The Agrarian Roots of Contemporary Violent Conflict in Mindanao, Southern Philippines

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The decades-old conflict in Mindanao, southern Philippines, is often framed as a Muslim–Christian conflict and reinterpreted as such within the US-led global war on terror, with the Muslim secessionist movement standing accused of providing a hub for international jihad. In the meantime, global economic integration has made it easier to ignore the agrarian roots of violent conflict in Mindanao, enabling national and sub-national actors, including the international community and the Muslim or Moro separatists, to dismiss the issue of agrarian justice. We counter these arguments by using an agrarian political economy framework to uncover the roots of resilient violence in Mindanao, using historical narratives of the region from the end of the nineteenth century that accentuate the links between state-making, control of land and labour, and processes of agrarian modernization. We emphasize the critical role played by the Muslim landed elites who shaped processes of state-making by brokering the interests of their clans with exogenous actors at the national and international level. We shed light on emerging state policies and competing interests among other landed and agribusiness elites that resulted in the spread of a parallel underground economy, renewing opportunities for violence and crime within semi-autonomous social worlds.

Keywords: conflict, Philippines, state-making, land, modernization

INTRODUCTION

The long-running conflict in the southern island of Mindanao in the Philippines is often framed in terms of a conflict between Muslims (roughly about 10 per cent of the national population and concentrated in the southern portion of Mindanao) and Christians (overwhelmingly Roman Catholic), hinting at religious roots as a factor in explaining the situation (e.g. Hernandez 2005; Stewart 2009). The armed conflict between the government and Moro secessionist rebels erupted during the Marcos era (1965–85) and continues unabated. The war has involved six national administrations and several factions of the Moro secessionist movement, and has claimed more than 120,000 lives on both sides of the fighting, causing untold...
damage to local livelihoods and displacing some 2 million people (Soliman 2001; Lara and Champaign 2009; 4). Hostilities remain, despite the huge amounts of aid and expert advice given by foreign donors to end conflict in the region.

The US government enlisted the Philippines in the global war on terror after 11 September 2001, tagging the Abu Sayaff Group (ASG), a small armed faction involved in kidnapping and extortion in the southernmost islands of Mindanao, as a member of the al-Qaeda network and a vital link in international jihad. In 2002, the Bush administration sent 660 US troops to the Philippines, deploying them in the south of the archipelago to assist in hostage rescue and counter-insurgency operations. This contributed to the opening of a second, South-East Asian, front in Washington's war on terrorism and consequently legitimized the security apparatus of the Macapagal–Arroyo administration (2001–10). Since 2001, the Philippine army, with support from the United States, has carried out several operations against the ASG in the islands of Sulu and Basilan, leading to the further displacement of hundreds of thousands of people in both provinces (IDMC 2008).

Several articles in the journal *Foreign Affairs* (Gershman 2002; Rogers 2004; McIndoe 2010) have challenged the flawed security framework that underlies the 'war on terror' adopted against Islamist extremists in the Philippines. This framework obscures the enormous complexity of the Mindanao situation and diverts attention away from the socio-economic and political issues related to the local economy, the weakness of states in the region and the fragility of democratic institutions. Several studies have warned against treating the conflict as a case of a violent Muslim population terrorizing its Christian neighbours, or suggesting links to al-Qaeda and the operatives of the South-East Asian Jemaah Islamiyah network without adequate evidence. These flawed perspectives fail to recognize the historical roots of the conflict, and the ways in which violence and war are embedded in specific processes of social transformation in a regional political economy. It is unlikely that there is a single explanation for the conflict in Mindanao, and therefore scholars examine different dimensions, such as land disputes, political representation, state discrimination and cultural differences (Gowing 1988; Azurin 1996). The desire for a hasty peace agreement, in the hope of preventing more violence, ignores the insurgency's deep historical roots. Collier and Cook (2006) have argued that this might hurt the peace process itself and prevent solutions addressing the agrarian roots of the war.¹

After more than three decades of violent conflict, no fundamental solution is in sight for the problems of poverty and separatist conflict in Mindanao. The road to peace has become long, complex and intractable. There have been two peace agreements (1976 and 1996) and the passage of three laws (the 1977 Marcos proclamation, Republic Act 6734 and Republic Act 9054). The peace process has harnessed the support and mediation of international actors (the Organization of the Islamic Conference, the Libyan and Indonesian governments, and others), leading to numerous plebiscites and elections, and the creation of various transitional bodies such as the Southern Philippines Council for Peace Development (SPCPD), headed by Moro National Liberation Front (MNLF) chair Nur Misuari. After the 1996 peace agreement, the unsettled negotiations between the government and the Moro Islamic Liberation Front (MILF) became more crucial as a barometer of armed conflict, especially after President Joseph Estrada launched an all-out war against the insurgents in 2000. This was repeated in 2008 after the aborted signing of the Memorandum of Agreement on Ancestral Domain (MOA-AD). National and local political elites who feared the loss of their territories and constituencies in

¹ For the peace process in Darfur, Laurie Nathan (2006) elaborates on so-called diplomacy of deadlines and the resulting pressure on mediators to come up with immediate solutions, which may not address the tenacious agrarian roots of violent conflict.
the mixed barangays (Philippine community units, ranging in size from small villages to towns with thousands of households) won a petition to block the MOA-AD in the Supreme Court. The agreement would have expanded the scope of autonomy and conferred self-governance to local communities (McIndoe 2010).

This paper develops two arguments grounding the continuing war in agrarian questions. First, we argue that the conflict is symptomatic of social justice issues not addressed by a succession of Philippine governments, the Mindanao elite and the mainstream Moro revolutionary organizations. We point to the highly skewed distribution of ownership and control over land resources in the southern Philippines and the politically contested and competing formal and informal regulatory institutions around social relations of land property, a situation with deep roots in the colonial and post-colonial political economy (Gutierrez and Borras 2004). Second, we assert that violent conflicts are symbolic of an ongoing painful process of economic and social transformation particularly affecting the political position and power to accumulate of local strong men, embedded in a new and evolving division of labour driven by global agrarian modernization affecting group structures and regulatory ties in agrarian communities (Vellema 2002).

In this context, solutions to violent conflict require inclusive development processes that include some forms of redistributive reform – that is, land reform and land restitution – and must ground conflict resolution and peace-building in agrarian structures and institutions. The need for such processes lead us to argue that while it is critical to link analysis to the colonial and post-colonial exploitation of the region, and discrimination against Muslim and indigenous peoples, it is equally important to address contemporary political-economic dynamics within Muslim society itself (Lara and Champaign 2009). In this paper, we do this by linking a historical perspective to a description of the emergence of an underground economy, and to an investigation of a case throwing light on the integration of local Muslim societies into an agribusiness scheme.

DYNAMICS OF STATE-BUILDING: TERRITORIAL CONTROL, NATURAL RESOURCE EXTRACTION, TAXATION AND UNDERGROUND ECONOMY

State-building is a continuous and uneven process, negotiated between and among national and local elites. It requires a state apparatus that administers revenue-generation and security functions (Tilly 1985). The social history presented here emphasizes alternating coalitions of landed elites with central powers and a relatively homogeneous subject population to explain the survival of political units. It dovetails with what Tilly (1975) labels historical theorization, which also includes a focus on resource extraction, political entrepreneurship, spatially protected units and success in war. In the case of Mindanao, we particularly examine the relatively small and territorially bounded political units controlled by clans and embedded in the organization of production and trade (which adds a functionalist perspective to the analysis; Tilly 1975). The character of state-making therefore largely depends on the character of class formation in society. In the Philippines, historically, the dominant ‘classes of capital’ have always been the landed classes (big landlords, comprador bourgeoisie) often overlapping and in alliance with a relatively weak national bourgeoisie (McCoy 1994; Rivera 1994).

Our narrative reflects developmental theorization (Tilly 1975, 608–9) by suggesting a certain sequence in the observed processes of crises in political transformation; for example, penetration through taxation and policing, integration through sharing offices among culturally and politically distinct sectors, protection of the rights of minority groups, which may lead to further integration and citizenship, an increased legitimacy of the state, and the delivery of social
services. However, violent conflict and the unpredictable outcomes of negotiations and class coalitions do not make it a standard and predictable process.

In our treatment of state formation, we take a leaf from Scott’s (1998) concept of the central state’s aspiration and ability to impose its sovereignty over what he calls ‘non-state spaces’. The state uses simplification processes such as language, laws, courts, cadastres, land titles and so on in order to render ‘legible’ social relations and dynamics that are otherwise difficult to capture and govern. This facilitates imposition of state sovereignty over otherwise non-state spaces, allowing for, among other things, expropriation of land for purposes of territorialization, accumulation and taxation. But as Neil Harvey (1998) demonstrates in the context of Chiapas, a state-formation process will always be incomplete and uneven. The dynamic political interactions between central state, local elites and local populations over control of natural resources, as well as tax expropriation, allocation and use, is not a conflict-free process, as shown in the case of Mindanao historically (Abinales 2000) and in more recent times (Lara and Champaign 2009). Local populations and democratic opposition ‘from below’ challenge the dominant narrative and regime of domination of the powerful national and local elites, and push for greater ‘rural democratization’ (Fox 1990; Franco 2001); violent conflict often accompanies such increased political competition.

Any rigorous discussion of the agrarian roots of the contemporary violent conflict in Mindanao should be seen in this broader perspective. We attempt an abridged version of this broader picture in the rest of this section. We present the social history of the archipelago as a series of emerging separate micro-societies responding to economic, demographic and technological stimuli, and entering the world economic system at different times, under different terms of trade and with different systems of production (reflecting work by McCoy 1982; McCoy and de Jesus 1982). Three consecutive historical processes are of special relevance for our analysis: the integration of Muslim Mindanao during the American colonial administration in the first half of the twentieth century, the large influx of Christian settlers after the Second World War, and the accelerating expansion of agribusiness, particularly since the 1960s. This social history paves the way for us to relate the continuation of violent conflict to the persistence of skewed distribution of land and to changing control over labour, mainly affecting leadership in Muslim communities.

Mindanao’s Integration into the American Colonial Administration: The Case of Maguindanao

Commerce and agricultural productivity are closely linked in Mindanao’s history. In the eighteenth and nineteenth centuries, Muslim sultanates in Southern Mindanao were engaged in the trading of agricultural commodities. Spanish colonial rule had failed to penetrate the Muslim-dominated southern Philippines, as various sultanates and their local allies, or the datu, of the Maguindanao tribe dominated the valleys and coasts in this part of Mindanao and took up leading positions in commerce and agricultural production.

The Maguindanao sultanates in the Cotabato delta and the Pulangi Valley maintained symbiotic relationships; the Cotabato sultanate was the trading centre for the Buayan sultanate, which controlled agricultural production on the fertile soils in the Pulangi river valley (Ileto 1971). The well-cultivated fields in the Pulangi Valley produced sugar cane, rice, coffee, cacao, maize, coconut and fruits. The power of the leaders and landowners in the valley was based on the production of rice with slave labour, the collection of dues from Muslim peasants and the

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taking of tribute from upland pagans’ (Beckett 1982, 396). Datus relied on slaves, war captives, debt bondsmen and free subjects for the production of export crops on large tracts of land under their control.

Commerce-stimulated agricultural productivity and the wealth of local sultans depended importantly on agricultural exports. Until the end of the nineteenth century, Cotabato was a door to the world, particularly for trade with other sultanes in Sulu and the Malay world. Through its alliance with the sultan of Cotabato, the Spanish administration, which had not been able to control trade, production and politics in this part of the island, was able to block the crucial trading route for the sultanes in the Pulangi Valley, but this did not imply control over the fragmented sultanes in the Pulangi Valley, where most of the export production came from. The numerous small sultanes in the interior production areas, often living in mutual rivalry, even united themselves under the leadership of the wealthy and powerful Datu Uto, who was able to unify the fragmented leadership for a period of three decades. In their collective opposition to Spanish dominance, the sultanes in Pulangi Valley found an independent outlet for export of agricultural products towards the south, in Saranggani Bay. After the conquest of Davao in 1848, local Muslim leaders transferred their seats to Saranggani Bay. In the 1860s, the bay was increasingly used for exporting agricultural commodities, importing arms and smuggling. It had also become the principal market for slaves after the closure of slave sources in Luzon (the main island of the country) and the Visayas (central part of the country), where Spanish missionaries, gaining ground in the non-Muslim, non-Christian tribal communities, challenged the employment of slaves and bonded labour in agricultural production.

In 1898, the United States gained control of the archipelago after a victorious war against Spain. Mindanao was placed under American jurisdiction to ensure effective control, a conquest that Spain had been unable to achieve. The gradual integration of Mindanao into the Philippine economy was facilitated by the American colonial government. The US colonial government initially adopted a policy of non-interference in the Muslim areas and concentrated its military campaigns, which lasted until the middle of the first decade of the twentieth century, in Luzon and the Visayas. By 1905, the American government turned to its military might to subduing the local Moro rulers in Mindanao, alternating the mailed fist policy with a more subtle approach centred on integration and pacification of the Muslim south (Tan 1995). The three basic thrusts of the American policy-makers were: (1) pacification of the non-Christian portions in the southern regions of the colony; (2) the integration of the Philippine colony into the American market; and (3) the rationalization of landownership (Paderanga 1995).

In their pursuit of pacification, the Americans had to work with a segmented polity in which the basic building blocks were the datudoms (Beckett 1994). These datudoms maintained a certain level of autonomy – a persistent feature of the integration process. But the American government succeeded in enrolling these local leaders in their drive to exploit the region’s vast resources. The American government explicitly bypassed the sultanes and incorporated local datus as gatekeepers (Beckett 1982, 1994; Tan and Wadi 1995). Datus became key players in the so-called Pax Americana that prevailed after 1904. According to Beckett (1994), through alliances with localized composite elites, the American strategy created a new type of datu with an ambiguous position mediating policies of the colonial government, from one angle and, from the other angle, mediating integration and/or resistance by his followers to the American presence in political and economic spheres. Many of these datus found a foothold in the

3 This does not mean that resistance to foreign colonization had faded away entirely. Several battles took place during the first three decades of the twentieth century (Rodil 1994), but generally the American authorities succeeded in pacifying Southern Mindanao.

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colonial order, while their constituency was barely integrated with the rest of the Philippines. Relatively few datu emerged as rural entrepreneurs, yet commercialization of agriculture induced the rise of a new class of small and medium Muslim farmers (Beckett 1982), and during the American colonial era many datu assumed political office, including control over local police.

Integration after Independence: Territorial Control and the Underground Economy

Under American colonial rule, the Maguindanao leaders held political office and were still concentrated in rural areas. The datu’s political and economic control over ordinary people was their main asset. The authorities treated them as brokers in their endeavour to pacify and integrate the Muslim south. The process of sub-national state-making in Mindanao was halted by the Second World War, as Muslims in Mindanao joined other guerrillas in the fight against Japan.

In the decades following the Second World War, and Philippine Independence in 1946, the domains of the Muslim population and its dependent tribes shrank (Azurin 1996), accelerated by an influx of settlers and expansion of agribusiness. This affected the powers of datu, although political bossism and strong man rule continued to shape the transformation of Mindanao (McCoy 1982, Putzel 1992, Sidel 1999, Abinales 2000). In 1946 the Philippine government tried to impose its authority by instituting a stronger structure of taxation, but Muslim clans were not prepared to pay the Philippine government the sort of taxes they had violently resisted under American rule. From the postwar period until the imposition of martial law under the Marcos regime in the 1970s, Mindanao remained impervious to state regulation and became a haven for tax evaders. The underground economy continued to grow, with smuggling, gun-running, illegal gambling, narcotics production and unregulated land transfers being its main features.

The existence of an underground economy in Mindanao manifested the continued control of local enclaves by powerful clans and datu who brokered relationships with the state as well as with other economic actors. Under the US colonizers, and up to the end of the twentieth century, the clans were engaged in various aspects of the underground economy, profiting from the expanding illegal trade in gems, clothing and other items from Sabah, including manufactured goods such as household appliances and vehicles. Others were engaged in the more pernicious and deadly aspects of Mindanao’s shadow economy, including trade in unlicensed guns and ammunition. Involvement in all aspects of the informal economy provided for the needs of households and contributed to the economic empowerment of the clans. This underground economy developed in parallel with the part of the economy in which significant numbers of Moro families worked – namely, in the local civil service, or in schools and health centres, or as small business owners and micro-entrepreneurs paying municipal licenses and business taxes.

Political and geographical reasons underlay the flourishing underground economy from the period of independence until the end of the century (1946–96). The informal economy was intertwined with the dynamics of the clan, built around kinship networks headed by ‘local strong men’. These clans were linked to national political elites who helped ensure that Muslim Mindanao could evade the fiscal and other economic controls of the central state. Recurrent armed conflict eventually led to enduring economic resistance. Enduring insurgency from 1969 to the 2000s stalled tax collection in the Muslim-dominated and conflict-affected areas of the region. Instead, payments were diverted to actors in the conflict (warlords) in the same manner portrayed for other conflict areas (Di John 2007a,b).
At the same time, the porous borders of Mindanao and its lengthy coastline favoured local entrepreneurs in bringing in illegal goods from different parts of Malaysia and Indonesia. Clans functioned as suppliers of different products smuggled into the country from Sabah (Malaysia), Indonesia and Taiwan. The expansion of the narcotics trade was aided by transit routes crossing the South-East Asian region. Regional criminal syndicates facilitated the efficient flow of drugs, earning local clans and rulers millions of dollars in a short period of time. The drug trade spread rapidly, and several municipalities in the region are now notorious as sites of production facilities for shabu (methamphetamine) and ecstasy (methylene dioxymethamphetamine), with both items earning substantial amounts of protection money for local and regional security forces.

Indeed, the ‘real economy’ (MacGaffey 1991, 10), encompassing all components of economic activity – that is, all monetized and non-monetized, official and unofficial, recorded and unrecorded transactions – enabled clans in Mindanao to thrive under conditions of violence. Separatist conflict bolstered local livelihoods and businesses because of the absence of taxation. This conflict also enabled clans to expand the scope of their connections to other illegal, conflict-related businesses within and beyond Mindanao. Clans provided members skilled in inflicting violence for crucial services, adept at circumventing local and national rules and regulations, and capable of providing muscle and weapons for turf wars with other clans, or at the extreme, an entire mercenary army for the MNLF and MILF rebels.

Hence, in Mindanao conflict and violence were interwoven with socio-economic pathways of economic empowerment rooted in the territorially and socially bounded dynamics of clans. Decentralization and devolution in local governance further strengthened clan institutions, recharged their economic resources and provoked rapid specialization. Almost all families and clans were engaged in the less-pernicious aspects of the illegal economy; for example, smuggling goods from Malaysia, Thailand, Hong Kong and China, or the sale of pirated CDs/DVDs, the unregistered sale and transfer of land rights, and the illegal slaughter and sale of livestock and fisheries products. A few were more specialized, and engaged in the deadly aspects of Mindanao’s illegal economy, including drugs, illegal weapons, kidnap for ransom and the hiring out of skilled assassins.

This history of integration of regional and local political economies in the nation-state and the national and international economy emphasizes the emergent control of local leaders, or strong men, over local income-generating activities, including those embedded in the underground economy. Most of these mercantile activities are linked through the clans to agrarian productive activities; for example, in the rice production areas or in new agribusiness schemes. In the next section, we elaborate on the politics of land, and present an example of induced agrarian modernization that partially succeeded in accommodating the brokerage role of local leaders in the process of economic and organizational integration.

LAND POLITICS: ENCLOSURES, (RE)DISTRIBUTION, DISPOSSESSION AND RECONCENTRATION

The social history under consideration emphasizes the importance of land (and social relations of land property) as a key asset in the process of economic integration and agricultural modernization in Southern Mindanao. Who owns what? Who does what? Who gets what? What do they do with the created surplus wealth? These are fundamental questions in agrarian political economy (Bernstein 2010). Answers to these questions point to the increasing marginalization of Muslim footholds on the agrarian economy and politics of Mindanao, and thus helps explain the intensification of intercommunal violence. It is this marginalization,
The landscape of Mindanao changed drastically with the influx of Christian settlers from other islands and the arrival of American and Philippine corporations, building up large plantations and ranches or expanding into logging and mining. These developments were encouraged by the national government and resulted in a parallel system of enclave plantations and zones of timber exploration and encroachment of small-scale farming on vacant land and into the area controlled by leaders of Muslim communities and sultanates, resulting (at times) in the dispossession of the latter. Combined with the entry of large, centrally managed plantations and corporations, facilitated by the government corporate arm, the National Development Corporation (NDC), it is the encroachment of Christian settlers into Muslim domains that fanned the flames of violent conflict into the conflagration witnessed since the 1970s – or so we shall argue.

The Influx of Christian Settlers from Other Islands

An important facet of the American land-use policy was the introduction of a homestead system under colonial administration (Spencer 1952). This system allowed Philippine citizens to apply for lots of 24 hectares, on condition that they were prepared to establish, cultivate and maintain farms in frontier areas (a comparison with the quasi-colonial occupation of Liberia under an American-inspired settler constitution is worth noting; cf. Munive 2011, this issue). At the turn of the century there were hardly any Christian Filipinos in Mindanao, except in a narrow strip along the north-west coast. The American government, however, encouraged the migration of farmers and farm workers from the densely populated regions in the northern Philippines to exploit frontiers in Mindanao – and as part of the colonial process to extend the territorial claims and sovereign authority of the state. The land laws were designed to guarantee ownership of new land and were thus supposed to stimulate landless families to set out for the frontier and claim their portion (Paderanga 1995). As part of this general policy, the colonial government tried to form agricultural colonies in the heartland of the Maguindanao datudoms. Poor people from Luzon and the Visayas were encouraged to conquer the Mindanao land frontier; most of the settlers were Christians (Rodil 1994). In some instances, settlers were allotted 16 hectares each, while native Maguindanaoans were given only eight. During the years of the Commonwealth in the Philippines (1935–46), the colonization of the frontier areas gained speed. On the eve of the Second World War, a communist-inspired rebellion asking for land reform started to gain ground in many parts of Central Luzon; it would become an important armed rebellion after the international conflict ended (Kerkvliet 1977). The main strategy of the central government in dealing with the rebels’ demand for land was to promise them and their mass base land in Mindanao. These rebels comprised many of the subsequent migrants to Mindanao from Luzon (Abinales 2000). The Philippine government carried on promoting this migration, even after the initial rebel groups were settled, and Mindanao became the proverbial land of promise for many small settlers from the Visayas and Luzon (Paderanga 1995).

The impact of such settlement programmes on the pre-existing agrarian structure and institutional make-up of Mindanao was far-reaching. Western-style private landownership, enabled by central state legal instruments, became the underlying concept of land distribution, contradicting established notions of landownership in the Muslim areas (Tan 1995). While the American legislation carefully arranged the ownership of new land, the administration did much less to facilitate the formal ownership of land by those whose usage was established
before the arrival of the colonial authorities. In its attempt to rationalize landownership, the colonial administration wanted land to be registered; a plot had to be surveyed and its ownership had to be proven in court. All unclaimed land was considered to be public land – owned by the central state – which was opened to Christian settlers and agribusiness, mining and logging interests. The nature of landownership in Maguindanao society (based on communal tenure by clan or family) was incompatible with a system where land title was recorded on an individual basis (Mastura 1988). One result of the land rush was that the datu lost the power to exercise their customary right of disposing land.

As Christian settlement gained a foothold economically and politically, the political power of Muslim leaders was increasingly challenged by Christian politicians, partly as a result of the electoral politics institutionalized by the Americans, which allowed competing elites to extend and consolidate their leadership (de Jesus 1982). In the early years of the settlement programmes, Maguindanao politicians were mainly concerned with maintaining good relations with Christian voters, ignoring the changing conditions in Mindanao (Beckett 1994, 294). Muslim leaders remained distinguished political figures. However, as the plantation economy expanded and the number of Christian settlers swelled, the political landscape changed, resulting in political tensions and conflicts between and among the ranks of Christian and Muslim politicians, alongside the processes that were rapidly turning Muslims in Mindanao into a minority on their own turf. The demographic shift coincided with large-scale displacement and dispossession of Muslim communities that were not absorbed on any significant scale by logging, mining or plantation enterprises, all of which typically favoured employing Christian settler-workers (Tigno 2006). The elections in 1971 made clear that the social fabric had changed definitively, especially in areas where rivalry between Muslim and Christian politicians was intense (Rodil 1994). Christian politicians had become increasingly powerful; ‘...while migration tended to fragment family grouping, ethno-linguistic affiliation and town of origin in the long term provided an alternative framework for mobilization’ (Beckett 1994, 304). For example, in 1973, the Marcos government aligned with powerful families to redefine the boundaries of provinces in such a way that Maguindanao became a majority Muslim province, while others became predominantly Christian (Gutierrez 1994, 110). These factors turned out to be the main reasons for conflict between Muslim farmers and landowners and Christian settlers (Fianza 1994).

Hence, by the 1960s, two dynamics of agrarian social marginalization dynamics coexisted in Mindanao: on the one hand, there were the Christian in-migrants who had rushed to settle, even though official promises of making vibrant small-scale farming communities failed to materialize, partly because of the lack of necessary support infrastructure in the colonization process, resulting in their economic marginalization (Lichauco 1956). These settlers would henceforth relentlessly encroach on to Muslim and Lumad territories, either informally and spontaneously, or in a more organized way as workers in emerging plantation enclaves. On the other hand, there was the dispossession of Muslims in their homeland, and their conversion into a minority. These two processes would contribute to spark the armed conflict of the 1970s.

Agribusiness Expansion

Mindanao has, from the American period, been a highly favoured region for commercial plantation ventures. There are at least two reasons for this: favourable agro-ecological conditions and a vast land frontier. As for the former, the plains and valleys are fertile and nearly typhoon-free zones. The latter factor followed from the assumption of the American colonial
government and its allied businesses that all lands without Western-style private land titles were public lands. Corporate interests (transnational and domestic) as well as domestic landed elites were thus able to acquire vast tracts of land through negotiation with the central state. This remains the case until today. The current drivers of contemporary global land acquisition – including demand for biofuels and rising food prices – have targeted presumed or actual public lands worldwide. In the Philippines, Mindanao has become a centre of attraction for international land grabbers, because the island is seen to have huge reserves of ‘public land’. Most recently, for example, the Filipino corporate giant San Miguel, in a joint venture with the Malaysian Kuok company, was allocated a million hectares to be developed for (cassava) ethanol production and oil palm plantations. The history of Mindanao is indeed a long history of enclosure – involving the land of Muslim, Christian and indigenous peoples. In this section, we will briefly look at this history, locating key moments and points where violent conflict has been predicated upon and shaped and reshaped by a series of enclosures, (re)distributions, disposessions and reconcentrations.

As a result of the opening up of Mindanao during the American colonial occupation (1898–1946), American business interests with resources to develop the potential of the area entered (Ofreneo 1980; Tan 1995). In 1919 and 1929, B.F. Goodrich and Goodyear Tire and Rubber Company ventured into rubber plantations (again the resonance with Liberian history should be noted). The Philippine Packing Corporation, a subsidiary of the American firm California Packing Corporation later to become Del Monte, began production in Northern Mindanao in response to pest problems in Hawaii in 1926. The company initiated lease contracts with the government and with homesteaders who had claimed land. Later, in 1938, the company subleased 9,000 hectares from the government-owned National Development Corporation (NDC) (Putzel 1992).

The colonial administration passed several new laws regulating both the possession and ownership of private land, and the disposition of public land. American regulation of land use fixed limits for agricultural land at 16 hectares for individuals and 1,024 hectares for corporations (Hayami et al. 1990). The colonial administration allowed US cattle ranchers to exceed land limitations and facilitated the expansion of the Philippine Packing Corporation in Bukidnon by establishing agricultural colonies that dispensed with the need to amend land laws. This bending of the rules would persist. Many of the politically dominant Christian families in Mindanao today are settlers who built big agribusiness or logging conglomerates on the island. Some of them took over where the Americans left off.

Although the legal and constitutional restrictions on purchase and lease of large tracts of land introduced during the American and the Commonwealth periods also prevailed after independence in 1946, this did not prevent the development of two large-scale pineapple plantations in Mindanao (Ofreneo 1987, 1980). Despite increasing land pressure and rising political tensions, the NDC facilitated the development of large-scale pineapple and banana plantations in Southern Mindanao in the 1960s, by arranging a sublease contract for 9,000 hectares of land for Dole (AFRIM 1989). Dole was also able to expand its pineapple operation through farm management contracts with neighbouring landowners, and in 1990 this type of contract covered about 25 per cent of the total area planted (Vellema 2002).

4 The Philippine Bill of 1902.
5 In the 1980s and 1990s, the NDC continued its role in opening up land in Muslim areas for plantation crops, particularly oil palm. Malaysian and Philippine corporations modelled their production after the Nucleus Estate and Smallholder Outgrowers Scheme (NÉS) popular in Malaysia, Indonesia and Papua New Guinea (Dy and Medina 1995).
Land Politics and Peace Processes

The land concentration trends described above show how influx of Christian settlers and expansion of agribusiness put more pressure on the control over land by Muslim leaders and communities. The datu wrested a verbal assurance that existing land rights were to be respected, but no definite arrangements were made, nor did the government determine how much land had to be reserved for inhabitants of the valley (Pelzer 1948). Until 1960, demographic changes could still be absorbed by the distribution of public land, albeit Maguindanao peasants had to live with the encroachment of Christian settlers. American land policies undermined the jurisdiction over land of the Muslim leaders. Furthermore, hardly any vacant land was available for accelerated influx of largely spontaneous or voluntary migrants into Mindanao in the 1960s, thus exacerbating tensions between Muslim and Christian peasants (Rodil 1994; Paderanga 1995).

As discussed above, Mindanao used to be predominantly populated by Muslims engaged in a relatively developed agrarian economy, although under the control of Muslim landed elites, who also controlled political offices. The capitalist penetration of the Mindanao countryside through the combination of agribusiness plantation expansion, timber exploration and cattle ranching, as well as the small- to medium-scale farming facilitated by land resettlement programmes, plus introduction of Western-style individualized private property rights, have to varying extents pushed the Muslim population away from their homelands and eroded the control of local elites over land and labour. This would partly explain the contemporary social situation in Mindanao; where side by side with landless poor rural Muslims, we also find a majority of landless plantation and logging workers, and numbers of Christian small-scale farmers. These differences underpin the class- and ethnicity-based divides in Mindanao agrarian society, and are an important, albeit glossed over, dimension of the violent conflict that erupted in the 1970s, and that continues into the present. These are also cleavages that expose the limits and flaws of subsequent central state land policies, such as the 1988 land reform law, and the inherent problems now faced by internationally brokered peace-building efforts.6

The social transformation in Mindanao shaped by state-sponsored land and development policies created a mass of landless poor who were desperate to have land in order to settle and farm. Whether Christian settlers who failed to secure land (or who were not absorbed by the rural labour market) or Lumads and Muslims dislocated from their original communities, squatters began to occupy what they thought was public land and carried out subsistence farming. Many of them have entered the forests logged by big companies, to engage in slash-and-burn farming. These are emergent properties of the system. In fact, many of the early settlement initiatives did not immediately cause massive dislocation of Lumads and Muslims communities (Quitoriano 1999; Abinales 2000). The more general impact of isolation and dislocation of indigenous communities emerged later, when incomers, especially the corporate settlers, were able formally to secure and consolidate their ownership and control over acquired landholdings.

6 The social transformation of Mindanao described in this paper points to the importance of getting a better understanding of how people generate income through work, how recruitment of labour is organized, and whether the social transformation leads to new coalitions between Muslim and non-Muslim workers in agriculture. Philippine agrarian studies have a bias towards peasants, land reform and land rights, and therefore tend to neglect the role of agrarian workers outside plantations (also observed in a study on rice farming by Ledesma 1982). Poverty in rural areas induced migration of overseas workers from Mindanao, considered as a household strategy to increase flows of income (see Semyonov and Gorodzeisky 2004) and actively encouraged by the Philippine government. Islamic nations are an important destination for overseas workers from Mindanao. This dimension is not covered by the analysis in this paper.
While many of the poor people in Luzon and the Visayas, declared the official beneficiaries of the settlement programmes, failed to secure homestead land parcels due to lack of state support for infrastructure construction, many other groups have taken advantage of the legal framework established by the state. Thus people from the middle classes, including bureaucrats, from Mindanao and elsewhere, including some Muslims, have been able to secure full ownership of tracts of land, or exercise effective control over such parcels. While some farmed the land themselves, others recruited poor people to work it under various forms of tenancy or labour arrangements. Still others have simply secured formal and informal claims over tracts of land for speculative purposes.

The history of land thus presented is linked to the persistence of poverty and inequality. And it links land to territorial status. Hence, intervening in landownership implies reshaping social relations. The progressive 1988 land reform law in the Philippines had the potential to deliver social justice to one group of landless people – for example, the Christian workers on plantations – while it deprived others; for example, landless Muslims, who were forced to abandon claims when protectors and employers lost or sold land. The CARP (Comprehensive Agrarian Reform Program) law thus has inherent theoretical and empirical limitations in the context of the Muslim- and Lumad-populated areas of Mindanao. Perhaps the most important of these limitations is that the historical complexities of the land question are not well understood. A key example of this lack of understanding is the fact that potential beneficiaries of land redistribution under CARP are arranged by priority. Those with top priority are the ones who are actually working the land at the time of the CARP process, even though there are communities with prior ancestral domain claims, whether or not they are actually occupying or working these landholdings. These communities were not entitled to reclaim their lands, and their much earlier dispossession was thus formalized and institutionalized by the act of redistributing their lands to other poor social classes, including Christian farm workers. And because Muslims and Lumads are often not among the main plantation worker groups, they tend not to be beneficiaries in the land reform process in the plantation enclaves in Mindanao; the beneficiaries are usually Christian settler-workers (Borras 2002). This is an institutional weakness that cannot be addressed simply by the devolution of CARP implementation from the central DAR to the Autonomous Region of Muslim Mindanao (ARMM) since it ignores older, colonial, contexts of dispossession. Meanwhile, by 2007, CARP’s land redistribution accomplishment in the ARMM was only 55 per cent, which was quite low compared to other regions. Nearly half of the reported accomplishment in the ARMM is in government-owned land, but such land represents only 30 per cent of the ARMM’s official scope. Furthermore, reported accomplishments in regard to private lands are cast into serious doubt because of reported massive fraud in land reform transactions, whereby the government has been made to pay for fictitious lands transacted under the voluntary-offer-to-sell (VOS) scheme, a local version of the World Bank’s market-assisted land reform policy (Borras 2002).

Official records and statistics with regard to land ownership and land reform are especially problematic in the southern Philippines. First, vast lands remain in the grey area of ‘public lands’ in formal records (meaning no private claims and no productive activities; these are supposed to be empty lands, often classified as forests), despite the fact that these are, in fact, highly productive agricultural lands, which are densely populated and under the effective control of private landed elites (Borras 2006). The Indigenous Peoples’ Rights Act (IPRA) may hold out more promise for the future, but this programme needs to be carefully and vigorously implemented. IPRA is often seen as a progressive state measure to recognize the rights of indigenous peoples over ancestral lands. But the challenges to its constitutionality are not over, and there appears to be foot-dragging on the part of weak state institutions in enforcing its
provisions on ancestral domain claims. Second, the peace negotiations between the Government of the Republic of the Philippines (GRP) and the MILF may become a forum in which some of the inherent limitations of CARP and foot-dragging on IPRA implementation can be hammered out so that better instruments are developed. But this depends on both sides taking decisive steps on the issue. The government’s negotiating panel will be subject to pressure from the various vested interests across Mindanao who want the status quo to be maintained, and whose political clout is strengthening as a result of the whipping up of anti-Muslim sentiment among the settlers. More than ever, central government leadership is needed to make the peace negotiations a venue for a just political settlement. On the part of the Muslim leadership, particularly the MILF, it should be noted that neither this organization, nor the MNLF, has so far specified a clear programme of action to break down the concentration of wealth and ownership of resources (Gutierrez and Borras 2004). The land issue was never an item on the agenda of the MNLF’s negotiations with government. Agrarian reform and ancestral domain claims are on the MILF agenda, but it yet remains unclear how the MILF leadership will approach these issues (see Salamat 2001). Looking into the historical agrarian political economy of the conflict, it seems unlikely, we suggest, that redistributive reforms addressing both the ethnic and class divides in Muslim agrarian society will be attempted at all, in any of these peace processes.

AGRICULTURAL MODERNIZATION AND AGRARIAN REFORM

The history of Mindanao indicates that control over land, labour and territory is a central feature of the conflict in Mindanao. Resolving this may require alliances between reformist state actors and production-oriented local leaders and organizations. The discussion below relates our discussion on land to a specific process of agrarian modernization in Southern Mindanao, induced by developmental state agencies in coalition with businesses and foreign donors. This brief analysis suggests that a different state–society relation, manifested in a specific regional business system, may be capable of showing routes towards less violence. For the purpose of this paper, we shift attention from the politics of the negotiating table and military interventions to interventions and social settlements reshaping the pace of agrarian modernizations in a specific region in Mindanao, South Cotabato, during the period of President Ramos, a former military man. Although conflict may continue, its nature and therefore its solutions and prevention may be quite different and dependent on the involvement of government and private actors in agricultural modernization.

After the Marcos’ dictatorship (1972–86) and the turbulent years of President Aquino’s administration (1986–92), the Ramos administration (1992–98) insisted on building a monument to economic modernization, and Southern Mindanao became a special case for this purpose (McKenna 1998). In Mindanao, the Ramos government set in motion a process of agrarian reform, agro-industrialization, global competitiveness and peace.7 President Estrada, who succeeded Ramos in 1998, interrupted this process again with a quasi-populist campaign mobilizing discontent with the existing political order, offering little practical alternative and setting off the process of violence and displacement again. President Gloria Macapagal-Arroyo, in office from 2001 up to 2010, restarted exploratory peace talks and negotiations about regional autonomy and rights

7 Since the American colonial era (1898–1946), modernization has been suffused with non-economic values and cultural meaning that surrounded both the integration of Mindanao’s Muslim society into the national and international economy as well as the settlement of landless tenants and farm workers in Mindanao’s frontier (see Bernal 1997).
over ancestral domains between the Philippine government and mainly the MILF. However, both Estrada and Macapagal-Arroyo ordered what have become the biggest military offensives against the Muslim rebels since the 1970s.

After President Ramos took office in 1992, government officials and foreign donor agencies actively promoted investments in technical infrastructure and business development in Southern Mindanao. In the early 1990s, USAID was the main financier of a major regional development programme: USAID contributed US$108 million, Japan US$22 million and the World Bank US$23 million, while the Philippine government contributed substantially to the road construction (McAndrew 1993; Tiglao 1994). Central notions in the various development efforts in this province were infrastructure development, the strengthening of growth clusters, involvement of the private sector, diversification of export-oriented production and labour-intensive agro-industrialization (Llorito 1995a–c).

Parallel to this, various agrarian reform advocates captured new policy space after the EDSA revolution in 1986 and placed the actual contribution of large-scale export agriculture and concentrated land ownership to national industrialization and regional growth on the political agenda. The views of these agrarian advocates, most clearly formulated in Hayami et al. (1990), formed the basis of several development plans for South Cotabato in particular, which were later extended to overall development plans for Mindanao. Ingredients of this agenda aimed to address the dominance of large-scale plantations, the role of Mindanao as a mere supplier of raw materials and the continuing violent conflict. The authors stated that stagnation in small-scale agriculture and concentration of land hindered a solution to low employment rates and high poverty rates in Mindanao.

Additionally, successive Secretaries of Agriculture were engaged in mobilizing support and resources for Southern Mindanao, partly in response to Mindanao’s exclusion from the subsidies, economic support and patronage enjoyed by businesses in the northern Philippines during the Marcos administration (Llorito 1994; APRAAP 1995). All these Secretaries of Agriculture had long-standing experience, and were professionally involved in agribusiness. They did not favour redistributive land reform and steered funds to infrastructure development and agro-industrialization. However, given the realities of land ownership in Southern Mindanao, with an end to the land frontier and a variety of forms of land ownership, agribusiness corporations began to explore entering into complex social relations with existing landowners. This was accompanied by a kind of political compromise among regional political cliques and corporate interests to get a hold of new development initiatives, and its outlook can be characterized as building the economy rather than a political constituency.

Agricultural Modernization in Southern Mindanao in the 1990s

Although the tendency towards export-oriented development of small and medium farms has been reflected in government policy since the Marcos era, the real integration of farm businesses and agribusiness corporations in Southern Mindanao did not begin until the late 1980s, when a start was made to implement the land reform programme CARP. The management of large agricultural multinational companies, such as Dole and Del Monte, anxiously awaited the outcome of the agrarian reform process. These corporations complied with CARP by redistributing ownership of the land to co-operatives formed by their employees. The workers’ co-operatives then engaged in a leaseback arrangement whereby the employees themselves would earn the rental income from the land that they now formally owned. Dole and Del Monte agreed to such a leaseback arrangement and the settlement was effectuated rather rapidly. In fact, the pineapple plantations were among the first areas covered by CARP.
Simultaneously, companies pursued expansion by leasing land from private owners or by offering contracts to farmers.

Southern Mindanao became the centre for new projects in agribusiness development, especially after the US government decided to make the province its chief target for development assistance (Dy 1990). USAID was reluctant to become involved in the CARP programme, because it did not believe that such a distributive programme could make a positive economic contribution (USAID 1999). This position was important for agricultural policy in the Philippines, because, due to the constrained financial resources of the Philippine government, the actual implementation of agrarian reform decisively depended on foreign assistance. The launching of a large US-funded development programme in South Cotabato represented an alternative development pathway in agrarian reform and reflected trust in agribusiness corporations as leading agencies in economic development. The aim seemed to be to maintain productivity in agriculture while sustaining normal business operations (de Lange 1997). South Cotabato appeared to be the right breeding ground for inducing changes in the agrarian structure. In this province, an alliance between corporate business leaders, government officials and technocrats paved the way for attracting large sums of development assistance, and for stimulating foreign investments complementary to the development of domestic agribusiness (see Brewer 1980).

These developments were paralleled by a change in the collection and control of taxes and public funds, which was increasingly allocated to local offices. Due to the long conflict, the extreme poverty and the collapse of Muslim Mindanao’s basic services, government welfare agencies and foreign development groups started to prioritize Mindanao as a recipient of massive amounts of aid, especially following devolution and the approval of the 1991 Local Government Code (LGC), the creation of the Autonomous Region of Muslim Mindanao (ARMM) and the successful GRP–MNLF peace agreement in 1996. Local government funds and resources, including those passing through the regional autonomous government, became more robust in the conflict areas, government consumption expenditures grew, and government to government transfers in the form of internal revenue allotments became an important source of funding. This led to the creation of new municipalities and cities in Muslim Mindanao, and new provinces gerrymandered from different regions.

With the increase in funds under the control of the sub-national and local state in Mindanao, the capture of local state power became more attractive for the *datsu* elites. Beyond using local political office as an avenue to extract payments from illegal businesses in the region, the influx of funds into the region trained the spotlight on another source of power – access to the significant amounts in internal revenue allotments (IRA) that went with the LGC. Political office enabled the clans to access the networks, links and resources that could expand the capital and scope of their underground businesses and illegal operations. Political power could also buttress the protection of their enterprises and enable them to extort taxes from competitors and other entrants to the underground economy.

*Agricultural Modernization in Muslim Communities*

This agrarian reform process in Southern Mindanao materialized in localized endeavours; for example, linking farmers to agribusiness, specifically through contractual arrangements. In the case study of contractual production of asparagus for Dole used here (Vellema 2002, 2005), this involved a selection of Muslim communities wherein *datsu* and fighters, some with a history as combatants in the war against Russia in Afghanistan, opted to explore the terms of inclusion and modernization. During the turbulent 1970s, when the violent conflict between Muslim
secessionist movements and the Philippine government was at its height, the leading Muslim families in this area commanded armed groups defending their villages against the actions of a Christian militia, called *Ilaga*, of mainly Ilonggo migrants.

A peculiar and stable feature of the Muslim communities involved in this agribusiness-led contract farming scheme was the role of the political leaders, the *datu*, both as growers controlling labourers and as spokespersons for their constituencies. In most Muslim communities, control of labour power was more important than land, and the building of a following required more than simply the provision of land (Scott 1972, 16). The control over a relatively large labour force was a key asset of the *datu* and their behaviour largely determined the way in which labour was made available to agriculture, which is also related to the techniques of production and the nature of the crops or commodities (Paige 1975; Friedland 1984). Asparagus production in the tropics is highly labour-intensive, with little mechanization of cultivation practices and manual harvesting and weeding. One of the leading Muslim families managed an asparagus farm of 24 hectares, and employed more than 70 workers. Most farm work was done by hired labour, and the asparagus scheme attracted many workers from outside the province, partially through existing networks among Muslim leaders and people driven away by violent conflicts. In a new form, the contract farming scheme accommodated continuation of the pre-existing control over groups of labourers by *datu*, which shaped the institutionalization of employment relations. Hence, it is important to analyse labour beyond the point of production and to include the complex web of institutions that supports the process of capital accumulation, including political and cultural institutions as well as economic ones (as proposed in the literature on social structures of accumulation – see Kotz et al. 1994; Pegler et al. 2011).

Furthermore, labour came from other areas in Muslim Mindanao, where local leaders still exercised control over landless workers, but where employment and reasonably paid work were less available. These practices of ‘bonded’ labour persisted through the recruitment processes employed by contracted landowners and in the ways in which labour is priced (cf. Mezzadri’s 2008 analysis of the Delhi garment industry). When looking at this contract farming scheme, there is an interplay of firm and commercial logic, inducing agrarian modernization, with social and demographic dynamics in labour control and recruitment (cf. Barrientos 2008).

Accommodation of local histories and politics through concrete productive practices is one of the important features of the case study presented here. Most Muslim leaders combined a vision of modernization and entrepreneurship with a positive attitude towards brokering business investments in their communities, even by foreign corporations (Vellema 2002; cf. Wertheim 1978). Their collaboration created the foundation for the integration of a variety of farmers within the constituency of the *datu* into a corporate venture. In the organizational set-up of the production scheme, the company was unable to disregard these brokers. Although individual growers were contracted, these local leaders negotiated on behalf of the communities within their constituency. Muslim leaders explicitly nurtured ideas of justice and social equality; their sense of propriety was that people in their constituency, both growers and workers, were entitled to livelihood and dignity, which reflects the continued paternalism in local Muslim communities (Vellema 2002; cf. Hollnsteiner 1973; cf. Kerkvliet 1986).

*Datu* bargained on behalf of the group with the world outside the community, which involves compromising and constructing social settlements (Richards 2005). Mostly, these brokers relied upon kinship networks (McCoy 1994). In such processes of economic integration much depends on a broker’s intelligence, organizing capacity and ability to command his following. Gutierrez and Danguilan-Vitug (1997) suggest that in Muslim communities, a transition from local bosses to managers of development altered the position of the *datu*. 

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Brokers were aware of the creation of new social relations, and they continuously deliberated where to draw the line between community interests and corporate interests. The reason for presenting this case study is to emphasize the vital role of local landed elites in brokering processes of economic and political integration. The expansion of the contract farming scheme took place in a period wherein a mixed coalition incrementally formed a regional developmental state, which was partly a response to the continued security threat in the region. The process of modernization induced in South Cotabato was able to articulate modern logics with modes of accumulation of Muslim elites and the social profile and entitlement (or lack thereof) of Muslim workers embedded in Muslim communities within the proximity of the contract farming scheme and in communities remote from the actual modernization process. Of course, the larger agribusiness firm involved also featured in the process of arranging access to land, but the more recent situation, with a limit to available land and a regulatory and policy framework encouraging compromises with actors outside the firm, may create a different setting for peace-building as the processes of brokerage and negotiation in the context of production-based alignment may transform existing identities and overcome at least aspects of the underlying tensions. However, the regional developmental state that played an important facilitating role in this process largely disappeared as a result of political processes at national level.

CONCLUDING DISCUSSION: ACCUMULATION, LABOUR, CONTROL AND VIOLENCE

Through the narrative of agrarian change in Mindanao offered above, we have tried to shift attention to a range of visible and more hidden processes that may explain the persistence of violence on the island of Mindanao, and may also help identify possibilities for interventions to reduce violence. To date, the state-making process remains very uneven in the southern Philippines, and involves pockets of what Jonathan Fox (1994) has called ‘local authoritarian enclaves’ with deep roots in the region’s agrarian political economy. Existing modes of accumulation within these enclaves, based on a combination of trade, control over labour and smaller territorial units forming the constituency of local Muslim leaders (datu), have been obstructed by patterns of primitive accumulation in the island’s larger economy, induced during periods of state-making, involving influxes of settlers and agribusiness expansion. The related growing pressure on land was responsible for growing landlessness in Muslim communities, and in many Muslim areas in Mindanao datu found themselves unable any longer to offer employment and income opportunities to members of their constituency. Mindanao thus has a high level of poverty, most especially among landless workers.

We have hypothesized here that the observed tensions between modes of accumulation embedded in the institutions and social structures of labour control within bounded territories and a more general primitive accumulation centred on control over land makes for ongoing violence as a defence of Muslim communities and polities, and as an aspect of the fight of deprived people for access to basic productive resources. Demographic changes, strengthening of the state and increased production for market all affected existing forms of reciprocity and patronage in Muslim Mindanao. In our analysis, we have emphasized the declining capacity of datu to provide a sense of security and to deliver localized and selective incentives to members of their constituency, as one of the plausible explanations underpinning the continued violence. We have also pointed to the emergence of an underground economy offering these strong men, or their successors, a higher level of autonomy in an increasingly cramped political landscape. Here, we can benefit from critical reading by Hawes (1990) of the work of Scott.
(1976) and Paige (1975), to propose that in the case of Muslim Mindanao the violent conflict originates in a combination of struggles by political leaders within a territorially bounded social structure to retain control and autonomy in the way in which relationships with external agents are brokered, and a (weak) local landed elite competing with other economically and politically powerful actors over land-based accumulation strategies.

This helps to explain the initial cleavages. Continued polarization in Mindanao may then be partially explained by taking into account micro-level accumulation strategies, predominantly based on generating incomes from land, and from the emergence of an underground economy giving space to groups engaged in violent, income-earning activities beyond the law. This sustains a situation of bossism, wherein strong men combine with impoverished landless workers to commit violent acts. Disconnection from other (remote) societal processes, and the internal rapid erosion of earlier relationships based on peaceful co-operation, intensifies this kind of isolation. In the postwar period, a disciplined military and police force might have been able to deal with the political, geographical and demographic features of the social transformation of Mindanao here described. Instead, the period saw the rise of ethno-political and paramilitary groups that only intensified community-based conflict over land and control over illegal businesses. The conditions were exacerbated by the overly centralized fiscal policies and the politicized nature of the martial law bureaucracy of the Marcos era, which blocked effective control over Mindanao. This state of affairs continues today, manifested in the inability of Philippine Navy ships to interdict smuggling and other cross-border illegal businesses in the South. The porous borders of the South continue to provide the conditions for extremist activities and persistent piracy in the South China Sea.

The case study of modernization and contract farming suggests that continuous conflict anchored in struggles over land is not a necessary outcome. Using Paige (1975), we can hypothesize that accumulation largely based on income from land, and the consequent conflicts over this scare resource, is a factor in ongoing conflict between land-based elites. But the power of datu was also based on their capacity to control groups of (potential) workers within their constituency, and this control possibly makes a better match for accumulation strategies of companies specializing in processing and marketing activities, where there is more flexibility to accommodate existing social patterns, and to broker compromises with local communities, as explored in the case described.

This also focuses the discussion on the roots of violent conflict in Mindanao on the relationship between collaboration and control, addressed in work by Kalyvas (2006) that tries to relate manifestations of violence to processes linking core cleavages and peripheral actors. In Kalyvas’ argument, alliances, providing information through the cleavage between periphery and centre, are overlooked as interactive processes linking local expressions of violence or settlement with macro-level processes of peace negotiation. This paper emphasized the dynamics within the social and territorial boundaries of clans and arising from local rivalries in the periphery. Uncertainty in links between these realities in the periphery and peace processes in the centre then explains the persistence of violent conflict from a local desire to maintain control over micro-territories or groups with a certain level of internal cohesion.

Our interest in agricultural modernization relates to debate on what pressures lead to building a developmental state. Our discussion on agricultural modernization provides an example of a regionally focused and temporary process wherein the national government aligned with regional coalitions and businesses in order to encourage economic activity in Southern Mindanao. This building of institutional capacity can be seen as a response to a clear security threat in a region lacking financial resources, but with a history of coalition-building and brokerage. The comparison of Asian states by Doner et al. (2005) explains the absence of
a developmental state in the Philippines as a product of the fact that the state failed to confront the ruling land-based elites, whose interests are visible in the ongoing conflicts on land reform, and thereby never acquired the necessary autonomy to act independently in the interests of development. It is thus remarkable that violent conflict in Mindanao induced a process of regional developmental state formation that began to explore new political coalitions and conditions for economic integration of the territorially bounded political units controlled by datus and their clans. This may have provided an alternative to the emerging underground economy, in all its variety, but the return to power of land-based elites in other parts of the country halted this embryonic process.

The ongoing peace negotiations in the Philippines are located at the level of politicians closely linked to landed elites, and the current situation does not bode well for reinvigorated peace-building. In the last two local elections, openly anti-Moro politicians have won seats at the expense of those who favour a comprehensive political settlement. Big landholding families have consolidated their control of various political jurisdictions and started to use increasingly anti-Muslim terminology. Even politicians known for progressive leanings have begun to use anti-Muslim rhetoric to consolidate their political backing. In contrast, local politicians known to favour a more comprehensive settlement with the Muslim secessionist movement have lost local support from an increasingly anti-Muslim electorate.

Currently, recurring polarization in Mindanao is consistently framed in religious terms, rendering work on real alternatives for the agrarian questions at hand more difficult. Even local Catholic churches, particularly in settler areas, have become more virulently anti-Muslim. Although a number of church leaders are prominently involved in grassroots and national peace-building activity, these leaders belong mostly to the orders. Diocesan priests, who themselves are mostly children of settlers, have increasingly used anti-Muslim rhetoric. On the other side is the rise of Islamic fundamentalism. The leadership core of Abu Sayyaf made their debut with attacks on Christian targets and are now notorious for threatening and killing Christians.

In the current situation, it is not easy to start a peace process that is also able to address causes rooted in agrarian issues. Simplification of a conflict anchored in long-term social transformation, in combination with an external preference for short-term solutions, may worsen the situation and create the kind of chaos selective of lawlessness and terrorist group activity by so-called entrepreneurs in violence (Gutierrez and Borras 2004), thus undermining civic change and economic development. These entrepreneurs of violence are the men and women who commit wanton acts of coercion and terrorism, often under the rubric of ‘Islamic fundamentalism’ or ‘Moro national liberation’, but predatory upon the political and economic context of the southern Philippines conflict, as personified by the likes of Norberto Manero Jr (Kumander Bucay), a feared anti-communist and anti-Muslim crusader in Mindanao, infamous for his cannibalism, or Galib Andang (Kumander Robot), a streetwise Moro rebel called the ‘Bill Gates of the Philippine underworld’ by a lawmaker, on account of his entrepreneurial cunning and skill in kidnapping. Their emergence on the ground complicates any meaningful long-term peace settlement, even as they provide short-term solutions for the various forces prepared to utilize them.

Finally, this paper has located the ongoing conflict in Mindanao in a long history of processes of conflict-ridden, uneven state-making, and struggles over land, control over labour and agrarian modernization. The important role of micro-societies historically controlled by local Muslim leaders, datus, has been emphasized. The position of the datus and the forms of social organization in Muslim communities ran into conflict with the accumulation strategies of groups and interests from outside Mindanao that were reliant exclusively on generating income
from control over land. The paper suggests that there may be new forms of connectivity between these micro-societies and other actors and other-level processes, capable of accommodating multiple perspectives in processes of production, even the perspectives of the growing numbers of landless workers. The implications of this argument are consistent with the approach of De Waal (2009), who favours starting from an alignment with domestic forms of settlements, and an explicit acknowledgement of the crucial role of provincial elites competing for patrimony, legitimized by their real achievements on behalf of local constituencies.

A narrow perspective on the violent conflict in Mindanao in terms of religion, culture or ethnicity – which typifies the approach of many mainstream international development institutions, central government and some scholars – risks ignoring the class divisions and dynamics within and between Muslim and Christian societies, and at best, offers only very partial understanding of the roots and character of the contemporary violent conflict. At its worst, in providing a flawed analysis of why conflict persists, it undermines attempts to find lasting solutions. A conclusion from the above is that peace processes need to find ways to accommodate agrarian questions raised by processes of social transformation within micro-societies historically controlled by local Muslim leaders.

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