institute a special safeguard mechanism to protect their domestic markets. Its members are Antigua and Barbuda, Barbados, Belize, Benin, Bolivia, Botswana, China, Cote d'Ivoire, Congo, Cuba, Dominican Republic, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, India, Indonesia, Jamaica, Kenya, Korea, Madagascar, Mauritius, Mongolia, Mozambique, Nicaragua, Nigeria, Pakistan, Panama, Peru Philippines, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Senegal, Sri Lanka, Suriname, Tanzania, Trinidad and Tobago, Turkey, Uganda, Venezuela, Zambia, and Zimbabwe.

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