

# **A view on the developments and prospects in the Philippines today**

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**It all started with the issue of opening of an envelope (so it seemed) in an impeachment trial in the Philippine Senate against the then President Joseph Ejercito Estrada. But it ended the latter's term in a very inglorious manner.**

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On that memorable day of the 16<sup>th</sup> of January 2001 in what seemed to be the defeat of the ten Senators who voted to open the second envelope allegedly containing the bank documents of ill-gotten wealth of former President Estrada, has been the beginning of the peoples' victory against a set of corrupt and graft ridden regime which had been representing the neo-liberal capitalist globalization in the country. That day indicated also the end of the political lives of the eleven Senators who voted not to open the envelope and those who have supported the traditional dirty and corrupt political practices in the country. That is if the peoples' active and direct intervention in the affairs of the nation should be institutionalised, sustained and kept alive by the people themselves and not by those new set of elite politicians' beneficiaries of the EDSA's People Power II. They have been grabbing credits for themselves and jockeying for the juiciest position in the government left vacant by the previous government.

In the main, the character of the January 20 peoples' power was mainly spontaneous. Thousands upon thousands of people (the peak reached 1.8 million people) bringing with them their children had trooped to EDSA shrine to express their anger and frustration on the existing political machineries and its uselessness against the power and wealth used by the Estrada regime to bribe the politicians/senators to prolong its life. It was a convergence of events that led to this display of people's power - a show of direct democracy. The organised groups and revolutionary parties, the out-of-the power politicians, the retired generals and the Church had been calling the people to such mobilisations months before but to no avail. Coalitions from left to right had been formed but they moved very slowly. In fact, before the 16<sup>th</sup> of January, almost all their resources had already been drained.

The then Vice President Gloria Macapagal Arroyo even after she resigned from her Cabinet post in the Estrada Administration to be with the opposition had become even so unpopular. Many people looked at her action as being so eager to take Estrada's place. In fact, days before Estrada was ousted, Arroyo's net popularity rating was much lower (negative 39%) compared to Estrada's (negative 19%). But this did not stop Arroyo and her party mates, specifically the former President Ramos to plan for a post-Estrada scenario. In fact, they were the only group to do so and it would be very advantageous to them as shown by events later.

Meanwhile, the events in the impeachment trial in the Senate since the last quarter of the year 2000 to the first half of January 2001 became a general mass course for a lot of people on how graft and corruption have been concretely practised from the highest office of the land. The whole process was not only educational for most of the people, but it also became obvious that they began to place their hope to get the truth and justice in the whole process of impeachment. This explains the generally cold response of the people during this period to the call of the parliament of the streets.

The Estrada camp had been very complacent in the whole process. Confident that they had the number in the Senate, which is enough to block the conviction of the President, they had been trying their best to project the “change image” of the President. In the provinces and rural areas, the poor (Classes D and E) were generally pro-Erap. Obviously the President’s men and women were not able to convert these sentiments into warm bodies at the very decisive moment to block the anti-Erap sentiments caused by the open and crash course education that the people were getting from the public impeachment trial they heard from their radios and saw in their television sets. They were confident, too, that their support from the religious groups of Brother Mike Velarde (El Shaddai) and the Iglesia ni Kristo could be tapped anytime. Meanwhile, in the earlier period all anti-Erap mobilisations on the streets or on the Senate had been countered by pro-Erap mobilisations organised and orchestrated by the President’s men and women.

During this period, the Administration had grossly underestimated the role of the religious groups. The role of the leadership bodies like the Catholic Bishops Conference in the Philippines, the Protestant Churches and even the Muslims’ Ulama had not been obviously put into serious consideration. The daily campaigns of the Catholic Church with former President Cory Aquino to pray for Erap’s resignation had resulted in the protracted debasement of Estrada’s support machineries like the El Shaddai and the Iglesia ni Kristo. The Estrada Camp had not effectively addressed or grossly under-estimated the role of the Church’s controlled schools and media.

It was very obvious then that during this period, the Estrada Administration had been trying to buy time to prolong its life up to the May 2001 elections. It would use its massive machineries and wealth to get a fresh mandate from the people and neutralise the hope of the opposition to discredit Estrada and alienate it from the people through the impeachment case.

All these events had converged and exploded right at the face of not only the Estrada regime but also of the anti-Estrada oppositions. They were all so surprised of the fast unfolding of events that only a few people would be able to exploit and benefit from them.

## **I. The Economic and Political Situations of the Country before the January 16, 2001 Event**

1. The most visible sign, which had indicated that the economy was at its worst shape, was the lowest (in Philippine history) exchange value of the peso vis-à-vis the dollar. It had reached to fifty-five pesos to a dollar. This had affected the Philippine production that it had almost come to a halt. The producers import almost all the materials needed in the productive activities. With almost twenty five percent lowering of the value of the peso as against the dollar many of the small scale as well as the medium scale enterprises had folded up. In fact, almost two thousand (2,000) enterprises of this size had folded up and almost two hundred workers were laid off everyday up to the middle of January 2001.

2. The inflation rate as well as the unemployment rate had reached double digits. The latter had forced the Central Bank of the Philippines to increase the lending interest rate hoping to limit the

currency circulation in the country but again, the local investors were the ones who were badly hit. And the former, made a considerable number of reserve labour forces who either would allow themselves to be further exploited by working full time but underpaid or they could have added to those seeking greener pastures in the distant and foreign lands to become migrant workers just to survive during these difficult and dangerous times.

3. Almost eighty percent of the foreign investments had left the country because of the economic and political uncertainties prevailing in the country during the period. Not even the increase of the value of the dollar had changed the minds of the investors to continue their productive engagement in the country. Even if obviously, the increase of the exchange rate in favour of the dollar is to their great advantage.

The investor's confidence on the viability of the country's economy had been greatly shaken when the Administration's Secretary of the Department of Trade and Industries had resigned due to the involvement of the President in illegal gambling and such volatile situation had been further aggravated by the resignation of the President's Economic Policy Advisers in masse.

4. The government's bankruptcy had been also obviously manifested by the increase of its deficit spending. At the first half of January this year, the budget deficit has reached to Php139 B - the biggest in Philippine history. The government's bankrolling of the excise tax of the oil products had aggravated it. The almost weekly increase of oil price had not been felt because the government absorbed it thru the non-collection of the oil excise tax. This had to be done just to stop adding more fire on the anger of the people against the government. This factor plus the non-effective structure of tax collection and laxity of its collection on the president's friends and the widespread and rampant graft and corruption practices by the Administration had added to the status of Philippine economy as the most sick in Asia. It has been said that twenty percent (20%) of the annual budget of the country have ended up in the pockets of the government official themselves from all levels.

5. As the trial drew nearer to 16 January, one could almost foresee the possible reaction on the result to the economy by such political impeachment process. For instance, if the defence (pro Estrada) made a score during the hearing, the value of the country's currency dived down and if the prosecution (anti-Estrada) made the scoring, the peso became stronger vis-à-vis the dollar.

The prosecution had presented credible witnesses and the defence lawyers of Estrada always had to seek refuge on the technicality, materiality or relevancy aspects of the case.

The process had progressively eaten away the patience and perseverance of the people who had placed some of their last hopes on the constitutional process on the President's impeachment. Moreover, this included the Church, Business Sector and even a considerable section of the basic masses.

6. Meanwhile, those on the parliament of the streets could be divided into two main groups, the anti-Erap and the Pro-Erap groups bringing with them a very much-varied ideologies.

Those anti-Erap groups for instance were composed of those coming from the extreme left up to extreme right. In KOMPIL II (Kongreso ng Mamamayang Pilipino II), one could find the open organisations of the CPP-NPA-NDF as well as those from the retired generals, traditional politicians, the church and the big business sectors, COPA or Council on Philippine Affairs composed of the left group of Popoy Lagman, traditional politicians (Peping Cojuangco), the retired as well as active generals, and from the big business, UNO or United National Opposition composed of mostly Erap political oppositionists and other formations like Resign ERAP Movement who had been united for the resignation if not the ouster of Estrada.

Their demands were varied based on their ideological outlook. The open organisations of the CPP-NPA-NDF would call for concentrated attack on Estrada thru the formation of the broadest possible organisations regardless of their ideologies. Hence, one could find them almost in all organisations and in any mobilisations. The Lagman group (PMP-Partido ng Manggagawang Pilipino) organised on the demand of the resignation or ouster of Estrada and Arroyo (the Vice-President) their slogan is "Resign all". They were calling for the formation of a transition government. The Revolutionary Workers Party of the Philippines (RPMP-P) called for the resolution of the peoples' basic problem not the contradiction between and among the traditional politicians. A tactic which had been the "safest" but miserably failed to rally a considerable section of the working class to exploit and maximise the current split of the ruling class at this period on their favour and interest. (A separate paper will be presented on this topic). The Church, Business and the other politicians who are anti-Erap would do almost everything just to push for Erap's resignation.

Before the 16<sup>th</sup> of January, the mobilisations from these different groups had been very weak and slow because a large portion of the masses and even from the ruling class had placed their hopes on the constitutional process (read impeachment trial) and therefore had been watching and monitoring the Impeachment trial in the Senate.

Another reason for such slowness or weakness could be traced from the counter-tactics adopted by Estrada and its supporters. They had been mobilising people to counter every mobilisation launched by the anti-Estrada forces. Estrada during this period had still the superior material, financial and human resources at his beck and call.

7. The process of polarisation had been manifested not along the class line but along those who were with the Estrada Administration and those against Estrada and his cronies. Obviously, the Philippine ruling class was seriously divided but so with the working class.

At this period, Estrada had still the support of (aside from his cronies Lucio Tan, Danding Cojuangco, etc.) the military and the police as well as his Cabinet and their counterpart in the Civil Society. However, it had been obvious that the Administration's support system within the masses had been slowly undermined. The defensive movements that Estrada's supporters had been adapting had manifested this. It was obvious that they were experiencing difficulties in defending their Patron in the face of overwhelming evidence presented against him in the Impeachment trial.

On the other hand, those who had been fighting against Estrada had still lacked the backing from an active military group. During this period, only the retired military officers had openly expressed support for the anti-Estrada movements.

Clearly, there was no critical mass developing, no group could have estimated when and what would be the triggering event which would open up the floodgate of the people's anger crushing against Estrada and what he had stood for. Every body was focusing on the 2<sup>nd</sup> week of February as announced by the Senate when decision of guilty or not guilty verdict for Estrada would be made. The post-Estrada scenario was seemingly prepared for dates after the 12<sup>th</sup> of February.

In fact, even a result of a survey made just before January 16 still showed that President Estrada was much more popular than his constitutionally mandated successor Ms. Gloria Macapagal-Arroyo. They both got negative net popularity rating, but while Estrada was negative 16, Arroyo was negative 44.

## **II. EDSA People Power Part II: From the “Impeachment Trial in the Senate to the Parliament of the Streets”.**

1. On the night of January 16, 2001, two big events happened on the floor of the Senate, which was hearing the Impeachment Trial of President Estrada. One was the victory of the NO votes over the YES votes on the opening of the second envelope presented by the prosecution allegedly containing evidence of the President's more bank accounts of ill-gotten wealth amounting to Php3.3 billions. Eleven senators upon the instructions of the President's lawyer voted NO and only Ten Senators voted for the opening of the aforementioned envelope. The 10<sup>th</sup> vote was casted by Senator Aquilino Pimentel - the Senate President - even after knowing that the NO votes had already won. After casting his vote, he immediately resigned as Senate President distancing himself from the process of hiding the truth.

The opening of the envelope could have been decided by the Impeachment presiding judge-Supreme Court Chief Justice Davide or by the division of the senate through votation. The Chief Justice was beaten to a draw by Senator Tatad (majority floor leader and an obvious pro-Estrada senator judge) and which was immediately seconded by Senator Enrile another obvious Estrada supporter.

Events had unfolded very fast after the votation and resignation of the Senate President, there was a walk out of the prosecutors from the House of Representatives as well as their private Lawyers, there was a call from Cardinal Sin of the Archdiocese of Manila for the people to go to the EDSA Shrine and there were thousands upon thousands of text messages of cell phones from individuals to their friends and to their friends' friends... to go to the EDSA Shrine to express their indignation over the failure of the Senate trial. Information technology had played a very important in the immediate gathering of people in EDSA. It had connected people from each other. Cell phones had provided a ready-made network. They were ventilating their anger against Estrada on the streets. The people's rage through that night was clearly a bad sign for Estrada. Indeed, the President and his very eager followers had underestimated the people's capacity and the limit of their patience.

That night it was very clear that people lost hope in the democratic institutions and political machineries like the congress and the institution of the Presidency. They started to intensify the parliament of the streets. Some would refer to this as “civilised rule of the mob” but others would say that this had been democracy in its purest form. When the rulers abuse their power using their electoral mandate or their social contract with the people, the people, as shown on that night, started their process of recall of that social contract with their ruler. Directly, through their action, they were showing to the world that they were abrogating the social contract they had given to their President.

2. Clearly, an opportune moment had unfolded right in front of the organised forces and yet it was obvious that nobody was ready enough to take advantage of such opportunity. Thousands of people (or even more than million) had converged in the EDSA Shrine (symbol of the 1986 EDSA uprising) from that night of January 16 to January 20 when President Estrada left the Presidential palace.

According to a realistic estimate, only one percent of those who participated in the peaceful EDSA People Power part II uprising were organised and the ninety-nine percent were spontaneous.

This situation has manifested several realities:

- a) The left and the progressives could not transcend their differences even when confronted with such opportunity of ousting a ruler who represented the interest of Capitalist globalisation.
- b) The anti-Estrada ruling class could have succeeded in playing and maximising the differences

between and among the left instead of the latter taking advantage of the split among the former.

c) The Left and the Progressive groups and parties have not taken deep roots among the workers and the urban poor in the national urban centre where EDSA is, that's why they could not have shown their strength during the uprising.

d) The ranks of the Civil Society are clearly divided and so even if externally they were all campaigning for ouster of Estrada they were trying to out manoeuvre each other in the process and in every given opportunity.

e) To a certain extent, Estrada could have been successful in packaging and projecting that the whole campaign against him was the concerted actions instigated by the Elite from Makati (the Philippine Business Centre) against himself who had been working with the poor. So it's the fight between the Rich from Makati and Estrada with his poor. This explains that even during the last hours (or even in his downfall) in Malacañang there were still people (looking very poor) who had been defending him even with their lives.

3. The most organised among the anti-Estrada forces would be the Ramos and Aquino Forces (two ex-Presidents). It would be obvious that Ramos and his military contacts that are still active as well as retired had been doing their homework. Since, Vice-President Gloria Macapagal Arroyo belongs to their Party as the Constitutional successor, its main strategy should have been a peaceful and orderly transition of power from the old set of the elite to the new elite.

However, this means answering at least two questions:

a) How to win over the Armed Forces of the Philippines together (if possible) with the Philippine National Police?

An answer to this needs fulfilling three difficult tasks that is first to work out with the active officers to be with the peoples side at a given moment, second to work within the retired officials of the Armed Forces using their moral persuasions among the younger but active officer and thirdly, the consent of the US government - the minimum is not to interfere and maximum to get their support in supplying them with intelligence and satellite reports and photos of the troop movements. They learned a lesson from EDSA I, that is it will be very destructive and divisive (later on) if there will be armed confrontations between and among the military (those who are against Estrada and those who are his supporters).

b) How to sustain and effectively manage the people's mobilisations?

Answering this question would even mean dealing with the extreme left and progressive groups who could have provided the core of the EDSA uprising. In this part of the answer, former President Aquino had played a very important role to contact not only the old yellow forces but as well as the church, especially the Catholic church its schools and media networks. The role of the other churches, like the protestant churches were not given much attention or projected here to lessen the ecumenical aspect of the mobilisation. Hence, making it easier to manage by projecting only the Catholic Church. These organised groups were very successful to concentrate the mobilisations in just one area - the EDSA Shrine. Aside from its symbol, the purpose was again for practical management of the ouster of Estrada in a very peaceful and orderly manner. One could have just imagined if there were several large and significant mobilisations in other urban cities in the country. Outside Metro Manila the group of Ramos were aware that the left and the progressive groups had relatively strong presence, and these could be mismanaged and chaos would surely be bad for the next president.

This framework can be understood in what had happened in the event of the morning of January 20, 2001. This was the fourth day of the EDSA People Power Part II, uprising. President Estrada was already having talks and giving concessions through secret negotiations with the Ramos and Arroyo selected group. On that day, his last request was to give him five more days before he would leave Malacañang. According to reliable sources, this would be enough time for him and his followers in Metro Manila areas to regroup and counter the EDSA anti-Erap mobilisations. With their strength and patience's draining, the different forces in EDSA had a big debate whether to continue with their vigil and mobilisations only at the shrine or proceed to literally oust Estrada from Malacañang. Cardinal Sin called on to these forces to stay put in EDSA while the left and the progressive groups would like to go to Mendiola and proceed to Malacañang. The stalemate was resolved by doing both steps; one group would go to Malacañang and the other group would remain at EDSA. They justified these actions as both expressions of prayer that the Cardinal had called for. And to avoid bloody and destructive confrontations and clashes between the two forces of Pro and Anti Estrada in Mendiola and Malacañang, the Ramos-De Villa generals had to move fast to convince Estrada to leave Malacañang before the left and progressive groups could reach the place. And the next event was a historical leaving from Malacañang, saluted and escorted by no less than the Chief of Staff of the Armed Forces of the Philippines together with his Deputy Chief of Staff as vividly captured and recorded by both the local and foreign media.

The above-mentioned steps by the Ramos group had maximised the weaknesses and the limitations of the revolutionary and progressive groups.

The organised defections of the Armed Forces of the Philippines as well as the leadership of the Philippine National Police were almost a miracle. On Friday, January 19 and the fourth day of the People's uprising, one by one the leadership of the Armed Forces of the Philippines and the Philippine National Police including the Secretary of National Defence and the Secretary of the Department of Interior and Local Government had trooped to EDSA even becoming instant heroes. Of course, this action could have been the last straw of the fall of the Estrada Government. Except that; as early as the 16<sup>th</sup> of January troops movements were reported in the well known areas of the MILF-BIAF in Mindanao and the CPP-NPA and NDF areas in other parts of the country. This means that in order to effect the planned peaceful and orderly transition, revolutionary groups should be neutralised.

The Ramos groups would like to ensure that no armed revolutionary groups could have taken advantage of the temporary vacuum caused by the changes of the political leadership. The troop's movement was mainly preventive as well as pro-active.

Starting on the night of 19<sup>th</sup> January - the eve of the fall of President Estrada - secret negotiations were done by the Ramos/Arroyo group with the selected people of the Estrada Administration. At the back of the people in EDSA, the new elite in the government made a secret negotiation to effect peaceful transition of power from the elite identified with the fallen Estrada.

The above-mentioned events would tell us many things about the EDSA Peoples Power part II, its conception and its essence. It would elucidate the dynamics and the dangerous directions of the progressive and the left groups have been leading their respective organisations.

It would tell us that a small organised but determined group like that of Ramos or even a loose group like that of Aquino could use the organised but divided forces of the progressive groups to install their candidate into power, on a constitutional basis but through an extra constitutional manner.

It would be helpful to know that Vice-President Gloria Macapagal Arroyo did not have her own strong and organised followers. She relied mainly on her party- the Lakas-NUCD (National Union of

Christian Democrats) headed by Ramos. The people's uprising had intensified for three days but on the fourth day, Ramos and de Villa together with the Armed Forces General's and the leadership of the Philippine National Police hijacked it and even became instant heroes.

And it would also tell us that the whole problem of people's uprising against a corrupt and graft ridden government of Estrada had been replaced by those representative of the ruling elite who had convinced the United States of America's new government that it would be the best as well as effective alternative to that of the Estrada's government.

It's a people's uprising indeed, backed up by the Armed Forces of the Philippines who came out in the last day because it would strengthen rather than weaken the neo-liberal project of the Capitalist globalisation in the country.

### **III. The GMA Transition Period in "Going Back to the Future"**

1. Almost a week after President Gloria Macapagal Arroyo (GMA) has been installed by the people to her office, cracks can already be seen especially in the formation of her political family. Although GMA and her political party - LAKAS NUCD have assigned a three person selection committee, it has been a fact also that only around ten percent (10%) of the latter's recommendations have been listened to and heeded by GMA. For several days now, credit grabbing and sour graping have been widespread coming from both the civilian and military participants and leaders who have participated in the movements, which caused the ouster of Estrada. EDSA part II has indeed been claimed by many fathers and its defeat will be of course an orphan, as the famous saying goes.

2. In less than a week in her Presidency, one of the members of her Cabinet has already resigned (Secretary Orlando Mercado of the National Defence) to protest the appointment of the National Security Adviser (Retired General and former Chief Staff Lisandro Abadia). Secretary Mercado mentioned that he cannot work with General Abadia because he was the one who has filed a case against the General regarding the misuse of the money/pension funds of the Armed Forces Retirement Services and Benefit System. Abadia is the personal choice of also a Retired General and former Chief of Staff Renato de Villa - the current Executive Secretary of President Arroyo (a rank equivalent to Prime Minister in a parliamentary form of government). Abadia's selection did not even pass through the selection committee.

Another appointee, the Director General of the Philippine National Police (PNP) has been vigorously questioned by those people who have been fighting against crime and violence and have been in the forefront of the EDSA Part II. Again, the current Director General (General Leandro Mendoza) is the choice of Secretary Renato de Villa.

And of this writing, the two are not showing any sign that they are resigning so as not to give early embarrassment to President Arroyo, unlike the other two appointees Retired General Leo Alvez as Presidential Assistant for Military Affairs and Retired General Alcordeo as Secretary of Energy. The former did not give a clear explanation aside from saying that it is enough that he had an active participation in EDSA Part II (he was the one who was in-charge of protecting the prosecution witnesses - being the former head of Presidential Security Group under President Ramos and he was credited in convincing General Angelo Reyes, the current Chief of Staff, his classmate in the Philippine Military Academy class 66, to side with the people, the latter (Retired General Alcordeo) gave a reason of conflict of interest because he has been connected with a giant multi-national firm which deals with Petroleum products.

But what has been revealing with these appointments is that they are the generals (active and



retired) who are connected with General Renato de Villa and of course with the former President Fidel V. Ramos. If one still includes the current Chief of Staff of GMA Sec. Renato Corona - the former chief of Legal Affairs of President Ramos and the Secretary of the Department of Transportation and Communication Secretary Alvarez - a member of the Reporma Party in the congress, a political party of de Villa when he ran for 1998 Presidency. Another appointee is the Secretary of Department of Public Works and Highways- Congressman Simeon Datumanong a former deputy Speaker of the House of Representatives for Mindanao during the time of Ramos. Currently he is the Vice-president of Lakas-NUCD for Mindanao. This is clear manifestation of Ramos - de Villa controlled Presidency. President Arroyo is seeking refuge to them in terms of security, when asked by the Press about this obvious trend of militarisation of her administration.

3. Obviously even the former President Corazon Aquino is not getting a "fair share" in the fruits of EDSA Part II. Only Secretary Vicky Gerchitorina who was appointed as Secretary of Presidential Management Staff is closely identified with her and the Makati Business Club.

The most vocal about not having their share is the group of the former Speaker of the House Jose "Peping" Cojuangco (the brother of Corazon C. Aquino) with his group COPA (Council on Philippine Affairs) with active Marine Lieutenant General Espinosa and the "leftist" Popoy Lagman. The latter's group (Popoy) has been calling for the resign all movement, so it puts the council in a very awkward situation of asking their share with President Arroyo and yet a part of them is seeking for her resignation.

The group, especially Cojuangco has been openly asking for the Department of Agriculture - one of the most "juicy" positions. But it had also been openly talked about that the post has been already reserved for the former President Ramos' nephew - Congressman Hernani Braganza. However, during the finalisation of the 4<sup>th</sup> version of this paper, Congressman Braganza has been appointed as the new Department of Agrarian Reform Secretary. The post for the Department of Agriculture will be again given to the De Villa's group.

Definitely, President Arroyo has been saying that a cabinet position will be given to the COPA and Cojuangco group but this was after talk of Coup d' tat has been circulating in the country obviously coming from this group. Again, this early the President is showing weakness on matters of appointment. She does not get her hands on in the selection process of her official political family. She is being held political hostage by the generals and the traditional politicians at the expense of the people.

As early as this stage, she has been the subject/object of the mobilisations of the progressive and leftist groups because of her attitude to consider more her debt of gratitude to the above-mentioned personalities rather than commitment and fortitude with those who can do genuine service with the people.

4. The Church, Business Sector, the other Progressive and Leftist Groups as well as the Youth Sector (they comprised around eighty percent (80%) of those who sustained the four days mobilisation in EDSA) have all declared in different ways and forms their apprehensions on the manner of Arroyo's early days in office. They all pledged in their own ways to keep watch on the militarisation of Arroyo's Administration. They all just experienced a common nightmare with the President without a vision and living in a country which does not have any direction but down hill and to total perdition and because of these, they more or less agree in so many ways that EDSA Peoples Power Part III will make a difference.

The open mass organisations led by the CPP-NPA-NDF have been very clear of their direction, expecting that the newly installed Arroyo will be weak and they will further weaken this from both

the outside as well as the inside of the political system. Debates however, have been observed with their open cadres and the underground cadres whether the EDSA Part II was a victory for the new democratic revolution or for the strengthening of the elite's program or reprogrammed globalisation. Definitely they will engage in the electoral struggle come May through a party list but if this will be for propaganda purposes or for winning that struggle and whether this is for the weakening of the ruling system or strengthening the current system in the country is still an ongoing debate. This can even lead to further split within this group.

5. Meanwhile, President Gloria M. Arroyo has been calling for healing and rebuilding of the people and the nation. An integral part of the process of healing and rebuilding is instituting justice and retribution on Estrada and his cronies. It is only then that a healing process and a building of a nation based on Justice can begin. Unfortunately, even in this call the nation is divided, one group represented by the President of the Catholic Bishop Conference of the Philippines (CBCP) Archbishop Orlando Quevedo and the current Senate President Aquilino Pimentel are the calling for former President Joseph Estrada to be sent into exile to remove the rallying figure for the planned coup d'etat or any destabilisation process against the newly installed government. The other group coming from within and outside the government including the progressive and revolutionary groups has been calling for an immediate prosecution and institution of Justice against the former President and his cronies. For the latter, the nation can never be healed and can never grow into maturity as a nation because since EDSA Part I it has never instituted justice to the late Dictator Marcos and his cronies that is why they were all back in power and continue to destroy the country. Since then, the country has never reconciled with her past, confuses in its current identity and lost a sense of direction. EDSA Part II has proven this.

The President in trying to do a "Pontius Pilate" in this important concern of the nation, had said, "going into exile is Mr. Estrada's choice..." as if the suffering of the people being duped by Estrada for a better life does not really matter...and as if "crime does not pay." In this country if you are a big fish.

Indeed a bad sign for newly people installed government. An EDSA type of people's uprising is unnecessary for a country with mature democratic institutions and people centred government.

6. The GMA transition period therefore will be a mixture of; little of the Aquino's presidency especially the return of the new Kamaganak Inc. (cronies and relatives of Aquino during her presidency) and the destabilisation aspects of coup d'etat and the difficulties in instituting justice with the new "Marcos", the bigger part of the Ramos presidency which will be the installation of Economic Development Program based on the Capitalist controlled Globalisation system and a little of "Estrada's" installation of a new batch of cronies and friends.

If a weak presidency as shown this early by President Arroyo will continue then, it will be the "game of the generals". The Estrada's will continue to make the destabilisation moves regardless where they will be based just to delay if not to really acquit them of their crime against the people. Their resources will make things move in their favour. This early his big friends and cronies are showing that they are ready to abandon him (Estrada) to save their own necks but this will not be true to the biggest ones like Lucio Tan and Danding Cojuangco. President Estrada can even continue to claim that he is still the President so that he will continue to use the immunity accorded by the office from any crime.

The Ramos - de Villa tandem will practically manage the affairs of the Arroyo government. They will revive what the Ramos regime has started with his [Philippine 2000. They will put the Philippines in the economic map of the world of Capitalist controlled globalisation. Ramos has his debut in Davos, Switzerland because President Arroyo has just appointed him as ambassador plenipotentiary. But

their people admitted this early that it will take at least two years to rebuild the country's economy into its normal course once again. Definitely those Expo 2000, Amari deal etc... cases against Ramos and his men will be put into the dustbin of history.

Cory Aquino, the leadership of the Catholic Church and her Kamag-anak Inc. will make a come back definitely to safeguard and even develop the economic interests in the minimum and political power in the maximum. In the next few months they will not be in the forefront but their people will be involved and engaged in deployment lobbying of "spoils of victory" up to the local levels.

7. In the first few days of the Arroyo presidency, she has outlined her Administration priorities like the efficient delivery of the basic services to the people, continue with the food security program, elimination of graft and corruption starting with her political family. Through the slogan of "Leading by example" and "doing her best for God will do the rest" and the peace and order program with all the insurgents.

And to stress that her government is far different if not opposite of her successor, she promised to have effective and good governance. For her this will be based on; one moral foundation second; transparency and third effective implementation.

How to implement all these will be a different story. For one, the government does not have the money. It is obliged to pay immediately Php.70 B and the total deficit as of January 2001 to almost Php 130 B. As of this writing, both the Senate and the House of Representatives have not approved the budget of 2001. That means the Php.725 B budget will not be approved given the time left to act before its (Congress) adjournment next month. Already the Finance and Budget Departments have complained that they could not raise the proposed Php.725 B budget. At the maximum, they can only raise around Php.500 B from the Internal Revenues and Taxes. In two weeks time the big three oil companies have announced another round of price increase.

With the bankrupt government, the budget department can only give the assurance that all the government employees can receive their regular salaries but definitely they cannot make an increase. More hardships will be expected in the next few months as inflation rate is expected to increase and the devaluation of peso will continue.

Foreign donors mainly finance the Food Security Program but since there is a major change of officials, the implementation of these programs will be delayed at least for a year before it will be normalised again. For the Estrada regime the foreign donors had committed to release \$12 Billions either as aid or soft loans. In more than two years, the Estrada's Administration was able to absorbed only \$8 Billions.

The peace initiatives declared by the Arroyo government will be the most doable, given that if Arroyo can finish the term left for Estrada and another six years to her re-election, then she can really have enough time (9 years) to pursue her peace agenda with different revolutionary groups. This is if the generals around her will allow the talks to be successful. They will definitely use the MNLF framework of "one country and one constitution" in the Peace Talks.

#### **IV. The Philippines 2004 and the Mindanao Factor**

1. President Gloria Arroyo has to rely very heavily on Ramos and de Villa because her assumption into the office has been mainly technical and legal as the Constitutional successor of President Estrada. In terms of popularity, she had been less popular than Estrada just before the latter's fall and in terms of moral ascendancy, she still has to prove her critics wrong. Issues regarding

connections with the jueteng lords (illegal game) and unexplained wealth were not absent in her closets.

In this initial stage of her administration, her swift action on prosecuting the cases against former President Estrada and instituting justice will be putting her first step in the right direction.

This early, she should be decisive in demilitarising her official and political families. Accepting the resignation of Generals Abadia and Mendoza as National Security Adviser and the Chief of the Philippine National Police respectively will be positive steps towards civilianisation of her government.

Actual delivery of basic services with the masses rather than talking about their welfare will strengthen her relationship with the people many of whom are still placing their hopes with their fallen Hero the former President Estrada.

And at this stage, she should (hands on) engage and build peace directly with the different revolutionary groups and parties and not only delegate them to her generals and military advisers. Healing and the Peace building processes should really set the right steps if such directions are taken seriously.

These can also be her best measures to consolidate her position, machineries and her supporters and effectively institute preventive measures against any destabilisation efforts from her opponents outside as well as inside her government.

2. In less than five months from now, there will be elections for all local officials as well as for twelve seats in the Senate There are around Seventeen thousand local seats including half of the twenty four seats in the Senate which will be contested nation-wide. This event can be one of the most important political exercises where the different political forces and groups in the country will do their muscle flexing in preparation for the big main event in 2004 the National Elections.

If President Arroyo can finish the remaining term of Estrada then she can still participate in 2004 elections.

During this period, the major political parties began their consolidation activities. Major congresses had been launched already by the parties like the Laban ng Demokratikong Pilipino or LDP handled by the former Executive Secretary of Estrada - Eduardo Angara, Partido ng Masang Pilipino or PMP the Former President's own party headed by his former cabinet secretaries, the Lakas-National Union of Christian Democrats or LAKAS - NUCD or the Party of President Arroyo and former President Ramos and the National Peoples Coalition (NPC) headed by Estradas biggest crony- Eduardo "Danding" Cojuangco.

At present, President Arroyo has not yet chosen her Vice-President. Former President Ramos has been vocal in endorsing Senator Teofisto Guinigona, the current Lakas-NUCD President while former President Corazon Aquino has been supportive of Senator Franklin Drilon who once belonged to Estrada's coalition party- the Laban ng Mamamayang Pilipino or LAMP but later resigned as Senate President as a form of protest to Estrada's involvement in the illegal gambling. Senator Franklin Drilon was the former Executive Secretary of former President Aquino.

Another strong candidate for the Vice Presidency is Senator Aquilino Pimentel the founding President of Partido Demokratiko ng Pilipino or PDP and who is also the current Senate President. He became very popular because he offered his resignation as a Senate President when the Senators loyal to Estrada prevented the opening of the second envelope containing the documents of the ill-gotten wealth of Estrada.

Whoever President Arroyo chooses will determine the nature and strength of the ruling coalition party in the next few months or even up to the year 2004. This can even determine the stability or instability of her administration. This will determine the direction of the coalition the Arroyo government will have. Aside from LAKAS-NUCD there are three smaller parties, which are willing to coalesce with Lakas-NUCD namely: Aksyon Demokratiko of Senator Raul Roco, Promdi of former Governor Lito Osmena and PDP of Senate President Pimentel.

Definitely the Estrada's camp and allies will use all their resources to be in power again at the order to stop the persecution against him at the minimum or to be in power again at the maximum through both constitutional and extra constitutional meaning a coup d' tat. Already at this period President Arroyo has warned that she will crush any attempt to destabilise her government. Since January 20, the Philippine military has been put on constant Red Alert in their barracks.

3. In the Economic field, the Ramos factor or economic development blue print will definitely prevail. Already he was sent by President Arroyo as her special representative in Davos (Switzerland), in the World Economic Forum of the leading business officials as well as leaders of many governments in the world and he, accordingly, was able to put the Philippines in the globalisation map for the big business to exploit in exchange according to Ramos of maintaining and improving our democratic institution and good governance.

The country's comparative advantage will be again given stress like its human resources which will be systematically exported and those who will be left behind will definitely cater to the multi-national needs in a very low and underpaid salaries. By the way, in spite of the political crises as well as economic crises which the country experienced lately, the Gross Domestic Product reached from 3.3% in 2000 and the Gross National Product from 3.7% to 4.2%. The main reason for this increase is due to the dollar remittances of the Overseas Migrant Filipino Workers to their families. So we expect more repression and disregard of the overseas contract workers rights and welfare in the next few months and years. It should be remembered that the most projected cases of abuses of these workers were during the Ramos Administration.

The country's mission and vision will be re-oriented towards more opening of its market to the Capitalist globalisation in the name of putting the country and its resources to global competitiveness.

The country will find herself again in an active role in the economic activities of the Asia Pacific Economic Conference (APEC) as well as the South East Asian Economic formation.

And again, just like in the past, the lack of safety nets will not be given attention or provided for by the government to protect its Agricultural sector for the unlimited influx of imported agricultural products from different countries. Worst still, is that without building and fast-tracking of the country's basic industries it will always be dependent on imported products which will surely cause a perpetual deficit in the balance of trade of the country.

4. The Ramos Economic Development Blue Print will be based on the Mindanao factor for its success or its failure. The twin development stresses will be revived that is linking Mindanao's cities and provinces with and among themselves and making viable the domestic economic activities thru massive infrastructure development and the linking Mindanao to the markets of Brunei, Indonesia and Malaysia. Mindanao's contributions on the success of Philippine 2004 will be its rich natural resources aside from its precious human resources.

These stresses partly explain why Mindanaoans are put into strategic positions in cabinet related to infrastructure and communications and electronic industries. These are the Department of

Transportation and Communication and the Department of Public Works and Highways. Mindanao, which has been providing almost seventy percent (70%) of the agricultural and aquatic resources and almost 100% of agricultural export, is the main source of not only material resources but human resources as well for the success of the Philippine 2004.

In this context, one should also understand the role of Mr. Paul Dominguez who was appointed as Presidential Adviser for Rural Development as well as the special envoy for the South East Asian Countries. He is from Mindanao and was the point man of Ramos in Mindanao during his term as President of the country.

5. Political stability will be one of the most important projects that the Arroyo and Ramos group will be giving big consideration so that the proper atmosphere for the economic development should prosper. This is with regards to conducting Peace Talks with the CPP-NPA-NDF on the national scale and the MILF/BIAF on the Mindanao level. With regards to the former, continuing armed clashes have been going on while in the open they (Arroyo and Ramos) have been working with the open machineries of the CPP-NPA-NDF. This should be understood in the mutual convenience of these two parties, the latter believing that the current tactic would be to oust the Estrada regime being the weakest link of the ruling class and the redirect its attack on the newly and surely weak Arroyo Government even while they are conducting their peace talks.

Surely the CPP-NPA through National Democratic Front will still push through with its belligerent status, having an equal status with the Government of the Republic of the Philippines (GRP) while negotiating. And surely the GRP will hold steadfastly on its frame of negotiation, which will be anything but not outside the Philippine Constitution. Both can start with confidence building like releasing the NPA captives of two officers of the AFP and the PNP and the GRP responding by releasing some political prisoners but this will be it - they will reach a political stalemate, unless both will concede to a mutually agreed framework for their political negotiation or resolution, it will be a matter of time when the intensification of their armed clashes will take place. But this time these can be more destructive.

It will not be very different with the MILF/BIAF at present. For instance, President Arroyo has not yet withdrawn partially or totally the "all out war policy" of the Estrada's administration. And if the Ramos framework will be used for the talks this would mean the recognition of forty seven) camps of the MILF which Ramos allowed during his term and which Estrada and his generals destroyed during his short term as President.

One should expect that the big business as well as the rightist Christian groups would disagree with this approach.

Although if it will be the Ramos formula which will be used for the Peace talks with the MILF, the appointment of the retired general Eduardo Ermita as Defence Chief (Secretary of National Defence), a veteran with the GRP and MNLF negotiation during the Ramos time, will be an advantage for the GRP. This means that it will be a project of subtle integration for the Moro people and the MILF to the mainstream of Philippine Society. There will be a sort of SPCPD (Southern Philippines Council for Peace and Development) type of political and economic arrangement or this negotiation will be used by Arroyo and Ramos Administration to effect change in the 1987 Constitution by agreeing with the change of the form of the government in the country. It should be remembered that Ramos during his time as President, tried to effect a change in the 1987 Constitution because for him it (Constitution) has never been friendly to Globalisation. The peoples' united and strong opposition made him think many times before stopping with such a dangerous (politically) project. This early, one can observe again that there are identified groups with Ramos and Arroyo who are advocating a change in the form of government to Federalism. This means

another move to change the 1987 Philippine Constitution. Arrangement can be made where Mindanao for instance will be given formal independence in order to federate with other states to form a bigger and stronger united states of the Philippines.

But first, the Southern Philippines Council for Peace and Development (SPCPD) an arrangement which has trapped Nur Misuari and the MNLF integration in Philippine society; will be rendered useless and ineffective. And this can easily be done this coming 14<sup>th</sup> of May this year. A referendum will be included in local elections where people, from fourteen provinces and five cities aside from those already included in the Autonomous Region in Muslim Mindanao (ARMM), will be asked whether they want to be excluded or they want to be included in the ARMM. If the people like to be excluded, then this will be the end of Misuari's SPCPD, because even the four provinces currently under the ARMM do not want to be with the ARMM. It will be then a free hand for the Ramos - Arroyo government to do whatever they like with the unwanted ARMM - which will be another big reason to change the 1987 Constitution.

If for instance, through backdoor negotiation the MILF leadership will show openness with the arrangement of an expanded ARMM then it will be done so during May 14<sup>th</sup> Elections. This means that people will now like to be included in the ARMM. It should be remembered that the Chairperson of the Commission on Elections had retired and two or three other members of the commission are retiring before May 2001. This means that the Ramos-Arroyo Administration will see to it that their replacements will be most friendly with them and easily agree with the results this tandem would want in May local elections this year and this includes the results of the ARMM referendum.

And if the MILF/BIAF will not agree with such agreement, the Ramos/Arroyo regime can develop the MNLF led SPCPD as a counter-force to the MILF. With thousands of MNLF forces who have been already integrated with the AFP and the PNP, this scenario can always be possible. It will be MNLF against the MILF. And it could be the bloodiest war in Mindanao.

What is definite though is that before any economic development should be implemented, political stability will be assured by Ramos/Arroyo Administration or even with Ramos alone. They will be ready to make political and economic concessions as long as this will not become hindrance to the implementation of the Capitalist controlled Globalisation in the country.

Meanwhile, the 2001 May election will be a gauge of the Arroyo Presidency up to 2004. And surely Ramos and his men and women will make the difference of making or unmaking of the political career of President Gloria Macapagal Arroyo in 2004 to 2008.

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## **P.S.**

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