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The making of the Philippines as a Neoliberal Nation-State: Dissecting the global-local nexus and their implications for social change

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Abstract

The neoliberal globalization project of expanding and maintaining capitalism globally requires the shaping of neoliberal nation-states that will entrench its ideology, political structures, and practices. In that sense, the neoliberal nation-state provides an appropriate conceptual site for investigating the local-global nexus in the dynamics of global capitalism. Using the Philippines as an example, this paper investigates the various factors or dimensions in the making of the Philippines as a neoliberal nation-state from the colonial era to the supranational structures that exert external control on the Philippine political economy: the global power of transnational corporations, the IMF, American and Chinese imperialism, including the American military aid that supports militarization and counter-insurgency against movements that challenge the neoliberal agenda of the past and current regimes. In addition, this paper offers implications for policy changes and strategies for global resistance that anti-globalization movements can consider.

Keywords: The Philippines; neoliberal nation-state; globalization; social change

Since the term ‘globalization’ became popular among academics starting in the 1980s, the notion of an ‘increasingly globalizing world’, ‘truly interconnected world’ became buzzwords in many discussions. Some argue that the use of the term ‘core and periphery’ is no longer relevant because of this increasing interconnectedness of the world, seemingly to imply that in such interconnectedness inequality is absent. The terms that activists use to describe their concerns, such as ‘imperialism’, ‘neocolonialism’, ‘fascism’ that connote power, hierarchy, domination, and subordination in the world system became obscured.

The ‘global’ in neoliberal globalization is not something ephemeral, like objects floating in the sky without roots. The ‘global’ roots itself in local structures and

institutions, sometimes transforming them to achieve its goals. The transformation process, however, is fraught with contestations of power as domination asserts itself and movements from below rise. Therefore, in talking about or studying the 'global', centrality must be placed on the dialectical dynamics of power – locating various centers of power that are interlocking in many ways to create both dominance and liberation. While dominant power resist change, liberating power disrupts existing power arrangements. The goal of domination is exploitation, and exploitation is rationalized by ideology. The goal of liberation is to end exploitation, and it is as well guided by an ideology that includes a vision of what a liberated society would look like that enhances human dignity and democracy. Neoliberalism erodes democracy (Harris 2016; Harvey 2007), therefore the kind of democracy that I am referring to is that which will liberate the working class from the dictatorship and exploitation of capital, one akin to the Marxist thinking of democracy, where class inequality (due to people's position in the capitalist relations of production) is eliminated.¹

But what is the global project in neoliberal globalization? The 'global' project is the global expansion of capitalism. Analysis of how capitalism expands and gets rooted, destroys, and exploits who and what, where and how, how it stabilizes itself as it is challenged by the oppressed and the exploited must be central in studies of neoliberal globalization. The analytical frame must include the supranational and national structures, how they mesh to create the global project (Philipps 2018), how they suppress and repress challenges both in subtle and explicit ways. Feminist research can also inform this analytical frame, bringing in the experience of working-class women, poor women, women doing productive work and reproductive work, peasant women, migrant women, and indigenous women. Their experiences can provide insights into how neoliberalism is gendered, and how gendering sustains capitalism.²

The global in neoliberal globalization is localized or rooted in the neoliberal nation-state. Studying the neoliberal nation-state provides a conceptual site to examine how global capitalism and its instruments historically got and continually get locally rooted. In a similar line of thought, David Harvey (2007) argues that the 'neoliberal state' plays a contradictory role: While it is supposed to leave the market to play its own rules, it needs to play an active role in the deregulation of the market. Thus the interaction between the neoliberal state and the neoliberalization of the economy becomes an important area to study the dynamics of neoliberalism in its concrete manifestations. This paper will use the Philippines as a classic example of a neoliberal nation-state to study the particularization of the global-local nexus of the neoliberal project of globalization. It is important to study this global-local nexus because it can provide insights into how neoliberal ideologies/theories and practices interspersed, how neoliberal states transform to accommodate neoliberal externally-imposed policies. As well it can provide insights in forming solidarities of resistance that can usher in globalization from below that empowers workers, civil society, indigenous people, women, and social movements that are being crushed by neoliberal states (Harvey 2007).

¹See also Iber (2018).

²See, for example, Lindio-McGovern and Wallimann (2012), Polakoff and Lindio-McGovern (2011). These two volumes documents how neoliberal globalization is gendered and how women in Latin America, Africa, and Asia are fighting back by engaging in various forms of resistance.

The making of the Philippines as a neoliberal nation-state

A neoliberal nation-state is one that embodies the neoliberal ideology and in practice regulates the national economy to facilitate the formulation and implementation of neoliberal policies (Harvey 2005). Examining how the Philippine nation-state transformed to fit into the logic of capitalist expansion provides insights into the dynamics and ideology of neoliberalism and how it sustains itself amidst contestations. The making of neoliberal nation-states across the globe is an essential process in global capitalism as a project of the neoliberal ideology. The neoliberal ideology purports the contested notion that economic growth gained through capital accumulation will bring progress, including in the developing countries. The idea of redistribution of wealth or downward sharing of profits is absent in the neoliberal ideology. The transnationalization of capital through the expansion of multinational corporations in many parts of the world would be a dominant force in the global expansion of capitalism (Sklair 2002). As classed and gendered inequalities deepen in this process, the preconditions for organized resistance challenging the neoliberal nation-states percolate, providing a context for transnational women's movements against neoliberalism (Moghadam 2005). The neoliberal state may violently respond with military repression to contain organized resistance and their social movements while invoking the national security ideology to justify its action.

My own analysis suggests that there are salient moments or features in the making of the Philippines as a neoliberal nation-state: 1) the colonial moment and the logic of privatization, (2) modern imperialism and economic liberalization, (3) labor and deregulation, (4) supranational structures and structural adjustments, and (5) state repression. In each of these features there are dynamic forces that interact and that these features themselves interconnect to sustain the neoliberal project. However, there are cracks in the web of interaction of these moments as organized resistance occurs when people seek to liberate themselves from the shackles of these moments. This creates a vision of hope that change could eventually be achieved.

The colonial moment and the logic of privatization

Some theorists would trace the historical origins of the neoliberal globalization from the colonial expansion of capitalism that went along with the building of empires (Held 1999). The colonial moment and the logic of privatization as seen in the Philippine experience apparently supports this argument. The integration of the Philippine political economy into the capitalist world system began with the Spanish colonialism way back in the 16th century (1565) that lasted for 333 years (Constantino 1975). The pre-colonial political economy was mainly communal, in the sense that land as a means of production was collectively owned and the produce from land was shared among the producers who were members of the tribe. The logic of colonialism was to privatize land to pave the way for capitalist production and extraction (Petras and Veltmeyer 2016). The Spanish colonization privatized land by introducing the *encomienda* system. This system expropriated land from the local people, thus dispossessing them of their means of producing food for their daily needs and subsistence. The *encomienda* system reallocated land to the '*encomenderos*', who then controlled not only the land but also what to produce on the land and where the produce should go. The colonial

government sometimes used the *encomienda* as a reward to Spanish military generals and to descendants of the colonizers or to Filipinos who were sympathetic to the colonizers or who served in the colonial government bureaucracy (Constantino 1975). Production for local subsistence of the people got transformed and linked to the needs of the imperial power and the control of means and relations of production became alienated from the Filipino peasantry. They were no longer producing for themselves and producing what they needed for subsistence, but for production of cash crops, such as tobacco, that were needed for commercial production for the Spanish empire. There was forced labor, that was preconditioned by the dispossession of the Filipino farmers of their land and their subsequent proletarianization as workers in commercial production. Control of labor, therefore, becomes necessary in the logic of privatization if it should serve global capitalism: labor while performing in the local is linked to the globalization of capital, where the colonial moment and the logic of privatization interperse. In this nexus, the wealth produced by workers and peasants is no longer under the control of workers or tillers of the land, consequently producing class inequalities in the relations of production.

The colonial *encomienda* system eventually over time contributed to the evolution of a feudal economy that created a small landlord class owning large tracts of land and a mass of landless peasants who create wealth through their labor on the land yet are poor. This class structure persists to this day. In some cases, the landless peasants get paid through crop-sharing where the landlords who do not work on the land get most of the harvest share. In other cases, the landless peasant would get paid as agricultural workers, but their wage is inadequate for their daily and even basic needs (Lindio-McGovern 1997). Thus, a great class inequality between the land-owning class and the class of landless peasants consequently ensued. But it appears that in the logic of global capitalism, this kind of inequality is necessary to root itself in the nation-state. The existence of a feudal economy that creates a huge landless class supplies the labor needed in a capitalist agricultural production or in factories: workers who are not absorbed in agricultural production supply labor for factories in the manufacturing sector. Thus the co-existence of a feudal or semi-feudal economy with capitalist commodity production in a nation-state serves the global expansion of capitalism.

Privatization, as a major neoliberal policy that promotes private enterprises as opposed to socialist enterprises, becomes a means, at times violent, to open new spheres for capital accumulation and subsequent capitalist transformation. The process can also be gendered that may differentiate the experience of men and women (Lindio-McGovern 2020). While in the pre-colonial communal system both men and women could own land without a landlord, the Spanish colonial *encomienda* system transformed the position of men and women. As both men and women were dispossessed of their communal land, Spanish colonial culture redefined the women's place as generally in the domestic sphere. There were women who then served as domestic servants in the *encomienderos'* households, thus defining social reproductive labor more as a woman's work (the labor used to maintain the well-being of people usually done in the home and care of children). Extended to the contemporary scene, there are occasions when female members of landless tenant families (landless families who till the land of landlords) who render domestic (household) work for their landlords, sometimes as a form of payment for their debt (Lindio-McGovern 1997).

The entry of American colonialism into the Philippines began after Spain sold the Philippines to the United States government in 1898. The Philippines was the first imperial experiment outside the continental United States. To contain Filipino anti-colonialism resistance that already began during the Spanish colonial period, the United States waged the Philippine-American war that killed approximately 500,000 Filipinos. American colonialization perpetuated the feudal economy that maintains the landowning class and its co-existence with capitalist production of commodities from raw materials was geared as well to serve the needs of the new imperial power. For example, the production of sugar was given prominence to power the needs of American industry and market. The internal development of the Philippine nation was not the priority, but what could be extracted from the colony to respond to the needs of mercantile capitalism that was the dominant phase in the evolution of capitalism at that period (Constantino 1975).

By examining the link between colonialism and the global expansion of capitalism, one can get a glimpse of the historical roots of neoliberal globalization in the Philippines. It can contribute to an historical understanding of why the current nature of Philippine development is gearing towards neoliberal maldevelopment. Such historical understanding benefits the quest for a radical turn around in shaping Philippine development. Communalism and collective forms of production, collective ownership of land and other means of production, and collective sharing of the fruits of production is not historically alien to Philippine political and economic culture since it was practiced in the precolonial period. What is alien is the colonial moment that shaped Philippine economy and into which the current neoliberal policies find a place to embed itself – such as the introduction of the privatization of land and the expropriation of indigenous and local control of production from land as a precondition for capitalist transformation. As Centino and Cohen (2010:12) argue: ‘Whether celebrated or bemoaned, private property is fundamental to capitalism. Without an acceptance of this tenet, the remaining economic and political structure falls apart’. But a socialist transformation of the Philippine economy that some activists see as a path away from the neoliberal development agenda finds historical roots in the precolonial Philippine political economy culture that values the spirit of communalism.

Modern imperialism and economic liberalization

The neoliberal policy of economic liberalization apparently intersects with modern imperialism in the making of the Philippines as a neoliberal state. A characteristic of modern capitalist imperialism is the growth of transnational corporations that rule the world. Transnational corporations are one of the institutional instruments of control in the neoliberal process of expanding capitalism globally. Richard Wolff (1970: 225) succinctly describes the logic of modern capitalist imperialism: ‘[M]odern capitalist imperialism comprises a complex of private corporate policies, supplemented by induced governmental support, seeking to develop secure sources of raw materials and food, secure markets for manufactures, and secure outlets for both portfolio and direct capital investment’. Wolff argues that the ‘corporate striving to maximize profits (or sales or growth) implies and is paralleled by a striving to secure maximum control over parts of or entire foreign economies’.

The current neo-colonial Philippine economy continues to be hospitable to the control of foreign transnational corporations, which makes the issue of economic sovereignty still one of the demands refrained in many street demonstrations and rallies of Filipino activists both in the Philippines and abroad (Lindio-McGovern 2021, 2012).

Economic liberalization – the opening of the national economy to foreign investments with little state regulation – is carried out under the neoliberal regime through policy legislations that not only protect the interest of transnational corporations, but also pave the path to foreign control of the economy. Control of cheap labor and material resources (like raw materials) provided by periphery countries fuel the engines of transnational corporations. Such corporate interest must be embedded in the policies of the nation-state, but only in such a way that the local capitalist elite should as well benefit from it to maintain a class from within that will support these policies. So, while economic liberalization expects the neoliberal state to weaken its control of the economy, it expects the state to tighten its reins on policies that will strengthen the power of foreign transnational corporations. In the Philippine context, this dynamic is manifested in many instances. A recent instance is the lifting of the moratorium on new applications for mining of foreign transnational corporations by former President Duterte amidst mounting resistance against it. Especially important to note is the resistance from Indigenous communities who are displaced from their ancestral lands, subsistence farming, and suffer most the impact of environmental destruction resulting from mining as well as from non-governmental organizations and advocate groups that have seen the destructive impacts of open pit mining on the health, livelihood, and environmental rights of affected communities (Lindio-McGovern 2019). Another instance is in the legislative domain – the Philippine Mining Act of 1995 – that gives foreign mining transnational corporations dominant control of the mining industry. This Act allows transnational mining corporations to siphon out extracted minerals 100% out of the country, making mining merely extractive, instead of creating industries within the Philippines that can manufacture these minerals into other products. Given the fact that the contribution of the mining industry to the GNP is only less than 1% (.76), the transnational mining corporations are extracting more wealth from the Philippine economy – obviously quite an unequal exchange that perpetuates the peripheral position of the Philippines in the global political economy. Another policy instance of economic liberalization, quite a bad one, is the proposed constitutional reform that the previous Duterte regime and a few current officials tried to maneuver that will change the provision which protects the national patrimony of the country by limiting further the restrictions on the power of foreign corporations, their access to land and other resources. That is why the national liberation movements in the Philippines are opposing any such proposed constitutional change.

An issue that is as well relevant to economic liberation in the Philippines – that is worth mentioning – is its foreign policy towards China as an emerging imperial power. Former President Duterte has been quite subservient to China's aggressive claim on the West Philippine Sea (WPS), although there are other officials who disagree with him, such as members of the Bayan Muna Party-list. China's activities within the zone of the West Philippine Sea violates the 200-Mile Law of the Sea which states that 200 miles within the shore of the WPS and the resources underneath the sea should belong to the Philippines. The West Philippine Sea is rich in natural resources and China

has been fishing within the 200-mile zone, displacing, and preventing Filipino fishermen who had long been fishing there for livelihood and daily food consumption. China has also foreign investments in the Philippines and it asserts economic control on the Philippine development through its loans to fund the government's 'Build, Build, Build Program' (BBBP) that focuses on infrastructure, which in the long-term will benefit China's industries in the country. Former President Duterte's subservience to China had been viewed by activists as posing tremendous threat to the Filipino people's right to sovereignty and had instigated an oust-Duterte movement that publicly criticized Duterte as a lackey to Chinese imperialism that threatens the national patrimony of the country. However, with the current increasing tension in the West Philippine Sea triggered by China's continuing aggressive violations of the United Nations Permanent Court of Arbitration's ruling that the West Philippine Sea legally belongs to the Philippines, Marcos Jr. seems to be distancing from China and looks for other closer allies in Asia, like Japan. But the same neoliberal policy of economic liberalization that puts the Philippine economy to the dominance of foreign transnational corporations and capital remains.

Labor and deregulation

Entry to foreign economies and resource control is not enough for transnational corporations' pursuit for profits. Their ultimate corporate goal is profit-maximization. Control of labor to make wages as cheap as possible is essential in this process. It is the labor of workers that creates profit. Land and machines by themselves as material capital do not produce profit; it is the labor of those who produce the goods from land and with machines that create profit. Of course, one can say that we also need consumers to buy these products to make profit, but labor is still central since the capitalists may also hire workers to sell goods produced by workers.

The neoliberal policy of deregulation, particularly on labor, becomes central in establishing a neoliberal regime (Harvey 2005). Deregulation of labor requires that labor be regulated in a manner that will benefit more capitalist enterprises. The neoliberal nation-state must participate in making labor cheap and even disposable, since disposability of labor contributes to the creation of permanent unemployment that shapes the precondition for making wages low. This scenario is clearly illustrated in the practice of labor 'contractualization' that is widely resisted by the Philippine labor movement, making it an issue around which to organize labor unions. Labor contractualization, colloquially referred to as 'Endo' ('end of contract') is the practice of 'perpetually hiring workers on a contract-basis' (Pasion 2017). Business employers engage in this practice to evade the costs of regular employment, such as paying social security benefits, health insurance, 13th month pay, unpaid leaves, and contribution to the Home Development Mutual Fund that provides housing loans with low interest. 'Endo' is also sometimes referred to as '5-5-5', which refers to the number of months that a non-regular employee's contract could end. The Labor Code of the Philippines (known as PD 442) allows employers to employ people on a probationary status of no more than six months, in which case the employment contract ends before the sixth month, otherwise after the sixth month the employee becomes a regular worker entitled to the benefits required by law (Wikipedia 2021). However, there are many companies who see this loophole in the law and can circumvent the

law. Some employers do it by laying off workers before the sixth month, or by adapting the '5-5-5' scheme in which they renew the workers' contract every five months (Pasion 2017). Such scheme makes the workers situation very precarious while business employers can still have the semblance of a regular workforce. I had an anecdotal experience in the Philippines in 2017 related to labor contractualization: while shopping in a megamall I informally talked to a few sales ladies and casually asked them about their contract with the business establishment they were working at, and they said that they were hired for three months, then they would be laid off, and then rehired for another three months, then laid off again and rehired again for another three months. As salesladies they were required to buy uniforms which was an added expense. I asked if it were possible for them to unionize, they said it would be hard because they were not permanent. Labor contractualization, other than saving capitalist enterprises from paying the social benefits required by law for regular employment, can have the countervailing effect on the collective empowerment of workers through unionization which in turn boosts the power of capitalists to determine low wages.

Another issue related to labor and neoliberalism in the Philippines is the labor export program that was initially ventured into by President Marcos, Sr. in the mid-1970s to deal with the debt crisis and unemployment within the country. Labor export refers to the Philippine government's promotion of overseas contractual employment. It had established the Philippine Overseas Employment Administration (POEA) and the Overseas Workers Agency primarily to help manage such program. It has also allowed through licensing the role of private employment agencies to participate in the labor export program that led to enormous growth of these agencies. Approximately more than 2,000,000 overseas Filipino workers (OFW) leave the country annually, the majority of whom are women (Philippine Statistics Authority 2021). Critics, migrants, and activists say that labor export is a form of labor commodification. They base their argument on the fact that the government and employment agencies are lucratively profiting from the trading of temporary migrant work through remittances (reported by the Philippine Statistics Authority as amounting to PhP211.9 billion as of April-September 2019) and fees that they find excessive, and that the government encourages increasing targets for the deployment of overseas contract workers with little serious protection for their rights and welfare overseas.³ Their criticisms align with David Harvey's analysis that neoliberalism treats workers as a 'mere factor of production', while they enter the labor market as persons and living beings 'embedded in social relations', and 'endowed with dreams, desires, ambitions, hopes, doubts, and fears' (Harvey 2005: 167). Often, Harvey argues, workers are hired on contract, with preference for short-term, to maximize flexibility. The contractualization of migrant labor through the labor export program serves well the global capitalist system by creating a pool of cheap, impermanent, and conveniently disposable labor, but which perpetuates the peripheral position of the Philippines in the global political economy. The contractualization of labor within the national borders and in the global labor market makes the Philippines one of the strategic nodes for the local-global embeddedness of capitalist globalization. Labor export is also related to structural adjustment policies which is further discussed in the next section.

³For a more detailed discussion of the labor export program of the Philippines, see Lindio-McGovern 2012.

Supranational structures and structural adjustment policies

Supranational structures – such as the International Monetary Fund (IMF), the World Bank (WB), and the WTO (World Trade Organization) – have become powerful instruments of neoliberalism and have shaped the making of neoliberal nation-states. As supranational structures, they need nation-states to embed neoliberal policies. The IMF and the WB impose Structural Adjustment Policies (SAPs) on the economic development and policies of the borrowing country as conditions for granting the loans. Such structural adjustments have devastating, negative impacts on developing nations who are mostly the recipients of these loans (Chossudovsky 1997). These structural adjustments include wage freeze, cuts in government subsidies on social welfare, promotion of an export-oriented development, and liberalization of imports into the borrowing country. These policies often result in debt crisis, trade deficits, poverty, and unemployment. The WTO as well requires certain trade policies on member developing nations that can have negative consequences on their nations' economic development (Lindio-McGovern 2011), such as requiring the Philippines to export and import rice, a staple food. The Philippines is a good case study of the negative consequences the IMF's tied-aid, and the World Bank's and WTO's structural adjustment requirement on developing countries (Lindio-McGovern 2011; Bello et al. 1982). The Philippines has suffered from debt crisis, it keeps borrowing to pay its debt – therefore its economy becomes perpetually under the external control of the IMF. When former President Marcos, Sr. embarked on a labor export program, he was explicit in his intention – to deal with the debt crisis the Philippines was faced with, which of course is also a recommendation of the IMF which sees migration as a development strategy in paying back the loans. 'Migrante International', a movement organization of Filipino overseas migrants, is critical of such thinking since they argue Filipinos, especially parents, should not be placed in a situation where migration is the only option for them to meet the basic needs of their families. As well, the IMF precluded the Marcos administration from implementing import-substitution industries that could create more jobs and make the country less import-dependent because it would interfere in the structural adjustment policy of import liberalization and the making of the Philippines as a supplier of raw materials and a market for the manufactured goods of the advanced capitalist industrialized countries. The argument of Michel Chossudovsky eloquently illustrates the power of the IMF, the World Bank, and the WTO in making nation-states compliant to neoliberal objectives: 'The IMF, the World Bank, and the World Trade Organization are administrative structures, they are regulatory bodies operating in a capitalist system and responding to dominant economic and financial interests. What is at stake is the ability of this international bureaucracy to supervise national economies through the deliberate manipulation of market forces' (Chossudovsky 1997: 16).

State repression and authoritarianism

As discontents from the negative consequences of structural adjustments mount, neoliberal nation-states resort to repression by using the military and police forces to quench dissent manifested through street mass rallies and demonstrations and other challenges targeted at changing the state. Berch Berberoglu's recent edited volume, *The Global Rise of Authoritarianism in the 21st Century: Crisis of Neoliberal Globalization and the*

Nationalist Response (2021), timely brings attention to the rise of authoritarian regimes in different parts of the world as people revolt against the tyranny of neoliberalism. Berberoglu (2021: 2) sees the crisis of neoliberalism as arising from the contradictions inherent in global capitalism, its neoliberal ideology, and the alliance of imperialist states with 'local crony-capitalist regimes' and military dictatorships. This matrix is clearly visible in the Philippine experience. In fact, Ferdinand Marcos, Sr. declared Martial Law in 1972 that killed thousands of people amid intensified mass demonstrations from various sectors, including a repertoire of student demonstrations, as people felt the impacts of structural adjustment policies. These forms of activism can be attributed to the critical consciousness that developed among students, workers, and other sectors as they participated in many sit-ins analyzing the Philippine political, social, and economic situation and the role of continuing US imperialism in the Philippines. The military repression ushered in by the Marcos, Sr. dictatorship was carried on by the succeeding administrations from President Cory Aquino to the incumbent President Ferdinand Marcos, Jr., whose administration, like that of his predecessor Rodrigo Duterte, 'continues to target leftists political activists, civil society leaders and perceived critics with threats, judicial harassment and at times violence' (Conde 2023). All these authoritarian regimes have the support of the United States through its military aid since the latter sees the Philippines to be strategic in its geopolitics in the Asia-Pacific region and therefore wants to maintain its influence on the Philippines. Therefore, through military aid, US imperial power continues to be embedded in the peripheral nation-state.

State repression/violence in the Philippines takes different forms: arbitrary political arrests and imprisonment frequently with trumped-up charges, extra-judicial killings, vilification and red-tagging (labelling victims as members or supporters of the revolutionary New People's Army [NPA] or Communist Party of the Philippines [CPP]), massacre, and forced evacuations of communities that take place when a community or village gets militarized to clear ancestral lands for corporate mining. At the core of state repression in the Philippines is the government's counterinsurgency program which the government claims is directed at suppressing the armed resistance that seeks alternatives towards non-capitalist relations of production and democratic governance where the marginalized working class can have a more meaningful voice in policy. In practice counter-insurgency is as well directed at any form of dissent or action that is critical of the government, including non-governmental organizations, human rights defenders, church workers and ministers, youth, and indigenous people defending their ancestral lands from corporate dispossession or expulsions. All these result in rampant human rights violations. A recent report of the UN Human Rights Office has detailed widespread violations of human rights with impunity. It reported that between 2015 and 2019, at least '248 human rights defenders, legal professionals, journalists and trade unionists have been killed' (OHCR 2020). As of September 8, 2020 there were at least 609 political prisoners detained in various jails across the Philippines, 63 of them are having health issues while 47 are elderly (Lucenio 2020). A later testimony by Cristina Palabay, Secretary General of Karapatan (Alliance for the Advancement of Peoples's Rights), shows that as of May 4, 2021 the number of political prisoners had increased to 703, 68% of whom were arrested under the Duterte

regime (Palabay 2021a).⁴ Palabay further testified that ‘394 civilians have been killed in the course of the Duterte government’s counterinsurgency campaign’, and that 15 human rights workers of Karapatan have been killed in the last five years. No statistics or words can adequately describe the experience of pain, misery, psychological/emotional torture of the families and friends of the victims of state repression, violence, and extra-judicial killings. State repression and militarization to quench dissent against neoliberalism dehumanizes, devalues human life, and transgresses human dignity as it suppresses social change that will improve the Filipino people’s well-being and violates their very basic human right to participate in shaping development policies that directly affect them.

Patterned after the US counterinsurgency guide, the Philippine counterinsurgency strategy adopts the ‘whole-of-the-government approach’ and the ‘whole-of-society approach’ (Lindio-McGovern 2021: 187–188, citing the Bureau of Military Affairs of the United States Government) that use a combination of political, psychological, cultural, economic, military, and intelligence tactics. The ‘whole-of-government approach’ uses the entire national and local governmental bureaucracy as a tool for counterinsurgency. This includes using paramilitary forces, the Philippines Armed Forces, police officers, and the courts for arrests with trumped-up charges in suppressing dissent. The ‘whole-of-society approach’ aims at eliminating civilian community support for the revolutionary forces, including organizations alleged to be front organizations, to weaken them (the revolutionary forces) to surrender. This approach includes using non-governmental organizations as sources of information or intelligence gathering; the harassment, vilification, and extra-judicial killings of suspected supporters of the New People’s Army (NPA); the forced evacuation of village communities suspected of supporting the NPA; hamletting (forced concentration) of rural communities to monitor their movement to prevent them from providing support to the NPA; the red-tagging (public vilification and labelling as NPA supporters or member of the Communist Party which can have deadly consequences) of humanitarian efforts of civil society. A recent example of the latter is the red-tagging and vilification of a humanitarian initiative to set up a community food pantry to help those in need during the Covid-19 pandemic by Ana Patricia Non. On May 11, 2021 Karapatan issued a Press Statement, ‘On the threats against community pantry organizers’, saying:

There is no justification for the death and rape threats against Ana Patricia Non, the young woman organizer and initiator of community pantries, nor there can be any justification for the persistent and continuing profiling and red-tagging of community pantry organizers in the whole country. Those who conduct, promote, incite and order these acts, overtly or covertly, are sexists, cowards and opportunists mercenaries who denigrate citizens’ mutual aid actions and are complicit in the continuing disrespect of people’s rights during this health crisis.⁵

⁴Email communication received on May 4, 2021 from Karapatan Public Information Desk. Karapatan is a non-governmental organization that documents human rights violations in the Philippines and advocates for the restoration of a human-rights regime in the country.

⁵Email communication received on May 11, 2021 from Karapatan Public Information Desk.

Take note that in this form of vilification and threat, there is the issue of gender because rape is used as a form of control and manifests the patriarchal state power over a woman's body. Death is associated with rape, painting an image of powerlessness under violence on a woman's whole being. That the initiative for setting up community pantries have continued to draw out the participation of more people shows that it has become a movement that responds to a very real need of people at the time of the Covid-19 pandemic. But even such humanitarian initiative can be deemed suspect under the reign of repression.

Recently the Philippine government passed the highly contested, highly criticized and feared Anti-Terrorism Law (ATL) which became effective in July 18, 2020 – one that could be used to justify the labelling of activists as 'terrorists' and justify the arrests of 'suspected terrorists without warrant and detain them for as long as 24 hours' (Buan 2020). The law can also freeze the assets of persons designated as terrorists. ATL also creates the anti-terror council which is given the distinct power of designation on who could be listed as a 'terrorist', a power 'separate from proscription which is done by a court' (Buan 2020). Members and officials of the National Union of People's Lawyers in the Philippines, such as Attorney Edre Olalia, have criticized the ATL as having a broad definition of terrorism that designation can be abused. Olalia is among those leading the fight to revoke the entire law and nine petitioners had immediately filed a petition to revoke parts or the entirety of the law (*ibid.*).

Clearly, one can see that state repression and authoritarianism to contain resistance to neoliberalism has posed tremendous hurdles to activism for just change and social justice in the Philippines. But since the people's movements have persisted and state repression has failed to crush their resiliency, state repression in response to the discontents of neoliberal globalization is a wrong response and a bad policy. The government will do better by listening to the demands of change that the people's movements have persistently put forth. They are the seeds for progress towards building a regime anchored on human rights and sustainability, that will benefit the whole country, especially the poor and marginalized sectors. In the final analysis what is being repressed is the fundamental change that will alter the economic and political system away from the neoliberal path of development.

Some implications for social change

The interactions or intersections of the different moments in the making of the Philippines as a neoliberal nation-state discussed above provides a clear example of how the neoliberal project of expanding capitalism globally shapes or transforms the nation-state to make it compliant to the demands of global capitalism. The neoliberal nation-states therefore become the local-global embodiment of the ideology and policy imperatives of neoliberal globalization as it particularizes itself in different historical, social, cultural, political, and economic contexts. Although this interplay of global forces that act upon local social structures and systems may appear chaotic, and even harsh, it helps human understanding that the discontents of neoliberal globalization is a social construct that can be deconstructed through collective human agency. The neoliberal nation-state and its supranational structures inevitably become targets of resistance for a more humane society. Analyzing the local-global nexus of neoliberal globalization and the interplay of its multiple dimensions offers some insights

into shaping development policy and movements for change. The process of change is complex and requires long-term involvement and inclusion of various sectors of civil society and levels of governance. In many nations, there are already movements that have taken into its agenda of contention the negative impacts of neoliberal globalization and offer alternative paths of development. These movements have also developed organizational structures that link local and global solidarities of action.⁶

The analysis also offers insights into systems of authorities and power as targets/sites of resistance and strategies of contentious actions. First, it becomes clear that social transformation must include changing the neoliberal nation-states to one that will take actions and implement policies that will reverse its neoliberal orientation and ideology. Second, while transforming the neoliberal nation-state, movements must also make supranational structures, like transnational corporations, the IMF, and the WTO, as targets of contention. Given the local-global scope of their organizational structures, influence, and power, they offer sites of global resistance and international solidarity while establishing roots (local organizations) within nation-states. Some initiatives already in existence indicate that such global formations are possible. Third, since labor plays an important place in the neoliberal project of global capitalist expansion, the local and global organization of labor becomes of paramount importance. A global labor movement that strengthens the struggles of men and women workers in multinational corporations will play a significant role in the class struggle that pays particular attention to how the gendering of neoliberal globalization entrenches the power of these corporations. Fourth, the involvement of non-governmental organizations and the creation of community-based networks of grassroots organizations responding to the ways they are affected by neoliberal development projects, especially indigenous communities, must be given more support and attention. Many of these groups are underfunded. Fifth, set up institutions that will engage in research on the continuing impacts of neoliberalism and advocacy for human rights, combined with continuing education that result in creating alternative policies and governance geared away from the neoliberal path. International and inter-country alliances that can provide a platform for exchange of research findings, ideas, advocacy, and community-based action research would be a useful endeavor to sustain initiatives for thinking about and doing alternative sustainable development to the neoliberal project of globalization.

Conclusion

The argument in the debate in the literature on neoliberal globalization that the nation-state diminishes its role in regulating the economy is negated by this case study on the making of the Philippines as a neoliberal nation-state. What can be seen is the notion of the nation-state as actively playing a significant role in implementing the policy imperatives of neoliberalism: deregulation, privatization, economic liberalization, and repression to contain resistance emanating from the discontents of neoliberalism. The neoliberal economic project of expanding capitalism globally requires the social construction of a neoliberal nation-state, as theorized for example

⁶See Lindio-McGovern and Wallimann (2012), Polakoff and Lindio-McGovern (2011), Shefner and Fernandez-Kelly (2011).

by David Harvey and others. At times, the nation-state plays a contradictory role: while global capitalism expects the nation-state to diminish its role in regulating the economy, it must aggressively create and implement neoliberal policies, even to the extent of exerting military force to contain dissent. In such instance, national and economic sovereignty of nation-states comes into question and made fragile. The social construction of a neoliberal nation-state requires the interplay of local national structures as well as external pressures from the neoliberal core countries (sometimes referred to as neoliberal imperial states). Neocolonial countries with histories of economic transformation from non-capitalist to capitalist become convenient targets or sites for embedding neoliberalism globally. And the rise of authoritarianism and the dismantling, destruction of socialist states or those with socialist agenda for change must be crushed if the neoliberal project of capitalist expansion and the class power of the capitalist transnational corporations and the ruling corporate elite can be maintained.

Therefore, analyzing the role of the nation-states in the global expansion of capitalism is useful in understanding the local-global nexus in the neoliberal project of globalization. It provides insights into how the global in neoliberal globalization is particularized in local contexts. Analyzing case studies, on the making of neoliberal nation-states, brings to light how global processes or structures intersect with national structures to embed the logic and ideology of global capitalism. Imperial states, through colonization and neocolonial control, create peripheral nation-states to maintain their economic, military, and political power in the capitalist global economy. In this process, the role of supranational structures, such as the International Monetary Fund and the World Trade organization, reinforces the power of the capitalist core states. Global inequalities that may be gendered ensue. But that is the social context that the neoliberal project of expanding capitalism on a global scale needs as a pre-condition for its persistence. For example, the control and cheapening of labor that transnational corporations need to reap enormous profits is made possible in the context of global inequalities. But these inequalities produce the pre-conditions as well as for resistance and change, demonstrating the contradictions of the neoliberal project. Paving an alternative path towards a non-capitalist development anchored on an integrated framing of human rights and sustainability can be a step towards greater equality and economic democracy. Social movements within the nation-states and interlinked on the transnational scale can play a crucial role in moving towards this alternative path. Labor, as a key component in the global expansion of capitalism, can assert a major role in the trans-nationalization of movements seeking alternative paths of non-capitalist, more democratic, and more equitable re-organization of the political economy. But an integrated, multisectoral international coalitions or alliances of various groups can expand or enhance the influence and power of the movement. Addressing national sovereignty, both economic and political, that neoliberal structures and processes transgress becomes inevitable as the neoliberal nation-state becomes the violent instrument of the global expansion of capitalism. Transforming the neoliberal nation-states, opposing authoritarianism and forms of military repression – while contesting supranational structures and challenging capitalist imperialism – is a daunting task. Yet, it has become even more urgent for those hurt by neoliberal globalization, and for advocates of policy, social justice and systemic change.

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