# The Script [Slide 1] GLOBAL SOUTH ENCOUNTERS

Resource Wars and Sustainability

# THE ECONOMICS OF WAR AND PEACE: The Philippine Case by Charles Avila

[Slide 2]

The Universe Story is one thing – now that scientists quite unanimously tell us how the Big Bang started it all, some 13.8 billion years ago. The story of Earth, however, is another matter: a 4.5-billion-year-old planet that uniquely and solely developed life in its own good time also evolved, very late in the day, a certain group of Earthlings – the human species – a group that has become powerful and insane enough to be in position to destroy life in the very planet of its origins.

It is quite important, then, to grasp the human story in its essence and trajectory. I have written lots about how the welfare of human be-ing (being) in any given society depends completely on the notion of have-ing (having) that that society entertains.

It was in Rome, very early on, that the concentration of property in private hands began – based on the foundational and legitimizing idea of absolute and exclusive individual ownership in land and the commons.

It is probably one of the least acknowledged but most amazing phenomena in all human history that such an idea as the Roman law concept of ownership would suffuse the thinking of almost all the governments of the entire world not just for decades or centuries long but for millennia – up to today.

Choose your data, if you wish, but you'd all be generally correct if you note that today less than one percent of the world's population holds more than fifty percent of all its wealth, income and power.

The Majority World is Majority Poor. A tiny minority unceasingly robs the many of what rightly and morally belongs to them. And so, this gap between the minority

rich and the majority poor keeps growing so precariously – becoming ever more explosive. Is there hope for humanity? Is there hope for the planet? Let's see towards the end of this presentation.

Meanwhile, allow me to highlight the Philippine case of Invaders and Resisters and the incalculable costs of imperial wars that aim to take foreign lands by force.

#### [Slide 3]

#### **YEAR 1521**

"Armada de Maluco," conceived and commanded by Ferdinand Magellan, was unquestionably the greatest human achievement on the sea. Starting out as "a voyage to the unknown," it established that the great diversity of peoples actually form a single humanity circumscribed by one round planet Earth.

But one result of the Magellan expedition, despite the realization of a single humanity, was the question as to the ownership of Earth, its people and its wealth. Who should own the world?

The tradition of his Faith, in a teaching long-forgotten, held that the Earth belongs to all. But his circumnavigation of the world now proved that there was truly a wonderful, finite Earth to fight over. He had gone around it, the first one ever and in the process secured for Spain the first crack at building an empire upon which the sun never set because it could now embrace the entire spherical Earth's 71-percent maritime and 29-percent landed natural wealth.

As Buckminster Fuller remarked: all empires were heretofore seemingly "infinite" systems, in the sense of open systems. The Empire Magellan ushered was history's first spherically closed, finite system.

The first overseas global empire, it also became the epicentre of world action in the two hundred fifty years of the first globalization - spearheaded by the Manila-Acapulco Trade, which started in 1572 and should have been more accurately called the great Trans-Pacific-Trans-Atlantic Trade, during that long time before there ever was a Suez or Panama Canal.

At the very outset the *Instruccion* of King-and-Emperor Charles to the Armada was clear and quite detailed. [He said] As a take-over armed force, the

Armada was to establish military bases and garrisons, wherever it was worth it, with an eye to the gold and the spices and all the wealth of the occupied lands.

"Discovery" meant the Roman "ownership" law of first occupancy which was almost always accompanied by armed invasion. But since they would hardly ever be "first occupants," really, in that anywhere there might already be locals in place, the *Instruccion* of Charles was that the locals "must be treated most affectionately, to influence them to become good Christians, which is our principal desire, and that they may, with good will, serve us and be under our government's subjection and friendship."

Clearly, then, "Christian civilization" was perceived to be a strategic instrument to get the locals to be docile and accepting of foreign domination.

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Before 1521, the tribal communities of the Philippine archipelago were certainly and admittedly not one nation. Hence, the Invader's use of sword and cross to gather them as one under the sound of the church bell ironically made possible the emergence of the Philippine nation.

It was a process that, King Philip II complained, cost the royal coffers too much. He never asked how much it cost the local people themselves, who were now named after him, whose lands were being grabbed by church and state, who resisted the invader's systematic appropriation of the lands they traditionally held in common.

The invaders followed the old Roman adage, "Divide and rule!" They introduced the Roman law concept of exclusivist and absolute ownership that created a local oligarchy or a society of a few non-producing owners and a majority of non-owning producers. The rent for the use of what belonged to all was monopolized by a few instead of being shared by all.

So, despite Christianization – or, might we say, because of it - the locals rose in more than 300 recorded revolts or one every year for three hundred years – until the big explosion happened, in 1896, enabling the resisters to establish an independent full-fledged national government – at the end of that long process of the bloodiest human cost in terms of massacres, tortures, imprisonments, forced labor, taxations, and all other form of exploitation and domination.

With the imminent downfall of Spain centuries after Magellan, other European countries who by then had business communities thriving in Manila now tried to hold on. Property ownership means to have and to hold. The Germans sent a warship from their East Asian Squadron intending to acquire the Philippines should an adequate opportunity arise. But all opportunities were preempted by the Spanish-American War that had now become the war of America against the newly independent Philippines.

## [Slide 5]

## YEAR 1899 - Year One of the American Empire

The imperial idea was to "apply the Monroe doctrine and say to the nations of Europe, hands off, this is our acquisition, our showcase Republic in Asiatic waters." So, the myth was carefully nursed that there was merely a Spanish-American War in 1898, which almost magically landed the Philippines on Uncle Sam's lap after some treaty in Paris and the payment of a check to Spain – selling to America what no longer belonged to Spain - an independent Philippines and its people - for the price of two dollars per head.

In fact, the American President pretended to vacillate in the anti-historic decision to become an empire. Only "the desire for Christian civilization" made him go for it, much like the King-Emperor Charles in 1521.

Said President McKinley: "there was nothing left for us to do but to take them all, and to educate the Filipinos, and uplift and civilize and Christianize them." Poor Christ, whose name was always used in vain!

Thus it was that no sooner had the Filipino patriots put an end to Spanish colonialism than they found themselves fighting another imperial foe. There could be no rest, it seemed, for those who would defend their right to exist on Earth.

Explaining why the American republic would turn imperialist, one US Senator Beveridge explained: "We are a conquering race...We must obey our blood and occupy new markets, and if necessary, new lands. American factories are making more than they can consume. Fate has written our policy for us. The trade of the world must and shall be ours."

That, coupled with the weird process of Christianizing a predominantly Catholic country and educating a nation whose universities were older than Harvard, resulted in a holocaust.

One Republican Congressman said quite proudly after a visit to the Philippines in 1902: "Our soldiers took no prisoners, they kept no records; they simply swept the country and whenever and wherever they could get hold of a Filipino, they killed him" — about a million of them, according to some historians.

The official count had it that the U.S. sent 126,468 soldiers to fight the Filipino patriots in 2,811 battles, spent \$500-million to kill roughly 600,000 Filipinos (one-sixth the total population of Luzon at that time) — made a howling wilderness of places like Leyte-Samar that put up a strong resistance, and there ordered American soldiers to "kill everything above ten" and then bragged that they were now in a better position to uplift and civilize and Christianize the Filipino Catholics.

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By 1913, with the Philippines now again a conquered land, a Tariff Act was passed by America, establishing Free Trade and Product Specialization between the U.S. and its new colony – effectively making of the Philippines a source of raw materials at cheap prices and a dumping ground for finished products at higher prices.

Original forests occupied 70% of the country's land area around 1900, when the Philippines first came under the USA. Then imperial law classified trees as agricultural export crops! Because of that policy, by 1946 when America formally left, only 30% of forests were left.

Meanwhile, more colonial policies ensured that American corporations would monopolize the exploitation of mineral resources and the establishment of bigger farm plantations.

Finally, when the inevitable local Resistance threatened to blow up again like a volcano, the U.S. quite smartly let off steam by shifting from old-style imperialism to new-style "neo-colonialism": with local politics given unto the hands of the local oligarchy but with security and economic policies merely an adjunct of American polity.

Japan challenged this in WWII and lost after 4 years of occupation.

China has become the newest challenger to this century-old American hegemony and limited Philippine sovereignty. The two compete on many levels but have no or very little respect for the Filipino people and for our Common House of Life, planet Earth. Both pursue a degenerative Death Economy and they seem incapable of seeing that there are no winners in a dead planet.

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The narrative remains the same: the story of unending imperial greed and the story of a people's indomitable spirit to resist both foreign and local exploiters on the basis of their firm belief that the Earth belongs to all not just to the powerful: the Philippines to Filipinos, the land to the tiller, the commons to all in common.

So, to the question: what future should we expect? The answer is: nothing less than a more awakened populace who can build new structures of the economy and politics that will enable people to assert their sovereignty and promote social justice and recover the commons with programs like land reforms, just wages and land value taxation - to recover what belongs to all for the benefit of all and not just of a few.

We might go back to historical basics, if you will. The problem of injustice in ownership is, first of all, a problem of philosophy or ideology. Without a clear-cut ideological alternative to the prevailing concept, movements for reform, no matter how many and how strong, ultimately fail.

It was during the late Roman Empire that we saw the first condemnation of the status quo. It came from persons now known as the early Christian philosophers or "Church fathers". They went back, first of all, to the original religiously inspired distinction between what they called ta koina (in Greek  $\tan \kappa \omega v\alpha$ ) – things which by their nature were common for the use of all, on the one hand, and what, on the other hand, they called ta idia  $(\tan v\alpha)$  or the things which by their nature and function could be justly owned privately in order to be used properly.

In their view, we do not even own ourselves, absolutely speaking. Reacting to the Roman law concept, dominium or absolute ownership belongs to the one

Absolute Owner of all creation. Thus, the moral-philosophical view was advanced that ownership of anything at all must be regarded in the nature of stewardship – not, as in the Roman law concept, in the nature of an absolute and exclusivist dominium.

They confronted the established ownership concept and stood it on its head. From being an instrument of exclusion and separation, they would now want it to become a tool of inclusion and community creation.

Instead of an unlimited and absolute power it was to be a limited one, related to genuine human values.

Instead of being considered an end in itself it was to be considered a means to certain ends. A given country or community must agree among themselves, for instance, that the purposes of land use might include the following three: food security for all, decent habitats for all, and an ecologically harmonious regime for the common good.

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Henry George in modern times (late 19<sup>th</sup> century onwards) updated and articulated best the tradition of the Abrahamic faiths regarding a philosophy of land ownership. Aside from land re-distribution, land value taxation became the most practical and profound alternative to economic monopoly.

In this realistic view, basic needs for all can be secured when we share (socialize) rent and untax production.

In the experience and consistent observations of the IU, areas that have been structured in the manner of land value taxation were able to eliminate land speculation, hoarding and profiteering.

The economy became both fair and efficient, fully capable of producing the basic necessities of life for all and generating an economic surplus that were distributed as basic income or citizens dividends.