

This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: Foreign Trade Regimes and Economic Development: Philippines

Volume Author/Editor: Robert E. Baldwin

Volume Publisher: NBER

Volume ISBN: 0-87014-505-3

Volume URL: <http://www.nber.org/books/bald75-1>

Publication Date: 1975

Chapter Title: Index "Foreign Trade Regimes and Economic Development: Philippines"

Chapter Author: Robert E. Baldwin

Chapter URL: <http://www.nber.org/chapters/c4581>

Chapter pages in book: (p. 161 - 165)

# Index

- Abaca, 8, 77, 105, 133, 134, 135, 137, 138  
Agricultural surplus, decline of, 145-146  
Agriculture, 6, 60-61, 122, 145-146; and exports, 6; and imports, 146; prices, 146-147  
American Chamber of Commerce of the Philippines, 142  
Anti-Smuggling Action Center, 109  
Averich, H. S., 151  
Ayal, E. B., 109
- Balance of payments: crisis of 1949, 12, 21; crisis of 1969-70, 72-78; for 1946-71, 11-12  
Bananas, 6, 9, 81  
Banks. *See* Central Bank policy;  
Commercial banks  
Barker, R., 132  
Basic Industries Act of 1961, 54  
Bautista, Romeo M., 134-137  
Bell Mission, 29  
Bell Trade Act of 1946, 16n, 18, 19, 20, 21; and exchange controls, 19; and import taxation, 19  
Bhagwati, Jagdish N., 12, 13, 14, 15, 31, 50, 55, 65, 70  
Board of Investment (BOI), 74-75, 78, 111  
Borrowing, foreign. *See* Economic assistance, foreign
- Capital formation, 6-7, 11, 141. *See also* Investment  
Capital-labor ratio, 128-132  
Capital-output ratio, 128-129, 141  
Castro, Amado A., 59, 60  
Central Bank policy, 21-26, 31, 50-62, 65-82 *passim*; and commercial banks, 67-72, 76; and credit restriction, 37-38, 56, 67-72, 78-79; and devaluation, 50-55; and exchange controls, 25-26, 30-45; and exchange decontrol, 55-62; and exchange rates, 50-58; and expansionary policies, 20-21, 37, 54-55, 65-67, 151; and import controls, 30-45  
Coconut oil, 6, 9, 40, 60, 77, 81, 92, 105, 133, 134, 135, 137, 138  
Commercial banks, 65-66, 67-72, 73, 76, 78-79; and Central Bank policy, 67-72, 76  
Compensating tax. *See* Sales tax  
Consumer goods, classification of, 32-35, 82n  
Copper concentrates, 6, 9, 77, 81, 82, 125, 133, 134, 135, 136, 137, 138  
Copra, 6, 8, 77, 81, 92, 105, 109, 133, 134, 135, 137, 138  
Copra meal or cake, 6, 9, 81  
Credit expansion, 20-21, 37, 54-55, 65-67, 151

- Credit restriction, 37-38, 56, 67-72  
 Currency depreciation. *See* Devaluation
- DBP. *See* Development Bank of the Philippines
- Debt: external, 67, 69, 79-80; internal, 67, 69, 79
- Definitions, list of, 157-159
- Denton, F. H., 151
- Desiccated coconut, 6, 8, 21, 77, 81, 82, 125, 133, 134, 135, 137, 138
- Devaluation, 21, 50-55, 56, 80-82, 101; defined, 156; and exchange crisis of 1969-70, 80-82; and export levels, 81-82, 137-138; and import levels, 81. *See also* Exchange rates, effective; Exchange rates, nominal
- Development Bank of the Philippines (DBP), 31, 66, 67, 92, 112
- Domestic product, net, 2-4; and capital formation, 6-7; distribution of expenditures in, 11; and government spending, 7; and public expenditure and investment rates, 68; rates in other countries, 2
- Economic assistance, foreign, 7, 17-18, 79-80; Japanese, 44; U.S., 7, 13, 17-21, 44
- Economic structure, 1-16; and foreign aid, 7; and governmental control, 7; and growth, 2
- Elections, presidential: 1949, 12-13, 21; 1953, 37; 1969, 73
- Employment, 129, 132
- Encarnación, José, 134-137
- Entrepreneurial class, 141-142
- Excess capacity, 142-143
- Exchange controls, 12-16, 75-78 *passim*; and balance-of-payments deficits, 12; and Bell Trade Act, 19; and Central Bank policy, 25-26, 30-45; chronology, *see* Exchange controls, chronology; and commercial banks, 76; decontrolled period, 14-15; and devaluation, 50-55; distributional effects of, 144-149; easing of, 50-62; effectiveness of, 15-16; effects of, 13, 121-152; and growth, 139-144; guiding principles of, 31-33; Import Control Act, 19-20; and import controls, 19-22, 23-26, 29-30; and import licensing, 25; and import taxation, 19; and income distribution, 144-149; and inflation control, 26-30; institution of, 12-13; liberalization of, 1; and monetary policy, 12-16, 20-21, 37-39, 50-62; and multiple exchange rates, 13-14, 50-53; and No-Dollar Import Law, 31, 44-45; phases of, 12-15, 159; resource allocation, 121-139; and tariffs, 39-42; and taxation of exports, 15, 77, 117; and taxation of foreign-exchange transactions, 29, 38, 40, 51, 55, 93, 114; and windfall gains, 13, 26-30
- Exchange controls, chronology: 1946-49 (reconstruction period), 17-22; 1950-52 (early years), 22-30; 1953-59 (Central Bank operations), 30-45; 1960-67 (easing of), 50-62, 65-67; 1967-68 (reintroduction of), 67-72; 1969-71, 72-74, 75-78. *See also* Exchange controls
- Exchange crisis of 1949, 12, 21
- Exchange crisis of 1969-70, 14, 72-82, 151-152; and commercial banks, 78-79; devaluation, 80-82; and external debt, 79-80; and floating of peso, 76; and foreign borrowing, 79-80; monetary policy, 78-82; and stabilization taxes, 77-78
- Exchange decontrol, 14-15, 51-62; effects of, 57-62; evaluation of policy, 60-62; and exporting and manufacturing activities, 59-62; and imports, 58-59
- Exchange rates, effective, 84-98; calculation of, 113-117; and export subsidies, 115-117; and tariffs, 114; and taxes, 114-115, 117
- Exchange rates, nominal, 13, 50-53, 56, 75-82, 113-114; defined, 155; and protective measures, 84-98. *See also* Devaluation
- Exchange transactions, taxation of, 13, 29, 38, 40, 93, 114-115
- Excise tax, on foreign exchange, 29, 40
- Expenditures, public, 7, 11, 68; and GNP, 68
- Export incentives, 74-75
- Export Incentives Act of 1970, 75, 94
- Export licensing, 45
- Exports, 6, 8-10, 18, 132-139 *passim*; and agriculture, 6; encouragement of, 44-45; and exchange decontrol, 59-62; growth

- rate of, 6; rise in, 6, 60-61, 81-82;  
stimulation of, 44-45, 74-75, 92-93;  
taxation of, 15, 77, 117
- Export subsidies, 45, 74-75, 92-93,  
115, 117
- Export valuation, 45
- Far East, growth rate and population of, 2
- Federal Reserve Bank of New York, 79
- Filipinization, of import trade, 20, 25, 35
- First National City Bank of New York, 79
- Fiscal policy, 20-21, 37-39, 54, 65-67,  
78-80, 151
- Foreign aid. *See* Economic assistance
- Foreign exchange. *See* Exchange rates,  
effective; Exchange rates, nominal
- Geographical features of the Philippines,  
1-2
- Goals, Philippine political, and monetary  
policy, 7
- Golay, Frank H., 19, 45
- Gold, 45, 52, 54
- Government expenditures, in relation to  
GNP, 7
- Gross national product, 2-3, 37, 139
- Growth, and exchange controls, 139-144;  
and capital formation, 141; and excess  
capacity, 142-143; and rise of the  
entrepreneurial class, 141-142; and  
technological innovation, 142
- Growth rate, 2-3, 37, 67, 139; and exports,  
6; of Far East, 2; industrial sector,  
122-123; sources of, 142; of South Asia,  
2; of Southeast Asia, 2
- Hicks, George L., 60, 109
- Hooley, Richard W., 61, 122, 141
- IMF (International Monetary Fund), 67,  
71, 76, 79
- Import Control Act, 30; of 1948, 18,  
19-21; of 1950, 24-25
- Import Control Board, 20, 23, 24-26
- Import controls, 13, 17-22, 23-26, 29-30;  
and the Central Bank, 30-45; easing of,  
54-55; and price levels, 26-30
- Import dependence, 131-132
- Import licensing, 20, 25
- Imports, classification of, 5, 23-24, 31-36,  
82n, 140; and exchange decontrol, 55-  
62; taxation of, 19, 93
- Import substitution, 13, 19, 30-45, 121-  
128, 139-141; and export  
encouragement, 44-45; and monetary  
policy, 37-39; and No-Dollar Import  
Law, 31; and tariffs, 39-42; and taxation  
of foreign-exchange transactions, 38-40;  
and tax incentives for industry, 42-44
- Import tax, special, 13, 29, 40, 114-115
- Income distribution, exchange-control  
effects on, 144-149; and agricultural  
surplus, 145-146; and prices, 61, 146-  
147; and wages, 146-149
- Independence, political, 19
- Industrial expansion: encouragement  
through tax incentives, 13, 22, 42-44;  
and excess capacity, 142-143; and  
exchange decontrol, 59-62
- Inflation, 61; control of, 26-30; and growth,  
67; and taxation, 28-29; and wholesale  
prices, 7
- Interest rates, 21, 37, 38, 53, 56, 61, 65-66,  
70, 73, 78-79
- International Monetary Fund. *See* IMF
- Investment, 6-7, 68, 74, 141. *See also*  
Capital formation
- Investment Incentives Act of 1967, 74, 94
- Jurado, Gonzalc, 150
- Koehler, J. E., 151
- Korean War, and exports, 26
- Krueger, Anne O., 12, 13, 14, 15, 31, 50,  
55, 65, 70
- Laurel-Langley Agreement of 1955, 13,  
16n, 39, 40, 57
- Logs and lumber, 6, 8, 40, 60, 77, 82, 105,  
133, 135, 136, 138
- Macapagal, Diosdado, 55, 62
- McNutt, Paul, 17
- Magsaysay, Ramon, 37
- Mangahas, Mahar, 132
- Manufactured goods, 3, 5, 6, 26, 27, 35,  
72-73, 103-104, 122, 123, 124, 126, 128,  
130, 140, 141, 143, 145
- Manufacturers Hanover Trust Company  
of New York, 79
- Manufacturing industry, 59-60, 122-132;  
and capital-labor ratios, 128-132; growth  
rate, 122-123; and import substitution,

- 125; and output-labor ratios, 128-129, 141
- Marcos, Ferdinand, 65-75 *passim*, 76, 145
- Margin-deposit requirements, 21, 27, 37-38, 55-57, 65, 70-73, 78, 79, 115-116
- Margin fee, on foreign exchange, 38, 51, 54, 55, 93, 114
- Meyer, William S., 132
- Mining and quarrying, 3, 105
- Monetary Board, 31
- Monetary policy, 7-16, 20-21, 37-39, 50-62; and credit restriction, 67-72; and exchange controls, 12-16, 37-39, 50-62, 67-72; and exchange crisis of 1970, 78-82; and expansionary policies, 65-67, 151; and political goals, 7. *See also* Balance of payments; Exchange controls
- Multiple exchange rates, 13-14, 50-53, 85. *See also* Exchange rates, effective; Exchange rates, nominal
- National Marketing Authority, 111
- National Marketing Corporation, 103
- National Power Corporation, 111
- National Waterworks and Sewerage Authority, 111
- NEC (National Economic Council), 33, 37, 45
- No-Dollar Import Law of 1955, 31, 44-45
- Oshima, Harry T., 132
- Output-capital ratio. *See* Capital-output ratio
- Output-labor ratios, 128-129
- Paauw, Douglas S., 60
- Peso, devaluation of, 21, 50-55, 80-82, 101; defined, 156; and exchange crisis of 1969-70, 80-82; and export levels, 81-82, 137-138; and import levels, 81. *See also* Exchange rates, effective; Exchange rates, nominal
- Philippine Airlines, 111
- Philippine Chamber of Commerce, 115
- Philippine National Bank, 31, 56, 66, 74
- Philippine National Railways, 111
- Philippine Trade Act of 1946. *See* Bell Trade Act of 1946
- Philippine Virginia Tobacco Association, 111
- Pineapples, canned, 6, 9, 77, 82
- Plywood, 6, 9, 60, 77, 133, 135, 136
- Political climate, and economic goals, 151-152
- Population, 1-2
- Power, John, 103, 105
- Prices, 7, 58, 61, 67, 71-72, 98-100, 102, 103, 146-147; and import controls, 26-30. *See also* Inflation
- Price Stabilization Corporation, 29
- Producer goods, classification of, 31-35, 82n
- Profits, rate of, 59-60
- Protection, effective rates of, 103-108, 117
- Protection, implicit rates of, 98-103
- Protective mechanisms defined, 156
- Protective rates: effective, 103-108, 117; implicit, 98-103; and smuggling, 106-112. *See also* Exchange controls; Exchange rates, effective; Exchange rates, nominal; Exports; Import controls
- Quirino, Elpidio, 20, 21, 27, 29
- RCA (Rice and Corn Administration), 66, 73, 111
- Rediscount rate. *See* Interest rates
- Rehabilitation Finance Corporation. *See* RFC
- Reserve requirement, for demand deposits, 38, 46n, 53, 54, 56, 67, 69-70, 78
- Resource allocation, and exchange controls, 121-139; and employment, 132; and exports, 132-139; and import substitution, 125; in manufacturing industries, 122-132
- Revised Trade Agreement of 1955. *See* Laurel-Langley Agreement of 1955
- RFC (Rehabilitation Finance Corporation), 18, 22, 44
- Rice and Corn Administration. *See* RCA
- Sales tax, 19, 28-29, 54, 92-93, 115
- Savings, 60, 141
- Sicat, Gerardo P., 138, 141
- Smuggling, 106-112; and export-import undervaluation, 109-112; and protective measures, 106-112; and tariff levels, 110-111; and textiles, 109-110
- South Asia, growth rate of, 2

- Southeast Asia, growth rate and population of, 2
- Stabilization taxes, 77-78
- Sugar, 8, 60, 77, 78, 82, 92, 106, 125, 133, 134, 137, 138
- Tariff Act of 1957, 42
- Tariff Commission, 40, 41
- Tariffs, 19, 39-42, 57, 93, 94, 114; defined, 156; and smuggling, 109, 110-111
- Taxation: and export incentives, 75; of exports, 15, 77; of foreign-exchange transactions, 13, 29, 38-40, 93, 114-115, 117; of imports, 19, 93; as industrial incentive, 22, 42-44, 54-55, 123; stabilization, 77-78
- Tax exemption laws, 22, 42-44, 54-55, 123
- Technological change, 142
- Textiles, smuggling of, 109-110
- Treadgold, M., 60-61
- Tryon, Joseph L., 60
- U.S.-Philippine Trade Act of 1946. *See* Bell Trade Act of 1946
- Valdepeñas, Vicente B., 40, 59, 85, 117
- Veneer, 9, 105, 133, 135
- Wages, 61-62, 146-149; minimum wage, 61
- Williamson, Jeffrey, 142
- Windfall gains, 13, 26-30, 58-59, 101
- World War II, effects on Philippine economy, 17