

[OPINION] Is the Philippines ‘semi-feudal,’ ‘backward capitalist,’ or neither?

Thursday 4 January 2024, by [DOCENA Herbert](#) (Date first published: 2 January 2024).

‘The answer to many strategic and tactical questions we face depend on how we grasp the nature of the country we seek to change’

Contents

- [What does the data say?](#)
- [Qualitative changes in society](#)
- [A life-or-death question](#)

For several decades now, those who seek to change Philippine society have remained deeply divided over one basic question: What kind of society is Philippine society? Is our country still “semi-feudal,” as some have argued? Has the Philippines become fully “capitalist” but a “backward” or “stagnant” one, as others contend? Or has it become an entirely different kind of capitalist society altogether?

This may seem to be just a matter of semantics, but much is actually at stake. Whether we should call on students and workers to wage armed struggle to first establish capitalism, rely on the peasantry to be the “main force” of the revolution, forge alliances with the “national bourgeoisie,” support liberals during elections – the answer to many strategic and tactical questions we face depend on how we grasp the nature of the country we seek to change.

Hoping to contribute to shedding more light on this basic but decisive question, I set out, as a first step in a larger, long-term project, to better understand why leading figures in the progressive movement have categorized the Philippines in the ways they have – and to assess how we ought to approach their proposed categorizations today.

What does the data say?

Interestingly, proponents of two of the most influential ways of grasping Philippine society both commonly cite the following observations as their grounds for conceiving the Philippines in the ways they did – with one side pointing to them as proof of the country’s being “semi-feudal” and the other seeing them as the basis for categorizing the country as already “capitalist but backward.”

First, both note that most farmers in the country are still tenants, i.e. they only rent the land they till from landowners. Second, they go on to observe that peasants still constitute the majority of the working population. Third, agriculture remains the primary source of wealth in the country and the limited manufacturing capacity it has remained confined to making simple products. Fourth, raw materials continue to form the bulk of the country’s exports. And finally, capital formation remains limited, according to both sides.

Noting all this, I thought I should start not by directly questioning the validity of the premises underpinning different proponents' categorizations (as others have done) – but by first assessing to what extent their observations remain current in the first place.

Writing as late as 2020, one of the most respected leaders of the Left maintained that the Philippines has remained “qualitatively unchanged” since the 1960s: the “peasant masses are still the most numerous class,” “agricultural land is still the principal means of production,” “the structure of local manufacturing has not changed at all,” the “bulk of exports continues to be raw sugar, copra, coconut oil, etc.” I set out to know: what does recent evidence actually tell us?

To begin to answer this question, I first systematically compiled data collected by government and international agencies since the 1960s – some of them previously cited by proponents of contending categorizations themselves. Censuses, household surveys, income accounts, trade statistics, etc.: I endeavored to review the evidence not because I believe it can speak for itself, unmediated by theory, but because I think it can help us either validate our assumptions – or correct them if necessary.

This did not prove to be as straightforward as I expected. Though a lot of aggregate data is out there, more fine-grained data have apparently been kept away in warehouses or hard drives somewhere, and it took me months knocking on various offices just to find and get hold of some of them. In addition, statistical agencies have redefined categories over time, making temporal comparison either impossible – or possible only through tedious re-encoding and re-calculating.

Some of what I found as I pored over the data sets I compiled are perhaps already widely known if still under-appreciated, but many others struck me as altogether surprising in light of still constantly repeated and still widely taken-for-granted claims about the economy.

Qualitative changes in society?

I elaborate on these preliminary findings in a recently published article in the Philippine Sociological Review, but I summarize them here for non-specialists who may also be interested.

First, the evidence indicates that most of the country's agricultural producers are no longer tenants but small or medium landowners.

Agricultural census figures over the past decades show that the number of those who own the land they cultivate has increased from only around two-fifths of all farmers in 1960 to as much as three-fifths in 2012 (the year of the last census); meanwhile, those who only rent the land they farm has declined from two-fifths to only around one-fifth during the period.

Second, the data suggests that rather than peasants it is workers – those who survive mainly by earning wages or salaries – who now make up the majority of the working population. Though it is difficult to give the precise size of the peasantry owing to controversies over its definition, it is possible to calculate different estimates of it based on a range of definitions: Using what may be the most expansive definition, peasants may have constituted only less than half of all workers in 2020 – a big change from 1960 when peasants may have outnumbered workers by over a third. Using a more restrictive definition, the peasantry may now be just as big as “plant and machine operators and assemblers” and smaller than “service workers.”

Third, agriculture has ceased to be the primary source of wealth in the country and industry has diversified away from low-value-added manufacturing, according to statistics. In 1960, agricultural

goods made up as much as 27% of the country's output; manufactured goods constituted only 25%. By 2021, the share of manufactured goods (18%) had become nearly twice as large as the share of agricultural goods (10%). Of all manufacturing output in the 1960s, low-value manufactures (i.e. food, beverages, tobacco, etc.) made up as much as 39%; in contrast, "machinery and transport equipment" (i.e. high value-added capital goods) made up a measly 6%. By 2020, the latter made up as much as 40% of all manufacturing output while the former had declined to 33%.

Fourth, the evidence shows that basic staples no longer constitute the bulk of exports. Five decades ago, food and agricultural raw materials made up nearly 90% of everything the country was selling abroad; in contrast, "manufactures exports" made up just 5%. By 2021, however, the former constituted only 10% of all exports; the latter made up 81%. The share of manufactures in the country's exports is now nine times as large as that of basic staples.

Finally, the evidence indicates that capital accumulation has not remained stagnant. According to national income accounts, output per person employed in the country has grown three-fold since 1960. "Gross capital formation," a measure of all outlays on plants, machinery, equipment, buildings, etc. - and thereby also an indicator of the extent to which capital is being accumulated - increased by over 1500% over the past half-century.

A life-or-death question

To be sure, more fine-grained data as well as data from other sources needs to be collected and analyzed for us to acquire an even more detailed picture of Philippine society. And of the evidence that we do have, it is possible that there were issues in collection, measurement, etc. that I may have overlooked and that need to be examined for their implications on our findings.

Even just on their own, however, the available data seem to me sufficient to give us strong, if still preliminary, grounds to reconsider widely taken-for-granted claims that the country has remained "qualitatively unchanged" over the past half-century.

Until it is shown that data problems prove to be significant enough to change not only the numbers but the broader picture they paint, I believe we can already conclude based on the existing evidence that the observations that led progressives to categorize society as "semi-feudal" or "backward capitalist" in the past no longer continue to remain true today.

But if this conclusion is valid, then the question now arises: If it is no longer the case that the "peasant masses constitute the most numerous class" or that the "bulk of exports continues to be raw sugar, copra, coconut oil, etc.," what shall we make of the proposed categorizations of Philippine society based on these and other now apparently dated observations? Should we stick to them but clarify or redefine them so that they can still be valid in light of existing data? Or should we reconsider them altogether and come up with new, more adequate categorizations?

Towards what immediate aims we ought to struggle as progressives, whether we should call on the oppressed to wage a "bourgeois revolution," and how we must relate to the Marcos presidency: in the 1960s as in today, our ability to correctly answer these questions and change society for the better still depends to a great extent on our ability to correctly grasp its character.

Herbert Docena

Herbert Docena, Ph.D. is a sociologist who teaches part-time at UP Diliman. For more information on the sources of the data presented here, how estimates were calculated, etc., check out the journal

article on which this essay is based here:

<https://www.jstor.org/stable/48750345>

P.S.

• Rappler.com. DEC 26, 2023 4:00 PM PHT:

<https://www.rappler.com/voices/thought-leaders/opinion-philippines-semi-feudal-backward-capitalist-neither/>