

Philippines - Duterte, the Filipino Elite, the CPP, and the Missing Piece: an Independent Labor Movement

Saturday 4 June 2016, by [CHANCO CJ](#) (Date first published: 28 May 2016).

A strong, independent labor movement could lead the struggle for democracy and justice in the Philippines.

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Rodrigo Duterte’s revolution [1], at least so far, looks like nothing more than a reshuffling of the country’s political elite. The election seems to mark a period of continuity, not progressive change, in Philippine politics.

One of Duterte’s most popular platform planks was his promise to steer the country toward a “federal-parliamentary” system. He has already begun forming a parliament by appointment [2], assembling a cabinet consisting of an unwieldy coalition of his former fraternity brothers, rabid military hawks, businessmen with clear conflicts of interest [3], neoliberal technocrats, and allies close to former president Gloria Macapagal-Arroyo.

His presidential spokesperson, Salvador Panelo [4], was defense lawyer for the notorious Andal Ampatuan Sr — widely believed to be responsible for the 2008 Maguindanao massacre, the worst mass killing of journalists anywhere in recent history. In response to those who objected, Duterte says simply, “mere association does not make you a criminal” [5].

Duterte’s other picks are little better. He’s considering Lt General Ricardo Vitaya [6] for chief of staff of the Philippine Army. Visaya was ground commander during the 2004 Hacienda Luisita massacre of farmers and is the protégé of retired general Jovito Palparan, a rabid anticommunist crusader accused of multiple cases of torture, rape, and extrajudicial killings during the Macapagal-Arroyo administration.

But even more interesting is Duterte’s open offer of four cabinet posts, among them the labor and agriculture ministries, to the Left [7].

It has been difficult to nail down the real intentions of a leader hard to situate on the ideological spectrum. Analysts tend to describe Duterte one of two ways: as a “small-town mayor” [8] keen on replicating his success in Davao City, where he had to juggle widely disparate interests, or alternatively as a Machiavellian strongman who controls both the Left and the Right.

Whatever the case, most agree that his victory reflects genuine frustration with the outgoing Aquino

administration.

The Philippine electoral arena has always consisted of political dynasties [9] and their brand names, and the most recent election was no exception. For example, the vice presidential campaign was between Bongbong Marcos, son of former dictator Ferdinand Marcos, and Leni Robredo, the incumbent administration's candidate: the Marcos family is the Aquino clan's traditional political rivals.

So, a vote for Duterte was a vote against Aquino, but it wasn't necessarily a vote against the political class. Duterte, after all, rode to victory on a platform of fear, promising a vague "revolution" against crime and drugs, not a revolution against political elites or poverty — much less the system that produces those ills.

Interestingly, voting patterns suggest that a higher proportion of Duterte's support comes from the highly educated "middle classes," [10] making him the figurehead of something like a revolt of professional-class voters.

Like past presidents, Duterte won the support of under 40 percent of voters, even less than Aquino did in 2010. Still, with over fifteen million votes cast in an election with one of the highest voter turnouts in the country's history [11], his popularity cannot be denied.

If Duterte's victory heralds a return to populism [12] in the Philippines, as some have argued, it is a very different kind of populism than that of ousted president Joseph Estrada, to whom he has been compared [13].

Duterte is more authoritarian, for one, and less patient with the trappings of liberal democracy than Estrada. Estrada's base of support came from the urban poor. But Duterte's support rides on the sentiments of an increasingly insecure "middle class" brought closer, if not made in sync, with the country's working classes.

They gravitate toward his image as a strong leader, his narco-political grandstanding, and his promises of quick fixes. Beneath it all is a reactionary streak that seeks to return to what they perceive as the authoritarian golden age under Marcos.

However, it is also true that Duterte's rise reflects real frustrations with a corrupt political class and a growing economy that has excluded many.

His campaign involved grassroots organizing and financing that hinged on the narrative "Change is coming." Had he run on a completely different platform and without the financial backing of big business, his campaign might have looked like Bernie Sanders's.

But because there is no broad, organic movement that stands for an alternative class-based analysis of Philippine politics and economics, the popular classes saw voting for Duterte, who positioned himself as Aquino's antithesis, as the only way to vent their frustrations.

Yet their high hopes for Duterte can rapidly turn against him, should he prove, as he doubtless will, unable to resolve the contradictions of Philippine "democracy," whose story has always been marked by periodic inter-elite crises and instability.

Throughout this history, the Left, including the Communist Party of the Philippines (CPP) and its offshoots, has been marginalized, co-opted, and betrayed by elites who promised to carry the banner of reform within the system.

The “Political Outsider”

The Philippines has often been regarded as one of Asia’s oldest, largest, and most “vibrant” democracies. More recently such optimism has been reflected in depictions of the country’s booming economy. But scratch beneath the surface and you’ll find different reality.

Liberal commentators argue that Duterte, whom they describe as a populist figure wielding the rising expectations of an increasingly affluent population and its frustrations at the unrealized promises of the EDSA revolutions [14], will derail the country’s progress [15].

They acknowledge the reality of growing inequalities in the context of strong economic performance, institutionalized corruption, “crony capitalism,” [16] and a judicial system adept at criminalizing small-time crooks and ignoring the ill-gotten wealth of a dictator’s family. But they do not recognize the real causes of these problems.

The Philippine electoral apparatus is personality-driven and patrimonial. A party’s success depends on its ability to buy votes and win over rivals, not on its ideological principles or class politics.

There are no coherent constituencies based on voters’ collective interests, so candidates run their campaigns on the basis of ethnicity, regional ties, and corrupt electoral machines. When Philippine citizens describe this situation, they like to use the word *trapo*, which means “dirty rag.”

While Duterte has been portrayed as a “political outsider” capable of disrupting the *trapo* system, this year’s local elections were more of the same: at the provincial and local levels, candidates across all parties were accused of vote-buying [17].

As in every election season, campaign spending — in the form of TV commercials, campaign expenditures, and yes, outright bribes — was high enough to contribute to a notable spike in the national GDP [18]. Corporate players filled candidates’ coffers to the brim [19].

Incidents of electoral violence from armed gangs and death squads — who sell their services to the highest bidder — persisted. Outsourcing violence is a common strategy among the regional elites who are tasked with delivering votes to national parties and their constantly shifting allegiances.

Development agencies and policy wonks constantly call for electoral reform, but their efforts don’t amount to much more than recommendations about good governance or nation building.

If Philippine democracy isn’t functioning quite right, they say, what the country needs is more of the same: better mechanisms for accountability, better politicians in power, and better institutions to hold them in check.

Calls for greater democratization have been a persistent theme in these accounts since the 1990s, but the task has largely been left to political elites, NGOs, and the efforts of a generalized civil society.

Yet such accounts tend to overlook deeper contradictions operating as a result of shifts in the nature of a Philippine state that militates against even basic reforms, such as an anti-political dynasty bill [20], which would have threatened the interests of the elite political class as a whole.

Finally, they underplay the role of historical transformations in the nature of the Philippine state, tied to broader shifts in the international arena. It was the 1990s, after all, that saw the weakening of newly recovered post-Marcos democratic institutions.

In the 1990s, the state reduced the public sector's role, focusing on providing security, a more favorable investment climate, credit stability, tax collection, and private-sector infrastructure. The state did not need to become more democratic to perform these functions, only more efficient.

The liberalization of the national economy was only weakly linked, if it was linked at all, to the democratization of state institutions still controlled by the political oligarchy.

A glance at how the country's courts and public services operate — the de facto exclusion of the poor owing to court fees, user charges, and the denial of services to people without the appropriate political connections — have acted to consolidate the elite's power.

Formal parliamentary representation of marginalized sectors rarely translates into actual social power or influence over policymaking. Mainstream parties and traditional politicians manipulate even the most modest attempts at widening the popular classes' political influence, like the party-list system [21].

The period of post-Marcos structural adjustment also drilled the final nail into the coffin of a "developmentalist" state that never was. Distrust of the public sector, which was weighed down by the legacy of years of martial law, legitimated successive policies of decentralization, privatization, and deregulation.

For example, when the health care system was decentralized to improve service efficiency and provide opportunities for self-financing, the Philippine state expanded the range of public hospitals and other social services operating semi-autonomously under local government units (LGUs). This only reinforced the dynamics of patronage politics and provided manifold opportunities for graft and corruption.

Although the World Bank decries it, structural corruption between state institutions and the private sector is very much endemic to capitalist development [22], particularly in the Global South.

Institutionalized corruption stems in part from a weak domestic consumer base produced by low wages and high unemployment. The concentration of capital in a small number of conglomerates limits real competition, and politically well-connected capitalists squeeze their profits out of government contracts [23] and other mechanisms.

At the end of Marcos's regime, his crony capitalists took on new guises, leaving a number of big business interests structurally codependent on (that is, leaching off) the state.

In recent years, the proliferation of public-private partnerships (PPPs) [24] in every sector shares a similar dynamic: a handful of business groups, often owned by the same capitalist interests operating under different names, win contracts based on the whims of the incumbent administration [25].

The Ibon Foundation describes how the public often gets the raw end of these PPP deals, as the state offers private corporations guarantees against profit losses in the water, energy, and public transportation sectors.

Successive governments have, in addition, called for further liberalization of the national economy to spur foreign direct investment (FDI) and make up for domestic capital's unwillingness to invest in labor-intensive sectors like agriculture, manufacturing, construction, and the service industry.

But FDI often takes the form of partnerships and franchises of convenience between, for instance, foreign clothing companies (like H&M, Forever 21, and Uniqlo) and the mall conglomerate SM [26],

a Philippine Walmart with an even-more dismal labor rights record [27].

In the absence of strong institutions and a coherent economic planning strategy capable of steering investment in the right direction, growth from FDI will hardly create enough jobs to produce a stable domestic consumer market.

Indeed, the growth-fixated development agenda masks deep inequalities between social classes. The concentration of corporate power, combined with the absence of agrarian reform and the growth of labor-intensive industries, has made the gains of growth ever more exclusionary.

If a viable manufacturing sector supported by foreign investment does exist, it's found in suburban export processing zones [28] where corporate tax incentives, low wages, and weak labor standards are the norm.

These economic enclaves have been around for decades, but have never sparked the broader economic development they promised because they are so poorly linked to the rest of the economy.

Grievances over the inequality between rural and urban areas are blamed on "imperial Manila" instead of on global processes of uneven development. A huge part of Duterte's appeal was his image as a man from the country's excluded south.

Ironically, a shift to federalism, which Duterte advocates, would hardly level the playing field between Manila and the rest of the country, even as it entrenches regional dynasties in an already highly decentralized political system.

The ruling oligarchy has historically been divided between central and regional authorities. The presidency, with its wide-ranging powers, is thus hotly contested by various oligarchic factions. An unusually strong central government, like the one under Marcos, can either threaten or empower provincial ruling classes.

Duterte's flirtation with federalism, then, can be understood either as the strategy of a local strongman seeking to give a greater voice to regional elites on the national stage, or conversely that of a centralizing authority trying to win over those same regional elites.

While federalism may weaken patrimonial ties between local dynasties, the central government, and national political parties, unequal revenues [29] across a system of states would widen the gap between wealthy and poor regions.

It would also yield uneven regulatory regimes [30], and states would compete in a race to the bottom to provide the lowest wages and best incentives to attract investors. Already, rural minimum wage rates can be as much as fifty percent less than wages in Manila.

A dystopian array of policy recommendations by the Joint Chambers of Commerce [31] envisions an acceleration of these trends, portraying the Philippines as a pool of cheap, skilled labor in Southeast Asia, perfect for the business process outsourcing (BPO) and medical tourism industries. In rural areas, export-oriented agribusiness and large-scale mining are the sectors of choice.

It is true that recent economic trends have created jobs and improved living standards for an urban, middle-class minority, while the expansion of individualized anti-poverty programs [32] like conditional cash transfers (CCTs), patterned after Brazil's *bolsa familia*, have provided some kind of safety net against extreme poverty.

Yet gains overall have been highly unequal. Poverty reduction has largely focused on allowing for

bare survival, rather than on reducing structural unemployment [33] or on ensuring higher income per capita.

Crucially, unlike in Brazil, anti-poverty efforts have not come from organic social movements fighting for them; instead they come from the top down, burdened by debt [34], prone to capture by *trapos*, and hampered by inconsistent implementation.

Despite its obvious flaws, a profit-oriented, neoliberal growth model is clearly the country's default development dogma. A key assumption is that the unequal gains today will yield higher living standards for all tomorrow.

But this is by no means inevitable, especially without a state held accountable for the welfare of the majority.

A week after the elections, Duterte's team issued an eight-point economic platform. For the most part, the proposals were patterned after those of the outgoing Aquino administration, with emphasis on boosting regulatory efficiency on top of a radical plan to revise the constitution to allow for further liberalization of the domestic economy.

Duterte signaled his economic priorities when he refused to sign a petition against contractualization forwarded by center-left labor groups and trade unions [35]. Up until that point, he had promised to end the extensive practice in which employers fire their workers within five months of their hire date to avoid paying proper wages and benefits.

Today, a government's legitimacy is measured not in terms of its respect for human rights and human development or its improvements to its citizens' living standards, but in yearly credit ratings and the market confidence. (If there is any doubt about this, look at Dilma Rousseff in Brazil [36].)

Throughout the election, the media breathlessly reported on investors' and the stock market's responses to the prospects of a Duterte presidency [37]. The financial markets fell in the days leading up to the elections, but rose sharply once Duterte's lead became apparent.

His initial selection of cabinet advisers — none of whom can be described as progressive — and the economic platform announcement further calmed those who feared the victory of the self-proclaimed "socialist."

Duterte is proof that a neoliberal economy can exist and thrive well within an authoritarian political setup. It is the best possible combination to provide a welcoming environment and hassle-free infrastructure for investors and financial markets, while an armed-to-the-teeth security force quells resistance to growing inequalities.

That the country remains effectively a state of roads-and-guns in part accounts for Duterte's appeal: what else can the public expect from its "democracy" except an efficient strongman who can deliver?

Labor and the Left

Calls for political reform have often neglected the role of organized labor as a force for both development and democracy — as if investors, forward-thinking government officials, NGOs, and development agencies are the only relevant actors in this endeavor.

But the global history of working-class movements stands opposed to this reading.

Organized labor has always pushed liberal democracy to the limits of its progressive possibilities, from the extension of voting rights to women and ethnic minorities to the fight for greater income equality. The recognition of labor's power has compelled politicians and state bureaucrats to be more accountable and responsive.

Indeed, the persistent contradictions of Philippine democracy — from the diseases of corruption to the problems of a patrimonial-capitalist state — can be better understood as the outcome of the Philippine labor movement's inability to function as an independent and coherent social force in opposition to capital.

Labor's weakness stems from a number of factors produced by the country's integration into globalized capitalism. For one, economic restructuring in favor of the service sector has created a three-tier labor force.

The first tier consists of an upwardly mobile "middle class," made up of highly skilled and educated workers who have benefited from the BPO industry's growth. Although a small, formal labor force can still be found in traditional manufacturing industries, most of these jobs have been transferred to economic enclaves where the power of organized labor is sharply curtailed.

The decline in union membership [\[38\]](#) is due to a combination of employer pressure and the fact that unions no longer seem to reflect workers' interests.

A second tier of semi-formal labor subsists on poverty wages and insecure contracts where the incentive for labor organization is almost nil.

Precocity [\[39\]](#) is partly due to high rural unemployment: urban migration increases the cheap labor force the construction sector relies on amid the recent boom in commercial real estate investments. Anti-poverty programs like the CCTs, which are modest attempts at income redistribution, primarily target the urban and rural poor.

The third tier consists of overseas workers. Some ten to twelve million Filipinos currently work overseas, particularly in the Middle East; over a million leave for work abroad each year.

The acceleration of an export labor policy begun under Marcos has fragmented the labor force, raising further barriers to traditional modes of organizing. The plight of overseas workers is deserving of another article in itself.

But at home, the inflexibility of the labor market, the demands of organized labor, and other onerous "barriers" to private investment are still blamed for underdevelopment and unemployment.

This is ironic because the country already has one of the most deregulated labor markets in Asia [\[40\]](#), and the Department of Labour and Employment (DOLE) is one of the weakest and most understaffed government agencies.

The hostility to organized labor is not seen as inimical to democracy. Rather, disciplining labor to attract capital is understood as an essential, if temporary, stage in economic development, which will eventually lead to a more democratic state.

Prioritizing development over democracy is a position that even progressive movements have participated in. With the exception of political initiatives like Partido ng Manggagawa (PM) [\[41\]](#) or the Nagkaisa! coalition [\[42\]](#), there is no broad movement that appeals to the labor force as a whole and envisions labor as an active agent in national development and democratization.

The Communist Party, for one, has often subsumed democracy under development, as one stage in a two-stage process toward “socialism.”

Divisions among the Left [43] in the wake of the Marcos years further splintered the labor movement along party lines. The CPP’s focus on the Maoist “people’s war” strategy tended to neglect urban organizing, which led to their split with the “rejectionists” who preferred the latter approach.

The party’s economic development strategy calls for unity with the “national bourgeoisie” in order to hasten development. Indeed, this is part of what informs the CPP’s current acceptance of Duterte.

Of course, there is no coherent set of national capitalists who are amenable to even modest moves toward a neo-developmental state or the CPP’s call for agrarian reform and manufacturing revitalization.

The dominant factions of the Filipino bourgeoisie are tied to foreign capital and foreign markets in ways that would not allow for the kind of industrialization the CPP envisions. A nationalist “Filipino capitalism” [44] is a fiction that depends on class compromise that would forcibly link the bourgeoisie to a development agenda inimical to their interests.

Moreover, the CPP’s ideological commitment to economic nationalism directly opposes Duterte’s planned constitutional revision that would allow for further investment liberalization [45] and full foreign ownership of industries as in the BPO sector.

It also contradicts his commitment to expanding business hubs and export processing zones, which profit not “monopoly US capital,” as the CPP insists, but rather South Korean, Chinese, and Malaysian corporations.

Paradoxically, Duterte and the CPP agree that the revival of the national steel industry could be the basis for a domestic car industry [46] — a move that only makes sense if you ignore the fact that the domestic market is already saturated by cheap, imported secondhand cars and that Philippine manufacturing has historically specialized in the production of parts of high-value commodities, not their assembly.

Finally, the CPP’s economic nationalism is ahistorical because no analysis of national economies can be understood separately from the global economy.

The CPP’s insistence that American imperialism has hindered the full flourishing of national capitalism is flawed, because it ignores the Philippine bourgeoisie’s participation in and support of global capital.

It is precisely the country’s de facto integration into the world economy, and the reliance of *all* factions of the local bourgeoisie on this relationship, that has produced the unique dynamics of the Philippine economy.

The issue isn’t that the Philippines isn’t sufficiently capitalist — “semi-feudal or semi-colonial,” as some put it. Rather, the economy already is capitalist, and its character is the product of the only kind of development that capitalism, in the present conjuncture, would allow.

Simply put, existing conditions do not allow for a 1970s-era approach to industrialization in the Philippines or anywhere else in the Global South. Ecological concerns, more importantly, call for a different development model that is less reliant on heavy industry.

Instead, the Philippines needs measures that would shift the balance of power away from national

and international capital and toward a real partnership between organized labor and the state.

In the Philippine context, a crucial first step would be to restructure state institutions to deny national capitalists the possibility of extracting rentier profits from their relationship to the state. A second move would be to transform the Philippine labor force into a bargaining chip that would squeeze concessions from international capital.

But these efforts will only work if the country's ASEAN neighbors join in, driving a race to the top in terms of wages, labor rights, and environmental standards. This will, in turn, require a real shift in economic paradigms across the region, toward an economic model that works better for working people.

Benjamin Selwyn similarly calls for a transition from elite-led development toward labor-led development drawing on the power of organized labor as a positive force for real "inclusive growth." [47] Overall, full employment, higher wages, and better living standards must be treated as strategic objectives of the state, rather than side effects of economic growth.

This could begin with state support for an independent trade union movement and the provision of incentives for greater workplace representation. Extending social protections to informal laborers would raise the floor on working standards and wages across the board.

Existing conditional cash transfer schemes that target only the poorest citizens could be scaled up into a universal basic income policy.

More support for alternative economic models, like small- and medium-sized social enterprises or farmer-, worker-, and consumer-owned cooperatives, could provide a real economic base for future political projects that give workers a larger role in national economic planning and investment.

Finally, rather than building an alliance with a fictive "national bourgeoisie," labor should build alliances with small- and medium-business owners and middle-class professionals through campaigns that demand a meritocratic government bureaucracy, the consolidation of mature political parties, rights for urban movements demanding better public housing and transport, and the integration of the urban poor into new frameworks of governance and sustainability.

But even these mildly social-democratic reforms are unlikely to succeed without a labor movement strong enough to steer them. They appear even less likely under a Duterte administration, where his cult-of-personality approach to politics and his reliance on technocrats [48] — for everything except security [49] — promises that the elites will still be in charge.

Nationalism, as expressed in recent calls for a government of national unity and reconciliation, has been a particularly handy ideological trope for political elites, who wield it time and again to paper over the realities of class conflict.

Duterte's one-man balancing act — trying to be all things to all people — is sure to crack. The year ahead will reveal precisely whose class interests will prevail under his administration, and whether there will be any consistency between the frequent U-turns in his official statements.

The CPP, for its part, is in a bit of a bind. On the one hand, it cultivated a long relationship with Duterte when he was mayor of Davao, which will make it hard to move away from him, especially now that he's openly offered them cabinet positions.

On the other hand, this offer depends on the demobilization of the New Peoples' Army (NPA) [50], the CPP's armed wing. This would be an interesting development given that a significant

concentration of the NPA is in Mindanao and the Davao region in particular. Either they lay down their arms and join Duterte's camp entirely, or walk away.

Should they accept, the CPP could well provide a left-wing face to an authoritarian populist regime, silencing their own dissent in the process.

Not only will such an alliance ruin any remaining pretense that the CPP is a force for democracy and human rights, but it also makes it difficult for independent socialists and progressive groups to disassociate themselves from a party that declares itself as the country's only legitimate left.

Moreover, there appears to be a rift developing between CPP chairman Joma Sison, who describes the CPP's relationship to Duterte as a "critical honeymoon period," [