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The article argues that in postwar Greater Manila, specifically from 1945 to 1960, conditions such as an open economy due to the postwar reconstruction process and the role of the government as an enabler of private interest culminated in a suburbanization process to the areas of greater Manila led by the private sector via the construction of subdivisions. Elites, who owned many of the real estate companies, took the opportunity to expand, to accumulate more land and capital. As part of a historical trend during the American period, land, then, became a privatized and highly contested commodity that effectively cemented class power in Greater Manila. Such actions resulted in the lack of public planning to answer the needs of many inhabitants of Greater Manila that are very visible until today. First, the article briefly discusses the concept of suburbanization, particularly its nuanced application in Southeast Asian cities and its relationship with established works. Second, the article discusses two related processes: the need of the reconstruction process for foreign investments to come in and the emerging economic nationalism during the period. The third section demonstrates the role of the state in urban planning and real estate in three levels—planning, land expropriation, and financial instruments. The final section elaborates on the impact of state policies, particularly suburbanization of the elites from 1950 to 1960.

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Suburbanization, defined as the outward diffusion of urbanization towards the rural areas, can be studied by focusing on the case of subdivisions. As these subdivisions are not neutral communities that developed without its controversies and implications to other citizens in the country, they are structural entities which represent class, ethnic, gender, and power structures in the country. These large and luxurious exclusive households for specific elites in the Philippines represent a contentious, yet significant issue for the country. Although the first subdivision was established in 1901, the business did not proliferate due to unfavorable economic and demographic circumstances at that time. 1919 was the height of the real estate boom and became the basis of the turning point. The Americans controlled the real estate during the American period as a product of their colonial rule and, subsequently in the commonwealth period, urbanization was primarily private-led. Thus, this article aims to explore the historical reconstruction of the system of real estate and subdivisions during the postwar period by focusing on suburbanization on Greater Manila – Caloocan, Pateros, Valenzuela, Las Piñas, Makati, Mandaluyong, Marikina, Quezon City, Taguig, San Juan, Parañaque, Pasig, Pasay, Navotas, and Muntinlupa (Serote, 1982).

To properly frame subdivisions via present issues, a historical lens focusing on postwar period is necessary because of its vivid remains in the present. 1945 was a turning point because it was a period of political, economic, cultural, and social reconstruction of the Philippines from the Japanese occupation, colonization and World War II. While there are resourceful and helpful writings on postwar Greater Manila, these works, however, chiefly focus on technical and planning history. Ernesto Serote’s (1991) work discusses the socio-spatial history of the aforementioned city from the Spanish up to the American period. Meanwhile, an article by Asteya M. Santiago and James L. Magavern (1971) focuses on the legal basis of local planning and its subsequent developments. Also, the book of Manuel Caoli entitled The Origins of Metropolitan Manila (1989) talks about the political and social beginning of the city; it analyzes the different political issues, intrigues, and origins, linking it back to the roots of Metro Manila. Similarly Aprodicio Laquian’s The City in Nation Building (1966) and Amando Doronila’s (1992) The State, Economic Transformation, and Political Change in the Philippines, 1946-1972, while extremely important works in terms of tracing the evolution of the city through key actors and political changes given by independence, do little
to account for the role of the private sector and real estate in the suburbanization process. Thus, the article adds to the existing literature by focusing on the private sector and its role in suburbanization.

The article argues that in postwar Greater Manila, specifically from 1945 to 1960, conditions such as an open economy due to the postwar reconstruction process and the role of the government as an enabler of private interest culminated in a suburbanization process to the areas of greater Manila led by the private sector via the construction of subdivisions. The Elites, who owned many of the real estate companies, took the opportunity to expand, to accumulate more land and capital. Land, then, became a privatized and highly contested commodity that was used to cement class power in Greater Manila. Such resulted in the lack of public planning to answer the needs of many inhabitants of Greater Manila was not taken into account due to these processes.

This process of private-led suburbanization is consistent with works of Harvey (2002), Brenner and Theodore (2002), and Kelly (1999) on the role of economic transformation, an open economy, and private interests on land. This article is consistent with previous studies, which accounted for the private sector, or the elite’s accumulation of capital through an evolving control of urban land ownership in Metro Manila during the American period. In a previous unpublished historical paper, I argued that elites could also be called “suburban real estate elite” (Camba, 2010).

The structure goes as follows in four sections. From 1945 to 1955, the article deals with processes relating to the urban land and real estate. First the article briefly discusses the concept of suburbanization, particularly its nuanced application in Southeast Asian cities and its relationship with established works. Second, the article discusses two processes: the need of the reconstruction process for foreign investments to come in, culminating in the influx of real estate money into the city of Manila; and on a broader political economy level, the emerging economic nationalism in the period that hindered American real estate domination and paved way for the urban elites to compete. Given the structural conditions of the period, the third section demonstrates the role of the state in urban planning and real estate in three levels—planning, land expropriation, and financial instruments. The article shows that the state has been focused on facilitating private-sector transactions, empirically showing that that suburbanization of Greater Manila is private-led and corollary to real estate
interest. And finally, the fourth section elaborates on the impact of state policies, particularly suburbanization of the elites from 1950 to 1960.

The article is grounded in the use of three types of historical sources—government documents, archival sources, and key informant interviews. Another source are official journals from the American Chamber of Commerce, from 1945-1969. This is essential because the main business powers at that time, before the expiration of the Bell Trade act, were the Americans business groups, which held considerable links with elites in the Philippines. Their businesses were active both before and after the war. While some might think that these are biased accounts, there are three important considerations. First, the ACC journal was not written by a single author, but different businessmen, experts, and political analysts for the Americans, and other foreigners. In that regard, I believe that this is representative of the official stance and atmosphere of the businesses class at that time, since they were the only foreign business power with tenable links to the Philippine Government and the Filipino elites. In analyzing the biases of these journals and their representation of the past, their target audiences were foreign businesses, Americans and Europeans, which means, most probably, that they tried to report and analyze as fair as possible. Second, the possible limitations of official government data because of political considerations would be compensated by the existing records in the ACC journals. The expected problems of institutions such as infeasible and missing documents, unwilling bureaucrats, and inaccessible data could be compensated by the ACC journals; the information from these journals has documented the activities of the urban elites in postwar Metro Manila. An interview with Engineer Argine Jacobo indicates that government data in the Department of Public Works and Highways have been missing since the late 1980s.

Last is that different experts on different business issues are the writers of the journals. They have contending and experienced views on specific urban domains. For instance, C.M Hoskins, the writer of Real Estate for the ACC journals was an active, experienced realtor himself.

Perhaps, the most underused and underestimated primary source that historians can use is the census. Sam Bass Warner, a notable urban historian, said the “census data is the best friend of the urban historian because it locates localities in specific spatial categories and temporal context” (Sharpless & Warner, 1977). The tables and data below were reconstructed by using both the census and the ACC data. And last, an interview with 1970s urban planner Ernesto
Serote was conducted because of his experience with urban planning and credibility in the planning circle.

**SUBURBANIZATION**

The term has been debated by a number of scholars studying urbanization. An accepted characterization is the following: (1) high dependence on motor vehicle transportation; (2) high single family residence on larger lots; (3) inadequate government facilities; (4) high per-person infrastructure cost; (5) inefficient street layouts; (6) large consumption of energy, land, and water; (7) lower crime rate and higher quality schools; (8) high consumer preference for residential areas (Kelly, 1999).

Although previous theories such as “flight from blight” and the natural evolution theory explain suburbanization in Europe and the East Coast of the United States during the 19th century, these explanations do not wholly account for Southeast Asian cities. As explained by Terry McGee, the urbanization of Southeast Asian cities did not happen due to agglomerating economies; rather, it occurred due to the external factors involved, which influenced the economy and the city. Furthermore, Sam Bass Warner, one of the leading urban historians of the 20th century, argues that urban history is about the increasing interaction of the changes in the national economy and its impact on urban land (Sharpless & Warner, 1977). A very reliable theoretical work, which focuses on the link between very open economic policies and urban spaces of neoliberalism, has been developed by renowned critical geographer David Harvey (2002), and other further works look at the varieties of neoliberalism via the frame of “actually existing neoliberalisms” (Brenner & Theodore, 2002). Little work has been done to account for these issues historically and in the very context of Metro Manila. At most, the recent work of Philip Kelley explicates the relationship of neoliberalism and urban land evolution in the Southern provinces of Metro Manila (Kelly, 1999); however, this major contribution does not deal with the postwar period using a historical lens.

Accounting for the historical suburbanization of Greater Manila raises several important factors to be analyzed. In showing suburbanization as a continuous process, the research identified several factors. The context of Greater Manila depicts a complex interaction between the historical and geographical processes and the contestation of social groups for power and control of urban
land. The first factor is the condition of an “open economy” as a pre-requisite for money to come in and invest on urban land. The standard of an “open economy” does not mean absolute openness similar to the contemporary “neoliberal” cases of the Philippines and Argentina; rather, it refers to enough government permission to allow money to come in without inhibitions—in this sense, a government that “allows” investment, the marketization of urban land, and supports the suburbanization process. This brings about the second factor in suburbanization: massive amounts of capital for investment on urban land. The marketization of urban land comes with financial instruments which allow private players to commodify urban land. The ownership of land is transformed into a “formless” commodity of money, then relegated using class and historical biases. The third factor deals with land and space that are available for expansion. Land itself is not enough—it has to be converted into a favorable and usable area for subdivisions. For instance, the Americans could not build subdivisions in the swamp lands of San Juan and Iloilo. The fourth factor is the government “intervention” needed to facilitate these transactions of urban land. This comes in the form of financial instruments that fastened and aided the investment of capital in urban land. The fifth factor would be the demand from the target market. An important part of the analysis would be the target market or the people who would buy lands and areas to create subdivisions. A pre-requisite of that would be the desire of the people to purchase subdivisions in the suburbs; this would entail an analysis of the push and pull factors of suburbanization. One of the most important factors in the “flight from blight” theory is the undesirability of the “old” city due to congestion and too much pollution; the changing demographic characteristics and excessive migration into the “old” city; the affirmation of “class” identity by purchasing an exclusive house for a specific class; and the elites’ desire to cement their place in society with the changing technologies of the period. All of these factors could be found in the historical and empirical proof found in the next section which aims to show that the suburbanization of Greater Manila and the geographic expansion of these processes in certain cities were indeed led by the elites.

**POST WAR ECONOMICS: OPENING AND CLOSING THE ECONOMY**

**Reconstruction Process**

After World War II, the Philippines faced massive reconstruction problems and the devastation of its cities. The war caused the destruction of Greater Manila
and a series of reconstruction efforts were implemented by the Philippine Government. Manila at that time, as the capital of the country, had to go through a period of perseverance and survival. The population of Manila, recorded to be 684,800 then, suffered P222,853,000 worth of war damage to its entire infrastructure. In Luzon, the roads, bridges, and transportation structure which accommodated the rural-to-urban flow accrued P23,278,852 worth of damage. Overall, the estimated damage to Manila’s buildings- from roads, public infrastructures, and private buildings- reached P335,718,000. The Philippine Rehabilitation Commission, the primary institution tasked to assign priority to rehabilitation sites and to disburse the funds, had placed Manila in its priority development scheme. The acquisition of funding from the Reconstruction Finance Corporation was the first response of the government to rebuild Manila. While there were funds relegated to the Haciendas of the provinces data shows that real estate loans were given to developers for the reparation of buildings and other types of infrastructure (‘Future Plans,’1949). In 1945, a total amount of P10,000,000 was given for homebuilding and P300,000 to owners of destroyed homes (Fu). The Philippine Government’s first concern was to be able raise funds for infrastructure recovery, government stability, and economic development. The immediate need for investments, especially in real estate, and fast tracked planning put urban development in the hands of the private sector. While there were funds from the United States of America, funneled from its coffers to the needs of the Philippines, the government still needed other sources of revenues. Foreign investments were very important since it brought the needed earnings to the government.

In the late 1945 and 1946, there seemed to be new vigor from these investors to set-up in the Philippines, promising mutual cooperation in new fields such as transportation, cinema, lumber, copra, and others. However, most of the corporate investments were dominated by Filipinos, numbering at 53 corporations with an investment share of 65 percent in the first month of 1946. The Americans and the Chinese followed at 13.8 and 20.7 of shares respectively (Ronquillo, 1946). Nonetheless, these capitals were insufficient to rehabilitate large industries in the Philippines; large capital was needed to revive industries in the Philippines. Experts concluded that despite the presence of millions of dollars waiting to come to the Philippines, investors were unsure of the conditions of the country (Ronquillo, 1945). There are exceptions to this trend as big “[p]rewar businesses have] been coming back and setting up permanent quarters in Manila’s port
area, with the office accommodations downtown being insufficient to house the new business that comes in” (Ronquillo, 1945, p. 213).

**Economic Nationalism in Import Controls**

American businesses dominated the process of urbanization during the American period in the Philippines (Camba, 2010). Businessmen who went into real estate development had establishments in other areas as well; they invested their acquired wealth into urban space for greater profit and control. Real estate was very profitable because of its linkages to construction, insurance, raw materials, and transportation. In the country, the system was dominated by American enterprises during the pre-war period; however, the suburban real estate elites slowly displaced them in the postwar period.

The shift from the American control of urban development was started by a series of policies implemented by the Philippine government. In 1949, then President Quirino enforced import controls as an economic strategy and the entire industry was affected. Hoskins reported in the 1949 issue of the journal that:

> Owners of commercial properties are somewhat concerned over the threat of broader import control restrictions, fearing that if wholesale and retail merchants dealing in imports are further restricted, many firm may be forced out of business. Apartment owners are also wondering whether more import control will cause an exodus of foreigners. As changes in the control regulations are still under study, the reaction of real estate owners seem to be one watchful waiting (Hoskins, 1949, p. 441).

The import of the required materials for real estate was affected by the new economic strategy; as Hoskins reported in January of 1950, “the new import controls have already affected building cost, although only a few items of the building materials were on the control list. The increase is attributed to the general expectancy of merchants that with reduced imports of controlled items, uncontrolled goods will have to bear a larger share of the fixed charges and operating expenses of the merchants” (Hoskins, 1949, p. 21).

Chiefly because of its access to ports and its role as the capital of the country, Manila received most of the real estate investments during the early postwar
years (Hoskins, 1949). A good number of offices centered in Manila during the American period and the initial postwar period seemed to be a continuity of the previous one. However, this trend did not last long since postwar Philippines was a different period compared to the pre-war era. As a result of the import and export control, office buildings became vacant and there was an increase of rent in apartments. Foreign staff was being cut by some firms and some moved into smaller quarters with cheaper rent in the suburbs or other cities (Ronquillo, 1945). The journal conveys that while this was not yet a broad movement since unexpired leases have temporarily hindered the trend (Hoskins, 1950). Nonetheless, the controls did not hinder real estate: “despite the growing number of vacancies, commercial and apartment properties continue in strong demand in Manila and its populous suburbs” (Hoskins, 1950, p. 69). This point proves two important ideas: one is that the import and export controls facilitated the cost-cutting of foreign offices in the Philippines but it undercuts future investments from the firms; second is that the strong demand for commercial and apartment properties in Manila and its suburbs were the concern of foreign firms.

An account in 1955 written by Antonio Varias showed the movement of buildings in certain areas in the Philippines. According to him, the land prices in the country was higher compared to some cities in America due to the cost of shipping bulldozers, road-rollers, trucks, gasoline and oil, tools, and other materials. He stated that “starting with the survey, the relative development cost, that is, the amount that will have to come out of the owner’s pockets will have [a] much higher, and will grow progressively higher, as the developing of ‘raw’ or ‘undeveloped’ land enters the more exacting stages” (Varias, 1955, pp. 116-118). He further says that the new rules of the government were good, such as considering lands to be ‘developed’ and ready to use if it was laid out a 5 meter dirt road with open drains, a portable-water system, vehicular traffic, and a great concentration of the population. The packaging industries combined their offices and plants to offset the cost. Meanwhile, the heavy industries, which require ample land space, have moved to seek lower-priced locations of larger acreages of firm-surfaced ground; this can be seen in textile, paper, steel mills, tire, and rubber factories putting up their own plants in places a few kilometers outside the city limits- in suburban-rural areas.

The effort of the American establishments to remain dominant in the Philippines was in vain because of the monumental changes in that period. Even
if the system of urban development was private-led and companies had until 1947 to operate, the process of state building eventually became a problem for the Americans.

Sovereignty for the Philippines was an advantage to the numerous suburban real estate elites in the Philippines. During the American period, colonial rule was heavily in favor of American businesses and it was almost impossible to legislate against them (Miller, 1982). But in the postwar period, Philippine sovereignty resulted in policies which were detrimental to American businesses. This explains why the old rich – the Ayalas, Aranetas, Yuchencos – started their real estate businesses during the postwar period. This was the time when foreigners eventually lost to the suburban real estate elites because of laws such as parity rights, and the latter’s access to citizenry and Philippine politics.

The time constraint of acquiring materials for the construction of buildings and the issue of willing buyers of houses created a lag in the demand for offices and apartments in Manila. The issue of infrastructure and material cost was depicted in the journal report in April of 1948, stating that “land values are stable but infrastructures cost more than double the pre-war figures, and many of the investors figure that new construction cost will not come down below the double the pre-war figures for many years to come” (Hoskins, 1948, p. 126). Subdivision sales continued to be active and there seemed to be a definite shortage of small lots needed for the vastly increased population of Manila. This indicates the demand for subdivisions and points to the demand for affordable housing.

The role of Americans became less important as the expiration of the parity rights drew nearer. But more importantly, the import controls were a deterrent to new American investors. The ACC journal states:

The new import control act provides that within the next three years successively 30% 40% and 50% of the total quota is to be reserved for new importers, and with this curtailment of the importance of the established firms, it is very doubtful that American importers will see their way clear to erect new buildings for their business as importers, or even to rehabilitate existing buildings. Several American firms have already sent some of their American personal back to the United States, reduced their local personnel, and contracted to the size of their business quarters. One large American firm was considering a rehabilitation
project which would have cost over P 1,000,000 but has decided that under the present conditions, the investment would not be justified. Another American firm planned the erection of a seven-story building, primarily for the use of a new firm entering this field, but has now given up (Keys, 1950, p. 224).

The American real estate developers were first focused on constructing office buildings in Manila; but some of them started shifting their attention to the development of subdivisions and lots for willing buyers. The Americans were reconstructing their offices in Escolta, Santa Cruz, Malate, and Ermita. These were the districts discussed in the previous chapter with a huge number of apartments constructed for the Americans. At the same time, the places where the accessorias were located on a large number before the war, such as in Sampaloc, Tondo, Quiapo, and Paco, were also being constructed and rented to the increasing number of migrant in this period. In essence, the concentration of the American investors in Manila and the import controls paved way for the suburban real urban elites to control suburban land and construct subdivisions in the suburbs.

**GOVERNMENT AS AN ENABLER OF THE PRIVATE SECTOR (1945-1955)**

**Urban Planning Strategy**

The urban planning strategy that the Philippines utilized was the American model of urban development; this model had been used in some cities in the said country such as New York and New Jersey. The reason for this is the strong business connections among the real estate developers, the local elite, and the state. As Serote said, the responsibilities left to the state were road, sewage and water development, and security. Housing was not a state responsibility but rather, a task left to the real estate developers and the rest of the private sector. Moreover, the Philippine Government thought that the delegation of urban planning to the private sector was the proper way or urban planning and a fulfillment of their responsibilities to the state. This has been the known practice of that time in the Philippines and was followed in the postwar period (Serote, personal communication, October 10, 2009).
At this point, it is necessary to contextualize Manila’s postwar urbanization—real estate and construction—in its initial stages from 1946 to 1950. Real estate development in those years was geared towards making Manila the “greatest warehouse and trading center in the orient” (Ronquillo, 1950), it is a continuation of the colonial arrangements during the American period. While real estate development in Greater Manila was eventually directed towards the development of houses and subdivisions in the late 1950s, the primary concern of the industry at the time was the development of apartments which serve as office buildings and spaces for rent. Real estate developers, particularly those who were anticipating the influx of foreign investors, viewed the construction of apartments as advantageous since the unit can serve as either an office or a residential unit. The government’s approach to this was to let the private sector roam freely. As the then Secretary of the Department of Economic Coordination, Dr. Salvador Araneta, stated “on the whole, government corporations should not engage in activities in competition with private enterprises” (‘Editorial,’ 1950, p. 359). This was further strengthened by the announcement of the American Chamber of Commerce that free-enterprise was their primary advocacy (‘Editorial,’ 1950 548).

Real estate development in 1946 to 1948 was going as expected; there was real estate resurgence in 1946 and a construction boom in 1947. As the Ronquillo stated in 1949, “the building boom has gained momentum, restricted only by financing limitations and even more so by the shortage of construction materials” (p. 18). The obstacle to the real estate surge was the demand for specialized construction supplies such as steel, highly-alloyed metals, and other equipment used for the construction of buildings. For instance, in 1947 there was high demand for new residential subdivisions, but had to slow down due to material insufficiencies (Hoskins, 1948c). In other words, real estate development was directly linked to other industries; it slows down if the materials needed are hindered in some way.

Therefore, we can derive from this section that there was a powerful influx of capital, specifically in the Manila, that bolstered foreign interest and the reconstruction process. The most important political project at that time was the reconstruction of the country, particularly of the capital. In essence, the very lifeline of the reconstruction agenda was supplemented by the process of drawing in foreign investors. While it was helping Manila economically, it was also formalizing and reviving foreign power in the Philippines, specifically in real estate and in the
control of urban land. The interest and investment of the private sector in urban land was met by the desire of the state to implement government-led planning.

The National Urban Planning Commission, created in 1946, was an ineffective body because its functions were limited to merely recommending zoning ordinances and draw up city plans. The local governments were powerful; as Santiago and Magavern said, “[they] were allowed to override general plans, zoning, and subdivision regulations adopted by the Commission by a three-fourths vote” (Santiago & Magayern 1971, p. 48). The predecessor of the aforementioned commission, the National Planning Commission, had centralized and broader powers. Serote said that the commission, despite having broader power than its succeeding counterpart, still could not “reach each and every municipality” (Serote, personal communication, October 10, 2009). The commission failed to enforce a centralized plan and structure due to the local government’s resistance. The implementation of the Local Government Autonomy Act of 1959 further marginalized the National Planning Commission. The local government was given the powers of regulation, taxation, expropriation, spending, and borrowing; they could also form and contract projects with private developers. Serote said that the body was handicapped to begin with due to its reliance on budget and cooperation with the local government units. The Congress filled with members of the elite society, who had interest to contract their lands with private developer; the municipal boards had their way with almost everything (Santiago, 1974). Although other factors could be taken into account, the general reliance on the private sector to pursue urbanization was the general trend at that time (Santiago, 1974).

In preparation for the independence of the Philippines, the Frost plan was drafted in 1941 to turn Quezon City into the Philippine’s very own Washington D.C. (Serote, personal communication, October 10, 2009). It was, however, delayed because of the World War II and its political, economic, and social ramifications. Government planning mostly started with the announcement that Quezon City will be the capital of the Philippines in 1948. The relocation of the main government buildings in the country and the provision for housing of the city’s employees were part of the Frost plan. In contrast to what can be seen today, various national buildings have been included in this plan: a national expository center, the Philippine Military Academe, a national park, the Executive Mansion, and the Malacañang Palace. The initial problems comprise of sewage, water,
and hygienic issues. The population concentration in Manila also posed to be a problem; the government even considered “[how] the redistributing the population will affect the Metropolitan District Area, how the various sections are likely to develop, what revenues may be expected, etc” (‘Future Plans,’ 1949: 193). With the exception of Quezon City, all the cities of Metro Manila followed a private-led urbanization paradigm (Serote, personal communication, October 10, 2009). The state was expropriating and purchasing lands in Quezon City for the provisional housing. Today, the only parts of the Frost plan that were forced are Projects 1-8 and the lower areas of Diliman. In these areas, arteries of roads could be used by vehicles from Manila to Marikina. Meanwhile, the upper part of the Commonwealth was turned into private subdivisions and some were taken by informal settlers.

In the standard narrative, the Frost plan was a failure due to its retraction by Marcos. According to Serote, the shift to turn Metro Manila into the capital instead of the country was the primary reason for the retraction (Varias, 1955). The efforts of the government to build infrastructures and allocate lands for provisional housing ended together with the Frost plan. Ferdinand Marcos changed the plan and named Metro Manila the national capital of the country. Once the plan was deserted, the private sector took this opportunity to purchase the government lands in the area; in some areas, informal settlers arrived, settled, and battled it out with the government officials and the private sector. However, this explanation has a few limitations since the private sector was able to infiltrate and build subdivisions such as Doña Juana; these are private subdivisions for those who can afford it. These subdivisions may have been built in anticipation of future land price increase (Hoskins, 1948). So even if the Frost plan was there, the private sector would have been able to interfere with the planning. There were definitely subdivisions that were partially government led, as the Philam life subdivisions catered to the employees of Phil American Life Insurance Company. Still, this is a partial victory to the failure to implement the Frost plan during this period. The only successful housing schemes during this period were the projects 1 to 8. Other housing schemes that catered to specific government bureaucrats, such as teachers and National Housing Authority Employees came in during the post-1960 period.

The August 1948 report of Hoskins states that “speculators were not too active in the Diliman-Novaliches area in spite of the capital designation, preferring
Illustration 1: Frost Plan, 1941
to away the announcement of more definite plans” (Hoskins, 1948, p. 336). This line implies two important ideas. The first is that the term ‘not too active’ indicates that speculators were active in different areas of Greater Manila. Private-led development was rampant and strong, which means that the government bodies who are supposed to stop these activities were ineffective (Hoskins, 1949). The second idea is that the potential plans of Quezon City were active deterrents to their activities (Serote, personal communication, October 10, 2009). When the said plans began to materialize, the private sector became active in the acquisition of lands in those areas. While there are so many factors that led to the weak urban planning of the city, this section shows that subdivisions and real estate interest got in the way of government plans—evinced in the modification of the Frost Plan.

Public Land Expropriation and Urban Development

On the first level, the expropriation of land for public infrastructure development, the people’s Homesite and Housing Corporation seized lands in Quezon City, Caloocan, and San Juan area, used to create projects 1-8 as mentioned before (Serote, personal communication, October 10, 2009). This would be the counterpart of government development of roads and infrastructure and development. However, documents prove that there were cases of expropriation against members of the elite and landed estates all over the country, including Manila and some of its suburbs. The Land Tenure Administration (LTA) was in charge of this particular task. In 1957, the president ordered the LTA chairman Manuel Castaneda to proceed with the “expropriation, for subdivision to tenants, of some 172,850 sq. ft. of land in Manila affecting 1,200 houses and 7,145 families” (‘The Business View,’ 1957: 114). These lands include the following: the Samia estate, the Tambunting-Legarda estate, the Consuelo de Prieto estate, and the Eusebio Carlos estate (‘Philam Life,’ 1957). Data in the American Chamber of Commerce indicates the expropriation of landed estates all over the Philippines; this includes other parts of Greater Manila and its suburbs.

The government strategy was to seize large tracts of landed estates for division and resale to its present occupants. The Manila Realty Board was involved since they were appointed by the economic director, Dr. Salvador Araneta. The government also used the aforementioned land for its own infrastructure (‘The Business View,’ 1957). This process of the government was not against the urban landed elites. In 1948, an amicable conference between the government
and the said property owners resulted in ending the issue; the latter convinced the former that they are just as enthusiastic to sell their estates as the government is to have them do. The reason for this would seem to be the problem of informal settlers and tenancy of the lowest brackets to the government lands (Hoskins 1958). The government follows laws such as R.A. 1599 and H.B. 2003 which establishes the capital of the Philippines and provides for expropriation of private property within its limits and fair compensation (Hoskins 1948b: 267). In these periods as well, the government started to slowly rebuild its roads, bridges, and infrastructures that were lose during the war.

Financial Instruments

Next is the topic of financial instruments provided by the government and the operation of insurance companies. This subsection is the counterpart of the buildings and loan associations during the previous periods as those organizations faded into obscurity as the state started to take a larger role. As part of the rehabilitation and development efforts, these loans were advanced from the United States of America and the International Monetary Fund. In 1947, reported that “mortgage investments are now attractive to private capitalist[s], domestic savings banks have in the past year hone[d] heavily into mortgage loans and are close to their statutory limit” (Hoskins, 1947). After a few months, he then conveyed that the bulk of mortgages have gone to the construction and rehabilitation of buildings (Hoskins, 1948). After a year, Hoskins stated that even the Reconstruction Finance Corporation (RFC) is “generally using its loanable mortgage funds for small home loans” (Hoskins, 1949, p. 69). The Philippine National Bank (PNB) was also involved in the disbursement of loans.

This began to change by January of 1949, Hoskins’ reports that mortgage funds for long term loans are not so easy to come by as they used to; especially, with the RFC temporarily out of the real estate mortgage field except as prior commitments (Hoskins, 1949). An advertisement by the Philippine Guaranty Corporation, located in Plaza Cervantes Manila, Insular Life Building, shows the activity of insurance companies (Philippine Guaranty Corporation, 1950). In another account, Hoskins says that mortgage money “continues fairly easy at six percent to seven percent for moderate-sized loans. More private funds are going into mortgages than heretofore, at higher interest rates than charged by the financial institutions” (Hoskins, 1949).
This trend of mortgage loans did not last long as the RFC increased interest rates on real estate loans from four percent to six percent. This also adjusted in February 1950, when the president announced a shift of loans from real estate and building construction to economic development projects. An earlier annual report from the RFC in 1949 indicates a clamor for change:

While obviously there appears to be a connection of loans in real estate construction, it is desired to state that it has not been the policy of this Corporation to encourage real estate more than agriculture and industrial pursuits. This happened only because at the beginning, while agricultural loan applications were slow in coming in, it was thought advisable to employ as much as possible the funds of the Corporation in alleviating the acute housing shortage then prevailing. ('Editorial,' 1949: 359).

This excerpt points out that majority of the loans have been going to real estate and construction up to the early 1950s. This is strengthened by a report in 1951 saying that private banks and loan associations are moving out of real estate and into industries (Muilenburg, 1951). A report in 1953 confirms this: “[the] bank enjoined the Rehabilitation Finance Corporation from making further loans from residential construction” (Reed, 1953, p. 63). The focus of the two institutions was now directed towards economic nationalism. In 1953, the government launched industrialization projects, but also gave encouragement and assistance to private enterprises in the form of loans through the RFC and the PNB (Reed, 1953). By 1956, the residential construction was still moving in an upward trend and will continue to have done so if the RFC and banks extended mortgage loans to home builders on a long-term basis (Carlos, 1955). In 1957, the government continued to try securing loans from the International Monetary Fund for very important government projects (‘The Business View,’ 1957). In 1963, there were nine banking institutions heavily investing in Social Security System house loans, and at the end of the year, two additional players joined in (Gonzales, 1963).

Private insurance companies were also involved in real estate projects and construction of housings. One of the biggest, the Philippine American Life Insurance Company, was formulated by Mr. C.V. Starr who was the chairman of American Life Insurance. PhilAm Life immediately began constructing a housing project in Iloilo city, followed by similar projects in Baguio and Cavite city; these
were pilot projects in anticipation of large community development projects in Quezon City which covered an area of 41 hectares and now includes 526 homes, a shopping center, a community club house, a church, a park, and nine modern playgrounds (Santiago & Magavern, 1971). PhilAm Life constructed and financed the following buildings: IBM Philippines; Manila Broadcasting Company and Koppel; Manila Electric Company; Shurdut Investment buildings; Fuller Paints Manufacturing Company; Merck, Sharp, and Dome; National Carbon Philippines; Standard Branos of the Philippines; Vic International Building; Manila Doctors Hospital; and Jose Abad Santos Memorial School. In early 1956, the company totaled P 3,937,196 in private corporations and 3,734,741 in government bonds. By 31 December 1956 there were 383 mortgage loans with a sum of P 13,130,535 (‘Philam Life,’ 1957:368). The role of the insurance industry in housing and urban development is not surprising since Elser, one of the biggest real estate developers in the Commonwealth era, started the very first insurance company in the Philippines.


With these structural conditions and with the role of the government, the question then is what are the implications to the suburbanization process? Since foreign real estate businesses were concentrating their money in Manila because of its ports, members of the elite society started their transfer from Manila to other cities, like Quezon City, or the suburbs, like Caloocan, Makati, Mandaluyong, and Parañaque. Even if some of the foreign real estate establishments were moving out of Manila to the suburbs, the old rich also moved in the same direction. The additional cost from the import controls in the years 1949-1955 was harmful to the American real estate companies. The suburban real estate elites, however, were not affected by the policy because they were Filipinos by nature (‘Future Plans,’ 1949: 1946). Some of them already had Spanish inherited lands in those areas—such as the Ayalas in Makati and the Ortigas in Mandaluyong. The only thing left to do was to open a real estate business of their own. One case would be Alfredo Tuason who created the real estate corporation Alfredo Tuason & Sons in 1952. Serote said that the business interest of the suburban real estate elites was due to the thinking that there was money to be earned from land. This answer, while true, must be understood in terms of the processes of postwar Manila at the particular time.
To illustrate such trends, Table 1 and 2 below show the land transactions of the big landholding families at that time selling their lands to companies and to real estate holders. With the help of census data in 1946 and 1960, the table was reconstructed from data in the American Chamber of Commerce from 1945 to 1960. These tables show that the big landholding families sold major tracts of lands to companies and new real estate companies at that time. Thus, empirically showing that an open economy, marketization of land, and the movement of capital into these areas were movers of suburbanization—all of which were led by the private sector.

There were, however, other factors that led to the institutionalization of the suburban real estate elites. It was during this time that the old rich opened subdivisions for people who were moving out of the Manila. An occurrence of flight-from-blight of the elite society was also taking place in the postwar period. The non-realtors wealthy population Manila was becoming ecologically unsustainable and populous; they considered moving to the suburbs. It was not just members of the elite society who were moving out of Manila, but also those who can afford to buy houses elsewhere. These resulted into urban sprawl outside the gated subdivisions. As discussed in the previous chapter, the spaces in Manila were being occupied one by one by the buildings and condominiums of the foreign real estate companies. Those who had the money moved out and moved into the new subdivisions established by the suburban real elites in the suburbs.

Another reason for the movement to the suburbs was that the municipal board of Manila implemented two policies that were disadvantageous to real estate developers. These policies were implemented because of the massive real estate development in the city. In 1949, the board approved of a 12% rental ceiling for residential and commercial infrastructures. This will harm the income of the real estate companies who wish to increase their rental price. This was contested in the Supreme Court and resulted in the restoration of the Commonwealth Act No. 689, which establishes a 20% ceiling price. Despite this, the local boards still enforced the 12% rental ceiling. The board also required property owners to build sidewalks in front of their properties; their failure to do so would allow the city to build it and charge the cost to the landowner in the form of a special project payable in ten years. The board was given taxing powers of letting and subletting lands and buildings. Their powers have been extended to include practically
Table 1: Ortigas Land Transactions, 1952-1957

<table>
<thead>
<tr>
<th>Year</th>
<th>Location</th>
<th>Seller</th>
<th>Buyer</th>
<th>Price (Pesos)</th>
<th>Size (sq.m.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1952</td>
<td>Baranca, Mandaluyong</td>
<td>Madrigal y Cia Ortigas</td>
<td>Philippine Industrial Textile Manufacturers</td>
<td>202,216</td>
<td></td>
</tr>
<tr>
<td>1953</td>
<td>Mandaluyong</td>
<td>Ortigas, Madrigal y Cia</td>
<td>Abott Laboratories</td>
<td>109,936</td>
<td>10,936</td>
</tr>
<tr>
<td>1952</td>
<td>Highway 54</td>
<td>Ortigas, Madrigal y Cia</td>
<td>Rheem</td>
<td>105,406</td>
<td>15,058</td>
</tr>
<tr>
<td>1952</td>
<td>Highway 54</td>
<td>Ortigas, Madrigal y Cia</td>
<td>Philippine American Drug Co.</td>
<td>105,490</td>
<td>10,549</td>
</tr>
<tr>
<td>1953</td>
<td>Santolan Road</td>
<td>Jose Tiosejo</td>
<td>Ortigas</td>
<td>187,644</td>
<td>46,911</td>
</tr>
<tr>
<td>1953</td>
<td>Shaw Boulevard</td>
<td>Dona Julia de Ortigas</td>
<td>Philippine American Insurance Co.</td>
<td>77,545</td>
<td>15,439</td>
</tr>
<tr>
<td>1953</td>
<td>Mandaluyong Highway 64</td>
<td>Ortigas Madrigal Y Cia</td>
<td>A.C Delgado</td>
<td>66,150</td>
<td>4,725</td>
</tr>
<tr>
<td>1954</td>
<td>Bahay na Ilog</td>
<td>Hongkong &amp; Shanghai Banking Corp</td>
<td>Remedios M. de Ortigas</td>
<td>175,494</td>
<td>89,498</td>
</tr>
<tr>
<td>1954</td>
<td>Mandaluyong Highway 64</td>
<td>Ortigas Madrigal Y Cia</td>
<td>Abott Laboratories</td>
<td>109,936</td>
<td>10,936</td>
</tr>
<tr>
<td>1954</td>
<td>Mandaluyong Highway 54</td>
<td>Ortigas Madrigal Y Cia</td>
<td>Reynolds Philippine Corporation</td>
<td>225,750</td>
<td>20,000</td>
</tr>
<tr>
<td>1954</td>
<td>Mandaluyong Highway 54</td>
<td>Ortigas Madrigal Y Cia</td>
<td>Philippine American Life Insurance Co.</td>
<td>229,600</td>
<td>18,725</td>
</tr>
<tr>
<td>1955</td>
<td>Mandaluyong</td>
<td>Ortigas Madrigal</td>
<td>Inholder Laboratories</td>
<td>105,690</td>
<td>10,596</td>
</tr>
<tr>
<td>1955</td>
<td>Mandaluyong Barranca</td>
<td>Ortigas Madrigal y Cia</td>
<td>General Dairy Corporation</td>
<td>145,110</td>
<td>14,511</td>
</tr>
<tr>
<td>1956</td>
<td>Mandaluyong Highway 64</td>
<td>Ortigas Madrigal Y Cia</td>
<td>Menzi &amp; Co</td>
<td>303,600</td>
<td>303,600</td>
</tr>
<tr>
<td>1956</td>
<td>Harvard Street, Wack Wack</td>
<td>Hongkong &amp; Shanghai Banking Corp</td>
<td>Heirs of Jose Camacho</td>
<td>7,882</td>
<td>7,882</td>
</tr>
<tr>
<td>1956</td>
<td>Mandaluyong Barranca</td>
<td>Ortigas Madrigal y Cia</td>
<td>Fil-Americano Sino Development Co.</td>
<td>233,779</td>
<td>17,983</td>
</tr>
<tr>
<td>1956</td>
<td>Mandaluyong, Harvard Street</td>
<td>Ortigas Madrigal y Cia</td>
<td>Tito K. Yao</td>
<td>89,623</td>
<td>4,846</td>
</tr>
<tr>
<td>1956</td>
<td>Pasig</td>
<td>Ortigas Madrigal</td>
<td>Philippine American Life Insurance Co.</td>
<td>229,600</td>
<td>18,725</td>
</tr>
<tr>
<td>1956</td>
<td>Mandaluyong</td>
<td>Ortigas Madrigal</td>
<td>Inholder Laboratories</td>
<td>105,690</td>
<td>10,596</td>
</tr>
<tr>
<td>1956</td>
<td>Mandaluyong Barranca</td>
<td>Ortigas Madrigal y Cia</td>
<td>Juanita Marques Lim</td>
<td>120,000</td>
<td>20,000</td>
</tr>
<tr>
<td>1956</td>
<td>Mandaluyong</td>
<td>Ortigas Madrigal y Cia</td>
<td>O.E.S &amp; S. Co.</td>
<td>78,553</td>
<td>6,041</td>
</tr>
<tr>
<td>1957</td>
<td>Mandaluyong</td>
<td>Ortigas and Co.</td>
<td>United Laboratories</td>
<td>229,346</td>
<td>17,642</td>
</tr>
<tr>
<td>1957</td>
<td>A property in Highway 54</td>
<td>Ortigas, and Co.</td>
<td>International Harvester Co.</td>
<td>888,000</td>
<td>64,470</td>
</tr>
<tr>
<td>1957</td>
<td>A property in Wack-Wack</td>
<td>Ortigas and Co.</td>
<td>Luz Banzon Vda de Magsaysay</td>
<td>65,721</td>
<td>2,037</td>
</tr>
<tr>
<td>1957</td>
<td>Mandaluyong</td>
<td>Ortigas and Co.</td>
<td>Saint Joseph Inc.</td>
<td>40,780</td>
<td>2,037</td>
</tr>
<tr>
<td>1957</td>
<td>Ugong</td>
<td>Ortigas &amp; Co.</td>
<td>Norberto S. Lamca</td>
<td>37,877</td>
<td>149,933</td>
</tr>
</tbody>
</table>
Table 2: Ayala Land Transactions, 1952-1956

<table>
<thead>
<tr>
<th>Year</th>
<th>Location</th>
<th>Seller</th>
<th>Buyer</th>
<th>Price (Pesos)</th>
<th>Size (sq.m.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1952</td>
<td>Makati</td>
<td>Ayala Securities Corporation</td>
<td>Felipe Yupangco and Sons, Inc.</td>
<td>157,014</td>
<td>12,048</td>
</tr>
<tr>
<td>1953</td>
<td>Makati</td>
<td>Ayala Securities Corporation</td>
<td>E.R Squibb &amp; Sons</td>
<td>160,000</td>
<td>10,000</td>
</tr>
<tr>
<td>1953</td>
<td>Forbes Park</td>
<td>Ayala Securities Corporation</td>
<td>Natividad Vda. de Padilla</td>
<td>86,679</td>
<td>9,631</td>
</tr>
<tr>
<td>1953</td>
<td>Forbes Park</td>
<td>Ayala Securities Corporation</td>
<td>Primo Santos</td>
<td>61,924</td>
<td>4,587</td>
</tr>
<tr>
<td>1953</td>
<td>Makati</td>
<td>Ayala y Cia San Lorenzo Co., Inc.</td>
<td>2,800,000</td>
<td>1,339.319</td>
<td></td>
</tr>
<tr>
<td>1953</td>
<td>Makati Forbes Park Subdivision</td>
<td>Ayala Securities Corporation</td>
<td>Jose del Prado, Jr.</td>
<td>31,441</td>
<td>2,239</td>
</tr>
<tr>
<td>1953</td>
<td>Makati Forbes Park Subdivision</td>
<td>Ayala Securities Corporation</td>
<td>James Baldwin</td>
<td>31,576</td>
<td>2,339</td>
</tr>
<tr>
<td>1953</td>
<td>Makati</td>
<td>Ayala Securities Corporation</td>
<td>Sherwin Williams</td>
<td>161,500</td>
<td>1,950</td>
</tr>
<tr>
<td>1953</td>
<td>Makati Pasay-Mckinley Road</td>
<td>Ayala y Cia San Lorenzo Co., Inc.</td>
<td>250,000</td>
<td>650,139</td>
<td></td>
</tr>
<tr>
<td>1954</td>
<td>Makati Maria Avenue</td>
<td>Ayala Securities Corporation</td>
<td>Juan P. Garcia</td>
<td>29,173</td>
<td>2,161</td>
</tr>
<tr>
<td>1954</td>
<td>Makati Bauhinia Street</td>
<td>Ayala Securities Corporation</td>
<td>Carmelo Inc</td>
<td>36,894</td>
<td>17,302</td>
</tr>
<tr>
<td>1954</td>
<td>Makati Mahogany Street</td>
<td>Ayala Securities Corporation</td>
<td>Shinriro Philippines</td>
<td>128,896</td>
<td>8,056</td>
</tr>
<tr>
<td>1954</td>
<td>Makati Forbes Park Subdivision</td>
<td>Ayala Securities Corporation</td>
<td>Jose Soriano</td>
<td>433,904</td>
<td>N/A</td>
</tr>
<tr>
<td>1955</td>
<td>Ayala Ave</td>
<td>Ayala Securities Corporation</td>
<td>Kodak Philippines</td>
<td>160,000</td>
<td>8,000</td>
</tr>
<tr>
<td>1955</td>
<td>Pili Avenue</td>
<td>Ayala Securities Corporation</td>
<td>Arturo Latriz</td>
<td>130,000</td>
<td>2,258</td>
</tr>
<tr>
<td>1955</td>
<td>J.M Tuason</td>
<td>Domingo Ayala</td>
<td>Lorenzo V. Lagandaon</td>
<td>31,500</td>
<td>2,198</td>
</tr>
<tr>
<td>1955</td>
<td>Makati Yacal-Bakawan</td>
<td>Ayala Securities Corporation</td>
<td>Sinclaire Philippines</td>
<td>110,696</td>
<td>2,161</td>
</tr>
<tr>
<td>1955</td>
<td>Ipir Place</td>
<td>Ayala Securities Corporation</td>
<td>Agustin Garcia</td>
<td>86,600</td>
<td>2,098</td>
</tr>
<tr>
<td>1956</td>
<td>Makati Ayala Avenue</td>
<td>Ayala Securities Corporation</td>
<td>Kodak Philippines</td>
<td>151,206</td>
<td>8,000</td>
</tr>
<tr>
<td>1956</td>
<td>Makati Forbes Park Subdivision</td>
<td>Ayala Securities Corporation</td>
<td>Naty Levi Singson</td>
<td>76,405</td>
<td>3,418</td>
</tr>
<tr>
<td>1956</td>
<td>Makati Forbes Park</td>
<td>Ayala Securities Corporation</td>
<td>Manuel Tuason Jr.</td>
<td>63,202</td>
<td>2,909</td>
</tr>
</tbody>
</table>
any business, trade, and occupation. This resulted in new industries seeking sites in the suburbs to avoid the risk of local taxation. The 1949 report of Hoskins shows the decline of real estate activities in Manila in relation to the suburbs. The transactions were slowly moving to Santa Mesa, New Manila, Diliman, and Mandaluyong. Some foreign offices even started moving there due to the presence of more office spaces and vacancies in new buildings. Spaces for rent were more readily available at any time because of import controls (Hoskins, 1949c). These areas may also possibly be the effect of the increase in taxation powers of the city of Manila. While non-real estate foreign businesses moved out of Manila, real estate businesses were managed by the suburban real estate elites in the suburbs, due to the advantage of inherited land and real estate money as a long-term investment (Hoskins, 1949d).

Therefore, the movement of the real estate to the suburbs was a reaction to the population moving out of Manila, the increasing taxation and public laws of Manila, and to the advantageous position of members of the elite society. Housing for ‘low-income’ groups did not last long, had little consideration, and had a limited budget. The suburban real estate elites such as the Ayala's answered this trend by creating new subdivisions in the suburbs; the same can be said for the Tuasons, the Ortigas, the Aranetas, and other families.

The suburban real estate elites during this period were catering to members of the elite society and other well-off population of Manila moving onto the suburbs. These were wealthy people who did not move during the American period, but chose to do so come the postwar period. They were also serving high end middle class professionals, as those who can pay for housing and land. One of the most important factors in suburbanization during this period was the access to automobiles as indicated in the pictures below. This made transportation easy. If the offices of people were located in Manila, then transportation would not be a problem. Still, offices and industries started to move to the suburbs as well, owing to the residential areas that were absorbing huge number of migrants. The most notable subdivisions which opened during this period: Forbes Park in 1952; Dasmariñas in 1952; and White Plains in 1955. These were subdivisions for the urban and provincial elites. Subdivisions which cater to the upper middle sector and the emerging strands of the middle class slowly opened as suburban real estate elites sold lands to relatively smaller developers such as San Lorenzo Subdivision. As Joson and Corpuz mentioned in their books, the streetcars and
the trains were not given priority during this period. As such, it is little wonder that motor vehicle transportation dominated postwar Greater Manila.

On the final level of analysis, what happened to the major American Real Estate companies? First, during the postwar period, J.L. Myers was one of the most important figures in real estate development. A former road engineering and General Manager of the San Juan Heights company, he eventually joined J.K. Pickering & Company, another company engaged in real estate development, and became the Vice-President of the Philippine Trust Company. In 1954, Myers became the sole General Partner in the J.L. Myers and Company, and engaged in the development of Greater Manila. His company brought out lands, improved, subdivided, and sold on the basis of monthly installments. It acquired a title to some 150 hectares of land in San Juan, Rizal, and in Manila.

Second, Colin MacRae Hoskins organized Realty Investments, Inc. and the Bay Boulevard Subdivision, Inc. in 1937. In his early days, he was involved in the organization and formation of the Wack Wack Golf and Country club. He also formed the Manila Realty Board, and became its president, and was recognized as a foreign affiliate of the National Association of Real Estate Boards in the United States with the authority to use the registered trade name “realtor.” Hoskins was also policy maker for the Philippines government. A consultant of Mac Arthur during the postwar period, in War Damage Commission and assigned to prepare estate values throughout the Philippines, he also drafted the first regulations in the Philippines covering real estate brokerage. In 1953, he was appointed by Dr. Salvador Araneta to draft a land reform program of Magsaysay and to become a consultant in urban land policies (Colin MacRae Hoskins, 1967: 46).

Both Elser and Hoskins were still powerful business figures during the postwar period, but they could no longer hold the largest pie of real estate because of the changing political and economic conditions. Inevitably, they had to give in to the new players, the urban elites who had inherited land in the suburbs. Elser and Hoskins still contributed to shaping the private-led policies in urban land, as well as consolidated real estate prices for realtors in the country.

CONCLUSION

The article argues that, specifically from 1945 to 1960, structural conditions such the need for investments and open economy, backed by the role of the
government as an enabler of private interest, culminated in a suburbanization process of expanding subdivisions to the areas of greater Manila. Specifically, using historical sources and extending the argument made by many critical geographers across the world, the article demonstrated that elites, also called suburban real estate elites, expanded their power and capital through the accumulation of land in post-war Greater Manila. And while the process of transforming land as a non-excludable resource to a privatized commodity originated in the American period, the article extended the documentation of the process in the post-war period.

The article opens up an often neglected question in Metro Manila history: why is land use in the city biased for a small number of families in large subdivisions when there are so many people left to compete for so little urban land? Inadequate housing in the form of informal settlers in Metro Manila is clearly visible today. These people suffer from hazardous living conditions—some of them make up the “army of labor reserves” for big transnational companies while others contribute to the alarming crime rate of the Metro. Even for the middle class, there is an evident deficit of affordable housing near their workplace in the city.

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**Unpublished Masters Dissertation**


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University of the Philippines. And last, a longer version of the article appeared in the masters thesis of the author in 2010. The paper was revised and expanded, with a new analysis gained from reading the documents.

ENDNOTES

1 See also Lewis Gleeck’s published works in 1998, 1976, 1975.

2 The focus of the paper is Greater Manila, the metropolitan region encapsulating Manila and its surrounding cities. From American period up until 1975, these areas were called Greater Manila. Former President Marcos issued Presidential Bill 824, forming the Metro Manila Manila area. For the purpose of avoiding confusion, the paper will use Greater as the unifying category because the time period is only up to 1965. The area of geographic concern of the paper is the same regardless of the chosen category. See Ernesto Serote, “Socio-Spatial Structure of the Colonial Third World City: The Case of Manila, Philippines,” Philippine Planning Journal, 13 (1): 1-15.

3 This pertains to Manila and its suburbs Pasig, Pasay, Makati, Navotas, Valenzuela, Mandaluyong, Quezon City, Marikina, and Rizal.

4 For a review, see Camba, 2010. Also, see Harvey (2002), Brenner and Theodore (2002), and Kelly (1999).

5 The researcher talked with Engineer Argine Jacobo, head of the Archives Division in the Department of Public Works and Highways. Interview conducted in June 8, 2010.

6 There seems to be an obvious shift in the use of terms, from apartments to condominiums in the documents.

7 Jose Carlos (1955, October). Prospects of the construction industry, American Chamber of Commerce of the Philippines, p. 389.