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Philippine Economic And Political Development And Philippine Muslim Unrest

Justin de Leon
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PHILIPPINE ECONOMIC AND POLITICAL DEVELOPMENT AND PHILIPPINE MUSLIM UNREST

by

JUSTIN DE LEON
B.A. Allegheny College, 2003

A thesis submitted in partial fulfillment of the requirements for the degree of Master of Arts in the Department of Political Science in the College of Sciences at the University of Central Florida Orlando, Florida

Fall Term 2008

Major Professor: Houman Sadri
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ABSTRACT

Muslim culture and society has been a part of the Philippine islands in spite of nearly ninety-five percent of the population being Christian (a majority Catholic), yet did not become a separatist movement until the 1970’s. Since then, the two main separatist groups the Moro National Liberation Front (MNLF) and the Moro Islamic Liberation Front (MILF) have been battling the Philippine government. The parties entered truces in 1996 and 2001, yet there has been a cycle of violence continues. The Abu Sayyaf Group (ASG), linked to Al Qaeda, emerged in 1990 and has launched many attacks on the Christian Philippine majority. The prolonged Muslim unrest in the ARMM has left thousands dead and hundreds of thousands displaced. The main objective of this research paper is to examine Philippine economic and political development and its impact on Philippine Muslim unrest.

This paper presents a critical analysis of the economic and political development and Philippine Muslim unrest by examining six major features of the Philippines; they are: The historical evolution, economic development, political development, socio-cultural setting, geographic setting, and the quality of life of the Filipino people. This research also examines Fareed Zakaria’s illiberal democracies theory, liberal institutionalism, and the Marxist theory of class revolution and primarily relies on research conducted at the University of the Philippines and from Philippine and Asian scholars. By taking a holistic comprehensive approach and by using international relations theory, this research fills two gaps in the literature about Philippine Muslim
unrest. The research concludes with a look at future challenges, both short term and long
term that face the country, as well as, possible future scenarios.

The findings of this research are that the economic and political development and
the historical evolution, though major contributory factors, are not the sole reason for the
prolonged Philippine Muslim unrest. The most pervasive causal factor to Muslim unrest
was the socio-cultural setting. Because of the all-pervasive nature of culture; at first
glance, the socio-cultural setting was not a major apparent cause. At almost all times
examined throughout this research, certain cultural tendencies guided decisions and
altered the course of events more so than any other single variable. Corruption, crony
capitalism, patrimonialism, and irrational institutions all stem from the tendencies of
Philippine culture must be addressed to find lasting peace in the country. A move toward
rational legal institutions and liberal constitutionalism, will lead the way to the creation of
a liberal democracy and break the cycle of violence occurring in the Philippines.
A sincere thank you to those who made my stay in the Philippines truly memorable. Also, in remembrance of my family who toiled and died for the betterment of the Filipino people.
ACKNOWLEDGMENTS

Special thanks to my thesis committee: Dr. Houman Sadri, Dr. Waltraud Morales, Dr. Ty Matejowsky. Also thanks to Dr. Ferdinand Uko (University of the Philippines at Diliman), Dr. Rufa Guiam (Mindanao State University, Mindanao), Mrs. Maricor Bayton (Ateneo de Manila University Press), Dr. David Houghton (University of Central Florida), and Dr. Hong Zhang (University of Central Florida). Graham Cage and Jesse Helligso who helped me greatly and to Sultana Ali, Trina Philea Pinzon, Charles Steinfurth, Theresa Gruenke, and Danielle Parsons.

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<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>AFP</td>
<td>Armed Forces of the Philippines</td>
</tr>
<tr>
<td>AHJAG</td>
<td>Ad Hoc Joint Action Group (Philippine Government – MILF)</td>
</tr>
<tr>
<td>ARMM</td>
<td>Autonomous Region of Muslim Mindanao</td>
</tr>
<tr>
<td>ASG</td>
<td>Abu Sayyaf Group</td>
</tr>
<tr>
<td>CPP</td>
<td>Communist Party of the Philippines</td>
</tr>
<tr>
<td>CVO</td>
<td>Civilian Volunteer Organizations</td>
</tr>
<tr>
<td>EDSA</td>
<td>Epifanio de los Santos Avenue (Manila main thoroughfare)</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GRDP</td>
<td>Gross Regional Domestic Product</td>
</tr>
<tr>
<td>GRDE</td>
<td>Gross Regional Domestic Expenditures</td>
</tr>
<tr>
<td>IMT</td>
<td>International Monitoring Team</td>
</tr>
<tr>
<td>IR</td>
<td>International Relations</td>
</tr>
<tr>
<td>JI</td>
<td>Jemaah Islamiyah</td>
</tr>
<tr>
<td>KMP</td>
<td>Kilusan ng Magbubukid sa Pilipinas</td>
</tr>
<tr>
<td>LASEDECO</td>
<td>Land Settlement and Development Corporation</td>
</tr>
<tr>
<td>MDA</td>
<td>Mindanao Development Authority</td>
</tr>
<tr>
<td>MILF</td>
<td>Moro Islamic Liberation Front</td>
</tr>
<tr>
<td>MNLF</td>
<td>Moro National Liberation Front</td>
</tr>
<tr>
<td>NCR</td>
<td>National Capital Region</td>
</tr>
<tr>
<td>NDF</td>
<td>National Democratic Front</td>
</tr>
<tr>
<td>NLSA</td>
<td>National Land Settlement Administration</td>
</tr>
<tr>
<td>Acronym</td>
<td>Full Form</td>
</tr>
<tr>
<td>---------</td>
<td>-----------</td>
</tr>
<tr>
<td>OIC</td>
<td>Organization of the Islamic Conference</td>
</tr>
<tr>
<td>RAM</td>
<td>Reform the AFP Movement</td>
</tr>
<tr>
<td>SPCPD</td>
<td>Southern Philippines Council for Peace and Development</td>
</tr>
<tr>
<td>US</td>
<td>United States of America</td>
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CHAPTER 1: INTRODUCTION

Muslim culture and society has been a part of Philippine culture, in spite of nearly ninety-five percent of the population being Christian (a majority Catholic). Since the 1970s this relatively peaceful part of the Philippine population has been marked with increased violence and an ongoing guerilla and political separatist movement.¹ Without understanding the relationship between Philippine economic and political development and Philippine Muslims, the protracted cycle of violence and futility of the conflict will continue to act as a major barrier to regional and national peace.

One obstacle for Philippine development has been political and economic turmoil and has created a government incapable of effectively addressing Philippine Muslim unrest. Creating an environment for stable economic growth is a daunting one.² The Philippine Muslim community was a thriving community during the era of Spanish colonialism but grew increasingly marginalized all the way through to the American period of rule.³ After independence, the country’s dramatic economic slowdown and underdevelopment, compared to its Asian neighbors, sharply contrasted its initial success and respected status post World War II.⁴ This, coupled with an authoritarian President during the 1960s, 70s, and 80s, caused the Philippine economic performance to slow. At the same time, its Southeast Asian neighbors’ economies blossomed, leaving the Philippines as one of the most underperforming economies in the region. During this time, there was an emergence of a Philippine Muslim separatist movement and the creation of the Moro National Liberation Front (MNLF). This research looks at the political and economic development and its affect on Muslim unrest in the Philippines.
Research Design

This research has five chapters: an introduction, historical evolution, economic and political development, other factors considered, and a conclusion. The introduction will examine the methodology and concepts of the research, as well as, the importance of the case study. Additionally, in order to successfully analyze the impact of these factors on Philippine Muslim unrest, international relations (IR) theory will be examined. The second chapter looks at the role of Philippine historical evolution in the Philippine Muslim community. Much of the remnants of the conflict that are seen today are from historical differences that originated from the colonial period.

This chapter will look specifically at the Spanish and American colonizing eras and Philippine Muslim history. The third chapter on economic and political development will chronicle the ups and downs of the Philippine economy and the political events that triggered or exacerbated those peaks and falls. Those events will be analyzed in context of Philippine Muslim activity. Chapter four will examine other contributing factors such as the socio-cultural setting, the geographic setting, and the quality of life in the Philippines. The conclusion will summarize the findings of the research and look at future challenges, both short-term and long-term, and possible future scenarios.

Methodology

The main objective of this qualitative research is to examine the cause(s) of the protracted Philippine Muslim unrest. This paper looks at the Philippine economic and political development and its impact on Philippine Muslims in the region now known as
the Autonomous Region of Muslim Mindanao (ARMM). The hypothesis examined in this research is that Philippine political and economic development negatively affects Philippine Muslim unrest.

The independent variable in this research is economic and political development and my dependent variable is Philippine Muslim unrest. The relationship between these variables is somewhat strong. This paper presents a critical analysis of affect of the economic and political development on Philippine Muslim unrest and explores the relationship of four other independent variables. Those variables are the historical evolution, the socio-cultural setting, the geographic setting, and the quality of life of the Filipino people. As Philippine political and economic development has increased, Philippine Muslim unrest has decreased; therefore making the relationship between the variables negative.

For this research, economic development and political development will be combined into one category because of the intertwined nature of both of the two concepts in the Philippines. As Richard Kessler states in Rebellion and Repression in the Philippines, Philippine culture encourages a virulent struggle for power amongst individuals as they “fight to raise their status.” Because of this, Kessler claims that, “The Elites become skilled at distributing benefits rather than at promoting social change because change alters the balance of power in society,” continuing that, “politics and economics have become intertwined in the Philippines.”

To successfully analyze the impact of these factors on Philippine Muslim unrest, three international relations (IR) theories will be explored. Future challenges, both short-term and long-term, will also be examined. This investigation relies on first hand
research conducted at the two most prominent Philippine Universities, the University of the Philippines at Diliman and Ateneo de Manila University and relies heavily on secondary sources from Philippine and Asian scholars.

The theoretical importance of finding the underlying causes for Philippine Muslim unrest are quite significant. The main objective of this research paper is to examine Philippine economic and political development and its impact on Philippine Muslim unrest in the region now known as the ARMM. Philippine Muslims have been a long-established part of the Philippine country, even though they only make up five percent of the predominantly Catholic country. It was only after a period of economic underdevelopment and increased ostracism that this became a separatist movement, calling for what is called the Bangsamoro Republik.\(^6\) Since the creation of the MNLF in the early 1970s there has been a cycle of conflict that has left thousands dead and hundreds of thousands displaced. The only way to break this protracted cycle of violence and the futile killing of innocent civilians is to address the root causes for the Philippine Muslim unrest. This research has significant importance to regional and national peace, economic and political development, and Philippine Muslim integration.

The policy importance of this research is also very significant. If the underlying factors of why Philippine Muslim unrest are more understood then steps to curb that unrest can be taken. With economic and political development comes an increased amount of resources the government has at its disposal. Unfortunately, the inverse is true as well. By approaching this issue in a holistic manner, a clearer picture of the major barriers to national peace will be gained.
Literature Review

The amount of literature on the topic of Philippine economic and political development and Philippine Muslim unrest is relatively small. Because of the limited nature of the literature, most sources come from authors in or of the Philippines.

Wilfred M. Torres III looks at the state of conflict in Mindanao in his 2007 book *Rido: Clan Feuding and Conflict Management in Mindanao*. Torres examines the Philippine tradition of *rido*, or feuding clans or families characterized with violence and retaliation. *Rido* is just one aspect in a multifaceted web of violence in the ARMM and compounds the tenuous Muslim separatist movement. The layered nature of the Philippine Muslim community has made it difficult for the Philippine government to properly address the long-standing conflict and Muslim unrest. Torres gives examples of the escalation of *rido* showing how small clan disputes can have major military implications; in some cases even involving the AFP, MILF, or MNLF. Torres’ theories have major implications for conflict management in Mindanao because of the widespread impact of *rido* and its intertwined nature with the separatist conflict. Violence erupting from *rido* can strain relations between separatist negotiations. Torres takes a wide view of the factors that contribute to the clan violence in the south, spreading the blame between cultural concepts of shame and honor, the formation of clans and groups of allies, the lack of legal provision overseeing arms proliferation, and the lack of respected mediators. Torres’ work allows for deeper understanding of the nature of the conflict in Mindanao.

Walden Bello, et al. in the 2004 book *The Anti-Development State*, looks at how the Philippine political system is mired in unproductive competition between elite
factions. Bello is a Marxist and subsequently much of his exploration is concerned with finding the hidden workings of the global economy and the distinction between the core, periphery and semi-periphery; he also mentions the negative effects of illiberal democracies. Unless the political development of the Philippines can accommodate and fairly integrate both the ruling class and the laboring class, discontent is inevitable. Bello contends that this competition creates a system that is unwilling and unable to meaningfully address Philippine social inequality. The solution proposed is similar to development theorists who advocate increased state intervention combined with a revamping of the governmental system. He advocates the creation of a state without crony capitalism and neoliberalism and refutes the claim that corruption is the main cause for the crisis in the country; citing examples of South Korea, Indonesia, Thailand, and Malaysia. Bello claims that regional cooperation and an emphasis on domestic economic growth can change the Philippine system.

In 2003, Arsenio Balisacan and Hal Hill wrote the comprehensive *The Philippine Economic: Development, Policies, and Challenges*. Though economic in nature, Balisacan does highlight the challenges that the Philippines faces. Balisacan examines all major aspects of the Philippine economy development, including looking at challenges that face the country. The major challenges outlined by the authors are the infrastructure needs, highly politicized regime changes, population and fertility growth rates that are higher than its regional neighbors, corporate governance, and the conflict in Mindanao. Balisacan highlights that the insecurity and destruction caused by the conflict can greatly damage the Philippines’ international reputation and inhibit economic growth. He does not go into much detail about how to solve the Muslim Mindanao conflict.
Eric N. Budd, examines the ineffective nature of patrimonial states in creating lasting development and an environment conducive to entrepreneurship in his 2000 article “Political Economy of Developmental and Patrimonial States: The Philippines and Indonesia.” By comparing the Philippines to its neighbor Indonesia, Budd is able to narrow down the major obstacles to development, finding that the patrimonial nature of the Philippines creates unaccountable and unproductive institutions. The author claims that because of the uncertain nature of patrimonial states, entrepreneurship and international investment are not encouraged. Budd’s solution is to increase the state’s capacity by the creation of ration-legal institutions that would provide an environment encouraging to economic entrepreneurship and international investment. This, in turn, would promote economic development and overall state growth.

Nathan G. Quimpo in his 2000 article “Back to War in Mindanao: The weakness of a power-based approach in conflict resolution,” outlines the usage of the three conflict resolution approaches (power-based, rights-based, and interest-based) employed in the conflict between the Philippine government and the MNLF and the MILF. Outlining examples where rights-based and interest-based approaches were overlooked and the power-based approach employed, Quimpo shows the destructive nature of this approach. Quimpo advocates a shift to rights and interest-based approaches to break the cycle of interaction between the Philippine government and the Muslim separatists.

Cecar Adib Majul is one of the most prominent and respected academics addressing Philippine Muslim issues. Coming from a Philippine Muslim background, Majul, in the 1999 book Muslims in the Philippines, takes a historical look at the evolution of the sultanates of Sulu and Maguindanao. Much attention is paid to the
historical development of Islam in the Philippines and the community’s resistance to Spanish colonial rule. Majul also examines how the culture of Islam strengthened the resolve of the Philippine Muslims to resist their colonizers. Often looked down upon, Philippine Muslim culture is celebrated by Majul. He notes that the frequently prized Philippine values of cultural independence and identity are best exemplified by the plight of the Muslims in Mindanao as they never gave way or relented to outside conquerors. Majul hopes that the future for the Philippines would broaden to create a common pluralist history of the people of the Philippines. Majul also wrote, with the help of Ralph Salmi, the 1999 book *Islam and Conflict Resolution: Theories and Practices*, which examines peaceful conflict resolution techniques suggested by Islam as a way to bridge the gap between perception and the reality of Muslim practices. The authors show that there are peaceful recommendations for conflict resolution through Islam.

Lynn M. Kwiatkowski focuses on a very specific aspect of Philippine development and conflict in her 1998 book *Struggling with Development: The politics of hunger and gender in the Philippines*. In the context of Philippine political violence, Kwiatkowski examines hunger, poverty, and gender. The author looks at Philippine development as a class struggle and questions the efficacy of international based efforts to address the needs of the impoverished. Kwiatkowski advocates grass-roots efforts to development the Philippines.

Arnold Molina Azurin’s 1996 *Beyond the Cult of Dissidence*, tried to explain the conflict as remnants of the ethnic and tribal past and war profiteering. His major example is the division between the Hutus and Tutsis during and up to the 1994 Rwandan genocide. He contends that though ethnicity and tribalism are most commonly blamed
for this conflict, Azurin points to struggles between factions in the ruling class and their struggle for power. He highlights the class struggle and antagonism between the rule and the ruling and also points to long-remembered grievances as significant factors in the genocide. His solution for the dispute is to move it more towards a people to people approach looking at people’s security rather than national security. He calls for more involvement of the people in order to create communication link between the two parties.

Richard J. Kessler, in his 1989 book *Rebellion and Repression in the Philippines*, outlines the cultural barriers that pose a major obstacle to Philippine development. The author takes a critical stance on the elements of Philippine behavior, highlighting topics such as favoring kinship circles, *utang na loób*, creating “in” and “out” groups, and corruption. He states, “The (Philippine) culture tends to isolate groups; rather than bridging social gulfs it increases social distance, with cooperation among individuals intensifying rather than reducing conflict between individual alliances.” Kessler talks about the hierarchical structure of the society and how it creates an environment of competition. These two factors stand in the way of development. The author believes in the possibility of change by looking at the historical development of the national identity of the Philippines. He points to a longstanding tradition of independence and pride that can eventually bring both communities together under a united Philippine state.

**Research in Existent Literature**

There is separate literature about Philippine economic and political development and literature about Philippine Muslim unrest; however, there are only a few pieces of literature that attempt to connect the two concepts. Azurin explores class struggle within
the country and its effect on unrest and violence. Budd examine economic development and pays special attention to the nature of patrimonial states. Balisacan takes a very thorough look at the economic development and the political aspects that surround it and makes connections to the impact of that to Muslim unrest. Bello, looks at political development and its effect on the class system as a way to explain the conflict in the ARMM. All of these authors analyze the Philippine Muslim conflict by taking a specific approach, while other authors analyze the conflict in an even more specific manner. Torres looks at the cultural factors that make the violence in the Muslim region complex and challenging to understand by looking at a Philippine Muslim tradition of *rido*, or family feuding. Quimpo examines the conflict approaches, Kwiatkowski looks at inequality with special emphasis on gender issues. Majul emphasizes the historical past, both economic and social, as an explaining factor for the uniqueness and posture of the Philippine Muslims, while Kessler observes the cultural factors that have played a role in the prolonged conflict.

There are two major gaps in the literature that this research fills. First, this research takes holistic comprehensive approach. By examining six country features, as well as, looking IR theory the most wide-ranging picture of the situation in the Philippines is obtained. Secondly, this research applies IR theories to explain the conflict in the country. No other piece of literature that I have found examines IR theory specifically in relation to the Philippine conflict. Considered in this research are Fareed Zakaria’s illiberal democracies theory, liberal institutionalism, and the Marxist theory of class revolution. Many authors cite class revolution as a cause of the conflict but none of them are able to completely connect it to the situation in the country.
Philippine Muslim Unrest

Philippine Muslim unrest in this research will focus on Muslim action; which can either be political, military, or social. The Philippine Muslim community remained isolated and as a distinctly unique community for centuries as it successfully repelled Spanish rule through six Moro Wars. Since the independence of the Philippines in 1946, Mindanao has been under the oversight of the Philippine government. The Philippine government, with its multitude of deficiencies including weak rural infrastructure, a decentralized state, and a dependency on the US, would lead to weak and ineffectual governance and an inability to develop the rural Mindanao area. Failed development plans and resettlement initiatives left the Muslim community with government initiatives that were unfocused and had little follow through. An influx of settlers led to a disparate growth of land ownership between Philippine Christians and Muslims and created the strains between the two communities. In many ways, Philippine Muslims have not had an equal share of the Philippine national development. Failed development plans, broken promises, years of warring, unbalanced taxation, and feelings of being dealt with in less than a fair manner have left the Philippine Muslim community in search of lasting answers. The issues causing Muslim unrest and how to move toward substantive solutions will be examined throughout this research.
Philippine Muslim society, located mainly in the southern islands of Mindanao (as seen in the map above), having many of the same features of other Islamic societies, has been organized into families and tribal structures. Tribes such as the Maranaw, Tausug, Yakan, Sama/Samal, Sangil, Iranun, and Maguindanao and families such as Dimaporo and Marohombsar hold major political, social, and economic influence.\textsuperscript{10} Family warring, known as \textit{rido}, is quite prevalent.\textsuperscript{11} Killings, intimidation, and forms of violence mark these family feuds. The Philippine Muslim culture values individuals who defend their family name and uphold family honor. This contributes to the often protracted nature of these conflicts. Most often these disputes are settled by the tribe or
family that has the most political affiliations. It can also end if the violence escalates to an unacceptable level; in which case these conflicts peacefully end through a ceasefire tradition called *kanduri*, or family feasts where public apologies are traded.¹²

![Mindanao Map](image)

**Figure 2: Close Map of Mindanao**

The concept of *rido* has a significant impact on the state of Philippine Muslim unrest and much of the violence in the region stems from this type of conflict. According to Torres, “While the Muslim-Christian conflict in Mindanao dominates the attention of international and local press, clan conflicts are actually more pertinent in the daily lives of the people.”¹³ The tribal structuring of society came about as a necessary product of
nomadic tribes. In this environment of competition for limited resources, and without large governing institutions, these tribal traditions were the best way to protect and ensure the survival of each community. Their relevance in the southern part of the Philippines is still significant, especially in light of the weak nature of the Philippine government.

**Importance of Case Study**

The Philippines has many unique features that make it an extremely useful case study, particularly in terms of American security. Some of those unique features are that the country is majority Christian and is addressing a militant Muslim minority, it is a democratic country based on the American political system, it has had relative economic stability since its independence, and its European and American colonial history. Certainly not least of the concerns is the addressing of the spread of Islamic fundamentalism.

The Philippines is majority non-Muslim country with over ninety percent of its population being Christian and is the most heavily proportioned Catholic country in Asia. In proportion, it has slightly more Catholics than the US at less than a fourth of the population being Catholic. The Christian and Catholic similarities between the Philippines, the US, and much of Europe make it a significant case study when looking at the difference between Islamic and non-Islamic countries. Muslim separatist and independence movements pose a major challenge to international, regional, and domestic security for the US and have been witnessed in such places as Iraq, Turkey, Lebanon, China, and throughout the Caspian Sea region. The Abu Sayyaf Group (ASG) has ties to Al-Qaeda while there have also been rumors of Jemaah Islamiyah (JI) operating in the
The Philippines was mentioned as an area of interest by the US in the 2001 US War on Terror.

The Philippines is a democratic country and has been since its independence in 1946. Much of its political system is based off the American model that was adopted from its previous colonizers. The Philippine Constitution is very similar to that of the American Constitution. The Philippine political structure is very similar to the American structure in that it consists of executive, legislative, and judicial branches. It does, however, have some very distinct differences. The Philippine culture greatly affects the political system and creates an executive branch that is much more robust and far-reaching in its set of powers, compared to that of the American system. This gives the president power to allocate resources to further their own economic or political agendas. On the flip side, when things go wrong within the society, the people blame the president’s administration – as seen with the removal of Marcos in 1986.

The Philippines has had relative economic stability. Immediately following independence, the Philippines enjoyed great economic success mainly due to its substantial market ties with the US. Since then, the country’s economic performance has slowed, yet has remained relatively stable in times of regional market crises. One such example was its stability, in relation to its neighbors, during the 1997 Asian Financial Crisis. The reasonably stable economy, insulated from major peaks and spikes, makes the Philippines a more attractive case study.

The Philippine colonial history also gives the Philippines importance because it shares many cultural, social, and political similarities to the US and Europe. The Philippines is very unique because of its western colonial influences. Though it is an
Asian country, it has much less Indian and Chinese influence that its neighbor’s and more similarities to European and American societies. The Spanish colonizers left an indelible mark on Philippine culture, ruling the Philippines for almost 350 years, from 1565 to 1898. The US ruled the Philippines from 1898 to 1946 and established much of the economic, political, educational, and military institutions that are seen today. The soft influence of the nearly fifty-year rule of the US can be seen quite pervasively throughout the culture; including the wide-spread use of English throughout the country. Since its independence in 1946, the Philippines has been a close political, economic, and military ally to the US.

**International Relations Theory**

A brief consideration of IR theory will provide the backbone of analysis and explanation of the conflict. These theories can be applied to the understanding of the political and economic policies and the findings throughout this research. This section will examine three relevant schools of thought in IR. They are Fareed Zakaria’s illiberal democracies theory, liberal institutionalism, and Marxist theory.

**Illiberal Democracies**

Political scientist Fareed Zakaria writes about the democratizing process throughout the world, claiming that there is a major distinction between liberal democracies (US, France, UK, and most of Western Europe) and illiberal democracies (the Philippines, Iran, Valenzuela, Zimbabwe, and the like). Zakaria believes that there
are two key lessons that can be taken from successful experiments with democracy; they are to “emphasize genuine economic development” and to “build effective political institutions.” Constitutional liberalism, is more about the government’s goals rather than merely the electoral process. Liberal because of its emphasis on individual liberty, and constitutional because it depends on the rule of law; constitutional liberalism “seeks to protect an individual's autonomy and dignity against coercion, whatever the source – state, church, or society.”

The US is a major champion of the spreading of democracy and, though Zakaria believes in the democratic ideology, he doubts the effectiveness of democracy in countries that do not protect liberal values. Zakaria questions whether or not a country is democratic merely by conducting an election. Though, elections can give a regime greater legitimacy, when analyzed solely on its democratic governance many fall dramatically short. The ironic aspect of the US advocating a democracy at all costs system around the world is that for the US, the distinguishing factor is “not how democratic it is but rather how undemocratic it is.” The main emphasis in the US system is a focus on individual rights – as seen in the Bill of Rights. The Bill of Rights is a list of rights that the US government cannot take away from the individual no matter what and despite of the will of a majority. The important element in the US democratic system is the institutionalized limitation on the elected majority; this ensures minority rights and liberal freedom for all citizens. The protection of individual rights is not seen in illiberal democracies. In most cases, the opposite is true, where the rule and wishes of the majority can isolate and marginalize minority groups. James Madison and the founding fathers of the American Constitution warned about the dangers of the majority.
Zakaria points out, “In many of the developing countries, the experience of democracy over the past few decades has been one in which majorities have – often quietly, sometimes nosily – eroded separations of power, undermined human rights, and corrupted long-standing traditions of tolerance and fairness.”

Zakaria points to examples of having a democratically elected government that elect radicals, extremists, racists, or fascists to government positions. All of this is under the umbrella of democracy. In these environments, elections “merely legitimize power grabs” and much more resemble dictatorships than democracies. Zakaria states, “Constitutional liberalism is about the limitation of power; democracy is about the accumulation and use.” As he points out, there is a distinction between liberal democracies that limit the power of government and ensure the rights of the minority groups and illiberal democracies that accumulate and use government power to represent the majority will or for the rich to accrue further wealth.

Governments that take over by force (or rule by force) do not create efficient, stable societies. In actuality, Zakaria believes that a strong government is contradictory in many ways to an effective government. The US model of governance is one of limited governmental powers that support an effective state. In spite of this, Western scholars and specialists have advocated the creation of centralized and strong governments in these developing countries. Leaders in these illiberal democracies claim that a centralizing of authority is needed to break down feudal ties, split traditional coalitions and allegiances, and to bring an overall order to an otherwise turbulent society. The incorrect assumption here is that an all powerful government is an effective, legitimate government. Contrarily, Zakaria states, “Governments that are limited, and thus seen as
legitimate, can usually maintain order and pursue tough policies, albeit slowly, by building coalitions.”25 To underline this point, Zakaria looks at tax-collection rates as a test for legitimacy. Tax collection, which requires individual’s observance to laws, is dreadfully low in developing countries. Zakaria points to this an example of the lack of legitimacy of policy and governance in illiberal democracies.

Illegible democracies deal with social issues markedly different than liberal democracies. One misnomer is that democracy brings about ethnic peace and harmony. This is not always the case, Zakaria states, “Mature liberal democracies can usually accommodate ethnic divisions without violence or terror and live in peace with other liberal democracies,”26 Illiberal democracies, on the other hand, can incite conflict and war because of the lack of institutional protections of individual rights. Zakaria points to scholars Rabushka and Shepsle who looked at Asian democracies in the 1960’s and who, thought their research, believed that the democracy “is simply not viable in an environment of intense ethnic preferences.”27 In environments where liberal constitutionalism is not present, the democracy seen can often give rise to exaggerated nationalism and war-mongering.

Illegible democracies can sometimes stem from an abundance of “unearned” wealth. Countries that benefit from their richness in resources – which can be through oil reserves, agriculture, or mineral – have a difficult time developing into stable liberal democracies because of the injection of wealth into the developmental system. With this “unearned” wealth, comprehensive development such as growth in the bureaucratic system, political institutions, legal institutions, industrial sector, and infrastructure is not a top priority. If the goal of a government is to accrue resources and gather wealth, then
Zakaria states, “In a country with no resources, for the state to get rich, society has to get rich so that the government can then tax this wealth.”

Zakaria believes that the spread of illiberal democracies is one of the most dangerous threats that challenges the international world. This spread undermines the legitimacy of liberal democracies and the values they espouse. The US and other liberal democracies should, instead of looking for new frontiers to have the roots of democracy take hold, look to encourage the rise of constitutional liberalism around the world. Zakaria states, “Democracy without constitutional liberalism is not simply inadequate, but dangerous, bringing with it the erosion of liberty, the abuse of power, ethnic divisions, and even war.”

Liberal Institutionalism

Liberal institutionalism reinforces the illiberal democracies theory outlined above by emphasizing the importance of institutions as a way to create and maintain peace. Liberalism has significantly shaped the way that political relationships have been viewed since the late seventeenth century and is based on the ideals of the belief of human progression. Liberalist theory states that human nature can be perfectible; and in order to achieve that perfection, democracy and democratic institutions are crucial. John Baylis states that, contrary to the realist ideology, “Liberals seek to project values of order, liberty, justice, and toleration into international relations.” Liberals doubt that war is a natural state of politics and that the state is the sole actor in IR. Baylis states, “Although they do not deny that it (the state as the main actor in the world political stage) is important...they do see multinational corporations, transnational actors such as terrorist
groups, and international organizations as central actors in some issue-areas of world politics."\textsuperscript{31} Liberals see the state not as one single entity, but rather as a collection of individual bureaucracies. Each of these individual bureaucracies carries their own batch of interests which makes it nearly impossible for the state to act as one a unitary, single-interest actor. Baylis states, “There can be no such thing as a national interest, since it merely represents the result of whatever bureaucratic organizations dominate the domestic decision-making process.”\textsuperscript{32} Because cooperation is emphasized, the ability to create systems and situations that cooperation can be achieved is of extreme importance. Though military force is an important factor, equally important are social issues of environmental stewardship and economic prosperity. According to Baylis, “Order in world politics emerges not from a balance of power but from the interactions between many layers of governing arrangements, comprising laws, agreed norms, international regimes, and institutional rules.”\textsuperscript{33}

Liberal institutionalism contends that conflict is unnecessary, avoidable, and an out-of-date way of handling disagreements.\textsuperscript{34} This is reinforced through the creation and belief that international and domestic institutions can act as efficient ways to settle disputes that would have previously escalated to violence. There are two levels of analysis in liberal institutionalism when looking at the causes of conflict and the determinants of peace; they are human nature and the state. On the individual human level, the cause of conflict is government intervention disturbing the natural order. The factors of peace are individual prosperity, free trade, and individual liberty. On the state level, the cause of conflict is the undemocratic nature of politics and balance of power and the factors of peace are the government’s ability to respond to public sentiment.\textsuperscript{35}
Baylis states, “Domestic and international institutions are required to protect and nurture these values.” The extent and efficacy of these institutions can vary greatly, significantly altering the capability for these institutions to be a means to avoid conflict. The lack of institutional integrity does not allow for public opinion to be addressed in a legal way; and thus sets the foundation for Marxist revolution theory.

Marxism

Throughout the history of IR theory, the consideration of economic factors, and the study of those factors, has had notable significance. It is implied in many IR theories that the rising of the quality of life and living standards, because of economic development, will inherently bring domestic and eventually international peace.

Karl Marx, a German political economist, believed that politics are actually the creation of economic conflict that produces antagonism between the resource owning bourgeoisie and the laboring proletariat within the capitalist economic system. This struggle between two dissimilar classes creates competition between the two groups and eventually leads to aggression towards each other. Baylis states that, “In this world-economy the most important actors are not states but classes, and the behavior of all other actors is ultimately explicable by class forces.” Marxism, also known as structuralism or world-system theory, has been a major influence to international relations for nearly a century and, though currently the calls for free-market are now widely accepted, its relevance in understanding political systems cannot be understated. Dougherty states, “Central to Marxist theories of imperialism and war is the assumption that all international issues are reducible to issues of economic gain rather than political power.”

Though the Marxist
theory dates back to 1848, the Marxist dogma has shown lasting resiliency and aptness throughout modern politics. As a combination of economic theory, social science, political philosophy, and history theory; as well as a mix of theology, ethics, and revolution theory, it prescribes a secular social arrangement as a solution for the eradication of conflict. Marxism believes that conflict occurs out of a life or death clash between socioeconomic classes. Dougherty states, “Capitalism is the bondage from which people strive to be liberated,” and that, “whoever controls the economic system also controls the political system.”

Marxism believes that class destruction is inherent to capitalism where the lower rungs of the middle class are thrust into the proletariat laboring class because of the increasing inability to compete with the resources of the bourgeoisie ruling class. As the proletariat class grows in number and the bourgeoisie class shrinks in number, the struggle between the two intensifies and comes to a boiling point. Marx anticipates a sequence of intensifying conflicts that leads to an eventual overthrowing of the ruling class.

Marxism views all political events as being influenced by economic concerns; including all reason that are religious, cultural, social, humanitarian, and militaristic. The Marxism image of lasting peace is best described as, “the peace of the self-alienated person restored as a result of the ‘negation of the negation,’ the revolutionary self-appropriation by the proletariat, taking that which rightfully belongs to itself.”

For Marxists, peace can only be achieved by addressing the wealth disparity that is created in capitalism. Marxists point to the extremes in wealth disparity and resource ownership as the indicators for potential social unrest. In the Philippines, there is a conflict between two dissimilar classes; the ruling and wealthier Catholic urban center of Manila and the rural Muslim ARMM.
CHAPTER 2: HISTORICAL EVOLUTION

The historical evolution of the Philippines plays a major role in Philippine Muslim unrest. Philippine historical evolution is unique to many Asian countries and has played a significant role in the development of the Philippine Muslim community. A long history of feuding between the colonial rulers and the Philippine Muslims set the stage for the independent spirit of the Philippine Muslims.

During the Spanish colonization, there were a total of six wars between the Muslims and the Spanish known as the Moro Wars. The Muslim culture has remained untouched during the colonial period. In 1990, the Philippine government created the ARMM which is in the south western part of Mindanao, in spite of calls for full national sovereignty by the MNLF. This gave the region control over certain aspects of their governance without granting full independence from the Philippine state.

History plays an especially significant role in the life of Muslims. Bernard Lewis states, “The Muslim peoples, like everyone else in the world, are shaped by their history, but unlike some others, they are keenly aware of it,” continuing, “Islamic history, for Muslims, has an important religious and also legal significance, since it reflects the working out of God’s purpose for His community.” It is this reason why an analysis of the historical evolution of the country is especially important.
Philippine History

The Philippines was a Spanish colony from 1565 to 1898. In 1898, Philippines gained independence from Spain after the Spanish-American War. In 1935, the Philippines became a Commonwealth of the United States. During that time, Manuel L. Quezon was elected president and presided over a decade leading up to Philippine independence in 1946. During World War II, for a four year period from 1942 to 1946, the Philippines was under Japanese occupation. With help from the US, the Philippines gained its independence in 1946. Three more presidents served until President Ferdinand Marcos took control from 1965 to 1986. Events during Marcos’ Administration were the declaration of martial law in 1972, Marcos’ opposition leader Benigno “Ninoy” Aquino, Jr.’s assassination in 1983, and early presidential elections (also considered illegitimate snap elections) in 1985. These all led to his expulsion through the People Power Movement I in 1986, ushering in the Corazon Aquino, Benigno Aquino Jr.’s widow, Presidency. The Aquino era was marred with multiple coup attempts that undermined political and economic stability. The Fidel Ramos Administration from 1992 to 1998 was a time of greater economic stability and reform. In 1998, Joseph “Erap” Estrada was elected and served office until he was ousted through People Power Movement II in 2001. Estrada’s Vice-President Gloria Macapagal-Arroyo assumed his position after his eviction. People Power Movement II occurred because of a general malcontent with corruption, economic underperformance, and a viewed deviation from pre-election promises made by President Estrada. Gloria Macapagal-Arroyo was reelected to a six year term in 2004. Her presidency has also been filled with protests claiming corruptions as well as multiple coup attempts and electoral fraud.
The Philippines’ past is a tumultuous history of conquest and resistance. Its post-independence history has been fractured by dictator rule and coup attempts. This turmoil is the setting in which Philippine Muslim unrest has manifested. Further investigation of historical evolution will be taken later in this research.

**Philippine Muslim History**

The earliest recorded sign of Islam in the Philippines comes from Sulu Genealogy; unfortunately, however, specific dates are difficult to come by. It is known that the first presumed Muslim in the Philippines was located on the Jolo Islands, which is today part of the ARMM.\(^{44}\) It is reported that Karimul Makdum built the first mosque and is the first confirmed *aulia* or preacher or missionary in the Philippine islands. The promulgation of Islam, first in the Sulu Islands, is attributed to Abu Bakr an eighteenth century Muslim missionary. During this time, Abu Bakr was given the sultan title in the Sulu city of Buansa, which gave the first inclination of an organized Islamic political institution in the Philippines. Abu Bakr, also known as Sharif ul-Hashim, was an Arab and spent time in Iraq, Indonesia, and Borneo before setting in Buansa. From this small town, Islam in the Philippines gradually spread.\(^{45}\)

The Spanish rule began in 1565 and the early centuries were marked by what is called the Moro Wars. In total there were six Moro Wars; four wars from 1565 to 1666 and two from 1718 to the end of Spanish rule in 1898. During these centuries, a pattern of Spaniard proselytization, Philippine Muslim rejection, trade disputes (which included the Dutch, Chinese, and the British), and retaliation through naval and land encounters
emerged. The destruction of the Moro Wars occurred of towns along the Visayan and Mindanao Islands while the Muslim male population was also substantially diminished.\textsuperscript{46}

Much of the continuing conflict between the Spaniards and the Philippine Muslims, especially in toward the end of the eighteenth century, centered on trade and the control of the trade routes that winded through the Philippine Islands. Trade has always been very important to the Sulu Islands as practically all non-essential items came from outside of the Philippines, including its firearms and military needs.\textsuperscript{47} Growing Philippine dependency on Chinese and Dutch trade and goods developed increasingly over this period. By the mid-eighteen century, British interest in these trade lines amplified as they were looking for a more efficient route between India and Britain. As interest in these trade lines increased, so did the incidents of pirating. Muslim pirates consistently harassed Dutch, English, Chinese, and Spanish traders which continued until the end of the Spanish colonization period.

During this time period the British and Dutch were expanding their influence from the Malaysian border. In order to stem this approach and to secure the southern part of the Philippines, the Spanish strategy was to conquer the island of Sulu and to place it under their sovereignty.\textsuperscript{48} The sixth stage of the Moro War in 1851 saw the Spanish invade the island of Sulu. Fears of Dutch and British expansion, along with burgeoning trade between the Philippine Muslims and these two colonial powers reinforced the urge for the Spanish to secure its claim over the southern Philippine islands. The water channels of the Philippine islands were crucial for Asian trade. The Spanish justified their use of force by citing the danger of the pirating activities of the Muslims of the Sulu islands. This marked the beginning of the decline of power of the sultans and the rise of
Spanish influence in the region. The war quickly took on issues outside of the reason to stem British and Dutch expansion and became a war to contain piracy. The Spanish clergy quickly backed the war seeing an opportunity to evangelize and to increase their social reach. During this time, a campaign to distinguish Muslims from Christians made the people of Manila to view this war as holy in nature. One Dominican friar was quoted saying, “The war against Jolo is now a just war, a holy war in the name of religion,” while one Recollect friar stated, “Go brave Spanish soldier to the combat in the fiery arena without fear because you are supported and protected by the fury of the God of the armies.” The strategy to frame this war as a battle of religion proportions garnished the support of the Spanish Manila inhabitants. The attack on Zamboanga soon ensued. Eventually in 1878 a peace treaty between the Sultan and the Spaniards was signed. For the next 20 years, the Spanish gradually spread their influence throughout Mindanao but it wasn’t without a violent struggle. The last five years of Spanish rule saw the frequency of conflict increase with hundreds of Spanish soldiers and Muslims losing their lives.

During the Philippine Revolution in 1898, the Spanish began to withdraw from their fortifications in the heavily-Muslim interior part of Mindanao. The void left by the soldiers was filled by the regional Muslim datus. The revolutionaries that were battling the Spanish in the North quickly began to court the Philippine Muslims to the Philippines independence campaign. Revolutionary war hero Emilio Aguinaldo told the Congress in 1899, “to negotiate with the Moros of Sulu and Mindanao for purposes of establishing national solidarity upon the basis of a real federation with absolute respect for their beliefs and traditions.” The revolutionaries relayed stories of the indigenous groups (Igorots and Aetas) coming down from the mountains to join the movement toward
Philippine independence to the *datus* of the south with little success. Majul states, “Most of these appeals to the sultans and *datus* generally fell on deaf ears,” and adds that, “The Muslims were determined to retain their own views of independence and liberty.” In actuality, some of the regions of the south were battling the revolutionaries who were attempting to control Zamboanga. The Philippines was a fractured state when the US inherited the country.

The modern history of the Philippine Muslim community started from the US inheritance of the country around the turn of the 20th century. Major social and cultural inequalities along with significant social fragmentation handicapped the country. Laid upon this fractured society was the newly adopted US political system, the constitution and the political structure of the Philippines mirrored that of the US. In the conceptualizing process this seemed to work; however, when put into practice the unique cultural tendencies of the Filipinos changed the institutions into entities that were distinctly different than their US counterparts. The Filipino of patrimonial and tribal tendencies led to corruption, nepotism, cronyism, and governmental inefficiency. This led to improper policy, poor follow through, and a gradual economic decline that put the country far behind its Asian neighbors. Unsuccessful migration policies lead to wealth disparities never seen before in the provinces and in the Mindanao area. This was the environment where violence and unrest first started.

In 1969, the creation of the MNLF, started the movement for the Bangsamoro Republik. Over the last few decades there has been a conflict between the Filipino government and Muslim separatists that has killed an estimated 6,000 people and has accounted for millions of pesos of government expenditure. Rebel groups have been
fighting in Mindanao to create an Islamic state separate of the Philippine government. The people there are called Moro’s originating from the Spanish word Moors and have wanted a separate Islamic homeland which they call Bangsamoro. In 1990, the Filipino government created the ARMM which is in the south western part of Mindanao. This gave the region control over certain aspects of their governance; however, security and foreign affairs remained under the control of the Philippine Government and is a major source of contention between the feuding groups. The conflict is mainly religious in division, where 90 percent of the Filipino population is Catholic and only five percent is Muslim, the latter being mainly isolated to the southern islands.

In 1996, MNLF signed a peace agreement with the Philippine government that was subsequently rejected by the MILF just three months later. This spurred on a series of armed conflicts between the MILF and the Armed Forces of the Philippines (AFP). During the period leading up the Estrada Administration in 1998, hundreds of people were killed because of the conflict, while thousands were displaced. In March 2000, President Estrada, after failed ceasefires declared “All-Out War” with the MILF and by July controlled most of Camp Abubakar - the main MILF stronghold. The Tripoli Peace Agreement was signed in June 2001, but by 2003, clashes and attacks lead to a large-scale military operation in Central Mindanao. By this time, the number of displaced people reached near half a million. Today, the number reaches nearly a million Filipino citizens displaced. Another aspect of this conflict is the ASG which is responsible for kidnappings and terrorist bombings. Being linked directly to Al-Qaeda, this group poses a major concern for not only the Philippine government but regional and international powers as well.
In 2002 allegations tied JI to the MILF after the bombing of a nightclub in Bali, Indonesia which killing 200 people. The connection was rebuked by the MILF. In 2004, the IMT team arrived in the country consisting 60 members from Malaysia and Brunei. They were charged with overseeing the ceasefire between the two parties. The group’s mandate ended in August and the Malaysian government announced its withdrawal from the project.66 Another group that emerged was the 2005 AHJAG. This group is a way for the Philippine government and the MILF to share intelligence on terrorist activities in a way to limit accidental clashes between the two parties. US assistance (in the form of military training) for the Philippine government was a part of the US Operation Enduring Freedom campaign starting in 2001, with the deployment of 650 US military personnel.57 The US focus was mainly on the ASGs ties to Indonesian jihadis and has dwindled in light of the war in Afghanistan and the subsequent war in Iraq.58

The conflict has continued with spats of violence keeping both parties on edge. In August 2007, clashes between military and Moro guerrillas left 83 people dead.59 Within the ten months prior, there were ten Marines and seven Christian government construction workers that were abducted and beheaded by the rebels. As recently as early February 2008, skirmishes between the Philippine police and MILF have been recorded.60 Philippine Muslim leaders have tried to bring their plight to the international stage, seeking Islamic country’s backing; however, there has been little international intervention and attention brought upon this situation.

Filipino Muslims are in many ways carrying on the tradition of their Moro ancestors by continuing to resist outside influence of other cultures. Many Muslim Filipinos prefer not to be considered Filipino because of the fact that their culture never
relinquished its sovereignty to the Spanish King Philip. The Muslim Philippine history is vastly different than the Christian Philippines and still plays a role in the prolonged unrest seen in the Muslim community.
CHAPTER 3: ECONOMIC AND POLITICAL DEVELOPMENT

The economic and political development of the Philippines has been intertwined throughout the history of the country. As you will see, many of the economic crises were spurred on by political turmoil. Conversely, many times political turmoil would inhibit economic growth and success.

Philippine development has posed a major puzzle for economists and political scientists, alike. Its dramatic economic slowdown and underdevelopment compared to its Asian neighbors sharply contrasts its success and respected status post World War II. In the 1950s, the Philippine economy was one of the most robust and stable in Southeast Asia and had one of the highest per capita incomes and average GDP growth rate in the region. Gradually, Philippine economic performance began to slow while at the same time its Southeast Asian neighbor’s economies blossomed, making it one of the most underperforming economies in the region. The initial economic conditions of the Philippines were relatively favorable compared to other newly independent countries. The Philippines colonial rule was relatively benevolent and was the basis for its economic success in the immediate decade after its independence. Its close ties to the United States allowed for advantaged access to the world’s healthiest market, while reparations from the US propelled the Philippine economy.

Philippine politics greatly affected Philippine development and performance and has been one of the major reasons the Philippine economy has been relatively lethargic and slow moving compared to neighbors within the Asian region. Sometimes referred to
as Philippine national sport or the national pastime politics and political institutions are the most influential institutions in Philippine life.\textsuperscript{63}

\textbf{Economics}

The 1950s were a period of Philippine economic superiority in the region with an average GDP growth rate of 6.5 percent, as seen in the chart below. During this era, the economic growth and production rivaled that of Japan. The Philippines’ economic woes began to form during the Marcos Administration in 1965.

The Philippines was almost entirely left out of regional Asian growth starting from the late 1970s (all the way to the early 1990s). The 1980s was the Philippine’s worst performing economic decade, referred to by Arsenio Balisacan and Hal Hill as the “lost decade” that really set the Philippines back (compared to its East Asian neighbors). During this time its average annual GDP growth was a mere 1.0 percent.\textsuperscript{64} This was followed up by less than stellar GDP growth of 3.2 percent in the 1990s, as the figure below illustrates.

\begin{table}[h]
\centering
\caption{Average Annual Growth Rate of GDP}
\begin{tabular}{|l|c|c|c|c|c|}
\hline
\textbf{Country} & \textbf{1950s} & \textbf{1980s} & \textbf{1970s} & \textbf{1980s} & \textbf{1990s} \\
\hline
Indonesia & 4.0 & 3.9 & 7.6 & 6.1 & 4.2 \\
Malaysia & 3.8 & 6.5 & 7.8 & 5.3 & 7.0 \\
Myanmar & 6.3 & 2.7 & 4.6 & 5.3 & 7.7 \\
Philippines & 6.5 & 5.1 & 6.3 & 1.0 & 3.2 \\
Singapore & NA & 8.8 & 8.5 & 6.6 & 7.8 \\
Thailand & 5.7 & 8.4 & 7.2 & 7.6 & 4.2 \\
\hline
\end{tabular}
\footnotesize{* Balisacan, Arsenio and Hal Hill, 2003.}
\end{table}
The underperformance of the Philippine economy in the 1980s was spurred on by the events of that occurred in the 1970s. These events set the stage for what was to be referred to as the “lost decade.”

The 1970s was a decade of moderately high growth in the Philippines at 6.3 percent annual GDP growth rate. Unfortunately, it was also a time of large foreign borrowing, a factor that will effect the growth of the economy in the years to come. GDP growth hit its peak in 1977, then declined steadily soon after when the strategy of foreign borrowing proved to be unsustainable. In large part, this was due to the misuse of the loans and borrowings from foreign sources. This also marked the start of an era of increasing commodity dependence which left the stability of the Philippine economy vulnerable to fluctuating international markets. The Philippines was struggling with a balance of payments challenge, as well as, economic shocks from the 1979 oil crisis. The 1980s was a difficult time for the nation. The period from 1984 to 1986 was a time of economic stagnation, culminating in the political turmoil of EDSA I People Power Movement of 1986. This led to the Philippines’ largest economic downturn and marked a decade of its poorest economic performance. The effects of this decade are still plaguing the country today.

Immediately after the People Power Movement I, the Philippines struggled through an attempted recovery phase. All of these factors saw the Philippines take a gradually less significant role in the region’s investment and trade flow. This sub par GDP growth caused the Philippines to begin to lag in many social indicators as compared to its high growth neighbors. In the early 1990s, determined economic reform policy was implemented and saw a slight valuation of the peso, moderate regional growth, positive
movements in trade, and a mild return of foreign investment. Political crisis again
plagued the Philippines in 1992, and the year to follow, but this time it was of a much
lesser extent than the mid 1980s. Serious power outages, early coup attempts in early
1990s, the eruption of Mt. Pinatubo in 1991 and the recovery aftermath, as well as the
removal of U.S. military installations in 1992 all lead to a notable economic downturn.\(^{68}\)
Moreover, in 1990 the Philippine peso experienced its second collapse with a
depreciation of over 20 percent (40 percent in 1983-84), which further added to the
economic uncertainty, as seen in the figure below.\(^{69}\)

Table 2: Exchange Rate and Depreciation 1980 to 2000

<table>
<thead>
<tr>
<th>Year</th>
<th>Exchange Rate (peso/$)</th>
<th>Nominal Depreciation (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>7.6</td>
<td>NA</td>
</tr>
<tr>
<td>1981</td>
<td>9.2</td>
<td>7.9</td>
</tr>
<tr>
<td>1982</td>
<td>9.2</td>
<td>11.6</td>
</tr>
<tr>
<td>1983</td>
<td>14.0</td>
<td>52.7</td>
</tr>
<tr>
<td>1984</td>
<td>19.8</td>
<td>41.1</td>
</tr>
<tr>
<td>1985</td>
<td>19.9</td>
<td>-3.7</td>
</tr>
<tr>
<td>1986</td>
<td>20.5</td>
<td>7.9</td>
</tr>
<tr>
<td>1987</td>
<td>20.8</td>
<td>1.3</td>
</tr>
<tr>
<td>1988</td>
<td>21.3</td>
<td>2.6</td>
</tr>
<tr>
<td>1989</td>
<td>22.4</td>
<td>5.2</td>
</tr>
<tr>
<td>1990</td>
<td>28.0</td>
<td>24.8</td>
</tr>
<tr>
<td>1991</td>
<td>26.7</td>
<td>-4.8</td>
</tr>
<tr>
<td>1992</td>
<td>25.1</td>
<td>-5.8</td>
</tr>
<tr>
<td>1993</td>
<td>27.7</td>
<td>10.4</td>
</tr>
<tr>
<td>1994</td>
<td>24.4</td>
<td>-11.9</td>
</tr>
<tr>
<td>1995</td>
<td>26.2</td>
<td>7.4</td>
</tr>
<tr>
<td>1996</td>
<td>26.3</td>
<td>0.3</td>
</tr>
<tr>
<td>1997</td>
<td>40.0</td>
<td>52.1</td>
</tr>
<tr>
<td>1998</td>
<td>39.1</td>
<td>-2.3</td>
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<tr>
<td>1999</td>
<td>40.3</td>
<td>3.2</td>
</tr>
<tr>
<td>2000</td>
<td>50.0</td>
<td>24.0</td>
</tr>
</tbody>
</table>

* Belloso, Arinto and Hal Hill, 2003.*
After much of the turmoil of the early 1990s was dealt with, aggressive reform from the Fidel Ramos Administration in 1994 ushered in a notable growth period in the Philippine economy, peaking in the middle of the decade at nearly a 6.0 percent GDP growth rate. This growth period was needed and was a major influencing factor in allowing the Philippines to weather the ensuing Asian Financial Crisis.

The Asian Financial Crisis took place in July 1997 and was marked by declining currencies starting from Thailand and spreading throughout most of Southeast Asia. Particularly in the Philippines, the peso was overvalued which lead to a rush of investment into the real estate sector. This, along with the Philippine corporate sector’s underperforming investments and over-borrowing lead to a very vulnerable economic situation. During this time was the third collapse of the peso, depreciating at over 52 percent.

There were positives that came from the crisis. Most prominently, it was not the governments’ wrongdoing that caused the crisis. Rather, it was due to external factors outside of the control of the government; namely, the currency crisis and an untimely drought. Another positive was that this was the first time, since Philippine independence, that peso devaluation didn’t lead to an economic crisis. Another explanation for the recovery was that the Philippines was not as involved as its neighbors in seeing the foreign investment in the years leading up to the big economic pull out. According to Balisacan and Hill, “The country was effectively excluded from international capital markets until 1992,” and, “Even when the capital account was opened, foreign investors who had lost out in the 1980s approached the country with caution.” Because of this, the capital inflow was minimal which made for the pull out less as destructive as its
neighbors. The lack of economic performance in the 1970s discouraged potential investors which shielded the Philippines from the hazards of large liquid investments. Thought this was immediately causing less foreign investment within the country, it proved to be an insulating factor during the Asian Financial Crisis.

This is a contributing factor to the relative stability and speed of the economic recovery. During the conclusion of this period, political turmoil (along with the fourth collapse of the peso) once again affected the Philippines, culminating in People Power Power II which ousted the Joseph Estrada Administration and ushered in the Gloria Macapagal-Arroyo term.

Politics

As previously mentioned, the Philippine political system is very much similar to the US political system. The development of the executive branch and the powers afforded to the president are unique features to Philippine politics. The tendencies and behaviors by the Philippine government can been characterized as centralism. Centralism is when decision making powers are lessened in the local and provincial level and centralized on the national level. For the Philippines, the decision-making of the country is concentrated in Manila and is responsible for the oversight of every significant (and often insignificant) national decision. Centralism, in the Philippine context, has lead to a political history of corruption and manipulation of legal decision making and control. Corruption developed in the Philippines has been traced back to the legacies of the Spanish colonial history as well as imprudent, insufficient, and disparate salaries afforded to government workers in the decades following independence. According to Wurfel, “In
the process of narrowing the salary gap between top and low-level civil servants, the economic pressures that result as those on top try to maintain their same relative social position, work against honest administration.” Moreover, much political attention historically has been placed on the image of administrative responsiveness; often times seeing presidential intervention in the “predilection of the masses.” Wurfel points to the paradoxical nature of this tendency stating that, “(The president) sometimes denied himself the hours necessary for wise decisions on top policy questions which could have had an even greater long-term beneficial effect on mass welfare.” This has led to points in history where presidential effectiveness, and subsequently governmental effectiveness, has been hampered by political tradition and norm.

Philippine politics has, at times, sped up or made worse economic crises; while other times it has unknowingly acted as a buffer. One such example of this was the relatively low impact of the 1997 Asian Economic Crisis. Many of its Asian neighbors were affected by this major financial crisis while the Philippine economy was relatively unshaken. The effects of this event were dampened by other factors that were taking place in the Philippines. The crisis was sparked by a large and sudden financial pullout of liquid portfolio investments in Asia, mainly from European investors. This all started from the appreciation of the Japanese Yen in 1984 which lead to large European investment throughout the region. The Philippines was a relative non-player in this process and was excluded from the economic boom known as the “Golden Years” of Asian development. In the 1980s, the Philippine’s average GDP growth was a shockingly low 1.0 percent compared to 7.6 percent growth for Thailand and 6.1 percent for Indonesia. This underperformance was largely in part due to the political conditions
that were present in the Philippines during this era of European investment. The years leading up to the 1986 People Power Movement I, which ousted the Ferdinand Marcos regime, were filled with political and social uncertainty. Political assassinations, violence and kidnappings of Marcos political rivals, and overall political and economic corruption created an environment that was less than welcoming to foreign direct investment. Subsequently, when the same investments were abruptly pulled from Asia in 1997, the Philippines was relatively unscathed. Regardless of whether the relative economic stability the Philippines experienced during and after the Asian Financial Crisis was due to prudent economic policy or its being left out of foreign direct investment because of larger political and economic undesirability, the end result was a slow moving, moderately insulted Philippine economy.

Political development in the Philippines has disrupted the economic environment making the Philippine market unattractive to potential investors. The uncertainties of multiple coup attempts, people power movements, and the impact of changing presidential regimes have stood in the way of creating a lasting economic environment conducive to successful development and has hampered the government’s ability to properly address Philippine Muslim unrest.

**Economic and Political Development in the ARMM**

Numerous economic plans aimed at encouraging economic development in the ARMM failed for a magnitude of reasons. Failed attempts to develop the Mindanao region and to integrate the Muslim community into the larger Philippine political and economic state were squandered because of a multitude of reasons; ranging from poor
planning, mismanagement, and lack of funds to corruption, nepotism, theft, and ineptitude.

The political development of the Philippines greatly depended on the effectiveness of the Philippine government. The fact that Philippine government was fraught with inadequacies put the Philippine Muslims at a disadvantage right from the onset. Abinales refers to it as “riddled with bureaucratic corruption and inefficiency, dependent on the United States, dominated by oligarchic forces that exploited state resources for patrimonial ends, and faced by repeat outbursts from below.”

A turning point for the Philippine government was the 1946 seven year Huk rebellion in Northern Luzon. This was the first incidence where expanding capitalism and peasant right’s clashed. Huk comes from the term Hukbalahap, a Tagalog acronym for People’s Anti-Japanese Army, and took place immediately after end of Japanese occupation. The uprising was caused by the villagers’ discontent with the capitalist practices that were being employed by wealthy landowners and backed by the government. Many of the Hukbalahap fought the Japanese occupation and after the US took control of the country, these freedom fighters were being arrested, killed, and harassed by police and were being regarded as communist subversives. Landlord organizations were encouraging the arrest of the Hukbalahap because of fears of potential organized and guerilla-hardened uprisings. During the war, many landlords (some Japanese sympathizers) sought shelter in Manila and upon their coming back to the provinces they demanded back taxes to be paid by their tenants. During this time, landlords also want to implement changes in farming practices and were fearful of the war-hardened Hukbalahap. The Huk rebellion revealed the importance of rural
economic development and influenced the Philippine government to seek out rural development plans.

With development in mind, and wanting to tap into resources of Mindanao, the Philippine government commissioned ambitious relocation plans to populate and develop the region. The period from 1946 to 1972 saw five major government initiatives to relocate population to Mindanao. All of these initiatives were failures. Corruption, mismanaged funds, incompetent management, and what Abinales calls “gangsterism and political parasitism” rendered these projects useless. Organization such as the Land Settlement and Development Corporation (LASEDECO) and the Mindanao Development Authority (MDA), failed to follow through on any of the development promises to the Mindanao people. Again, the Muslim community lost out on the benefits of the planned development initiatives because of the corruption and mismanagement by a structurally unsound Philippine government.

This spurred on further problems in the south. Abinales states, “Rising land values and shrinking mean farm size made capital formation by tenants and squatters difficult,” continuing, “more and more, available land was bought by nonresidents and wealthy pioneers with large landholdings.” This trend created class stratification and increased marginalization of the non-landowning laboring class. According to Abinales, “Instead of helping to solve the country’s major source of social unrest, migration to Mindanao had spread it,” continuing, “migration eventually created a politically fragile context in which communal conflicts as well as class tensions were now imminent.” The development plan of encouraging migration to the rural Mindanao backfired and created a society with an untenable disparity in resource ownership.
When the transfer from Spanish to US rule occurred, the Philippines was not a unified entity; rather it was a fragmented dynamic society or levels of societies. During the first decade of US rule, this ethnic fragmentation was seen by the existence of two military organizations operated by autonomous army administrations in the Mountain Province and the Moro Province. These military entities were formed on the assumption that non-Christian tribes were distinctly different than the Christian majority. Immediately the culture of inequality and isolation was reinforced. Abinales states, “The Americans knew that, historically, they had never been integrated into the Philippines, and until their transformation into ‘civilized subjects’ was achieved, they were to be secluded and protected from the ‘more civilized’ Filipinos,” continuing, “In these provinces, the army-run regimes exercised authoritarian control, limiting indigenous participation in local administrative affairs.” The establishment of American rule combined with the attitude that the provincial Filipinos were “uncivilized,” provided the basis for the isolation of the rural, Muslim Filipinos in the southern islands. Immediately there was a distinction made between the “more civilized” Filipinos and the “uncivilized” majority.

The first few presidential administrations tried to expand Moro participation integrating *datus*, or Muslim tribal chieftain, into national, municipal, and provincial politics. This was the beginning of the political evolution of the Philippine Muslims within the framework of the Philippine state. Years of evolution and warring put the Muslims on the path to the political representation afforded to their Christian counterparts. This was the situation leading up to the escalating violence and the separatist movement in the 1970s.
Before the declaration of martial law in 1972, rebellions by the MNLF and the Communist Party of the Philippines (CPP) and the waning influence of strong men and disparate land ownership in Mindanao highlighted and strained the already weak Philippine government. Martial law suspended all elections and democratic processes of the country. Abinales states, “The scholarly consensus on the modern state in the Philippines assumes that despite variations in state form – colonial and postcolonial, American and Filipino, cacique democratic and authoritarian – one single process of state formation transpired over a territory unproblematically understood as ‘the Philippines’. Of course this was not the case.

The fragmented nature of Philippine politics and the rising disparate nature of wealth in the south, brought upon by poor migration policy, spurred escalating violence and unrest in the Muslim region. This was the reason for the creation of the MNLF in 1969. The MNLF was the main organization representing the Philippine Muslims and their desire to create a separate autonomous Bangsamoro Republik. This desire to create a separate nation-state was in response to being left out of the economic and political process of the Philippine state.

The escalating violence continued and starting from the 1996 peace agreement between the Philippine government and the MNLF (which the MILF did not agree with), the two parties were engaged in peace negotiations to try to find a resolution to the hostilities, though these were mostly informal in nature. This peace agreement was broken, and then a new ceasefire agreement emerged in July 1997. The Philippine government and the MILF opened up formal talks at the Da’wah Center, in October of 1999, in Sultan Kudarat, Maguindanao. The years leading to these formal negotiations
were marked with broken ceasefire agreements and spats of violence (ever-increasing in nature during this period). Only a month after the formal talks opened, the most intense fighting between the two parties erupted and then-President Joseph Estrada declared an “all-out-war” campaign against the MILF. The fragile cycle of peace negotiations and violence that lead up to one of the most deadly government campaigns showed the tenuous nature of the negotiating relationship.

Within six months, all major MILF camps were captured and the MILF was all but defeated. During this time, the two head negotiators continued to meet attempting to find a peaceful solution; none was found. Though warring seemed to be finished, in the week that followed the capture of Camp Abubakar there were guerilla type attacks by the MILF in a public market in a small farming village that killed twenty-one and attacks against government forces throughout Mindanao. It was clear that the MILF was not completely destroyed. Instead, they were able to avoid most of the clashes with the superior Philippine government forces and firmly entrenched themselves for the prolonged guerilla style war seen today.

Despite the continued warring after 1996, the 1996 peace agreement signed between the two parties finalized the plan that was outlined in the Tripoli Agreement and solidified the political foundation for the fourteen provinces and nine cities within the ARMM. To placate and integrate the MNLF into the new system, top members were given positions within two new governmental arms the Consultive Assembly and the Southern Philippines Council for Peace and Development (SPCPD). Misuari was made SPCPD chairman and was the eventual governor of the ARMM. Much of the ex-guerillas and military men of the MNLF were integrated into the Philippine armed forces.
From the creation of the ARMM; the MNLF and Misuari, who acted as the representative of the Muslim community, disagreed with the way that the region was fashioned. The MILF became a major player because of this disagreement and because of its accumulation of military might. Struggles both on the battle field and at the negotiating table ensued for decades and is the basis of what is seen today.

Today, the ARMM is the one of the worst performing economic regions of the country. In 2007, the ARMM had the second lowest Gross Regional Domestic Product (GRDP) of all 17 regions at 5.4 percent, compared to 7.8 percent growth in the National Capital Region (NCR), or the Manila area, and 9.4 percent growth for the MIMAROPA region. The ARMM also lagged behind in percent of expenditures in the country. The figure below shows the Gross Regional Domestic Expenditures (GRDE), the total sum of all final uses of goods and services in the Philippines – which totaled almost 1.4 billion pesos in 2007. The island of Luzon (including NCR) accounts for over 65 percent of all expenditure in the country; while Mindanao only accounting for 17.7 percent, as seen in the figure below.
The ARMM per capita GRDP growth has been the lowest in the country from in 2005 to 2007. As seen in the chart below the NCR region is consistently the most wealthy and economically producing region in the country. It is also the seat of the political and economic power in the country. One of the issues of wealth and resource distribution between the NCR and the ARMM is the presence of multinational agribusinesses such as Delmonte and Dole. These corporations, starting in the 1980s, established large farming operations in Mindanao pushing many of the traditional farmers off the land that they once previously owned. Many of these companies rehired the same farmers to till the corporate land. The government distribution of resources is based on taxes collected in each province and municipality and though these large agribusinesses are located in Mindanao, many of their corporate headquarters are located in the NCR. Therefore, the
taxes paid by these large corporations are coming from the NCR rather than the ARMM, and thus, the resource distribution stemming from taxes is unbalanced.

Decades of underdevelopment has also led the ARMM to see some of the highest poverty incidence rates in the country. The chart below shows the poverty incidence in 2000 and 2003. There is a noticeable difference in poverty incidence between the region with the political seat of government and the isolated ARMM.

Table 4: Regional Poverty Incidence 2000 & 2003

<table>
<thead>
<tr>
<th>Region</th>
<th>2000</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philippines</td>
<td>33</td>
<td>30.4</td>
</tr>
<tr>
<td>NCR</td>
<td>7.6</td>
<td>7.3</td>
</tr>
<tr>
<td>Region I</td>
<td>35.1</td>
<td>30.2</td>
</tr>
<tr>
<td>Region II</td>
<td>30.4</td>
<td>24.5</td>
</tr>
<tr>
<td>Region III</td>
<td>21.4</td>
<td>17.7</td>
</tr>
<tr>
<td>Region IV-A</td>
<td>19.1</td>
<td>18.8</td>
</tr>
<tr>
<td>Region IV-B</td>
<td>45.2</td>
<td>47.9</td>
</tr>
<tr>
<td>Region V</td>
<td>52.6</td>
<td>48.4</td>
</tr>
<tr>
<td>Region VI</td>
<td>44.4</td>
<td>39.1</td>
</tr>
<tr>
<td>Region VII</td>
<td>36.2</td>
<td>28.4</td>
</tr>
<tr>
<td>Region VIII</td>
<td>45.1</td>
<td>43.3</td>
</tr>
<tr>
<td>Region IX</td>
<td>44.8</td>
<td>49.4</td>
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<tr>
<td>Region X</td>
<td>43.8</td>
<td>44.3</td>
</tr>
<tr>
<td>Region XI</td>
<td>33.1</td>
<td>34.4</td>
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<tr>
<td>Region XII</td>
<td>46.8</td>
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<tr>
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<tr>
<td>ARMM</td>
<td>59.8</td>
<td>53.1</td>
</tr>
<tr>
<td>Caraga</td>
<td>50.9</td>
<td>54.2</td>
</tr>
</tbody>
</table>

* Philippine National Statistical Coordination Board. Poverty Statistics
Figure 3: Poverty Incidence Maps 2005
Seen in the charts above, the ARMM is had the highest rate of provincial and municipal poverty of the country in 2005. The effects of decades of failed economic policy and development programs in the ARMM have lead to this great wealth disparity and an overall feeling of isolation and under-representation amongst the Philippine Muslim community.

Politically, since the People Power Movement II in 2001, there were many events that affected the entire Philippine Muslim community. 2002 saw the international emergence of JI with the bombing a nightclub in Bali killing two hundred civilians. Allegations arose tying JI to the MILF which were rebuked by the MILF leadership. Later that year, signed a truce with the Philippine government; again, this proved to be only temporary. In October of 2004, a sixty person International Monitoring Team (IMT) arrived in the Philippines to oversee the ceasefire between the parties. Consisting of members from Malaysia and Brunei, the group was set with the task of advising and helping reinforce the tenuous peace agreement. The IMT mandate ended this year and the Malaysian government announced its withdrawal from the project. In 2007, the Ad Hoc Joint Action Group (AHJAG) was formed as a way for the Philippine government and the MILF to cooperate in sharing informational on terrorist activities in hopes of limiting unintentional clashes between the two groups. A similar contract between the MNLF and the Philippine government has yet to been formed.

The conflict has continued with spats of violence keeping both parties on edge. In August 2007, clashes between military and Moro guerillas left 83 people dead. Within the ten months prior, there were 10 Marines and seven Christian government construction workers that were abducted and beheaded by the ASG. As recently as early February
2008, skirmishes between the Philippine police and MILF have been recorded. Philippine Muslim leaders have tried to bring their plight to the international stage, seeking OIC backing; however, there has been little international intervention and attention brought upon this situation.

The economic and political development of the Philippines and of the ARMM has been fraught with turmoil and fluctuation. The combination a weak government stemming from its initial reliance and dependence on US trade agreements and unchallenged access to its markets, has made Philippine development was erratic and unsustainable. The weak government inherited by the Spanish colonial period was further strained by extreme division due of the dynamic nature of the Philippine culture. Establishing a political system on a fractioned and divided culture has been the major challenge that has faced the country.
CHAPTER 4: OTHER CONTRIBUTING FACTORS

This research explores how the economic and political conditions of the Philippines have directly impacted Philippine Muslim unrest. Other contributing factors such as the socio-cultural setting, geographic setting, historical evolution, and quality of life which need to be taken under consideration are examined here.

Socio-Cultural Setting

Philippine socio-cultural setting has had a major impact on the country’s economic and political development since its independence. Its cultural values are unlike any other country found in the region and create a unique cultural mindset and value system that pervades every aspect of Philippine society, including the Muslim community. Additionally, an analysis of Philippine culture would be incomplete if its colonial past and development since were not considered in the context of modern day customs, values, and tendencies. How to bridge that divide between disparate, yet very similar, cultures will lead to the lasting peace that the Filipino people desire.

Influence of Islam

Religious affiliations are much more than a belief system; they are often interwoven into the fabric of individuals' and communities' lives. For instance, Islamic law, or Sharia, encompasses nearly all aspects of human life ranging from private and public to civil and criminal. The Sharia is separated into two categories: worship and
social relations, and has laws on almsgiving, fasting, prayer, commercial activities, property, divorce, marriage, personal conduct, and hygiene. However, Christian law lends itself to a more secular nature because of its lack of scripture focusing directly with political and governing details. The Philippine legal system does not directly acknowledge the *Sharia*.

Tribal influence still has its effects on the Muslim culture. Patrimonial family structures have an emphasis on lineage through males and plays an important role in creating stability, and establishing social class, and social standing within the community. Tribal influence on family structure also plays a major role in defining the population. Extended family, kinship, and village ties are often the principal sources of identity and social standing. Using Mohammad as a model, family relationships developed through marriage were of utmost importance in establishing and maintaining family survival. Marriage outside of religion is rare and family is extremely important in providing security and support (in exchange for loyalty). In order to be successful, an individual must have the full support of the family and its resources. Family structure provided for security, prestige, welfare, and political prominence. Since Philippine independence and the beginning of modest economic growth, the family institution was weakened. However, it still retains its importance.

The Islamic tradition also carries a deep and lasting memory of the past and their followers’ awareness of history is much more prominent than that of the Christian tradition. There are many shared cultural values of the Christian and Muslim Philippine communities; one of the most obvious being the hierarchical/patrimonial structure of society.
Hierarchical/Patrimonial Social Structure

There are three major cultural aspects that govern Philippine traditional social structure and impact every aspect of Philippine life. The first aspect is the “orientation of the individual toward his family and perhaps toward a small group of allies who are bound to him (the one in power) by personal ties.” This can be seen through the rampant corruption, favoritism, and nepotism that plague much of the culture. Eric Budd, in *Political Economy of Developmental and Patrimonial States*, explains that “Filipino economic and political elites are bound together by familial ties,” continuing, “Politics has been both a source of economic wealth, and a means of protecting wealth already acquired.” He goes on by stating, “Utilizing their political connections, the economic elites plunder the state, launching their predatory attacks with impunity.” The second aspect is, when addressing members outside of one’s own group, the propensity to use power as an issue-resolving mechanism. This tendency often promotes the development of patron-client relationships with those with less power aligning and seeking alliances with more influential individuals in society. The third aspect of Philippine culture is “the structuring of society on vertical and hierarchical lines,” giving individuals an acute consciousness for class standing and hierarchical social systems. This creates an environment where the poor and social outcast are left out of political and social ordering and decision-making on the largest level. Subsequently, there are large and ever-increasing numbers of poor and economically disadvantaged in the Philippines.

The first aspect of Philippine culture can be traced back to Spanish colonial political and social structuring. The Spaniards had a tradition of centralized
administration wherein the governor general was appointed control of the country and could decide whether or not he would listen to his council, known as the Audiencia. The governor general was not bound by any institutional mechanism that could conduct checks and balances of his power; thus giving the governor general complete and exclusive rights to running the government as he saw fit.104 Much like the barangays of today, Philippine culture emphasizes patrimonial, familial type relationships where a lone individual or groups of individuals are able to be the sole, relatively unquestioned, decision maker(s). Loyalties to family, groups of allies, and individuals with personal ties to the decision makers often receive preference in this type of system. A patrimonial structuring of the Philippine political system can be seen today, John J. Caroll et al. in Philippine Institutions state, “Governmental power resides mainly in the national government, and most specifically in the person and office of the president.”105 This type of structuring impedes economic growth. Budd states, “(In patrimonial states) policies end up promoting particularistic interests, rather than the national interest,” and “political struggles end up largely being over access to a piece of the pie.”106 The personification of the Philippine government by the President can be traced to pre-Spanish tradition and society. In this environment the datu, or the leader of the community, was the supreme ruler and “father of his people” and believed to take on mythical and magic powers. He was the sole arbitrator of both private and public disputes. The influence of this is even seen in the Philippine Constitution stating that the President swears to, “Do justice to every man and consecrate myself to the service of the nation.”107

The second aspect of Philippine culture lends itself to the patron-client system, which is seen throughout Philippine culture and history and bounded by a Philippine
tradition referred to as utang na loob.108 Utang na loob, or personal debt from either a prime obligation or in reciprocation from previous favors, is so engrained in the Philippine psyche that much of the social and political events and structuring have been built around this tradition. This also has lead to the patron-client system in the Philippines. According to Caroll et al., “The patron-leader-client triad is the basic building block of the Philippine political structure in the barrios (barangays) and towns.”109 The patron-client system, also known as rent seeking or clientelism, has its roots in family structures and was developed as a way to maintain order and security in unpredictable environments; this social structure stemming from particular family ordering is also seen throughout the Middle East where a tribal-based society was formed. A patron-client relationship is based on clients seeking rewards, protection, or security from the patron in exchange for the client’s loyalty (political, economic, or social). In this situation, national leaders (patrons) provide for the provincial leaders (clients) in exchange for their electoral support during election periods. This relationship structure continues to the lower levels of governance – provincial leaders to municipal leaders, municipal leaders to local leadership, etc.110 Patron-client societies discourage entrepreneurship and stand in the way of economic development.111 Confronting members outside of one’s group in a forceful manner is also how the Philippine government has been addressing the Muslim separatist movement in Mindanao for the last few decades, with no lasting sustainable success.112

The third factor speaks to the underlying class hierarchical system that remained from the Spanish colonial period. An acceptance of, often God-given, social class has lead to a society that in many ways is more tolerant to disparate wealth distribution and
large power gaps in political access. This ingrained aspect of culture could also contribute to the observation that when social discontent in the Philippines does manifest itself its often in an exaggerated manner; as seen in the actions of the Philippine people and military in the two People Power Movements of 1986 and 2001.

Four concepts that reinforce these three highlighted cultural elements are *utang na loób, hiya, pakikisama, and amor propio*.\(^{113}\) *Utang na loób*, again, are debts of obligation; *hiya* is the term of for shame and is seen when an offer of allegiance or aid is refused; *pakikisama* means, “to group with” and expresses the concept of getting along together and leads to the often amiable disposition of Filipinos; and *amor propio* is the concept of personal dignity and the respect of others. Saving face and social respect are significant features of Asian and Filipino culture. These factors all underlie the tendencies of nepotism, fragmented dependency of cooperation, and the disenfranchisement of “out-of-power” groups. As such, the Philippines has been plagued with clan, tribal, and ethnic feuding. Kessler believes that the Philippine culture plays a major role here. He states, “The (Philippine) culture tends to isolate groups; rather than bridging social gulfs it increases social distance, with cooperation among individuals intensifying rather than reducing conflict between individual alliances.”\(^{114}\)

These three factors structure how Philippine society operates. When taken into a whole, these influence Philippine culture to favor informal institutional structures rather than formal structures. In such a culture, individuals and “in-groups” have the ability to supersede formalities and legal barriers. David Wurfel in *Governments and Politics of Southeast Asia*, states, “In no aspect of Philippine government is the gulf between theory and practice, between formal arrangements and informal practices, more obvious than in
public personnel administration…some of the discrepancies are a result of manipulation of the rules; others flow from a complete disregard of them.” These socio-cultural factors are at direct odds with the governmental and economic formal institutions adopted during independence. Socio-cultural elements have acted as major hindrances to Philippine development. Corruption, favoritism, and nepotism and the patrimonial ordering of society have created unwelcoming economic environments for potential foreign investors and have acted as a roadblock to sustainable, equitable growth.

Another institution greatly affected by these three factors is the Philippine military, or AFP. In sharp contrast to developed countries’ military forces, many times throughout Philippine history this arm of government has acted as a protectorate of those wealthy and politically influential rather than the ordinary Filipino that does not share in the riches of the elite. According to Richard Kessler, “The government has traditionally employed the AFP to protect elite interests, not to ensure the national defense…it has functioned as the primary tool to frustrate social reform.” As seen in the two major political events of the Philippines (People Power Movements I and II), a small band of military was able to mobilize the greater society to transfer power from one group to another. These cultural factors played a huge role in events that transpired in February of 1986, when a few hundred men from the military were able to turn the entire military against Marcos. As it was later revealed, personal friendships and connections of military commanders to ex-military commanders that joined the Reform the AFP Movement (RAM), played a major role in turning the tide on Marcos’ despotic rule. Kessler states, “It also illustrates the weak command structure in the Philippine military, the importance of secret cliques and personal loyalties that overlap and supersede the
military chain of command,” continuing that, “In moments of crisis – indeed, in the moments in which most military men instinctively obey superior authority – the informal command structure controls behavior.”117 This phenomenon is not exclusively isolated to just the AFP, but is also seen throughout the Philippine Muslim Separatist movement with the splitting of the MNLF and the creation of the MILF.

Philippine culture is based on family ties, power-based approaches to conflict, and a hierarchical class system and affects every aspect of Philippine social, political, economic, and military development. It creates a patrimonial state based on patron-client relationships. Eric Budd states, “Filipino economic and political elites are bound together by familial ties,” continuing, “Politics has been both a source of economic wealth, and a means of protecting wealth already acquired…utilizing their political connections, the economic elites plunder the state, launching their predatory attacks with impunity.”118 The political situations over the last few decades have only added to the turmoil and uncertainty in the economic environment, making it an uninviting atmosphere for foreign direct investment and further impeding lasting Philippine peace. The underperformance of the economy is reflected by the lagging social indicators of the Philippines. Economic issues such as collapsing pesos and external currency crises have greatly impeded Philippine development and have created a government that’s weak in the resources needed to properly address Muslim unrest. The influence of Islam in the Philippines as well as these three cultural features (the favoring of individuals towards their family and allies, the propensity toward the use of power as an issue-resolving mechanism, and the hierarchical social structuring) help to explain political and economic actions taken by members of Philippine leadership and the actions of the country’s military groups and the
context of the culture in which it occurs. It also helps put Philippine Muslim unrest into context.

**Geographic Setting**

The geographic setting of the Philippines and of the Muslim populated islands of Mindanao could act as a contributing factor to Philippine Muslim unrest. The Philippines is located in Southeastern Asia in the southeastern edge of the Asian region. The Philippines is the world’s second largest archipelago to Indonesia consisting of 7,107 islands. As a nation of 190,000 square miles, the Philippines lies directly south of Taiwan, northeast of Borneo, and north of the Indonesian islands of Moluccas and Sulawesi, while bordering it to the west is the South China Sea, to the east is the Philippine Sea, and to the south is the Celebes Sea. With almost 92 million people, the Philippines is the 12th most populated country in the world and shares no land boundaries with any other country, providing roughly 23,000 miles of coastline.\(^{119}\) The Philippines is primarily composed of mountains with coastal lowlands which vary in size. About 6,620 islands are smaller than one square mile and eleven islands account for over 90 percent of the population and 95 percent of the land area.\(^{120}\)

The Philippines is made up of so many islands that it could have lead to difficulties in building infrastructure and creating social cohesion. Certainly, having to integrate and develop over 7,000 islands is no small task and this undertaking has created unique economic and political conditions. However, this factor alone cannot explain the lack of economic success that the Philippines has experienced. Indonesia, which consists of over 17,500 islands, averaged an annual GDP growth rate three times higher than that
of the Philippines from 1980 to 2000, with a growth rate of 7.6 percent and 4.2 percent in
the 1980s and 90s while the Philippines had a 1 percent and 3.2 percent growth,
respectively (seen on the chart on page 45).

Japan is the third largest archipelago in the world with around 3,000 islands and is
one of the most successful and economically stable countries in the entire Asian region.
Moreover, compared to the location of its neighbors, for example Singapore, the fact that
the Philippines is located in the southeastern corner of Asia could have made it a lot less
attractive to open trade lines and commercial centers, accounting for passed over foreign
investment, as seen in the map below.

Figure 4: Map of Asia

Philippine Muslims have been primarily isolated to the southern islands of
Mindanao. Being considered almost a separate territory than much of the Philippines,
Mindanao developed a different culture and way of life, including using law based on
Sharia law. In the 1970s, the Autonomous Region of Southern Philippines was formed;
while the ARMM, as seen today, was not formalized until 1989, and occupies the southwestern most part of Mindanao. The physical distance from the seat of government and the economic hub Manila, Luzon has only added to the difficulty of political, economic, and social integration of the nation and adds an additional factor to the isolation of Philippine Muslims. This is a contributing factor but not as strong as the economic and political conditions suffered by the country.

**Quality of Life**

Quality of life is important to look at while considering issues of conflict. The prolonged conflict between Philippine Muslims and non-Muslims has taken a great toll on the economic and social capital of the region. Philippine Muslim reaction and the situation facing their community are directly impacted or driven by their access or limited access to political and economic national resources. Internal division between the Catholic governing Philippine leaders and minority Muslims residents further divides these two communities. Conflict has terrible internal and external effects; according to a World Bank World Development Report, “Wars cripple economies by destroying physical, human and social capital-reducing investment, diverting public spending from productive activities, and driving highly skilled workers to emigrate,” continuing, “In civil war a country’s per capita output falls an average of more than two percent a year relative to what it would have been without conflict.”\(^{121}\) Quality of life and poverty can exacerbate racial or social tensions within a country and act as an impetus for further conflict.
One such example was in Rwanda in the late 1980s to the mid-1990s. Years of cash cropping strategies imposed by the International Monetary Fund and the World Bank, along with poorly performing international markets, added to the already unstable economic conditions in Rwanda. The strategy of developing cash crops as a competitive advantage puts a great amount of reliance on the whims of the volatile international market. This leaves economies that employ this strategy vulnerable to an economic crisis. In the years leading up to the 1994 genocide, the agricultural demand for Rwandan exports dropped and led to an unprecedented devaluation of the Rwandan Dollar. During the genocide, over 100,000 people were killed in a little over three months. There has not been a direct link to this sequence of events, but many political scientists speculate that the economic factors of global markets and inequality only strained the preexisting divisions in Rwanda.

Within the Philippines, quality of life has varied a great deal between urban life, mainly in metro-Manila, and rural life. A 2003 estimate put 30 percent of the population under the poverty line compared to that of the US’s rate of 12 percent. A 2008 estimate put the infant mortality rate in the Philippines almost four times higher than that of the US at over 21 deaths per 1,000 live births. Dramatic economic downturns, most notably in the years leading up to the 1986 overthrow of the Marcos regime, have widened the gap of wealth the country. Promises of development and reform have been moderately successful, with the standard of living in the Philippines rising gradually over the last three decades. In spite of this, the Philippines has been woefully outperformed by its Asian neighbors; neighbors that were once markedly well behind Philippine economic performance, as seen in the chart below.
In 1950, Philippine economic performance was on par with Japan and Singapore. Then in 1975, performance stagnated significantly compared Japan and Singapore; by 2000, the Philippines was one of the most underperforming economies in the region. Vast wealth and resource gaps within the Philippines, along with poor development plans and an ineffective and weak government at a domestic level, combined with poor performance on an international level, greatly diminished the quality of life in the Philippines.

Today, the quality of life of the Philippines has improved. Registered live births have increased from 1 million in 1970 to almost 1.75 million in 2002, while infant deaths have remained relatively constant at less than .5 million, in spite of a large population growth over the same time period. Many of the diseases that are treated today in the Philippines...
country would have led to sure death just thirty years ago. In spite of this, the country is still far behind the standards seen in developed states.

The quality of life of the Filipinos is important to this research. As seen in Rwanda, economically polarized countries can lead to major conflict. Huge wealth disparities can leave communities feeling disenfranchised and isolated. The Philippines is a developing country with rampant poverty and slow economic growth due to a multitude of factors. Out of this poverty, the Mindanao and the ARMM region is notably some of the most impoverished areas of the country.
CHAPTER 5: CONCLUSION

Addressing Philippine Muslim unrest is a major issue faced by the Philippine government and has been for decades. As seen through this research, the separatist movement, stemming from the 1970s independence movement, is a significant policy and security issue for the country and the region. Through taking a holistic approach, a clearer picture of the variables that most affect Muslim unrest in the Philippines were analyzed. This section revisits the main themes explored throughout this research.

**Economic and Political Development**

The economic and political development of the Philippines has played a major role in prolonged Philippine Muslim unrest. The up’s and down’s of Philippine economic growth have no doubt negatively effected the government’s ability to allot the proper resources needed to fully address the unrest. Through the research above, even if the country’s poor economic performance is not taken into account, there is no guarantee that the Philippine government would have implemented tactics that could have lead to lasting peace and meaningful solutions.

Multiple economic plans aimed at encouraging development in the ARMM failed for many different reasons. Lethargic government attempts to develop Mindanao and to integrate the Muslim region into the larger Philippine political and economic community were squandered because of a multitude of reasons ranging from poor planning, mismanagement, lack of funding, corruption, nepotism, theft, and administrative ineptitude.
The Philippine economic conditions were quite favorable at the onset of
independence and gradually became worse. As seen above, the economic conditions of
the country could not be separated from the political and international events that
heightened or dampened the overall economic performance. During this time, national
allocation of prosperity was limited and was not distributed to the ARMM. Political
developments in the Philippines have significantly contributed to Muslim unrest by
disrupting society and economic security and hindering the overall growth. This made
the Philippine market unattractive to potential investors and acted as a major barrier to
economic and social growth. The uncertainties of multiple coup attempts, people power
movements, and the impact of changing presidential regimes hindered the creation of an
economic environment conducive for successful development. The Filipino Muslims
were not integrated into the prosperity sharing of the state.

Wealth distribution was a major issue that lasted from Spanish times and through
to the creation of the Philippine state. The 1945 Huk rebellion, an uprising of rural
farmers toward their wealthy landlords in Luzon, gave the Philippine government reason
to see that wealth disparity can affect the overall stability of the country. The uprising
started when the landlords fled to urban areas during the fighting only to return to the
villages after the war and forcefully demand the unpaid rent during the fighting. After
this, land settlement programs and development programs were established to take
advantage of the untapped resources of the ARMM. With the Philippine oligarchic
system and a tradition of patron-client relationships deeply entrenched in the Filipino
culture, many of these development efforts only lined the pockets of the wealthy and had
very little effect on bridging the wealth gap. The period of newly-granted independence
and the freeing of colonial oversight did not change the culture of the country. During the transition from Japanese to American rule and then to independence the wealthy Filipinos worked in partnership with their occupiers. Abinales states, “Filipino elites collaborated with the Japanese, and while guerrilla war in the countryside forced many to abandon their estates for the safer confines of the cities, they were not dispossessed of their wealth.” Abinales states, “Filipino elites collaborated with the Japanese, and while guerrilla war in the countryside forced many to abandon their estates for the safer confines of the cities, they were not dispossessed of their wealth.”\textsuperscript{125} Elites partnering with the governing party in power is a common occurrence throughout Philippine history. During the Marcos era, strained by economic underperformance, Kessler points out that, “social conflict surfaced among elites and between elites and other social strata, and the government’s ineffectiveness at suppressing rebellion spurred the conflict’s growth.”\textsuperscript{126} The role of the elites in Filipino history has played a role in the perpetuation of the Muslim conflict.

The society of the Philippine Muslims was established on the weak, post-war political structure of the newly independent Republic of the Philippines. Abinales describes this foundation as, “Riddled with bureaucratic corruption and inefficiency, dependent on the United States, dominated by oligarchic forces that exploited state resources for patrimonial ends, and faced by repeat outbursts from below.”\textsuperscript{127} In this context, the oligarchic and weak nature of the Philippine government developed as a product of regressive Philippine-US trade agreements and rampant corruption.

Despite this environment inherited by the newly independent Philippines and the ineffectual nature of the governing state, the Mindanao region never faced internal political destabilization. The Mindanao political structure had a solid foundation and was insulated to much of the greater political turmoil that plagued the Philippines throughout
its history. The concern over stability in the Mindanao region was the result of class
differences between Muslim farmers and wealthy resource owners.128

Contrary to my initial speculation and thesis, the economic and political
development in the Philippines is not the sole major cause for Muslim unrest. The
economic and political development of the Philippines is not strong enough to be the sole
reasons for Muslim unrest; they contribute but are not the lone cause.

**Historical Evolution**

Kessler states, “The reason primus inter pares for rebellion in the Philippines is
the historical Filipino search for a national identity.”129 National revolutionary hero and
the Philippine’s first president Emilio Aguinaldo, once said, “Let us leave behind all
these parties and other things that cripple our unity, and let us all be one name – Filipinos
– a sign that we are one nation, one loób (spirit), one Katipunan (group).”130 The
historical evolution of the Philippines is unlike any other in Asia and cannot be dismissed
when looking at the roots of Philippine Muslim unrest. Most all of Asia has Chinese and
Indian influence and though the Philippines was influenced by those cultures it has
comparatively less than most countries in the region. Instead, Philippine historical
evolution is marked by colonization by western rulers. The Philippines was a Spanish
colony for over three hundred years ranging from 1565 to 1898. In 1898, Philippines
gained independence from the Spanish after the Spanish-American War and came under
the rule of the US. In 1935, the Philippines became a Commonwealth of the United
States. During World War II, the Philippines was ruled by the Japanese for four years
starting in 1942. The Philippines because an independent state in 1946.
The recent history of the Philippines has been marred with political turmoil, military coup attempts, economic underperformance, and terror attacks. The major events in Philippine modern history are the People Power Movements I and II of 1986 and 2001, also known as The EDSA Revolution One and Two. People Power Movement I was a complete overthrow of the despotic Ferdinand Marcos Administration by millions of Filipinos that revolted on EDSA Blvd – the main thoroughfare through metro Manila in February of 1986. This revolt against the Marcos regime was sparked by a few hundred military men and anti-Marcos military officers. People Power Movement II took place in January of 2001, and overthrew then-President Joseph “Erap” Estrada. The Erap Administration was marked with nepotism, corruption, and broken promises and just like the People Power Movement I, the people of Manila, along with a small band of military men and officers, protested in the streets and made a political statement. These two movements in many ways illustrate the resilience and fighting spirit of which the Filipino people pride themselves on. Even during centuries of Spanish rule, the Philippine people always saw themselves as independent from their Spanish rulers.

Philippine Muslim history varies greatly from much of the other Filipinos because they were able to forcefully rejected Spanish rule. Over the span of the Spanish colonial period there were a total of six wars, known as the Moro Wars, between the Philippine Muslims and the Spanish. The Philippine Islamic culture was untouched and unconquered during the colonial periods. In 1990, in spite of calls for full national sovereignty by the MNLF, the Filipino government created the ARMM in the south western part of Mindanao granting local autonomy within the Philippine state structure.
Philippine historical evolution is unique to many Asian countries and has played a significant role in the development of the Philippine Muslim community. A long history of feuding between the colonial rulers and the Philippine Muslims set the stage for the independent spirit of the Philippine Muslims. Though the historical evolution explains where Philippine Muslim unrest originated, it does not explain the continuation of the conflict. From analyzing the history of the country, cultural tendencies and norms began to emerge. Culture is much more pervasive and influential than either the economic and political development or the historical evolution.

Socio-Cultural Setting

The socio-cultural setting in the Philippines has stood in the way of lasting economic and political development. These deeply ingrained tendencies have played a major role in the perpetuation of Philippine Muslim unrest. The historical evolution, mentioned above, has shaped the social-cultural setting. The socio-cultural setting of the Philippines is the most pervasive and influential variable examined throughout this research.

Hierarchical/Patrimonial Social Structure

Patricio N. Abinales in *Making Mindanao* states, “Scholars have argued that the Japanese occupation and the subsequent return of the United States did very little to alter the class hierarchy and power structure of the Philippines,”131 Three main unique cultural aspects of Philippine culture are the orientation to favor a small group of allies
bound by personal ties, the propensity to use force when addressing members outside of
one’s own group, and structuring society in a stratified hierarchical manner.\textsuperscript{132} These
factors significantly contribute to the rampant favoritism, corruption, and nepotism that
have dogged the Philippines since its independence in 1946. Kessler states, “Philippine
behavior is popularly seen as being based on an intricate value system emphasizing
reciprocity among individuals and the smooth functioning of personal relations,” and
that, “the kinship circle that facilitated the expansion of cults is based on blood ties and
ritual kin relations.”\textsuperscript{133} This provides for patron-client power relationships to develop,
both internally at a governmental level and a local level and internationally.

Patron-client relationships can be seen in the power struggle in the country.
Kerkvliet describes the development of the patron-client relationship as, “poor people,
knowing that they will often find themselves in need of assistance from people who are
better off, try to strengthen their ties to patrons and wealthy kin.”\textsuperscript{134} The attaching to
more powerful individuals is a way to gain access to resources, protection, and to raise
their overall quality of life. Elites are able to distribute their resources downward to allies
in order to ensure their allegiance and their support. Kessler states that, “Elites (have)
become skilled at distributing benefits rather than at promoting social change because
change alters the balance of power in society.”\textsuperscript{135} Because of this culture, politics, and
economics are all entangled. In the Philippines, individuals who may have less influence
and power align themselves and seek alliances with more influential individuals in
society.\textsuperscript{136}

The common practice of using power to handle disputes on a national level and on
a local level creates an environment of \textit{in} and \textit{out} groups in which the allocation of
resources and power are unequal. The in and out groups have vastly different advantages and opportunities for political and economic expression. In the Philippines, the poor and socially outcast are left out of political and social spheres and decision-making on the largest level. Subsequently, there are vast numbers of economically insecure and politically underrepresented throughout the country.

Two examples of economic and political plans aimed at development of Mindanao that have failed because of socio-cultural intervention are the 1950 Land Settlement and Development Corporation (LASEDECO) and the 1951 formation of the MDA. In attempt to fully utilize all the resources in the country there were five major government initiatives to colonize the Mindanao region from 1964 to 1972. LASEDECO was in charge of much of this transition of settlers and pioneers from the northern parts of the country to Mindanao. All of these attempts had very little success, if any. The institutional bodies that were to carry out these ambitious plans in the name of overall Philippines economic growth failed the Philippine people and created an environment that would turn out to be explosive. Abinales states, “The principle reasons (for the failure) were administrative ineptitude, pervasive corruption, and lackluster support from weak state authorities.” A weak government could not provide the necessary oversight needed to create the formal structures, free from corruption and ineptitude that was needed to carry out these economic plans. LASEDECO’s predecessor the National Land Settlement Administration (NLSA) was fraught with gangsterism, incompetent management, and corruption and thought LASEDECO was to be a reformed version of its unsuccessful predecessor it was still plagued by gross inadequacies. According to a Memorandum to the Department of State, LASEDECO suffered from “inefficiency,
mismanagement, red tape and venality of government officials who are supposed to do everything within their power to encourage and assist homesteaders.” LASEDECO disintegrated because of theft, corruption, mismanagement, and insurmountable debts inherited from the NLSA. LASEDECO was said to have lost up to twelve million pesos to corruption and over 22 million pesos into debt, which was said to be mainly embezzled or squandered. In this example, imprudent economic policy and initiative was not the only factor at play. A weak government, lack of financial oversight, and corruption played a major role in the organization’s demise and ended up only wasting Philippine resources and widening the income gap.

Another attempt by the Philippine government to take advantage of the resources of Mindanao saw the creation of the Mindanao Development Authority (MDA). This corporate organization with governmental power was to contribute to the overall national wealth by controlling development of the Mindanao region. It was granted powers to oversee growth in the economic, social, educational, and health sectors as well as responsible for infrastructural development. It was given an initial budget of 21 million pesos. Though formed in 1951, it took over a decade before it became operational and was more of a farce than a genuine development initiative. It was supported by politicians but it was never fully functional. The MDA never had an office or board of directors and soon became more of a farce than a development mechanism. Abinales comments about the nature of the organization by stating, “The MDA’s most important drawback, however, was that once it received its budget allocation in 1964, it quickly became an instrument for patronage and patrimonial control.” The purpose of the organization was to garner the support of political and business leaders to create
cooperation and economic opportunity within Mindanao. The result, due to its prolonged dormancy and ineffective structuring, was the opposite. Abinales states, “The MDA itself, as well as the direction of Mindanao’s development, fell into the hands of local politicians.”

What has been seen in the Philippines is the development of a patrimonial state based on the cultural tendencies of the society. Eric Budd best categorizes the nature of the Philippines stating, “Policies end up promoting particularistic interests, rather than national interests,” continuing, “Patrimonial leaders tend to promote those industries that enjoy close ties to themselves or their associates.” Special considerations given by political leaders are received by institutions regardless of capability or efficacy. The connections and personal ties are more important than performance and accountability. Patrimonial states are characterized by those in power vying for a “slice of the pie” rather than actual concerns over representation of constituency and meaningful legislation. They also tend to create a system of impotence and ineptitude and prevent effective state planning.

Outlined above are only two, of many, examples of opportunities for the equal development of the Philippine state being squandered. Cultural values of favoring personal ties, kinship, and alliances coupled with the lack of government oversight and crony capitalism led to the misappropriation or outright theft of the funds given to these organizations. In the end, corruption superceded the opportunity to fully develop the Mindanao region and created a lasting void in what will be the basis for the conflict, violence, and Muslim unrest which is soon to occur.
Philippine Islamic Culture

Philippine Muslim culture, like many traditional Islamic societies, has been organized into families and tribal structures. In the Mindanao area, these tribes and families hold significant political and social influence.\footnote{145} It’s an environment where killing, violence, and intimidation are commonplace. Family warring, or rido, threatens uninvolved family members and community members. Torres defines rido as, “a state of reoccurring hostilities between families and kinship groups characterized by a serious of retaliatory acts of violence carried out to avenge a perceived affront or injustice.”\footnote{146} The Philippine Muslim warrior is an individual who defends the name and image of their family. Kessler states, “The (Philippine) culture also promotes a virulent struggle for power among individuals as they fight to raise their status,” and that, “higher status confers greater control over resources and hence greater rewards.”\footnote{147} The reach of the tribes and families in these regions go far beyond just social influence. These families also usually have deep economic and political ties. Amongst Muslim communities in the Philippines, disputes are usually settled by which tribe or family has the most political affiliations. Often conflict escalates to violence and killings, rido and can peacefully end through ceasefire traditions called kanduri, or family feasts where public apologies are traded. Aggression and intimidation also extends into the education and electoral systems causing an exaggerated amount of electoral violence in both the country and the ARMM.\footnote{148} This environment is a very unstable and uncertain atmosphere and stands as an obstacle for development and social peace.

Family and clan feuding is a product of weak and ineffective institutions. Rido is characterized by intermittent violence, often retaliatory in nature, between families. This
violence most usually occurs in areas where there is a lack of a legal authority and security.\textsuperscript{149} It also affects Philippine unrest and the feuds of the militias, Torres states, “Rido has wider implications for conflict in Mindanao primarily because it tends to interact in unfortunate ways with separatist conflict and other forms of armed violence.” He continues by saying, “Many armed confrontations in the past involving insurgent groups and the military were actually triggered by a local rido.”\textsuperscript{150} Two examples of this were the 2004 Dapiawan incident and the 2005 violence in Linantangan; both of which included involvement of the AFP, the MILF, and civilian volunteer organizations (CVO) or private civilian militias. This type of feuding is not isolated to the Philippine Muslim community; family feuding has been seen in the Cordilleras, in Northern Luzon, and in Ilocos between the Crisologo and Sinson clans. The cultural aspects that have lead to patrimonial and ineffective nature of the Philippine institutions (which are the mechanisms that ensures for liberal institutionalism peace) have played a major role in allowing the Philippine Muslim community to become fractioned and unstable.

The geographic setting and the quality of life in the Philippines were contributory factors but were found to have not affected Muslim unrest as much as the other variables considered.

Culture Affecting Conflict Resolution Approach

The way the two parties have interacted with each other has undoubtedly affected the way outcome of the current state of the conflict. Conflict resolution and peace studies scholars have recognized three broad approaches used to resolve conflicts and disputes. These three approaches focus on the parties seeking to bring together primary interests, to
determine who is right according to legal standards, and the party which is able to wield more power through a power contest. The cultural tendencies outlined above have shaped the way the two parties have dealt with each other. To fully understand how and why Philippine Muslim unrest has risen and fallen, an analysis of the conflict resolution approaches and how they have been employed must be looked at. The way Filipinos and their government have dealt with the contending party has greatly affected the outcomes of the conflict, influencing the extent and the length of the damage and destruction.

The three approaches are referred to as interest-based, the rights-based, and the power-based. Individually each of these is insufficient in solving the conflict. However, when the approaches are used together peaceful outcomes can be possible.

The conflict resolution approaches played a major role in understanding the nature of the interaction between the parties involved and give explanation to why and how each side is operating. The interest-based approach is the most lasting and least destructive of all three of the approaches and is ideal in creating lasting resolutions. These solutions are based on common ground for both parties and produce outcomes where both parties benefit. This approach is associated with cooperation and finding solutions that bridge the party’s differences and produces the highest level of shared satisfaction from the outcome. The rights-based approach attempts to find which party is right by some principle of measurement. In most cases international or domestic legal law provide the basis for negotiation and leads one party to benefit more than the other. The third approach is the power-based approach can lead to all-out war, but can also be seen in more mild versions. The conflict between the Philippine government and the MNLF and the MILF can easily categorized by the power-based approach. Both with
military shows of strength and power-based approach political tactics have been employed in the Philippine conflict. This is a significant reason for the failure of the negotiations between the parties. The failure to evolve to the rights-based and interest-based approaches has impeded the negotiations between the parties and has only perpetuated the usage of the power approach of spells of violence and tough negotiations.

None of these can act alone and sometimes all three are seen throughout different stages of a conflict. There is a preferred ordering of the three approaches, as Connie Peck in *Sustainable Peace* points out, “The search for sustainable peace will therefore need to be based on the establishment of the rule of law (a rights-based approach) and the institutionalization of problem solving (an interest-based approach) to replace violent conflict (a power-based approach).”

William L. Ury describes this as three concentric circles where interests are in the center, rights in the middle, and power on the outside, as seen in the chart below.

![Figure 5: Conflict Resolution Approaches](image)

This illustration shows how the three approaches work together and often one approach cannot be employed without implementation of the others.
In the Philippines, approaches that have been focused on interests and rights have been either non-existent or relatively unsuccessful. When they were used, particularly the rights-based approach based on the 1976 Tripoli Agreement, it has been an essentially a masked use of the power-based approach through the referencing of rights. More often than not, resorting to war, violence, and power struggling has been the norm. This was seen not only on the battlefield but also at the negotiating table.

Though Philippine Muslim unrest dates back to the Spanish and American colonial periods, the desiring of a separate Islamic state and the present root of today’s conflict did not emerge until the 1960’s and 70’s. Around this time in Mindanao, conflicts between Muslim farmers and Christian landowners became increasingly violent and the first formations of paramilitary groups were seen. In 1969, the MNLF was formed by a University of the Philippines professor named Nur Misuari. The MNLF claimed that the government was systematically conducting genocide against the Moro people and called for a separate Moro state. This led to full scale war in 1972; with President Ferdinand Marcos declaring martial law. The first period of this war employed the power-based approach with most of the conflict occurring on the battlefield, killing tens of thousands and displacing hundreds of thousands.\textsuperscript{155} To finance the purchasing of arms and other military materials, the MNLF mobilized funds from international sources. One of the largest backers of the MNLF during this time was Mu’ammar Gadhafi, leader of Libya and outspoken supporter of a united Arab nation. Many peace negotiations collapsed because of the continual decision to use power and show of force, rather than to the peace talks and finding a solution based around rights or interests.
The power-based approach went from the battle field to the political field in the years to come. The lesser empowered of the two negotiating groups the MNLF looked to swing the power in favor of their organization by taking the political matter to the international level. Already garnishing support from many Muslim countries in the way of funding, military training, and arms procurement the MNLF looked to the Organization of the Islamic Conference (OIC) to politically back the formation of the independent Philippine Muslim state, known as the Bangsamoro Republik. The full support of the OIC in the creation of the Bangsamoro Republik was not obtained as the MNLF desired. However, the OIC did pass a 1974 resolution concerning the MNLF’s plight which urged the Philippine government to find a mutually beneficial political and peaceful solution with the MNLF. Unfortunately for the MNLF, the resolution called for a solution “within the framework of the national sovereignty and territorial integrity of the Philippines.”\textsuperscript{156} The power-based struggle between the two parties continued. Through the 1976 Tripoli Agreement and to the end of the Marcos era in 1986, the contest for power between the two parties exemplified the nature of the power-based approach. According to Quimpo, “The two sides engaged in a politico-diplomatic struggle and on-off military struggle, each side engaging in tactics and ploys, maneuvers and counter-maneuvers, as in a chess game, to compel the other side to give in to the other’s demands or make concessions.”\textsuperscript{157}

Hopes of moving out of the well-worn routine of the power-based approach peaked with the election of Corazon Aquino, wife of slain MNLF supporter and anti-Marcos senator Benigno Aquino, Jr. To much chagrin, after attempts to create genuine dialogue between the two parties (including the 1987 Jeddah Accord, signed in Jeddah,
of Saudi Arabia), the nature of the talks reverted back to a power over rights contest. This shift, though much less violent in nature, still did not provide the foundation for a lasting solution. Aquino pushed for the creation of an autonomous region consisting of eight provinces, which was later changed to ten, in spite of MNLF leader Misuari’s disapproval. A mix between rights and power-based approach allowed Aquino to refer to the Tripoli Agreement as a way to deter the MNLF’s full acceptance into the IOC (much like the Palestine Liberation Organization (PLO) has received full membership despite reaching sovereign state status). Aquino’s claim was that a Muslim Mindanao was in line with the intentions and spirit of the Tripoli Agreement, which was signed and used as another power tactic by the Philippine government. Marcos added a clause in a last-minute wrangling which stated, “The Philippine government shall take all necessary constitutional processes for the implementation of the entire Agreement.” This clause was used to ensure that the creation of the autonomous Mindanao happened within the Philippine constitution.

The ARMM was officially signed into law in 1989 by Aquino, despite boycotts of both the MNLF and MILF, and was only supported by four of the ten provinces of the Region. The power approach to use the “rights” outlined in the Tripoli Agreement to “legally” create the ARMM was enough to appease the OIC in deferring the full membership of the MNLF and reluctantly forced the MNLF acceptance of the ARMM political structure. Now with the OIC not accepting the full sovereignty of the Bangsamoro Republik, President Fidel V. Ramos used the OIC to mediate talks between the two parties. Eventually, while still adhering to the power approach, in 1996 a peace agreement was signed between the two parties with finalized the plan that was outlined in
the Tripoli Agreement and solidified the political foundation for the fourteen provinces and nine cities within the ARMM. To placate and integrate the MNLF into the new system, top members were given positions within two newly formed governmental arms the Consultive Assembly and the Southern Philippines Council for Peace and Development (SPCPD). Misuari was made SPCPD chairman and was the eventual governor of the ARMM, while much of the ex-guerillas and military men of the MNLF were integrated into the AFP.

The power-based approached did not stop at the creation of the ARMM, and has taken on as the accepted “default” approach taken by the two sides when tensions heat up. The fragile cycle of peace negotiations and violence that lead up to one of the most deadly government campaigns known as “the all out war,” illustrates this. Starting from the 1996 peace agreement between the Philippine government and the MNLF (which the MILF did not agree with), the two parties were engaged in peace negotiations to try to find a resolution to the hostilities, though these were mostly informal in nature. This peace agreement was broken, and then a new ceasefire agreement emerged in July 1997. In October 1999, the Philippine government and the MILF opened up formal talks at the Da’wah Center, only six miles away from MILF’s headquarters Camp Abubakar, in Sultan Kudarat, Maguindanao. The years leading to these formal negotiations were marked with ceasefire agreements, the breaking of those agreements with spats of violence (ever-increasing in nature during this period), and then reinstatement of ceasefires. Just months after the formal talks opened, the most intense fighting between the two parties erupted and then-President Joseph Estrada declared an “all-out-war” campaign against the MILF. Within six months all major MILF camps were captured.
and the MILF was all but defeated. During this time, the two head negotiators continued to meet and persisted in trying to come up with a rights-based or interest-based solution. None was found. Though warring seemed to be finished, in the week that followed the capture of Camp Abubakar there were guerilla type attacks by the MILF that occurred in a public market in a small farming village that killed 21 and against government forces. It was clear that the MILF was not completely destroyed, rather, they were able to avoid most of the clashes with the superior Philippine government forces and have firmly entrenched themselves for the prolonged guerilla style war seen today.

The power-based approach as seen throughout the Philippine government, MNLF, and MILF interaction is another example of its weakness in producing long-term solutions. Being the least cost-effective and least successful in creating satisfactory (and therefore lasting) outcomes, the power-based approach is one of the major contributing factors to why there is still a large sentiment of malcontent amongst the Philippine Muslim community. The Philippine government was able to exercise the most power of the parties involved. Through last-minute clauses included in the Tripoli Agreement and the employment of sly power-based strategy, the Philippine government extended the violent struggle from the battlefield to the negotiating table. The Philippine government was successful in seeing their political vision through. The drawback of this is the lack of lasting contentment in the political structure imposed by the Philippine government. Throughout the creation of the ARMM, the MNLF and Nur Misuari, the representative of the Muslim community, disagreed with the resolutions and the way they were being implemented. The MILF became a major player in the conflict mainly because of its accumulation of military capacity that made it impossible for the Philippine government
to ignore. This political power-based assertion of the MILF was eventually countered with the power-based approach by Marcos’ all-out-war.\textsuperscript{163} Again, using the power-based approach, these two parties participated in a long and government resource draining engagement destroying political, social, and human capital.

The continued prolonged use of the power-based approach to conflict resolution throughout the entire conflict and the lack of support of its eventual “solution” (the creation of the ARMM), are major reasons for the continuing unrest seen in the Philippine Muslim community today. Regardless of the economic and political developments and historical evolution, the quality of interaction between the warring parties lead to arrangements that have left the door open to future Muslim unrest and conflict. Culture is the most pervasive influencing factor that was found throughout this research.

\textbf{International Relations Theory}

The IR theories examined throughout this research were illiberal democracies, liberal institutionalism, and Marxist theory. These three theories fit together nicely and explain the situation in the Philippines. Zakaria’s illiberal democracy theory focuses on democracies that do not feature liberal constitutionalism; and therefore have democracies that are not founded on the protection of individual liberty. Illiberal democracies suppress public opinion, economic growth, and rational legal institutions and often feature unaccountable centralized governments. Liberal institutionalism outlines the use of institutions as a mechanism in which peace can be achieved. Without institutions that are responsive to public opinion, there is no legal way for public discontent to be
expressed. The Philippines is lacking these rational accountable institutions. Decades of corruption, misused funds, lack of representation, and failed development plans have created a country with significant economic stratification. This is where Marxist theory can explain the conflict in the Philippines. Marxist revolutionary theory outlines violent conflict between two economic classes as a result of disenfranchisement and exploitation of the poor laboring class. In an illiberal democracy like the Philippines, institutions that provide legal mechanisms to address and accommodate public discontent are non-existent.

**Illiberal Democracy**

Zakaria’s theory of illiberal democracies describes the Philippine situation. There is a distinction between liberal democracies that limit the power of government and ensure the rights of the minority groups, despite majority will, and illiberal democracies that accumulate and use government power to represent the majority will or to benefit the most powerful. Illiberal democracies are marked with cronyism, corruption, patrimonialism, and the lack of safeguards protecting individual liberty. By examining genuine democracy (whether it is merely a state election or if there are more substantial prerequisites) Zakaria contends that the most important aspect to liberal democracy is a liberal constitution.

Illiberal democracies produce failed states. The leaders of these countries often assert that the centralization of authority is needed to break down feudal ties, split traditional coalitions and allegiances, and to bring an overall order to an otherwise turbulent society. This is seen in the Philippines and most clearly during the Marcos
era and was further legitimized because of the “democratic elections” that reinforced Marcos’ reign. Illiberal democracies are often marked by authoritarian, all powerful governments that do not have tend to the sentiment of its people, especially the minority groups. According to Human Rights Watch, hundreds of political activists, journalists, and even students have “disappeared” or have been killed since 2001. A United Nations Special Rapporteur had significant findings that indicated the involvement of Philippine military forces in many of these cases.\(^\text{165}\) An environment of intimidation, killings and kidnappings, and political corruption has been plaguing the Philippines for decades.

Illiberal democracies operate strikingly different than liberal democracies. One misnomer is that democracy brings about ethnic peace and harmony, as illustrated with the Philippine example. Zakaria states, “Mature liberal democracies can usually accommodate ethnic divisions without violence or terror and live in peace with other liberal democracies.”\(^\text{166}\) Illiberal democracies, like the Philippines, can incite conflict and war because of the lack of institutional protection of individual rights.

Zakaria cites scholars Rabushka and Shepsle who looked at Asian democracies in the 1960s and concluded that democracy in this region “is simply not viable in an environment of intense ethnic preferences.”\(^\text{167}\) In illiberal democracies where liberal constitutions are not present, the democracy seen can often give rise to exaggerated nationalism and war-mongering. Zakaria also mentions that countries benefit from their richness in resources (be it through oil reserves, agriculture, or mineral) have a difficult time developing into stable liberal democracies because of the injection of wealth into the developmental system. Unearned wealth, holistic development such as growth in the bureaucratic system, political institutions, legal institutions, industrial sector, and
infrastructure is difficult to achieve because of the lack of its necessity. If the goal of a
government is to accrue resources and gather wealth, then Zakaria states, “In a country
with no resources, for the state to get rich, society has to get rich so that the government
can then tax this wealth.” Such is the case in the Philippines. The decade following
independence was an economic period of statistical growth in the country. This was
mainly due to the privileged access the Philippines enjoyed to US markets from
independence agreements that were formulated in 1946. These agreements allowed for
Philippine exports to enjoy unchallenged access to the robust US economy. Rice exports
were at an all-time high and overall agricultural exports were some of the highest in Asia.
Unfortunately, this acted as a crutch and gave the Philippine a false sense of economic
development. The unfettered access to the US market caused Philippine economic
growth to go forward without taking proper steps to ensure sustainability. Once the
agreements with the US ended, the world economic market immediately put pressure on
Philippine products that the economy could not withstand. From here, economic growth declined greatly.

Though illiberal democracy theory does not fully account for Philippine Muslim
unrest, when analyzed in partnership with other IR theories it better explains the situation
in the Philippines. Illiberal democracy theory gives details to why the Philippine
government is unable to properly address the needs of its people and its overall
institutional ineffectiveness.
Liberal Institutionalism

Liberal institutionalism successfully explains the Philippine situation in a few different ways and is strengthened by understanding illiberal democracy theory. Liberalist theory puts value in democratic institutions that protect the principles of liberty, justice, toleration, and order. The belief that human nature can be perfectible makes liberal institutionalists to calls for democracy and democratic institutions to ensure peace and order. By taking into consideration transnational groups and international organizations liberalism sees more than just states as political actors. Because of this, cooperation and the ability to establish systems and institutions where cooperation can be achieved are of utmost importance. The theory relies on institutions to provide an outlet for mediation, public outcry, and political change. Baylis states, “Order in world politics emerges not from a balance of power but from the interactions between many layers of governing arrangements, comprising laws, agreed norms, international regimes, and institutional rules.” The key to this is that the institutions must be responsive to these factors and should be a way for the people to create change within their society. As seen in the Philippines, this is not the case. The institutional ineffectiveness and lack of proper mechanisms to address and respond to public complaints have left the Philippine people without ways to express or represent their discontent.

International and domestic institutions are efficient ways to settle disputes that would have previously escalated to violence. On the individual human level, Filipinos are not offered individual liberty. On the state level, the cause of conflict is the undemocratic nature of politics and balance of power and the government’s inability to respond to public sentiment.
Liberal institutionalism, by itself, falls short in explaining the Philippine situation because it does not consider a handful of factors; such as the effects of despotic dictators who manipulate their institutions, the danger of institutional responsiveness to majority will, the effects of economic isolation, and the existence of ethnic conflict. For liberal institutionalists, the establishment of structures to ensure governmental responsiveness is essential and can lead to lasting peace. However, in the Philippine situation, this theory doesn’t take into account all the factors that are present. Liberal institutionalism establishes the importance for the creation of institutions that are responsive to public outcry that can act as a mechanism to circumvent conflict or violence. In an environment that Zakaria’s theory of illiberal democracy explains, the needs of the institutions that are called for through liberal institutionalism are not present.

Because of the lack of oversight of rational legal institutions, corruption, nepotism, and crony capitalism are the seen to be the norm in the Philippines. Influential families operate with little regard to legal punishment which has created not only a state that lacks government institutional responsiveness and legal mechanisms to address public dissention, but also has created a country of stark differences in resource ownership and accessibility.

Marxism

A critical examination of Marxist theory shows that when used in the context of illiberal democracy and liberal institutionalism theory, it adds to the understanding of the Philippine situation significantly. An illiberal democracy in the Philippines has created a state that has weak institutions that are not responsive to the people’s needs in a legal
way. Marxism is able to account for certain aspects of the conflict but also falls short in some areas. In the context of illiberal democracies and liberal institutionalism, Marxism provides a structure to understand why the Philippines transitioned into violence.

Marxists believe that all political events are influenced by underlying economic concerns. Through my findings, Marxist theory falls short because there are too many religious, cultural, social, and militaristic aspects of the conflict to conclude that it’s merely a product of the economic struggle. The conflict and Muslim unrest are more than just economics. As seen in the political development section above, the tumultuous political history of the country cannot be dismissed. Marxist school of thought also ignores the impact of the role of the military in the country. The role of the military in Philippine politics is extremely unique and the memory of the 1986 People Power Movement I ousting of the Marcos Regime and the 2001 People Power Movement II are etched into the ethos of the Philippine people. Marxist theory also does not consider the significance of ethnic groups in the world system mainly because Karl Marx based his theories on 19th century Europe. Conflict between ethnic groups emerged primarily after WWII and the Cold War, so it was implausible for Marx to account for this new phenomenon. This is why a combination of liberal democracy theory, liberal institutionalism, and Marxism is effective in analyzing the nature of this conflict.

Marxist theory properly explains the revolutionary action that was taken by the laboring Philippine Muslim community. As noted in an earlier chapter, Dougherty comments that Marxist peace is defined as, “The peace of the self-alienated person restored as a result of the ‘negation of the negation,’ the revolutionary self-appropriation by the proletariat, taking that which rightfully belongs to itself.”\(^{172}\) Marxism gives great
insight to how the conflict between the Philippine Christians and the Muslims was ignited.

Marxists would blame extreme wealth disparity and resource ownership (as a result of liberal institutionalism and illiberal democracy) as a major reason for malcontent. This was the case in the Philippines starting after independence and is still seen today. Throughout the 1990s and into the newest century, a small number of Filipino elite families and business owners owned a vastly disproportionate portion of the Philippine resources. In the 1990s, the poorest 40 percent of the county only owned 13 percent of the national income; with the richest 20 percent taking home well over 50 percent. During this time, the poorest 20 percent only accounted for 4.7 percent of the national income. According to Lynn M. Kwiatkowski in *Struggling with Development: The Politics of Hunger and Gender in the Philippines*, “Social inequality perpetuated by Filipino elites has included starkly unequal landownership patterns, reinforced by government’s neglect to implement a genuine agrarian reform program to benefit the majority of small landowning and landless peasants.” Continuing that, “This situation (of great wealth disparity) has translated into differential access to basic resources among members of the Philippine social classes, including access to food and agricultural land.”

The illiberal democratic nature of the Philippine state and its lack of institutional integrity caused failed land settlement, infrastructure, and economic initiatives. These blundered attempts to tap into the resources of Mindanao lined the pockets of the wealthy Filipino families and widened the wealth disparity gap in the country. These programs
had little to no effect on bridging the prosperity difference between the Christian and Filipino Muslims.

These events helped escalate the discontent of the Muslim people as the farmers of the south were becoming increasingly exploited by their new Christian settlers. To no surprise, and as Marx theory would have predicted, this was an environment where the wealthy were reaping the benefits of the laboring class while the labors were being increasingly marginalized. These failed development plans brought the inequality in plain site of the Muslim community. Violence escalated and the creation of a sovereign Muslim state was attempted. Marxist theory significantly explains the revolutionary action taken and the pursuing unrest by the isolated and underrepresented community. Decades of inadequate institutions and illiberal democratic rule has left the Philippine Muslims at a considerably lower economic rung than its Christian neighbors. Marxism states that the economically depressed are the ones who revolt against the wealthy and explains why the Philippine Muslims were likely to rebel. The extreme polarization in the access to resources in Luzon and Mindanao and the dramatic polarization of wealth disparity in Mindanao, mixed with the under-representation and the lack of legal procedure to address their issues, explain the cycle of violence seen in the Philippines.

Marxist theory properly explains the revolutionary mindset of the Philippine Muslims and its continuing unrest. Decades of illiberal democratic rule has led to failed economic policy and programs, considerable wealth disparity between the two classes, and an unbalanced system of political representation. This, combined with the lack of accountable, rational institutions allowing for the Philippine Muslims to voice their discontent have left the Philippine Muslim community with feelings of restlessness that
eventually erupted into violence. When pushed to the economic edge, the laboring proletariat (Muslim farmers) and the resource owning bourgeoisie (Christian landowners) clashed. Marxism explains the revolutionary, conflictual nature of Philippine Muslim reaction by supplementing the illiberal democracy and liberal institutionalist theories.

**Prospects for the Future**

Through this research, many aspects of the Philippines were examined; they are the historical evolution, economic and political development, socio-cultural setting, geographic setting, and the quality of life. From the research, the historical evolution of the country plays a significant factor in Philippine Muslim unrest, but explains more about how the situation has evolved and is much less relevance in predicting and prescribing solutions in today’s conflict. The economic and political development, though a major factor, was not the most significant variable causing Philippine Muslim unrest. The differing economic development between Luzon, the location of the seat of governance, and the ARMM contributes to the isolation and disparate growth of the two regions. This accounts for much of the Philippine Muslim unrest, but not fully.

Through the research, the most pervasive causal factor to Philippine Muslim unrest and to the prolonged conflict is the socio-cultural setting. Zakaria categorizes the Philippines as an illiberal democracy that created an environment of corruption and ineffectual leadership. Liberal institutionalism highlights the importance of institutions based on individual rights which are responsive to public opinion, which are not present in the Philippines. Within this environment, Marxist theory of revolution finds its relevance. Throughout this examination, when looking at the many of the factors in the
lack of economic development, much of the failures revealed stem from a culture that lends itself to informal and often corrupt institutions. An illiberal democracy based on cronyism and patrimonialism stands as a large obstacle to quelling Muslim and social unrest and uncertainty. Throughout this research, certain cultural tendencies guided decisions and altered the course of events more so than any other single variable.

Short-Term

There are two short-term issues that the country faces. The first issue is the threat of the terrorist ASG, an issue that the US has mentioned as a part of the war on terror, and the second issue is to revive negotiations between the two sides in a new way.

Addressing the ASG is of utmost importance to state, regional, and international security. Continuing attacks and kidnappings by ASG have grabbed international headlines and have further strained the relations between Philippine Muslims and its Christian counterparts. The March 2004 ASG bombing of the Aboitiz Superferry in Manila Bay killed 134, the 2004 and 2005 ASG attacks on Manila’s transport infrastructure killed 120, and the 2006 series of ASG motorcycle assignations and kidnappings killed roughly 70. Though much of the Philippine Muslim community does not condone the tactics of ASG, the impacts of their actions are felt by all Filipinos in the ARMM and throughout the country. A different approach needs to be used and there needs to be a distinction made between insurgent groups (such as the MNLF and MILF) and terrorist groups (ASG). The two groups can be distinguished by their selected targets of aggression, negotiable goals, control of political infrastructure, and influence they have on the Muslim populous. The ASG is composed of small groups of alliances
who circle around charismatic leaders and attempt to maximize their reputation for violence. The International Crisis Group contends that “The ASG is not an insurgency in the same sense as the MILF or the MNLF,” and that their need for violence is unique for their group. They state, “The greater the violence, the bigger the pay-off, in terms of higher ransom payments and foreign funds.” 177 This violence undertaken by the terrorist ASG, seen as Muslim on Christian violence, greatly strains and weakens the positions of the MILF and the MNLF and needs to be addressed in a significantly different manner.

One mechanism that provides hope by encouraging cooperation between the Philippine government and the MILF has been the Ad Hoc Joint Action Group (AHJAG), a terrorist intelligence sharing group to minimize accidental violence between the two parties – though currently only set up between the Philippine Government and the MILF. The AHJAG was made operational in 2005, went through a period of dormancy the second half of 2007 and has since been relatively pushed aside. When in operation, it was successful in separating the terrorist activities of the ASG from the MILF and successfully pushed the ASG elements out of the insurgency group. The AHJAG needs to be used and reinforced as an effective, terrorist-fighting mechanism through the cooperation of both sides. It also needs to be expanded to include the MNLF.

Alternatively, if the power-based approach is employed to combat ASG, just as it was employed by the struggle between the Philippine government and the MNLF and the MILF, no satisfactory solution will be found. For over three decades of fighting between the Philippine government and Muslim military groups the power-based approach has been unable to lead to lasting peace in the ARMM. This could only lead to further terrorist attacks and violence. According to Quimpo, an approach like this would “most
likely only drive uncaptured rebels to join the undefeated rebel group – or start a new one.”¹⁷⁸ This would be a step in the opposite direction to creating lasting peace in the ARMM. Cooperation is needed to address the ASG.

The second short-term issue is rehashing the peace negotiations in a new way. A step in the right direction to the creation of a lasting peace agreement between the Filipino government and the MNLF and MILF would be the use of non power-based approaches in an internationally-backed peace agreement. The use of AHJAG without tangible benefits at the negotiating table for the MILF (and hopefully eventually the MNLF) will only undermine the trust between the two sides and would lead to its ineffectiveness. As of May 2008, there are no negotiations between the two sides about the self-determination of the Mindanao people.¹⁷⁹ The prolonged adherence to the power-based approach has led to destruction and the death of thousands of Filipinos and a transition from this to the rights- and interest-based approaches will have immediate results. In the past, quasi rights-based approaches have been implemented with limited success, mainly because of the lack of legitimacy of the institutions in the country. Peace agreements and right-based approaches in the past have been very much intertwined with the power-based approach that often times it has been difficult to decipher one approach from the other; resulting in tenuous peace agreements and ceasefires.

One practical way to address this issue is to use the international community to act as a mediator; ideally a group of or a single liberal democracy. This would bring in a third-party institution that would help negotiate based on individual rights. The OIC has attempted to take on this role in the past with limited success. Almost all of the fifty-seven states of the OIC are, themselves, working on becoming liberal democracies. This
undermines their capability to produce legal agreements or to be the enforcers of such agreements. Lewis states, “Of the fifty-seven member states of the Organization of the Islamic Conference, only one, the Turkish Republic, has operated democratic institutions over a long period of time and, despite difficult and ongoing problems, has made progress in establishing a liberal economy and a free society and political order.” Moreover, the OIC lost credibility by failing to have interceded in the 1979 Russian invasion of Afghanistan, the civil wars in both Somalia and Sudan, and the 1980-89 war between Iran and Iraq. As of May 2008, there was no current intervention by the OIC. From October 2004 to this year, the IMT has been overseeing the peace agreements between the two parties. This group consisted of specialists from Brunei and Malaysia and despite their best efforts a lasting solution was not found during their intervention.

The use of a non-biased organization with a history of liberal democracy and liberal constitutionalism is very important for the creation of a lasting solution. One such example of this was in Northern Ireland where decades of conflict were ended with the involvement of the international community. With the help of Canada, the US, and Finland, the Independent International Commission on Decommissioning helped oversee and confirm the demilitarizing of the warring factions. If the Philippine conflict were given the same opportunity and attention as the conflict in Northern Ireland or if the opportunity arose for US intervention – much like that seen at the 2000 Camp David Summit between Bill Clinton, Ehud Barak, and Yasser Arafat (though failed) – a lasting peace agreement can be reached. By involving respected international mediation, the Philippines can bypass the underlying problem of a culture that often runs contrary to rational legal institutions and interest-based negotiations.
The use of cooperation to address the threat of the ASG and the reimplementaiton of the peace negotiation in a new way will lead to the country on the right path to address Philippine Muslim unrest.

Long-Term

A long-term solution to Philippine Muslim unrest would be to transform Philippine culture to embrace and demand rational legal institutions (a move toward liberal constitutionalism and liberal democracy). Kessler characterizes the integration of society with kinship ties as, “fragmented cooperation, among individuals rather than groups, favoring particularistic behavior and dyadic alliances and making the concept of national welfare difficult to accept,” and that, “the culture tends to isolate groups; rather than bridging social gulfs it increases social distance, with cooperation among individuals intensifying rather than reducing conflict between individual alliances.”183 Philippine culture leads to the isolation of groups and patron-client relationships and provides the basis for illiberal democratic rule.

Shifting from the employment of the power-based approach to one that is interest-based would be a step in the right direction to transform the country from an illiberal democracy to a society based on liberal constitutionalism. An obstacle to this is that the Filipino culture carries a strong tradition of addressing threats in a forceful manner and to favor friends and allies. Rights-based peace agreements and ceasefires could help find a lasting solution; however, when employed as a means to extend the tactics of a power-based approach or just another action by an illiberal democracy to consolidate government power, the results will only be temporal. An honest assessment and
acceptance of the nature of Philippine culture must be examined in order to break the same destructive cycle.

According to economist Eric Budd, “The weakness of the Philippine bureaucracy represents a major stumbling block to efforts to promote economic development,” and continues with, “The Philippine developmental experience seems to support the hypothesis that patrimonial states will be unable to engage in constructive, developmental activities.” The tradition of *palakasan*, or being immune from legal prosecution because of knowing someone in power, has created institutions that are not rational-legal bureaucracies. The irregularity and unpredictability of a government loaded with patrimonial tendencies makes it nearly impossible for the implementation for any development or peace plans. The cultural tendencies of the use of force when addressing members outside of one’s own group and the propensity to orient to favor small groups of allies bound by personal ties have lead to a culture that is rife with corruption and nepotism. This has significantly affected the viability of the country on many levels. Altering the underlying culture of a people is a tough prescription for change and is not one that can be achieved overnight; but it can happen. The recommendation that Budd suggests is a transformation from patrimonial tendencies to rational-legal institutions. Institutions that are free and insulated from the influences of corruption, nepotism, and cronyism. Budd states, “Capitalism requires the depersonalization of economic and political activity, so that economic decision-making can be based upon rational, profit-seeking considerations,” and that, “Such a depersonalization of the political and economic realms represents the antithesis of the patrimonial state,” a patrimonial state such as the Philippines.
Fortunately, culture can change. Zakaria contends that culture plays a huge role in a country’s progression by either speeding it up or inhibiting change. Culture can stand as a major obstacle because it can embed itself into institutions and practices. It has caused the Filipinos to favor friends and close allies, to use force when addressing outside groups, and the acceptance of a hierarchical social structure. It has also been a causal factor in the economic and political underdevelopment, tribal social structuring, existence of patron-client relationships, creation of a patrimonial state, and Philippine Muslim unrest. Fortunately, culture can change. Europe was once ultranationalist; and now it’s willing to surrender sovereignty to supranational cooperatives. The US was at one time isolationist and highly apprehensive of standing armies; now its hegemonic superpower with military forces spread throughout the world. The Chinese, once traditional peasants, are now leading the world in technological innovation. Cultural change has been more of a constant than the aberration throughout human history.

Philippine cultural change through the transformation of its institutions towards ones that are based on liberal ideology, legality, and accountability can occur. Zakaria states, “The West’s real advantage is that its history led to the creation of institutions and practices that, although in no sense bound up with Western genes, are hard to replicate from scratch in other societies…But it can be done.”

One potential factor for change could be rapid economic growth. Substantial economic growth could come from opportunities from globalization, the promises of the free market, or regional economic ordering allowing for overall rapid economic growth.

Economic growth could transform Philippine institutions into rational-legal institutions void of patrimonial tendencies and corruption and would change the nature of
the Philippine Muslim conflict. Budd states, “For those states that use the challenge of globalization to strengthen their capacity, the economic future will be brighter,” and, “for those that don’t, the government officials and cronies will continue their predatory attacks, and national developmental goals will continue to be sacrificed to the particularistic interests of a few.” To fully harness this growth, increased international and regional economic cooperation would reinforce the need for accountability of the Philippine system.

The squandered resources of mismanaged development initiatives and efforts have continued to leave the ARMM less developed as its Luzon neighbors. By changing the attitude of the Filipino people, gradually Philippine culture can be changed towards accepting and demanding legal, rational, and accountable institutions free from corruption, nepotism, favoritism, and unaccountability. This would transform the country into a tradition of legal constitutionalism and would provide for a lasting solution. Though it would take a longer period of time, this solution would give the Philippines the tools need to find lasting peace and sustainable development.
Physical Map of the Republic of the Philippines 1.1
Map of Southeast Asia 1.2
Philippine Regions

Philippine Regions

Ilocos Region Region I
Cagayan Valley Region II
Central Luzon Region III
CALABARZON Region IV-A
MIMAROPA Region IV-B
Bicol Region Region V
Western Visayas Region VI
Central Visayas Region VII
Eastern Visayas Region VIII
Zamboanga Peninsula Region IX
Northern Mindanao Region X
Davao Region Region XI
SOCCSKSARGEN Region XII
Caraga Region XIII
ARMM ARMM
Cordillera Administrative Region CAR
National Capital Region NCR
APPENDIX B: CHRONOLOGY OF THE PHILIPPINES
13th Century – Islam established in the Sulu Archipelago and moved through Mindanao.

1521
March 16: Ferdinand Magellen arrives in Cebu, Philippines and claims the land for the Spanish Charles I and names the islands after Crown Prince Philip.

1565
Islam expands to the Manila area.
Miguel Lopez de Legazpi arrives in Cebu to create 1st Spanish settlement.

1565 to 1666
Four Moro Wars

1565 to 1898
Period of Spanish Colonialization

1611
Founding of the University of Santo Tomás in Manila.

1718 to 1762
The Fifth Moro War

1744
Rebellion in Bohol, lead by Francisco Dagohoy, keeps away the Spanish from the region until 1829.

1762
Rebellion in Ilocos, lead by Diego Silang, defeats the Spanish and proclaims an independent government and expels Spanish from Ilocos.

1841
Confradía de San José revolt.

1851 to 1878
Sixth Moro War

1886
Revolutionary Jose Rizal publishes Noli Me Tangre (Touch Me Not), a social and historical critique about Philippine society.

1891
Jose Rizal publishes sequel El Filibusterismo (The Subversive). The two bodies of work become a basis for the anti-Spanish revolution.

1896
Katipunan revolution emerges.
Jose Rizal is executed for his participation in the revolution.

1898
April: US declares war on Spain, occupy Manila by May.
June: Philippine independence from Spanish, Emilio Aguinaldo becomes head of state.
December 10: Treaty of Paris gives the Philippines to the US.

1899 to 1903
Philippine-American War leaves 4,000 American and 16,000 Filipino troops dead and 200,000 Philippine civilians dead.

1909
Payne-Aldrich Tariff Act by US Congress allows for Philippine goods to be shipped to the US, opening a prolonged economic partnership.

1934
Tyding-McDuffie Act by US Congress gives Philippines Commonwealth status and promises independence in 10 years.

1935
Philippines drafts constitution for the Commonwealth of the Philippines.

1935 to 1945
Manuel Quezon Presidency

1941
Japanese attack Philippines.

1942
US and Filipino forces retreat to Corregidor and Bataan and are defeated by May. Bataan Death March.

1944
General Douglas MacArthur lands with US forces in Leyte, Visayas.

1945
January: US forces land on Luzon
September 22: Surrender of the Japanese. Manila is devastated, one million Filipinos estimated to be killed.

1946
July 4: Philippines granted independence from the US
Philippine Trade Act (Bell Act) gives free trade assurances till 1954, then increased until 1974.
Philippine Rehabilitation Act supplies $620 million in post war funds.
1947
US-Philippine agreement to establish 23 US military installations for a 99 year period.

1946 to 1948
Manuel Roxas Presidency

1948 to 1953
Elpidio Quirin Presidency after Roxas heart attack

1953 to 1957
Ramon Magsaysay Presidency

1955
US-Philippine trade agreement revised. Relinquished US control of the peso, extending the sugar economic agreement, and extending the period for the quota and tariff reduction of Philippine goods to the US.

1957 to 1961
Carlos P. Garcia Presidency

1965 to 1986
Ferdinand Marcos Presidency

1966

1967
Association of Southeast Nations (ASEAN) is formed.

1969
Creation of MNLF by Nur Misuari.
Marcos is reelected.

1971
August 21: Grenade attack in Manila kills nine and wounds eight politicians. Marcos suspends citizen’s rights to due process.

1972
September 21: Ferdinand Marcos declares martial law and suspends 1935 Constitution. December: Marcos orders the creation of small political assemblies called barangays.

1978
April: Elections under martial law are seen to be fraudulent with only 13 opposition seats are won.

1980
January: Marcos called for snap local elections; his party wins 95 percent of the seats and is seen as fraudulent.

May: Former Senator and Marcos oppositionist Benigno Aquino released to seek medical treatment in the US.

1981
January 17: Marcos ends martial law.
June 16: First presidential election since 1969; Marcos remained as the only major candidate and claims 88 percent of the vote.

1983
August 21: Marcos opposition leader Benigno Aquino, Jr. assassinated at the Manila International Airport upon return from US.

1986
February 7: Presidential election between Marcos and Corazon Aquino (wife of slain Benigno Aquino, Jr.); both declare themselves as winners.
February 22: Defense Secretary Juan Ponce Enrile and Vice Chief of Staff Fidel Ramos and military elements begin revolt against Marcos.
February 25: Marcos flees to Hawaii, Aquino elected president.
July 6: Aquino travels to Mindanao; Arturo Tolentino (Marcos’ VP running mate) and 350 soldiers take over the Manila Hotel. Tolentino declares himself president, two days later it is peacefully resolved.
December 10: 60 nationwide cease fire between National Democratic Front (NDF), associated with the CPP and AFP.

1986 to 1992
Corazon Aquino Presidency

1987
January 22: Kilusan ng Magbubukid sa Pilipinas (KMP), a peasant military and labor movement, lead ten to fifteen thousand protesters demanding land reform to Malacañang Palace; 20 killed at Mendiola Bridge. The NDF back the MNLF recent offensive against the AFP.
January 27: Military troops state a coup attempt.
April 18: Marcos loyalists are put down by military forces.
August 2: Assassination of Jaimé Ferrer, a local government minister.
August 28: Coup attempt lead by Col. Gregorio Honasan and several thousand soldiers; over 60 people die in failed attempt.
September 27: Leader of political party Lean Alejandro is assassinated.
October 28: Three US citizens are assassinated outside of Clark Air Base.

1988
January 18: Local elections in 62 of 73 provinces are marked by 136 deaths and 80 percent participation.
1990
Japanese economic bubble bursts
August to March: Gulf War in Kuwait

1992
July: European Exchange Rate mechanism crisis

1992 to 1998
Fidel V. Ramos Presidency

1994
December: Mexican Peso crisis

1995
February: US Dollar depreciation/Yen appreciation

1996
September: Peace agreement between the MNLF and GRP. Nur Misuari is named Governor of the ARMM.
December: MILF rejects the peace agreement with GRP.

1997
July: Battle between MILF and AFP in North Cotabato leaving 150 dead and over 110,000 displaced. *Agreement on the General*

1997
Asian financial crisis ASIA

1998 to 2001
Joseph Estrada Presidency

2000
Former Erap ally accuses him of massive corruption; articles of impeachment filed by House of Representatives

2001
January: EDSA II, Erap allies keep bank records from being entered in as evidence and huge military and civilian protests erupt. End of Estrada Presidency

2001 to Present – Gloria Macapagal-Arroyo Presidency

2004
March: ASG bombing of the Aboitiz Superferry in Manila bay killed 134

2006
Series of ASG motorcycle assignations and kidnappings killed roughly 70.
12 Pinzon, Trina P. January 20, 2008, interview with Trina P. Pinzon, former resident of Marawi City, Lanao Del Sur. At the University of the Philippines, Diliman.
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