

Business and Peace:
The Case of La Frutera Plantation in
Datu Paglas, Maguindanao, Philippines

Mark S. Williams

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The Case of La Frutera Plantation in Datu Paglas, Maguindanao, Philippines*

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M.S.W.

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ACRONYMS & ABBREVIATIONS

AFP	Armed Forces of the Philippines
AFRIM	Alternate Forum for Research in Mindanao, Inc.
AOW	All-Out War
ARMM	Autonomous Region in Muslim Mindanao
CAAM	Conflict-Affected Area of Mindanao
CFR	Council on Foreign Relations
CIP	Community Infrastructure Projects
CPP	Communist Party of the Philippines
DA	Department of Agriculture
FDI	Foreign Direct Investment
FPA	Final Peace Agreement
GO	Government organization
GOP	Government of the Philippines
GRP	Government of the Republic of the Philippines
HRD	Human Resource Development
LDC	Less Developed Country
LFI	La Frutera, Incorporated
LGSP	Local Government Support Program
LGU	Local Government Unit
MEDCo	Mindanao Economic Development Council
MILF	Moro Islamic Liberation Front
MinDA	Mindanao Development Authority
MINSUPALA	Mindanao / Sulu / Palawan
MNC	Multinational Corporation (compare TNC)
MNLF	Moro National Liberation Front
NGO	Non-government organization
NPA	New People's Army
OFW	Overseas Filipino Worker
PAD	Peace-and-Development
PAGCORP	Paglas Group of Companies
PBGEA	Pilipino Banana Growers & Exporters Association
QDA	Qualitative Data Analysis
SIR	Smooth Interpersonal Relations
TNC	Transnational Corporation (compare MNC)
UNCTAD	U.N. Conference on Trade & Development
UNDP	United Nations Development Programme
USAID	U. S. Agency for International Development
USD	U. S. Dollars
USDOS	U. S. Department of State
USG	U. S. Government
USIP	United States Institute of Peace

ABSTRACT

Mindanao, in the southern Philippines, has been the landscape of religious, social and political conflict for more than 500 years. The Magindanawn people, who embraced Islam after contact with Malay Muslims in the late 1400s, have experienced clan rivalries and other outsider aggressions leading to disenfranchisement and displacement from their ancestral domain in west Central Mindanao.

In the activism and rebellion of the late 1960s and early 1970s, Magindanawn people were often caught between Philippine military forces and the *Bangsamoro mujahideen*. In the 1980s, there was some respite but, until the present-day, the people and the land have been subjected to continual skirmishes and, sometimes, all-out war.

In the mid-1990s, Datu Ibrahim “Toto” Paglas III wanted to fulfill his father’s dream of establishing a plantation in their homeland for community benefit. Touted as the “Datu Paglas miracle,” the La Frutera banana plantation came into existence in the midst of intercultural disharmony and regional conflict. This, then, is a comprehensive, descriptive case study of La Frutera, Incorporated.

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Mentor / Advisor: Fr. Albert Alejo, S.J., Ph.D.

This dissertation is dedicated to my wife, Kathleen, who is the love of my life.
And, to our children, Andrew and Joel.
All glory goes to God our Father, and our Lord and Savior, Jesus Christ.

Chapter 1

INTRODUCTION

1.1. Datu Paglas Municipality in Maguindanao Province on Mindanao, Philippines

Situated 6° to 10° above the equator between the South China Sea and the Pacific Ocean is a large island known in the annals of history as the seat of the Magindanawn¹ Sultanate – this island is called Mindanao. If one looks at a map of Central Mindanao (below, Map 1), equidistant from the Moro Gulf in the west and the Davao Gulf in the east is a prominent lake known as Lake Buluan. Just northeast of this lake, on the far eastern side of Maguindanao Province is the municipality of Datu Paglas which, as the focus site of this study, is the home of the La Frutera banana plantation.

Datu is an honorific meaning “tribal chieftain” (“Datu-Definition,” 2010) in both the Muslim and *lumad* (tribal) languages of the area. The Magindanawn people embraced Islam hundreds of years ago (Manzano, 2002, p. 2),² and Paglas is the name of a well-

¹ Due to the fact that the Magindanawn language has been oral (or using Arabic script) until recent times, the Roman-script orthography for the spelling of their people-group name and their language is not yet standardized. Peralta (2003) lists five orthographic variants: “...Magindanao (Magindanaw, Maguindanaw, Maguindanaon, Magindanaoan...)” (p. 43). Insight on this issue from political anthropologist Thomas McKenna (1998) is most instructive:

Previous scholars have referred to the language and its speakers as Maguindanao (Mastura 1984; Stewart 1978 [1984]), Magindanao (Beckett 1982; Iletto 1971; Mednick 1965), and Magindanaw (Llamzon 1978). I adopt the usage of Fleischman (1981b), who found in his linguistic research that Magindanaons ‘usually refer both to themselves and their language as /magindanawn/...’ (Fleischman 1981b:57)... Informal data from my own fieldwork support Fleischman's findings. (p. 296, endnote #1)

² Anthropologist Eric Casiño, who is himself a Filipino Muslim of the Jama Mapun people group, categorizes Islam in the Philippines as follows (1976):

[F]olk Islam remains one of the major streams of sociocultural continuity in the life of Filipino Muslims in general....

known Magindanawn family living in this upriver region of the Buluan lake environs. Paglas is therefore: (a) the name of this eminent *tau sa Laya* family;³ (b) the name of a municipality in Maguindanao Province created in the early years of martial law (Malacañang, 1973); and, (c) the physical location of the burgeoning La Frutera banana plantation in proximity to one of the more severe conflict-affected areas of Mindanao.

This introductory chapter, then, serves first to highlight the history and environs of the plantation located in Datu Paglas municipality (Sections 1.1 to 1.1.3), which is more fully expounded and described in Chapter 2. Then, it presents the Statement of the Problem and the Objectives of the research, noting Limitations and Delimitations encountered along the way (Sections 1.1.4 to 1.1.7). Finally, there is a Review of the Related Literature and details on the Research Method and analytical devices used, along with a Definition of Terms (Sections 1.2 to 1.4) and a flowchart on Structure of Dissertation (Section 1.5).

Superficially folk Islam is a synthesis of native and Islamic beliefs and practices. This definition has a strong disjunctive notion – it implies that one can point out what is “native” and what is “officially Islamic”....

A second way of defining folk Islam, which sidesteps the rather thankless job of disjunctive analysis is to view it in an inner-objective fashion, i.e., to define it as a Jama Mapun would define it.... The sense implied is the ethnologist’s ideal: “To grasp the native’s point of view, his relation to life, to realize his vision of his world,” as Malinowski...put it. (pp. 93, 94)

³ McKenna (1998) elaborates: “The terms for these two [Magindanawn] dialects – *tau sa Laya* (upriver people) and *tau sa Ilud* (downriver people) – are place-names indexing the fluvial orientation of a people living along a great river. This dialectal separation reflects demographic, cultural, and political polarization between the two major historical populations centers on the Pulangi, one at its mouth in what is now Cotabato City and the other thirty-five miles upstream near the present-day Datu Piang. These two settlements were, respectively, the traditional seats of the Magindanao Sultanate and the Buayan Sultanate – interdependent but dueling realms for most of their histories” (p. 29; italics in original).



Map 1. Central Mindanao (Southern Philippines)

1.1.1. Paglas in the Kinship of Two Distinguished *Tau sa Laya* Magindanawn Families

While the Paglas name is “admired” today (Tuminez, 2007, p. 6), it was not always a name notable within recorded *tau sa Laya* history. Nearly fifty miles upriver from Dulawan – which is the old capital of the Buayan Sultanate (Warren, 2002, p. 28) – is Lake Buluan and the original township of the same name. Early twentieth-century

anthropologist Fay-Cooper Cole recorded that the Austrian ethnographer Ferdinand “Blumentritt raised the possibility that the original home of the Blaans was Lake Buluan, Cotabato, thus the name Blaan” (noted in Tiu, 2005, p. 55). The Blaans “partly shared” the Lake Buluan environs with the Magindanawn until, eventually, the former were displaced by the latter (p. 240).

At the beginning of the twentieth century, the focus of *tau sa Laya* political and socio-economic power was Dulawan, where the redoubtable Datu Piang had assumed control (today, Dulawan is called ‘Datu Piang’).⁴ Historically, the *tau sa Laya* seat of power extended upriver to Buluan, which is the place of origin for Salipada K. Pendatun, a *tau sa Laya* Magindanawn law student who, before World War II, served as secretary to a *tau sa Ilud* Magindanawn in the Commonwealth government (Beckett, 1994, pp. 291ff).⁵ It was during his time in the pre-Republic Commonwealth that Pendatun solidified ties with his *tau sa Laya* neighbors, the Piangs. Indeed, “his alliance with the Piangs was reinforced when he got Ugalingan [son of Datu Piang] reappointed to the 1941 assembly...” (Abinales, 2000b, p. 134).

The United States formally declared war against Japan after the bombing of Pearl Harbor in December 1941. That war, which came to be known later as World War II, expanded forcefully into the Pacific arena. The Philippines fell to Japanese aggression by early 1942 and, depending on certain pressures, different Filipino families and geographic regions pledged allegiance to either the Americans or the Japanese. For the

⁴ The biographical history of Datu Piang is documented in: Abinales, 2000a, pp. 193-227; Iletto, 2007, pp. 109-110; and, McKenna, 1998, pp. 91-97.

⁵ A thorough account of Salipada K. Pendatun is found in Abinales, 2000b, pp. 134-145.

purposes of this study, note how this exacerbated existing family and clan conflicts in the environs of Lake Buluan in Central Mindanao:

The Paglas and Pendatun clans of my parents used to be fierce rivals, eliminating any member at first chance, this feud dating back to pre-WW2. During the war, the Pendatuns sided with the Americans and the Paglases with the Japanese, even heightening some more the mortal animosity between the two families. This was only patched up after my father and mother eloped, managed to avoid the wrath of my grandparents (could have been fatal to either or both my parents), they were only forgiven and the two clans forced to reconcile with each other when I was born (in 1962). (“Personal History,” n.d., p. 1)

This is from a personal testimony of the late Datu Ibrahim “Toto” Paglas III, who figures prominently in the founding of the La Frutera banana plantation (see Appendix A for a biographical essay on Toto Paglas). On his father’s side, Datu Toto was “a grandnephew of the first Muslim Brigadier General and former Senator Salipada Pendatun...” (Gutoc, 2008, p. 2). His mother, “...Bai Aga Piang Paglas...” discloses her Piang lineage through her maiden name (De la Rosa & Abreu, 2003, p. 35). Furthermore, Toto Paglas was the “...nephew of founding MILF Chairman Hashim Salamat...” (Gutoc, 2008, p. 2). The late MILF Chairman was himself related to the Pendatun family through his uncle, Datu Abubakr Pendatun (Buat, 2003, p. 1).

An interesting thread in this case, then, is the Piang-Pendatun-Paglas kinship relationships making possible the eventuality of the La Frutera, Inc. plantation (the significance of kinship on the plantation is explored further in Chapter 4). Also notable is the fact that “the Paglas and Mangudadatu families are also closely related to each other” (Unson, 2009, p. 1).⁶ The home area of the Mangudadatu family is also Buluan, on the

⁶ Appendix B (Akmad, 2005, p. 11) details the genealogy of the *tau sa Ilud* and *tau sa Laya* Magindanawn. Notable for this study, the lines of Datu Utto and the Mangudadatu clan are direct cousins to the Pendatuns and the Salamats through the lineage of Dipatuan Marajanun – i.e., “Sultan Marajanuddin” (Jubair, 1999, p. 52). Given their bloodline ties to the Paglas family, the significance is established.

western border of Datu Paglas municipality, and the unfortunate events of November 2009 in Maguindanao Province affecting the mayor of Buluan accentuate the unique political and cultural context of La Frutera, Inc. (LFI).⁷

1.1.2. Martial Law and the Creation of Datu Paglas Municipality

On September 21, 1972, President Ferdinand Marcos issued “...PROCLAMATION No. 1081...PROCLAIMING A STATE OF MARTIAL LAW⁸ IN THE PHILIPPINES...” (Malcañang, 1972; capital-lettering in original).⁹ A year later, Marcos was negotiating with Datu Paglas II, the father of Toto, for the creation of a municipality in his name. Paglas II agreed to the following terms:

Section 1. The barrios of Malala, Katil, Alip, Damawato, Manindolo, Puya and Sepaka in the Municipality of Columbio, Province of Sultan Kudarat, are hereby separated from said municipality, and constituted into a distinct and independent municipality to be known as the Municipality of Datu Paglas, in the province of Maguindanao. The seat of government of the new municipality shall be in the present site of the barrio of Alip.

Section 2. The President shall appoint the mayor, vice-mayor and councilors of the Municipality of Datu Paglas who shall hold office until their successors shall

⁷ Making international news reports on November 23, 2009, the mayor of Buluan, Esmal Mangudadatu, lost his wife and other friends and family as they became shooting victims of the infamous ‘Maguindanao Massacre.’

⁸ Recalling details leading up to the martial law proclamation is beyond the scope of this introduction. Consult Diaz, 2003, pp. 302-334, for specific reports involving Mindanao events precipitating the proclamation.

⁹ The proclamation stipulates:

“WHEREAS, in addition to the above-described social disorder, there is also the equally serious disorder in Mindanao and Sulu resulting from the unsettled conflict between certain elements of the Christian and Muslim population of Mindanao and Sulu, between the Christian ‘Ilagas’ and the Muslim ‘Barracudas’, and between our government troops, and certain lawless organizations such as the Mindanao Independence Movement;

“WHEREAS, the Mindanao Independence Movement with the active material and financial assistance of foreign political and economic interests, is engaged in an open and unconcealed attempt to establish by violence and force a separate and independent political state out of the islands of Mindanao and Sulu...” (Malacañang, 1972, p. 17; capital-lettering in original).

have been elected in the next general elections for local officials and shall have qualified.

Section 3. This Decree shall take effect immediately.

Done in the City of Manila, this 22nd day of November in the year of Our Lord, nineteen hundred and seventy-three. (Malacañang, 1973; bold-lettering in original).



Map 2. Datu Paglas Municipality in Maguindanao Province

The area in and around the municipality of Datu Paglas (shown above as the darkened section to the right of the name) was said to have had an unfortunate history of violence and criminal activity, especially during the martial law years. The municipality of Columbio in Sultan Kudarat Province, from which Datu Paglas was created, was historically “...inhabited by ethnic groups such as the Ilocanos, Ilonggos, B'laan and Maguindanaon” (“Columbio, Sultan Kudarat,” 2010, p. 1; underlining in original). The

concern over heated confrontations between “...the Christian ‘Ilagas’ and the Muslim ‘Barracudas’...” (Malacañang, 1972, p. 17) – such that Ilonggos comprise the Ilagas and Magindanawn the Barracudas – was a primary rationale for the Marcos administration to declare martial law and to finish subdividing the old Empire Province of Cotabato.¹⁰

Martial law was justified mainly due to violent discontent of the resident Magindanawn regarding the erosion of their ancestral domain by Malacañang land settlement policies. For example, a study on the Koronadal Valley settlement of Central Mindanao before World War II – said to be “the place toured or visited by the Sultan of Buayan” (Campado, 2005, p. 12) – gives the following details:

[T]he Magindanao people did not realize the full implication of the coming of the settlers. One daughter of a Magindanao datu mentioned his [*sic*] father saying: “*kawawa naman sila*” in explaining the permission he gave to settlers to cut bamboos found in his territory to be used for house construction. Thus, both groups opted for a peaceful co-existence at the time of initial contact.

The rapid arrival of settlers beyond the expected number led to the opening of more settlement districts. Fear of being dispossessed of their ancestral lands impelled more indigenous groups to settle in the surrounding areas to prevent the further expansion of the settlements.... (p. 14; italics in original)

Fifty years after this Koronadal Valley expansion, with the lifting of martial law in 1986 and the creation of the Autonomous Region in Muslim Mindanao (ARMM) in

¹⁰ “In 1966, a significant part of Cotabato Province, then one of the largest in the Philippines and also known as the Empire Province of Cotabato, became a new political unit, the predominantly Christian province of South Cotabato” (Camacho, Puzon & Ortiga, 2003, p. 4). The rest of the Empire Province would be subdivided seven years later on the same day that Datu Paglas became a municipality:

“...on November 22, 1973 by virtue of Presidential Decree No. 341 signed by former Pres. Ferdinand E. Marcos. The purpose of dividing Cotabato into three (3) smaller provinces is clearly stated in Presidential Decree No. 341, which pertinently provided, to wit:

‘Whereas, the province of Cotabato is one of the largest and richest provinces of the Philippines; Whereas, the potentials of the province have not been fully developed due to the magnitude of the task of provincial development and troubles that have long plagued the area;

Whereas, the many conflicting political, social and economic interests that have limited the progress of the province must be resolved in order to promote the stability and accelerate the development of Cotabato; and

Whereas, there is a need for dividing the present province into smaller units which can be more effectively administered and developed...” (“History,” 2008, p. 1).

1989,¹¹ discontent and frustrations continued in this part of Central Mindanao on into the decade of the 1990s. In one such incident, in late 1993, near the municipality of Buluan, a bus was ordered to stop, commandeered and, after all passengers were indiscriminately robbed, the perpetrators separated the Muslim passengers from those who said they were Christian and opened fire on the Christians, leaving nine of them dead (“Patterns,” 1994, p. 13).

Violence in this part of Mindanao, however, was not limited to banditry alone; political rivalry and family-feuding also contributed to significant bloodshed during this time.¹² Toto’s father, Datu Paglas II, was himself a victim of political violence. His death was a revenge-killing, called *pagkontla* in the Magindanawn language.¹³ Toto Paglas’ reaction to the killing was in striking contrast to the norm – he chose not to perpetuate the revenge-killing cycle. Instead, in seeking to “...pursue his late father’s dream of developing this land into a ‘coffee, cacao and rubber plantation’” (De la Rosa & Abreu, 2003, p. 36), Paglas III was choosing to follow a different approach.

In 1988, Toto ran for mayor of Datu Paglas municipality, securing the office. Acutely aware of the history of revenge-killings on family-members, the new Mayor Toto was wondering how to effect change for the better (these effects are detailed in

¹¹ “[T]he signing into law of Republic Act 6734, *An Act Providing for an Autonomous Region in Muslim Mindanao...*” was done on August 1, 1989 (Madale, 1992, p. 169; italics in original).

¹² The recent compendium by Torres III (2007), which highlights proceedings of the USAID-led conference on “Clan Feuding and Conflict Management in Mindanao” (front-cover), notes the continuing prevalence of such feuding violence.

¹³ My appreciation to Prof. Rufa Cagoco-Guam, of the Mindanao State University in General Santos City, for indicating the distinction between Magindanawn *pagkontla* and Maranao *rido* revenge-killing (R. Cagoco-Guam, personal communication, June 20, 2009). This is indicated as well by Lingga (2007): *Rido* is a term commonly used by Meranao and Iranun. Among the Magindanaon, the word is understood by people in the lower valley (*tao sa ilud*) probably due to their interactions with the Iranun. Among the *tao sa laya* or *tao sa raya* (Magindanaons in the upper valley), *rido* is not a commonly used term. (p. 53; italics in original)

Chapter 2 and Appendix A). By 1998, however, when Toto decided not to run again; his younger brother, Abubakar, ran instead and became mayor in his place. At that point, Datu Toto returned to the private sector from whence he came, and continued to work for his father's dream. Therefore, previously in 1996, when "...the GRP-MNLF peace agreement and the GRP-MILF agreement on the cessation of hostilities [was] in place," Paglas III had already succeeded in attracting Filipino national and expatriate multinational investors by which "to establish a banana plantation in Datu Paglas" (De la Rosa & Abreu, 2003, p. 37). It was in 1997, therefore, that La Frutera – LFI – was formally established.

1.1.3. Datu Paglas as the Site of the La Frutera Plantation

Realizing how these highlights characterize the situation around Lake Buluan, it might seem fantastic – if not altogether impossible – for multinational corporate interests to consider investing and developing a plantation in such a conflict-affected area. The decision to invest there certainly did not occur overnight. Indeed, "...John Perrine, CEO of the Unifrutti...spoke of the 'leap of faith' he made back in 1996 when he decided to invest in Datu Paglas.... But a meeting with the young mayor, Ibrahim 'Toto' Paglas III, changed Perrine's mind.... 'With my blood, I will protect you and your employees...'" ("Holding My Own," 2006, pp. 2-3). Perrine was convinced of Toto's sincerity and decided to invest on his word of honor.

Once the investment deal was secured, the unique circumstances of the plantation's existence was contrasted to the stark "...rarity of substantial business

investments in the Autonomous Regions in Muslim Mindanao...” (Bacani, 2007a, p. 1). The plans were deliberated upon by Datu Toto and Unifrutti corporate executives alone; therefore, the population of Datu Paglas still needed reassurance that non-Muslim corporate interests could contribute to the benefit of their community – and this is where Datu Toto’s diplomatic skills shined. Indeed, “promoting cultural sensitivity became the priority concern during the first years” (Nuguid-Anden, 2003, p. 4) of the plantation.

Years before this historic meeting, Mayor Toto had proved his skills as a progressive leader: “In 1990...the municipality was re-organized to improve service delivery. The Mayor started providing irrigation to the farmlands and peace and order was slowly restored. The irrigation system became functional in 1991 and farmers begun [*sic*] working in the field thus, abandoning their loose firearms” (Carada, 2001, p. 12). Datu Toto would remain as mayor until 1998 (Villanueva, 2003, p. 5; compare N. Maulana, 2008, p. 2), viewing firsthand how his actions and progressive policies in the late 1980s and early 1990s set the stage for the municipality to become the site of LFI.

1.1.4. Statement of the Problem

The environs of the Lake Buluan region, which now include the newer municipality of Datu Paglas, have endured much social, political and economic upheaval in resisting Spanish, American and Malacañang influences and impositions. Feeling alienated and disenfranchised, due in part to their Islamic religious and cultural outlook, “...hostility from the townsfolk, who had hitherto been isolated from mainstream society, towards a [Manila-based] government which had, until recently, sent armed troops