

# The Economic Nationalism of Alejandro Lichauco

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**ABSTRACT.** Alejandro Lichauco, a nationalist economist and lawyer educated at Harvard, relentlessly waged a nationalist crusade in the 1950s. Lichauco attributed the so-called “Philippine crisis” to the inexorably continued encroachment of the United States on the country’s post-war economic affairs. Thus, the study examines Lichauco’s economic nationalism from a historical standpoint and explains how he articulated its core principles in his writings. The researchers utilize Karl-Otto Apel’s critical hermeneutics and historical method. By positing the concepts of nationalism as “power” and a “philosophy of power,” Lichauco emphasized the paramount importance of economic sovereignty during a time of reinvigorated Filipino nationalism. He asserted that the power to formulate economic policies and determine the nation’s economic direction rests on the Filipino people. They should exercise complete control over the means of production and harness the country’s resources in their best interest. He advocated decolonization, heavy industrialization, nationalist industrialization, economic democratization, and economic planning.

## 1.0. Introduction

In the 1950s, Filipino nationalism was reawakened as the United States continued intervening in postwar Philippine political, economic, and military affairs (Agoncillo, 1967). Alejandro Lichauco, an economics graduate of Harvard College and a law graduate of the Harvard Law School, figured prominently in the nationalist movement. Having been drawn to the nationalist cause in the 1950s, he took part in the Nationalist Citizens Party of the staunch nationalist Senator Claro M. Recto. A founding member of the Movement for the Advancement of Nationalism (MAN), Lichauco served as its executive vice-chairman. He was a delegate to the 1971 constitutional convention as representative of the 1st district of Rizal. He was jailed during the Martial Law for rejecting the agendas of the Constitutional Convention and his treatise on American Imperialism. A staunch nationalist throughout the so-called “era of globalization,” he actively participated in different fora and protest actions, calling for national development and eradicating foreign political and economic domination in the Philippines. When Ferdinand Marcos was ousted from power in 1986, Alejandro resumed his nationalist advocacy, exploring the unique link between American imperialism and

poverty in the Philippines (Esaño, 2015).

With the rebirth of Filipino nationalism, Lichauco launched a nationalist struggle anchored on theory and practical observations. His education deepened his understanding of nationalism. His observations of the challenges faced by his country, especially its delicate relationship with the United States, made him feel even prouder of his nation. His education at Ateneo introduced him to the parity debate and honed his nationalist views. His engagement with American history reinforced his nationalist ideals. The writings of Claro M. Recto and Salvador Araneta sharpened his nationalist conviction. These factors compelled Lichauco to question and critique the American deindustrialization program for the Philippines.

Lichauco asserted that the imperial powers led by the United States capitalized on economic imperialism to exert control over the economies of countries like the Philippines and to impose policies that curtailed its industrialization efforts. As international financial institutions, the World Bank (WB) and the International Monetary Fund (IMF) extended loans and grants under the guise of aid, which were tied to stringent terms such as fiscal austerity measures, devaluation, decontrol, and trade liberalization. Lichauco denounced the Filipino technocrats for their role in formulating and instituting economic policies that hindered industrialization, referencing the Dodds Report and WB-IMF stipulations, and asserted that

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they controlled key decision-making bodies and formulated national economic policies. Lichauco opposed Gustav Ranis' Labor-Intensive Export-Oriented Industrialization model, contending that it intended to stifle the country's industrial growth and maintain dependency on foreign investments and markets.

Nationalism, as Lichauco framed it, is a "philosophy of power," arguing that in an independent state, the true power lies on its people, and economic power translates to political control. His vigorous attack on the U.S. policies is connected with economic nationalism as he advocated freeing themselves from imperial domination and challenging global integration. Veering from an agricultural economy, Lichauco championed the creation of heavy and capital-intensive industries and pushed for industrialization under the control of the Filipino people to ensure a self-reliant economy. He championed central economic planning to optimize the use of the State resources and develop the country into an industrial nation. He urged economic democratization to foster an even distribution of wealth and improve the lives of the disadvantaged sectors.

In undertaking the study, the researchers are guided by three considerations. First, no full-length historical study exists on the nationalist crusade of Alejandro Lichauco. Second, the writer considers the "continuing crisis" triggered by the sustained efforts of the capitalist countries to integrate the Philippines into the global economy. Third, the researchers are aware of the rise of economic nationalism in parts of Europe and Asia.

Thus, the study delved into the economic nationalism of Alejandro Lichauco from a historical standpoint. The main body of the research is divided into four major sections. In the first section, the researchers explore the factors that converged to shape Lichauco into a nationalist. The second section drew attention to Lichauco's critique of the American neo-colonial programs and policies. The third section addresses his concept of economic nationalism. The concluding section examines the principles underlying his economic nationalism and how he conveyed these ideas in his writings.

## 2.0. Methodology

The researchers employed critical hermeneutics, supported by the historical method, which involves describing, narrating, and analyzing the facts gleaned from the primary and secondary sources.

Karl-Otto Apel's approach to critical hermeneutics enhanced the understanding of historical research by acknowledging the influence of societal power dynamics and ideological biases.

His hermeneutic methodology found applications in diverse contexts, offering insights into interpreting and analyzing historical sources (Blecher, 1980).

Blecher (1980, p. 150) claims that Apel's method stands apart from other hermeneutical approaches, asserting, "As far as the latter is concerned, critical hermeneutics commits an unjustifiable transgression by attempting to gain access to meaning outside or behind the intentional self-understanding of actors".

Apel's method involves understanding the objective meaning within human actions and comparing it with the individual's subjective intentions for those actions. This allows for an unbiased interpretation of an event without altering the facts. Doing so enables people to identify the reasons for mistakes and find ways to correct them.

The use of critical hermeneutics in historical study and writing creates historical hermeneutics. In her review of *The Beginning of the Dominicans in the Philippines*, Dimalanta (1992) explained how she applied historical hermeneutics. In historical hermeneutics, the historian aims to understand events within their specific historical and cultural context. Furthermore, they interpret the events from their perspective and time, resulting in a "fusion of horizons," as described by the hermeneutic Hans-Georg Gadamer.

Focusing on the "discovery of aspects of the past," the descriptive method, as Lemon (2003, pp. 294-297) explains, involves providing accounts of a specific topic, enabling the writer to present perspectives and observations about an event or a situation. The narrative method is concerned with "structuring" the narrative story as a series of happenings that unfold one after another, emphasizing "change" and the progression of events. The analytical method proves to be helpful in examining a specific phenomenon, unraveling its complexities, and determining the underlying causes responsible for its occurrence.

The researchers utilized the descriptive approach to explore the historical background of Filipino nationalism, giving particular attention to the economic factors that led to its resurgence. It identified and described the different economic policies imposed by the United States and adopted by the Philippine presidents to show how the foreign power asserted its hegemony over its former colony.

Along with the descriptive method, the researchers also used a narrative approach to present a historical narrative of how the United States intervened in the Philippine economy.

Lastly, the research employed an analytical approach to examine Lichauco's concept and principles underpinning his economic nationalism, exploring how he expressed these views in his writings.

### 3.0. Results and Discussion

#### The making of Alejandro Lichauco as a nationalist

Like other Filipino nationalists, Lichauco's nationalistic beliefs were shaped by theoretical knowledge and practical experiences. His education provided a foundation for understanding nationalism, while his firsthand observations of the nation's circumstances fueled the development of his patriotic sentiments.

To be exact, three significant factors contributed to the birth of the nationalist Lichauco: the debates on the issue of Parity in Ateneo, which allowed him to express his views while he was still young; his introduction to American history, which fostered a sense of nationalism; and the works of notable nationalists such as Claro M. Recto and Salvador Araneta.

Lichauco's strong sense of nationalism developed over time. It was fueled by critical social issues that emerged in the Philippines, particularly the complex relationship between the country and the United States. During that time, there were heated debates on the parity amendment. The parity provision of the Bell Trade Act was found unconstitutional since it violated Article VII, Section 1 and Article VII, Section 8 of the 1935 Constitution, which reserves the right to all natural resources and public utilities of the country exclusively to Filipinos or corporations or associations owned by at least sixty percent of Filipinos (Official Gazette of the Republic of the Philippines, 1935). However, the Philippine government had no choice but to amend the constitution since the rehabilitation aid grant was tied to the grant of equal rights to American citizens and corporations (Legarda & Garcia, 1966).

Speaking of the machinations of then President Roxas and his allies to unseat elected members of the Congress to amend the constitution and allow the extension of parity to the Americans, Lichauco, who was a 17-year-old high school student at Ateneo, recalled:

Well, I was 17 years old at that time. . . There was anger because a very sacred provision: a provision considered sacred by the Filipinos was being violated. This had to do with the patrimony of the people... when the congressmen were unseated by the administration. . . well, one outrage simply piled after another because among those who were ousted were at least two congressmen who belong to the communist party (Pearson, 2011b).

Beyond political discussions, the parity issue deeply resonated with the general public. People actively expressed their thoughts and feelings, including Lichauco, who was actively engaged and interested in this matter: "I remember that in our physics class, we asked our professor to set aside two days of the week as national debating day just to give the class an opportunity two days a week to debate the questions that were then being debated outside the classroom and by the entire nation" (Pearson, 2011b).

Upon graduating from high school, Lichauco pursued higher education in the United States, obtaining a Bachelor of Arts in Economics from Harvard College and a Bachelor of Laws degree from Harvard Law School. Concerned by the lack of awareness among his American peers, Lichauco believed they needed a broader understanding of their government's actions abroad. Despite humanitarian aid provided to the Philippines, he felt Americans were oblivious to the negative consequences of their foreign policies and needed to recognize their impact. He maintained that "the opinion of the average American must be educated, must be informed about the real character of the foreign policy of their government because it is a foreign policy that is completely at odds with the country's commitment to democratic and fair dealing" (Pearson, 2011a).

Through his education, he learned about American history and developed a deep interest in how the nation's founders used nationalism to strengthen the country, particularly in economic matters. In the United States, economic nationalism was often linked to Alexander Hamilton, a founding father and an economic nationalist. Hamilton's tenure as the first Secretary of the Treasury established the groundwork for economic and foreign policy in the United States, advocating the establishment of industries to enhance agriculture and manufacturing and supporting the implementation of protectionist policies to foster industrial growth and stability (Lichauco, 1988).

Lichauco turned to works by leading Filipino nationalists such as Claro M. Recto and Salvador Araneta to understand his country's situation better. Lichauco (2013, pp. 167-168) admitted: "I don't differ. I follow them. They were my mentors. Recto, particularly. Recto was a key influence in my life. Just read Claro M. Recto and Salvador Araneta; you will feel exactly what I feel". These influential individuals involved in the nationalist movement in the Philippines after World War II influenced his thinking, highlighting the importance of adopting a nationalistic perspective in managing the country's political and economic affairs.

### **Lichauco's critique of America's neocolonial economic programs and policies**

*On Imperialism.* Despite gaining independence on July 4, 1946, the Philippines remained under the significant influence of the United States in its political, economic, and military affairs. This phenomenon, known as "neo-colonialism," made the Philippines a "neo-colony," a state that, while nominally independent, was heavily influenced by another power (Lichauco, 1973). Despite granting independence to the Philippines, the Americans made the former its neocolony by successfully making it economically dependent on the United States by tying war reparations with the insertion of the Parity Amendment in the 1935 Constitution and the passage of the Bell Trade Act of 1945. With this set-up, the Filipinos would receive funds for rehabilitation after the country was devastated by the Second World War but, in turn, give the Americans the right to ownership, exploitation, and utilization of natural resources and utilities of the Philippines (Eggen, 1951). The measure also guaranteed free trade between the United and the Philippines for 10 years (Schirmer, 1987). Filipino nationalist Lichauco maintained that U.S. neocolonialism fueled the "mortal mix of corruption and poverty" in the Philippines, a condition he considered unique to the country and hindered its industrial development (Lichauco, 2005, p. 33).

*On economic interventionism.* Lichauco argued that economic imperialism aims to control countries like the Philippines by dominating their economies. Its goal is to generate enormous profits and exploit these underdeveloped nations. This entails exploiting their natural resources and establishing markets for the imperialists' manufactured products. By doing so, imperialists prevent these countries from developing their economies. The nationalist economist was well aware that the United States, as an imperialist power, implemented various economic policies to hinder industrialization in the Philippines. These included providing financial assistance through institutions like the World Bank and International Monetary Fund, maintaining free trade between the countries, giving equal rights to American individuals and businesses, and implementing an economic liberalization program (Lichauco, 1973).

*On free trade.* To fulfill its promise of assistance to the Philippines, its former colony, and driven by economic interests, the United States offered \$620 million in aid for reconstruction. However, this aid came with a condition: the Philippines agreed to the Bell Trade Relations Act to maintain the free trade relationship between the two nations and grant parity rights to American citizens and corporations

(Constantino & Constantino, 1978). Though it may seem like a good measure favoring both parties as tariffs would be gradually reinstated after 10 years, Bell Trade's inclination towards gradual tariffification over import controls and imposition of quotas over Philippine exports created unequal competition between imports and exports of the Philippines (Golay, 1955). Lichauco (1988, p. 143) highlighted free trade's harmful effects, including the "flood of imports, the corresponding exodus of capital, and the perpetuation of our economic dependency on the US".

*On WB-IMF and technocrats in the Philippines.* Lichauco exposed the influence of the IMF-World Bank (IMF-WB) in helping the U.S. advance its imperialist ambitions. He accurately stated that this organization was created to "ensure that the world economy was opened as widely as possible to the products of American industries and U.S. investments through the bait of trade and development loans" (Lichauco, 1988, pp. 240-242). Furthermore, Lichauco (1988, p. 243) stated that the IMF-World Bank discouraged "import controls" to address trade deficits, instead advocating "trade loans from the Group, instituting austerity measures, and, if needed, devaluing the currency".

Lichauco emphasized the vital role of technocracy in fulfilling the goals of the US-IMF-WB in the Philippines. Dubsy (1993, p. 17) defined technocracy as the "system of governance which technically trained experts rule by virtue of their specialised knowledge and positions in dominant political and economic institutions". Lichauco (2005, p. 64) criticized Filipino technocrats, specifically the transnational technocrats, accusing them of implementing policies that hindered industrialization as outlined in the Dodds Report and the stringent "conditionalities" of international organizations like the IMF and World Bank. He added that the technocrats were "put in charge of sensitive policymaking and policy-implementing bodies, and over the years, they have come to dictate the economic policies of the nation". He claimed that these technocrats, trained in American-supported education and the UP School of Economics, had become influential decision-makers who favored open economic policies, resulting in outsourcing economic power to foreign entities.

*On decontrol.* In 1962, the Philippine government initiated a program backed by a World Bank and International Monetary Fund loan. This program involved devaluing the peso, eliminating foreign exchange regulations, and lifting import restrictions. From the perspective of Lichauco, these measures were intended to limit the growth of the Philippine manufacturing industries and preserve its dependence

on agriculture. He claimed that peso devaluation made machinery and materials more expensive, giving foreign investors an advantage in the country. Furthermore, the relaxation of foreign exchange controls facilitated the foreign investors' repatriation of unlimited capital and profits, worsening the trade deficit. The removal of import restrictions led to an influx of foreign products, which hindered the development of domestic manufacturing industries and ultimately brought about their collapse (Lichauco, 1988).

*On labor-intensive, export-oriented industrialization.* To counter the problem of the balance of payments in the country, the late President Ferdinand Marcos implemented the "labor-intensive, exported-oriented" industrialization program. The strategy was formulated by Gustav Ranis, an American economist and Yale University alumnus, where he proposed that "Third World nations should be dissuaded from the pursuit of self-reliance and heavy industries" and should "concentrate instead on a type of industrialization that would make use of their abundant labor and natural resources" (Lichauco, 1993, p. 83). In his Labor Surplus Economy Model, Ranis (2004, p. 2) presented the "inability of unskilled agricultural labor markets to clear in countries with high man/land ratios" hence, a need to reallocate the "disguisedly unemployed workers utilizing "balanced" intersectoral growth to allow a country to "operate on neoclassical principles." Such would only be possible once a country would focus first in "labor-intensive light industries" and with its success, a slow shift to "capital intensive durable consumer goods". Lichauco (1993, p. 83) commented on this industrialization strategy, saying it was "designed to maintain and preserve the underdeveloped character of underdeveloped economies, limit and confine their industrialization to a dependent level, prevent their heavy autonomous industrialization, and perpetuate them as sources of raw materials and cheap labor, the vegetable garden of the industrial power".

#### **Alejandro Lichauco's concept of economic nationalism**

Alejandro Lichauco defined nationalism as a dual concept encompassing power and a philosophy of power. He went beyond the conventional view of nationalism as merely an expression of love for one's nation. Citing dela Costa (1965, p. 9), he had this say of nationalism as "power": "Nationalism is not only a fact; it is a power. Few things in the modern world have been able, as nationalism has, to release such wild energies from multitudes previously passive and inert and to drive them to attempt and achieve projects previously thought to be beyond the bounds

of possibility".

Lichauco's (1973) concept of "nationalism as a philosophy of power" emphasizes the importance of maintaining national unity and independence for the well-being and advancement of a people. He argues that the integrity of a nation's sovereignty and the maximization of its collective strength are crucial for its survival and prosperity. A nation can ensure its future growth and well-being by safeguarding its self-respect and freedom and striving for the benefits that are rightfully theirs.

Nationalism, as defined by Lichauco, is not merely a feeling of patriotism. Instead, it emphasizes that power in an independent state should primarily reside in and be wielded by its citizens. This approach distinguishes nationalism from great affection for one's country. Instead, it focuses on how people perceive and interact with state authority. For a nationalist, economic control leads to political dominance.

Political freedom for a nation is useless and empty without economic independence, meaning its citizens must be able to make critical economic choices within their own country. The nationalists opposed American imperialism through economic liberalization and free trade because these policies threatened the Filipinos' political and economic influence, which they believed should be solely theirs.

#### **Lichauco's tenets of economic nationalism**

To further understand Lichauco, one should examine the five tenets that constitute his concept of economic nationalism. These are *decolonization, heavy industrialization, nationalist industrialization, economic planning, and economic democratization.*

*Decolonization.* Lichauco's (1993, p. 162) perspective on economic nationalism is rooted in decolonization and resistance to globalism. He emphasized that due to its colonial past, the Philippines had a weak national identity and a culture of dependence that hindered its economic and social progress, arguing that colonialism and American neocolonialism created "a culture of dependence and national inferiority" within the Filipinos which hindered the "development of a sense of state and nationhood". To address this, he proposed "an organized and systematic program for the de-colonization of Philippine society and the government," eradicating the remnants of colonialism and fostering a sense of national pride and self-reliance. This new economic order, which is committed to "the worldwide movement against imperialism and neo-colonialism in any form and whatever source," would prioritize the well-being of Filipinos over foreign interests, promoting

economic growth and sovereignty (Lichauco, 1993, p.162). Lichauco (1973, p. 140) hoped that Filipinos should realize that “no nation, and no people, whose government is under the virtual and effective control of a foreign power, can live in progress and freedom”. He believed it was essential:

...to forge a national coalition of forces committed to recovering the sovereignty that American imperialism wrested from Bonifacio’s revolution and to transform the Philippines from the neocolonial state that it is to the truly sovereign and independent state that it claims to be and should be (Lichauco, 2004).

For Lichauco (1973, p. 140), the essence of the struggle for national independence is “for a people to acquire the political power that will enable them to decide on the economic policies and social programmes”. Therefore, asserting the country’s political independence is crucial for guaranteeing the people’s economic well-being and progress.

Aside from taking back the political power that the Filipinos lost from the American imperialists, Lichauco (1998) also mentioned the need to counter globalism. He defined globalism as a movement that aims to create “a world without economic boundaries.” Lichauco warned the people of the havoc that globalism could bring to different nations as he wrote: “Globalism threatens to return the world to that Dark Age of history when the individual counted for nothing except as a subject to be governed arbitrarily, and exploited, by the royal authoritarian. That breed, which we thought perished with the past, appears to have reincarnated in the solemn authoritarians of the IMF, the WB, and the WTO.” To oppose globalism, individuals should recognize it as a form of betrayal that actively undermines the economic independence of nations. Understanding the actual purpose of globalism would weaken its appeal, particularly among leaders who notice that national interests are being neglected in favor of global corporations. Resisting globalism is challenging due to its global reach; however, the opposition must be global in scope, involving international collaboration and coordination of national actions with efforts elsewhere.

*Heavy industrialization.* Beyond seeking political independence through decolonization, Lichauco emphasized the crucial need for industrialization, as advocated by Recto. He envisioned a comprehensive industrialization program beyond producing essential import substitutes that relied on imported materials. Instead, he emphasized the importance of establishing

heavy industrialization, which entailed substantial investment in large-scale, capital-intensive industries. This heavy industrialization was seen as a way to break the cycle of economic dependence on foreign nations.

Lichauco (1986, p. 109) emphasized that the country “should immediately be brought into the mainstream of the industrial revolution that is sweeping in Asia” since it could “provide the scientific and technological basis for the conquest of mass poverty and bring us at par with the escalating military strength of our neighbors.” Through industrialization, Filipinos could finally halt the long-time economic dependence and transform the country from being a mere source of raw materials for industrialized nations into a nation reliant on its own industries. A nation could not achieve economic independence and development through agriculture alone. Prioritizing industrialization does not mean that the country should abandon the agricultural sector. Rather, it should make the former complement the latter. For Lichauco (1986, p. 109), industrialization should be “linked to the rest of the economy, notably the agricultural and mining sectors”.

*Nationalist industrialization.* While industrialization is crucial for economic growth, the government must implement protectionist measures for its citizens. Besides focusing on heavy industrialization, promoting nationalist industrialization is essential to ensure Filipino economic control. Lichauco (1986, p. 97) emphasized this: “Nationalization should be used consciously as an instrument of policy to place industries vital to national security under state control, break down the concentration of wealth, prevent foreign control of the economy, and enable the government to implement its socio-economic priorities”.

Putting key industries under state control would allow the government to break the country’s long history of economic dependence, which made it vulnerable to pressures from external elements. Also, Lichauco (1986, p. 89) highlighted that “protectionism has become synonymous with industrialism,” which means industrialization should be accompanied by the imposition of protective measures to ease the unfair competition between imports and local products and to safeguard the survival of regional industries. Lichauco (1986, p. 89) expounded: “There can be no industrialization unless the State adopts it as a permanent feature of its development programmes to insulate domestic industries from import competition, particularly during the initial years of industrialization”.

The essence of nationalist industrialization is to secure the welfare of the people since economic

policies affect not only the economy of a country but also the condition of the lives of its constituents. Allowing the free market to dictate the economy's future would put people's lives, especially the poor, at risk since "private enterprise has no moral, legal or even economic responsibility to elevate the condition of the nation's poor" (Lichauco, 1988, p. 275).

Hence, Lichauco made it clear that he was not totally against globalization. What he wanted the country to do was to first develop its domestic industries before committing itself to international trade. Nationalist industrialization not only guarantees economic stability and independence but also increases the productivity of the people, enabling them to escape from poverty.

*Economic planning.* For Lichauco (1986, p. 108), industrialization should only be done "on a planned basis," so a "democratic system of central economic planning" should be established. He wrote: "If the State is to be an activist in the industrialization process, then it should be guided by a central plan drafted based on democratic consultation with the people who are after all to be the principal beneficiaries of development".

Since industrialization focuses on breaking the total reliance on external sources by creating industries and linking them to other aspects of the economy, such a system should be planned to avoid development based solely on free enterprise that counters state interventions and the misuse of economic resources. Thus, a central planning authority must be established that employs democratic consultations in policymaking. Democratic consultations aided by the principle of centrality would promote inclusivity in policymaking and ensure harmony within the policies that constitute a development program (Lichauco, 1986).

Lichauco (1986) emphasized a holistic approach toward development. He explained that development policies must be crafted and implemented as an integrated whole. Therefore, the central planning authority would focus on the country's economic and social aspects. In the economic aspect, the central planning body created policies that would transform the Philippines into an industrial state and ensure that the Filipinos would control the economy. To address social issues, the committee should develop programs that reduce financial barriers to essential services for low-income individuals. This includes making affordable basic groceries, housing, school supplies, medical treatment, and hospitals. Only by implementing such systems can development genuinely focus on improving people's lives.

*Economic democratization.* In Lichauco's economic nationalist philosophy, economic

democratization plays a crucial role. It believes in empowering the general public by placing the decision-making authority in their hands. This approach encourages active public participation in shaping development strategies and ensures that individuals directly benefit from their efforts and experience the positive outcomes of such policies. Lichauco remarked:

This nation should cease to be a society of human derelicts, where masses are forced to languish in destructive and self-demeaning idleness, where a situation of concentrated wealth enables a few to play God to millions of starving and desperate lives, and where the aged and the handicapped must face life unassisted (Lichauco, 1986, p. 103).

Lichauco (1993, p. 162) provided concrete measures that could ensure the democratization of the Philippine society. These included the following: "(1) expedite agrarian reform, (2) break up unwarranted monopolies and interlocking corporate interests, (3) nationalize activities vital to national security, (4) Filipinize areas of the economy which local capital can develop on its own, and (5) open up and ensure economic opportunities to social groups currently rendered powerless by the present social structure"

To address the current imbalance of wealth and power distribution, where the wealthy hold excessive resources and the poor are marginalized, it is crucial to reform various institutions to achieve fundamental social goals such as full employment, economic fairness, and social protection. This necessitates establishing a new system that prioritizes the material well-being of all individuals from all walks of life. Economic democratization should dismantle the concentration of wealth, empower workers and marginalized communities, and elevate their dignity.

#### 4.0. Conclusion

Alejandro Lichauco's economic nationalism emphasizes promoting national economic independence to meet the needs of the Filipino people. Proper development and sustainability require asserting political and economic sovereignty, resisting external influences, and implementing policies prioritizing Filipino interests. Only through independence can Filipinos implement policies that align with their needs. Lichauco also highlights that economic policy should focus not just on profit but on the well-being of citizens. Economic growth is not the sole objective of policymaking but rather a step towards improving people's lives.

Even though it is challenging, the Philippine political leadership may consider Lichauco's

nationalist economic framework. The government must show strong political will for its economic vision to take hold and thrive in a volatile global economic landscape. If the leaders were to heed Lichauco's call for heavy industrialization, the government must place heavy industries at the forefront of its national economic agenda, establish an enabling regulatory regime for the heavy industrial sector development, build the essential infrastructure integral to heavy industry processes; provide financial backing by way of loans, subsidies and tax incentives to secure investments in heavy industries; and embark on public-private partnership for pooling resources and knowledge in building heavy industries. The political leadership can engage with Lichauco's challenge for nationalist industrialization by creating an encouraging regulatory framework for Filipino control and ownership of heavy and resource-demanding industries, streamlining regulatory processes for nationalist industrial development programs and projects providing fiscal incentives such as venture capital, grants, low-interest loans, subsidies, and tax breaks to Filipino entrepreneurs; investing in infrastructure to foster Filipino-led expansion of heavy industries; and entering into joint ventures with local industries. The government can work towards a democratized economy by involving the citizens in economic planning and policymaking if only to serve the community needs if only to address their concerns and needs; by instituting and enforcing equitable labor policies and regulations and working conditions and workplace standards; and instilling a sense of openness and responsibility in economic governance.

While nationalist economics may seem appealing as a solution to the country's economic problems, it is not a simple fix. Economist Lichauco emphasizes that nationalist economics is merely a tool, and the crucial factor is whether the nation can find the political motivation to work together and use this tool effectively. This unity is essential for the country's continued existence as an independent nation.

### 5.0. Limitations of the Findings

The researchers recognize the limitations of the findings of the present study. By limiting the study solely to Lichauco's economic nationalism, it does not address the viewpoints of other economic nationalists and the development of nationalist movements across different geographic settings and historical eras and among different people. His economic ideas might not apply to the current globalized economies because they were conceived in another period with their own dynamics. As expected, the sources favor only one perspective, supporting nationalist economic policies without looking at their downsides and alternative views.

### 6.0. Practical Value of the Paper

The findings highlight the significant impact of Lichauco's ideas. Policymakers should take another look at these economic plans, considering the pros and cons of protectionism and state control in the Philippines. This could shift the government's role and changes in economic policies, regulations, and strategies. Policymakers might need to rethink their strategies to align the country's economic priorities with global trends. Lichauco's ideas could inspire policymakers to support local industries, helping them become self-sufficient and strengthen the economy. By prioritizing economic sovereignty, he encourages them to focus on national goals, boost local governance, and reduce reliance on foreign economic influences. Economists could reassess how protectionist policies align with the trends of a globalized market or where they do not apply. With a clearer understanding of the Philippine economic history, the public could engage in more insightful discussions about what lies ahead.

### 7.0. Directions for Future Research

Future studies may consider the specified areas of inquiry. Researchers might explore the philosophies of economic nationalism of nationalist stalwarts in the Philippines and other countries within Southeast Asia and assess their impact on their countries' economies. Future studies could consider how nationalist economic policies work in a global economy. Future research could examine how the economic policies in the Philippines or other Southeast Asian countries measure against Lichauco's or other nationalist stalwarts. Additional studies should assess how the protectionist policies impacted the economies in the Philippines or other Southeast Asian countries. Future exploration may be conducted to assess how protectionism affected different industries across the Philippines and nearby countries. Researchers could trace the historical development of the economic nationalist movements in the Philippines and other Southeast Asian countries through different periods. Future studies might compare the economic nationalist movements in the Philippines with those in other Southeast Asian countries across different periods.

### 8.0. Declaration of Conflict of Interest

The researchers declare that there is no conflict of interest regarding the conduct and publication of this study.

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