

# Forum on Agrarian Reform



**Sec. Philip Juico:** What is the Comprehensive Agrarian Reform?

The constitutional mandate of the CARP is premised on the principle of social justice; that is, the just distribution of all agricultural lands, with the primary recognition of the rights of farmers, tenants, farmworkers to own the land they till. The constitution likewise stresses that as a program founded on social justice, CARP has to be addressed in the spirit of cooperation, harmony, understanding, realism and flexibility.

The CARP has envisaged the expanse of Agrarian Reform to cover practically all agricultural lands of the country, and includes alternative schemes of land distribution and sharing. There are four major program components of the Comprehensive Agrarian Reform Program.

First is Program A. This involves tenanted rice and corn lands. This actually is PD 27 of Mr. Marcos. Program B would include abandoned, foreclosed, surrendered, and voluntarily offered lands. Program C would include tenanted non-rice and non-corn land, and landed estates under labor administration. Program A does not need any additional legislation and neither does Program B. Program C is being debated upon, and Program D — which is the largest component and includes public alienable, indisputable lands suitable for agriculture, and forest land suitable for agro-forestry — does not need additional legislation.

The program seeks to put under reform a total of 5.5 million hectares to be distributed among 2.4 to 2.6 million farmer beneficiaries by 1977. These targets assume a 7 hectare across-the-board retention limit regardless of place, regard-

less of crop, and average landholdings ranging from 1.4 to 3 hectares per beneficiary.

Given the magnitude of that, the second issue is how do we intend to carry out the program? Given the magnitude of the task, how does the government in general, and the Department of Agrarian Reform in particular, intend to carry it out?

We are addressing the program by ensuring the adequacy of three mutually dependent factors, namely: financial resources, full government implementation and machinery support, and community participation. What have we done so far?

Going down to brass tacks, after barely six months of actual CARP implementation, we have gone as far as the following in terms of land distribution. Regarding Program A — which involves about 720,000 hectares and the distribution of emancipation patents to some 519,827 beneficiaries by 1989 — actual accomplishment figures for the program reflect a high 79% and 91% attainment of target for 1987. Notice too that the Department of Natural Resources (DNR) intends to finish the final survey activities by 1988.

On Program B, while 15,000 has. of voluntarily offered lands have been projected for distribution in 1987, only about 325 hectares have been distributed to about 122 farmer-beneficiaries. The constraints to the implementation of Program B is due to the dearth of base line information on the magnitude and distribution of idle and abandoned lands as well as surrendered and foreclosed lands, and also because of the procedures which have to be followed and can-

not be avoided.

Data on these lands are being gathered to firm up our estimates. Presently, voluntary offers received by the DAR from private as well as financing institutions cover about 350,884 hectares. Thirty one thousand of these are from private individuals, and 319,000 are from financing institutions, namely from the DBP and the PNB. Since we recognize that the implementation of Program C is dependent on the retention limits to be set by Congress, we have programmed its implementation in 1989. (I must caution you that when we say we have "programmed," this is a plan, because we have to come up with a plan which will have to be based on certain assumptions.) However, some tenanted agricultural lands other than rice and corn have been voluntarily offered for sale under Program B that is part of



the 31,000 hectares mentioned earlier. We then foresee that the department will be having its hands full in implementing Program B.

Incidentally, there are basic guidelines for voluntary offers to sell, which we're really encouraging, since these will remove the pressure on program C. When a person voluntarily offers lands other than rice and corn, automatically that moves from Program C to Program B, the project scope being called "moving targets". The procedures for voluntary offers to sell take us about 165 days, from the time a landowner voluntarily offers his lands, formally and officially — with complete documentation — before we can pay. Most of these offers came around November and December. So, counting 165 days from that time, that will be around April, May or June. So, we expect a lot of these to be sorted out and completed by around May or June. The data base for Program B and C are expected to be substantiated by the results of the landowners' registration campaign whose deadline, unless Congress extends it, is February 8. In this regard, DAR is conducting an intensive reminder campaign regarding the implications and merit of the entire exercise.

We now go to Program D, which is the last component of the Program. Of the 2,986,000 hectares for distribution and tenurial improvement under this program, no distribution has been made except for about 958 hectares in resettlement areas. Previously, DNR activities for this program were concentrated on land classification and sub-classification of forest land for agriculture. In other words, given the system of distribution, we had to lay groundwork for us to conduct the necessary survey. With regard to the current DAR resettlement projects, an intensive reassessment and redirection of existing DAR resettlement projects are under way, with the view of devising phase-in and phase-out mechanisms for the participation of other agencies in set projects and DAR's intensive involvement in this area. This is in view of the specific mandate given by CARP to its various participating agencies. We're starting with the oldest resettlements as a priority. There are about 46 of these, covering a total area of 55,000 hectares.

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*"The CARP has envisaged the reform to cover practically all agricultural lands..."*

— Sec. Juico

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Another program component is the voluntary land transfer, and actually, this is a direct transaction between the landowner and the tenant. Government does not get involved here and there is no government financing involved. The only government involvement here is the approval of the transaction between the landowner and the tenant, to make sure that the terms are not prejudicial to the tenant, and also to prevent "phantom" or fictitious transfers.

Now, we have Section 10 which is the stock distribution option, the corporate compliance, which is a voluntary thing allows corporate entities to distribute shares of stocks to their farmholders. Another key feature is the formation of about 36,000 Barangay Agrarian Reform Councils. There are about 42,000 barangays, 36,000 of which are rural. DAR has been tasked to form a Barangay Agrarian Reform Council in each barangay, and we have asked the assistance of various non-government organizations including the Catholic Church to help us form, screen and help select nominees for these councils. In our procedures, this is essentially a process of election, not selection. And as of now, we have formed some 45 councils. Actually, all those others which have been formed will be reviewed or re-evaluated to determine whether they have conformed with the election process we want.

Now, the fourth issue, is there an effective program in place? Given all these activities and considering that programs A, B, and D which are approximately 75% of the total scope are in full swing, the program is obviously on stream.

What are the financial requirements of the Comprehensive Agrarian Reform Program? This is again based on our cash flow, and has nothing to do with House Bill 400. The net cash requirement after deducting the contribution of the Asset Privatization Trust and the Presidential Commission on Good Government, amounts to about P58 billion over a ten-year period. It does not include infrastructure and other development costs. Gross project cost is about P150 billion.

What are the major issues concerning the CARP? First, on scope and coverage, the coverage should conform with the provision of the 1987 Constitution, and second, as a distribution measure, it must include all those explicitly stated in Executive Order 229. To wit: "CARP shall cover, regardless of terminal arrangements and commodity produced, all public and private agricultural lands including, whenever applicable in accordance with law, other lands of the public domain suitable to agriculture." Third, important considerations for coverage and productivity and suitability to agriculture. Fourth, agricultural land as defined should be construed and interpreted in the context of agrarian reform laws which would mean land devoted to any growth, including but not limited to crop land, salt beds, fishponds, idle lands and abandoned lands. Fifth, in non-A and non-B public land, coverage of the CARP should be in the area of tenurial improvement.

On implementation schedule priorities, with the enactment of EO 229, the matter of establishing priorities for implementation was left for Congress to decide. Due to the envisioned comprehensiveness of the agrarian reform program, the setting up of priorities is necessary to reconcile the issue of financial resources, government

administrative capabilities, and social justice. The definition of priorities has caused a lot of controversies. There are opinions to the effect that "priorities" should be construed as the undertaking of an activity prior to the undertaking of another, and that the previous activity has to be finished first before embarking on the next. To forestall lengthy debates, the sequence of undertakings should be termed "work implementation schedule." Moreover, start off dates should be specified so implementation can proceed in areas to be wholly completed.

The program could start from the areas where the CARP can be immediately implemented, without the need to enact a new law, as in the case of agricultural lands under Program A, B and D, which, as has been said earlier, represent 75% of the total program scope. Meanwhile, agricultural lands under Program C can be covered under the "voluntary offer to sell", which is now being implemented by the DAR in collaboration with the member agencies of the Presidential Agrarian Reform Council. Also, in the matter of implementation, it has been advanced that land transfer should initially cover larger farmholdings, and areas where farmers are ready to assume the rights and responsibilities as program beneficiaries. The implication of initially transferring larger farms is that more tenants and farmworkers can be benefited; thus creating greater social impact. In areas where farmers are organized and ready to avail of the program, the transfer can proceed in a more rapid and smoother manner.

On the retention limits, the 1987 Constitution provides that in implementing the CARP, the rights of the tillers to own the land they till should be vested in them, while the rights of the small landowners shall be respected. Hence the need to define a reasonable retention limit. The retention limit can either be uniform or variable, subject to administrative facility, economic viability, and political acceptability. If the retention limit is made uniform, as in PD 27, then there will

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be less administrative constraints. However, variability in terms of economic use and capability of lands in different locations and geographic areas might have to be taken into account. In the case of variable retention limits, a number of schemes have been suggested: a) based on major crop-use; b) geographic, that is, provincial or regional; and c) based on land-use classification.

Administratively, a variable retention limit, either based on crop use, and/or geographic administrative unit may be difficult to implement. Furthermore, there is a need to build up technical information to serve as basis for setting retention limits. The use of land classification as basis is ideal, but technically difficult to devise a set of controls to avoid discriminatory effects against those areas or locations which will have relatively lower retention limits. Similarly, even if the retention limit is uniform, but set differently from PD 27, it may be discriminatory to those landowners who were not previously covered by the program. There are implications of various retention limits in terms of areas and beneficiaries.

On land evaluation and landowners' compensation, the compensation values need to reflect the constitutional provision that land owners should be given just compensation for their lands. The phrase "just compensation" has been equated to mean the fair-market value of the land to be appropriated. There is also a need to separate compensation values and value-use for purposes of amortization of farmer beneficiaries. In effect, direct government subsidy will be involved. This is deemed crucial if we are to equate the purpose of the reform with farmers' capacity to pay. While compensation schemes can and should be used to encourage voluntary compliance with the CARP, caution should be exercised against the use of cash incentives as well as provisions for early retention of bonds to prevent a shortfall of funds and the concomitant liquidity crisis. Furthermore, the inflationary effects of large cash payments not reinvested in productive assets should also be considered.

On the beneficiaries, the constitution categorically states that under the CARP, all landless tillers and regular farm workers have the right to own the land they till; and in the case of other farmworkers, a just share of the fruits thereof. However, there is a need to define the "landless tiller" and "regular farm workers" who would qualify for land transfer. Hence, a number of points have to be carefully addressed. First, criteria have to be set in determining what makes a farm worker "regular." Second, the need to adopt a system of verification in the case of "landless" farmers. Third, the need to determine who the "other" farm workers are, and what is to be considered a "just" share of the fruits of the land.

The primary concern of CARP is to effect land transfer, in order to enhance equitable distribution of, access to, and control over land by actual tillers. Furthermore, sharing of the fruits arising therefrom must also be recognized in the case of farm workers. In the case of the tenants under the retained areas, tenure improvement must be pursued as an immediate measure and/or as an interim measure in the case of the coverage for actual land transfer.

There are quite a number of issues including land rental ceiling and production sharing. The substitution of production sharing for land transfer, however, may be unconstitutional. If production enterprises need to be retained in place, transfer of ownership to the worker should be pursued, either through collective ownership or other modes of agrarian reform. Furthermore, production sharing should be considered as an intermediate measure that should be implemented immediately in farms under labor administration prior to actual land transfer.

On the lease ceiling for the utilization of public lands and other natural resources, this particular provision was included in the draft that was presented to the cabinet, but it was suddenly lost in EO 229.

On collective ownership, this is viewed as a means of preserving continuity of operations in big landholdings. It should not be construed to mean that ownership would remain vested in an individual.

On progressive land taxation covered by the bill of Congressman Gillego, this is a close complement to land reform in attaining the objective of more intensive use of lands, and improved asset distribution in the rural areas. This method of taxation intends to tax land progressively according to size, starting with a minimum size of land holding. This will be a disincentive to maintaining or accumulating large landholdings, and an incentive to use retained land for more viable ventures.

On land ownership ceiling, there is a need to adopt a provision on land ownership ceilings to prevent consolidation and reconcentration of this factor of production in the hands of a few.

In closing, please allow me to inform you that the DAR has already instituted a number of policy measures, and implemented action plans in accordance with the provisions stipulated in EOs 228 and 229, and Proclamation 131. The initial positive results, and bottlenecks we have identified, and the early resolution of issues such as retention limits and priority areas, will enable us to accelerate further the implementation of the CARP.

**Sen. Heherson Alvarez:** The closing statement of Sec. Juico is very relevant to the legislative process that I wanted taken in the Senate. We are fully aware that we have a government

measure. Unless we put the political will of this administration behind this program, we may not be able to carry out the program because it is an awesome resource-demanding program. That's why when we drafted the legislation, if you will look at the costing, we tried to stay very closely within the estimate of the department and the other participant departments, including the Land Bank, which sought to put out the EO creating the Land Reform program of this government.

The two principal issues that seem to stand out are the retention level and the repayment scheme. Both are operative mechanisms within the capacity of the government to deliver. We have been criticized for instance, that our retention level is excessively high, that it is sympathetic to the landholder in the countryside.

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*"...one of the principal concerns is that we do not excessively overreach."*

— Sen. Alvarez

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I have provided for viable retention levels. For constitutional and social and political reasons, I've done this. For instance, my retention level for rice is 7 hectares. It's 7 hectares because we conducted extensive hearings and the emotional content of the landowning groups that we have encountered in all these hearings, even during my tenure as Secretary of Agrarian Reform, would perhaps make it very difficult to carry out a smooth implementation of the program unless we are sensitive to this problem. We looked at the retention level that has been provided, and they say this is the same as that of ex-President Marcos. But with or without Marcos, we have reasons to abide by 7 hectares of rice and corn. Why do we feel that 7 hectares would be reasonable for rice and corn? Many of the middle class landowners in the countryside feel that they are not really being compensated under the old program. They have been paid with bonds that have deteriorated by 40% of their original face-value. Only 70% of those landowners have been so far compensated. If you go back to the countryside, and clip their ownership, allowing them to retain only 3 hectares, the implementation process may be unnecessarily trapped in that sector of the program.

We took account of the fact that 12 hectares for coconut farms would still be reasonable. In our extensive hearings in the countryside, many of the landowners cried out to us, "We're not hacenderos." But since there is a pressure on

land, taking into account the owners of the land and the provision in the Constitution, we thought that 12 hectares would be a reasonable retention limit.

Many of the homesteaders in Mindanao have planted to coconut, and so we thought that if the homesteaders in Mindanao have now planted coconut and would retain 12 hectares, then for the other coconut farmers in Luzon, in the Southern Tagalog and Bicol area, and in the Samar Region, it would be reasonable to allow them the retention of 12 hectares.

And of course, in sugar land areas, we sought the lowest recommendations in many technical studies on what would be a feasible retention



Ang Katipunan

level. We know that it is a politically sensitive area, but nonetheless, with the recommendations that we have gone through, we chose the lower end of the retention level recommended.

We have this variable retention level because we would like to see land reform as a multi-sectoral effort to carry out a fundamental mandate on land redistribution. Our target of redistributing land to 3 million beneficiaries in the countryside, together with variable retention levels and the funding scheme which we have worked out (10 percent downpayment and 90 percent payable in bonds over a period of 9 years), makes for a package which is implementable.

One of the principal concerns is to see to it that we do not excessively overreach. When I was Secretary of Agrarian Reform, I was keenly aware of the resources that were available to us — both organizational and financial — that would be possible to carry out the program. Funding, sourcing, and the like are now the major problems. But there would be other problems as we begin to implement the program. The problems we anticipated will only be 50% of what will emerge in the field.



*"The problem is that the social conflict, the social tension, the problem of Philippine society historically and presently, is not in the Sierra Madres or the Cordilleras. . ."*

**Rep. Bonifacio Gillego:** I would like to acquaint you with the travails of the sponsorship of the H.B. 400 perceived to be a radical program. First, we were burdened and spurred by the deadlines given to us by both President Aquino and Speaker Mitra. With the issuance of Proclamation 131 and EO 229, it was within 90 days. And so we tried putting pressure on the members of the Agrarian Committee to meet almost everyday. We were able to present H.B. 400 without a committee report. And to circumvent a technical flaw of what they call a constitutional infirmity in the submission of a committee report, we were able to move around and solicit the signatures of the majority of the members of the Agrarian Committee. So technically, we could handle the procedural flaw. However, when those who signed the committee report started reading seriously H.B. 400, that was the beginning, not the end, of H.B. 400 in terms of getting their support and cooperation. That was the start of the stormy session, because they started to accuse me of smuggling and railroading a bill. And so they began assailing my integrity.

Why is this bill so controversial? It is so controversial in the sense that we have started talking about zero retention limits. This is not really unusual, because "land to the tiller" is not a mere slogan, it is a constitutional command that tillers should eventually become owners of the land. And so, also in consideration of the fact that there is a capitalist Agrarian Reform Program where we would compensate rather than confiscate, we felt very sincerely and with conviction that the landowner would not necessarily be deprived of his lands by way of an adequate cost or other form of compensation. On these two grounds, we started from zero. The so-called more progressive minded Congressman (of the 31 members of the House Committee on Agrarian Reform, there are only 7 or 8 of us there) had to go through bargaining process with the other bloc which started from "infinity", as if we're going to Divisoria. In the process, they went down to 100 to 75-hectare retention limit, we went up to 2 to 5. But this is not merely esoteric. Seven-hectare retention limit has been stated in PD 27; and therefore has a precedent. We have to adopt it. It was a very high retention limit, and by itself, it was already a concession to land owners. So, aside from policy consistency, I think Secretary Juico has brought out the concept of administrative simplicity, rather than on

a crop to crop basis, an across-the-board retention limit that would be easy for administration.

However, in the process of amendments, the 7 was revised in effect to 14. Because we have accepted in the committee an amendment that would entitle an heir to another 7 hectares retention. Fourteen hectares retention, according to our calculations, would eliminate 64% of the intended beneficiaries.

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*"...and yet the landlords say, go to the Sierra Madres, the Cordilleras, do your land reform there and do not touch our lands."*

— Rep. Gillego

With regard to the priorities, I am glad that Secretary Juico has already informed you that there are four major components, three do not need any enabling acts or any specific legislation. So, what is the Agrarian Reform for, except to attend to private agricultural lands which constitute Program C — lands under labor administration, landed estates, and lands controlled by multinational corporations. That is the problem. Because the social conflict, the social tension, the problem of Philippine society historically and presently, is not in the Sierra Madres, or the Cordilleras. The landlords say, go to the Sierra Madres, the Cordilleras, do your land reform there and do not touch our land. So, we get bogged down in a lot of disputes on confused ideological areas and legal ones. Ideologically, they are mistaken; in so far as they mistake land reform as a part of a communist conspiracy to overthrow this government.

So in our priority, we will all attend to A, B, and D; but let us not leave the problem unsolved. And so we agreed: we will attend to all these things, but we will attend also to Program C not as a phase but as a major component of the total Agrarian Reform Program. So perhaps, that is the difference in our approach. If we attend to this, they are prepared to concede — leave it toward the end. Hoping perhaps, that it will take us from 5 to 10 years before we get to phase C of the program; and that by then, the government may have exhausted its resources or lost its political will to implement a genuine land reform program.

There have been several efforts to derail H.B. 400. First is an effort to recommit the bill, because of the cry raised about the submission of the report to the body. It so happened that in one crucial meeting, there was the majority of us, 8 against 5, and we took advantage of the situation. Rep. Butch Abad moved to empower

me, giving me blanket authority to write the bill on the basis of 6 or 7 bills that were already presented up to that time to the Agrarian Committee. We went through all of these bills, some are minor, like the creation of an Agrarian Reform court that would try and adjudicate agrarian cases. But there were two contrasting bills: one, a pro-landlord bill, and the other was a product of the study of PHILDRA, of the academe and the other cause-oriented groups which I felt reflected the hopes and aspirations of the peasantry for genuine land reform. And given that blanket authority, who will not take advantage of such a golden opportunity? My position is, you cannot reconcile the irreconcilable. And so, the bill that came out really contains provisions that shocked them — one as I said is the retention limit, the other is confiscation of land beyond 50 hectares, considering that if this is a social justice measure, all factors have to be considered. After all, for generations, these landlords have sent their children to finishing schools, the best schools, yet go to their haciendas and you still find the tenants wallowing in the same condition.

So, from the point of view of a landlord, the purpose and rationale of land reform would appear confiscatory. And here lies the strength of their argument. They have always argued for life, liberty and property. They have so enshrined this constitutional mandate as an eternal truth. And when you remind them that there are demands of social justice, and even state power, that is where the fetters of traditional jurisprudence clash with, bind, and imprison the so-called cry of the anguished. So ultimately, with due respect to the position of Senator Alvarez, we cannot remove ideology. I think Land Reform basically is ideological, and will be voted upon according to class interest.

Regardless of how much we try to argue from the Christian point of view, citing the *populorum progressum, mater et magistra*, the social doctrines of the church, there is no effect. Instead, I tried to cite Edwin Markham's poem, the very prophetic poem "The Man with the Hoe." Edwin Markham addressed this question: how will you be with rulers and with kings, when the dumb terror shall rise to judge the world after the silence of centuries? And I told them this terror is no longer dumb. He has judged the world. In Russia, in China, in Vietnam, in Cuba, in Nicaragua. He is no longer dumb: he is articulate with the ideas of Marx, of Lenin, of Engels, of Mao, of Che Guevarra, and even the social doctrines of the Church.

Another very, very unjust provision that we have removed from EO 229 is the penalty of permanent disqualification to people who have allegedly squatted on these lands.

And so, on Monday, I hope they're going to fail again in a recommitment. There is a move to discharge our Committee on Agrarian Reform

from considering H.B. 941. Apparently, that sounds innocuous, but in effect, that means 941 which has already 170 signatories gets away from the jurisdiction of the Agrarian Reform Committee. The other dire prospect is when the fleet of amendments come, and if in turn, I become inflexible and reject every amendment because every amendment tends to whittle down, emasculate or castrate the original provision of H.B. 400, then Guanzon or Starke may say "I move to amend by substituting H.B. 400 with 941."

So, that is the status of H.B. 400 which was resurrected from a state of delirium tremens.

**Prof. Ed Tadem:** In the media the past few days, the secretary was quoted as saying that the DAR has the power and authority to implement more than 70% of the program-scope of the CARP without waiting for Congress to enact any legislation. I think that particular figure has to be put in its proper context. That 76% refers only to the program-scope of the CARP as outlined by an inter-agency task force of government last year. And as outlined by that inter-agency task force, the total coverage of Agrarian Reform in terms of beneficiaries is much less than what should have been the total scope. In terms of programs A, B, C and D that would only cover 2.66 million beneficiaries. Now, 2.66 million beneficiaries is only 24% of the total number of potential beneficiaries of Agrarian Reform. If for example, you cite the figure of 10 million members of the agricultural labor force, and 1.5 million of these are owner-cultivators, you are left with 8.5 farmworkers and tenants in all crop lands, who should be beneficiaries of agrarian reform. Therefore, 2.6 million is only 42% of 8.5 million. And the reason this is such a small percentage is that most of the beneficiaries can be found in Program C, where private lands are situated. And as Congressman Gillego had pointed out on many occasions, Program C is the heart and soul of agrarian reform. Because these are the private lands. And it is in Program C where the highest degrees of social injustice can be found. If you follow the constitutional provisions on agrarian reform, which mandates agrarian reform as a social justice measure, you will note that the provision of agrarian reform was placed under Article 14 which is the article on social justice and human rights. It was not placed under the article on economy and sovereignty. Therefore, the Constitution mandates agrarian reform as primarily a social justice measure. This should be the primary concern. Therefore, Program C should be the primary concern of Agrarian Reform.

I have here figures showing that in only one year and four months of the Aquino government, 73,000 emancipation patents have been distributed. Whereas, the Marcos government in 13 years and three months could only distribute

83,418 patents. This is certainly very laudable. However, this again has to be placed in its proper context because what are these emancipation patents? In January 1986, Marcos issued a decree ostensibly to boost his candidacy, wherein he ordered DAR (then MAR), to distribute emancipation patents to everybody, to all the beneficiaries regardless of whether amortization payments had been made. Therefore, even if you had not paid a single month of amortization payment, you would be issued an emancipation patent. These, therefore, are not clean titles.

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— Prof. Tadem

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As for the deliberations in Congress, as has been pointed out, there are four bills to be deliberated on. The original version of HB 400 was a very progressive, very radical bill, and one which was embraced wholeheartedly by the CPAR, a coalition of 13 major farmer, farmworker, and fisherfolk organizations. But in the course of the deliberations in the committee, as Congressman Gillego has told, the representatives of the landlord class in Congress conspired to water down the version that was originally presented by Congressman Gillego. So what happened was that the land to the tiller concept was rejected by a majority of the members of the committee.

On the positive side, however, HB 400 ensures popular participation in decision-making and implementation; sets as priority target farms where peasant and farmworker organizations are active; sets a 5-year timetable for implementation; cross-checks land-owner registration with the farmers' own sworn declaration; institutes selective and progressive landowner compensation, including confiscation of farms above 50 hectares; deletes the disqualification clause in EO 229; and recognizes as advance payment for the land previous rental payments and the uncompensated labor of farmworkers. Because of this CPAR has extended unqualified support to HB 400.

Even before the bill was deliberated however, landlord Congresspersons secured the committee's approval for amendments. In effect, what this landlord bloc wants is to ensure 100% cash



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— Prof. Tadem

compensation up front. To make matters worse, Reps. Guanzon and Starke filed a substitute bill which has become known as the landlords' bill. HB 941 makes the transfer of ownership of private lands voluntary. It encourages profit and landsharing, provides the option of 100% cash compensation, does not set any timetable for implementation, does not even identify who the beneficiaries are, is silent on the mode of repayment, and fails to provide penalties against persons violating the land reform law.

Since the sponsors of this bill already comprise more than 60% of the total number of Congressmen, its passage is virtually assured. In the Senate, we have two bills with contrasting provisions. Bill 133 sponsored by Sen. Alvarez is the more conservative one. With its sliding retention limit ranging from 7 to 24 hectares, I say conservative because given the figures presented by Secretary Juico and if you follow the Alvarez bill, one will have namely; for rice lands with 7 hectare-retention limit, you will only cover 30% of lands; for corn lands with 7 hectare-retention limit, 25% shall only be covered; for coconut, the 12 hectare limit will only cover 23% of lands; and for sugar, 24-hectare retention limit will only cover about 50% sugar lands. Meanwhile, all other crops with 15-hectare retention limit will cover only about 19% of lands. So, most of the land currently devoted to crops will not be covered by agrarian reform under the Alvarez bill. It exempts from land transfer bananas and pineapple plantations, which are of course, controlled by transnational corporations like Dole, Del Monte and United Fruit. It provides for 100% cash compensation for landowners investing in rural industry, and retains the disqualification clause against those who have occupied lands.

On the other hand, the bill of Senator Aquino is the more progressive bill, with its recognition of the land to the tiller principles. Senate Bill 123 abolishes absentee land ownerships while setting a retention limit of three hectares for owner-cultivators for all types of agricultural lands, and removes the disqualification clause under EO 229. However, Sen. Aquino does not specify the floor limit for amortization payments;

provides for a revolutionary 50% cash compensation for voluntary offered lands, and penalizes the occupation of lands by peasants with prison terms ranging from 6 months to 3 years. So, this is the range of the bills that are now up for deliberation in Congress. There is really no "best bill" as it is, but a matter of looking which is the least worse bill.

**Amante Jimenez:** *Ang unang gagawin ko ay ididiin ko ang mga prinsipyo na sa paniwala ko ay dapat gumabay sa isang tunay na programa para sa reporma sa lupa. Ang isang tunay at komprehensibong programa sa repormang agraryo ay kailangang sumalamin sa prinsipyong land to the tiller, dahil nais nating baklasin ang problema, ang ugat ng problema ng absentee landlordism. Kailangang masaklaw nito ang lahat ng lupaing sakahan upang maabot ang pinakamalawak na magsasakang benepisaryo at kailangan itong magkaroon ng support program – teknikal, prinsipal at marketing – para maabot ang pinakamataas na potensyal ng produksyon. Hindi ito dapat maging dagdag na pasanin sa mga magbubukid, at ang kompensasyon sa mga landlord ay dapat ibatay sa iba't ibang salik tulad ng mode of acquisition at mga gawain ng mga landlord. Kailangan itong ipatupad sa pinakamaagang panahon dahil sa daan taon nang nagpapakasakit ang mga magsasakang hindi nakukuha ang tunay na bunga ng kanilang pagod.*

*Tungkol sa retention limit, mayroong tinatantiyang 9.7 milyong ektaryang lupang binubungkal sa kasalukuyan. Mayroon namang tinatantiyang 10 milyong agricultural work force. Sa bilang na ito, 85% ang di nagmamayari ng lupa at nagsasaka bilang mga tenants o*



manggagawang-bukid, o kaya mga settlers. Ang 15% naman na nagmamay-ari ay nagmamay-ari lamang ng mula kalahati hanggang isa't kalahating ektarya ng lupa. Dahil sa ang 2/3 ng lupa ay monopolisado ng 1/3 ng total population sa sakahan, kung magkakaroon ng 7 ektarya na retention limit, 48% lang ang maipamamahagi. Kung itataas pa ang limit na ito, mas kaunting lupa ang maipamamahagi. Hindi ba't ang layunin natin sa komprehensibong repormang agraryo ay tulungan ang pinakamalawak na bilang ng magsasaka? Bakit kailangang magtakda tayo ngayon ng retention limit, kung iilimita lamang nito ang bilang ng benepisaryo ng programa?

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*"A true agrarian reform program must uphold, the 'land to the tiller' principle..."*

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Sa peasant amortization, sa average kumikita ng P10 hanggang P15 sa bawat araw ang isang magsasaka, samantalang P39 ang nakatakdang minimum wage sa agrikultura. Sa mga pag-aaral, pinakamataas na ang nakakakuha ng P25 bawat araw, samantalang ayon sa mga pag-aaral, kailangang kumita ng mahigit P110 ang isang pamilya bawat araw para mabuhay nang marangal. Ibig sabihin nito lumalabas na may utang na P14 bawat araw ang mga landlord sa mga magsasaka. Kung kukwentahin mo na nagtatrabaho ng 5 araw bawat linggo ang isang magsasaka sa nakaraang 15 taon, aabot sa P56,490 ang utang ng mga landlord sa mga magsasaka. Hindi ba't sapat na itong kabayaran sa isang ektaryang lupa na hinahangad ng ating mga magsasaka? Bakit naman kailangan pang pagbayarin ng taunang amortisasyon ang mga magsasaka? Di ba't mas mahusay, kung talagang kailangang magbayad ang mga benepisaryo, na ibatay natin ang halaga ng amortisasyon sa kanyang kakayahang magbayad? Hindi kung maglalagay ng yearly set amortization. At itong mga panukala sa Senado ay nagtatakda pa na kung hindi makapagbayad sa loob ng 3 taon ang magsasaka, ay idisqualify pa siya sa pag-aari ng lupain.

Sa landlord compensation, napakarami nang mga pag-aaral na nagsasabi na laganap ang mga mapagsamantalang pyudal na relasyong namamagitan sa mga magbubukid at mga panginoong maylupa. Sa mga tenanted na lupain, ang mga magsasaka ang gumagastos ng lahat. Samantalang ang mga may-lupa ay naghihintay

lang ng kanyang anihang kita. Madalas yung 70-30 o 50-50 hatian sa ani. Laganap din ang usury na kadalasang ang mga rate, na tinatawag na takipan o talinduwa, ay nagsasabing kailangang magbayad ang umutang ng 50 o 100% interes. Dapat ring tanungin kung paanong nagiging pagmamay-ari ng isang maylupa ang kanyang lupain. Kadalasan madidinig natin yung tinatawag na landgrabbing, na kapag baon na sa utang ang isang magsasaka, napupwersa siyang ibenta o ibigay ang kanyang lupa. Hindi ba't ang isang repormang agraryo ay isang pamamaraan ng pagbibigay-katarungan sa magsasakang malaon nang inaapi ng ganitong sistema? Bakit ngayon kailangan pa nating bigyang kumpensasyon ang mga ganitong uri ng mga panginoong maylupa? Syempre, di naman lahat ng mga panginoong maylupa ay nambubusabos sa kanilang kapwa. Kaya! kailangan ng isang masusing imbestigasyon sa maraming salik tulad ng mode of acquisition, o mga gawain ng mga landlords.

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*"...and just like what many expected, no essential change will come from a Congress full of landlords."*

— Amante Jimenez  
Student

Ang problema ng kumpensasyon ay di dapat maging problema ng isang magsasaka. Ang gobyerno ang siyang dapat mamahala sa pagbibigay nito sa mga deserving na mga panginoong maylupa. At hindi ako naniniwalang walang pera ang gobyerno. Kung ibinahagi na lamang sa programang repormang agraryo ang 2.9 bilyong dolyar na taunan nating binabayaran sa IMF-WB, sobra-sobra na ito. Di na kailangang kunin ang sa PCGG, o ang mga utang o suporta mula sa mga foreign financiers para dito sa repormang agraryo. Ang kailangan lang ay makita ng gobyerno na ang matagumpay na pagpapatupad ng isang tunay na repormang agraryo ay makakatulong sa pagbubuhay ng ating ekonomya, dahil pinalalaya natin ang 70% ng ating mamamayan mula sa kahirapan.

Tulad nang inaasahan ng marami, walang makikitang essential na pagbabago na maaaring idulot ng ating Kongreso. Tulad ng binanggit ni Congressman Gillego, di natin maaasahan ang kongreso na punong-puno ng panginoong maylupa na basta-basta na lang isusuko ang kanilang class interest. Sa kasalukuyan, ang pag-aatubili na nagaganap sa Kongreso ay pwedeng tingnan bilang isang effort na linlangin ang masang magbubukid. Pinaaasa sila sa wala,

*Di maasahan ang Kongreso. At sa sitwasyong ito nagmumula ang katarungan sa mga pagkilos ng mga magsasaka sa pagpapatupad ng kanilang tunay na repormang agraryo. Sa kasalukuyan ay mahigit 7,000 ektarya na ang inokupa ng mahigit 54,000 pamilyang magbubukid. Sa pamamagitan ng tunay na samahang magbubukid ay nagtaguyod sila ng mga kooperatiba na nakakatulong sa pagpapataas ng produksyon.*

**Senator Alvarez:** This society of ours is not a classless society. The CARP is precisely a reform measure. And there are many intervening forces which we must take into account. *Kukunin natin ang dimensiyon ng lahat ng mga puwersang ito. at kung ano ang posible, magkakaroon tayo ng democratic compromise. Itong solusyong ito ay napapailalim sa ating Saligang Batas. Kaya tayo bilang lehislador, ay naghahanap ng angkop na lunas. But it has to be a measured effort for reform, and one that the system can afford. And when we legislate, it is actually an act of social engineering. It is not a radical effort at reform.*

*"This society of ours is not a classless society. The CARP is precisely a reform measure..."*

— Sen. Alvarez

But in weighing the considerations of this effort at social engineering, we take into account the varying forces that will have to be redressed. And in the process, hopefully, we're able to protect the interest of those whom we seek to benefit — the interest of the landless classes which will amount to millions. *Ang retention levels na ito ay inilagay dahil gusto nating maipagtanggol ang repormang maidulot sa mga walang lupa.* Because if you're not going to give signals to other sectors of society, you will not be able to put together a package of reforms. It may not be radical, but it will address a major component of social problems in the countryside. The effort of this agrarian reform program to provide reasonable retention levels as provided by the constitution is an effort to carry forward a legislative program, perhaps not according to your advocacy, but according to what will be feasible and implementable in this kind of a liberal democracy. The change that shall be effected is reform and not radical transformation.

**Secretary Juico:** Regarding the statistics mentioned by Prof. Ed Tadem which says that 10 million landless workers minus 1.5 million owner-cultivators equals 8.5 million people sup-

posed to be the potential beneficiaries, it seems that he erroneously included even the workers that were hired by the beneficiaries themselves. In other words, these should not be included in the summation of the beneficiaries. It's bad if you consider the land-to-the-tiller concept and apply it to the beneficiary himself who is now getting farmhands and laborers to work for him. It's good in the sense that these people are doing something, earning something rather than be a nuisance to society. So that figure of 8.5 million is a little bloated. Therefore when we say that 75% can be implemented. I presume that more than 26% in terms of beneficiaries will be benefitted.

*"...We are racing against time. This land hunger is already overtly manifested in the countrysides."*

— Rep. Gillego

**Representative Gillego:** I believe that every Agrarian Reform measure is a step forward. Because if you look at the present Agrarian Reform, it's really comprehensive in the sense that while in the past you just control terminal relations, now it covers private and public agricultural lands, regardless of crops planted. So, it is advanced, in that sense. And it will always be in the consciousness of the landowners. What depresses my optimism is that we are racing against time. The population pressure is such that it's really terrible to contemplate. At 2.6% population growth rate, by the year 2000 we'll have 60 to 70 million Filipinos. This land hunger is already overtly manifested in the countryside. You have an explosion, and so shall we wait when people will lose their properties and their lives?

Personally, I hope for the best, but I am expecting the worst. That's my position.

**Rep. Hortencia Starke:** I am not a landlord. I am a sugar planter. A landlord is a person who does not practically work on the land, while, I am there practically. I really manage the land myself. I just accepted a very low producing area, doubled the yield. And as for the rubber plantation, all I took was a denuded, deforested area in Mindanao where I planted rubber trees. It is now producing, and employing 200 people with each one earning a minimum of P27,000 a year. Now, suddenly we are called villains when we were encouraged to go out and develop the lands.

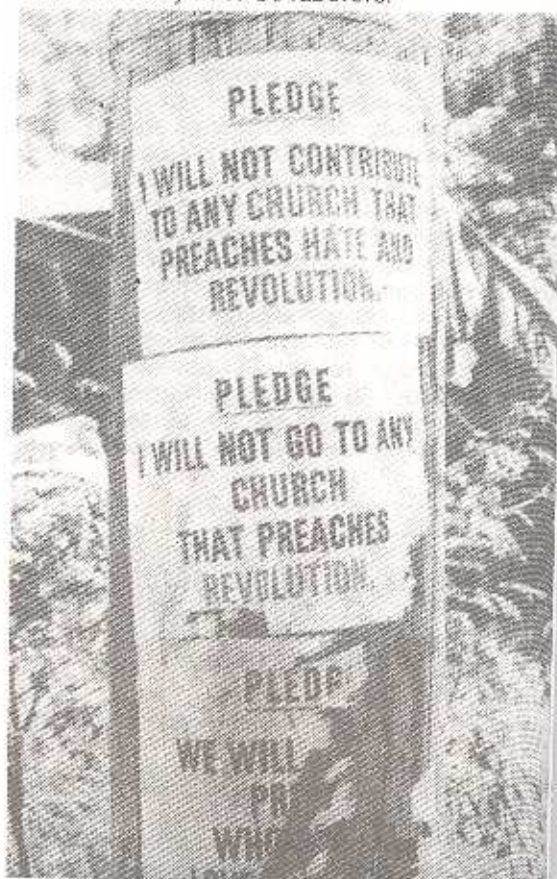
Speaking of sugar barons, that was a thing of the past. If there is still a baron today, maybe it's Cojuangco, maybe Benedicto, maybe Imelda Marcos, if they still have their land. But as you know, the sugar industry is a dying industry. Just a few months ago it was called a sunset industry. According to President Aquino, it was already terminally ill, ready to be burned. And now suddenly, it is reviving.

Anyway, there are 4.4 million hectares of public lands. It means land controlled by the government. And out of these public lands are included sequestered lands, abandoned lands, and idle lands which have not yet been distributed. And how many are private lands? Barely one and a half, 1.4 million. So, government is in control of 80% of the land. This is why our bill simply says distribute. Let us distribute these lands because the government is controlling it. It is 80%, and yet producing only 10% of production. Whereas the private land is producing 90% of all agricultural production. Ours is supposed to be an agro-based economy. So we must help production. And at this time, to really go after private lands, to cut it up, especially those that are producing highly, is counter-productive.

Okay, let us say social justice. I ask Congressman Gillego, what do you think is the price of social justice? How much should we pay the laborer? I planted the rubber trees. My workers did not plant, I planted them. I borrowed money. When a typhoon came nobody helped me, I had to help myself. Now they are harvesting, earning P27,000 a year, working 6 hours a day, 6 days a week. And then they are not interested in owning the land. We already discussed it with them. Because if they're interested, I'll deliver it to DAR. But they said, they will just remain laborers because they have a labor union.

Now, what do you mean by Comprehensive Agrarian Reform? The word agrarian does not refer only to land. It refers to all components that have to do with the production of agricultural lands, capital, labor, marketing, infrastructure, agricultural inputs, machinery, credit facilities, marketing tie-ups, international agreements, transportation, and technology. If you take one or two away, this will collapse. When we say comprehensive, do we only mean all the lands or all the components so it will be successful? Why was PD 27, which is the so-called emancipation decree of Marcos, unsuccessful? Because the 44% beneficiaries are still living below the poverty line. Eighty percent of the landowners have not been paid. Only 10% of the beneficiaries have paid for the land. So there is something wrong there. And we think that this is because maybe they were not given enough support by the government. So, if there's going to be 50 billion to be spent, we would rather spend it in giving support, in seeing that whatever land you give to the beneficiaries would be supported by all the other components, and not give land and

just leave them like that. We have experimented in Negros. Landowners have experimented in giving lands to workers. And there are some people, we found out, who were not built to be entrepreneurs, who were not born to be owners, who are really fit to be laborers.



**Comment:** The fact that the peasants who seized the lands instituted cooperatives shows us that they have better insight into what can be done to the lands previously held by landlords who enriched themselves with nary a sweat, and tells us that we have better things to do rather than raise the spectre of anarchy in order to further discredit spontaneous moves like these seizures. And I think, the fact that the Aquino government, before it was borne to power by the popular uprising in EDSA in February, promised the peasants that a genuine Agrarian Reform would be the cornerstone that would largely differentiate it from the Marcos regime, and the subsequent delay and perhaps eventual failure of such a promise, gives us an idea why peasants or peasant movements cannot have much hope in the promise of whatever Agrarian Reform program that would be instituted in Congress. And the fact that this government thrives largely on symbols and gets scared by symbols, and the fact that this government backtracks on a more acceptable Agrarian Reform program because it was scared by the symbolic

act of the landlord blood compact, maybe we cannot blame the people if a lot of them would prefer the revolutionary way regardless of our ideals of peace and order in a liberal democratic society. Because Mrs. Aquino and her government would claim that we had a revolution in February, it is time that we display the political will to substantiate this political revolution into perhaps more than a palliative social reform that would truly emancipate the peasants from the landlords and sugar planters.

**Comment:** I still think that having lower retention limits is not a radical measure at all. I think that it does not call for a classless society to have lower retention limits. Agrarian Reform with the "land to the tiller" concept, with provisions for the owner-cultivatorship being extended to the farmer landowners who are willing to till the land and be given 3 hectares, is in fact very much within the context of a liberal democracy. The middle class will in fact grow, because there are more people who will have more money in the agrarian sector.

Another point is that when Mindanao was cleared, it was not cleared by the landowners themselves. There were peons. The landowners got the capital, yes, and they also got the insurance, but they did not till the land. Also, if 10% of the land, as Representative Starke claimed, is productive and 90% of the land unproductive, the question I think, is that the 10% of productive land is at the expense of 70% of our population. There are farmers, fisherfolk, women in the peasant sectors, who make these lands productive, but they do not benefit as much as those who own the land.

**Representative Starke:** The trouble with this land reform bill or this enactment or legislation is that so many people who are not in farming have something to say, and they think they can change the whole thing. You really have to know and be a farmer to know what it's all about, whether it's 3 hectares or 300 hectares. You have to be a farmer to get a feel of the farm. It's like your child. So the technocrats, the academe, the union leaders, the labor leaders, the politicians, they're all in this pot. Here are all these people who are being dispossessed, and yet they are the least heard.

**Prof. Cynthia Bautista:** The state opts to assume a liberal democratic form within a very oligarchic structure. Precisely in most studies of current agrarian reforms in other countries, agrarian reform is seen to break the oligarchic structure in order to facilitate whatever liberal democratic form the state wants to assume. Now, the agrarian reform legislation that's coming out is really a compromise between various forces in the government, between various contending classes in the legislature. It reflects and

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*"There are people who were not built to be entrepreneurs, who were not born to be owners, who are really fit to be laborers..."*

— Rep. Starke

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also offsets, an existing unequal distribution of power in this country, as well as government resources. But what does not seem to feature in the consciousness of most legislators, because of the composition of the legislature, is that you also have agrarian restiveness and genuine social unrest.

Assuming, as Professor Tadem would put it, that we will have the least worse of the bills in Congress, then you go to the problem of the executive. Because the political will is necessary to break down the oligarchic structure. It is not just a matter of legislation. As we all know, it is also a matter of implementation. So, Secretary Juico's department will also have to be inspired in implementing this.

The third point is in terms of mechanics in reference to Representative Starke's point. If she is a tiller, then perhaps in terms of the compensation, the scheme must really have to take into account the different types of people who own the land. There are the homesteaders, and there are those landlords who absolutely have no contact with their land except that they are the owners by virtue of property rights.

**Question:** Are you about to confiscate the lands of the Zobel, Ayala, Soriano, and other prominent hispanic families, and the Church, whose titles were granted by the king of Spain, since we're a Republic now?

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*"The trouble with this bill is that so many people who are not in farming have something to say..."*

— Rep. Starke

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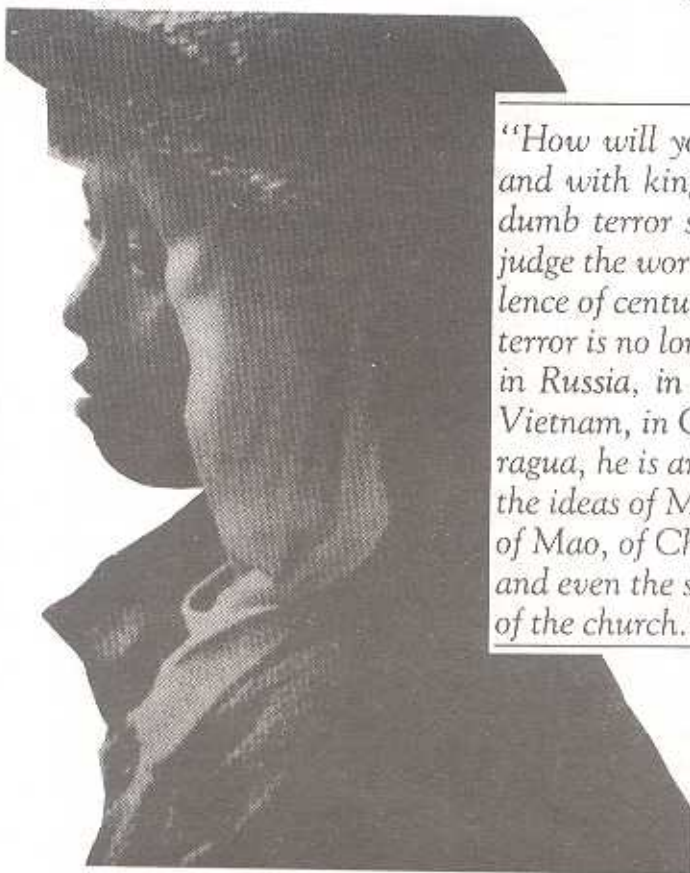
**Senator Alvarez:** I don't know but when I was Minister of Agrarian Reform, some of the bishops came to me and asked me if it was possible to retrieve some of these lands which will be subjected to land reform. Because they felt that many of these lands taken away from them were taken away from a better use, since they were using the produce of the land to support the seminaries. Of course, we turned them down. I'm not aware of big land formations now owned by the church. In the case of the Zobels and the Ayalas, I think they've been transformed into real estate properties. That is another area of reform.

To touch on the comment of Professor Bautista, we are working on a liberal democratic order which has a number of constraints. One is the value of capital. The cultural value of capital will have to be taken into account here. So that when we talk of fair market value, we have to reckon with some rules. You cannot disregard the rules because they are part of the capitalist order and the constitutional order in which a liberal democracy operates. So, if you are a legislator, you have to be able to skillfully and wisely work within this system so that the proposed change will really be fully optimized. In my mind, I would like to maximize this change. But I have no delusion that this is going to be the change that will end all changes.

I think we've done away with the big vast oligarchic structure. The oligarchic structures may be in the arena of other economic activities. But definitely, after 5 years of implementation, what will remain perhaps would be pure and simple middle-class land ownership of 12 hectares or 15 hectares at most.

**Question:** Considering that the voluntary registration of lands will end on Monday, I want to know what percentage of the total landowners in the country has registered so far.

**Secretary Juico:** We're not going by percentage of landowners, we're going by sworn statements based on NCSO data. The target number of sworn statements is something like 2.9 million. But as of Tuesday, about 10% have registered. As I have explained, with 10% of these owned lands above 5 hectares, you practically registered the lands that you wanted registered anyway. Because if those who have less than 5 hectares did not register, those data are not really needed because we're speaking of retention limits of 7 hectares. So, 10% returns does not mean low or poor return. It depends on the quality of the returns that we get considering that about 6.3% own lands of about 5 hectares and above. The balance of 71% don't even own agricultural lands, and about 22% own less than 5 hectares of agricultural land.



*"How will you be with rulers and with kings, when the dumb terror shall rise up to judge the world after the silence of centuries? And this terror is no longer dumb: in Russia, in China, in Vietnam, in Cuba, in Nicaragua, he is articulate with the ideas of Marx, of Lenin, of Mao, of Che Guevarra, and even the social doctrines of the church."*

