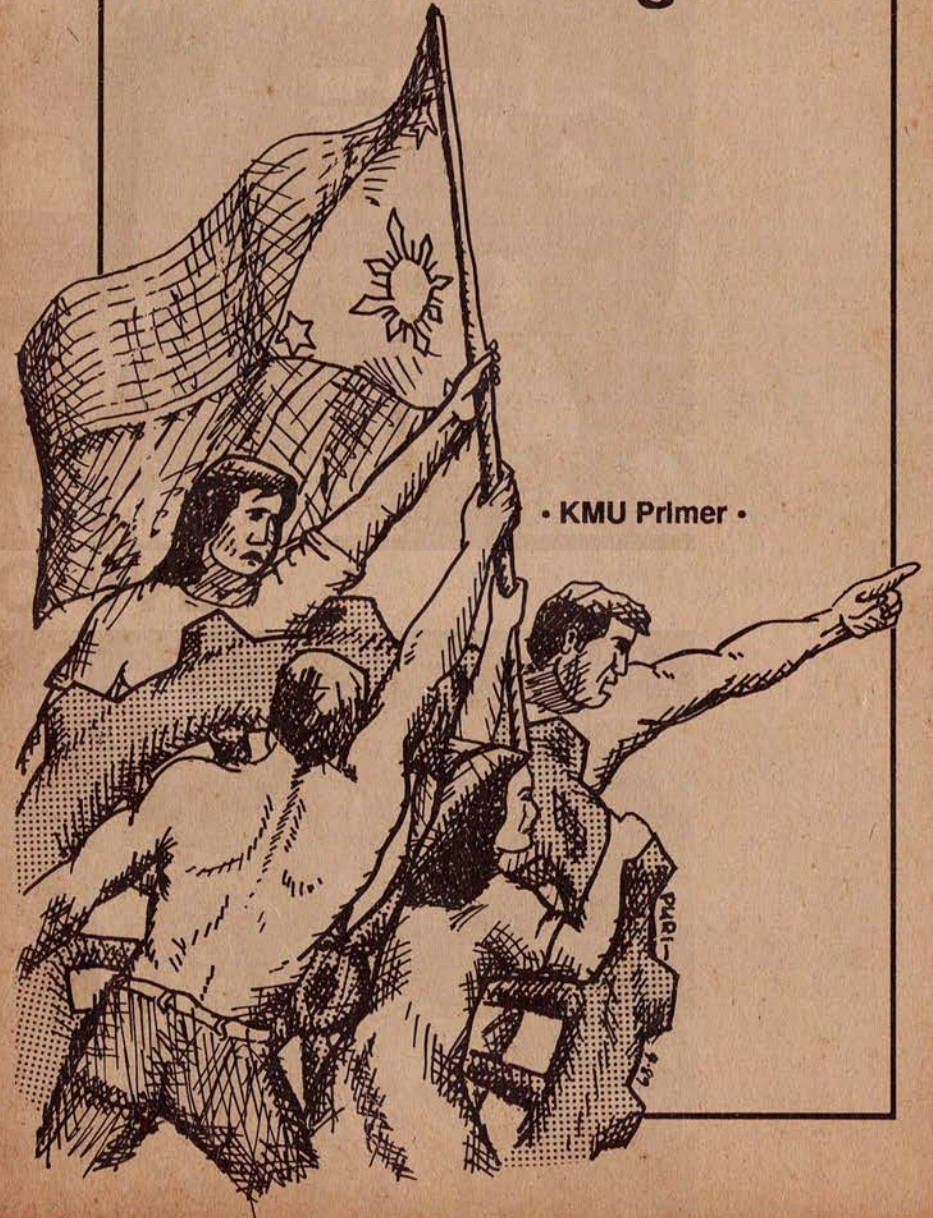


*Workers' alternative:*

# The National Democratic Agenda



• KMU Primer •

PHILIPPINE  
LABOR





# KILUSANG MAYO UNO

(MAY FIRST MOVEMENT LABOR CENTER)

## Introduction



The Kilusang Mayo Uno has come a long way from its inception in 1980. By being in the forefront of the genuine trade union movement as well as the people's national democratic struggle, the KMU continues to live up to the militant and nationalist traditions of the first Filipino trade unions which fought against American colonialism and elitist society.

The KMU has gained the leadership and dominance over organized labor in the Philippines during its nine years of existence as a labor center. The banner of genuine trade unionism now leads workers in almost all the vital industries and other sectors previously unorganized.

Through our unrelentless drive to correct the miseducation brought about by centuries of foreign domination and our experience in years of determined struggle, the workers have attained an unprecedented level of class consciousness. Trade union struggle is no longer just bargaining for rice and fish with management, nor protest actions opposing the unjust social structure that perpetuates poverty and exploitation of the working class.

The time has come for the workers to emphasize a better alternative to which the people shall struggle for. That alternative must be the standard by which we shall oppose the present system championed by the Aquino regime.

The workers' national democratic agenda shall be that alternative. From this agenda the KMU shall launch the next logical phase of the workers' struggle, that of waging national democratic trade unionism.

It is for the purpose of introducing the national democratic agenda that this primer was conceptualized and written. We hope that through this primer our supporters and friends from the international trade community as well as observers of Philippine trade union movement could take a better perspective and familiarize themselves with the alternative agenda of KMU's struggle.

**Crispin Beltran**  
*Chairperson*

## I. Questions on the Philippine Society.

### 1. What is the basic outline of the Philippine society?

The Philippine society is basically characterized by a neo-colonial and semi-feudal system. A social structure in which the abundant human and natural resources of the Philippines are at the hands of the numerically few but powerful elite in collusion with foreign big business and the United States. This elite ruling class is composed of local big business and the landowning gentry. While the vast majority of Filipinos, at the lowest rung of the social pyramid, mainly the workers and peasants enjoys but the smallest fraction of the national wealth, and the least voice in the governance of the land.

American domination over the country's economic, political, and cultural fields have never loosened since the US government "granted" independence to the Philippines in 1946, and a semblance of sovereignty is formally in place.

Local big business in partnership or tie ups with foreign investors hold sway over the import-dependent and export oriented industries. These capitalists composed mainly of few families in interlocking corporations control vast interests in vital industries left to Filipinos.

On the other hand, rich arable lands are mainly owned by landlords and vast plantations are controlled by foreign agro-industrial companies. Most agricultural lands are leased out to tenants who pay a major fraction of the farm's income to the landlord.

### 2. How does the neo-colonial relation with the United States dominates the Filipino people?

The US indirectly rules over the country by backing, influencing and/or controlling the ruling class, who in turn, controls the state which chart the Filipinos' economic, political and cultural course.

By using the US-dominated WB-IMF, to which the country owes much of its US\$ 30 B foreign debt, the American government and monopoly capitalists impose onerous economic programs which cater to foreign interests than to Filipinos. This program opens-up and fine-tunes the country to the international capitalist order.

The WB-IMF builds up the Philippines as a haven for cheap, abundant labor for foreign investment, a rich source of natural resources such as copper, gold, and iron, and a reliable backyard plantation of Western essentials such as sugar, fruits, and marine products. While at the same time, through the import liberalization program, a rich and convenient dumping ground of Western surplus products.

Through the WB-IMF imposed policy of opening up the economy to foreign investment, transnational corporations (TNCs) control or exert decisive influence over vital industries and important agri-business. Although taking in a small amount of capital, these TNCs earn huge amount



of profit which in turn they repatriate to their mother companies based in Western countries.

Through mutual defense treaties, bilateral and multilateral agreements, the Philippines have become an American stooge in the Asia-Pacific region. Philippine administrations from past up to the present Aquino government have faithfully adhered to US policies, primary among these is the continued stay of American bases in Olongapo City and Angeles City in Central Luzon.

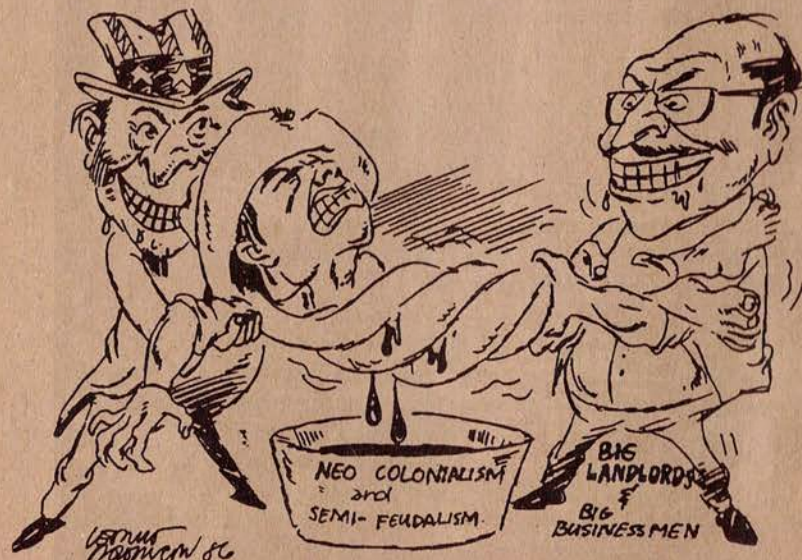
These US military facilities, the largest American base outside of its territory, fundamentally violates Philippine sovereignty and ties the country to the aggressive US policies in the Asia-Pacific region. The base, in addition, exercise a coercive presence over the country.

Through its huge military support in terms of logistics and military advice, the US exercises a vast influence over the Philippine armed forces. Since the downfall of the Marcos dictatorship, the US controlled military establishment has played a greater and more visible role over the civil government.

### 3. How does the semifeudal system in the countryside contribute to the oppression and poverty of the Filipinos?

The Philippines is mainly an agrarian country where the agricultural sector comprise the bulk of production, exports, and workforce requirement of the country.

This age-old agrarian situation is characterized by: monopolization



of land ownership by landlords; the exploitative feudal landlord-tenant relation; and the prevailing backward agricultural process dominant in the rural area.

A large part of agricultural lands in the country is owned by big landlords, businessmen and TNCs. Forty eight per cent of total agricultural lands are owned by a few landlord families like the Cojuangcos, Aquinos, Marcoses and others. On the other hand, 6.3 million or about 2/3 of the 10 million labor force in the agricultural sector do not own the land they till or are seasonal farm workers.

Feudal and exploitative practices like excessive land rent, usury, and slave-like work conditions continue to prevail.

While agricultural technology remains at the backward level with most of farm implements and techniques remained untouched by modernization. Farm incomes which should have been spent on upgrading agricultural process goes directly to the pockets of landlords who in turn spend money on luxuries and non-productive expenses.

This semi-feudal economic system fits well with the neo-colonial domination of the US over the country. Philippine agricultural sector guarantees a steady supply of farm products like sugar, copra, banana, and dessicated coconut into the Western countries.

With poverty and small chances of getting a tolerable living in the countryside, a steady supply of army of unemployed serve as inexhaustible pool of labor for industries in the rural and urban areas. With this glut of labor, employers can afford to pay lower wages to laborers and save on labor cost.

The Aquino government, like its predecessors, have formulated a sham agrarian reform program to lure the people into believing that the feudal problem is being resolved without endangering the landlords' control of the lands. This program protects large agricultural plantations owned by the TNCs and landlords by exempting it from redistribution in lieu of token stock distribution, and other loopholes that would hardly disturb the semi-feudal set-up in the countryside.

### 4. Why do we say that the Aquino regime is a government of the landlords and big business?

Since the Aquino government took power during the February Uprising waged and sustained by the people against the Marcos dictatorship, its promise of social reform and a government sympathetic to the plight of the poor have largely come to naught.

These promises of reform turned out to be the return of elite democracy prevalent before the Marcos dictatorship's declaration of Martial Law in 1972. The Congress was reinstituted and a new Constitution was drafted and approved.

The so-called reforms was nothing but a facade that hides the Aquino regime's efforts to preserve the neo-colonial and semi-feudal social structure. No real attempts had been made by the regime to overhaul this



system, although the workers and the peasant masses have relentlessly called and moved for the alleviation of poverty and exploitation that that social structure has perpetuated.

Members of the bicameral Congress was elected in 1987 and by the first months of the following year local officials were sworn into office. At first glance, these series of elections and the establishment of formal democratic institutions maybe construed as the emergence of democracy in the country. However, deeper examination will reveal that those elected were mainly members of the ruling classes who can afford to fight for seats in the government through guns, goons, and vote buying.

As a result of this elite democratic system, the Congress was overwhelmingly controlled by the landlords and big business who were too conservative to effect change in the social structure. This same conservative tendency manifested in the entire administration.

Worst, the regime, controlled and ran by Aquino's faction of the ruling class, became the willing stooge of the US government and monopoly capital in imposing the American interventionist policies in the Philippines and Asia-Pacific region. In curbing the upsurge of the people's national democratic movement, the US-designed Low Intensity Conflict (LIC) is being savagely waged by the regime against the people.

This LIC mainly waged through the Armed forces of the Philippines and numerous right wing para-military groups and death squads, is aimed at destroying the people's movement for change and cowing the people into total submission to the whims of the Aquino regime. Trade union leaders, organizers and members who were killed, kidnapped, tortured, or involuntarily disappeared were victims of this total war policy.

## **II. Questions on the national democratic agenda.**

### **1. What is the national democratic agenda?**

The national democratic agenda is a draft program drawn up and being presented by the workers as an alternative to the neo-colonial and semi-feudal social system being championed by the Aquino regime. This alternative aims to achieve the people's nationalist and democratic aspirations from the bondage of exploitation, poverty and repression of the present dispensation.

The workers' agenda has six main points:

- i. The implementation of genuine national industrialization program;
- ii. The implementation of a genuine agrarian reform program;
- iii. The dismantling of US military bases in the Philippines;
- iv. The dismantling of foreign control and domination over the country;
- v. The reorientation of the armed forces as a people's army;
- vi. The establishment of a people's democratic coalition government.

### **2. Why do we call it an "alternative"?**

The workers' national democratic agenda is an alternative to President Aquino's program of government because it presents a counter program that upholds the interest of the workers and the people over the interest of big business and big landlords.

The workers' agenda has two main components: nationalism and democracy. The first component shall complete the people's struggle for national independence from the present US-dominated and controlled socio-political system. The second calls for the democratization of this economic and political system from elite control and manipulation.

In essence, the national democratic agenda is an alternative that shall break the neo-colonial and semi-feudal structure of the Philippine society.

### **3. What is genuine national industrialization? How does it differ from the Aquino regime's economic program?**

The agenda's first pillar of economic democratization is the implementation of a genuine national industrialization program. This program shall run counter to the Aquino regime's policy of maintaining the country to being a backward agrarian economy, whose industry is devoted solely to producing and assembling the most labor-intensive and hazardous part of the TNC's international division of labor.

To embark on a genuine national industrialization program is the only way for the Philippines out of agrarian backwardness. The extraction of the country's natural resources and the huge army of the unemployed displaced from the agrarian economy shall be harnessed to industries that shall produce basic metals, basic chemicals, capital goods, precision instruments and the like.

Light industries and manufacturing for immediate consumption needs of the people must be expanded as rapidly as possible. Heavy industrialization is necessary, but overconcentration of scarce investment of the country must be avoided.

The present import-dependent industries must be made to rely on Philippine industries for capital and intermediate equipments and raw materials. After taking into account the needs of the people, surpluses in agricultural and industrial production shall be exported in exchange for essential capital and consumer goods. The main thrust is to acquire capital goods that shall enhance the industrialization process.

### **4. What industries will be nationalized? What industries will be left to the private sector?**

Central to the genuine industrialization program is the nationalization of strategic and vital industries like banking and finance, trading, petroleum and energy, steel, mines, public utilities, drugs and pharmaceu-

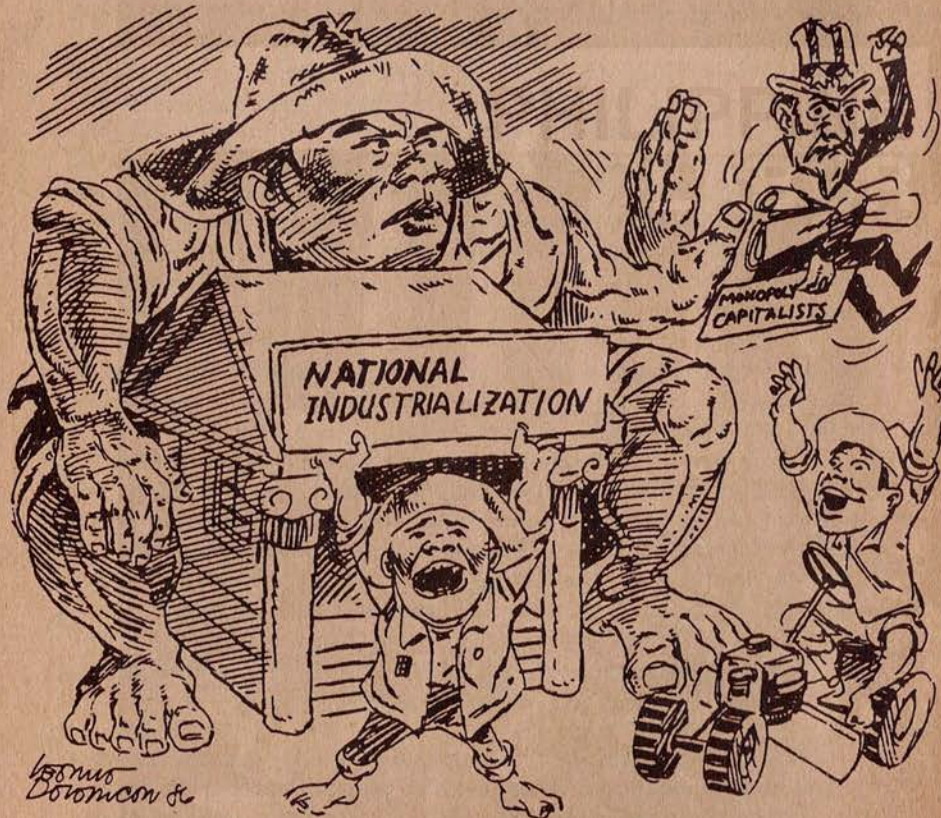


ticals.

The dominance of US and other Western nations through TNCs, must be ended. Assets by crony businessmen who took advantage of their positions in the government or influences shall be confiscated by the people's state. However, big businessmen who have no record of ill repute may be allowed to convert their merchant capital into industrial capital but without allowing them to control the economic and financial system.

Nationalizing the assets of foreign and local exploiters means releasing the forces of production and developing both industry and agriculture. It must be recognized that productive assets in a semi-feudal economy is still backward, and the people's democratic state must lead in laying the foundation of modern industry.

The private sector consisting of Filipino entrepreneurs should be urged to actively participate in the economic program by allowing them to invest, solely or in partnership with the state or cooperatives, in choice areas of business. Workers and peasants should set-up cooperatives as a major sector in the economic development of the nation towards industrialization.



## 6. Will the local industries be protected?

Absolutely. To encourage and develop the industrial sector, imported goods that compete with locally manufactured produce shall be regulated from being sold in the country. Protective tariffs and trade barriers shall be reimposed.

In preventing competing goods from flooding and saturating the local market, rising manufacturing industry would be assured with a large market that would buy its produce. This protectionist policy would be directed to industries manufacturing consumer goods, and to industries which has a great part in the backward integration of Philippine industries or industries which has a strong agro-industrial link-ups.

This protectionist policy would save the economy from wasting precious foreign exchange on non-essential elements. This foreign exchange savings would otherwise be spent on consumer and capital goods not available in the country.

Barter trade would also be encouraged with newly industrializing and socialist countries. Barter trade (also called countertrade or exchange of goods without the use of foreign exchange) is preferable due to the fact that it ensures smooth and continuous flow of needed goods.

## 7. What shall be the policy on labor?

The promotion and the advancement of the working class shall be one of the highest priority of the national democratic agenda. Repressive labor laws and other labor laws that infringe on the workers' democratic rights like organizing trade unions, and engaging in collective bargaining shall be held inviolable.

Trade union organizations shall be encouraged to extend in industries and sectors previously unorganized. Employees and workers in government agencies and state-owned corporations shall be accorded full union rights.

Workers would be encouraged to actively participate in decision making and managing not only in state-owned corporations but privately-owned enterprises as well, or form workers' cooperatives that could take over industries and businesses.

The minimum wage policy would be enforced and its determination shall be based by the standard of living, flexible enough to absorb price fluctuations. Profit-sharing and other financial incentives would be institutionalized and encouraged. Job security and increased employment benefits like longer maternity and paternity leaves shall be implemented.

## 8. What is the genuine agrarian reform program? How does it differ with Aquino's land reform program?

Genuine land reform ends feudal ownership of lands and all feudal and semi-feudal forms of exploitation. This will truly emancipate the



peasantry, composing the majority of the people. Primary tenet of the genuine agrarian reform is land to the tillers.

Unlike the Aquino regime's Comprehensive Agrarian Reform Law (CARL) which would only redistribute a few lands and essentially protects transnational and big landlord-owned haciendas and plantations, the genuine agrarian reform program would thoroughly cover all of the agricultural lands in the country. Tenanted lands, lands illegally acquired, lands foreclosed by state banks, idle and public lands held under false pretenses (pasture lease, tree farming, etc.), and logged over land suitable for agriculture will be redistributed free to landless tillers.

Fragmentation of land ownership in land reform does not detract from large scale production. Plantations which would be more useful if not broken-up would be cooperativized or expropriated in favor of the state.

Usury and other feudal practices shall be prohibited and the spirit of cooperation shall be enhanced.

Farm mechanization and other modernization thrust shall be aggressively pushed to counter the backward agricultural process which keep productivity low. However, the use of expensive and imported fertilizers and pesticides shall be discouraged and instead the use of natural, indigenous and cheaper methods of enhancing plant productivity shall be encouraged as a matter of policy.

## 9. How shall the lands be redistributed?

According to the program set by the Kilusang Magbubukid ng Pilipinas (Peasant Movement of the Philippines), the primary beneficiaries of the free land redistribution are peasants who do not own the land they till; those who owned land too small for them to subsist on; farmworkers; and other landless tenants and rural poor.

In addition, peasant women shall have equal rights to own the land they till. Landless peasant women specially those who are separated, widowed, or abandoned, must have priority to utilize and own enough land to support their family.

This agrarian reform program shall be implemented within the period of five years, in three phases.



*Phase I* - Confiscation and distribution of ill-gotten lands, foreclosed, and unproductive landholdings. the termination of all amortization payments for lands under the Marcos Land reform and under Aquino's CARL, and the immediate distribution of titles to the tiller-beneficiaries.

The free allocation of 20 per cent of 1/5 of plantation farms to farmworkers, for their food production. Reduction of land rent and gradual elimination of usury. the setting-up of resettlement projects in logged over areas and still unoccupied public lands.

*Phase II* - The expansion of free distribution to all croplands. Tenanted lands owned by landlords and not by rich peasants and the rural middle class without prejudice to possible compensation shall begin immediately. Expropriation of all unnecessary hectareage of plantation lands devoted to export crops. More resettlement to lands covered by timber concessions, military reservations, and public land grants.

*Phase III* - The nationalization of transnational agribusiness plantations and the total abolition of feudalism. The free distribution of all remaining tenanted lands. Compensation arrangements will be accorded to rich peasants, and land-owning rural middle class provided they had not acquired their lands through fraud, deceit, and intimidation, or do not have crimes against the people.

## 10. What shall be the role of agricultural cooperatives in the genuine agrarian reform program?

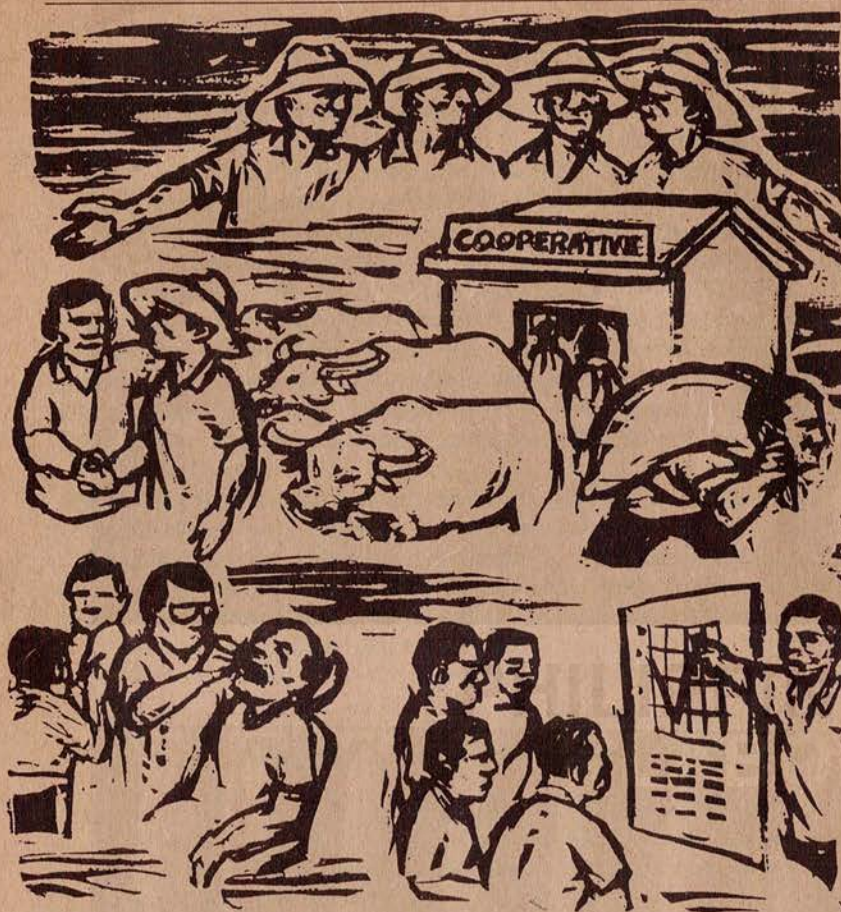
The promotion of agricultural cooperation shall be encouraged. Cooperation from simple labor exchange and mutual aid to full blown processing and marketing cooperatives would instill strong collective spirit, cutdown on production expenses, increase productivity, preclude dependence on usurers and advance the general welfare.

Agricultural cooperatives will play an important role by assisting the farmer-beneficiaries in the production process. Marketing cooperatives could take the place of middlemen and increase farmers' income by doing away with the third party's profit margin. Costly farm equipments such as tractors, threshers, and mills could be bought and shared among members. Necessary inputs such as pesticides could be bought in bulk and lower per unit price. More importantly, cooperatives could take over large tracts of lands and convert to cooperative plantations.

The state shall provide adequate assistance to cooperatives in form of low-interest loans to beef-up initial capital and projects; free training and facilities for project development, research, management and others; and tax exemptions and subsidies.

## 11. What forms of support and assistance shall be extended to land reform beneficiaries?





To assist the peasantry in breaking the chains of poverty and hunger in the countryside a comprehensive rural support and development program for agriculture shall be implemented.

To attain higher productivity levels, a low-interest agricultural credit shall be extended to land reform beneficiaries. The use of credits shall be guided with free technical advice and without unjust impositions.

A pro-people rural infrastructure program shall be implemented. Better irrigation system, power source, transportation, storage facilities and the like shall be built. In addition, rural housing, giving priority to the poor, effective health and nutrition service, and a scientific and mass-oriented educational system shall be extended and guaranteed by the state.

## 12. What will be the policy on the US Bases in the Philippines?

The US military bases in the country, the Clark air base in Angeles

city, the Subic Naval Base at Olongapo city, and other military facilities by the United States scattered all over the archipelago constitutes a gross violation of the Filipino people's sovereignty and a major obstacle to the attainment of peace, neutrality and independence in the Asia-Pacific region.

From the day these US military facilities were first erected in the Philippines at the turn of the century up to the present, American government have been using these facilities to launch aggressive interference not only against the Filipinos but against nationalist movements in Asia-Pacific region. In addition, these war facilities, as in other places where American troops have been stationed, have become centers of decadent society where illicit drugs, prostitution, and smuggling trades go unchecked.

For the Philippines to become truly independent, the US military bases must immediately be dismantled and a policy of neutrality be pursued.

The facilities and the vast fertile lands occupied by these bases could be converted into a combination of industrial and agricultural complex that could serve the economic needs of the populace and a source of productive employment.

## 13. What shall be the policy on investments owned by transnational corporations?

Transnational corporations is one of the vehicle in which the US and Western big business drains the country's wealth and resources. The TNCs unchallenged control of almost all of the Philippines' vital industries, agro-industries, and service sectors have reduced the country into one big sweatshop where foreign capital profits from Filipino labor.

Consistent with the policy on genuine national industrialization, the TNCs in vital industries shall be nationalized. Conglomerates and monopolies not engaged in basic industries or not in natural and structural monopolies will be sold to trusted or reliable private entities or workers' cooperatives.

However, foreign investment maybe allowed in areas they would improve business conditions. In the area of pioneering economic activities, TNCs shall only be tolerated up to a reasonable period. The Investment Incentives Act, which grants special tax incentives and other privileges to foreign capital, shall be rescinded.

Because of their tendency to monopolize the industry, the operations of TNCs must be controlled through strict regulations. These regulations shall include: minority business share; prohibition on land ownership and exploitation of local resources; control on royalties, franchises, transfer pricing, loans from local banks and profit remittances.

## 14. What shall be the policy on foreign debts?

Through the Philippines' heavy indebtedness amounting to about



US\$ 30 B from international banking institutions led by the WB-IMF, onerous economic impositions have chained Filipino workers, peasants, and poor to poverty and exploitation. It is important that the people face head-on the fundamental problem that this indebtedness brings.

Only those foreign debts that benefitted the people shall be honored, and the foreign loans that only lined up the pockets of government officials or were spent to satisfy the caprices of powerful people or used to unreasonably strengthen crony-owned corporations shall be repudiated.

Debt servicing or interest and principal amortizations shall be limited to a ten per cent ceiling based on the gross value of the country's exports. Debt payment as part of the government's budget shall be determined only after important state priorities like education, health, and social welfare have been adequately filled.

Foreign loans would only be contracted to fund important economic and social projects and loan conditions shall only be accepted with the barest minimum interference to national policies.

#### **15. What will be the policy on foreign treaties and international relations?**

Bilateral and multilateral treaties between the Philippines and other countries, specially the United States, have mostly bound the Filipino people into onerous agreements deceptively called "special relations" into the shackles of neo-colonialism and foreign domination. A good example of these agreements and treaties is the US-RP Military Bases Agreement, and the RP-Japan Friendship Agreement which gives Japanese capital special privileges in exploiting local natural resources.

It is pertinent for a sovereign Filipino nation to reexamine these agreements, treaties and to abrogate those found to be onerous and disadvantageous to the interests of the people.

The Philippines must pursue its place within the international community of nations with an independent foreign policy free of dictates, influence and burdens of these onerous agreements and treaties. Under the principle of independence and equality among the community of nations, the Filipino could pursue and develop relations of mutual support with every other state.

This independent foreign policy should adhere to the principles of peaceful coexistence, non-aggression, non-interference, equality and mutual benefit, and economic and cultural exchanges. Under these principles, the Filipino nation can have relations with all countries irrespective of ideology and social system. These relations could be bilateral or multilateral links like the United Nations and others which do not have any aggressive character.

#### **16. What is the policy on the armed forces?**

The Armed Forces of the Philippines under the Aquino regime and

its predecessors has a strong anti-people character and have become the staunchest supporter of the US government within the current administration. The AFP had been used and is being used to harass and destroy the people's national democratic movement and to serve as a vast private army of big business and big landlords.

However, a standing army is not in itself oppressive, and for a nation to keep its independence and territorial integrity intact a people-oriented and disciplined armed forces is needed.

The present armed forces must be reoriented to protect, defend, and advance the interests of the Filipino people. It must not be used to break trade unions and peasant organizations but oriented towards serving the broad masses of people. An independent armed forces must not be dependent on the advice and military aids from the US but must be self-reliant and must participate in production to supplement its needs and unburden the national government from its maintenance.

Present officers and personnels who have been oriented and recruited under an unjust system maybe retained and remain at their post provided they have been proven of owing no crimes against the people and are willing to accept the basic tenet of supremacy of the civilians over the military and of service to the people. They shall pass on their useful knowledge and experience to those who shall enter the military service.

#### **17. What will be the policy on vigilantes, the Citizen's Armed Forces Geographical Units (CAFGU) and other militia groups? How about those groups which are presently waging armed struggle?**

The vigilantes, the CAFGUs, and other right-wing terrorist groups shall be disbanded and its members and leaders who have committed serious crimes against the people shall face justice in the people's court. Those who were intimidated or forced into joining these groups and who did not commit injustices shall be reintegrated into the community.

Revolutionary groups which waged an armed struggle against the semi-feudal and neo-colonial order will be integrated with the reoriented armed forces, provided that its members are clean of record of crimes against the people. These revolutionary groups who have shown exemplary service to the people during their armed struggle could serve as a positive influence to the armed forces in undergoing a pro-people reorientation.

Victims of atrocities by the vigilantes and other terrorist groups shall have the justice they sought and which were denied to them under the old order. If the situation and the financial condition permit, they shall be renumarated or assisted by the state.

A people's militia which shall be tasked to become the community's first line of defence shall be organized to help the regular armed forces in repealing aggressors or saboteurs from inflicting damage against the people. These militia, which shall also become a reserve of the armed





forces, shall be recruited from the ranks of the peasants, workers and other sectors provided they are physically fit, mentally capable, and devoid of any crimes against the people.

#### **18. What is the people's democratic coalition government?**

Of course, these far-reaching overhaul of the Philippine society can only materialize if the people would control the state power. It is essential that a people's democratic coalition government must be established to implement and preside over the social and economic transformation of the Philippine society.

The people's government will be composed of all democratic political forces and sectors. The working class and trade unions as well as the peasants, the urban poor, the women, and the other oppressed sectors will amply be represented. Political parties and organizations as well as revolutionary organizations which are patriotic and democratic, including nationalist businessmen and middle classes may take part in setting up the people's government.

These parties, political forces, movements and organizations must be consistent in their intent to establish a nationalist, just and democratic order and have a common vision to the task of rebuilding the nation after centuries of repression and exploitation.

The new state shall be republican in form and the people shall be held as sovereign and independent. State powers shall reside at the people's assemblies from the village up to the national level. These assemblies shall be elected by the people from among themselves, and in turn the state shall guarantee and protect the people's basic democratic rights and their free exercise. No longer shall the elite enjoy the sole control of the government.

Published by:  
**KILUSANG MAYO UNO**  
**International Department**  
3rd Floor, Jopson Bldg.  
510 Earnshaw St., Sampaloc  
Manila, Philippines

April, 1989