

# **A new situation, new opportunities to advance and intensify the revolutionary movement**

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## **I. Introduction: “The character of the present crisis experienced by the ruling system in the Philippines”**

The worsening crisis experienced by the Arroyo regime at present is part of the intensifying contradictions between the working class and the ruling class. This contradiction produces splits in the ruling class and worsens the crisis of the neo-liberal globalization model as the ruling system. All the indicators of this crisis indicate that this will lead to a revolutionary situation and that whatever means the ruling class employs to retain its traditional way of ruling, it will be in a difficult position.

The issue of just leadership and the continuing legitimacy of Gloria Macapagal Arroyo to govern as President is not only an issue for the Arroyo regime, but raises the question of the capacity of the existing forms of rule in the society to reform and change the electoral and political systems in order to effectively implement policies in the framework of neo-liberal globalization.

As time goes by, the contradictions and rifts within the ruling class are very visible. The Arroyo regime and its camp are using all their resources to protect their own interest. A big part of the ruling class is angry against the Arroyo regime because the regime has endangered its interests.

As the Arroyo regime tries to maintain its political power, it becomes vulnerable to the opportunistic traditional politicians who forced themselves into the regime while at the same protecting their own interests. Although they disguised themselves as supporters of the Arroyo regime, their underlying motives are clearly manifested, which will lead to the self-destruction of Arroyo’s regime.

Concretely, these opportunistic tendencies of the traditional politicians surrounding GMA are very visible. For example, the camp of the former dictator Marcos said that they will support the Arroyo government if they are allowed to bury the body of Former President Marcos in the cemetery of the country’s heroes. Ramos and De Venecia and their followers put forward their demands for changes in the Charter [Constitution] and the forms of governance in the country and promised to continue supporting the Arroyo government if these demands are met. Former President Estrada, who is at present in prison, promised to reconcile with the Arroyo regime if he was released.

On the other hand, Cory Aquino strongly campaigned for Arroyo's resignation as the "supreme sacrifice" to save the country's ruling system. She has already prepared lists of people who will run the Cabinet after Arroyo resigns. The same position was taken by other traditional politicians and big capitalists, such as Danding Cojuangco who owns and controls big businesses in the country while at the same time being President of the elite's political party, the Nationalist People's Coalition (NPC). At present Danding Cojuangco is still facing charges of owning the San Miguel Corporation (SMC) and the United Coconut Planter's Bank (UCPB) and his presence in the pro-impeachment proceedings headed by Congressman Escudero, the minority leader who belongs to the NPC, could be problematic for the overall movement.

But the most significant factor that will push for the rapid destruction of the Arroyo camp is the conflict of interests between the US imperialists, including the structures of neo-liberal globalization, who will readily abandon local agents like the Arroyo regime in order to salvage and protect their general interests in the Philippines. The US imperialism will force the Arroyo government to fully implement neo-liberal policies, such as E-VAT, which is detrimental to the reforms that Arroyo is promising in order to hold on to political power. For the US imperialists it is a question of defending the strategic interests of neo-liberal globalization against the tactical interests of the Arroyo regime.

However, the most decisive force that will annihilate the Arroyo regime and the US imperialists in the country is the mass movement of the working class. A large majority, 80 percent of the toiling masses in the country, support the ousting of GMA as president. The majority want to oust the president by means other than the legal processes.

US imperialism is correct in its analysis that the opposition bloc to the Arroyo regime and the pro-impeachment movement from the organized forces of the masses are fragmented and are not united in terms of their analysis and on how to resolve the present crisis. However, as the process of resolving the crisis is prolonged and the ruling class is fragmented, this will provide an opportunity to consolidate the organized forces at the ground level and reach out to the broadest number of unorganized people in order to strengthen the alliance against Arroyo that will advance the decisive blow against the Arroyo regime and the US imperialists.

At present the Arroyo regime is exerting all its influence and political power to compromise and negotiate with the opposition block, using the country's money to support her administration and offering them higher positions in the government in order to obtain their support for her administration. These desperate efforts by the Arroyo regime even involve selling out the Philippine Constitution, where charter change was presented (in the middle of the strong "Resign GMA" campaign, as a diversion from the real issues) in order to ensure the continued support of the Ramos and De Venecia camp to her administration. There was rampant bribing of members of Congress to stop them signing the impeachment petition, and even those who had already signed it were bribed to withdraw their signatures. Billions of Philippine pesos coming from government funds were spent just to stop the impeachment proceedings in the House of Congress. Those who promised not to sign the impeachment proceedings received 5 million pesos and those who withdrew their signatures received 10 million pesos. The government even used the funds from the road users' tax, which amounted to more than five billion pesos (Php 5B), to enable Arroyo to retain her presidency. If the impeachment proceedings drag on, then more money from the government funds will be spent, until Arroyo has siphoned off all the government funds.

The counter-offensives by the diehard supporters of Arroyo's regime are continuing and various attacks are launched to defend her, by people such as Mike Defensor, Raul Gonzales, Ignacio Bunye, some members of the House of Congress and some from the business sector, and the Church. They will use all means to defend the Arroyo regime and to repress all the mass movements and weaken

the opposition bloc.

But the fall of the Arroyo regime is inevitable, and this is the dominant opinion of the masses of people in the country. The only question left open is when it will happen. The disguised support of those opportunist traditional politicians for Arroyo's regime has prolonged the process, but will even make it more difficult. And the strong and intensifying mass protests against the Arroyo regime have hastened the process of weakening her administration.

It is crystal clear that the present crisis did not start with the Arroyo regime and it is not the case that replacing another President in the country will resolve the crisis. This is not just a crisis of the existing forms and systems of governance in the Philippines. It is a general crisis of the ruling systems of which the Arroyo regime is part. It is a crisis of the neo-liberal globalization model, which is primarily sponsored by the US imperialists. The prevailing economic model in our country is patterned on neo-liberal globalization policies such as deregulation, privatization and liberalization of our trading in the world market, which have placed the Philippines in a losing situation where deficits have been incurred and our economy only survives through our foreign borrowings.

The existing political system, which only protects the interests of the imperialists and big capitalists in the country, systematically oppresses the working class. This political system has prevented and curtailed the democratic movements and interests of the masses in the name of defending national interests against terrorism. The form of governance and the continuing fraudulent and dirty electoral systems which the ruling class can freely manipulate to their own advantage and interests are concrete. What has happened to the current Arroyo regime has only triggered off and exposed the crisis. The way to resolve the current crisis is to install alternative socio-economic and political systems system in the country. The diehard efforts of the Arroyo camp to retain their political power can only delay the dismantling of this regime. And the role of the US imperialists is important in the process of delaying the fall of the Arroyo regime and the armed forces of the Philippines.

## **II. Brief historical account of the current crisis and its intensification.**

For the past few months, since the explosion of the scandals concerning President Arroyo and her family, it can be observed that in the ruling class, both the opposition bloc and the Arroyo camp have started throwing public accusations at each other about the dirty politics they have been, and still are, engaged in. Once the scandals of the Arroyo regime were revealed to the public, the Arroyo camp went on the defensive and started mobilizing all their resources and options, and using the whole state machinery to hold on to their political power. In this situation, the masses of people are the losers, since the government that they installed through "democratic process" is no longer serving their interests and has totally ignored them.

From the question of jueteng to the scandalous call of Pres. Arroyo to the Comelec official, revealed by the "Hello Garci..." tapes, her administration suffered severe blows and she was at first helpless to defend her position. When the jueteng scandals of her family were revealed, GMA could hardly explain it to the public, and furthermore that she was not able to respond quickly on the "Hello Garci..." tapes. She was forced to make a public apology about the call to Garcillano, the COMELEC official, which she accepted in her apology speech as "judgment lapses", but the masses of people did not accept the apology and were more angry about what the President had done.

July 8, 2005 day was the most difficult day for Arroyo since she took power as President of the Philippines. On that day, there were several protests and mass demonstrations from her closest allies and her political colleagues, such as Former President Corazon Aquino calling for her quick resignation as President. Not only that, but the "Hyatt 10", comprising her close friends in politics

and her economic and social teams not only resigned from their posts but also supported the general call for her to step down from her throne and resign. The Liberal Party, whose President is Senator Franklin Drilon, the Senate President and a former ally of Arroyo, and the Makati Business Club which represents the business sector were also campaigning for her resignation.

From that day on, the Arroyo regime was already shaky, and mass protests escalated under the general slogan of "Gloria resign", until the moment when the former Pres. Ramos and Jose De Venecia, Speaker of the House of Congress, offered to support the Arroyo regime only if she accepted the proposal for Charter Change, which would be the key to changing the government system and the forms of ruling the country. Besides Ramos and De Venecia, who acted as the saving grace of Arroyo's administration, the neutral position of the Catholic Bishops' Conference in the Philippines, or CBCP, and the position of the armed forces of the Philippines (the PNP and the AFP) greatly helped to keep the Arroyo regime alive, since in the context they essentially took a political position in favour of Arroyo remaining in power.

Since July 8 until July 25, the day when Arroyo delivered her State of the Nation Address (SONA), the Arroyo regime was on the defensive.

The position and the attitude of the US imperialists when the Arroyo regime was attacked was surprising. On the day when Arroyo was called on to resign (July 8), several statements were made by the highest officials of the US embassy, saying that they would respect the Charter of the country and the peaceful and constitutional process of resolving the present crisis faced by Arroyo and the country. When asked by some representatives of the media if they would continue to support the Arroyo regime, their only answer was the same - that they would support peaceful means and constitutional procedures to resolve the crisis.

#### **A. The Arroyo and Estrada regimes are the same, nothing has changed.**

Let us recall the position of Arroyo during her first year in power (2002), when she announced that she would not run for the presidency in the next national election of 2004. The primary reason for this position was that she received the lowest rating in the opinion polls regarding support for, and trust in her administration. She announced that if her not running for presidency in the next national election would unite the forces in the country, then she was willing to make that sacrifice to serve the national interest.

It should be remembered that when Arroyo came to power the most urgent issue facing her administration was the grave poverty suffered by the people because of the skyrocketing prices of basic commodities and oil, and the imposition of new tax laws that were a heavy burdened for the mass of the people, while at the same time Arroyo's family was enjoying a comfortable life by stealing the country's resources. Moreover, former Pres. Estrada was toppled from power because of rampant corruption and his connections to illegal gambling, called "jeuteng". Estrada didn't finish his term as President and only remained in power for a little more than 2 years. During this period that Philippines was ranked as the fifth most corrupt country in the whole world, and the second in Asia.

GMA and the people behind her, especially her husband, realised that the people were already discontented with her administration, and that if this continued and no solutions to the country's problems were implemented, then it would put at risk their strategic plan of running in the 2004 national election.

After Pres. Estrada was toppled, it was clear that the masses of people had high hopes in the newly installed Arroyo administration and expected that GMA would implement decisive policies and programs to address the problems of poverty, corruption, and unemployment. These are the main

reasons why GMA came to power after a historical breakthrough in which a very popular President, who had got the highest support from the masses in the election, was overthrown through the popular protest known as "EDSA 2".

The spontaneous movement of the masses to exercise their political power is directed against a corrupt President who uses her power and influence to protect her illegal gambling operations and rampant embezzling of the country's money for her own interest and advantages. Above all, this mass political power is not intended to overthrow a corrupt and selfish President and install another more corrupt one.

It is very clear now that the two presidents (former Pres. Estrada and current Pres. Arroyo) are the same and that both of them are avid implementers of neo-liberal policies in the country, protectors of illegal gambling - "jueteng" - and big capitalists. Both of them enjoyed protection from the bureaucracy, from the armed forces of the Philippines, from the Church hierarchy and from other religious fundamentalist groups.

Both GMA and Estrada used war as the instrument to achieve peace, with the perspective that through the military strength of the state the country would progress and develop. Behind them is the dictate of the US imperialists to repress all progressive movements campaigning against war and working for sustainable peace and development in the country. Thus, both of them use military offensives to launch the campaign of war against terrorism, in order to conceal the real intention of the state, which is to fully implement neo-liberal policies and protect their class interests. Moreover, through war they will get the support of the military generals within the armed forces, offering them the perspective of promotion as well as sources of corruption.

In essence, there is no difference between the two presidents in terms of policies and corruption, but Arroyo's corruption and fraud is more open and visible. Under her government, the Philippines is rated the poorest country in Asia, on the same level as Cambodia and Laos, because more than 100 billion pesos of the country's resources are embezzled by government officials every year.

But the maneuverings of Arroyo to stay in power are worse than Estrada. She is ready to sacrifice anyone and anything, to lie in public, buy people, and use every means just to stay in power. That is all there was in her announcement that she would not run in the May 2004 national election in order to unite the people and to enjoy peace in our country.

**B. The national election of May 10, 2004 and the efforts of the GMA camp to consolidate itself were demonstrated that the ruling class is having difficulty in ruling in the traditional way.**

GMA had all the luck and advantages on her side when she took power as President because of the massive protest of the working masses and their strong political mobilisation to oust Estrada in 2001. First of all, she became President without spending a single cent (to run for President in the country you need to have 1.5 billion pesos to have a reasonable chance of winning); secondly, she had a three-year period in power (2001-2004) that gave her a chance to prepare for the next election, which was also a free ride, because she appointed her own people to strategic positions in the government, such as the head of the Commission on Election (e.g. Garcillano and others), the Supreme Court, the Armed force of the Philippines (AFP), the Philippine National Police (PNP), and the Department of Public Works and Highways. She used her power as President and also her influence to give protection and favor to the business sector, contractors, warlords, drug lords and jueteng lords; thirdly, she had the chance to show the US imperialists that she could be their reliable and trusted ally, compared to other traditional politicians in the country; fourthly, she had enough time to make strategic plans and implement some reforms that could build up her popularity for the

next election.

But what we witnessed during the three years of her Presidency before the May 10, 2004 election was nothing but the preparation for her plan to run in the next election, in order to ensure victory and to have another six years in power. In fact she had to lie once again to the people by announcing a year before the election that she would not run for President, because the masses of people were already discontented with her administration. There was also a mutiny of young officers of the armed forces (the Magdalo mutiny) demanding her resignation for rampant corruption and for using the AFP for her political and personal interest.

In fact, before the May 10, 2004 election big business and global capitalists were already threatened, because the Arroyo regime was ready to use anyone and any means just to stay in power and to gain more favor for her family and the jueteng business of her husband. Even the US imperialist campaign of the war against terrorism was not immune. Arroyo planned to use it to gain more influence, but she could easily withdraw from it if her position was at risk. This was concretely shown when the Angelo de la Cruz case erupted (a migrant worker who was abducted in Iraq). Then, GMA stopped her active involvement with the "Coalition of the Willing" in the war against Iraq led by the US imperialists and Great Britain. The interests of the global capitalists and the masses of people are contradictory and irreconcilable, but the Arroyo regime wants to get the support of both for her advantage and self-interest.

During the same period the US imperialists floated the idea of a "regime change" and ordered their agents in the Philippines to implement the change while the revolutionary movement in the country was fragmented. The US imperialists had already started to investigate and find forces from within the ruling class as an alternative of GMA. This plan did not materialise due to the fact that some of the ruling class elites who are in the opposition bloc to the Arroyo regime were not united in their position.

However, the US imperialists already expected that Fernando Poe Jr. popularly known as "FPJ", who ran for president, and Loren Legarda for vice-president, would win the May 2004 national election. The US imperialists were alerted at that time of GMA's plan to manipulate the election in order to win. What the US imperialists tried to ensure during the election was that peaceful and so-called "democratic" processes would be opted for when the people discovered the manipulations and deception of the Arroyo regime.

It was very obvious that the Arroyo regime would be successful in its grand plan for victory in the national election, due to its preparation and use of any tactical means to retain power. The splits and weaknesses of the traditional opposition bloc also helped the Arroyo regime to be stronger and to conceal the election fraud. The national election of 2004 also revealed new and complicated ways of election fraud, such as propagating the news that GMA has had the majority of votes in Cebu and Ilo-ilo. This kind of tactic was to cover the massive vote buying by GMA in Mindanao and to create a diversion and justify her winning votes are in the above-mentioned areas. In Mindanao, GMA obtained the highest votes due to massive vote -buying, especially in the Autonomous Region of Muslim Mindanao (ARMM) where the head of the Commission on election is Andal, whose son is now the governor of the ARMM with GMA's blessing.

The fraud carried out by the Arroyo regime created a new situation. The purpose of bourgeois elections is to resolve the contradictions within the ruling class and to divert the intensifying sentiments of the masses of people for genuine change. What was in fact revealed was the complete weakness of the bourgeoisie to run the government and resolve the conflicts in the society, and their difficulty in carrying out the traditional system of ruling the country. The greediness of GMA to stay in power only weakens the bourgeois structures whose function is to continue exploiting the masses

of people in the country. The sectarian interests of GMA triggered the fragmentation and weakening of the ruling class and the dominant oppressive system that they are protecting. On the other hand, this created a favorable situation and unique opportunities for the exploited and oppressed class to unite in order to protect its class-based interests.

Up to now, many of the traditional politicians who ran for president and vice-president cannot accept that they lost the election. All of them filed election protests against the victory of GMA and Noli de Castro. The death of FPJ, the most popular candidate for president, right after the election, did not stop those who filed their election protests against GMA's fraud, but rather reinforced the situation and created the opportunity to push forward the wife of FPJ, Susan Roces, as the new leader of the opposition.

The current fragile situation of the ruling class also created the opportunity for the working class to push forward and affirm the national character of the political struggle of the masses, and this will gradually strengthen and consolidate the forces of the working class to fully seize political power at the right moment.

### **C. The self-serving interests of Arroyo family are aggravating the crisis experienced by the ruling system**

The continuing crisis and weakening of the dominant neo-liberal capitalist system in the country is attributable to the conflicts and contradictions within the ruling class. This on the other hand intensifies and expands the struggle of the working class to change the dominant oppressive system. However, part of the ruling class that represents the interest of the bourgeoisie became the weakest link by enforcing its oppressive character.

The Arroyo regime and her family created their own structures through their connections to those who pretend to be part of civil society, but the interests they are protecting are those of the ruling system. GMA's husband personally appointed the people who run the most strategic positions in the government agencies and who got the highest budget allocations, namely PAGCOR, the Department of Finance (DOF), the Department of Budget and Management (DBM), the Department of Public Works and Highways (DPWH), Ninoy Aquino International Airport (NAIA), Customs, the Bureau of Internal Revenue (BIR), and others. The Arroyo family got all the major positions and left nothing to other traditional ruling class politicians. Thus, it is not surprising that the sector of the ruling class which didn't get any share of government positions or favors is the one that first came out and called for the resignation of GMA - the Makati Business Club, the Ayala Group, Concepcion, and others.

The Arroyo regime and her family installed another version of cronyism. And they directly manage their own people in a "hands on" way to ensure that they will get their undying loyalty, especially through the use of funds.

The Arroyo regime is ready to turn its back on US imperialist interests and the global capitalists, just to salvage and protect its own interests.

It should be remembered that GMA left the "Coalition of the Willing" when her power was at risk because of the massive protests of the masses of people on the Angelo de la Cruz issue, an Overseas Filipino Worker (OFW) in Iraq who was abducted because of Iraq's anger at the Philippines' intervention in the war against them.

It should also be remembered that GMA abruptly stopped the implementation of the Expanded Value Added Tax (EVAT) when there was a massive popular protest in the country.

All these means are used by the Arroyo regime, not because she is in favor of the interests of the



people of the country, but because she wanted to protect herself and to stay in power as the President of the Philippines.

We can say that GMA is not always concerned with protecting the interests of the ruling class, because she also puts their interests at risk, such as when she suddenly withdrew from the US imperialist-initiated alliance against terrorism that is the "Coalition of the Willing", nor with protecting the interests of the global capitalists. The reaction of US imperialism was manifested by the reduction of their aid for the war against terrorism and by an increase in the interest rates for the loans from the global financial institutions that extend borrowing facilities to Third World countries.

In this context, we can easily understand the early involvement of the local and big capitalists to oust GMA. And also the use of Makati (the business center of the country) during protests, not only because of Mayor Binay, who is one of the opposition leaders and Makati City mayor, but also because the big capitalists gave their permission in order to convey their message to Pres. Arroyo.

#### **D. The methods employed by GMA to continue ruling, and the uncertainty as to how long these methods will function**

As mentioned in the introduction, GMA rose to power without any effort and without spending any money, as a result of the political power of the masses at EDSA 2. It should be remembered that during the EDSA 2 struggle by the masses of the people in the country, Pres. Arroyo was not in the country. She went to another country, and there she waited until her proclamation as President was ensured before returning. GMA resigned from her position as Secretary of the Department of Social Welfare and Development (DSWD) when she saw that Estrada's regime was already collapsing. This is how opportunistic GMA is, because she really ensured that everything would be favorable for her before she resigned such a high-level public position.

GMA's tactics can be seen in the way she carried out fraud during the election, in her lying to the public about her conversation with Comelec Officer Garcillano until she could no longer deny it, in the way she maneuvers with relation to the splits and disunity of her opponents, and in the bribery and intimidation of the members of the Congress who are pro-impeachment.

When the scandal of the "Hello Garci" tape exploded in public she tried to deceive the public through creating two versions of the scandalous tapes in order to confuse the people and to discredit the reliability of the "Hello Garci" tape. Remember that before the tape was revealed in public, the Arroyo camp had already made initial steps in public through GMA spokesperson Bunye. But the result of these attempts by the Arroyo camp to discredit the tape was a reverse reaction by the public, because it created more curiosity about how scandalous the "Hello Garci" tape was. When it had already been proved that the voice on the tape was GMA's and it could no longer be denied, Pres. Arroyo threatened that Secretary of Justice Raul Gonzales would file charges against those who listened to the "Hello Garci" tape. The House of Congress was also interested in investigating the tape.

The Arroyo regime was clearly affected and threatened by the "Hello Garci" tape, because when it had not yet been revealed in public there was an ongoing investigation by the Senate into the illegal gambling or "jueteng", in which Arroyo's family was involved, from her husband and son down to her brother-in-law.

Every day, as the Senate investigation continued and then the scandalous "Hello Garci" tape was revealed in public, the Arroyo camp became more and more defensive, and for three weeks it was silent about the issues attacks on her. This silence made the people believe that the voice on the

tape was really the President herself. After the “Hello Garci” tape scandal, it was popularly believed that GMA won the national election as President because of her massive vote buying scheme and other fraudulent acts and plans like the appointment of Commissioner Garcillano in the Commission on Election (COMELEC) three months before the national election.

The family of GMA was also divided in terms of supporting her, not including those who come from the business sector. During that time the mass movement calling for “Gloria resign” started and gradually the issue against GMA was shaped into more concrete demands and actions which were “GMA Resign” and “OUST GMA”. The impeachment plan was also forming at that time, though it was still weak.

After a three-week silence, GMA appeared to the public and accepted that the voice from the “Hello Garci” tape was hers. She made an apology to the public, saying that talking with Commissioner Garcillano during the election was a “judgment lapse” and appealed to their pity for her apology to be accepted. However, the long silence of GMA before she accepted the truth made the people angry and triggered the increasing mass mobilization on the streets demanding Arroyo’s immediate resignation. The mass mobilization gradually took on a national scale, where all the islands of the Philippine archipelago participated on the “Gloria resign” movement, and even within the Arroyo camp there were forces who defected and joined the “Gloria resign” movement.

The national mass protest for “Gloria resign” reached its peak on the 8<sup>th</sup> of July when there were 10 members of GMA’s Cabinet who resigned, including her economic and social teams. Also, the Liberal party left the ruling party coalition when former Pres. Cory Aquino and the big capitalists within the Makati Business Club joined the national protest calling for “Gloria resign” in order to save the country.

But the neutral position of the AFP/PNP, the hierarchy of the Catholic Church, and former President Ramos and Speaker of the House Jose de Venecia gave GMA a breathing space and time to prepare her counter-maneuvers to the attacks on her administration.

GMA asked for the voluntary “exile” of her husband and children and asked the Court for more time in the impeachment process at the House of Congress. The main objective of the Arroyo regime was to prolong her political life until the 25<sup>th</sup> of July when she would give her State of the Nation Address or SONA. Before the SONA, the Arroyo camp had already developed the “tit-for-tat” tactics, where all forms of media offensives and counter-maneuvers were used to defend her administration. One form was to organize the pro-Gloria mass mobilization in Manila to counter the “Gloria resign” mass protests in Makati. The position of the Liberal Party was questioned by some of the members of the party who are GMA loyalists. The position of the Makati Business Club was also questioned by some of its members who are GMA loyalists. The position of the private schools calling for Gloria resign was countered by mobilizing the alumni associations in order to show that their position was not supported by all their constituents.

Even the Philippine Constitution was used and sold by GMA in order to stay in power. GMA loyalists from Mindanao and Visayas used the Charter Change as an instrument to intimidate their opponents and warned that if ever Gloria was forced to resign then they were ready to separate from the country and adopt a federal form of government, on the grounds that it is only Manila that decides the whole affairs of the country. This federal movement, in which mayors and governors participated, did not initiate free and democratic processes to consult the basic masses from the areas they want to separate from the country.

During the SONA, the Arroyo camp took measure to spend money for the travel of those invited local government units (LGUs) officials in order to fill the vacant seats of the members of the Congress

and Senate who boycotted the SONA event. It is a historic event for members of the Congress and Senate not to be present at the SONA. And GMA was able to show to the country and to the whole world that she had the support of the people. Other than spending money on them, the LGUs were also offered the Charter Change proposal in order to integrate the interests of these local officials. And GMA totally ignored the "Hello Garci" tape in her SONA. She successfully diverted the "Hello Garci" tape towards the argument that the problems of the country were created from the loopholes and defects of the 1987 Constitution.

GMA was successful in gaining time and in buying officials and people in order to position her counter-offensives. These became her major strengths, which serve as the bases for her to continue in power and to quell the impeachment issue against her.

The impeachment process that she asked for during that time when she was on the defensive was already countered so that it would not happen. The die-hard puppets of GMA in the House of Congress already made some steps to counter the impeachment process. The first visible step that they made was to file ahead an impeachment case through Atty. Oliver Lozano (GMA's puppet) which presented very weak arguments, and this was supported by a GMA loyalist in the Congress, the representative of the Alagad Party-list Congressman Marcolita. It was obviously done in order to prevent the genuine impeachment case being filed by the opposition with strong arguments and evidence. It is a policy in the House of Congress that you can only file one impeachment case against a higher official in the country, such as the President. This political maneuvering in the House of Congress was done through the Committee on Justice under the leadership of Simeon Datumanong, who is a former Marcos loyalist. The purpose of the planned maneuver is to prevent the impeachment case reaching the Senate house since the Arroyo regime is still working on its political influence over Senator Drilon who is the current Senate President.

Moreover, the members of the Congress who are in favor of the impeachment process were also bribed with money and projects to change their decision, while those who are not in favor were given more projects and funds by GMA. The opposition in the House of Congress which is working on the impeachment case to overthrow GMA is faced with all those pressures and forces against their moves. But the masses of people already anticipated that the impeachment process in the Congress could be maneuvered by GMA, and that was what happened.

The country is now confronted with a rare and wicked species of animal, which is now living in Malacanang.

### **III. The crisis of the ruling system of the country is part of the worsening crisis of the neo-liberal globalization system dominated by US imperialism**

#### **A. Brief description of the world situation dominated by the US war against terrorism and by neo-liberal globalization.**

The 9/11 phenomenon in the United States dictates what the world will be like in the future. US imperialism effectively utilized the 9/11 event in order to advance neo-liberal globalization ideology and their own interests. US imperialism effectively led the war against terrorism as the armed and military form of neo-liberal globalization. It has made the world believe that the war against terrorism is legitimate, but behind this is the new form of conquest that US imperialism has designed, which was also done during the "Cold War" situation.

Under the leadership of President Bush, the US imperialism has been able to create a grand scheme in the guise of "terrorist" attacks, which was the main argument during the 9/11 event, and it was

widely argued in other countries and within the US itself that the country was facing terrorist attacks and that US imperialism should launch preventive wars against the main terrorists: Osama bin Laden, Saddam Hussein, the Talibans, Jemayah Al Islamiyah, Abu Sayyaf. In order to develop a rigorous ideological campaign against terrorism, US imperialism linked terrorism to Islamic fundamentalism and extremism. The US imperialism forcibly imposed on all nations the need to wage war against terrorism, to the extent that those countries who will not join the crusade are labeled as in favor of terrorism. For those who joined the crusade of the war against terrorism, the so-called "Coalition of the Willing" was used to attack Iraq and its people.

These preventive wars launched by US imperialism are always targeted at specific countries and personalities which are linked to terrorism. It is necessary for those personalities projected as terrorists to be alive, so that there will be a sound basis for the campaign. This is what happened with the wars in Afghanistan and Iraq, and is now also being used as the basis for preparing war against North Korea and Iran. The US also included Venezuela because President Hugo Chavez did not adapt to their selfish interests. These preventive wars are only focused on specific countries, because of the common arguments and forms used, and the reasons advanced, such as production and development of nuclear arms.

This is the new form of conquest under neo-liberal globalization, with its strong military interventions through the war against terrorism. It might be appropriate to call it "neo-imperialism", in which the armed component is the major form of intervention used by imperialist countries against weak and small countries.

But when the Arroyo regime experiences a grave political crisis, all her loyalists in the Congress and Senate are willing to sacrifice the interests of the global capitalists just to ensure above all their own political survival and overcome the crisis they are currently facing.

When EVAT was approved, the law was enforced right away, without even waiting for 24 hours, because of the eagerness of the Arroyo camp to collect more taxes from the people. But when the Arroyo crisis happened they immediately stopped implementation of EVAT by asking the Supreme Court to issue a Temporary Restraining Order (TRO). During that period when EVAT was enforced and GMA's tape scandal exploded, the majority of the Filipino masses were angry and initiated a series of protest actions against GMA calling for her immediate resignation.

GMA didn't give any attention to the warnings of the international financial institutions that they would change the Philippines' credit rating into negative, She gave priority to her political interests and survival rather than taking responsibility for the nation's economy.

In the first week of September 2005, the Supreme Court lifted the Temporary Restraining Order (TRO) of EVAT implementation and announced that its implementation would be resumed 15 days after the TRO was lifted. The 15 days grace period gave time for the Arroyo regime to maneuver, since it had succeeded in preventing the impeachment proceedings in the Lower House, and it gave them time to gauge the possible reactions of the broad masses. They then announced that the 15 days grace period before the resumption of EVAT implementation was to give ample time for the reconsideration of the EVAT Law. This is another example of political maneuver by the Arroyo regime, pretending that it abides by the policies of the global capitalists in order to please them, while one of her economic advisers filed another motion for reconsideration in the Supreme Court in order to stop EVAT implementation. They also launched a campaign in the Lower House, where a number of members of Congress are supporting this motion. The campaign against EVAT is conducted by the Arroyo camp as energetically as the campaign when they wanted to legislate and implement the EVAT. It has nothing to do with GMA's changing over to the people's side. This is a tactical step in order to stabilize her administration after having overcome the impeachment threat

in the Congress.

After the successful plot to prevent the impeachment case in the Congress, using the dirtiest measures like buying the integrity of the members of the Congress, bribing, and intimidating tactics, now the Arroyo camp shifted its focus to the EVAT issue and the proposed Charter Change.

The worsening conflicts between the Arroyo camp and the implementation of the interests and policies of the global capitalists doesn't mean that GMA protected the people's interests in the Philippines, she defended only her own selfish power interests.

Political and economic developments in the country over the coming months will come from the reactions of the two opposing groups, that is, the people and the global capitalists, against GMA. The mass mobilizations have continued through organised and unorganised mass movements against the skyrocketing increases in oil prices. A few days from now these mass mobilisations will accumulate strength on the national scale if the Arroyo regime also fails to prevent the resumption of EVAT implementation.

The Fragmentation and splits in the ruling class and its state machine aggravate the difficulties for the Arroyo regime to hold on to power

Glancing at the pages of the country's history, no single event happened where the conflicts within the ruling class were clearly visible to the public, because the ruling administration could easily cover over the rift and even resolved the crisis in order to be united in ruling the country. This is a sharp contrast with what happened to the Arroyo regime, because it is inherent in its character to create splits not only concerning the people's interests, but also in the ruling class that she represents. At a quick glance we can say that Arroyo's political strength is based on the rift that she created within the ruling class. It is difficult to understand that GMA and her regime existed because they represent the ruling class, but at the same time, from the time she came to power until now the ruling class and the leaders of the Church hierarchy have been constantly split. Even the traditional way of resolving the conflicts within the ruling class such as elections, are no longer feasible to restore unity.

The situation of the ruling class at present is largely attributable to GMA's approach and attitude in power. Her rise to power, replacing former Pres. Estrada, was the result of the EDSA 2 people's power, whose legitimacy has up to now been questioned by many people; especially from the ruling class. Her second term has been the most controversial, when all her electoral fraud was revealed in public and 80% of the people did not believe that her victory in the election was honest and legitimate. Even the rejection of the impeachment case in the Congress did not give legitimacy to GMA's presidency. A recent survey after the impeachment proceedings were stopped in the Congress showed that 80% of the population still believes that GMA is in power because of massive electoral fraud and regards what happened in the Congress as a merely technical and legal procedure that was successfully manipulated by her puppets in the Congress through the Committee on Justice.

It is very true what Susan Roces, the widow of the former presidential candidate FPJ, said: GMA stole the presidency not only once but twice. It is popularly known that the real winner of the recent national election was Fernando Poe Jr. (FPJ) and not GMA.

On the other hand, the weakness of GMA, in terms of popular support and legitimacy, became a strength, helping her to remain as the President because the ruling elites outside the Arroyo camp are in rivalry with another, each claiming that it is only her or him who is fit to become President. This is what happened in the recent national election of May 10, 2004. But this present scenario is

very tactical, because in the long run the ruling class will gradually unite and be one in saving the dominant system that rules the country. The ruling class is always aware of the fact that if they remain fragmented then the oppressed class will seize this opportunity and will advance its cause to end exploitation and oppression and annihilate the present dominant system in the country under the leadership of GMA and the global capitalists led by US imperialism. And if the ruling class is again united, the backlash will be worse for the situation of the oppressed class.

However, the escalating mass mobilisations by the organised and unorganised masses have involved almost all sectors of the population affected by the severe economic crisis, and they firmly believe that GMA's resignation will appease the situation. The former factions of the opposition to GMA are now forming an alliance against her. The pro- and anti-Marcos, the pro- and anti-Aquino, the pro- and anti-Ramos and the pro- and anti-Estrada groups are now working together in one network calling for GMA's resignation.

Although it was widely believed that GMA could be removed from power by peaceful and constitutional processes, what happened in the Congress when the Arroyo camp manipulated the impeachment case is pushing the opposition bloc to consider other options and forms other than the legal processes.

The measures taken by the Arroyo camp to stop the impeachment case in the Congress were publicly known, and her resort to the dirtiest tactics ever employed made the people discontented and angrier with GMA.

The mass movements are continuing at present, and now the middle layers in society are starting join the Gloria Resign movement; Opposition is coming from teachers and students in the exclusive schools run by influential Congregations of the Catholic Church. Most of the students of these exclusive schools are sons and daughters of the ruling elites. Their pressure to challenge the legitimacy of GMA's presidency will have an impact on the overall situation in the country.

There are some leaders of the Catholic Church hierarchy who have started to question their official position on GMA's resignation. The dirtiest measures employed by the Arroyo regime to bribe Congress members were also used in relation to the Church. Arroyo bribed the Church through donating huge amounts of money from PAGCOR or the government agency that runs the national lotteries to selected bishops, who then became blind and deaf to the problems of the country.

The split within the Catholic Church hierarchy has become visible under GMA's administration. This has never happened before.

In this situation of political and economic crisis, the organised revolutionary groups are gaining strength and consolidating their ranks, and they are gradually directing the mass mobilisations of the people towards the total annihilation and dismantling of the dominant elite system in the country.

The faction of the ruling class who have joined the anti-GMA movement are also losing hope that GMA will be replaced through peaceful and constitutional means. The loss of confidence in these peaceful and constitutional approaches was also shown when Vice-President Noli de Castro was weakened but still remained in power. On the other hand, they are more afraid that the revolutionary groups and organised forces will gain more strength and popular support.

In this context, the ruling opposition is consolidating its own ranks, and this process is made more complicated because this group of elites are afraid that they could be penetrated by GMA loyalists. They have also established a secret alliance with the military: They have gradually rejected

constitutional means of resolving their conflicts and protecting their class interests. Through the natural channel of international trade they have also attempted to express their sentiments to the US imperialist policy-makers.

If the shaky situation of the ruling class and the self-serving interests of GMA continue for a prolonged period it will lead to the downfall of the dominant system. It is as if they were digging up their own grave.

Even GMA is being too confident by claiming the support of local government units to her administration. This has no basis at all. In the overall political scenario, it is especially those ruling elites who have run the country in traditional ways, with their party machines, since the dictatorship of Marcos who are now on the defensive and in a weak position. When the dictatorial regime of Marcos closed down democratic institutions, including those in the electoral apparatus, it had negative effects that have lasted until the present period. As the traditional politicians say, it is more difficult to change your coat than to change your electoral party affiliation. Even party platforms and loyalty to the party have no sense at all. So the traditional politicians will only support the party they are affiliated with as long as this party protects their interests, and if ever the party puts their political career at risk then they can easily change to another party, even if this party was previously their enemy.

To remain President and retain political power, GMA is counting on her wealth and her dexterity in stealing the wealth of the country in order to sustain her loyalists in the Congress and in the local government units.

#### **E. Brief description of the world situation dominated by the US war against terrorism and by neo-liberal globalization.**

Since the impeachment process was derailed in the Congress, GMA has been trying to show signs of having already overcome the political crisis, using all the government resources, especially the media, to promote the idea that the situation is now back to normal. Now she claims that the continuing protest actions from the opposition bloc, middle class forces, and the masses of the Filipino people are the causes of the country's underdevelopment. The Arroyo camp accuses the anti-GMA movement of being the main factor in the economic and political crisis of the country. GMA is ready to spend another billion pesos to regain her image while continuing to attack the opposition bloc.

Now it is also the time that she has to settle the payments to all the members of the Congress that she bought during the impeachment proceedings, and to punish those members of the Congress who were in favor of the impeachment proceedings.

Now it is also the time that she has to pay attention to the options laid down by Former Pres. Arroyo and Speaker De Venecia in order to change the forms of governance from presidential and bicameral forms into parliamentary and unicameral forms. This is the payment that was asked for by Ramos and De Venecia for continuing their support to GMA. This also implies that she would have to end her term next year in order to implement the changes in the Charter. GMA will only show sincerity towards any proposals as long as it will guarantee her a longer stay in power. Because of the strategic influence of Ramos and De Venecia, GMA's usual tactic of breaking her promises would be counterproductive. And because this tandem also has closer relations with US imperialism, GMA has now fallen into a trap: she won't easily be able to break her promises for Constitutional Change.

The most important issue facing the Arroyo regime at present is the aggravating economic crisis of the country and the deepening poverty of the masses of Filipino people. The crisis has intensified

due to the skyrocketing increases in oil products. This year alone there have been 19 price rises, which have increased the cost of all basic goods, commodities, and services. The implementation of EVAT in the coming days will surely lead to an escalation in the popular protest movement and to direct popular intervention in running the resources of the country.

It is clear that there is a relationship between the increasing prices of oil products and the desire of the global capitalists under the leadership of US imperialism to control oil production of oil by military means, under the guise of conducting a war against terrorism.

It is also clear that the implementation of EVAT is to enable the government of the Philippines to reassure the global financial capitalists that we can continue to pay our foreign debt to them, amidst the deepening poverty of the people, and despite the fact that the country has paid its foreign debt many times over.

In the coming days the people will find ways to survive in this desolate situation and to stop this oppression by annihilating the dominant and decadent system of governance. This will place the Arroyo regime in a dilemma: either continue the implementation of EVAT and deregulate oil industries in order to please the global capitalists; or once again ensure her political survival by not implementing their policies.

The options of GMA and of US imperialism are for resolving the current socio-political and economic crisis in a natural and peaceful means are narrowing. Now the option of using military force to defend both their the interests is widening. US imperialism could utilise the presence of "terrorist groups" in the country to sow more chaos, and in these chaotic conditions the US imperialism and the Arroyo regime could gain more political leverage.

Thus, the gradual accumulation of strength of the people's movement against grave hunger and poverty will determine the new alternatives and developments they want and resolve the ongoing contradictions within the country.