

# The Neoliberal Restructuring of Land: A Relational Network Analysis of the Land Conversion in Central Luzon, Philippines

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*The neoliberal restructuring of the Philippines' economy has been taking place for more than five decades in the form of structural adjustment programs, prioritization of export-oriented economy, and privatization of land, among others. In pursuing the neoliberal dream to become globally competitive, the traditionally agricultural lands in the neighboring regions of Metropolitan Manila, the country's capital region, have been converted into export-processing zones, manufacturing, and industrial areas. The Central Luzon region at the north of Metro Manila portrays the exact case, with decision-makers rationalizing the land conversion in the region as the urban fringe expansion of the Philippines' capital region.*

*This research denounces this rhetoric of land conversion as an outcome of urban expansion. Instead, it suggests a critical urban study that historically maps out the connection between the social actors promoting neoliberal restructuring policies in the Philippines and the land conversion in the Central Luzon region. The research uses relational network methodology to identify the key actors behind the land conversion in the Central Luzon region, the relationship of these actors, and the intended and unintended outcomes of such relationships. It explores the interests of different social actors, including the former presidents Ferdinand Marcos and Corazon Aquino, the IMF-World Bank, and the economic elites who, as argued in this research, induced the earlier land conversions in Central Luzon.*

*The case of Central Luzon highlights that the rapid land*

*conversions from 1972 slowed down the land distribution for the farming and housing needs of the marginalized sections of the country. This research argues that rapid land conversion hiding under the discourses of urban expansion, globalization, and industrialization was the case in the Central Luzon region in the 1970s and 1990s. The research attempts to contribute to the field of international studies by shedding light on the global dimensions of neoliberal policies, demonstrating their influence on land-use transformations in a specific geographic context.*

## **Introduction**

At the turn of the twentieth century, the components of the Philippines' urbanization, such as high population density, housing growth, and infrastructure investments, which heavily tilted toward the capital region of Metropolitan Manila (or Metro Manila), have become noticeable in the other regions of the country. The national government and the development agencies of the Philippines rationalized these events as the expansion of Metro Manila's urban reach into the neighboring regions of Central Luzon at the north and Calabarzon at the south, making Metro Manila one of the largest manufacturing agglomerates in the world.<sup>1</sup> Seen this way, the country's economic prospects are vibrant, with domestic and foreign investments coming in the capital region and its neighboring areas.

Owing to these events, the Japan International Cooperation Agency (JICA) and the National Economic Development Authority (NEDA) conceptualized the term "Greater Capital Region" (GCR) to describe the sprawling urbanization and promising investment in Central Luzon and Calabarzon.<sup>2</sup> Behind the messaging of the GCR is the proposal by these agencies to improve the transport connectivity among the three "capital regions" of the Philippines, which includes the Metro Manila, Central Luzon, and Calabarzon regions. This transport connectivity is expected to bring more investments and social services to Central Luzon and Calabarzon, while providing solutions to Metro Manila's urban problems of high population density, pollution, and traffic congestion.<sup>3</sup>

Development agencies have strongly advocated the concept of urban expansion. However, relatively little has been said about how the country's urban growth started from its colonial history and continues to confine the vulnerable factions of the population on the limited arable

land left for their use. Even with the promises of the urban spaces to create more jobs, pay higher salaries, deliver faster services, and provide basic welfare to many, the prolonged problems of farmers having no land to till and urban housing vulnerable having no place to live are yet to be resolved.<sup>4</sup> Viewed from this perspective, one could see that the issue of whether to convert (for housing use) or not convert (and retain for farming use) the agricultural land has been silenced by the grandiose narratives of urban sprawl, capital region, GDP increase, and investment flows in the country.

Bringing the concern of land conversion to light, this paper argues that the conceptualization of GCR and arguments of urban expansion and globalization need to be situated on how the traditionally agricultural lands of the country were converted for other uses. In the Philippines, land conversion refers to “the act of authorizing the change of the current use of a piece of land into some other use”.<sup>5</sup> Critical studies are needed to understand the rapid urbanization that resulted in land conversion, as urban projects that should be for the region’s development can otherwise lead to underdevelopment and further marginalization of the farming population. The positive narratives of urban developments can gloss over the true intentions and resources of key actors involved in planning and executing land development projects and the resistance of the minorities affected by the projects.

Central Luzon, located north of Metro Manila, has been dubbed as the “next growth haven for entrepreneurs, and “PHL’s new growth center” due to its ongoing new urban developments and infrastructure projects, which include the construction of an expressway, a water port, and a railway route.<sup>6</sup> Central Luzon, with its location, seems to be an ideal place for the realization of the neoliberal goals of the Philippines, especially as it was in this region where export-oriented industrialization (EOI) of the country came to materialize in the 1970s. Traditionally a place where the highest rice production in the country takes place, Central Luzon is now caught in the middle of being an industrial and agricultural economy and must prepare to respond to both the challenges and opportunities of an urbanized area.

The historical accounts of land conversion in the region are examined in this paper to elaborate on what has been argued by urban scholars – that land issues in the Philippines can only be understood by revisiting the neoclassical restructuring of the Philippines’ economy.<sup>7</sup>

The analytical approach used in this article draws from the relational network analysis of Dickens et al.<sup>8</sup> As the authors advocate, three essential elements are fundamental in applying relational network analysis to empirical research. These are the actors in the network, their relationship, and the outcome of such ties.<sup>9</sup> Accordingly, the study gives primacy to actors and their relationship to study macro concepts such as urbanization, development, and globalization as constructs rather than natural phenomena.<sup>10</sup> This analysis can unfold the power relation, or what Kelly called the “political process,” to the grand narratives of infrastructure, business developments, and urban expansions.<sup>11</sup> It attempts to contribute to the field of International Studies by shedding light on the global dimensions of neoliberal policies, demonstrating their influence on land-use transformations in a specific geographic context.

This article proceeds as follows. Section two introduces the theoretical literature of the neoliberal actors and provides reasons why we need to rework the rhetoric of urban expansion into questions of historical and political processes. Section three carries the relational network analysis and discusses how we can use this framework to denounce the mainstream urban expansion discourse in Central Luzon. Section four examines the political processes of land conversion by revisiting the relevant narratives prevalent in Central Luzon from 1972 to 1992, before concluding the paper.

## **Literature Review**

The importance of drawing a connection between urban development and neoliberalism is well-established in literature. For some scholars, neoliberalism is the key concept in understanding urban planning and development in a global context.<sup>12</sup> For others, the idea of urban space is the consequence of neoliberal policies imposed by the neoliberal state.<sup>13</sup> This conceptual development follows the need to rework the academic question of what defined neoliberalism into one that captures political relationships in neoliberal concepts – How has neoliberalism been applied to a particular context? And by whom?

Neoliberal regimes are the main actors promoting neoliberal practices.<sup>14</sup> In the case of urban planning, the consequences of neoliberal regimes are evident in how market-oriented economic growth is prioritized for the neoliberal dream of the state to be globally competitive.<sup>15</sup> In many

societies, neoliberalism is shaped by the globalization of the economy, the attraction of international capital, and fewer restrictions on business operations.<sup>16</sup>

The Philippines exemplifies this with events such as free trade agreements, labor migration, infrastructure development, and land conversion, shaped by the country's globalization goal under neoliberal restructuring.<sup>17</sup> One eminent event in the history of Central Luzon land development is the building of the Bataan Export Processing Zone (BEPZ) during the martial law of Ferdinand Marcos in 1972. Ferdinand Marcos approved the country's first export processing zone (EPZ) under Presidential Decree 66 (P.D. 66). The initiation of the EPZ by Marcos is believed to be in response to the advice of the International Monetary Fund (IMF) and World Bank (hereinafter referred to as IMF-World Bank) to launch export-oriented policy as a remedy to the economic difficulties brought by import-oriented policy.<sup>18</sup> As the country's first EPZ, Bataan was meant to set an example of attracting foreign investments.<sup>19</sup>

Under a neoliberal regime, the state should ideally provide institutional arrangements favoring private property rights, the rule of law, and the free market.<sup>20</sup> However, class hierarchy and inequalities, in reality, lead to unfavorable consequences of neoliberal policies.<sup>21</sup> Scholars argued that the state has always depended on neoliberal policies in the Philippines.<sup>22</sup> Although it promotes poverty reduction, there is no effort to liberate the country from the neoliberal system that favors mostly the economic elites.<sup>23</sup>

## **Methodology**

The relational network analysis is an appropriate methodology for making sense of the land development processes in Central Luzon and the strategic engagement of the Philippine government to the global economy. By prioritizing relation and integrating this into the earlier works of network analysis (social-network theory, action-network theory), Dickens et al. suggest that we should understand the global economy by observing the patterns of relationships among actors in specific time and space.<sup>24</sup>

As Dickens et al. advocated, three essential requirements are fundamental in applying relational network analysis to empirical research. The first is the identification of the actors in the network and their power or

control of key resources – whether physical, political, economic, social, or technological.<sup>25</sup> The second is the identification of how they exercise these powers through a network of relationships. And the third is the determination of the structural outcome of such a relationship.

Another critical aspect of relational network methodology, especially for this study, is the geographical lens of the analysis. For this methodology, it is inadequate to analyze a location based only on geographical scale because different geographical spaces (such as global, national, and regional) are associated with each other in reality.<sup>26</sup> One of the strengths of network analysis is that it questions the naturalization of concepts such as globalization, that political and business leaders justify for the adaptation of certain policies. Power is central to the analysis of relational network methodology to view these grandiose concepts as constructs rather than natural.<sup>27</sup>

This study collected existing critical urban analyses in academic journals, books, and government reports related to this topic. It also used the speeches by the previous presidents of the country in the form of their State of the Nation Address (SONA), which is rich material covering the narratives and discourses of the government based on their priorities. The daily activities of the presidents, as documented by the Office of the President, are also used to uncover narratives. To capture the influences of the actors in the land conversion of Central Luzon, the study draws information from the time of Marcos' administration from 1972 to 1986 and Aquino's term from 1986 to 1992. In 1972, the initiation of infrastructure development in the region was heavily attributed to Marcos, who employed foreign debt to fund it. Subsequently, during the term of Aquino, the focus shifted towards utilizing private investment as a means to settle the aforementioned debts.

## **Discussion**

### ***1. Central Luzon from the 1970s and the Realization of the Region's Export Dream***

During his State of the Nation Addresses (SONA), Ferdinand Marcos mentioned the province of Bataan in Central Luzon several times. In the 1972 SONA, Marcos talked about the housing projects in the provinces of Bataan, Bulacan, and Pampanga and the establishment of the Philippine Explosives Corporation in Bataan, which he described as “the first

manufacturer of dynamites and industrial explosives in the country.”<sup>28</sup> The year after that, in 1973, he discussed the Manila Bay Development Project, a lengthy highway project running from Cavite through Manila to Bataan.<sup>29</sup> In 1977, Marcos mentioned the Petrochemical Plants in Bataan, which he called the “dispersal of the industry to the countryside.”<sup>30</sup> Furthermore, in 1981, he spoke of the plan to enhance the Philippines’ exports by establishing additional zones throughout the country, similar to the export zones in Bataan, Baguio, and Mactan.<sup>31</sup> One similarity of these four SONAs is the consistency in Marcos’ narratives that Bataan was meant to be an industrial province under his administration.

The SONA of Ferdinand Marcos in 1972 and 1981 revealed that the IMF-World Bank support pushed his confidence to initiate modernization projects in Central Luzon.<sup>32</sup> With financial help from the World Bank, amounting to \$14.3 million, his government was able “to modernize rice storage and warehouse facilities.”<sup>33</sup> In 1981, he described that the success of the Bataan Export Processing Zone (BEPZ) was from the support of the World Bank investing “several million dollars” and the IMF committing one billion dollars for other export processing zones following the BEPZ.<sup>34</sup> Thus, although the country’s colonial period ended three decades before the 1970s, the relationship of the IMF-World Bank with the Marcos administration gave them direct access to the management and conversion of land in the country.

The declaration of P.D. No. 66 or the Creation of the Export Processing Zone Authority and Revisiting Republic Act No. 5490 of 1972 exposed the ambition of the Marcos administration to gamble on the export trade potential of the Philippines. P.D. No. 66, signed by Marcos, intended to “encourage and promote foreign commerce” to secure the country’s position at the “center of international trade.”<sup>35</sup> Such declaration of the Philippines’ position in world trade carries what Dickens et al. refer to as “discursive power,” which is the actors’ resource in covering and advancing their intentions in the land.<sup>36</sup> This amounts to key evidence that the neoliberal restructuring of the Marcos administration, with the directives of the IMF-World Bank, triggered the earlier land conversion in many parts of the Central Luzon region.

Another case of land conversion in the region concerns the vast forest land in Mariveles Bataan, which was considered unclassified forest land until early 1972. In 1969, the Marcos administration assigned Mariveles as the first Foreign Trade Zone in the country.<sup>37</sup> In January

of 1972, Marcos ordered the Bureau of Forestry to expedite the classification of the Mariveles' lands into alienable and disposable land. The daily activity journal of Marcos as President recorded this event, which mentioned that the main reason for such a change in terminology by Marcos was to allow possible expansion of the export zone and future build-ups around the BEPZ area.<sup>38</sup>

As land is attached to living, the land conversion in Bataan did not materialize without resistance, even with the promise of better jobs and compensations once the export processing zone started to operate. The construction of BEPZ had been debated and community resistance for years. Crispin B. Beltran Resource Center (CBBRC) documented that many Mariveles, Bataan residents did not want to be relocated because of housing and transport costs.<sup>39</sup> Moreover, this land was also a source of relationships among communities, including the Barrio Nassco and Barrio Camaya, who had long settled in the areas before 1972.<sup>40</sup> It was not only their living attached to land that provoked them to resist but also, what Harvey described as significant collective memories and sentimental attachment to the area.<sup>41</sup> The Farmers Alliance in Central Luzon, known as AMGL (Alyansa ng mga Magbubukid sa Gitnang Luzon), characterized Central Luzon as a "site of massive land conversion" that "has displaced farmers."<sup>42</sup>

In September 1972, Marcos declared Martial Law, and two months later, he signed P.D. No. 66, authorizing the establishment of the BEPZ. During martial law, there was limited space for open discussion, and the government suppressed public opinions. Thus, with the support of IMF- World Bank funding and minimal public opposition, land conversion rapidly took place.

After the Martial Law declaration on September 22, 1972, land conversions rapidly occurred in Central Luzon. Presidential Decree 66 covers rich evidence of the land conversions in the province of Bataan. Infrastructure investments in the region took place with the help of P.D. No. 66 to attract foreign investments and make transport easier from Metro Manila to nearby provinces in Central Luzon. Under the direct supervision of the President, the Export Processing Zone Authority (EPZA) was granted the authority to construct and maintain infrastructure facilities, obtain water from public resources, and acquire agricultural land in the excess area designated for private investments as long as they accomplished the objectives of EPZ.<sup>43</sup>

Simultaneously, the construction of BEPZ and roads around it epitomized how the Marcos regime turned into a business player attracting investment to agricultural land of Central Luzon that was yet to become an industrial area as envisioned by the government. Marcos' pronouncement on the investments in Central Luzon is consistent with David Harvey's description of neoliberalism of space characterized by attracting international capital and few restrictions on business operations.<sup>44</sup> Accordingly, the incentives for private investors position Marcos's regime as a key player in what Sager called the "neoliberal regime".<sup>45</sup> This regime, in turn, takes the lead in promoting market-based ideology.

Another flagship project of Marcos is located a few miles from the BEPZ. The Bataan Nuclear Power Plant (BNPP) is also one of the first in the country and is situated in Mariveles, Bataan. The BNPP is solid evidence to argue and denaturalize the rhetoric of land conversion as a natural expansion of Metro Manila's urbanization to its neighboring region. The anomalies surrounding it validate and highlight the intention of actors involved in its planning and developing. Evidently, the World Bank acted as the creditor to the country, providing \$2 billion of loans in 1972 for its construction.<sup>46</sup> As this was a credit, there was never a loss for the World Bank, even if the power plant never operated. The same can be observed by the fact that, over the years, the interest on this credit jumped to \$22 billion, which the country paid till 2007.<sup>47</sup>

Interestingly, news articles identified Herminio Disini, a good friend of Marcos and a cousin of Imelda Marcos (Marcos' wife), as the biggest earner in this project.<sup>48</sup> Disini brokered the U.S. company, Westinghouse Electric Corporation, to construct the power plant in Bataan. A collection of news articles accused him of corrupting large amounts of money, which made him a conglomerate of more than thirty companies in the years following the signing of the BNPP contract.<sup>49</sup> Lastly, articles critiqued Marcos for approving the project because of his relationship with Disini. Although there is a lack of evidence, rumors persist that Marcos personally benefited from the financial success of his friends and relatives during the Martial Law.<sup>50</sup>

Park's analysis of the Marcos regime is consistent with the critiques mentioned, where he describes the Marcos regime as a "state constrained by particularistic interests."<sup>51</sup> "The massive foreign loans were appropriated by Marcos' relatives, close associates, and favored

oligarchs,” Park argued, “as their personal ‘patrimonial plunder’ to fuel their rise in the Philippine economy.”<sup>52</sup> As these land controversies besieged the infrastructure funds, land conversion in Central Luzon was initiated for the interest of Marcos and selected few beneficiaries.

By the time Cory Aquino took the position of President in 1986, she had closed the operation of the BNPP under Executive Order 55, citing safety and economic concerns.<sup>53</sup> Executive Order 55 primarily focused on economic reasons for closing the plant, highlighting financial risks and expenses associated with its active operation.<sup>54</sup> The order has a minimal emphasis on safety concerns, likely due to the preexistence of numerous reports detailing the plant’s safety issues during Marcos’ presidency.

It is crucial to acknowledge that Marcos’s debts from his two flagship projects, the BEPZ and BNPP, were part of the debts that Aquino needed to pay as she took on the role of the honest debtor for her administration. The following section unpacks the role of Cory Aquino’s administration in the land conversion of the region and discusses the changing value of land during her presidency.

## ***2. Changing Value of Land in the 90s from U.S. Bases and Sugar Plantations to Industrial Zones***

Corazon Aquino’s administration pursued policies focusing on debt repayment, decentralization, and land reform, distinguishing itself from Marcos’s centralized, crony capitalist approach. However, when evaluating the outcomes of these policies on land, the actors who benefitted the most remained consistent with those from the past, including the IMF-World Bank and the Philippines’ economic elites. This section provides a twofold assessment of the argument.

### ***2.1 From a Sugar Plantation to an Industrial Zone***

First is the assessment of the land conversion in the 6,453 hectares of Hacienda Luisita, a sugar plantation in the Tarlac province in Central Luzon. The history of the land conversion in a substantial area of Hacienda Luisita provides solid evidence that the conflicting actors’ intentions and relations have resulted in the rapid land transformation hiding under the discourse of industrialization and job creation.

The Cojuangco-Aquino family took ownership of the Hacienda Luisita in 1958. Benigno Aquino Jr., the husband of Corazon Aquino, who

was also the city Governor of Tarlac in the 1960s, acted as the inaugural administrator of Tarlac Development Corporation (TADECO) (the mother company of all Cojuangco-Aquino corporations)<sup>55</sup>. With the acquisition of the largest sugar plantation in the Central Luzon region, one can imagine the massive political power and resources of the Cojuangco-Aquino.

Almost two decades after acquiring Hacienda Luisita, news articles reported that the Cojuangco-Aquino family started converting their sugar plantation into a residential and industrial complex in 1977.<sup>56</sup> A series of historical events provide possible reasons for the family's decision to convert the land. Notably, the Marcos administration filed a case against the TADECO to turn over the Hacienda Luisita to the Department of Agriculture.<sup>57</sup> The pressure from the government may have exerted pressure, potentially influencing the Cojuangco-Aquino family to convert parts of their agricultural lands to avoid land distribution. Another possible reason mirrors Cardenas' description of recent urban development patterns in the Philippines, driven by the evolving interests of economic elites.<sup>58</sup> Cardenas contends that the focus of economic elites on land has shifted from agricultural use to urban development.<sup>59</sup> They seek higher returns on their capital through the establishment of leisure areas, residential, and office spaces.<sup>60</sup> In this context, the conversion of sugar plantations for industrial uses can be attributed to the interplay of changing land values and evolving interests of social actors.

When Corazon Aquino became the Philippines' President in 1986, she introduced the Comprehensive Agrarian Reform of 1987 (CARP) as a flagship policy. Scholars assert that there is an inconsistency of land planning in Central Luzon as it was identified as a key area for land distribution under CARP, yet also assigned as the priority area for industrial use<sup>61</sup> Ortega argued that the CARP policy of Aquino and the market-oriented development of her administration encouraged landowners to convert their lands into industrial use to escape land distribution.<sup>62</sup> As agreed by the literature, one case of the failure of CAPR is the stock distribution option for landowners that made small farmers into stockholders rather than landowners.<sup>63</sup> The intended transfer of land ownership to small farmers did not materialize under the stock distribution option.

During Aquino's administration, land conversion in Tarlac was actively shaped by the implementation of stock distribution options and decentralization policy. A review of Aquino's SONA reveals the

increasing presence of private sectors in local development. In her 1987 SONA, she critiqued Marcos's "government corporation" and claimed that her administration would never take the business role but instead let the private sector drive economic initiatives.<sup>64</sup> On her second SONA, Aquino stated, "We have decentralized the operations of the 16 major government departments and increased private sector representation in regional and local development council".<sup>65</sup>

The initiation of decentralization in Central Luzon was first observed in Tarlac, to which "greater development efforts" were directed.<sup>66</sup> Decentralization with the importance of the private sector, if geographically located, is questionable given Aquino's family ties as landed elites, business tycoons, and local officials in Tarlac. Decentralization and stock distribution options, therefore, as utilized jointly by the family of Cojuangco-Aquino, gave them power and control in the land use in Tarlac.

## *2.2 From US Bases to Industrial Zones*

The second assessment of the actors' involvement in land conversion relates to the relationship of the Aquino administration to the U.S. financial institutions and government and the changing land values in Subic Zambales and Clark Pampanga. For instance, the first SONA of Aquino in July 1987 publicly recognized the importance of foreign funds, mostly from the U.S., in helping the country recover from the debt incurred by the Marcos administration. "Rescue could only come from foreign sources," Aquino declared.<sup>67</sup> Reid argued that Aquino and many national government officials originated from the economic elites of the Philippines and maintained a "close relationship" with the U.S. government to secure their class position.<sup>68</sup> The dependency of the Aquino administration on the U.S. becomes more apparent when situated in the land conversion of Central Luzon in the 1990s.

Clark and Subic formerly served as U.S. air and naval bases from 1947 to 1992. One remarkable decision in the history of the country took place in September 1991, when the Senate majority of the Philippines, led by nationalists and opponents of U.S. military presence in the country, decided to end the foreign military presence in Clark and Subic.<sup>69</sup> However, Aquino rallied the Senate to approve the U.S. Treaty as she argued that the absence of U.S. bases in the country would be a great loss to the economy.<sup>70</sup>

In 1995, the government of the Philippines decided to turn the airbases into one of the largest Special Economic Zone in Asia to offset the loss of revenues from the United States.<sup>71</sup> Clark and Subic's development into economic zones indeed brought industrial developments to the region. Moreover, as land development and industry came in, the opportunity for businesses also opened.<sup>72</sup> Both foreign and domestic elites played a crucial role in reshaping the former military bases into commercial and leisure zones mirroring the "American-style modernity" in the Philippines.<sup>73</sup>

The transformations in Clark and Subic into economic zones have faced criticisms. Land conversion, particularly the unequal distribution of land use, which favors elites, has been a focal point of criticism. Issues such as human rights violations through land grabbing and the displacement of agriculture have been raised, intensifying concerns about the impact of land development on communities.<sup>74</sup> In particular, the aggressive pursuit of commercial land use has displaced settlers and indigenous communities, disrupting their traditional ways of life.<sup>75</sup> This observation is consistent with Harvey's concept of space capitalization which involves attracting international capital and imposing minimal restrictions on business operations, resulting in loss of rights of the public<sup>76</sup>.

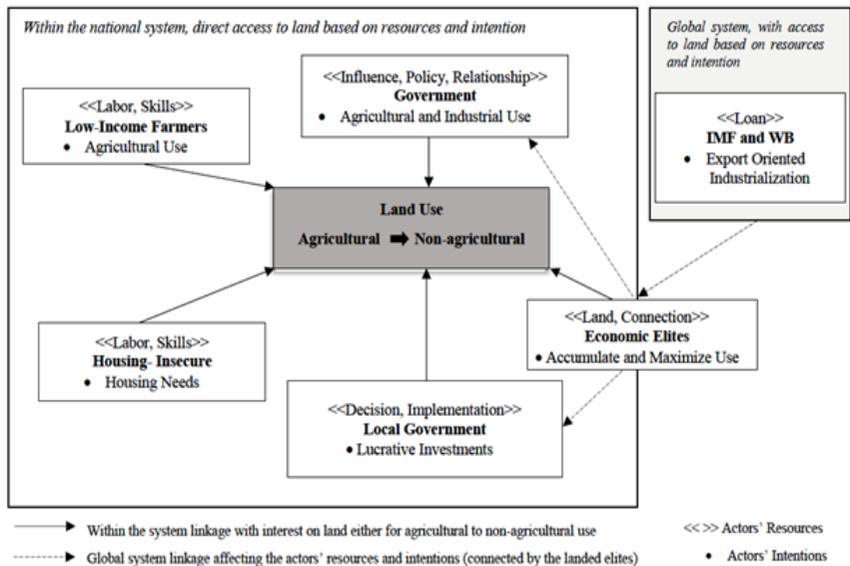
The events of land conversion for commercial uses in Clark and Subic underscore the direct influence of the national government on regional planning and decisions. This case also firmly underlines the connection between regional land issues and global discourse, such as the market-oriented principle of neoliberalism. The intentions of economic elites highly influenced land conversion in the Central Luzon region. The motivations of the economic elites, as in the case of land conversion in Tarlac, Pampanga, and Zambales in the early nineties, were grounded in the changing macro conditions such as evolving land value and infrastructure investments in the region.

### ***3. Key Actors in the Land Conversion and Relationships Among These Actors***

Figure 1 summarizes the identified actors in the land conversion of Central Luzon based on their resources and intentions for the use of land. These actors are the national government, local government, IMF-World Bank, economic elites, low-income farmers, and housing-insecure.

In Figure 1, these actors are grouped into internal (referred to as ‘within the national system’) and external systems (referred to as ‘the global system’). Within the national system, the national government, as headed by former presidents Marcos and Aquino, the local government, and the economic elites are classified as key actors in selecting priorities and facilitating land conversion because of their direct access and ownership of land resources. Low-income farmers and housing-insecure are also grouped here as social actors. Even though this study identifies them with less land ownership, their access to land remains crucial because their livelihoods depend on it. In the global system, the IMF-World Bank is argued in this study to have access to Central Luzon’s land conversion based on their relationship with the other social actors.

Figure 1: Mechanism of Actors Relationship based on Land Resources and Intentions; Case of Central Luzon Region



As revealed in the earlier discussion, the narratives of urban expansion did not materialize from recent developments in the region. Instead, they existed to justify the industrial investments that the late President Ferdinand Marcos initiated during martial law in 1972. This research attests to the argument of Dickens et al. that there is a danger for concepts such as globalization and development to be used by government officials and private companies in forwarding their interests.<sup>77</sup>

#### ***4. Intended or Unintended Outcome of the Rapid Land Conversion***

The history of the neoliberal land restructuring in the Philippines has expedited the conversion of Central Luzon's land from agricultural to non-agricultural use. In 1972, the government constructed the region's roads, export processing, and economic zones. The availability of jobs and industrialization provided landed oligarchs with additional opportunities to maximize their land ownership and production. However, along with the intended outcomes of land conversion, the resistance of workers and farmers and the limited land left for housing and agricultural use by the vulnerable populations are some unintended outcomes. Furthermore, being the primary source of rice in the Philippines, Central Luzon's conversion, without careful study, had been affecting the food supply at the national level.<sup>78</sup>

As highlighted in the stories of the BEPZ and BNPP in Bataan and the Hacienda Luisita in Tarlac, the actors' influences on land in the 1970s to 1990s were overwhelming. The land conversion in Central Luzon occurred without careful study of these areas. In the Philippines, the initial land conversion in the early 1970s sparked a series of subsequent conversion activities, sidelining the housing-insecure and low-income farmers from the narratives of land development. The case of the Central Luzon region in 1972 and 1992 exemplifies rapid land conversion without a clear prioritization for the needs of the communities affected.

## **Conclusion**

The analysis of this paper confirms that Central Luzon's land conversion history is closely tied to a larger trend of economic globalization. Neoliberal restructuring, particularly through export-oriented policies, shaped the land structure of Central Luzon to become more of an industrial region. During the 1970s to the 1990s, many land conversions in the provinces of Bataan, Tarlac, Pampanga, and Zambales favored certain groups,

reinforcing their social class, racial hierarchy, and financial advantages. However, this came at the expense of others, and the repercussions are still felt today as the most vulnerable individuals continue to struggle with limited access to available land.

The framework used in this study, which centers on *actors' resources, relationships, and the outcomes of such relationships*, is instrumental in critically uncovering macro concepts such as globalization and urbanization. It helps us understand that dominant global and local actors can influence urban planning and land conversion in a specific geographical space. As such, this study provides evidence that the urbanization observed in Central Luzon today is grounded on historical, social, and political drivers that shaped land use, value, and development in the region.

This study suggests a historical revisit of events and policies on land from a critical lens to better explain present-day land development and land scarcity topics. The observed rapid urbanization in Central Luzon today underscores the importance of taking a moment to assess and plan interventions, prioritizing the land access needs of the most vulnerable. This study therefore recommends further research and assessment exploring the roles of key stakeholders in the current landscape of land use and development.

## Note

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