

A Passage to the Philippines (and Globalization 2.0)

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The city of Punta Arenas, Chile with the Strait of Magellan in the background.

It took a little over 24 hours to travel from my home in Tucson, Arizona to Punta Arenas, Chile, which is located in the extreme south of South America -- hopping by plane from Tucson to Dallas to Santiago de Chile to Puerto Montt and finally to my destination city. Since I traveled in June, the trip was not merely a simple journey from North America to South America, but a jarring passage between opposite seasons: from the summer heat and extended 15-hour daytime of Arizona to the winter freeze and dramatically shrunk six-hour daytime of Punta Arenas.

This was my second visit to Punta Arenas, a city bounded to its south by the Strait of Magellan -- the famous water channel connecting the Atlantic Ocean to the Pacific Ocean -- and home to the University of Magellan. I was invited as a Fulbright Senior Specialist by the University's Antarctic Research Program in 2010, and I returned there this past June for an invited follow-up visit.

With my hotel sitting directly across the street from the Strait of Magellan, and with the water channel being the tranquil scenery that quietly greeted me each morning when parting my window curtains, my second visit occasioned the first time when it dawned on me that this Strait was indeed the water passage that conveyed

Ferdinand Magellan (yes, *that* Magellan) from the Atlantic Ocean to the Pacific Ocean, leading him ultimately to the Philippine Islands. Magellan and his ships entered the Strait on November 1, 1520 and reached the island of Homonhon in the Philippines the following year on March 17, 1521.

Looking at the Strait of Magellan, I had to marvel that I was actually observing the sea passage that made possible the inaugural passage of the Philippines from within the limited confines of its Asian sphere into the new and vast expanse of the global arena. Magellan's passage to the Philippines inevitably and irreversibly ushered the Philippines into the era of Globalization 1.0.

Unfortunately for the Philippines, however, Globalization 1.0 was a globalization of masters and slaves, and the Philippines was swiftly relegated by force by the Spanish Empire into the latter category. The losses in lives, treasure, freedom and dignity that the people of the Philippines suffered through its rude entry into Globalization 1.0 were simply incalculable. It would take over 400 tumultuous years before the Philippines could finally extricate itself from the stifling horrors and nightmare of colonization.

In the completely altered world we live in today, however, high-speed communication, the internet, global transportation, computer technologies and myriads of other enabling technologies – together with the triumphs of democratic principles and free-market economics – have created a more egalitarian global playing field where individuals and nations are free to participate in and compete. This is Globalization 2.0, not a globalization of masters over slaves, but a globalization of peers.

Despite the ugliness of its experience with Globalization 1.0, the Philippines through such experience nonetheless gained its sense and reality of nationhood, assimilated the rudiments and practices of democracy, and synthesized an authentic culture that is at once an amalgam of East, West, Asian, European and American. Today the Philippines not only occupies its well-earned position as a full-fledged peer to all other nations in the world, but is a competitive peer in the global economic arena of Globalization 2.0.

But the road for the Philippines to fully realizing its potential in Globalization 2.0 is still miles ahead. Just consider that, according to the International Monetary Fund, the GDP per capita (2010-2011) for the Philippines is only US\$ 4,073. By contrast, it is \$59,711 for Singapore, \$37,720 for Taiwan, \$34,740 for Japan, \$31,714 for South Korea, \$15,568 for Malaysia, \$9,396 for Thailand, \$8,383 for China and \$4,666 for Indonesia. Vietnam is now at \$3,359.

There are encouraging signs, however, that the Philippines is gaining economic ground in its proactive engagement with the global economy. To me, nothing is more notable and exciting than the quick emergence of the Philippines within a span of less than a decade as the world's top voice-based business process outsourcing (BPO) industry, estimated at about \$9 billion in 2011, and overtaking India's voice-based BPO industry in the process. This demonstrates that with talent (human capital) and with the right public-private arrangements, the Philippines is well capable of breaking through the highly competitive global market both to thrive and prevail on top.

The key, of course, is to copy and transfer such noteworthy success into other industries, particularly in the country's high-value science-and-technology-based industry, a sector

that is indispensable to the country's long-term economic progress and development. While the Philippines graduates hundreds of scientists and engineers annually, the paucity of domestic jobs compels many of them to work in other countries, signaling the truly anemic state of the country's science-and-technology-based industry.

The recent effort by the Congressional Commission on Science & Technology and Engineering (COMSTE) to foster public-private cooperation to establish technology innovation clusters – including ICT for Cloud Computing and Software, Disaster Science and Management, Algae Research and Commercialization, etc. -- is both commendable and an excellent step in the right direction. These technology clusters utilize science and engineering specifically directed toward economic growth and development and toward direct connection with Globalization 2.0. This is the brand of science and engineering that the Philippines needs in the globalized world of the 21st century, and certainly merits the continued strong support of the Philippine government and of the global network of Filipino scientists and engineers. (It has been my privilege to be cooperating with COMSTE's Senator Edgardo Angara and Dr. Gregory Tangonan who have worked to establish the technology innovation clusters.)

It is now close to 500 years since Magellan landed on the shores of the Philippines, and it comforts me to think that perhaps one of the true and abiding legacies of his fateful visit was providing the Philippines an historical passage -- no matter how long, winding and turbulent – into today's era of Globalization 2.0. Despite the horror that was Globalization 1.0, the Philippines emerged from the ordeal as a true global nation. It seems ironic, but the experience of globalization of masters and slaves constituted the Philippines a knowing and vital player in today's globalization of peers. How creatively and to what extent the Philippines takes advantage of Globalization 2.0 are now up to its people.

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