

News and Notes

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International Developments

Korean Government Offered Aid, Loans to the Philippines

Vice-President Salvador Laurel went to South Korea on a five-day official visit (October 8-13) and met with Korean Prime Minister Iho Shin Yong. Laurel reported that the Korean government offered to provide funds in the form of grants and economic assistance which will be made available upon submission of the project proposals by the Philippine government. The Vice-President also reported that the Seoul government agreed to establish a ₱20 million loan facility for communications equipment under the Economic Development Cooperation Fund next year. They also promised to decide on the request to increase Philippine export to Seoul by 109 items.

This visit of Laurel was also initiated to strengthen bilateral friendship between the two countries. He was accompanied by Trade and Industry Minister Jose Concepcion, Transportation and Communications Minister Hernando Perez, Political Affairs Minister Antonio Cuenco and Trade Deputy Minister Gloria Macapagal Arroyo.

Philippines Assured on Japanese Loans

Despite rumors of a military coup, President Corazon Aquino left for Tokyo on November 10-13 for a state visit in search of foreign aid and business investments to help rehabilitate the ailing Philippine economy. The President was accompanied by several Cabinet members, including the ministers of finance, trade and industry, economic planning, natural resources and the Central Bank Governor. This was her third state visit since she was installed to power last February 25. Before the President conferred with Japan's Prime Minister Yasuhiro Nakasone, she met privately with Emperor Hirohito who gave her the ceremonial honors due her.

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The highlight of Aquino's visit was the summit with Nakasone who promised that Japan would help her government with an almost \$1 billion funding to rebuild the Philippine economy. The Philippines was assured by the Japanese government of a \$206 million commodity loan, a \$250 million loan by the Japanese Export-Import Bank for a coal-fired power plant and of increases in regular official development assistance and was promised up to \$93 million grants-in-aid. Another \$300 million economic recovery loan is under negotiations with the Eximbank and the World Bank.

National Developments

Elections Set For May

The holding of national and local elections simultaneously on the second Sunday of May 1987 was approved by the ConCom (Constitutional Commission) last October 1 in a 34-1 vote. It was agreed upon that the national elections will be for the members of Senate and House of Representatives while the local elections will be for officials of cities, towns and provinces except barangay posts. However, this provision authored by Commissioner Hilario Davide, Jr. gave President Aquino the "flexibility" to reschedule the elections anytime next year.

ConCom Approved Draft Charter

The Constitutional Commission (ConCom) overwhelmingly approved on third and final reading the proposed 1986 Constitution. On October 12, the charter was passed by 44-2 votes of the original 48 members. The two members who cast the dissenting votes were peasant leader Jaime Tadeo and nationalist bloc leader Jose Suarez, while the remaining two members were movie director Lino Brocka who dropped out earlier on matters of principle and former Senator Decoroso Rosales who was absent due to some sickness.

Suarez and Tadeo voted against the final draft based on grounds that it was "ambiguous and far below the expectations of the masses." Suarez claimed that the draft Charter "did not only legalize the existing RP-US military bases agreement but also constitutionalize that agreement." Tadeo on the other hand explained that the constitution was designed for the elite and foreign interests and did not recognize the just aspirations and ideals of the people. He further stressed that the economic and political provisions were too weak to assure the country's stability. Another cause of disagreement was the provision on the 60-40 ownership ratio for public utilities and natural resources. Reservations were also made by seven of those who favored the adoption of the draft charter, namely, Commissioners Wilfrido

Villacorta, Luis Gascon, Minda Luz Quesada, Edmundo Garcia, Blas Ople, Ragalado Maambong and Rustico de los Reyes.

The draft 1986 Constitution consist of 18 articles with additional three salient points not found in neither the 1935 nor 1973 Constitution. These are the (1) articles on Social Justice and Human Rights; (2) the article on Education, Science and Technology, Arts, Culture and Sports; and (3) family rights. It will be presented to the people for ratification in a plebiscite in January next year.

The Aquino Cabinet Revamp

After Armed Forces Chief General Fidel Ramos confirmed that a coup was attempted on November 22, President Corazon Aquino asked her Cabinet Ministers to file courtesy resignation to give her government a "fresh start." This started when rumors of an impending coup involving Defense Minister Enrile swept Manila. Soldiers were placed on "super red alert," troops were tasked to surround TV stations and Radio Veritas, armored vehicles stood outside Aquino's home and all TV stations remained on air overnight in case Pres. Aquino wanted to address the nation. Ramos who reiterated his support behind Aquino appealed to the citizenry and to the local government officials to help maintain calm and stability in their areas of responsibility. He also directed his commanders not to follow orders coming from the Defense Ministry headed by Enrile or Ministry of National Defense Security Chief Gregorio Honasan, but to follow only orders coming from him or his authorized deputies.

The following day, November 23, Pres. Aquino called an emergency seven-hour Cabinet meeting. Enrile appeared at the palace early in the afternoon who conferred with the President for 15 minutes. After the meeting, President Aquino went on TV to tell the nation that she had asked all Cabinet members to resign and had accepted Enrile's resignation as a start of a Cabinet revamp. She further announced that major General Rafael Ilete, a West Point graduate had replaced Enrile as her new defense minister.

Following the acceptance of Enrile's resignation, the President also accepted the courtesy resignation of Natural Resources Minister Ernesto Maceda and Public Works and Highways Minister Rogaciano Mercado. Then on December 2, Aquino appointed former Assemblyman Jaime Ferrer to replace Aquilino Pimentel as the local government minister. Pimentel, however, was retained in the Cabinet in a new capacity, that of Presidential Adviser for National Affairs.

The last of the cabinet members who were replaced was Augusto Sanchez who was allowed to stay in office until the end of December to wind up

his work at the Labor Ministry. One of the reasons given for replacing him was his credibility problem, especially among the employers' group who accused him of being pro-labor because of his strong ties with the militant Kilusang Mayo Uno (KMU) labor federation.

Slow Pace of Registration

The four-day registration of voters was scheduled on two consecutive Saturdays and Sundays, December 6-7 and 13-14, to give the electorate ample time to register. The voting precincts were opened from 7 a.m. to 5 p.m. to accommodate about 300 voters per precinct as mandated by law. The first two days showed a low turn-out of registrants when only 30% of the expected 25 million have enlisted. The low turn-out was attributed to the lack of awareness among old voters that the old voters' list had been discarded and to the "Filipino trait of putting off things until the very last day." This prompted the government to issue statements warning the people that they cannot vote in the forthcoming plebiscite on the proposed new constitution in February and the elections for the national legislative and local government posts in mid-1987, if they still do not register on the remaining scheduled registration days.

In another development, Comelec Chairman Ramon Felipe, Jr. noted that the Comelec encountered no problems with regard to the attendance of Manila public elementary teachers who had earlier threatened to boycott their poll duties. He also described the first two registration days as generally peaceful and orderly with a few isolated cases where government officials interfered in the registration procedures in Metro Manila.

Cabinet Approved ₱128.8 Billion Budget for 1987

The Cabinet unanimously approved on December 5 the ₱128.8 billion government budget for 1987 which was ₱10 billion more than that of the 1986 budget. It was prepared in accordance with the five-year development program of the government which the Cabinet had approved earlier. According to President Aquino, next year's budget reflected the priorities of her government which was mainly the economic recovery program particularly "the alleviation of poverty, the generation of more productive employment, the promotion of social justice and the attainment of suitable economic growth." Social services had been given an allotment of 22% of the total budget as compared to this year's 16.6%. Social services included the Ministries of Education, Health and Social Services.

However, the biggest share in the 1987 budget would go to debt servicing or amortization of payments for the country's \$26-billion foreign

debt. This amounted to 38.5% or ₱49.6 billion of the total budget. Next was the education ministry with a total of about ₱15 billion. Education Minister Quisumbing was quoted as saying that it was the first time in 20 years that education was given the biggest share of the national budget. The budget allotted for the Defense Ministry for 1987 was only ₱11.94 billion, which was ₱3 billion less than the education budget.

Bert Romulo, the Budget Minister added that no budget was prepared for the Ministry of Human Settlements and Office of Media Affairs since they will be definitely abolished next year. He also said that the government expects to raise a revenue of ₱94 billion; the ₱19.8 billion deficit will be financed through domestic and foreign borrowings.