

Press Release

Workers say ADB worsens poverty in the Philippines

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More than a hundred members of Partido ng Manggagawa (PM) and the Philippine Airlines Employees' Association (PALEA) joined the newly-formed Nagkaisa labor coalition in a rally workers rally against the Asian Development Bank (ADB) annual meeting this morning as President Benigno Aquino II was due to give a speech.

"PNoy should not cover up the number of poor in the Philippines and the ADB should not wash its hands off the worsening poverty in the country. The ADB is an instrument of corporate greed that has aggravated the destitution of the 99% in Asia," asserted Rene Magtubo, PM national chair. "ADB's privatization intensifies poverty," the workers chanted as they assembled in Harrison Plaza and then tried to make their way to the PICC, the venue of the meeting.

Magtubo explained that "The ADB meeting's theme of inclusive growth is mere doublespeak for its policies of privatization are tailor-fit to facilitate the fire sale of state-owned assets to giant multinationals and big capitalists. As a result of ADB-funded privatization, the costs of electricity and water in the Philippines have skyrocketed and as a result workers' real wages have fallen despite yearly increase in nominal wages."

The ADB pushed for the passage and provided loans for the implementation of the Electric Power Industry Reform Act (EPIRA). In 2000, Magtubo exposed a P500,000 payola for members of the House of Representatives to ensure the legislation of the controversial EPIRA.

The Nagkaisa-led rally of several hundred workers today follows the coalition's historic 20,000-strong May Day mobilization which brought together the country's main labor groups for the first time since the 1980's. "The unity of labor last May 1 has made government listen to our concerns. The rally today is part of the next step—the struggle of workers to make government grant our demands," Magtubo insisted. Among the list of demands that Nagkaisa submitted to Malacanang last Labor Day is the repeal of EPIRA and the lowering of power costs to consumers.

Magtubo expressed fear that the ADB also has a hand in the proposed privatization of the Agus-Polangi hydroelectric plant in Mindanao as a purported solution to the power crisis in the island. The proposal has been temporarily shelved due to widespread opposition in Mindanao.

He added that "The ADB's shadow can also be seen in the scheme to sell off to private interests the provision of water services in municipalities. The ADB is Asia's mini-IMF and mini-WB, and its public relations pitch is a result of the discrediting of the policies of privatization, deregulation and liberalization worldwide."

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