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Philippines Makes Tremendous Strides In Agriculture But ...

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PHILIPPINES MAKES TREMENDOUS STRIDES IN AGRICULTURE BUT ...

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Food security or food self-sufficiency is a dream devoutly wished by Asian nations. With a few exceptions, however, that dream has so far remained elusive to many.

One of these exceptions is the Philippines which became self-sufficient in rice, the staple food. What makes the achievement more notable is that it was done in just two short years after a unique programme called Masagana 99 (literally meaning "Abundant Rice") was implemented in 1973.

Masagana 99 enabled the country to make a complete turn-around from a perennial rice importer to a rice exporter on the third year of its implementation.

And in a country like the Philippines where rice is politics and where the lack of it had meant the rise and fall of governments -- before the imposition of martial law in 1972 -- the achievement is, indeed, noteworthy.

However, rice was not the only success story in Philippine agriculture. With it came an increase in the production of vegetables, pork and poultry that enabled the country to become self-sufficient in these basic commodities.

In fact, the UN Food and Agriculture Organization has rated the Philippines as the world's 15th largest food producers today. It is only one of the few Asian countries where growth in cereal production has averaged more than 4 percent for 1972-81 -- the United Nations target for the decade.

According to a just-released World Food Council study, the Philippines hit 5.4 percent in this sector. The other countries are Burma, 6.8 percent; Sri Lanka, 6.4 percent; Indonesia, 5.3 percent; North Korea and Pakistan, 4.7 percent.

Despite these achievements, however, harsh realities remain an everyday fact of life in much of the countryside. Rural poverty seems as widespread as ever, affecting mostly the small farmers who helped propel Masagana 99 to the success that it enjoys today.

This is evidenced by a 1980 World Bank report which said that up to 1975, around 55 percent of the 40 million Filipinos were still living in poverty. They were so poor that they could not even afford the basic amenities of decent life like food, shelter and clothing.

Another study shows millions of Filipinos also have not benefited much from the breakthrough in food production. The government-sponsored survey of the Food and Nutrition Research Institute, for instance, indicates that Filipinos are still "nutritionally deficient", particularly protein and energy malnutrition (PEM).

Again the root cause appears to be poverty because basic food items have become increasingly available almost everywhere.

To be sure, the government has taken concrete steps to alleviate the situation. But as one expert put it, there has been no dramatic improvement in the farmers' lot "due to the complexity of different and oftentimes, conflicting government objectives in agricultural development".

These include : food self-sufficiency, low food prices, stable food prices, higher farm incomes, more government revenues, increased processing of agricultural commodities and others.

In this light, the Masagana 99 program deserves another look. Masagana 99 has been described as a "program of survival" launched in 1973 to achieve national food self-sufficiency. As the mother country of the high-yielding varieties (HYV), the Philippines designed the program through the widespread and effective application of HYV technology beginning with rice.

The program confronted the lingering obstacles against the full use by farmers of the HYV potential relating to technology, credit, marketing and land tenure. Utilizing the small farmer as the agent of change, it released a production package centered on the "miracle" rice varieties.

Complementing it is what FAO described as a "revolutionary resource support system underwritten by the government ensuring supervised production credit without collateral, organized cooperative structure called the Samahang Nayon to promote modern farm practices, encourage the collective purchase of inputs and to develop a savings habit, and introduced a wide-ranging agrarian reform covering all rice and corn lands."

The Masagana 99 experience has also effectively demonstrated how a combination of research and extension, policies and resources, reforms and infrastructure, incentives and inputs could facilitate the profitable transfer of technology in a developing country.

"The stake of the farmer is higher when the tenure is firm", FAO put it succinctly. "And the results are rapid when the government's political commitments are clear and people's participation is encouraged".

Today, the government is using that same approach to strengthen the country's food self-sufficiency base by increased attention to other food areas -- corn, wheat, fish and dairy products. For instance, a Maisagana ("Abundant Corn") program has been launched to encourage the production of yellow corn for which the country spends an average of US\$50 million annually in exports.

And in the wake of the current economic crisis, Maisagana and similar other agricultural development programs take on a more urgent tone. This becomes more evident as the costs of farm inputs like fertilizer and pesticide go higher and as depressed farm gate prices continue.

Still and all, there's no doubt that the government's food production program has brought to the country that long-sought dream of food security. But a lingering question remains : who benefited from all these achievements?

Without doubt the government was able to satisfy most of its goals -- food self-sufficiency, export expansion and import substitution, creation of a rural credit system, low food prices and others. But one major objective appears to have been left alone -- the increase in the income of farmers , particularly the poorer ones.

The government objective of stabilizing food prices and thus effectively controlling inflation, seemed to have dominated the other goal of supporting farm prices and thus raise farm incomes. This gives reason to the opinion that the government favoured the welfare of the urban consumer over the farm producer.

Farmers who bore the brunt of price control mechanisms comprise the biggest and more important farmers groups -- the rice, corn, coconut and sugar farmers.

The pricing policy for corn also showed the same bias. Because government wanted to maintain prices of corn grits, meat and poultry products, the price of white corn, a staple for 20 percent of the Filipino population, and of yellow corn, a major feed ingredient in livestock and poultry production, were held down.

The government was apprehensive that allowing adjustments in rice and corn prices would trigger price increases in other basic commodities. In the process, government unconsciously hacked away at the incomes of rice and corn farmers.

As with rice and corn, sugar prices were likewise kept low, again to bring down the price of sugar at retail outlets.

Because the domestic price of sugar was maintained at low levels, the sugar producers did not only subsidize the urban consumers but likewise the industrial firms which use sugar as a key ingredient.

Among these firms are softdrinks companies, drug manufacturing establishments and chocolate and candy-making firms. A number of these firms are multinationals.

The low income from production of the country's most important crops -- rice, corn, coconut and sugar -- explains in part glaring contrasts in agricultural development during the past decade.

Despite the attainment of self-sufficiency in basic commodities, Filipinos are still nutritionally deficient in vegetables, poultry and livestock. A substantial portion of the nation's farmers could not afford to buy these goods.

While the agriculture sector grew by an impressive 4 percent annually over the last 10 years, the World Bank argues that this growth did not seep down to the lowly producers.

In its POVERTY REPORT, the World Bank explained : " A substantial portion of agricultural growth --- was concentrated in activities known to have substantial commercial content, and one can argue that the benefits from the high level of agricultural growth may not have reached substantial numbers of the poor".

In the drive to expand non-traditional export crops, for example, the multinational firms are in the forefront. In bananas, transnational giants like Del Monte, Castle & Cooke and United Fruits control the marketing function. The role of Filipino farmers were only in production.

That the growth of agriculture has been sustained through the years is a tribute to the Filipino farmers' inherent desire to produce crops. But to exploit this by squeezing farmers' income through price controls and taxes is unfair.